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COMMITTEE/SUBCOMMITTEE ACTION ADOPTED (Y/N) (Y/N) ADOPTED AS AMENDED ADOPTED W/O OBJECTION (Y/N) (Y/N) FAILED TO ADOPT (Y/N) WITHDRAWN OTHER Committee/Subcommittee hearing bill: Regulatory Reform & 1 2 Economic Development Subcommittee 3 Representative Lopez, V. offered the following: 4 5 Amendment (with title amendment) 6 Remove everything after the enacting clause and insert: 7 Section 1. Subsection (3) is added to section 468.4334, 8 Florida Statutes, to read: 9 468.4334 Professional practice standards; liability.-10 (3) A community association manager or a community association management firm shall return all community 11 association official records within its possession to the 12 community association within 20 business days after termination 13 14 of a contractual agreement to provide community association 15 management services to the community association or receipt of a written request for return of the official records, whichever 16 313615 - h1021-strike.docx

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| 17 | occurs first. The notice of termination must be sent by |
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| 18 | certified mail, return receipt requested, or in the manner |
| 19 | required under the management contract. Such community |
| 20 | association manager or community association management firm may |
| 21 | retain, for up to 20 business days, those records necessary to |
| 22 | complete an ending financial statement or report. Failure of |
| 23 | association to provide access or retention of accounting records |
| 24 | to prepare the statement or report shall relieve such community |
| 25 | association manager or community association management firm of |
| 26 | any further responsibility or liability for preparation of the |
| 27 | statement or report. Failure of a community association manager |
| 28 | or a community association management firm to timely return all |
| 29 | of the official records within its possession to the community |
| 30 | association creates a rebuttable presumption that the community |
| 31 | association manager or community association management firm |
| 32 | willfully failed to comply with this subsection. A community |
| 33 | association manager or a community association management firm |
| 34 | that fails to timely return community association records is |
| 35 | subject to suspension of its license under s. 468.436, and a |
| 36 | civil penalty of \$1,000 per day for up to business 10 days, |
| 37 | assessed beginning on the 21st business day after termination of |
| 38 | a contractual agreement to provide community association |
| 39 | management services to the community association or receipt of a |
| 40 | written request from the association for return of the records, |
| 41 | whichever occurs first. |
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42 Section 2. Section 468.4335, Florida Statutes, is created 43 to read: 44 468.4335 Conflicts of interest.-45 (1) A community association manager or a community association management firm, including directors, officers, 46 persons with a financial interest in a community association 47 management firm, or a relative of such persons, must disclose to 48 49 the board of a community association any activity that may 50 reasonably be construed to be a conflict of interest. A rebuttable presumption of a conflict of interest exists if any 51 52 of the following occurs without prior notice: 53 (a) A community association manager or a community association management firm, including directors, officers, 54 55 persons with a financial interest in a community association 56 management firm, or a relative of such persons, enters into a 57 contract for goods or services with the association. 58 (b) A community association manager or a community 59 association management firm, including directors, officers, 60 persons with a financial interest in a community association management firm, or the relative of such persons, holds an 61 62 interest in or receives compensation or anything of value from a 63 corporation, limited liability corporation, partnership, limited 64 liability partnership, or other business entity that conducts 65 business with the association or proposes to enter into a contract or other transaction with the association. 66 313615 - h1021-strike.docx Published On: 1/31/2024 5:51:57 PM

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| 67 | (2) If the association receives and considers a bid to |
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| 68 | provide a good or service, other than community association |
| 69 | management services, from a community association manager or a |
| 70 | community association management firm, including directors, |
| 71 | officers, persons with a financial interest in a community |
| 72 | association management firm, or a relative of such persons, the |
| 73 | association must also solicit and consider at least three bids |
| 74 | from other third-party providers of such good or service. |
| 75 | (3) If a community association manager or a community |
| 76 | association management firm, including directors, officers, |
| 77 | persons with a financial interest in a community association |
| 78 | management firm, or a relative of such persons, proposes to |
| 79 | engage in an activity that is a conflict of interest as |
| 80 | described in subsection (1), the proposed activity must be |
| 81 | listed on, and all contracts and transactional documents related |
| 82 | to the proposed activity must be attached to, the meeting agenda |
| 83 | of the next board of administration meeting. The disclosures of |
| 84 | a possible conflict of interest must be entered into the written |
| 85 | minutes of the meeting. Approval of the contract or other |
| 86 | transaction requires an affirmative vote of two-thirds of all |
| 87 | other directors present. At the next regular or special meeting |
| 88 | of the members, the existence of the contract or other |
| 89 | transaction must be disclosed to the members. |
| 90 | (4) If the board finds that a community association |
| 91 | manager or a community association management firm, including |
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| 92 | directors, officers, persons with a financial interest in a |
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| 93 | community association management firm, and the relatives of such |
| 94 | persons, has violated this section, the association may cancel |
| 95 | its community association management contract with the community |
| 96 | association manager or the community association management |
| 97 | firm. If the contract is canceled, the association is liable |
| 98 | only for the reasonable value of the management services |
| 99 | provided up to the time of cancellation and is not liable for |
| 100 | any termination fees, liquidated damages, or other form of |
| 101 | penalty for such cancellation. |
| 102 | (5) If an association enters into a contract with a |
| 103 | community association manager or a community association |
| 104 | management firm, including directors, officers, persons with a |
| 105 | financial interest in a community association management firm, |
| 106 | or a relative of such persons, which is a party to or has an |
| 107 | interest in an activity that is a possible conflict of interest |
| 108 | as described in subsection (1) and such activity has not been |
| 109 | properly disclosed as a conflict of interest or potential |
| 110 | conflict of interest as required by this section, the contract |
| 111 | is voidable and terminates upon the association filing a written |
| 112 | notice terminating the contract with its board of directors |
| 113 | which contains the consent of at least 20 percent of the voting |
| 114 | interests of the association. |

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| 115 | (6) As used in this section, the term "relative" means a |
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| 116 | relative within the third degree of consanguinity by blood or |
| 117 | marriage. |
| 118 | Section 3. Paragraph (b) of subsection (2) of section |
| 119 | 468.436, Florida Statutes, is amended, and subsection (4) of |
| 120 | that section is reenacted, to read: |
| 121 | 468.436 Disciplinary proceedings |
| 122 | (2) The following acts constitute grounds for which the |
| 123 | disciplinary actions in subsection (4) may be taken: |
| 124 | (b)1. Violation of any provision of this part. |
| 125 | 2. Violation of any lawful order or rule rendered or |
| 126 | adopted by the department or the council. |
| 127 | 3. Being convicted of or pleading nolo contendere to a |
| 128 | felony in any court in the United States. |
| 129 | 4. Obtaining a license or certification or any other |
| 130 | order, ruling, or authorization by means of fraud, |
| 131 | misrepresentation, or concealment of material facts. |
| 132 | 5. Committing acts of gross misconduct or gross negligence |
| 133 | in connection with the profession. |
| 134 | 6. Contracting, on behalf of an association, with any |
| 135 | entity in which the licensee has a financial interest that is |
| 136 | not disclosed. |
| 137 | 7. Failing to disclose any conflict of interest as |
| 138 | required by s. 468.4335. |
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139 <u>8.7.</u> Violating any provision of chapter 718, chapter 719, 140 or chapter 720 during the course of performing community 141 association management services pursuant to a contract with a 142 community association as defined in s. 468.431(1).

(4) When the department finds any community association manager or firm guilty of any of the grounds set forth in subsection (2), it may enter an order imposing one or more of the following penalties:

147

148

(a) Denial of an application for licensure.

(b) Revocation or suspension of a license.

149 (c) Imposition of an administrative fine not to exceed150 \$5,000 for each count or separate offense.

151

(d) Issuance of a reprimand.

(e) Placement of the community association manager on
probation for a period of time and subject to such conditions as
the department specifies.

(f) Restriction of the authorized scope of practice by the community association manager.

157 Section 4. Subsections (19) through (32) of section 158 718.103, Florida Statutes, are renumbered as subsections (20) 159 through (33), respectively, subsection (1) is amended, and a new 160 subsection (19) is added to that section, to read:

161 162

163

718.103 Definitions.—As used in this chapter, the term:(1) "Alternative funding method" means a method approvedby the division for funding the capital expenditures and

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deferred maintenance obligations for a multicondominium association operating at least 25 condominiums which may reasonably be expected to fully satisfy the association's reserve funding obligations by the allocation of funds in the annual operating budget.

169 (19) "Hurricane protection" means hurricane shutters, 170 impact glass, code-compliant windows or doors, and other code-171 compliant hurricane protection products used to preserve and 172 protect the condominium property or association property.

173 Section 5. Paragraph (p) is added to subsection (4) of 174 section 718.104, Florida Statutes, to read:

175 718.104 Creation of condominiums; contents of 176 declaration.—Every condominium created in this state shall be 177 created pursuant to this chapter.

178 (4) The declaration must contain or provide for the 179 following matters:

(p) For both residential condominiums and mixed-use
 condominiums, a statement that specifies whether the unit owner
 or the association is responsible for the installation,
 maintenance, repair, or replacement of hurricane protection that
 is for the preservation and protection of the condominium

185 property and association property.

Section 6. Paragraph (a) of subsection (1) and subsections (12), (13), and (15) of section 718.111, Florida Statutes, are amended to read:

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189 718.111 The association.-190 CORPORATE ENTITY.-(1)191 (a) The operation of the condominium shall be by the association, which must be a Florida corporation for profit or a 192 193 Florida corporation not for profit. However, any association 194 which was in existence on January 1, 1977, need not be 195 incorporated. The owners of units shall be shareholders or members of the association. The officers and directors of the 196 197 association have a fiduciary relationship to the unit owners. It 198 is the intent of the Legislature that nothing in this paragraph shall be construed as providing for or removing a requirement of 199 200 a fiduciary relationship between any manager employed by the 201 association and the unit owners. An officer, director, or 202 manager may not solicit, offer to accept, or accept any thing or 203 service of value or kickback for which consideration has not 204 been provided for his or her own benefit or that of his or her 205 immediate family, from any person providing or proposing to provide goods or services to the association. Any such officer, 206 207 director, or manager who knowingly so solicits, offers to 208 accept, or accepts any thing or service of value or kickback 209 commits a felony of the third degree, punishable as provided in <u>s. 775.082, s. 775.083</u>, or s. 775.084, and shall be deemed 210 211 removed from office and a vacancy declared, and is subject to a 212 civil penalty pursuant to s. 718.501(1)(d) and, if applicable, a criminal penalty as provided in paragraph (d). However, this 213 313615 - h1021-strike.docx

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214 paragraph does not prohibit an officer, director, or manager 215 from accepting services or items received in connection with 216 trade fairs or education programs. An association may operate 217 more than one condominium.

218

(12) OFFICIAL RECORDS.-

(a) From the inception of the association, the association shall maintain each of the following items, if applicable, which constitutes the official records of the association:

A copy of the plans, permits, warranties, and other
 items provided by the developer under s. 718.301(4).

