1	A bill to be entitled
2	An act relating to community associations; amending s.
3	194.011, F.S.; specifying that a condominium,
4	cooperative, or homeowners' association may represent
5	unit or parcel owners in certain proceedings; amending
6	s. 194.181, F.S.; specifying that a condominium,
7	cooperative, or homeowners' association may be a party
8	to an action contesting the assessment of ad valorem
9	taxes; amending s. 718.111, F.S.; revising condominium
10	association recordkeeping and financial reporting
11	requirements; revising record retention policies;
12	revising the list of documents that the association is
13	required to post online; limiting an association's
14	liability for inadvertent disclosure of protected or
15	restricted information; amending s. 718.112, F.S.;
16	revising provisions relating to required association
17	bylaws; revising board term limits; authorizing an
18	association to adopt rules for posting certain notices
19	on a website; providing responsibilities for unit
20	owners who receive electronic notices; revising and
21	providing board member recall and challenge
22	requirements; authorizing the recovery of attorney
23	fees and costs in an action to challenge the validity
24	of a board member recall; amending s. 718.113, F.S.;
25	revising voting requirements relating to alterations

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26	and additions to certain common elements or
27	association property; providing legislative findings;
28	providing that an association may not prohibit a unit
29	owner from installing an electronic vehicle charging
30	station; providing requirements for installing such
31	charging station; amending s. 718.121, F.S.; providing
32	when the installation of an electronic vehicle
33	charging station may be the basis of a lien; amending
34	s. 718.3026, F.S.; removing a provision relating to
35	certain contracts or transactions regarding conflicts
36	of interest; amending s. 718.3027, F.S.; providing
37	requirements for proposed activity that is identified
38	as a conflict of interest; amending s. 718.303, F.S.;
39	revising fine and suspension requirements; amending s.
40	718.707, F.S.; revising the time period for
41	classification as a bulk assignee or bulk buyer;
42	amending s. 719.104, F.S.; revising cooperative
43	association recordkeeping requirements; amending s.
44	719.106, F.S.; revising requirements to serve as a
45	board member; prohibiting a board member from voting
46	via e-mail; authorizing an association to adopt rules
47	for posting certain notices on a website; providing
48	responsibilities for unit owners who receive
49	electronic notices; providing that directors or
50	officers who are delinquent in certain payments owed

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51	in excess of certain periods of time be deemed to have
52	abandoned their offices; amending s. 719.107, F.S.;
53	specifying that certain services which are obtained
54	pursuant to a bulk contract are deemed a common
55	expense; amending s. 719.303, F.S.; revising fine and
56	suspension requirements; amending s. 720.303, F.S.;
57	prohibiting a board member from voting via e-mail;
58	amending s. 720.305, F.S.; revising fine and
59	suspension requirements; amending s. 720.306, F.S.;
60	requiring an association to follow certain procedures
61	when amending a governing document; providing
62	limitations on associations when a parcel owner
63	attempts to rent or lease his or her home; requiring
64	certain notices to parcel owners be delivered in
65	specified ways; revising election requirements;
66	amending s. 720.3085, F.S.; providing applicability;
67	providing an effective date.
68	
69 Be	e It Enacted by the Legislature of the State of Florida:
70	
71	Section 1. Paragraph (e) of subsection (3) of section
72 19	94.011, Florida Statutes, is amended to read:
73	194.011 Assessment notice; objections to assessments
74	(3) A petition to the value adjustment board must be in
75 sı	bstantially the form prescribed by the department.
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Notwithstanding s. 195.022, a county officer may not refuse to accept a form provided by the department for this purpose if the taxpayer chooses to use it. A petition to the value adjustment board must be signed by the taxpayer or be accompanied at the time of filing by the taxpayer's written authorization or power of attorney, unless the person filing the petition is listed in s. 194.034(1)(a). A person listed in s. 194.034(1)(a) may file a petition with a value adjustment board without the taxpayer's signature or written authorization by certifying under penalty of perjury that he or she has authorization to file the petition on behalf of the taxpayer. If a taxpayer notifies the value adjustment board that a petition has been filed for the taxpayer's property without his or her consent, the value adjustment board may require the person filing the petition to provide written authorization from the taxpayer authorizing the person to proceed with the appeal before a hearing is held. If the value adjustment board finds that a person listed in s. 194.034(1)(a) willfully and knowingly filed a petition that was not authorized by the taxpayer, the value adjustment board shall require such person to provide the taxpayer's written authorization for representation to the value adjustment board clerk before any petition filed by that person is heard, for 1 year after imposition of such requirement by the value adjustment board. A power of attorney or written authorization is valid for 1 assessment year, and a new power of attorney or

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101 written authorization by the taxpayer is required for each 102 subsequent assessment year. A petition shall also describe the 103 property by parcel number and shall be filed as follows:

104 (e)1. A condominium association as defined in s. 718.103, 105 a cooperative association as defined in s. 719.103, or any 106 homeowners' association as defined in s. 723.075, with approval 107 of its board of administration or directors, may file with the 108 value adjustment board a single joint petition on behalf of any 109 association members who own units or parcels of property which 110 the property appraiser determines are substantially similar with respect to location, proximity to amenities, number of rooms, 111 112 living area, and condition. The condominium association, cooperative association, or homeowners' association as defined 113 114 in s. 723.075 shall provide the unit or parcel owners with 115 notice of its intent to petition the value adjustment board and shall provide at least 20 days for a unit or parcel owner to 116 117 elect, in writing, that his or her unit or parcel not be 118 included in the petition.

2. An association that has filed a single joint petition
 may continue to represent the unit or parcel owners through any
 related subsequent proceeding, including judicial review under
 part II of this chapter and any appeal thereof. This
 subparagraph is intended to clarify existing law and applies to
 any pending action.
 Section 2. Subsection (2) of section 194.181, Florida

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126 Statutes, is amended to read: 127 194.181 Parties to a tax suit.-128 In any case brought by the taxpayer, or brought by a (2) 129 condominium or cooperative or association on behalf of some or 130 all owners, contesting the assessment of any property, the 131 county property appraiser shall be party defendant. In any case 132 brought by the property appraiser pursuant to s. 194.036(1)(a) 133 or (b), the taxpayer, condominium association, or cooperative 134 association shall be party defendant. In any case brought by the 135 property appraiser pursuant to s. 194.036(1)(c), the value 136 adjustment board shall be party defendant. 137 Section 3. Subsection (3), paragraphs (a), (b), and (g) of 138 subsection (12), and paragraph (e) of subsection (13) of section 139 718.111, Florida Statutes, are amended to read: 140 718.111 The association.-(3) POWER TO MANAGE CONDOMINIUM PROPERTY AND TO CONTRACT, 141 142 SUE, AND BE SUED; CONFLICT OF INTEREST.-143 The association may contract, sue, or be sued with (a) 144 respect to the exercise or nonexercise of its powers. For these purposes, the powers of the association include, but are not 145 146 limited to, the maintenance, management, and operation of the

148 (b) After control of the association is obtained by unit 149 owners other than the developer, the association may:

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1. Institute, maintain, settle, or appeal actions or

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condominium property.

151 hearings in its name on behalf of all unit owners concerning 152 matters of common interest to most or all unit owners, 153 including, but not limited to, the common elements; the roof and 154 structural components of a building or other improvements; 155 mechanical, electrical, and plumbing elements serving an 156 improvement or a building; representations of the developer 157 pertaining to any existing or proposed commonly used facilities;

158 <u>2. Protest</u> and protesting ad valorem taxes on commonly
 159 used facilities and on units; and may

160 <u>3.</u> Defend actions <u>pertaining to ad valorem taxation of</u>
 161 <u>commonly used facilities or units</u>, or related to <u>in</u> eminent
 162 domain; or

163

4. Bring inverse condemnation actions.

164 <u>(c)</u> If the association has the authority to maintain a 165 class action, the association may be joined in an action as 166 representative of that class with reference to litigation and 167 disputes involving the matters for which the association could 168 bring a class action.

(d) The association, in its own name, or on behalf of some
 or all unit owners, may institute, file, protest, maintain, or
 defend any administrative challenge, lawsuit, appeal, or other
 challenge to ad valorem taxes assessed on units or that values
 commonly used facilities or common elements. The affected
 association members are not necessary or indispensable parties
 to any such action. This paragraph is intended to clarify

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176	existing law and applies to any pending action.
177	(e) Nothing herein limits any statutory or common-law
178	right of any individual unit owner or class of unit owners to
179	bring any action without participation by the association which
180	may otherwise be available.
181	(b) An association may not hire an attorney who represents
182	the management company of the association.
183	(12) OFFICIAL RECORDS
184	(a) From the inception of the association, the association
185	shall maintain each of the following items, if applicable, which
186	constitutes the official records of the association:
187	1. A copy of the plans, permits, warranties, and other
188	items provided by the developer pursuant to s. 718.301(4).
189	2. A photocopy of the recorded declaration of condominium
190	of each condominium operated by the association and each
191	amendment to each declaration.
192	3. A photocopy of the recorded bylaws of the association
193	and each amendment to the bylaws.
194	4. A certified copy of the articles of incorporation of
195	the association, or other documents creating the association,
196	and each amendment thereto.
197	5. A copy of the current rules of the association.
198	6. A book or books that contain the minutes of all
199	meetings of the association, the board of administration, and
200	the unit owners, which minutes must be retained for at least 7
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years.

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A current roster of all unit owners and their mailing 202 7. 203 addresses, unit identifications, voting certifications, and, if 204 known, telephone numbers. The association shall also maintain 205 the e-mail electronic mailing addresses and facsimile numbers of 206 unit owners consenting to receive notice by electronic 207 transmission. The e-mail electronic mailing addresses and facsimile numbers are not accessible to unit owners if consent 208 to receive notice by electronic transmission is not provided in 209 210 accordance with sub-subparagraph (c) 3.e. However, the 211 association is not liable for an inadvertent disclosure of the 212 e-mail electronic mail address or facsimile number for receiving 213 electronic transmission of notices.

8. All current insurance policies of the association andcondominiums operated by the association.

9. A current copy of any management agreement, lease, or other contract to which the association is a party or under which the association or the unit owners have an obligation or responsibility.

10. Bills of sale or transfer for all property owned bythe association.

11. Accounting records for the association and separate accounting records for each condominium that the association operates. All accounting records must be maintained for at least 7 years. Any person who knowingly or intentionally defaces or

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destroys such records, or who knowingly or intentionally fails to create or maintain such records, with the intent of causing harm to the association or one or more of its members, is personally subject to a civil penalty pursuant to s. 718.501(1)(d). The accounting records must include, but are not limited to:

a. Accurate, itemized, and detailed records of allreceipts and expenditures.

b. A current account and a monthly, bimonthly, or
quarterly statement of the account for each unit designating the
name of the unit owner, the due date and amount of each
assessment, the amount paid on the account, and the balance due.

c. All audits, reviews, accounting statements, andfinancial reports of the association or condominium.

d. All contracts for work to be performed. Bids for work
to be performed are also considered official records and must be
maintained by the association.

12. Ballots, sign-in sheets, voting proxies, and all other papers <u>and electronic records</u> relating to voting by unit owners, which must be maintained for 1 year from the date of the election, vote, or meeting to which the document relates, notwithstanding paragraph (b).

248 13. All rental records if the association is acting as249 agent for the rental of condominium units.

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14. A copy of the current question and answer sheet as

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251 described in s. 718.504.

252 15. All other written records of the association not 253 specifically included in the foregoing which are related to the 254 operation of the association.

255 16. A copy of the inspection report as described in s. 256 718.301(4)(p).

257

17. Bids for materials, equipment, or services.

258 The official records specified in subparagraphs (a)1.-(b) 259 6. must be permanently maintained from the inception of the 260 association. All other official records of the association must 261 be maintained within the state for at least 7 years, unless 262 otherwise provided by general law. The records of the 263 association shall be made available to a unit owner within 45 264 miles of the condominium property or within the county in which 265 the condominium property is located within 10 5 working days 266 after receipt of a written request by the board or its designee. 267 However, such distance requirement does not apply to an association governing a timeshare condominium. This paragraph 268 269 may be complied with by having a copy of the official records of 270 the association available for inspection or copying on the 271 condominium property or association property, or the association 272 may offer the option of making the records available to a unit owner electronically via the Internet or by allowing the records 273 274 to be viewed in electronic format on a computer screen and 275 printed upon request. The association is not responsible for the

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use or misuse of the information provided to an association member or his or her authorized representative pursuant to the compliance requirements of this chapter unless the association has an affirmative duty not to disclose such information pursuant to this chapter.

(g)1. By <u>January</u> July 1, <u>2019</u> 2018, an association
 <u>managing a condominium</u> with 150 or more units which does not
 <u>contain</u> manage timeshare units shall post digital copies of the
 documents specified in subparagraph 2. on its website.

285

a. The association's website must be:

(I) An independent website or web portal wholly owned andoperated by the association; or

(II) A website or web portal operated by a third-party provider with whom the association owns, leases, rents, or otherwise obtains the right to operate a web page, subpage, web portal, or collection of subpages or web portals dedicated to the association's activities and on which required notices, records, and documents may be posted by the association.

294 b. The association's website must be accessible through 295 the Internet and must contain a subpage, web portal, or other 296 protected electronic location that is inaccessible to the 297 general public and accessible only to unit owners and employees 298 of the association.

299 c. Upon a unit owner's written request, the association 300 must provide the unit owner with a username and password and

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301 access to the protected sections of the association's website 302 that contain any notices, records, or documents that must be 303 electronically provided.

304 2. A current copy of the following documents must be 305 posted in digital format on the association's website:

a. The recorded declaration of condominium of each
 condominium operated by the association and each amendment to
 each declaration.

309 b. The recorded bylaws of the association and each310 amendment to the bylaws.

311 c. The articles of incorporation of the association, or 312 other documents creating the association, and each amendment 313 thereto. The copy posted pursuant to this sub-subparagraph must 314 be a copy of the articles of incorporation filed with the 315 Department of State.

316

d. The rules of the association.

317 A list of all executory contracts or documents Any e. 318 management agreement, lease, or other contract to which the 319 association is a party or under which the association or the 320 unit owners have an obligation or responsibility and, after bidding for the related materials, equipment, or services has 321 322 closed, a list of bids received by the association within the 323 past year. Summaries of bids for materials, equipment, or 324 services which exceed \$500 must be maintained on the website for 1 year. In lieu of summaries, complete copies of the bids may be 325

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326 posted. The annual budget required by s. 718.112(2)(f) and any 327 f. 328 proposed budget to be considered at the annual meeting. 329 The financial report required by subsection (13) and q. 330 any monthly income or expense statement proposed financial 331 report to be considered at a meeting. 332 h. The certification of each director required by s. 333 718.112(2)(d)4.b. i. All contracts or transactions between the association 334 335 and any director, officer, corporation, firm, or association 336 that is not an affiliated condominium association or any other 337 entity in which an association director is also a director or officer and financially interested. 338 339 j. Any contract or document regarding a conflict of 340 interest or possible conflict of interest as provided in ss. 341 468.436(2)(b)6. and 718.3027(3) ss. 468.436(2) and 718.3026(3).

342 k. The notice of any unit owner meeting and the agenda for 343 the meeting, as required by s. 718.112(2)(d)3., no later than 14 344 days before the meeting. The notice must be posted in plain view 345 on the front page of the website, or on a separate subpage of 346 the website labeled "Notices" which is conspicuously visible and 347 linked from the front page. The association must also post on its website any document to be considered and voted on by the 348 owners during the meeting or any document listed on the agenda 349 350 at least 7 days before the meeting at which the document or the

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351 information within the document will be considered. 352 Notice of any board meeting, the agenda, and any other 1. 353 document required for the meeting as required by s. 354 718.112(2)(c), which must be posted no later than the date 355 required for notice pursuant to s. 718.112(2)(c). 356 The association shall ensure that the information and 3. 357 records described in paragraph (c), which are not allowed 358 permitted to be accessible to unit owners, are not posted on the 359 association's website. If protected information or information 360 restricted from being accessible to unit owners is included in 361 documents that are required to be posted on the association's website, the association shall ensure the information is 362 363 redacted before posting the documents online. Notwithstanding 364 the foregoing, the association or its agent is not liable for 365 disclosing information that is protected or restricted pursuant 366 to this paragraph unless such disclosure was made with a knowing 367 or intentional disregard of the protected or restricted nature 368 of such information. 369 4. The failure of the association to post information 370 required under subparagraph 2. is not in and of itself 371 sufficient to invalidate any action or decision of the 372 association's board or its committees. (13) FINANCIAL REPORTING.-Within 90 days after the end of 373 374 the fiscal year, or annually on a date provided in the bylaws, 375 the association shall prepare and complete, or contract for the

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376 preparation and completion of, a financial report for the 377 preceding fiscal year. Within 21 days after the final financial 378 report is completed by the association or received from the 379 third party, but not later than 120 days after the end of the 380 fiscal year or other date as provided in the bylaws, the 381 association shall mail to each unit owner at the address last 382 furnished to the association by the unit owner, or hand deliver 383 to each unit owner, a copy of the most recent financial report 384 or a notice that a copy of the most recent financial report will 385 be mailed or hand delivered to the unit owner, without charge, 386 within 5 business days after receipt of a written request from 387 the unit owner. The division shall adopt rules setting forth 388 uniform accounting principles and standards to be used by all 389 associations and addressing the financial reporting requirements 390 for multicondominium associations. The rules must include, but 391 not be limited to, standards for presenting a summary of 392 association reserves, including a good faith estimate disclosing the annual amount of reserve funds that would be necessary for 393 394 the association to fully fund reserves for each reserve item 395 based on the straight-line accounting method. This disclosure is 396 not applicable to reserves funded via the pooling method. In 397 adopting such rules, the division shall consider the number of 398 members and annual revenues of an association. Financial reports shall be prepared as follows: 399

400

(e) A unit owner may provide written notice to the

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division of the association's failure to mail or hand deliver 401 402 him or her a copy of the most recent financial report within 5 403 business days after he or she submitted a written request to the 404 association for a copy of such report. If the division determines that the association failed to mail or hand deliver a 405 406 copy of the most recent financial report to the unit owner, the 407 division shall provide written notice to the association that 408 the association must mail or hand deliver a copy of the most 409 recent financial report to the unit owner and the division within 5 business days after it receives such notice from the 410 411 division. An association that fails to comply with the 412 division's request may not waive the financial reporting 413 requirement provided in paragraph (d) for the fiscal year in 414 which the unit owner's request was made and the following fiscal 415 year. A financial report received by the division pursuant to 416 this paragraph shall be maintained, and the division shall 417 provide a copy of such report to an association member upon his 418 or her request. 419 Section 4. Paragraphs (a), (c), (d), and (j) of subsection (2) of section 718.112, Florida Statutes, are amended to read: 420 421 718.112 Bylaws.-422 REQUIRED PROVISIONS.-The bylaws shall provide for the (2)

following and, if they do not do so, shall be deemed to include the following:

425 (a) Administration.-

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426 The form of administration of the association shall be 1. 427 described indicating the title of the officers and board of 428 administration and specifying the powers, duties, manner of 429 selection and removal, and compensation, if any, of officers and 430 boards. In the absence of such a provision, the board of 431 administration shall be composed of five members, unless the 432 except in the case of a condominium which has five or fewer 433 units. The board shall consist of not fewer than three members 434 in condominiums with five or fewer units that are not-for-profit 435 corporations, in which case in a not-for-profit corporation the 436 board shall consist of not fewer than three members. In the 437 absence of provisions to the contrary in the bylaws, the board 438 of administration shall have a president, a secretary, and a 439 treasurer, who shall perform the duties of such officers 440 customarily performed by officers of corporations. Unless 441 prohibited in the bylaws, the board of administration may 442 appoint other officers and grant them the duties it deems 443 appropriate. Unless otherwise provided in the bylaws, the 444 officers shall serve without compensation and at the pleasure of 445 the board of administration. Unless otherwise provided in the 446 bylaws, the members of the board shall serve without 447 compensation.

When a unit owner of a residential condominium files a
written inquiry by certified mail with the board of
administration, the board shall respond in writing to the unit

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451 owner within 30 days after receipt of the inquiry. The board's 452 response shall either give a substantive response to the 453 inquirer, notify the inquirer that a legal opinion has been 454 requested, or notify the inquirer that advice has been requested 455 from the division. If the board requests advice from the 456 division, the board shall, within 10 days after its receipt of 457 the advice, provide in writing a substantive response to the 458 inquirer. If a legal opinion is requested, the board shall, within 60 days after the receipt of the inquiry, provide in 459 460 writing a substantive response to the inquiry. The failure to 461 provide a substantive response to the inquiry as provided herein 462 precludes the board from recovering attorney fees and costs in 463 any subsequent litigation, administrative proceeding, or 464 arbitration arising out of the inquiry. The association may 465 through its board of administration adopt reasonable rules and 466 regulations regarding the frequency and manner of responding to 467 unit owner inquiries, one of which may be that the association 468 is only obligated to respond to one written inquiry per unit in 469 any given 30-day period. In such a case, any additional inquiry 470 or inquiries must be responded to in the subsequent 30-day 471 period, or periods, as applicable.

472 (c) Board of administration meetings.-Meetings of the
473 board of administration at which a quorum of the members is
474 present are open to all unit owners. Members of the board of
475 administration may use e-mail as a means of communication but

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476 may not cast a vote on an association matter via e-mail. A unit 477 owner may tape record or videotape the meetings. The right to 478 attend such meetings includes the right to speak at such 479 meetings with reference to all designated agenda items. The 480 division shall adopt reasonable rules governing the tape 481 recording and videotaping of the meeting. The association may 482 adopt written reasonable rules governing the frequency, 483 duration, and manner of unit owner statements.