224 2. A photocopy of the recorded declaration of condominium 225 of each condominium operated by the association and each 226 amendment to each declaration.

3. A photocopy of the recorded bylaws of the associationand each amendment to the bylaws.

4. A certified copy of the articles of incorporation of
the association, or other documents creating the association,
and each amendment thereto.

232

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

6. A book or books that contain the minutes of all
meetings of the association, the board of administration, and
the unit owners.

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

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the e-mail addresses and facsimile numbers of unit owners 239 240 consenting to receive notice by electronic transmission. The e-241 mail addresses and facsimile numbers are not accessible to unit 242 owners if consent to receive notice by electronic transmission 243 is not provided In accordance with sub-subparagraph (c)5.e., the 244 e-mail addresses and facsimile numbers are only accessible to 245 unit owners if consent to receive notice by electronic 246 transmission is provided (c) 3.e. However, the association is not 247 liable for an inadvertent disclosure of the e-mail address or 248 facsimile number for receiving electronic transmission of 249 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.

256 10. Bills of sale or transfer for all property owned by 257 the association.

11. Accounting records for the association and separate accounting records for each condominium that the association operates. Any person who knowingly or intentionally defaces or 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

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264 personally subject to a civil penalty pursuant to s. 265 718.501(1)(d). The accounting records must include, but are not 266 limited to:

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

269 <u>b. All invoices, transaction receipts, or deposit slips,</u>
 270 <u>that substantiate any receipt or expenditure of funds by the</u>
 271 <u>association.</u>

272 <u>c.b.</u> A current account and a monthly, bimonthly, or 273 quarterly statement of the account for each unit designating the 274 name of the unit owner, the due date and amount of each 275 assessment, the amount paid on the account, and the balance due.

276 <u>d.c.</u> All audits, reviews, accounting statements, 277 structural integrity reserve studies, and financial reports of 278 the association or condominium. Structural integrity reserve 279 studies must be maintained for at least 15 years after the study 280 is completed.

281 <u>e.d.</u> All contracts for work to be performed. Bids for work 282 to be performed are also considered official records and must be 283 maintained by the association for at least 1 year after receipt 284 of the bid.

285 12. Ballots, sign-in sheets, voting proxies, and all other 286 papers and electronic records relating to voting by unit owners, 287 which must be maintained for 1 year from the date of the

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288 election, vote, or meeting to which the document relates, 289 notwithstanding paragraph (b).

290 13. All rental records if the association is acting as291 agent for the rental of condominium units.

292 14. A copy of the current question and answer sheet as293 described in s. 718.504.

15. A copy of the inspection reports described in ss.
553.899 and 718.301(4) (p) and any other inspection report
relating to a structural or life safety inspection of
condominium property. Such record must be maintained by the
association for 15 years after receipt of the report.

299

16. Bids for materials, equipment, or services.

300 17. All affirmative acknowledgments made pursuant to s. 301 718.121(4)(c).

302 <u>18. A copy of all building permits issued for ongoing or</u> 303 <u>planned construction.</u>

304 <u>19.18.</u> All other written records of the association not 305 specifically included in the foregoing which are related to the 306 operation of the association.

(b) The official records specified in subparagraphs (a)1.6. must be permanently maintained from the inception of the
association. Bids for work to be performed or for materials,
equipment, or services must be maintained for at least 1 year
after receipt of the bid. All other official records must be
maintained within the state for at least 7 years, unless

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313 otherwise provided by general law. The official records must be 314 maintained in an organized manner that facilitates inspection of 315 the records by a unit owner. In the event that the records are lost, destroyed, or otherwise unavailable, the obligation to 316 317 maintain official records includes a good faith obligation to 318 obtain and recreate those records to the fullest extent 319 possible. The records of the association shall be made available 320 to a unit owner within 45 miles of the condominium property or 321 within the county in which the condominium property is located 322 within 10 working days after receipt of a written request by the 323 board or its designee. However, such distance requirement does 324 not apply to an association governing a timeshare condominium. 325 This paragraph and paragraph (c) may be complied with by having 326 a copy of the official records of the association available for 327 inspection or copying on the condominium property or association 328 property, or the association may offer the option of making the 329 records available to a unit owner electronically via the 330 Internet as provided under paragraph (g) or by allowing the 331 records to be viewed in electronic format on a computer screen 332 and printed upon request. The association is not responsible for the use or misuse of the information provided to an association 333 334 member or his or her authorized representative in compliance 335 with this chapter unless the association has an affirmative duty 336 not to disclose such information under this chapter.

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337 (c)1.a. $\frac{(c)1.}{(c)1.}$ The official records of the association are 338 open to inspection by any association member and any person 339 authorized by an association member as a representative of such 340 member at all reasonable times. The right to inspect the records 341 includes the right to make or obtain copies, at the reasonable 342 expense, if any, of the member and of the person authorized by 343 the association member as a representative of such member. A 344 renter of a unit has a right to inspect and copy only the 345 declaration of condominium, the association's bylaws and rules, 346 and the inspection reports described in ss. 553.899 and 347 718.301(4)(p). The association may adopt reasonable rules 348 regarding the frequency, time, location, notice, and manner of 349 record inspections and copying but may not require a member to 350 demonstrate any purpose or state any reason for the inspection. 351 The failure of an association to provide the records within 10 352 working days after receipt of a written request creates a 353 rebuttable presumption that the association willfully failed to 354 comply with this paragraph. A unit owner who is denied access to 355 official records is entitled to the actual damages or minimum damages for the association's willful failure to comply. Minimum 356 357 damages are \$50 per calendar day for up to 10 days, beginning on 358 the 11th working day after receipt of the written request. The 359 failure to permit inspection entitles any person prevailing in 360 an enforcement action to recover reasonable attorney fees from the person in control of the records who, directly or 361

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| 362 | indirectly, knowingly denied access to the records. If the |
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| 363 | requested records are posted on an association's website, or are |
| 364 | available for download through an application on a mobile |
| 365 | device, the association may fulfill its obligations by directing |
| 366 | all persons authorized to request access to the website or the |
| 367 | application. |
| 368 | b. In response to a written request to inspect records, |
| 369 | the association must simultaneously provide to the requestor a |
| 370 | checklist of all records made available for inspection and |
| 371 | copying. The checklist must also identify any of the |
| 372 | association's official records that were not made available to |
| 373 | the requestor. An association must maintain a checklist provided |
| 374 | under this sub-subparagraph for 7 years. An association |
| 375 | delivering a checklist pursuant to this sub-subparagraph creates |
| 376 | a rebuttable presumption that the association has complied with |
| 377 | this paragraph. |
| 378 | 2. A director or member of the board or association or a |
| 379 | community association manager who knowingly, willfully, and |
| 380 | repeatedly violates subparagraph 1. commits a misdemeanor of the |
| 381 | second degree, punishable as provided in s. 775.082 or s. |
| 382 | 775.083, and shall be deemed removed from office and a |
| 383 | vacancy declared. For purposes of this subparagraph, the term |
| 384 | "repeatedly" means two or more violations within a 12-month |
| 385 | period. |
| | |

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386 3.2. Any person who knowingly or intentionally defaces or 387 destroys accounting records that are required by this chapter to 388 be maintained during the period for which such records are 389 required to be maintained, or who knowingly or intentionally 390 fails to create or maintain accounting records that are required 391 to be created or maintained, with the intent of causing harm to 392 the association or one or more of its members, commits a 393 misdemeanor of the first degree, punishable as provided in s. 394 775.082 or 775.083, is personally subject to a civil penalty 395 pursuant to s. 718.501(1)(d), and shall be deemed removed from 396 office and a vacancy declared.

397 <u>4. A person who willfully and knowingly refuses to release</u>
398 <u>or otherwise produce association records with the intent to</u>
399 <u>avoid or escape detection, arrest, trial, or punishment for the</u>
400 <u>commission of a crime, or to assist another person with such</u>
401 <u>avoidance or escape, commits a felony of the third degree,</u>
402 <u>punishable as provided in s. 775.082, s. 775.083, or s. 775.084,</u>
403 <u>and shall be deemed removed from office and a vacancy declared.</u>

404 <u>5.3.</u> The association shall maintain an adequate number of 405 copies of the declaration, articles of incorporation, bylaws, 406 and rules, and all amendments to each of the foregoing, as well 407 as the question and answer sheet as described in s. 718.504 and 408 year-end financial information required under this section, on 409 the condominium property to ensure their availability to unit 410 owners and prospective purchasers, and may charge its actual

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411 costs for preparing and furnishing these documents to those 412 requesting the documents. An association shall allow a member or 413 his or her authorized representative to use a portable device, 414 including a smartphone, tablet, portable scanner, or any other 415 technology capable of scanning or taking photographs, to make an 416 electronic copy of the official records in lieu of the 417 association's providing the member or his or her authorized 418 representative with a copy of such records. The association may 419 not charge a member or his or her authorized representative for 420 the use of a portable device. Notwithstanding this paragraph, the following records are not accessible to unit owners: 421

422 Any record protected by the lawyer-client privilege as a. 423 described in s. 90.502 and any record protected by the work-424 product privilege, including a record prepared by an association 425 attorney or prepared at the attorney's express direction, which 426 reflects a mental impression, conclusion, litigation strategy, 427 or legal theory of the attorney or the association, and which was prepared exclusively for civil or criminal litigation or for 428 429 adversarial administrative proceedings, or which was prepared in 430 anticipation of such litigation or proceedings until the 431 conclusion of the litigation or proceedings.

b. Information obtained by an association in connection
with the approval of the lease, sale, or other transfer of a
unit.

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435 c. Personnel records of association or management company 436 employees, including, but not limited to, disciplinary, payroll, 437 health, and insurance records. For purposes of this sub-438 subparagraph, the term "personnel records" does not include 439 written employment agreements with an association employee or 440 management company, or budgetary or financial records that 441 indicate the compensation paid to an association employee.

442

d. Medical records of unit owners.

443 e. Social security numbers, driver license numbers, credit 444 card numbers, e-mail addresses, telephone numbers, facsimile 445 numbers, emergency contact information, addresses of a unit 446 owner other than as provided to fulfill the association's notice 447 requirements, and other personal identifying information of any 448 person, excluding the person's name, unit designation, mailing 449 address, property address, and any address, e-mail address, or 450 facsimile number provided to the association to fulfill the 451 association's notice requirements. Notwithstanding the 452 restrictions in this sub-subparagraph, an association may print 453 and distribute to unit owners a directory containing the name, 454 unit address, and all telephone numbers of each unit owner. 455 However, an owner may exclude his or her telephone numbers from 456 the directory by so requesting in writing to the association. An 457 owner may consent in writing to the disclosure of other contact 458 information described in this sub-subparagraph. The association is not liable for the inadvertent disclosure of information that 459 313615 - h1021-strike.docx

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is protected under this sub-subparagraph if the information is included in an official record of the association and is voluntarily provided by an owner and not requested by the association.

f. Electronic security measures that are used by theassociation to safeguard data, including passwords.

466 g. The software and operating system used by the 467 association which allow the manipulation of data, even if the 468 owner owns a copy of the same software used by the association. 469 The data is part of the official records of the association.

470 h. All affirmative acknowledgments made pursuant to s.471 718.121(4)(c).

(d) The association shall prepare a question and answersheet as described in s. 718.504, and shall update it annually.

474 (e)1. The association or its authorized agent is not 475 required to provide a prospective purchaser or lienholder with 476 information about the condominium or the association other than 477 information or documents required by this chapter to be made 478 available or disclosed. The association or its authorized agent 479 may charge a reasonable fee to the prospective purchaser, 480 lienholder, or the current unit owner for providing good faith 481 responses to requests for information by or on behalf of a 482 prospective purchaser or lienholder, other than that required by 483 law, if the fee does not exceed \$150 plus the reasonable cost of

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484 photocopying and any attorney's fees incurred by the association 485 in connection with the response.

An association and its authorized agent are not liable for providing such information in good faith pursuant to a written request if the person providing the information includes a written statement in substantially the following form: "The responses herein are made in good faith and to the best of my ability as to their accuracy."

(f) An outgoing board or committee member must relinquish all official records and property of the association in his or her possession or under his or her control to the incoming board within 5 days after the election. The division shall impose a civil penalty as set forth in s. 718.501(1)(d)6. against an outgoing board or committee member who willfully and knowingly fails to relinquish such records and property.

(g)1. By January 1, 2019, an association managing a condominium with 150 or more units which does not contain timeshare units shall post digital copies of the documents specified in subparagraph 2. on its website or make such documents available through an application that can be downloaded on a mobile device.

505

a. The association's website or application must be:

506 (I) An independent website, application, or web portal 507 wholly owned and operated by the association; or

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(II) A website, application, 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, collection of subpages or web portals, or an application which is dedicated to the association's activities and on which required notices, records, and documents may be posted or made available by the association.

515 b. The association's website or application must be 516 accessible through the Internet and must contain a subpage, web 517 portal, or other protected electronic location that is 518 inaccessible to the general public and accessible only to unit 519 owners and employees of the association.

520 c. Upon a unit owner's written request, the association 521 must provide the unit owner with a username and password and 522 access to the protected sections of the association's website or 523 application which contain any notices, records, or documents 524 that must be electronically provided.

525 2. A current copy of the following documents must be 526 posted in digital format on the association's website or 527 application:

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

531 b. The recorded bylaws of the association and each 532 amendment to the bylaws.

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533 c. The articles of incorporation of the association, or 534 other documents creating the association, and each amendment to 535 the articles of incorporation or other documents. The copy 536 posted pursuant to this sub-subparagraph must be a copy of the 537 articles of incorporation filed with the Department of State.

538

d. The rules of the association.

539 e. A list of all executory contracts or documents to which 540 the association is a party or under which the association or the 541 unit owners have an obligation or responsibility and, after 542 bidding for the related materials, equipment, or services has 543 closed, a list of bids received by the association within the 544 past year. Summaries of bids for materials, equipment, or 545 services which exceed \$500 must be maintained on the website or 546 application for 1 year. In lieu of summaries, complete copies of 547 the bids may be posted.

548 f. The annual budget required by s. 718.112(2)(f) and any 549 proposed budget to be considered at the annual meeting.

550 g. The financial report required by subsection (13) and 551 any monthly income or expense statement to be considered at a 552 meeting.

553 h. The certification of each director required by s.554 718.112(2)(d)4.b.

555 i. All contracts or transactions between the association 556 and any director, officer, corporation, firm, or association 557 that is not an affiliated condominium association or any other 313615 - h1021-strike.docx

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558 entity in which an association director is also a director or 559 officer and financially interested.

560 j. Any contract or document regarding a conflict of 561 interest or possible conflict of interest as provided in ss. 562 468.4335, 468.436(2)(b)6., and 718.3027(3).

563 k. The notice of any unit owner meeting and the agenda for the meeting, as required by s. 718.112(2)(d)3., no later than 14 564 565 days before the meeting. The notice must be posted in plain view 566 on the front page of the website or application, or on a 567 separate subpage of the website or application labeled "Notices" which is conspicuously visible and linked from the front page. 568 569 The association must also post on its website or application any 570 document to be considered and voted on by the owners during the 571 meeting or any document listed on the agenda at least 7 days 572 before the meeting at which the document or the information 573 within the document will be considered.

1. Notice of any board meeting, the agenda, and any other document required for the meeting as required by s. 718.112(2)(c), which must be posted no later than the date required for notice under s. 718.112(2)(c).

578 m. The inspection reports described in ss. 553.899 and 579 718.301(4)(p) and any other inspection report relating to a 580 structural or life safety inspection of condominium property.

581 n. The association's most recent structural integrity582 reserve study, if applicable.

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583 <u>o. Copies of all building permits issued for ongoing or</u> 584 planned construction.

585 3. The association shall ensure that the information and records described in paragraph (c), which are not allowed to be 586 587 accessible to unit owners, are not posted on the association's 588 website or application. If protected information or information 589 restricted from being accessible to unit owners is included in 590 documents that are required to be posted on the association's 591 website or application, the association shall ensure the 592 information is redacted before posting the documents. 593 Notwithstanding the foregoing, the association or its agent is 594 not liable for disclosing information that is protected or 595 restricted under this paragraph unless such disclosure was made 596 with a knowing or intentional disregard of the protected or 597 restricted nature of such information.

598 4. The failure of the association to post information
599 required under subparagraph 2. is not in and of itself
600 sufficient to invalidate any action or decision of the
601 association's board or its committees.

(13) FINANCIAL REPORTING.—Within 90 days after the end of the fiscal year, or annually on a date provided in the bylaws, the association shall prepare and complete, or contract for the preparation and completion of, a financial report for the preceding fiscal year. Within 21 days after the final financial report is completed by the association or received from the

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608 third party, but not later than 120 days after the end of the 609 fiscal year or other date as provided in the bylaws, the 610 association shall deliver mail to each unit owner by United States mail or personal delivery at the mailing address, 611 612 property address, e-mail address, or facsimile number provided 613 to fulfill the association's notice requirements at the address 614 last furnished to the association by the unit owner, or hand 615 deliver to each unit owner, a copy of the most recent financial 616 report, and or a notice that a copy of the most recent financial 617 report will be mailed or hand delivered to the unit owner, without charge, within 5 business days after receipt of a 618 619 written request from the unit owner. The division shall adopt 620 rules setting forth uniform accounting principles and standards 621 to be used by all associations and addressing the financial 622 reporting requirements for multicondominium associations. The 623 rules must include, but not be limited to, standards for 624 presenting a summary of association reserves, including a good 625 faith estimate disclosing the annual amount of reserve funds 626 that would be necessary for the association to fully fund 627 reserves for each reserve item based on the straight-line 628 accounting method. This disclosure is not applicable to reserves 629 funded via the pooling method. In adopting such rules, the 630 division shall consider the number of members and annual 631 revenues of an association. Financial reports shall be prepared as follows: 632

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(a) An association that meets the criteria of this
paragraph shall prepare a complete set of financial statements
in accordance with generally accepted accounting principles. The
financial statements must be based upon the association's total
annual revenues, as follows:

An association with total annual revenues of \$150,000
or more, but less than \$300,000, shall prepare compiled
financial statements.

641 2. An association with total annual revenues of at least
642 \$300,000, but less than \$500,000, shall prepare reviewed
643 financial statements.

An association with total annual revenues of \$500,000or more shall prepare audited financial statements.

(b)1. An association with total annual revenues of less
than \$150,000 shall prepare a report of cash receipts and
expenditures.

649 2. A report of cash receipts and disbursements must 650 disclose the amount of receipts by accounts and receipt 651 classifications and the amount of expenses by accounts and expense classifications, including, but not limited to, the 652 following, as applicable: costs for security, professional and 653 management fees and expenses, taxes, costs for recreation 654 655 facilities, expenses for refuse collection and utility services, 656 expenses for lawn care, costs for building maintenance and repair, insurance costs, administration and salary expenses, and 657 313615 - h1021-strike.docx

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658 reserves accumulated and expended for capital expenditures, 659 deferred maintenance, and any other category for which the 660 association maintains reserves.

(c) An association may prepare, without a meeting of orapproval by the unit owners:

663 1. Compiled, reviewed, or audited financial statements, if 664 the association is required to prepare a report of cash receipts 665 and expenditures;

666 2. Reviewed or audited financial statements, if the 667 association is required to prepare compiled financial 668 statements; or

3. Audited financial statements if the association isrequired to prepare reviewed financial statements.

(d) If approved by a majority of the voting interests
present at a properly called meeting of the association, an
association may prepare:

674 1. A report of cash receipts and expenditures in lieu of a675 compiled, reviewed, or audited financial statement;

676 2. A report of cash receipts and expenditures or a
677 compiled financial statement in lieu of a reviewed or audited
678 financial statement; or

3. A report of cash receipts and expenditures, a compiled
financial statement, or a reviewed financial statement in lieu
of an audited financial statement.

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Such meeting and approval must occur before the end of the 683 684 fiscal year and is effective only for the fiscal year in which 685 the vote is taken. An association may not prepare a financial 686 report pursuant to this paragraph for consecutive fiscal years τ 687 except that the approval may also be effective for the following 688 fiscal year. If the developer has not turned over control of the 689 association, all unit owners, including the developer, may vote 690 on issues related to the preparation of the association's 691 financial reports, from the date of incorporation of the association through the end of the second fiscal year after the 692 693 fiscal year in which the certificate of a surveyor and mapper is 694 recorded pursuant to s. 718.104(4)(e) or an instrument that 695 transfers title to a unit in the condominium which is not accompanied by a recorded assignment of developer rights in 696 697 favor of the grantee of such unit is recorded, whichever occurs 698 first. Thereafter, all unit owners except the developer may vote 699 on such issues until control is turned over to the association 700 by the developer. Any audit or review prepared under this 701 section shall be paid for by the developer if done before 702 turnover of control of the association.

(e) A unit owner may provide written notice to the division of the association's failure to mail or hand deliver him or her a copy of the most recent financial report within 5 business days after he or she submitted a written request to the association for a copy of such report. If the division

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708 determines that the association failed to mail or hand deliver a 709 copy of the most recent financial report to the unit owner, the 710 division shall provide written notice to the association that 711 the association must mail or hand deliver a copy of the most 712 recent financial report to the unit owner and the division 713 within 5 business days after it receives such notice from the 714 division. An association that fails to comply with the 715 division's request may not waive the financial reporting 716 requirement provided in paragraph (d) for the fiscal year in 717 which the unit owner's request was made and the following fiscal 718 year. A financial report received by the division pursuant to 719 this paragraph shall be maintained, and the division shall 720 provide a copy of such report to an association member upon his 721 or her request.

722

(15) DEBIT CARDS.-

(a) An association and its officers, directors, employees, and agents may not use a debit card issued in the name of the association, or billed directly to the association, for the payment of any association expense.