Adequate notice of all board meetings, which must 484 1. 485 specifically identify all agenda items, must be posted 486 conspicuously on the condominium property at least 48 continuous 487 hours before the meeting except in an emergency. If 20 percent of the voting interests petition the board to address an item of 488 489 business, the board, within 60 days after receipt of the 490 petition, shall place the item on the agenda at its next regular 491 board meeting or at a special meeting called for that purpose. 492 An item not included on the notice may be taken up on an 493 emergency basis by a vote of at least a majority plus one of the 494 board members. Such emergency action must be noticed and 495 ratified at the next regular board meeting. However, Written 496 notice of a meeting at which a nonemergency special assessment 497 or an amendment to rules regarding unit use will be considered must be mailed, delivered, or electronically transmitted to the 498 unit owners and posted conspicuously on the condominium property 499 at least 14 days before the meeting. Evidence of compliance with 500

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501 this 14-day notice requirement must be made by an affidavit 502 executed by the person providing the notice and filed with the 503 official records of the association. Notice of any meeting in 504 which regular or special assessments against unit owners are to be considered must specifically state that assessments will be 505 506 considered and provide the estimated cost and description of the 507 purposes for such assessments. Upon notice to the unit owners, 508 the board shall, by duly adopted rule, designate a specific 509 location on the condominium or association property where all 510 notices of board meetings must be posted. If there is no 511 condominium property or association property where notices can 512 be posted, notices shall be mailed, delivered, or electronically 513 transmitted to each unit owner at least 14 days before the 514 meeting. In lieu of or in addition to the physical posting of 515 the notice on the condominium property, the association may, by reasonable rule, adopt a procedure for conspicuously posting and 516 517 repeatedly broadcasting the notice and the agenda on a closed-518 circuit cable television system serving the condominium 519 association. However, if broadcast notice is used in lieu of a 520 notice physically posted on condominium property, the notice and agenda must be broadcast at least four times every broadcast 521 522 hour of each day that a posted notice is otherwise required under this section. If broadcast notice is provided, the notice 523 524 and agenda must be broadcast in a manner and for a sufficient 525 continuous length of time so as to allow an average reader to

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526 observe the notice and read and comprehend the entire content of 527 the notice and the agenda. In addition to any of the authorized 528 means of providing notice of a meeting of the board, the 529 association may, by rule, adopt a procedure for conspicuously 530 posting the meeting notice and the agenda on a website serving 531 the condominium association for at least the minimum period of 532 time for which a notice of a meeting is also required to be 533 physically posted on the condominium property. Any rule adopted shall, in addition to other matters, include a requirement that 534 535 the association send an electronic notice in the same manner as 536 a notice for a meeting of the members, which must include a 537 hyperlink to the website where the notice is posted, to unit 538 owners whose e-mail addresses are included in the association's 539 official records. Notice of any meeting in which regular or 540 special assessments against unit owners are to be considered 541 must specifically state that assessments will be considered and 542 provide the nature, estimated cost, and description of the 543 purposes for such assessments.

2. Meetings of a committee to take final action on behalf of the board or make recommendations to the board regarding the association budget are subject to this paragraph. Meetings of a committee that does not take final action on behalf of the board or make recommendations to the board regarding the association budget are subject to this section, unless those meetings are exempted from this section by the bylaws of the association.

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551 3. Notwithstanding any other law, the requirement that 552 board meetings and committee meetings be open to the unit owners 553 does not apply to:

a. Meetings between the board or a committee and the association's attorney, with respect to proposed or pending litigation, if the meeting is held for the purpose of seeking or rendering legal advice; or

b. Board meetings held for the purpose of discussingpersonnel matters.

560

(d) Unit owner meetings.-

1. An annual meeting of the unit owners <u>must</u> shall be held at the location provided in the association bylaws and, if the bylaws are silent as to the location, the meeting <u>must</u> shall be held within 45 miles of the condominium property. However, such distance requirement does not apply to an association governing a timeshare condominium.

567 2. Unless the bylaws provide otherwise, a vacancy on the board caused by the expiration of a director's term must shall 568 569 be filled by electing a new board member, and the election must 570 be by secret ballot. An election is not required if the number 571 of vacancies equals or exceeds the number of candidates. For 572 purposes of this paragraph, the term "candidate" means an eligible person who has timely submitted the written notice, as 573 574 described in sub-subparagraph 4.a., of his or her intention to 575 become a candidate. Except in a timeshare or nonresidential

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576 condominium, or if the staggered term of a board member does not 577 expire until a later annual meeting, or if all members' terms 578 would otherwise expire but there are no candidates, the terms of 579 all board members expire at the annual meeting, and such members 580 may stand for reelection unless prohibited by the bylaws. Board 581 members may serve 2-year terms longer than 1 year if permitted 582 by the bylaws or articles of incorporation. A board member may 583 not serve more than 8 consecutive years four consecutive 2-year 584 terms, unless approved by an affirmative vote of unit owners 585 representing two-thirds of all votes cast in the election the 586 total voting interests of the association or unless there are 587 not enough eligible candidates to fill the vacancies on the board at the time of the vacancy. If the number of board members 588 589 whose terms expire at the annual meeting equals or exceeds the 590 number of candidates, the candidates become members of the board 591 effective upon the adjournment of the annual meeting. Unless the 592 bylaws provide otherwise, any remaining vacancies shall be 593 filled by the affirmative vote of the majority of the directors 594 making up the newly constituted board even if the directors 595 constitute less than a quorum or there is only one director. In 596 a residential condominium association of more than 10 units or 597 in a residential condominium association that does not include 598 timeshare units or timeshare interests, coowners of a unit may not serve as members of the board of directors at the same time 599 600 unless they own more than one unit or unless there are not

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601 enough eligible candidates to fill the vacancies on the board at 602 the time of the vacancy. A unit owner in a residential 603 condominium desiring to be a candidate for board membership must 604 comply with sub-subparagraph 4.a. and must be eligible to be a 605 candidate to serve on the board of directors at the time of the 606 deadline for submitting a notice of intent to run in order to 607 have his or her name listed as a proper candidate on the ballot 608 or to serve on the board. A person who has been suspended or 609 removed by the division under this chapter, or who is delinquent 610 in the payment of any monetary obligation due to the association, is not eligible to be a candidate for board 611 612 membership and may not be listed on the ballot. A person who has 613 been convicted of any felony in this state or in a United States 614 District or Territorial Court, or who has been convicted of any 615 offense in another jurisdiction which would be considered a 616 felony if committed in this state, is not eligible for board 617 membership unless such felon's civil rights have been restored 618 for at least 5 years as of the date such person seeks election 619 to the board. The validity of an action by the board is not 620 affected if it is later determined that a board member is 621 ineligible for board membership due to having been convicted of 622 a felony. This subparagraph does not limit the term of a member of the board of a nonresidential or timeshare condominium. 623 The bylaws must provide the method of calling meetings 624 3.

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of unit owners, including annual meetings. Written notice must

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626 include an agenda, must be mailed, hand delivered, or 627 electronically transmitted to each unit owner at least 14 days 628 before the annual meeting, and must be posted in a conspicuous 629 place on the condominium property at least 14 continuous days 630 before the annual meeting. Upon notice to the unit owners, the 631 board shall, by duly adopted rule, designate a specific location 632 on the condominium property or association property where all 633 notices of unit owner meetings must shall be posted. This requirement does not apply if there is no condominium property 634 635 or association property for posting notices. In lieu of, or in 636 addition to, the physical posting of meeting notices, the 637 association may, by reasonable rule, adopt a procedure for 638 conspicuously posting and repeatedly broadcasting the notice and 639 the agenda on a closed-circuit cable television system serving 640 the condominium association. However, if broadcast notice is 641 used in lieu of a notice posted physically on the condominium 642 property, the notice and agenda must be broadcast at least four 643 times every broadcast hour of each day that a posted notice is 644 otherwise required under this section. If broadcast notice is 645 provided, the notice and agenda must be broadcast in a manner 646 and for a sufficient continuous length of time so as to allow an average reader to observe the notice and read and comprehend the 647 entire content of the notice and the agenda. In addition to any 648 of the authorized means of providing notice of a meeting of the 649 board, the association may, by rule, adopt a procedure for 650

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651 conspicuously posting the meeting notice and the agenda on a 652 website serving the condominium association for at least the 653 minimum period of time for which a notice of a meeting is also 654 required to be physically posted on the condominium property. 655 Any rule adopted shall, in addition to other matters, include a 656 requirement that the association send an electronic notice in 657 the same manner as a notice for a meeting of the members, which 658 must include a hyperlink to the website where the notice is 659 posted, to unit owners whose e-mail addresses are included in the association's official records. Unless a unit owner waives 660 661 in writing the right to receive notice of the annual meeting, 662 such notice must be hand delivered, mailed, or electronically 663 transmitted to each unit owner. Notice for meetings and notice 664 for all other purposes must be mailed to each unit owner at the 665 address last furnished to the association by the unit owner, or 666 hand delivered to each unit owner. However, if a unit is owned 667 by more than one person, the association must provide notice to 668 the address that the developer identifies for that purpose and 669 thereafter as one or more of the owners of the unit advise the 670 association in writing, or if no address is given or the owners 671 of the unit do not agree, to the address provided on the deed of 672 record. An officer of the association, or the manager or other person providing notice of the association meeting, must provide 673 674 an affidavit or United States Postal Service certificate of 675 mailing, to be included in the official records of the

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676 association affirming that the notice was mailed or hand677 delivered in accordance with this provision.

4. The members of the board of a residential condominium shall be elected by written ballot or voting machine. Proxies may not be used in electing the board in general elections or elections to fill vacancies caused by recall, resignation, or otherwise, unless otherwise provided in this chapter. This subparagraph does not apply to an association governing a timeshare condominium.

685 a. At least 60 days before a scheduled election, the 686 association shall mail, deliver, or electronically transmit, by 687 separate association mailing or included in another association mailing, delivery, or transmission, including regularly 688 689 published newsletters, to each unit owner entitled to a vote, a 690 first notice of the date of the election. A unit owner or other 691 eligible person desiring to be a candidate for the board must 692 give written notice of his or her intent to be a candidate to 693 the association at least 40 days before a scheduled election. 694 Together with the written notice and agenda as set forth in 695 subparagraph 3., the association shall mail, deliver, or 696 electronically transmit a second notice of the election to all 697 unit owners entitled to vote, together with a ballot that lists all candidates. Upon request of a candidate, an information 698 sheet, no larger than 8 1/2 inches by 11 inches, which must be 699 700 furnished by the candidate at least 35 days before the election,

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701 must be included with the mailing, delivery, or transmission of 702 the ballot, with the costs of mailing, delivery, or electronic 703 transmission and copying to be borne by the association. The 704 association is not liable for the contents of the information 705 sheets prepared by the candidates. In order to reduce costs, the 706 association may print or duplicate the information sheets on 707 both sides of the paper. The division shall by rule establish 708 voting procedures consistent with this sub-subparagraph, including rules establishing procedures for giving notice by 709 electronic transmission and rules providing for the secrecy of 710 711 ballots. Elections shall be decided by a plurality of ballots 712 cast. There is no quorum requirement; however, at least 20 percent of the eligible voters must cast a ballot in order to 713 714 have a valid election. A unit owner may not authorize permit any 715 other person to vote his or her ballot, and any ballots improperly cast are invalid. A unit owner who violates this 716 717 provision may be fined by the association in accordance with s. 718 718.303. A unit owner who needs assistance in casting the ballot 719 for the reasons stated in s. 101.051 may obtain such assistance. 720 The regular election must occur on the date of the annual 721 meeting. Notwithstanding this sub-subparagraph, an election is 722 not required unless more candidates file notices of intent to run or are nominated than board vacancies exist. 723

b. Within 90 days after being elected or appointed to theboard of an association of a residential condominium, each newly

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726 elected or appointed director shall certify in writing to the 727 secretary of the association that he or she has read the 728 association's declaration of condominium, articles of 729 incorporation, bylaws, and current written policies; that he or 730 she will work to uphold such documents and policies to the best 731 of his or her ability; and that he or she will faithfully 732 discharge his or her fiduciary responsibility to the 733 association's members. In lieu of this written certification, 734 within 90 days after being elected or appointed to the board, 735 the newly elected or appointed director may submit a certificate of having satisfactorily completed the educational curriculum 736 737 administered by a division-approved condominium education 738 provider within 1 year before or 90 days after the date of 739 election or appointment. The written certification or 740 educational certificate is valid and does not have to be 741 resubmitted as long as the director serves on the board without 742 interruption. A director of an association of a residential 743 condominium who fails to timely file the written certification 744 or educational certificate is suspended from service on the 745 board until he or she complies with this sub-subparagraph. The 746 board may temporarily fill the vacancy during the period of 747 suspension. The secretary shall cause the association to retain a director's written certification or educational certificate 748 749 for inspection by the members for 5 years after a director's 750 election or the duration of the director's uninterrupted tenure,

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751 whichever is longer. Failure to have such written certification 752 or educational certificate on file does not affect the validity 753 of any board action.