(b) <u>A person who uses</u> Use of a debit card issued in the name of the association, or billed directly to the association, for any expense that is not a lawful obligation of the association <u>commits theft under s. 812.014</u>, and shall be <u>deemed removed from office and a vacancy declared. For the</u> purposes of this paragraph, the term "lawful obligation of the

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733 association" means an obligation that has been properly 734 preapproved by the board and is reflected in the meeting minutes 735 or the written budget may be prosecuted as credit card fraud 736 pursuant to s. 817.61. 737 Section 7. Effective January 1, 2026, paragraph (q) of subsection (12) of section 718.111, Florida Statutes, as amended 738 739 by this act, is amended to read: 740 718.111 The association.-741 (12) OFFICIAL RECORDS.-742 (g)1. By January 1, 2019, An association managing a 743 condominium with 25 150 or more units which does not contain 744 timeshare units shall post digital copies of the documents 745 specified in subparagraph 2. on its website or make such documents available through an application that can be 746 747 downloaded on a mobile device. 748 a. The association's website or application must be: 749 An independent website, application, or web portal (I) 750 wholly owned and operated by the association; or 751 A website, application, or web portal operated by a (II)752 third-party provider with whom the association owns, leases, 753 rents, or otherwise obtains the right to operate a web page, 754 subpage, web portal, collection of subpages or web portals, or 755 an application which is dedicated to the association's 756 activities and on which required notices, records, and documents 757 may be posted or made available by the association. 313615 - h1021-strike.docx

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

763 c. Upon a unit owner's written request, the association 764 must provide the unit owner with a username and password and 765 access to the protected sections of the association's website or 766 application which contain any notices, records, or documents 767 that must be electronically provided.

768 2. A current copy of the following documents must be 769 posted in digital format on the association's website or 770 application:

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

b. The recorded bylaws of the association and eachamendment to the bylaws.

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

781

d. The rules of the association.

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| 782 | e. A list of all executory contracts or documents to which |
|-----|--|
| 783 | the association is a party or under which the association or the |
| 784 | unit owners have an obligation or responsibility and, after |
| 785 | bidding for the related materials, equipment, or services has |
| 786 | closed, a list of bids received by the association within the |
| 787 | past year. Summaries of bids for materials, equipment, or |
| 788 | services which exceed \$500 must be maintained on the website or |
| 789 | application for 1 year. In lieu of summaries, complete copies of |
| 790 | the bids may be posted. |
| 791 | f. The annual budget required by s. 718.112(2)(f) and any |
| 792 | proposed budget to be considered at the annual meeting. |
| 793 | g. The financial report required by subsection (13) and |
| 794 | any monthly income or expense statement to be considered at a |
| 795 | meeting. |
| 796 | h. The certification of each director required by s. |
| 797 | 718.112(2)(d)4.b. |
| 798 | i. All contracts or transactions between the association |
| 799 | and any director, officer, corporation, firm, or association |
| 800 | that is not an affiliated condominium association or any other |
| 801 | entity in which an association director is also a director or |
| 802 | officer and financially interested. |
| 803 | j. Any contract or document regarding a conflict of |
| 804 | interest or possible conflict of interest as provided in ss. |
| 805 | 468.4335, 468.436(2)(b)6., and 718.3027(3). |
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806 k. The notice of any unit owner meeting and the agenda for 807 the meeting, as required by s. 718.112(2)(d)3., no later than 14 808 days before the meeting. The notice must be posted in plain view 809 on the front page of the website or application, or on a 810 separate subpage of the website or application labeled "Notices" 811 which is conspicuously visible and linked from the front page. 812 The association must also post on its website or application any 813 document to be considered and voted on by the owners during the 814 meeting or any document listed on the agenda at least 7 days 815 before the meeting at which the document or the information 816 within the document will be considered.

817 l. Notice of any board meeting, the agenda, and any other 818 document required for the meeting as required by s. 819 718.112(2)(c), which must be posted no later than the date 820 required for notice under s. 718.112(2)(c).

821 m. The inspection reports described in ss. 553.899 and 822 718.301(4)(p) and any other inspection report relating to a 823 structural or life safety inspection of condominium property.

n. The association's most recent structural integrityreserve study, if applicable.

826 <u>o. Copies of all building permits issued for ongoing or</u> 827 <u>planned construction.</u>

3. The association shall ensure that the information and records described in paragraph (c), which are not allowed to be accessible to unit owners, are not posted on the association's 313615 - h1021-strike.docx

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website or application. If protected information or information 8.31 832 restricted from being accessible to unit owners is included in 833 documents that are required to be posted on the association's 834 website or application, the association shall ensure the 835 information is redacted before posting the documents. 836 Notwithstanding the foregoing, the association or its agent is not liable for disclosing information that is protected or 837 838 restricted under this paragraph unless such disclosure was made 839 with a knowing or intentional disregard of the protected or 840 restricted nature of such information.

4. The failure of the association to post information
required under subparagraph 2. is not in and of itself
sufficient to invalidate any action or decision of the
association's board or its committees.

Section 8. Paragraphs (c), (d), (f), (g), (i), and (q) of subsection (2) of section 718.112, Florida Statutes, are amended, and paragraph (r) is added to that subsection, to read: 718.112 Bylaws.-

849 (2) REQUIRED PROVISIONS.—The bylaws shall provide for the 850 following and, if they do not do so, shall be deemed to include 851 the following:

(c) Board of administration meetings.-<u>In a residential</u> condominium association of more than 10 units, the board of administration shall meet once each quarter for the purpose of

855 responding to inquiries from members and informing members on

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856 the state of the condominium, including the status of any 857 construction or repair projects, the status of the association's 858 revenue and expenditures during the fiscal year, or other issues affecting the association. Meetings of the board of 859 860 administration at which a quorum of the members is present are 861 open to all unit owners. Members of the board of administration 862 may use e-mail as a means of communication but may not cast a 863 vote on an association matter via e-mail. A unit owner may tape 864 record or videotape the meetings. The right to attend such 865 meetings includes the right to speak at such meetings with reference to all designated agenda items. The division shall 866 867 adopt reasonable rules governing the tape recording and 868 videotaping of the meeting. The association may adopt written 869 reasonable rules governing the frequency, duration, and manner 870 of unit owner statements.

871 1. Adequate notice of all board meetings, which must 872 specifically identify all agenda items, must be posted 873 conspicuously on the condominium property at least 48 continuous 874 hours before the meeting except in an emergency. If 20 percent 875 of the voting interests petition the board to address an item of business, the board, within 60 days after receipt of the 876 877 petition, shall place the item on the agenda at its next regular 878 board meeting or at a special meeting called for that purpose. 879 An item not included on the notice may be taken up on an emergency basis by a vote of at least a majority plus one of the 880 313615 - h1021-strike.docx

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881 board members. Such emergency action must be noticed and ratified at the next regular board meeting. Written notice of a 882 883 meeting at which a nonemergency special assessment or an 884 amendment to rules regarding unit use will be considered must be 885 mailed, delivered, or electronically transmitted to the unit 886 owners and posted conspicuously on the condominium property at 887 least 14 days before the meeting. Evidence of compliance with 888 this 14-day notice requirement must be made by an affidavit 889 executed by the person providing the notice and filed with the 890 official records of the association. Notice of any meeting in 891 which regular or special assessments against unit owners are to 892 be considered must specifically state that assessments will be 893 considered and provide the estimated cost and description of the 894 purposes for such assessments.

895 2. Upon notice to the unit owners, the board shall, by 896 duly adopted rule, designate a specific location on the 897 condominium property at which where all notices of board 898 meetings must be posted. If there is no condominium property at 899 which where notices can be posted, notices shall be mailed, 900 delivered, or electronically transmitted to each unit owner at least 14 days before the meeting. In lieu of or in addition to 901 902 the physical posting of the notice on the condominium property, 903 the association may, by reasonable rule, adopt a procedure for 904 conspicuously posting and repeatedly broadcasting the notice and 905 the agenda on a closed-circuit cable television system serving 313615 - h1021-strike.docx

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906 the condominium association. However, if broadcast notice is 907 used in lieu of a notice physically posted on condominium 908 property, the notice and agenda must be broadcast at least four 909 times every broadcast hour of each day that a posted notice is 910 otherwise required under this section. If broadcast notice is 911 provided, the notice and agenda must be broadcast in a manner 912 and for a sufficient continuous length of time so as to allow an 913 average reader to observe the notice and read and comprehend the 914 entire content of the notice and the agenda. In addition to any 915 of the authorized means of providing notice of a meeting of the 916 board, the association may, by rule, adopt a procedure for 917 conspicuously posting the meeting notice and the agenda on a 918 website serving the condominium association for at least the 919 minimum period of time for which a notice of a meeting is also 920 required to be physically posted on the condominium property. 921 Any rule adopted shall, in addition to other matters, include a 922 requirement that the association send an electronic notice in 923 the same manner as a notice for a meeting of the members, which 924 must include a hyperlink to the website at which where the 925 notice is posted, to unit owners whose e-mail addresses are included in the association's official records. 926

927 <u>3. Notice of any meeting in which regular or special</u>
 928 <u>assessments against unit owners are to be considered must</u>
 929 <u>specifically state that assessments will be considered and</u>
 930 provide the estimated cost and description of the purposes for

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931 <u>such assessments. If an agenda item relates to the approval of a</u> 932 <u>contract for goods or services, a copy of the contract must be</u> 933 <u>provided with the notice, made available for inspection and</u> 934 <u>copying upon a written request from a unit owner, or made</u> 935 <u>available on the association's website or through an application</u> 936 <u>that can be downloaded on a mobile device.</u>

937 4.2. Meetings of a committee to take final action on 938 behalf of the board or make recommendations to the board 939 regarding the association budget are subject to this paragraph. 940 Meetings of a committee that does not take final action on 941 behalf of the board or make recommendations to the board 942 regarding the association budget are subject to this section, 943 unless those meetings are exempted from this section by the 944 bylaws of the association.

945 <u>5.3.</u> Notwithstanding any other law, the requirement that 946 board meetings and committee meetings be open to the unit owners 947 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.

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(d) Unit owner meetings.-

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955 1. An annual meeting of the unit owners must be held at 956 the location provided in the association bylaws and, if the 957 bylaws are silent as to the location, the meeting must be held 958 within 45 miles of the condominium property. However, such 959 distance requirement does not apply to an association governing 960 a timeshare condominium.

961 2. Unless the bylaws provide otherwise, a vacancy on the 962 board caused by the expiration of a director's term must be 963 filled by electing a new board member, and the election must be 964 by secret ballot. An election is not required if the number of 965 vacancies equals or exceeds the number of candidates. For 966 purposes of this paragraph, the term "candidate" means an 967 eligible person who has timely submitted the written notice, as 968 described in sub-subparagraph 4.a., of his or her intention to 969 become a candidate. Except in a timeshare or nonresidential 970 condominium, or if the staggered term of a board member does not 971 expire until a later annual meeting, or if all members' terms 972 would otherwise expire but there are no candidates, the terms of 973 all board members expire at the annual meeting, and such members 974 may stand for reelection unless prohibited by the bylaws. Board 975 members may serve terms longer than 1 year if permitted by the 976 bylaws or articles of incorporation. A board member may not 977 serve more than 8 consecutive years unless approved by an 978 affirmative vote of unit owners representing two-thirds of all 979 votes cast in the election or unless there are not enough 313615 - h1021-strike.docx

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980 eligible candidates to fill the vacancies on the board at the 981 time of the vacancy. Only board service that occurs on or after 982 July 1, 2018, may be used when calculating a board member's term 983 limit. If the number of board members whose terms expire at the 984 annual meeting equals or exceeds the number of candidates, the 985 candidates become members of the board effective upon the 986 adjournment of the annual meeting. Unless the bylaws provide 987 otherwise, any remaining vacancies shall be filled by the 988 affirmative vote of the majority of the directors making up the 989 newly constituted board even if the directors constitute less 990 than a quorum or there is only one director. In a residential 991 condominium association of more than 10 units or in a 992 residential condominium association that does not include 993 timeshare units or timeshare interests, co-owners of a unit may 994 not serve as members of the board of directors at the same time 995 unless they own more than one unit or unless there are not 996 enough eligible candidates to fill the vacancies on the board at 997 the time of the vacancy. A unit owner in a residential 998 condominium desiring to be a candidate for board membership must 999 comply with sub-subparagraph 4.a. and must be eligible to be a 1000 candidate to serve on the board of directors at the time of the 1001 deadline for submitting a notice of intent to run in order to 1002 have his or her name listed as a proper candidate on the ballot 1003 or to serve on the board. A person who has been suspended or 1004 removed by the division under this chapter, or who is delinquent 313615 - h1021-strike.docx

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1005 in the payment of any assessment due to the association, is not 1006 eligible to be a candidate for board membership and may not be 1007 listed on the ballot. For purposes of this paragraph, a person is delinquent if a payment is not made by the due date as 1008 1009 specifically identified in the declaration of condominium, 1010 bylaws, or articles of incorporation. If a due date is not 1011 specifically identified in the declaration of condominium, bylaws, or articles of incorporation, the due date is the first 1012 1013 day of the assessment period. A person who has been convicted of 1014 any felony in this state or in a United States District or 1015 Territorial Court, or who has been convicted of any offense in 1016 another jurisdiction which would be considered a felony if 1017 committed in this state, is not eligible for board membership 1018 unless such felon's civil rights have been restored for at least 1019 5 years as of the date such person seeks election to the board. 1020 The validity of an action by the board is not affected if it is 1021 later determined that a board member is ineligible for board 1022 membership due to having been convicted of a felony. This 1023 subparagraph does not limit the term of a member of the board of 1024 a nonresidential or timeshare condominium.

3. The bylaws must provide the method of calling meetings of unit owners, including annual meetings. Written notice of an annual meeting must include an agenda; be mailed, hand delivered, or electronically transmitted to each unit owner at least 14 days before the annual meeting; and be posted in a

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1030 conspicuous place on the condominium property or association property at least 14 continuous days before the annual meeting. 1031 1032 Written notice of a meeting other than an annual meeting must include an agenda; be mailed, hand delivered, or electronically 1033 1034 transmitted to each unit owner; and be posted in a conspicuous 1035 place on the condominium property or association property within 1036 the timeframe specified in the bylaws. If the bylaws do not 1037 specify a timeframe for written notice of a meeting other than 1038 an annual meeting, notice must be provided at least 14 1039 continuous days before the meeting. Upon notice to the unit owners, the board shall, by duly adopted rule, designate a 1040 1041 specific location on the condominium property or association property at which where all notices of unit owner meetings must 1042 1043 be posted. This requirement does not apply if there is no 1044 condominium property for posting notices. In lieu of, or in 1045 addition to, the physical posting of meeting notices, the 1046 association may, by reasonable rule, adopt a procedure for 1047 conspicuously posting and repeatedly broadcasting the notice and 1048 the agenda on a closed-circuit cable television system serving the condominium association. However, if broadcast notice is 1049 1050 used in lieu of a notice posted physically on the condominium 1051 property, the notice and agenda must be broadcast at least four 1052 times every broadcast hour of each day that a posted notice is 1053 otherwise required under this section. If broadcast notice is 1054 provided, the notice and agenda must be broadcast in a manner 313615 - h1021-strike.docx

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1055 and for a sufficient continuous length of time so as to allow an 1056 average reader to observe the notice and read and comprehend the 1057 entire content of the notice and the agenda. In addition to any 1058 of the authorized means of providing notice of a meeting of the 1059 board, the association may, by rule, adopt a procedure for 1060 conspicuously posting the meeting notice and the agenda on a 1061 website serving the condominium association for at least the 1062 minimum period of time for which a notice of a meeting is also 1063 required to be physically posted on the condominium property. 1064 Any rule adopted shall, in addition to other matters, include a 1065 requirement that the association send an electronic notice in 1066 the same manner as a notice for a meeting of the members, which 1067 must include a hyperlink to the website at which where the 1068 notice is posted, to unit owners whose e-mail addresses are 1069 included in the association's official records. Unless a unit 1070 owner waives in writing the right to receive notice of the 1071 annual meeting, such notice must be hand delivered, mailed, or 1072 electronically transmitted to each unit owner. Notice for 1073 meetings and notice for all other purposes must be mailed to 1074 each unit owner at the address last furnished to the association by the unit owner, or hand delivered to each unit owner. 1075 1076 However, if a unit is owned by more than one person, the 1077 association must provide notice to the address that the 1078 developer identifies for that purpose and thereafter as one or 1079 more of the owners of the unit advise the association in 313615 - h1021-strike.docx

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1080 writing, or if no address is given or the owners of the unit do 1081 not agree, to the address provided on the deed of record. An 1082 officer of the association, or the manager or other person providing notice of the association meeting, must provide an 1083 1084 affidavit or United States Postal Service certificate of 1085 mailing, to be included in the official records of the 1086 association affirming that the notice was mailed or hand 1087 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.

1095 a. At least 60 days before a scheduled election, the 1096 association shall mail, deliver, or electronically transmit, by 1097 separate association mailing or included in another association 1098 mailing, delivery, or transmission, including regularly 1099 published newsletters, to each unit owner entitled to a vote, a first notice of the date of the election. A unit owner or other 1100 eligible person desiring to be a candidate for the board must 1101 1102 give written notice of his or her intent to be a candidate to 1103 the association at least 40 days before a scheduled election. Together with the written notice and agenda as set forth in 1104

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1105 subparagraph 3., the association shall mail, deliver, or electronically transmit a second notice of the election to all 1106 1107 unit owners entitled to vote, together with a ballot that lists all candidates not less than 14 days or more than 34 days before 1108 1109 the date of the election. Upon request of a candidate, an information sheet, no larger than $8 \ 1/2$ inches by 11 inches, 1110 1111 which must be furnished by the candidate at least 35 days before the election, must be included with the mailing, delivery, or 1112 1113 transmission of the ballot, with the costs of mailing, delivery, or electronic transmission and copying to be borne by the 1114 association. The association is not liable for the contents of 1115 the information sheets prepared by the candidates. In order to 1116 reduce costs, the association may print or duplicate the 1117 information sheets on both sides of the paper. The division 1118 shall by rule establish voting procedures consistent with this 1119 1120 sub-subparagraph, including rules establishing procedures for giving notice by electronic transmission and rules providing for 1121 1122 the secrecy of ballots. Elections shall be decided by a plurality of ballots cast. There is no quorum requirement; 1123 1124 however, at least 20 percent of the eligible voters must cast a ballot in order to have a valid election. A unit owner may not 1125 1126 authorize any other person to vote his or her ballot, and any 1127 ballots improperly cast are invalid. A unit owner who violates 1128 this provision may be fined by the association in accordance with s. 718.303. A unit owner who needs assistance in casting 1129 313615 - h1021-strike.docx

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1130 the ballot for the reasons stated in s. 101.051 may obtain such 1131 assistance. The regular election must occur on the date of the 1132 annual meeting. Notwithstanding this sub-subparagraph, an 1133 election is not required unless more candidates file notices of 1134 intent to run or are nominated than board vacancies exist.

b. <u>A director of a</u> Within 90 days after being elected or appointed to the board of an association of a residential condominium, each newly elected or appointed director shall:

1138 <u>(I)</u> Certify in writing to the secretary of the association 1139 that he or she has read the association's declaration of 1140 condominium, articles of incorporation, bylaws, and current 1141 written policies; that he or she will work to uphold such 1142 documents and policies to the best of his or her ability; and 1143 that he or she will faithfully discharge his or her fiduciary 1144 responsibility to the association's members.

1145 (II) Submit to the secretary of the association In lieu of 1146 this written certification, within 90 days after being elected or appointed to the board, the newly elected or appointed 1147 1148 director may submit a certificate of having satisfactorily 1149 completed the educational curriculum administered by the 1150 division or a division-approved condominium education provider. 1151 The educational curriculum must be 4 hours long and include instruction on milestone inspections, structural integrity 1152 1153 reserve studies, recordkeeping, financial literacy and 1154 transparency, levying of fines, and notice and meeting 313615 - h1021-strike.docx

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requirements within 1 year before or 90 days after the date of 1155 1156 election or appointment. 1157 Each newly elected or appointed director must submit to the 1158 1159 secretary of the association the written certification and 1160 educational certificate within 1 year before being elected or 1161 appointed or 90 days after the date of election or appointment. 1162 A director of an association of a residential condominium who was elected or appointed before July 1, 2024, must comply with 1163 1164 the written certification and educational certificate 1165 requirements in this sub-subparagraph by June 30, 2025. The 1166 written certification and or educational certificate is valid 1167 for 7 years after the date of issuance and does not have to be 1168 resubmitted as long as the director serves on the board without 1169 interruption during the 7-year period. A director who is 1170 appointed by the developer may satisfy the educational 1171 certificate requirement in sub-sub-subparagraph (II) for any subsequent appointment to a board by a developer within 7 years 1172 1173 after the date of issuance of the most recent educational certificate, including any interruption of service on a board or 1174 appointment to a board in another association within that 7-year 1175 1176 period. One year after submission of the most recent written certification and educational certificate, and annually 1177 1178 thereafter, a director of an association of a residential 1179 condominium must submit to the secretary of the association a 313615 - h1021-strike.docx

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1180 certificate of having satisfactorily completed one hour of 1181 continuing education administered by the division, or a 1182 division-approved condominium education provider, relating to any recent changes to this chapter and the related 1183 1184 administrative rules during the past year. A director of an association of a residential condominium who fails to timely 1185 1186 file the written certification and or educational certificate is 1187 suspended from service on the board until he or she complies 1188 with this sub-subparagraph. The board may temporarily fill the 1189 vacancy during the period of suspension. The secretary shall cause the association to retain a director's written 1190 certification and or educational certificate for inspection by 1191 the members for 7 $\frac{5}{5}$ years after a director's election or the 1192 1193 duration of the director's uninterrupted tenure, whichever is 1194 longer. Failure to have such written certification and or 1195 educational certificate on file does not affect the validity of 1196 any board action.