754 c. Any challenge to the election process must be commenced755 within 60 days after the election results are announced.

756 Any approval by unit owners called for by this chapter 5. 757 or the applicable declaration or bylaws, including, but not 758 limited to, the approval requirement in s. 718.111(8), must be 759 made at a duly noticed meeting of unit owners and is subject to 760 all requirements of this chapter or the applicable condominium 761 documents relating to unit owner decisionmaking, except that 762 unit owners may take action by written agreement, without 763 meetings, on matters for which action by written agreement 764 without meetings is expressly allowed by the applicable bylaws 765 or declaration or any law that provides for such action.

766 6. Unit owners may waive notice of specific meetings if 767 allowed by the applicable bylaws or declaration or any law. 768 Notice of meetings of the board of administration, unit owner 769 meetings, except unit owner meetings called to recall board 770 members under paragraph (j), and committee meetings may be given by electronic transmission to unit owners who consent to receive 771 772 notice by electronic transmission. A unit owner who consents to receiving notices by electronic transmission is solely 773 774 responsible for removing or bypassing filters that block receipt 775 of mass emails sent to members on behalf of the association in

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776 the course of giving electronic notices.

777 7. Unit owners have the right to participate in meetings
778 of unit owners with reference to all designated agenda items.
779 However, the association may adopt reasonable rules governing
780 the frequency, duration, and manner of unit owner participation.

8. A unit owner may tape record or videotape a meeting of
the unit owners subject to reasonable rules adopted by the
division.

9. Unless otherwise provided in the bylaws, any vacancy 784 occurring on the board before the expiration of a term may be 785 786 filled by the affirmative vote of the majority of the remaining 787 directors, even if the remaining directors constitute less than 788 a quorum, or by the sole remaining director. In the alternative, 789 a board may hold an election to fill the vacancy, in which case 790 the election procedures must conform to sub-subparagraph 4.a. 791 unless the association governs 10 units or fewer and has opted 792 out of the statutory election process, in which case the bylaws 793 of the association control. Unless otherwise provided in the 794 bylaws, a board member appointed or elected under this section 795 shall fill the vacancy for the unexpired term of the seat being 796 filled. Filling vacancies created by recall is governed by 797 paragraph (j) and rules adopted by the division.

798 10. This chapter does not limit the use of general or 799 limited proxies, require the use of general or limited proxies, 800 or require the use of a written ballot or voting machine for any

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801 agenda item or election at any meeting of a timeshare 802 condominium association or nonresidential condominium 803 association.

804

805 Notwithstanding subparagraph (b)2. and sub-subparagraph 4.a., an 806 association of 10 or fewer units may, by affirmative vote of a 807 majority of the total voting interests, provide for different 808 voting and election procedures in its bylaws, which may be by a 809 proxy specifically delineating the different voting and election procedures. The different voting and election procedures may 810 provide for elections to be conducted by limited or general 811 812 proxy.

813 (j) Recall of board members.-Subject to s. 718.301, any 814 member of the board of administration may be recalled and 815 removed from office with or without cause by the vote or 816 agreement in writing by a majority of all the voting interests. 817 A special meeting of the unit owners to recall a member or 818 members of the board of administration may be called by 10 819 percent of the voting interests giving notice of the meeting as 820 required for a meeting of unit owners, and the notice shall 821 state the purpose of the meeting. Electronic transmission may 822 not be used as a method of giving notice of a meeting called in whole or in part for this purpose. 823

1. If the recall is approved by a majority of all voting interests by a vote at a meeting, the recall will be effective

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826 as provided in this paragraph. The board shall duly notice and 827 hold a board meeting within 5 full business days after the 828 adjournment of the unit owner meeting to recall one or more 829 board members. Such member or members shall be recalled 830 effective immediately upon conclusion of the board meeting 831 provided that the recall is facially valid. A recalled member 832 must and shall turn over to the board, within 10 full business 833 days after the vote, any and all records and property of the 834 association in their possession.

835 2. If the proposed recall is by an agreement in writing by a majority of all voting interests, the agreement in writing or 836 837 a copy thereof shall be served on the association by certified 838 mail or by personal service in the manner authorized by chapter 839 48 and the Florida Rules of Civil Procedure. The board of 840 administration shall duly notice and hold a meeting of the board 841 within 5 full business days after receipt of the agreement in 842 writing. Such member or members shall be recalled effective 843 immediately upon the conclusion of the board meeting provided 844 that the recall is facially valid. A recalled member must and 845 shall turn over to the board, within 10 full business days, any 846 and all records and property of the association in their 847 possession.

3. If the board fails to duly notice and hold a board
meeting within 5 full business days after service of an
agreement in writing or within 5 full business days after the

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adjournment of the unit owner recall meeting, the recall shall be deemed effective and the board members so recalled shall turn over to the board within 10 full business days after the vote any and all records and property of the association.

855 4. If the board fails to duly notice and hold the required 856 meeting or at the conclusion of the meeting determines that the 857 recall is not facially valid fails to file the required 858 petition, the unit owner representative may file a petition pursuant to s. 718.1255 challenging the board's failure to act 859 860 or challenging the board's determination on facial validity. The 861 petition must be filed within 60 days after the expiration of 862 the applicable 5-full-business-day period. The review of a 863 petition under this subparagraph is limited to the sufficiency of service on the board and the facial validity of the written 864 865 agreement or ballots filed.

866 If a vacancy occurs on the board as a result of a 5. 867 recall or removal and less than a majority of the board members 868 are removed, the vacancy may be filled by the affirmative vote 869 of a majority of the remaining directors, notwithstanding any 870 provision to the contrary contained in this subsection. If 871 vacancies occur on the board as a result of a recall and a 872 majority or more of the board members are removed, the vacancies shall be filled in accordance with procedural rules to be 873 874 adopted by the division, which rules need not be consistent with 875 this subsection. The rules must provide procedures governing the

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876 conduct of the recall election as well as the operation of the 877 association during the period after a recall but before the 878 recall election.

879 6. A board member who has been recalled may file a 880 petition pursuant to s. 718.1255 challenging the validity of the 881 recall. The petition must be filed within 60 days after the 882 recall. The association and the unit owner representative shall 883 be named as the respondents. The petition may challenge the 884 facial validity of the written agreement or ballots filed or the 885 substantial compliance with the procedural requirements for the 886 recall. If the arbitrator determines the recall was invalid, the 887 petitioning board member shall immediately be reinstated and the 888 recall is null and void. A board member who is successful in challenging a recall is entitled to recover reasonable attorney 889 890 fees and costs from the respondents. The arbitrator may award 891 reasonable attorney fees and costs to the respondents if they 892 prevail, if the arbitrator makes a finding that the petitioner's 893 claim is frivolous.

7. The division may not accept for filing a recall petition, whether filed pursuant to subparagraph 1., subparagraph 2., subparagraph 4., or subparagraph 6. when there are 60 or fewer days until the scheduled reelection of the board member sought to be recalled or when 60 or fewer days have elapsed since the election of the board member sought to be recalled.

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901 Section 5. Subsection (2) of section 718.113, Florida 902 Statutes, is amended, and a new subsection (8) is added to that 903 section, to read:

904 718.113 Maintenance; limitation upon improvement; display 905 of flag; hurricane shutters and protection; display of religious 906 decorations.-

907 (2) (a) Except as otherwise provided in this section, there 908 shall be no material alteration or substantial additions to the common elements or to real property which is association 909 property, except in a manner provided in the declaration as 910 911 originally recorded or as amended under the procedures provided 912 therein. If the declaration as originally recorded or as amended 913 under the procedures provided therein does not specify the 914 procedure for approval of material alterations or substantial 915 additions, 75 percent of the total voting interests of the 916 association must approve the alterations or additions before the 917 material alterations or substantial additions are commenced. This paragraph is intended to clarify existing law and applies 918 919 to associations existing on July 1, 2018 October 1, 2008.

(b) There shall not be any material alteration of, or substantial addition to, the common elements of any condominium operated by a multicondominium association unless approved in the manner provided in the declaration of the affected condominium or condominiums as originally recorded or as amended under the procedures provided therein. If a declaration as

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926 originally recorded or as amended under the procedures provided 927 therein does not specify a procedure for approving such an 928 alteration or addition, the approval of 75 percent of the total 929 voting interests of each affected condominium is required before 930 the material alterations or substantial additions are commenced. 931 This subsection does not prohibit a provision in any 932 declaration, articles of incorporation, or bylaws as originally 933 recorded or as amended under the procedures provided therein 934 requiring the approval of unit owners in any condominium operated by the same association or requiring board approval 935 936 before a material alteration or substantial addition to the 937 common elements is permitted. This paragraph is intended to 938 clarify existing law and applies to associations existing on 939 July 1, 2018 the effective date of this act.

940 (C) There shall not be any material alteration or 941 substantial addition made to association real property operated 942 by a multicondominium association, except as provided in the 943 declaration, articles of incorporation, or bylaws as originally 944 recorded or as amended under the procedures provided therein. If 945 the declaration, articles of incorporation, or bylaws as 946 originally recorded or as amended under the procedures provided therein do not specify the procedure for approving an alteration 947 or addition to association real property, the approval of 75 948 percent of the total voting interests of the association is 949 950 required before the material alterations or substantial

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951	additions are commenced. This paragraph is intended to clarify
952	existing law and applies to associations existing on July 1,
953	2018 the effective date of this act.
954	(8) The Legislature finds that the use of electric
955	vehicles conserves and protects the state's environmental
956	resources, provides significant economic savings to drivers, and
957	serves an important public interest. The participation of
958	condominium associations is essential to the state's efforts to
959	conserve and protect the state's environmental resources and
960	provide economic savings to drivers. Therefore, the installation
961	of an electric vehicle charging station shall be governed as
962	follows:
963	(a) A declaration of condominium or restrictive covenant
964	may not prohibit or be enforced so as to prohibit any unit owner
965	from installing an electric vehicle charging station within the
966	boundaries of the unit owner's limited common element parking
967	area. The board of administration of a condominium association
968	may not prohibit a unit owner from installing an electric
969	vehicle charging station for an electric vehicle, as defined in
970	s. 320.01, within the boundaries of his or her limited common
971	element parking area. The installation of such charging stations
972	are subject to the provisions of this subsection.
973	(b) The installation may not cause irreparable damage to
974	the condominium property.
975	(c) The electricity for the electric vehicle charging

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976	station must be separately metered and payable by the unit owner
977	installing such charging station.
978	(d) The unit owner who is installing an electric vehicle
979	charging station is responsible for the costs of installation,
980	operation, maintenance, and repair, including, but not limited
981	to, hazard and liability insurance. The association may enforce
982	payment of such costs pursuant to s. 718.116.
983	(e) If the unit owner or his or her successor decides
984	there is no longer a need for the electronic vehicle charging
985	station, such person is responsible for the cost of removal of
986	the electronic vehicle charging station. The association may
987	enforce payment of such costs pursuant to s. 718.116.
988	(f) The association may require the unit owner to:
989	1. Comply with bona fide safety requirements, consistent
990	with applicable building codes or recognized safety standards,
991	for the protection of persons and property.
992	2. Comply with reasonable architectural standards adopted
993	by the association that govern the dimensions, placement, or
994	external appearance of the electric vehicle charging station,
995	provided that such standards may not prohibit the installation
996	of such charging station or substantially increase the cost
997	thereof.
998	3. Engage the services of a licensed and registered
999	electrical contractor or engineer familiar with the installation
1000	and core requirements of an electric vehicle charging station.
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1001 4. Provide a certificate of insurance naming the 1002 association as an additional insured on the owner's insurance 1003 policy for any claim related to the installation, maintenance, 1004 or use of the electric vehicle charging station within 14 days 1005 after receiving the association's approval to install such 1006 charging station. 1007 5. Reimburse the association for the actual cost of any 1008 increased insurance premium amount attributable to the electric 1009 vehicle charging station within 14 days after receiving the 1010 association's insurance premium invoice. 1011 The association provides an implied easement across (g) 1012 the common elements of the condominium property to the unit 1013 owner for purposes of the installation of the electric vehicle 1014 charging station and the furnishing of electrical power, 1015 including any necessary equipment, to such charging station, 1016 subject to the requirements of this subsection. 1017 Section 6. Subsection (2) of section 718.121, Florida Statutes, is amended to read: 1018 1019 718.121 Liens.-1020 Labor performed on or materials furnished to a unit (2)1021 shall not be the basis for the filing of a lien pursuant to part 1022 I of chapter 713, the Construction Lien Law, against the unit or condominium parcel of any unit owner not expressly consenting to 1023 or requesting the labor or materials. Labor performed on or 1024 1025 materials furnished for the installation of an electronic

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1026 vehicle charging station pursuant to s. 718.113(8) may not be 1027 the basis for filing a lien under part I of chapter 713 against 1028 the association, but such a lien may filed against the unit 1029 owner. Labor performed on or materials furnished to the common 1030 elements are not the basis for a lien on the common elements, 1031 but if authorized by the association, the labor or materials are 1032 deemed to be performed or furnished with the express consent of 1033 each unit owner and may be the basis for the filing of a lien 1034 against all condominium parcels in the proportions for which the 1035 owners are liable for common expenses.

1036 Section 7. Subsection (3) of section 718.3026, Florida 1037 Statutes, is amended to read:

1038 718.3026 Contracts for products and services; in writing; 1039 bids; exceptions.—Associations with 10 or fewer units may opt 1040 out of the provisions of this section if two-thirds of the unit 1041 owners vote to do so, which opt-out may be accomplished by a 1042 proxy specifically setting forth the exception from this 1043 section.

1044 (3) As to any contract or other transaction between an 1045 association and one or more of its directors or any other 1046 corporation, firm, association, or entity in which one or more 1047 of its directors are directors or officers or are financially 1048 interested: 1049 (a) The association shall comply with the requirements of

1050

(a) The association shall comply with the requirements of s. 617.0832.

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1051	(b) The disclosures required by s. 617.0832 shall be
1052	entered into the written minutes of the meeting.
1053	(c) Approval of the contract or other transaction shall
1054	require an affirmative vote of two-thirds of the directors
1055	present.
1056	(d) At the next regular or special meeting of the members,
1057	the existence of the contract or other transaction shall be
1058	disclosed to the members. Upon motion of any member, the
1059	contract or transaction shall be brought up for a vote and may
1060	be canceled by a majority vote of the members present. Should
1061	the members cancel the contract, the association shall only be
1062	liable for the reasonable value of goods and services provided
1063	up to the time of cancellation and shall not be liable for any
1064	termination fee, liquidated damages, or other form of penalty
1065	for such cancellation.
1066	Section 8. Section 718.3027, Florida Statutes, is amended
1067	to read:
1068	718.3027 Conflicts of interest
1069	(1) Directors and officers of a board of an association
1070	that is not a timeshare condominium association, and the
1071	relatives of such directors and officers, must disclose to the
1072	board any activity that may reasonably be construed to be a
1073	conflict of interest. A rebuttable presumption of a conflict of
1074	interest exists if any of the following occurs without prior
1075	notice, as required in subsection (5)(4):
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1076 (a) A director or an officer, or a relative of a director
1077 or an officer, enters into a contract for goods or services with
1078 the association.

(b) A director or an officer, or a relative of a director or an officer, holds an interest in a corporation, limited liability corporation, partnership, limited liability partnership, or other business entity that conducts business with the association or proposes to enter into a contract or other transaction with the association.

1085 (2)If a director or an officer, or a relative of a 1086 director or an officer, proposes to engage in an activity that is a conflict of interest, as described in subsection (1), the 1087 1088 proposed activity must be listed on, and all contracts and 1089 transactional documents related to the proposed activity must be attached to, the meeting agenda. The association shall comply 1090 1091 with the requirements of s. 617.0832, and the disclosures 1092 required by s. 617.0832 shall be entered into the written 1093 minutes of the meeting. Approval of the contract or other 1094 transaction requires an affirmative vote of two-thirds of all 1095 other directors present. At the next regular or special meeting 1096 of the members, the existence of the contract or other 1097 transaction shall be disclosed to the members. Upon motion of 1098 any member, the contract or transaction shall be brought up for 1099 a vote and may be canceled by a majority vote of the members 1100 present. If the contract is canceled, the association is only

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1101 <u>liable for the reasonable value of the goods and services</u> 1102 <u>provided up to the time of cancellation and is not liable for</u> 1103 <u>any termination fee, liquidated damages, or other form of</u> 1104 penalty for such cancellation.

1105 (3) If the board votes against the proposed activity, the 1106 director or officer, or the relative of the director or officer, 1107 must notify the board in writing of his or her intention not to 1108 pursue the proposed activity or to withdraw from office. If the 1109 board finds that an officer or a director has violated this 1110 subsection, the officer or director shall be deemed removed from 1111 office. The vacancy shall be filled according to general law.

1112 (4) (3) A director or an officer, or a relative of a 1113 director or an officer, who is a party to, or has an interest 1114 in, an activity that is a possible conflict of interest, as described in subsection (1), may attend the meeting at which the 1115 activity is considered by the board and is authorized to make a 1116 1117 presentation to the board regarding the activity. After the 1118 presentation, the director or officer, or the relative of the 1119 director or officer, must leave the meeting during the discussion of, and the vote on, the activity. A director or an 1120 1121 officer who is a party to, or has an interest in, the activity 1122 must recuse himself or herself from the vote.

1123 (5)(4) A contract entered into between a director or an 1124 officer, or a relative of a director or an officer, and the 1125 association, which is not a timeshare condominium association,

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1126 that has not been properly disclosed as a conflict of interest 1127 or potential conflict of interest as required by s. 1128 718.111(12)(g) is voidable and terminates upon the filing of a 1129 written notice terminating the contract with the board of 1130 directors which contains the consent of at least 20 percent of 1131 the voting interests of the association.

1132 (6) (5) As used in this section, the term "relative" means 1133 a relative within the third degree of consanguinity by blood or 1134 marriage.

Section 9. Paragraph (b) of subsection (3) of section 1136 718.303, Florida Statutes, is amended to read:

1137

718.303 Obligations of owners and occupants; remedies.-

1138 The association may levy reasonable fines for the (3) 1139 failure of the owner of the unit or its occupant, licensee, or invitee to comply with any provision of the declaration, the 1140 association bylaws, or reasonable rules of the association. A 1141 1142 fine may not become a lien against a unit. A fine may be levied 1143 by the board on the basis of each day of a continuing violation, 1144 with a single notice and opportunity for hearing before a committee as provided in paragraph (b). However, the fine may 1145 1146 not exceed \$100 per violation, or \$1,000 in the aggregate.

(b) A fine or suspension levied by the board of administration may not be imposed unless the board first provides at least 14 days' written notice and an opportunity for a hearing to the unit owner and, if applicable, any its

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1151 occupant, licensee, or invitee of the unit owner sought to be 1152 fined or suspended and an opportunity for a hearing. The hearing 1153 must be held before a committee of at least three members 1154 appointed by the board who are not officers, directors, or 1155 employees of the association, or the spouse, parent, child, 1156 brother, or sister of an officer, director, or employee other 1157 unit owners who are neither board members nor persons residing 1158 in a board member's household. The role of the committee is 1159 limited to determining whether to confirm or reject the fine or 1160 suspension levied by the board. If the committee does not 1161 approve agree, the proposed fine or suspension by majority vote, 1162 the fine or suspension may not be imposed. If the proposed fine 1163 or suspension is approved by the committee, the fine payment is 1164 due 5 days after the date of the committee meeting at which the 1165 fine is approved. The association must provide written notice of 1166 such fine or suspension by mail or hand delivery to the unit 1167 owner and, if applicable, to any tenant, licensee, or invitee of 1168 the unit owner. 1169 Section 10. Section 718.707, Florida Statutes, is amended 1170 to read: 1171 718.707 Time limitation for classification as bulk 1172

1172 assignee or bulk buyer.—A person acquiring condominium parcels 1173 may not be classified as a bulk assignee or bulk buyer unless 1174 the condominium parcels were acquired on or after July 1,  $2010_{\tau}$ 1175 but before July 1, 2018. The date of such acquisition shall be

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1176 determined by the date of recording a deed or other instrument 1177 of conveyance for such parcels in the public records of the 1178 county in which the condominium is located, or by the date of 1179 issuing a certificate of title in a foreclosure proceeding with 1180 respect to such condominium parcels.

1181 Section 11. Paragraphs (a) and (b) of subsection (2) of 1182 section 719.104, Florida Statutes, are amended to read:

1183 719.104 Cooperatives; access to units; records; financial 1184 reports; assessments; purchase of leases.-

1185 (2)

) OFFICIAL RECORDS.-

(a) From the inception of the association, the association shall maintain a copy of each of the following, where applicable, which shall constitute the official records of the association:

1190 1. The plans, permits, warranties, and other items 1191 provided by the developer pursuant to s. 719.301(4).

1192 1193 2. A photocopy of the cooperative documents.

3. A copy of the current rules of the association.

A book or books containing the minutes of all meetings
of the association, of the board of directors, and of the unit
owners, which minutes shall be retained for a period of not less
than 7 years.

1198 5. A current roster of all unit owners and their mailing 1199 addresses, unit identifications, voting certifications, and, if 1200 known, telephone numbers. The association shall also maintain

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1201 the e-mail electronic mailing addresses and the numbers 1202 designated by unit owners for receiving notice sent by 1203 electronic transmission of those unit owners consenting to 1204 receive notice by electronic transmission. The e-mail electronic 1205 mailing addresses and numbers provided by unit owners to receive 1206 notice by electronic transmission shall be removed from 1207 association records when consent to receive notice by electronic 1208 transmission is revoked. However, the association is not liable 1209 for an erroneous disclosure of the e-mail electronic mail 1210 address or the number for receiving electronic transmission of 1211 notices.