1197 c. Any challenge to the election process must be commenced 1198 within 60 days after the election results are announced.

5. Any approval by unit owners called for by this chapter or the applicable declaration or bylaws, including, but not limited to, the approval requirement in s. 718.111(8), must be made at a duly noticed meeting of unit owners and is subject to all requirements of this chapter or the applicable condominium documents relating to unit owner decisionmaking, except that

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1205 unit owners may take action by written agreement, without 1206 meetings, on matters for which action by written agreement 1207 without meetings is expressly allowed by the applicable bylaws 1208 or declaration or any law that provides for such action.

1209 Unit owners may waive notice of specific meetings if 6. 1210 allowed by the applicable bylaws or declaration or any law. 1211 Notice of meetings of the board of administration; unit owner meetings, except unit owner meetings called to recall board 1212 1213 members under paragraph (1); and committee meetings may be given 1214 by electronic transmission to unit owners who consent to receive notice by electronic transmission. A unit owner who consents to 1215 1216 receiving notices by electronic transmission is solely responsible for removing or bypassing filters that block receipt 1217 1218 of mass e-mails sent to members on behalf of the association in the course of giving electronic notices. 1219

1220 7. Unit owners have the right to participate in meetings
1221 of unit owners with reference to all designated agenda items.
1222 However, the association may adopt reasonable rules governing
1223 the frequency, duration, and manner of unit owner participation.

1224 8. A unit owner may tape record or videotape a meeting of 1225 the unit owners subject to reasonable rules adopted by the 1226 division.

9. Unless otherwise provided in the bylaws, any vacancy occurring on the board before the expiration of a term may be filled by the affirmative vote of the majority of the remaining 313615 - h1021-strike.docx

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1230 directors, even if the remaining directors constitute less than 1231 a quorum, or by the sole remaining director. In the alternative, 1232 a board may hold an election to fill the vacancy, in which case the election procedures must conform to sub-subparagraph 4.a. 1233 1234 unless the association governs 10 units or fewer and has opted 1235 out of the statutory election process, in which case the bylaws 1236 of the association control. Unless otherwise provided in the 1237 bylaws, a board member appointed or elected under this section 1238 shall fill the vacancy for the unexpired term of the seat being 1239 filled. Filling vacancies created by recall is governed by 1240 paragraph (1) and rules adopted by the division.

1241 10. This chapter does not limit the use of general or 1242 limited proxies, require the use of general or limited proxies, 1243 or require the use of a written ballot or voting machine for any 1244 agenda item or election at any meeting of a timeshare 1245 condominium association or nonresidential condominium 1246 association.

Notwithstanding subparagraph (b)2. and sub-subparagraph 4.a., an association of 10 or fewer units may, by affirmative vote of a majority of the total voting interests, provide for different voting and election procedures in its bylaws, which may be by a proxy specifically delineating the different voting and election procedures. The different voting and election procedures may

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1254 provide for elections to be conducted by limited or general 1255 proxy.

1256

(f) Annual budget.-

1257 The proposed annual budget of estimated revenues and 1. 1258 expenses must be detailed and must show the amounts budgeted by 1259 accounts and expense classifications, including, at a minimum, 1260 any applicable expenses listed in s. 718.504(21). The board 1261 shall adopt the annual budget at least 14 days before the start 1262 of the association's fiscal year. In the event that the board 1263 fails to timely adopt the annual budget a second time, it is 1264 deemed a minor violation and the prior year's budget shall 1265 continue in effect until a new budget is adopted. A 1266 multicondominium association must adopt a separate budget of 1267 common expenses for each condominium the association operates 1268 and must adopt a separate budget of common expenses for the 1269 association. In addition, if the association maintains limited 1270 common elements with the cost to be shared only by those 1271 entitled to use the limited common elements as provided for in 1272 s. 718.113(1), the budget or a schedule attached to it must show 1273 the amount budgeted for this maintenance. If, after turnover of 1274 control of the association to the unit owners, any of the expenses listed in s. 718.504(21) are not applicable, they do 1275 1276 not need to be listed.

1277

2.a. In addition to annual operating expenses, the budget 1278 must include reserve accounts for capital expenditures and 313615 - h1021-strike.docx

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1279 deferred maintenance. These accounts must include, but are not 1280 limited to, roof replacement, building painting, and pavement 1281 resurfacing, regardless of the amount of deferred maintenance 1282 expense or replacement cost, and any other item that has a 1283 deferred maintenance expense or replacement cost that exceeds 1284 \$10,000. The amount to be reserved must be computed using a 1285 formula based upon estimated remaining useful life and estimated 1286 replacement cost or deferred maintenance expense of the reserve 1287 item. In a budget adopted by an association that is required to 1288 obtain a structural integrity reserve study, reserves must be 1289 maintained for the items identified in paragraph (g) for which 1290 the association is responsible pursuant to the declaration of 1291 condominium, and the reserve amount for such items must be based 1292 on the findings and recommendations of the association's most 1293 recent structural integrity reserve study. With respect to items 1294 for which an estimate of useful life is not readily 1295 ascertainable or with an estimated remaining useful life of 1296 greater than 25 years, an association is not required to reserve 1297 replacement costs for such items, but an association must 1298 reserve the amount of deferred maintenance expense, if any, 1299 which is recommended by the structural integrity reserve study 1300 for such items. The association may adjust replacement reserve 1301 assessments annually to take into account an inflation 1302 adjustment and any changes in estimates or extension of the 1303 useful life of a reserve item caused by deferred maintenance. 313615 - h1021-strike.docx

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1304 The members of a unit-owner-controlled association may 1305 determine, by a majority vote of the total voting interests of 1306 the association, to provide no reserves or less reserves than 1307 required by this subsection. For a budget adopted on or after 1308 December 31, 2024, the members of a unit-owner-controlled 1309 association that must obtain a structural integrity reserve 1310 study may not determine to provide no reserves or less reserves than required by this subsection for items listed in paragraph 1311 1312 (q), except that members of an association operating a 1313 multicondominium may determine to provide no reserves or less 1314 reserves than required by this subsection if an alternative 1315 funding method has been approved by the division. If the local building official, as defined in s. 468.603(2), determines that 1316 1317 the entire condominium building is uninhabitable due to a 1318 natural emergency, defined as s.252.34(8), the board, upon the 1319 approval of a majority of its members, may pause its 1320 contribution to its reserves or reduce reserve funding until the local building official determines the condominium building is 1321 1322 habitable. Any reserve account funds held by the association may 1323 be expended to make the condominium building and structures habitable, pursuant to the board determination. Immediately, 1324 1325 upon the determination that the building is habitable, the association must resume contributing funds to its reserves. 1326 b. Before turnover of control of an association by a 1327 developer to unit owners other than a developer under s. 1328 313615 - h1021-strike.docx

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1329 718.301, the developer-controlled association may not vote to 1330 waive the reserves or reduce funding of the reserves. If a 1331 meeting of the unit owners has been called to determine whether to waive or reduce the funding of reserves and no such result is 1332 1333 achieved or a quorum is not attained, the reserves included in 1334 the budget shall go into effect. After the turnover, the 1335 developer may vote its voting interest to waive or reduce the 1336 funding of reserves.

1337 3. Reserve funds and any interest accruing thereon shall 1338 remain in the reserve account or accounts, and may be used only 1339 for authorized reserve expenditures unless their use for other 1340 purposes is approved in advance by a majority vote of all the total voting interests of the association. Before turnover of 1341 1342 control of an association by a developer to unit owners other 1343 than the developer pursuant to s. 718.301, the developer-1344 controlled association may not vote to use reserves for purposes 1345 other than those for which they were intended. For a budget adopted on or after December 31, 2024, members of a unit-owner-1346 1347 controlled association that must obtain a structural integrity 1348 reserve study may not vote to use reserve funds, or any interest 1349 accruing thereon, for any other purpose other than the 1350 replacement or deferred maintenance costs of the components 1351 listed in paragraph (g).

1352

4. The only voting interests that are eligible to vote on 1353 questions that involve waiving or reducing the funding of

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1354 reserves, or using existing reserve funds for purposes other 1355 than purposes for which the reserves were intended, are the 1356 voting interests of the units subject to assessment to fund the 1357 reserves in question. Proxy questions relating to waiving or 1358 reducing the funding of reserves or using existing reserve funds 1359 for purposes other than purposes for which the reserves were 1360 intended must contain the following statement in capitalized, 1361 bold letters in a font size larger than any other used on the 1362 face of the proxy ballot: WAIVING OF RESERVES, IN WHOLE OR IN 1363 PART, OR ALLOWING ALTERNATIVE USES OF EXISTING RESERVES MAY 1364 RESULT IN UNIT OWNER LIABILITY FOR PAYMENT OF UNANTICIPATED 1365 SPECIAL ASSESSMENTS REGARDING THOSE ITEMS.

1366

(g) Structural integrity reserve study.-

1367 1. A residential condominium association must have a 1368 structural integrity reserve study completed at least every 10 1369 years after the condominium's creation for each building on the 1370 condominium property that is three stories or higher in height, 1371 as determined by the Florida Building Code, which includes, at a 1372 minimum, a study of the following items as related to the 1373 structural integrity and safety of the building:

1374 a. Roof.

b. Structure, including load-bearing walls and other
primary structural members and primary structural systems as
those terms are defined in s. 627.706.

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c. Fireproofing and fire protection systems.

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- d. Plumbing.
- 1380

e. Electrical systems.

f. Waterproofing and exterior painting.

1381 1382

g. Windows and exterior doors.

h. Any other item that has a deferred maintenance expense
or replacement cost that exceeds \$10,000 and the failure to
replace or maintain such item negatively affects the items
listed in sub-subparagraphs a.-g., as determined by the visual
inspection portion of the structural integrity reserve study.

1388 A structural integrity reserve study is based on a 2. 1389 visual inspection of the condominium property. A structural 1390 integrity reserve study may be performed by any person qualified 1391 to perform such study. However, the visual inspection portion of 1392 the structural integrity reserve study must be performed or 1393 verified by an engineer licensed under chapter 471, an architect 1394 licensed under chapter 481, or a person certified as a reserve 1395 specialist or professional reserve analyst by the Community 1396 Associations Institute or the Association of Professional 1397 Reserve Analysts.