1212

6. All current insurance policies of the association.

1213 7. A current copy of any management agreement, lease, or 1214 other contract to which the association is a party or under 1215 which the association or the unit owners have an obligation or 1216 responsibility.

1217 8. Bills of sale or transfer for all property owned by the 1218 association.

9. Accounting records for the association and separate accounting records for each unit it operates, according to good accounting practices. All accounting records shall be maintained for a period of not less than 7 years. The accounting records shall include, but not be limited to:

1224 a. Accurate, itemized, and detailed records of all1225 receipts and expenditures.

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b. A current account and a monthly, bimonthly, or quarterly statement of the account for each unit designating the name of the unit owner, the due date and amount of each assessment, the amount paid upon the account, and the balance due.

1231 c. All audits, reviews, accounting statements, and1232 financial reports of the association.

d. All contracts for work to be performed. Bids for work
to be performed shall also be considered official records and
shall be maintained for a period of 1 year.

1236 10. Ballots, sign-in sheets, voting proxies, and all other 1237 papers <u>and electronic records</u> relating to voting by unit owners, 1238 which shall be maintained for a period of 1 year after the date 1239 of the election, vote, or meeting to which the document relates.

1240 11. All rental records where the association is acting as 1241 agent for the rental of units.

1242 12. A copy of the current question and answer sheet as 1243 described in s. 719.504.

1244 13. All other written records of the association not 1245 specifically included in the foregoing which are related to the 1246 operation of the association.

(b) The official records of the association must be maintained within the state for at least 7 years. The records of the association shall be made available to a unit owner within 45 miles of the cooperative property or within the county in

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1251 which the cooperative property is located within 10  $\frac{1}{2}$  working days after receipt of written request by the board or its 1252 1253 designee. This paragraph may be complied with by having a copy of the official records of the association available for 1254 1255 inspection or copying on the cooperative property or the 1256 association may offer the option of making the records available 1257 to a unit owner electronically via the Internet or by allowing 1258 the records to be viewed in an electronic format on a computer 1259 screen and printed upon request. The association is not 1260 responsible for the use or misuse of the information provided to an association member or his or her authorized representative 1261 1262 pursuant to the compliance requirements of this chapter unless 1263 the association has an affirmative duty not to disclose such 1264 information pursuant to this chapter.

1265 Section 12. Paragraphs (a), (c), and (d) of subsection (1) 1266 of section 719.106, Florida Statutes, are amended, and paragraph 1267 (m) is added to that subsection, to read:

1268

719.106 Bylaws; cooperative ownership.-

(1) MANDATORY PROVISIONS.—The bylaws or other cooperative documents shall provide for the following, and if they do not, they shall be deemed to include the following:

1272

(a) Administration.-

1273 1. The form of administration of the association shall be 1274 described, indicating the titles of the officers and board of 1275 administration and specifying the powers, duties, manner of

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1276 selection and removal, and compensation, if any, of officers and 1277 board members. In the absence of such a provision, the board of 1278 administration shall be composed of five members, unless the 1279 cooperative except in the case of cooperatives has having five 1280 or fewer units., in which case in not-for-profit corporations, 1281 The board shall consist of not fewer than three members in 1282 cooperatives with five or fewer units that are not-for-profit 1283 corporations. In a residential cooperative association of more 1284 than 10 units, co-owners of a unit may not serve as members of 1285 the board of directors at the same time unless the co-owners own 1286 more than one unit or unless there are not enough eligible 1287 candidates to fill the vacancies on the board at the time of the 1288 vacancy. In the absence of provisions to the contrary, the board 1289 of administration shall have a president, a secretary, and a 1290 treasurer, who shall perform the duties of those offices customarily performed by officers of corporations. Unless 1291 1292 prohibited in the bylaws, the board of administration may 1293 appoint other officers and grant them those duties it deems 1294 appropriate. Unless otherwise provided in the bylaws, the 1295 officers shall serve without compensation and at the pleasure of 1296 the board. Unless otherwise provided in the bylaws, the members 1297 of the board shall serve without compensation.

1298 2. A person who has been suspended or removed by the 1299 division under this chapter, or who is delinquent in the payment 1300 of any monetary obligation due to the association, is not

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1301 eligible to be a candidate for board membership and may not be 1302 listed on the ballot. A director or officer charged by 1303 information or indictment with a felony theft or embezzlement 1304 offense involving the association's funds or property is 1305 suspended from office. The board shall fill the vacancy 1306 according to general law until the end of the period of the 1307 suspension or the end of the director's term of office, 1308 whichever occurs first. However, if the charges are resolved 1309 without a finding of guilt or without acceptance of a plea of 1310 guilty or nolo contendere, the director or officer shall be reinstated for any remainder of his or her term of office. A 1311 1312 member who has such criminal charges pending may not be 1313 appointed or elected to a position as a director or officer. A 1314 person who has been convicted of any felony in this state or in 1315 any United States District Court, or who has been convicted of any offense in another jurisdiction which would be considered a 1316 1317 felony if committed in this state, is not eligible for board 1318 membership unless such felon's civil rights have been restored 1319 for at least 5 years as of the date such person seeks election 1320 to the board. The validity of an action by the board is not 1321 affected if it is later determined that a board member is 1322 ineligible for board membership due to having been convicted of 1323 a felony.

13243. When a unit owner files a written inquiry by certified1325mail with the board of administration, the board shall respond

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in writing to the unit owner within 30 days of receipt of the 1326 inquiry. The board's response shall either give a substantive 1327 1328 response to the inquirer, notify the inquirer that a legal 1329 opinion has been requested, or notify the inquirer that advice 1330 has been requested from the division. If the board requests 1331 advice from the division, the board shall, within 10 days of its 1332 receipt of the advice, provide in writing a substantive response 1333 to the inquirer. If a legal opinion is requested, the board 1334 shall, within 60 days after the receipt of the inquiry, provide 1335 in writing a substantive response to the inquirer. The failure 1336 to provide a substantive response to the inquirer as provided 1337 herein precludes the board from recovering attorney's fees and costs in any subsequent litigation, administrative proceeding, 1338 1339 or arbitration arising out of the inquiry. The association may, through its board of administration, adopt reasonable rules and 1340 regulations regarding the frequency and manner of responding to 1341 1342 the unit owners' inquiries, one of which may be that the 1343 association is obligated to respond to only one written inquiry 1344 per unit in any given 30-day period. In such case, any 1345 additional inquiry or inquiries must be responded to in the 1346 subsequent 30-day period, or periods, as applicable.

(c) Board of administration meetings.-<u>Members of the board</u>
of administration may use e-mail as a means of communication but
may not cast a vote on an association matter via e-mail.
Meetings of the board of administration at which a quorum of the

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1351 members is present shall be open to all unit owners. Any unit owner may tape record or videotape meetings of the board of 1352 1353 administration. The right to attend such meetings includes the 1354 right to speak at such meetings with reference to all designated 1355 agenda items. The division shall adopt reasonable rules 1356 governing the tape recording and videotaping of the meeting. The 1357 association may adopt reasonable written rules governing the 1358 frequency, duration, and manner of unit owner statements. 1359 Adequate notice of all meetings shall be posted in a conspicuous 1360 place upon the cooperative property at least 48 continuous hours preceding the meeting, except in an emergency. Any item not 1361 1362 included on the notice may be taken up on an emergency basis by 1363 at least a majority plus one of the members of the board. Such 1364 emergency action shall be noticed and ratified at the next 1365 regular meeting of the board. Notice of any meeting in which 1366 regular or special assessments against unit owners are to be 1367 considered must specifically state that assessments will be 1368 considered and provide the estimated cost and description of the 1369 purpose for such assessments. However, Written notice of any 1370 meeting at which nonemergency special assessments, or at which 1371 amendment to rules regarding unit use, will be considered shall 1372 be mailed, delivered, or electronically transmitted to the unit owners and posted conspicuously on the cooperative property not 1373 less than 14 days before the meeting. Evidence of compliance 1374 1375 with this 14-day notice shall be made by an affidavit executed

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1376 by the person providing the notice and filed among the official 1377 records of the association. Upon notice to the unit owners, the 1378 board shall by duly adopted rule designate a specific location 1379 on the cooperative property upon which all notices of board 1380 meetings shall be posted. In lieu of or in addition to the 1381 physical posting of notice of any meeting of the board of 1382 administration on the cooperative property, the association may, 1383 by reasonable rule, adopt a procedure for conspicuously posting 1384 and repeatedly broadcasting the notice and the agenda on a 1385 closed-circuit cable television system serving the cooperative 1386 association. However, if broadcast notice is used in lieu of a 1387 notice posted physically on the cooperative property, the notice 1388 and agenda must be broadcast at least four times every broadcast 1389 hour of each day that a posted notice is otherwise required 1390 under this section. When broadcast notice is provided, the notice and agenda must be broadcast in a manner and for a 1391 sufficient continuous length of time so as to allow an average 1392 1393 reader to observe the notice and read and comprehend the entire 1394 content of the notice and the agenda. In addition to any of the 1395 authorized means of providing notice of a meeting of the board, 1396 the association may, by rule, adopt a procedure for 1397 conspicuously posting the meeting notice and the agenda on a 1398 website serving the cooperative association for at least the 1399 minimum period of time for which a notice of a meeting is also 1400 required to be physically posted on the cooperative property.

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1401 Any rule adopted shall, in addition to other matters, include a 1402 requirement that the association send an electronic notice in 1403 the same manner as a notice for a meeting of the members, which 1404 must include a hyperlink to the website where the notice is 1405 posted, to unit owners whose e-mail addresses are included in 1406 the association's official records. Notice of any meeting in 1407 which regular assessments against unit owners are to be 1408 considered for any reason shall specifically contain a statement 1409 that assessments will be considered and the nature of any such 1410 assessments. Meetings of a committee to take final action on 1411 behalf of the board or to make recommendations to the board 1412 regarding the association budget are subject to the provisions 1413 of this paragraph. Meetings of a committee that does not take 1414 final action on behalf of the board or make recommendations to 1415 the board regarding the association budget are subject to the provisions of this section, unless those meetings are exempted 1416 1417 from this section by the bylaws of the association. 1418 Notwithstanding any other law to the contrary, the requirement 1419 that board meetings and committee meetings be open to the unit owners does not apply to board or committee meetings held for 1420 1421 the purpose of discussing personnel matters or meetings between 1422 the board or a committee and the association's attorney, with respect to proposed or pending litigation, if the meeting is 1423 held for the purpose of seeking or rendering legal advice. 1424 1425 Shareholder meetings.-There shall be an annual meeting (d)

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1426 of the shareholders. All members of the board of administration 1427 shall be elected at the annual meeting unless the bylaws provide 1428 for staggered election terms or for their election at another 1429 meeting. Any unit owner desiring to be a candidate for board 1430 membership must comply with subparagraph 1. The bylaws must 1431 provide the method for calling meetings, including annual 1432 meetings. Written notice, which must incorporate an 1433 identification of agenda items, shall be given to each unit 1434 owner at least 14 days before the annual meeting and posted in a 1435 conspicuous place on the cooperative property at least 14 1436 continuous days preceding the annual meeting. Upon notice to the 1437 unit owners, the board must by duly adopted rule designate a 1438 specific location on the cooperative property upon which all 1439 notice of unit owner meetings are posted. In lieu of or in addition to the physical posting of the meeting notice, the 1440 association may, by reasonable rule, adopt a procedure for 1441 1442 conspicuously posting and repeatedly broadcasting the notice and 1443 the agenda on a closed-circuit cable television system serving 1444 the cooperative association. However, if broadcast notice is used in lieu of a posted notice, the notice and agenda must be 1445 1446 broadcast at least four times every broadcast hour of each day that a posted notice is otherwise required under this section. 1447 1448 If broadcast notice is provided, the notice and agenda must be broadcast in a manner and for a sufficient continuous length of 1449 1450 time to allow an average reader to observe the notice and read