3. At a minimum, a structural integrity reserve study must identify each item of the condominium property being visually inspected, state the estimated remaining useful life and the estimated replacement cost or deferred maintenance expense of each item of the condominium property being visually inspected, and provide a reserve funding schedule with a recommended annual

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1404 reserve amount that achieves the estimated replacement cost or 1405 deferred maintenance expense of each item of condominium 1406 property being visually inspected by the end of the estimated 1407 remaining useful life of the item. The structural integrity 1408 reserve study may recommend that reserves do not need to be 1409 maintained for any item for which an estimate of useful life and 1410 an estimate of replacement cost cannot be determined, or the 1411 study may recommend a deferred maintenance expense amount for 1412 such item. The structural integrity reserve study may recommend 1413 that reserves for replacement costs do not need to be maintained for any item with an estimated remaining useful life of greater 1414 than 25 years, but the study may recommend a deferred 1415 maintenance expense amount for such item. 1416

4. This paragraph does not apply to buildings less than three stories in height; single-family, two-family, or threefamily dwellings with three or fewer habitable stories above ground; any portion or component of a building that has not been submitted to the condominium form of ownership; or any portion or component of a building that is maintained by a party other than the association.

5. Before a developer turns over control of an association to unit owners other than the developer, the developer must have a turnover inspection report in compliance with s. 718.301(4)(p) and (q) for each building on the condominium property that is three stories or higher in height.

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1429 Associations existing on or before July 1, 2022, which 6. 1430 are controlled by unit owners other than the developer, must 1431 have a structural integrity reserve study completed by December 31, 2024, for each building on the condominium property that is 1432 1433 three stories or higher in height. An association that is 1434 required to complete a milestone inspection in accordance with 1435 s. 553.899 on or before December 31, 2026, may complete the 1436 structural integrity reserve study simultaneously with the 1437 milestone inspection. In no event may the structural integrity 1438 reserve study be completed after December 31, 2026.

1439 7. If the milestone inspection required by s. 553.899, or 1440 an inspection completed for a similar local requirement, was 1441 performed within the past 5 years and meets the requirements of 1442 this paragraph, such inspection may be used in place of the 1443 visual inspection portion of the structural integrity reserve 1444 study.

1445 8. If the officers or directors of an association 1446 willfully and knowingly fail to complete a structural integrity 1447 reserve study pursuant to this paragraph, such failure is a 1448 breach of an officer's and director's fiduciary relationship to 1449 the unit owners under s. 718.111(1).

14509. Within 45 days after receiving the structural integrity1451reserve study, the association must distribute a copy of the1452study to each unit owner or deliver to each unit owner a notice1453that the completed study is available for inspection and copying

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1454 upon a written request. Distribution of a copy of the study or 1455 notice must be made by United States mail or personal delivery 1456 to the mailing address, property address, or any other address 1457 of the owner provided to fulfill the association's notice 1458 requirements under this chapter, or by electronic transmission 1459 to the e-mail address or facsimile number provided to fulfill 1460 the association's notice requirements to unit owners who 1461 previously consented to receive notice by electronic 1462 transmission. 1463 (i) Assessments.-1464 1. The manner of collecting from the unit owners their 1465 shares of the common expenses shall be stated in the bylaws. 1466 Assessments shall be made against units not less frequently than 1467 quarterly in an amount which is not less than that required to 1468 provide funds in advance for payment of all of the anticipated 1469 current operating expenses and for all of the unpaid operating 1470 expenses previously incurred. Nothing in this paragraph shall 1471 preclude the right of an association to accelerate assessments 1472 of an owner delinquent in payment of common expenses. 1473 Accelerated assessments shall be due and payable on the date the 1474 claim of lien is filed. Such accelerated assessments shall 1475 include the amounts due for the remainder of the budget year in 1476 which the claim of lien was filed. 1477 1478

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| 1480 | | |
| 1481 | (q) Director or officer offenses | |
| 1482 | <u>1.</u> A director or <u>an</u> officer charged by information or | |
| 1483 | indictment with any of the following crimes must be removed from | |
| 1484 | office: | |
| 1485 | a. Forgery, as provided in s. 831.01, of a ballot envelope | |
| 1486 | or voting certificate used in a condominium association | |
| 1487 | election. | |
| 1488 | b. Theft, as provided in s. 812.014, or embezzlement | |
| 1489 | involving the association's funds or property. | |
| 1490 | c. Destruction of, or the refusal to allow inspection or | |
| 1491 | copying of, an official record of a condominium association | |
| 1492 | which is accessible to unit owners within the time periods | |
| 1493 | required by general law, in furtherance of any crime. Such act | |
| 1494 | constitutes tampering with physical evidence as provided in s. | |
| 1495 | <u>918.13.</u> | |
| 1496 | d. Obstruction of justice under chapter 843. | |
| 1497 | 2. The board shall fill the vacancy in accordance with | |
| 1498 | paragraph (2)(d) a felony theft or embezzlement offense | |
| 1499 | involving the association's funds or property must be removed | |
| 1500 | from office, creating a vacancy in the office to be filled | |
| 1501 | according to law until the end of the period of the suspension | |
| 1502 | or the end of the director's term of office, whichever occurs | |
| 1503 | first. While such director or officer has such criminal charge | |
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pending, he or she may not be appointed or elected to a position 1504 as a director or officer of any association and may not have 1505 1506 access to the official records of any association, except 1507 pursuant to a court order. However, if the charges are resolved 1508 without a finding of quilt, the director or officer shall be 1509 reinstated for the remainder of his or her term of office, if 1510 any. 1511 (r) Fraudulent voting activities relating to association 1512 elections; penalties.-1513 1. A person who engages in the following acts of 1514 fraudulent voting activity relating to association elections 1515 commits a misdemeanor of the first degree, punishable as 1516 provided in s. 775.082 or s. 775.083: 1517 a. Willfully and falsely swearing to or affirming an oath 1518 or affirmation, or willfully procuring another person to falsely 1519 swear to or affirm an oath or affirmation, in connection with or 1520 arising out of voting activities. 1521 b. Perpetrating or attempting to perpetrate, or aiding in 1522 the perpetration of, fraud in connection with a vote cast, to be 1523 cast, or attempted to be cast. 1524 c. Preventing a member from voting or preventing a member 1525 from voting as he or she intended by fraudulently changing or 1526 attempting to change a ballot, ballot envelope, vote, or voting 1527 certificate of the member.

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| 1528 | d. Menacing, threatening, or using bribery or any other |
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| | |
| 1529 | corruption to attempt, directly or indirectly, to influence, |
| 1530 | deceive, or deter a member when the member is voting. |
| 1531 | e. Giving or promising, directly or indirectly, anything |
| 1532 | of value to another member with the intent to buy the vote of |
| 1533 | that member or another member or to corruptly influence that |
| 1534 | member or another member in casting his or her vote. This sub- |
| 1535 | subparagraph does not apply to any food served which is to be |
| 1536 | consumed at an election rally or a meeting or to any item of |
| 1537 | nominal value which is used as an election advertisement, |
| 1538 | including a campaign message designed to be worn by a member. |
| 1539 | f. Using or threatening to use, directly or indirectly, |
| 1540 | force, violence, or intimidation or any tactic of coercion or |
| 1541 | intimidation to induce or compel a member to vote or refrain |
| 1542 | from voting in an election or on a particular ballot measure. |
| 1543 | 2. Each of the following acts constitutes a misdemeanor of |
| 1544 | the first degree, punishable as provided in s. 775.082 or s. |
| 1545 | 775.083: |
| 1546 | a. Knowingly aiding, abetting, or advising a person in the |
| 1547 | commission of a fraudulent voting activity related to |
| 1548 | association elections. |
| 1549 | b. Agreeing, conspiring, combining, or confederating with |
| 1550 | at least one other person to commit a fraudulent voting activity |
| 1551 | related to association elections. |
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| 1552 | c. Having knowledge of a fraudulent voting activity |
|------|--|
| 1553 | related to association elections and giving any aid to the |
| 1554 | offender with intent that the offender avoid or escape |
| 1555 | detection, arrest, trial, or punishment. This sub-subparagraph |
| 1556 | does not apply to a licensed attorney giving legal advice to a |
| 1557 | <u>client.</u> |
| 1558 | Section 9. Subsection (5) of section 718.113, Florida |
| 1559 | Statutes, is amended to read: |
| 1560 | 718.113 Maintenance; limitation upon improvement; display |
| 1561 | of flag; hurricane shutters and protection; display of religious |
| 1562 | decorations |
| 1563 | (5) To protect the health, safety, and welfare of the |
| 1564 | people of the state and to ensure uniformity and consistency in |
| 1565 | the hurricane protections installed by condominium associations |
| 1566 | and unit owners, this subsection applies to all residential and |
| 1567 | mixed-use condominiums in the state, regardless of when the |
| 1568 | condominium is created pursuant to the declaration of |
| 1569 | condominium. Each board of administration of a residential |
| 1570 | condominium <u>or mixed-use condominium must</u> shall adopt hurricane |
| 1571 | protection shutter specifications for each building within each |
| 1572 | condominium operated by the association which <u>may</u> $\frac{1}{2}$ shall include |
| 1573 | color, style, and other factors deemed relevant by the board. |
| 1574 | All specifications adopted by the board must comply with the |
| 1575 | applicable building code. The installation, maintenance, repair, |
| 1576 | replacement, and operation of hurricane protection in accordance |
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1577 with this subsection is not considered a material alteration or 1578 substantial addition to the common elements or association 1579 property within the meaning of this section.

The board may, subject to s. 718.3026 and the approval 1580 (a) 1581 of a majority of voting interests of the residential condominium 1582 or mixed-use condominium, install or require that unit owners install hurricane shutters, impact glass, code-compliant windows 1583 1584 or doors, or other types of code-compliant hurricane protection 1585 that complies comply with or exceeds exceed the applicable 1586 building code. A vote of the unit owners to require the 1587 installation of hurricane protection must be set forth in a 1588 certificate attesting to such vote and include the date that the 1589 hurricane protection must be installed. The board must record 1590 the certificate in the public records of the county in which the condominium is located. Once the certificate is recorded, the 1591 1592 board must mail or hand deliver a copy of the recorded certificate to the unit owners at the <u>owners' addresses</u>, as 1593 1594 reflected in the records of the association. The board may 1595 provide to unit owners who previously consented to receive notice by electronic transmission a copy of the recorded 1596 1597 certificate by electronic transmission. The failure to record 1598 the certificate or send a copy of the recorded certificate to 1599 the unit owners does not affect the validity or enforceability 1600 of the vote of the unit owners. However, A vote of the unit 1601 owners under this paragraph is not required if the installation, 313615 - h1021-strike.docx

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maintenance, repair, and replacement of the hurricane shutters, 1602 impact glass, code-compliant windows or doors, or other types of 1603 1604 code-compliant hurricane protection, or any exterior windows, 1605 doors, or other apertures protected by the hurricane protection, 1606 is are the responsibility of the association pursuant to the 1607 declaration of condominium as originally recorded or as amended, 1608 or if the unit owners are required to install hurricane 1609 protection pursuant to the declaration of condominium as 1610 originally recorded or as amended. If hurricane protection or 1611 laminated glass or window film architecturally designed to function as hurricane protection that complies with or exceeds 1612 1613 the current applicable building code has been previously 1614 installed, the board may not install the same type of hurricane 1615 shutters, impact glass, code-compliant windows or doors, or other types of code-compliant hurricane protection or require 1616 1617 that unit owners install the same type of hurricane protection 1618 unless the installed hurricane protection has reached the end of 1619 its useful life or unless it is necessary to prevent damage to 1620 the common elements or to a unit except upon approval majority vote of the voting interests. 1621 (b) The association is responsible for the maintenance, 1622 1623 repair, and replacement of the hurricane shutters, impact glass, code-compliant windows or doors, or other types of code-1624 compliant hurricane protection authorized by this subsection if 1625 1626 such property is the responsibility of the association pursuant

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1627 to the declaration of condominium. If the hurricane shutters, 1628 impact glass, code-compliant windows or doors, or other types of 1629 code-compliant hurricane protection are the responsibility of 1630 the unit owners pursuant to the declaration of condominium, the 1631 maintenance, repair, and replacement of such items are the 1632 responsibility of the unit owner.