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1475

1451 and comprehend the entire content of the notice and the agenda. 1452 In addition to any of the authorized means of providing notice 1453 of a meeting of the shareholders, the association may, by rule, 1454 adopt a procedure for conspicuously posting the meeting notice 1455 and the agenda on a website serving the cooperative association 1456 for at least the minimum period of time for which a notice of a 1457 meeting is also required to be physically posted on the 1458 cooperative property. Any rule adopted shall, in addition to 1459 other matters, include a requirement that the association send 1460 an electronic notice in the same manner as a notice for a meeting of the members, which must include a hyperlink to the 1461 website where the notice is posted, to unit owners whose e-mail 1462 1463 addresses are included in the association's official records. 1464 Unless a unit owner waives in writing the right to receive 1465 notice of the annual meeting, the notice of the annual meeting must be sent by mail, hand delivered, or electronically 1466 1467 transmitted to each unit owner. An officer of the association 1468 must provide an affidavit or United States Postal Service 1469 certificate of mailing, to be included in the official records 1470 of the association, affirming that notices of the association 1471 meeting were mailed, hand delivered, or electronically 1472 transmitted, in accordance with this provision, to each unit owner at the address last furnished to the association. 1473 The board of administration shall be elected by written 1474 1.

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ballot or voting machine. A proxy may not be used in electing

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1476 the board of administration in general elections or elections to 1477 fill vacancies caused by recall, resignation, or otherwise 1478 unless otherwise provided in this chapter.

1479 At least 60 days before a scheduled election, the a. 1480 association shall mail, deliver, or transmit, whether by separate association mailing, delivery, or electronic 1481 1482 transmission or included in another association mailing, 1483 delivery, or electronic transmission, including regularly 1484 published newsletters, to each unit owner entitled to vote, a 1485 first notice of the date of the election. Any unit owner or other eligible person desiring to be a candidate for the board 1486 1487 of administration must give written notice to the association at 1488 least 40 days before a scheduled election. Together with the 1489 written notice and agenda as set forth in this section, the 1490 association shall mail, deliver, or electronically transmit a second notice of election to all unit owners entitled to vote, 1491 1492 together with a ballot that lists all candidates. Upon request 1493 of a candidate, the association shall include an information 1494 sheet, no larger than 8 1/2 inches by 11 inches, which must be 1495 furnished by the candidate at least 35 days before the election, 1496 to be included with the mailing, delivery, or electronic transmission of the ballot, with the costs of mailing, delivery, 1497 1498 or transmission and copying to be borne by the association. The association is not liable for the contents of the information 1499 1500 sheets provided by the candidates. In order to reduce costs, the

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1501 association may print or duplicate the information sheets on both sides of the paper. The division shall by rule establish 1502 1503 voting procedures consistent with this subparagraph, including 1504 rules establishing procedures for giving notice by electronic 1505 transmission and rules providing for the secrecy of ballots. 1506 Elections shall be decided by a plurality of those ballots cast. 1507 There is no quorum requirement. However, at least 20 percent of 1508 the eligible voters must cast a ballot in order to have a valid 1509 election. A unit owner may not permit any other person to vote 1510 his or her ballot, and any such ballots improperly cast are invalid. A unit owner who needs assistance in casting the ballot 1511 1512 for the reasons stated in s. 101.051 may obtain assistance in 1513 casting the ballot. Any unit owner violating this provision may 1514 be fined by the association in accordance with s. 719.303. The 1515 regular election must occur on the date of the annual meeting. This subparagraph does not apply to timeshare cooperatives. 1516 1517 Notwithstanding this subparagraph, an election and balloting are 1518 not required unless more candidates file a notice of intent to 1519 run or are nominated than vacancies exist on the board. Any 1520 challenge to the election process must be commenced within 60 1521 days after the election results are announced.

b. Within 90 days after being elected or appointed to the
board, each new director shall certify in writing to the
secretary of the association that he or she has read the
association's bylaws, articles of incorporation, proprietary

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1526 lease, and current written policies; that he or she will work to 1527 uphold such documents and policies to the best of his or her 1528 ability; and that he or she will faithfully discharge his or her 1529 fiduciary responsibility to the association's members. Within 90 1530 days after being elected or appointed to the board, in lieu of 1531 this written certification, the newly elected or appointed 1532 director may submit a certificate of having satisfactorily 1533 completed the educational curriculum administered by an 1534 education provider as approved by the division pursuant to the 1535 requirements established in chapter 718 within 1 year before or 1536 90 days after the date of election or appointment. The 1537 educational certificate is valid and does not have to be 1538 resubmitted as long as the director serves on the board without 1539 interruption. A director who fails to timely file the written 1540 certification or educational certificate is suspended from 1541 service on the board until he or she complies with this sub-1542 subparagraph. The board may temporarily fill the vacancy during 1543 the period of suspension. The secretary of the association shall 1544 cause the association to retain a director's written 1545 certification or educational certificate for inspection by the 1546 members for 5 years after a director's election or the duration 1547 of the director's uninterrupted tenure, whichever is longer. Failure to have such written certification or educational 1548 1549 certificate on file does not affect the validity of any board 1550 action.

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1551 Any approval by unit owners called for by this chapter, 2. 1552 or the applicable cooperative documents, must be made at a duly 1553 noticed meeting of unit owners and is subject to this chapter or 1554 the applicable cooperative documents relating to unit owner 1555 decisionmaking, except that unit owners may take action by 1556 written agreement, without meetings, on matters for which action 1557 by written agreement without meetings is expressly allowed by 1558 the applicable cooperative documents or law which provides for 1559 the unit owner action.

1560 3. Unit owners may waive notice of specific meetings if 1561 allowed by the applicable cooperative documents or law. Notice 1562 of meetings of the board of administration, shareholder 1563 meetings, except shareholder meetings called to recall board 1564 members under paragraph (f), and committee meetings may be given 1565 by electronic transmission to unit owners who consent to receive 1566 notice by electronic transmission. A unit owner who consents to 1567 receiving notices by electronic transmission is solely 1568 responsible for removing or bypassing filters that may block 1569 receipt of mass emails sent to members on behalf of the 1570 association in the course of giving electronic notices.

4. Unit owners have the right to participate in meetings
of unit owners with reference to all designated agenda items.
However, the association may adopt reasonable rules governing
the frequency, duration, and manner of unit owner participation.
Any unit owner may tape record or videotape meetings of

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1576 the unit owners subject to reasonable rules adopted by the 1577 division.

1578 6. Unless otherwise provided in the bylaws, a vacancy 1579 occurring on the board before the expiration of a term may be 1580 filled by the affirmative vote of the majority of the remaining 1581 directors, even if the remaining directors constitute less than 1582 a quorum, or by the sole remaining director. In the alternative, 1583 a board may hold an election to fill the vacancy, in which case 1584 the election procedures must conform to the requirements of 1585 subparagraph 1. unless the association has opted out of the 1586 statutory election process, in which case the bylaws of the 1587 association control. Unless otherwise provided in the bylaws, a 1588 board member appointed or elected under this subparagraph shall 1589 fill the vacancy for the unexpired term of the seat being 1590 filled. Filling vacancies created by recall is governed by 1591 paragraph (f) and rules adopted by the division. 1592

Notwithstanding subparagraphs (b)2. and (d)1., an association may, by the affirmative vote of a majority of the total voting interests, provide for a different voting and election procedure in its bylaws, which vote may be by a proxy specifically delineating the different voting and election procedures. The different voting and election procedures may provide for elections to be conducted by limited or general proxy.

1600

(m) Director or officer delinquencies.-A director or

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1601 officer more than 90 days delinquent in the payment of any 1602 monetary obligation due the association shall be deemed to have 1603 abandoned the office, creating a vacancy in the office to be 1604 filled according to law. 1605 Section 13. Paragraph (b) of subsection (1) of section 1606 719.107, Florida Statutes, is amended to read: 1607 719.107 Common expenses; assessment.-1608 (1)1609 If so provided in the bylaws, the cost of (b) 1610 communications services as defined in chapter 202, information 1611 services or Internet services a master antenna television system 1612 or duly franchised cable television service obtained pursuant to 1613 a bulk contract shall be deemed a common expense, and if not 1614 obtained pursuant to a bulk contract, such cost shall be 1615 considered common expense if it is designated as such in a 1616 written contract between the board of administration and the 1617 company providing the communications services as defined in 1618 chapter 202, information services or Internet services master 1619 television antenna system or the cable television service. The 1620 contract shall be for a term of not less than 2 years. 1621 Any contract made by the board after April 2, 1992, for 1. 1622 a community antenna system or duly franchised cable television service, communications services as defined in chapter 202, 1623 information services or Internet services may be canceled by a 1624 majority of the voting interests present at the next regular or 1625

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special meeting of the association. Any member may make a motion to cancel the contract, but if no motion is made or if such motion fails to obtain the required majority at the next regular or special meeting, whichever is sooner, following the making of the contract, then such contract shall be deemed ratified for the term therein expressed.

1632 2. Any such contract shall provide, and shall be deemed to 1633 provide if not expressly set forth, that any hearing impaired or 1634 legally blind unit owner who does not occupy the unit with a 1635 nonhearing impaired or sighted person may discontinue the 1636 service without incurring disconnect fees, penalties, or 1637 subsequent service charges, and as to such units, the owners 1638 shall not be required to pay any common expenses charge related 1639 to such service. If less than all members of an association 1640 share the expenses of cable television, the expense shall be shared equally by all participating unit owners. The association 1641 1642 may use the provisions of s. 719.108 to enforce payment of the 1643 shares of such costs by the unit owners receiving cable 1644 television.

1645 Section 14. Paragraph (b) of subsection (3) of section 1646 719.303, Florida Statutes, is amended to read:

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1647
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719.303 Obligations of owners.-

1648 (3) The association may levy reasonable fines for failure 1649 of the unit owner or the unit's occupant, licensee, or invitee 1650 to comply with any provision of the cooperative documents or

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1651 reasonable rules of the association. A fine may not become a 1652 lien against a unit. A fine may be levied by the board on the 1653 basis of each day of a continuing violation, with a single 1654 notice and opportunity for hearing before a committee as 1655 provided in paragraph (b). However, the fine may not exceed \$100 1656 per violation, or \$1,000 in the aggregate.

1657 (b) A fine or suspension levied by the board of 1658 administration may not be imposed unless the board first 1659 provides at least 14 days' written notice and an opportunity for 1660 a hearing to the unit owner and, if applicable, any its 1661 occupant, licensee, or invitee of the unit owner sought to be fined or suspended and an opportunity for a hearing. The hearing 1662 1663 must be held before a committee of at least three members 1664 appointed by the board who are not officers, directors, or 1665 employees of the association, or the spouse, parent, child, 1666 brother, or sister of an officer, director, or employee other 1667 unit owners who are neither board members nor persons residing 1668 in a board member's household. The role of the committee is 1669 limited to determining whether to confirm or reject the fine or 1670 suspension levied by the board. If the committee does not 1671 approve agree with the proposed fine or suspension by majority 1672 vote, the fine or suspension it may not be imposed. If the 1673 proposed fine or suspension is approved by the committee, the fine payment is due 5 days after the <u>date of the committee</u> 1674 1675 meeting at which the fine is approved. The association must

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1676	provide written notice of such fine or suspension by mail or
1677	hand delivery to the unit owner and, if applicable, to any
1678	tenant, licensee, or invitee of the unit owner.
1679	Section 15. Paragraphs (a) and (c) of subsection (2) of
1680	section 720.303, Florida Statutes, are amended, to read:
1681	720.303 Association powers and duties; meetings of board;
1682	official records; budgets; financial reporting; association
1683	funds; recalls
1684	(2) BOARD MEETINGS
1685	(a) Members of the board of administration may use e-mail
1686	as a means of communication, but may not cast a vote on an
1687	association matter via e-mail. A meeting of the board of
1688	directors of an association occurs whenever a quorum of the
1689	board gathers to conduct association business. Meetings of the
1690	board must be open to all members, except for meetings between
1691	the board and its attorney with respect to proposed or pending
1692	litigation where the contents of the discussion would otherwise
1693	be governed by the attorney-client privilege. A meeting of the
1694	board must be held at a location that is accessible to a
1695	physically handicapped person if requested by a physically
1696	handicapped person who has a right to attend the meeting. The
1697	provisions of this subsection shall also apply to the meetings
1698	of any committee or other similar body when a final decision
1699	will be made regarding the expenditure of association funds and
1700	to meetings of any body vested with the power to approve or
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1701 disapprove architectural decisions with respect to a specific 1702 parcel of residential property owned by a member of the 1703 community.

(c) The bylaws shall provide <u>the following</u> for giving notice to parcel owners and members of all board meetings and, if they do not do so, shall be deemed to <u>include</u> <del>provide</del> the following:

1708 1. Notices of all board meetings must be posted in a 1709 conspicuous place in the community at least 48 hours in advance 1710 of a meeting, except in an emergency. In the alternative, if notice is not posted in a conspicuous place in the community, 1711 1712 notice of each board meeting must be mailed or delivered to each 1713 member at least 7 days before the meeting, except in an 1714 emergency. Notwithstanding this general notice requirement, for 1715 communities with more than 100 members, the association bylaws may provide for a reasonable alternative to posting or mailing 1716 1717 of notice for each board meeting, including publication of 1718 notice, provision of a schedule of board meetings, or the 1719 conspicuous posting and repeated broadcasting of the notice on a 1720 closed-circuit cable television system serving the homeowners' 1721 association. However, if broadcast notice is used in lieu of a 1722 notice posted physically in the community, the notice must be 1723 broadcast at least four times every broadcast hour of each day that a posted notice is otherwise required. When broadcast 1724 1725 notice is provided, the notice and agenda must be broadcast in a

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1726 manner and for a sufficient continuous length of time so as to 1727 allow an average reader to observe the notice and read and 1728 comprehend the entire content of the notice and the agenda. The 1729 association may provide notice by electronic transmission in a 1730 manner authorized by law for meetings of the board of directors, 1731 committee meetings requiring notice under this section, and 1732 annual and special meetings of the members to any member who has 1733 provided a facsimile number or e-mail address to the association 1734 to be used for such purposes; however, a member must consent in 1735 writing to receiving notice by electronic transmission.

1736 2. An assessment may not be levied at a board meeting 1737 unless the notice of the meeting includes a statement that 1738 assessments will be considered and the nature of the 1739 assessments. Written notice of any meeting at which special 1740 assessments will be considered or at which amendments to rules 1741 regarding parcel use will be considered must be mailed, 1742 delivered, or electronically transmitted to the members and 1743 parcel owners and posted conspicuously on the property or 1744 broadcast on closed-circuit cable television not less than 14 1745 days before the meeting.

3. Directors may not vote by proxy or by secret ballot at board meetings, except that secret ballots may be used in the election of officers. This subsection also applies to the meetings of any committee or other similar body, when a final decision will be made regarding the expenditure of association

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1751 funds, and to any body vested with the power to approve or 1752 disapprove architectural decisions with respect to a specific 1753 parcel of residential property owned by a member of the 1754 community.

1755 Section 16. Paragraph (b) of subsection (2) of section 1756 720.305, Florida Statutes, is amended to read:

1757 720.305 Obligations of members; remedies at law or in
1758 equity; levy of fines and suspension of use rights.-

The association may levy reasonable fines. A fine may 1759 (2)1760 not exceed \$100 per violation against any member or any member's tenant, quest, or invitee for the failure of the owner of the 1761 1762 parcel or its occupant, licensee, or invitee to comply with any provision of the declaration, the association bylaws, or 1763 1764 reasonable rules of the association unless otherwise provided in 1765 the governing documents. A fine may be levied by the board for each day of a continuing violation, with a single notice and 1766 1767 opportunity for hearing, except that the fine may not exceed 1768 \$1,000 in the aggregate unless otherwise provided in the 1769 governing documents. A fine of less than \$1,000 may not become a 1770 lien against a parcel. In any action to recover a fine, the 1771 prevailing party is entitled to reasonable attorney fees and 1772 costs from the nonprevailing party as determined by the court.

(b) A fine or suspension <u>levied</u> may not be imposed by the
board of administration may not be imposed unless the board
<u>first provides</u> without at least 14 days' notice to the <u>parcel</u>

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1776 owner and, if applicable, any occupant, licensee, or invitee of the parcel owner, person sought to be fined or suspended and an 1777 1778 opportunity for a hearing before a committee of at least three 1779 members appointed by the board who are not officers, directors, or employees of the association, or the spouse, parent, child, 1780 1781 brother, or sister of an officer, director, or employee. If the 1782 committee, by majority vote, does not approve a proposed fine or 1783 suspension, the proposed fine or suspension it may not be 1784 imposed. The role of the committee is limited to determining 1785 whether to confirm or reject the fine or suspension levied by the board. If the proposed board of administration imposes a 1786 fine or suspension levied by the board is approved by the 1787 1788 committee, the fine payment is due 5 days after the date of the 1789 committee meeting at which the fine is approved. The association 1790 must provide written notice of such fine or suspension by mail 1791 or hand delivery to the parcel owner and, if applicable, to any 1792 tenant, licensee, or invitee of the parcel owner.

Section 17. Paragraph (a) of subsection (9) of section 720.306, Florida Statutes, is amended, and paragraphs (e) through (h) are added to subsection (1) of that section, to read:

1797 720.306 Meetings of members; voting and election 1798 procedures; amendments.-

- 1799
- 1800

(1) QUORUM; AMENDMENTS.-

(e) A proposal to amend the governing documents must

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2018

1801	contain the full text of the provision to be amended and may not
1802	be revised or amended by reference solely to the title or
1803	number. Proposed new language must be underlined and proposed
1804	deleted language must be stricken. If the proposed change is so
1805	extensive that underlining and striking through language would
1806	hinder, rather than assist, the understanding of the proposed
1807	amendment, a notation must be inserted immediately preceding the
1808	proposed amendment in substantially the following form:
1809	"Substantial rewording. See governing documents for current
1810	text." An amendment to a governing document is effective when
1811	recorded in the public records of the county in which the
1812	community is located.
1813	(f) An immaterial error or omission in the amendment
1814	process does not invalidate an otherwise properly adopted
1815	amendment.
1816	(g) Except for an amendment to the governing documents
1817	that only affects transient occupancy, as defined in s.
1818	509.013(12), an amendment to any governing document adopted
1819	after July 1, 2018, that prohibits a parcel owner from renting
1820	the home, alters the authorized duration of a rental term, or
1821	specifies or limits the number of times that a parcel owner may
1822	rent his or her home during a specified term, applies only to a
1823	parcel owner who acquires title to the home after the effective
1824	date of the amendment, or to a parcel owner who consents,
1825	individually or through a representative, to the amendment. For
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1826 purposes of this paragraph, a change of ownership does not occur 1827 when a parcel owner conveys the parcel to an affiliated entity 1828 or when beneficial ownership of the parcel does not change. For 1829 purposes of this paragraph, the term "affiliated entity" means an entity which controls, is controlled by, or is under common 1830 1831 control with the parcel owner or that becomes a parent or 1832 successor entity by reason of transfer, merger, consolidation, 1833 public offering, reorganization, dissolution or sale of stock, 1834 or transfer of membership partnership interests. For a 1835 conveyance to be recognized as one made to an affiliated entity, the entity must furnish the association a document certifying 1836 1837 that this paragraph applies. 1838 (h) A notice required under this section must be mailed or 1839 delivered to the address identified as the parcel owner's mailing address on the property appraiser's website for the 1840 1841 county in which the parcel is located, or electronically 1842 transmitted in a manner authorized by the association if the parcel owner has consented, in writing, to receive notice by 1843 1844 electronic transmission. 1845 ELECTIONS AND BOARD VACANCIES.-(9) 1846 Elections of directors must be conducted in accordance (a)

1847 with the procedures set forth in the governing documents of the 1848 association. Except as provided in paragraph (b), all members of 1849 the association are eligible to serve on the board of directors, 1850 and a member may nominate himself or herself as a candidate for

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1870

1851 the board at a meeting where the election is to be held; 1852 provided, however, that if the election process allows 1853 candidates to be nominated in advance of the meeting, the 1854 association is not required to allow nominations at the meeting. 1855 An election is not required unless more candidates are nominated 1856 than vacancies exist. If an election is not required because 1857 there are either an equal number or fewer qualified candidates 1858 than vacancies exist, and if nominations from the floor are not 1859 required pursuant to this section or the bylaws, write-in 1860 nominations are not permitted and such qualified candidates shall commence service on the board of directors, regardless of 1861 1862 whether a quorum is attained at the annual meeting. Except as 1863 otherwise provided in the governing documents, boards of 1864 directors must be elected by a plurality of the votes cast by 1865 eligible voters. Any challenge to the election process must be 1866 commenced within 60 days after the election results are 1867 announced.

1868Section 18. Paragraph (b) of subsection (3) of section1869720.3085, Florida Statutes, is amended to read:

720.3085 Payment for assessments; lien claims.-

(3) Assessments and installments on assessments that are not paid when due bear interest from the due date until paid at the rate provided in the declaration of covenants or the bylaws of the association, which rate may not exceed the rate allowed by law. If no rate is provided in the declaration or bylaws,

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1889

1876 interest accrues at the rate of 18 percent per year.

1877 Any payment received by an association and accepted (b) 1878 shall be applied first to any interest accrued, then to any 1879 administrative late fee, then to any costs and reasonable 1880 attorney fees incurred in collection, and then to the delinquent 1881 assessment. This paragraph applies notwithstanding any 1882 restrictive endorsement, designation, or instruction placed on 1883 or accompanying a payment. A late fee is not subject to the 1884 provisions of chapter 687 and is not a fine. The foregoing is 1885 applicable notwithstanding s. 673.3111, any purported accord and 1886 satisfaction, or any restrictive endorsement, designation, or 1887 instruction placed on or accompanying a payment. The preceding sentence is intended to clarify existing law. 1888

Section 19. This act shall take effect July 1, 2018.

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