1633 (b) (c) The board may operate shutters, impact glass, code-1634 compliant windows or doors, or other types of code-compliant 1635 hurricane protection installed pursuant to this subsection 1636 without permission of the unit owners only if such operation is 1637 necessary to preserve and protect the condominium property or 1638 and association property. The installation, replacement, 1639 operation, repair, and maintenance of such shutters, impact 1640 glass, code-compliant windows or doors, or other types of code-1641 compliant hurricane protection in accordance with the procedures 1642 set forth in this paragraph are not a material alteration to the 1643 common elements or association property within the meaning of 1644 this section.

1645 <u>(c) (d)</u> Notwithstanding any other provision in the 1646 residential condominium <u>or mixed-use condominium</u> documents, if 1647 approval is required by the documents, a board may not refuse to 1648 approve the installation or replacement of hurricane shutters, 1649 impact glass, code-compliant windows or doors, or other types of 1650 code-compliant hurricane protection by a unit owner <u>which</u> 1651 <u>conforms</u> conforming to the specifications adopted by the board. 313615 - h1021-strike.docx

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1652 However, a board may require the unit owner to adhere to an 1653 existing unified building scheme regarding the external 1654 appearance of the condominium. 1655 (d) A unit owner is not responsible for the cost of any 1656 removal or reinstallation of hurricane protection, including exterior windows, doors, or other apertures, if its removal is 1657 necessary for the maintenance, repair, or replacement of other 1658 1659 condominium property or association property for which the association is responsible. The board shall determine if the 1660 1661 removal or reinstallation of hurricane protection must be 1662 completed by the unit owner or the association. If such removal 1663 or reinstallation is completed by the association, the costs 1664 incurred by the association may not be charged to the unit owner. If such removal or reinstallation is completed by the 1665 1666 unit owner, the association must reimburse the unit owner for 1667 the cost of the removal or reinstallation or the association 1668 must apply a credit toward future assessments in the amount of 1669 the unit owner's cost to remove or reinstall the hurricane 1670 protection. 1671 (e) If the removal or reinstallation of hurricane 1672 protection, including exterior windows, doors, or other 1673 apertures, is the responsibility of the unit owner and the 1674 association completes such removal or reinstallation and then 1675 charges the unit owner for such removal or reinstallation, such

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| 1676 | charges are enforceable as an assessment and may be collected in | |
|------------------------------------|--|--|
| 1677 | the manner provided under s. 718.116. | |
| 1678 | Section 10. Paragraph (e) of subsection (1) of section | |
| 1679 | 718.115, Florida Statutes, is amended to read: | |
| 1680 | 718.115 Common expenses and common surplus | |
| 1681 | (1) | |
| 1682 | (e) <u>1. Except as provided in s. 718.113(5)(d),</u> The expense | |
| 1683 | of installation, replacement, operation, repair, and maintenance | |
| 1684 | of hurricane shutters, impact glass, code-compliant windows or | |
| 1685 | doors, or other types of code-compliant hurricane protection by | |
| 1686 | the board pursuant to s. 718.113(5) constitutes a common expense | |
| 1687 | and shall be collected as provided in this section if the | |
| 1688 | association is responsible for the maintenance, repair, and | |
| 1689 | replacement of the hurricane shutters, impact glass, code- | |
| 1690 | compliant windows or doors, or other types of code-compliant | |
| 1691 | hurricane protection pursuant to the declaration of condominium. | |
| 1692 | However, if the installation of maintenance, repair, and | |
| 1693 | replacement of the hurricane shutters, impact glass, code- | |
| 1694 | compliant windows or doors, or other types of code-compliant | |
| 1695 | hurricane protection <u>is</u> are the responsibility of the unit | |
| 1696 | owners pursuant to the declaration of condominium or a vote of | |
| 1697 | the unit owners under s. 718.113(5), the cost of the | |
| 1698 | installation of the hurricane shutters, impact glass, code- | |
| 1699 | compliant windows or doors, or other types of code-compliant | |
| 1700 | hurricane protection by the association is not a common expense | |
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and <u>must</u> shall be charged individually to the unit owners based on the cost of installation of the hurricane shutters, impact glass, code-compliant windows or doors, or other types of codecompliant hurricane protection appurtenant to the unit. <u>The</u> costs of installation of hurricane protection are enforceable as an assessment and may be collected in the manner provided under s. 718.116.

1708 2. Notwithstanding s. 718.116(9), and regardless of 1709 whether or not the declaration requires the association or unit owners to install, maintain, repair, or replace hurricane 1710 1711 shutters, impact glass, code-compliant windows or doors, or 1712 other types of code-compliant hurricane protection, the a unit 1713 owner of a unit in which who has previously installed hurricane 1714 shutters in accordance with s. 718.113(5) that comply with the current applicable building code shall receive a credit when the 1715 1716 shutters are installed; a unit owner who has previously installed impact glass or code-compliant windows or doors that 1717 comply with the current applicable building code shall receive a 1718 1719 credit when the impact glass or code-compliant windows or doors 1720 are installed; and a unit owner who has installed other types of 1721 code-compliant hurricane protection that complies comply with the current applicable building code has been installed is 1722 1723 excused from any assessment levied by the association or shall receive a credit if when the same type of other code-compliant 1724 hurricane protection is installed by the association, and the 1725 313615 - h1021-strike.docx

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1726 credit shall be equal to the pro rata portion of the assessed installation cost assigned to each unit. A credit is applicable 1727 1728 if the installation of hurricane protection is for all other units that do not have hurricane protection and the cost of such 1729 1730 installation is funded by the association's budget, including the use of reserve funds. The credit must be equal to the amount 1731 1732 that the unit owner would have been assessed to install the 1733 hurricane protection. However, such unit owner remains 1734 responsible for the pro rata share of expenses for hurricane 1735 shutters, impact glass, code-compliant windows or doors, or other types of code-compliant hurricane protection installed on 1736 1737 common elements and association property by the board pursuant 1738 to s. 718.113(5) and remains responsible for a pro rata share of 1739 the expense of the replacement, operation, repair, and 1740 maintenance of such shutters, impact glass, code-compliant 1741 windows or doors, or other types of code-compliant hurricane protection. Expenses for the installation, replacement, 1742 operation, repair, or maintenance of hurricane protection on 1743 1744 common elements and association property are common expenses. 1745 Section 11. Subsection (10) of section 718.116, Florida 1746 Statutes, is amended to read: 1747 718.116 Assessments; liability; lien and priority; interest; collection.-1748 1749 (10)The specific purpose or purposes of any special assessment, including any contingent special assessment levied 1750 313615 - h1021-strike.docx Published On: 1/31/2024 5:51:57 PM

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1751 in conjunction with the purchase of an insurance policy authorized by s. 718.111(11), approved in accordance with the 1752 1753 condominium documents shall be set forth in a written notice of 1754 such assessment sent or delivered to each unit owner. The funds 1755 collected pursuant to a special assessment shall be used only 1756 for the specific purpose or purposes set forth in such notice. 1757 However, upon completion of such specific purpose or purposes, 1758 any excess funds will be considered common surplus, and may, at 1759 the discretion of the board, either be returned to the unit 1760 owners or applied as a credit toward future assessments.

1761Section 12. Paragraph (a) of subsection (4) of section1762718.121, Florida Statutes, is amended to read:

1763

718.121 Liens.-

(4) (a) If an association sends out an invoice for
assessments or a unit's statement of the account described in <u>s.</u>
<u>718.111(12)(a)11.c.</u> s. 718.111(12)(a)11.b., the invoice for
assessments or the unit's statement of account must be delivered
to the unit owner by first-class United States mail or by
electronic transmission to the unit owner's e-mail address
maintained in the association's official records.

1771 Section 13. Section 718.1224, Florida Statutes, is amended 1772 to read:

1773 718.1224 Prohibition against SLAPP suits; other prohibited 1774 actions.-

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1775 It is the intent of the Legislature to protect the (1)1776 right of condominium unit owners to exercise their rights to 1777 instruct their representatives and petition for redress of 1778 grievances before their condominium association and the various 1779 governmental entities of this state as protected by the First 1780 Amendment to the United States Constitution and s. 5, Art. I of 1781 the State Constitution. The Legislature recognizes that 1782 strategic lawsuits against public participation, or "SLAPP 1783 suits," as they are typically referred to, have occurred when 1784 association members are sued by condominium associations, 1785 individuals, business entities, or governmental entities arising 1786 out of a condominium unit owner's appearance and presentation 1787 before the board of the condominium association or a 1788 governmental entity on matters related to the condominium 1789 association. However, it is the public policy of this state that 1790 condominium associations, governmental entities, business 1791 organizations, and individuals not engage in SLAPP suits, 1792 because such actions are inconsistent with the right of 1793 condominium unit owners to participate in their condominium 1794 association and in the state's institutions of government. 1795 Therefore, the Legislature finds and declares that prohibiting 1796 such lawsuits by condominium associations, governmental 1797 entities, business entities, and individuals against condominium 1798 unit owners who address matters concerning their condominium 1799 association will preserve this fundamental state policy, 313615 - h1021-strike.docx

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preserve the constitutional rights of condominium unit owners, 1800 and ensure the continuation of representative government in this 1801 1802 state, and ensure unit owner participation in condominium associations. It is the intent of the Legislature that such 1803 1804 lawsuits be expeditiously disposed of by the courts. As used in 1805 this subsection, the term "governmental entity" means the state, 1806 including the executive, legislative, and judicial branches of 1807 government; law enforcement agencies; the independent 1808 establishments of the state, counties, municipalities, 1809 districts, authorities, boards, or commissions; or any agencies of these branches that are subject to chapter 286. 1810

1811 A condominium association, governmental entity, (2)business organization, or individual in this state may not file 1812 1813 or cause to be filed through its employees or agents any 1814 lawsuit, cause of action, claim, cross-claim, or counterclaim 1815 against a condominium unit owner without merit and solely 1816 because such condominium unit owner has exercised the right to 1817 instruct his or her representatives or the right to petition for redress of grievances before the condominium association or the 1818 1819 various governmental entities of this state, as protected by the 1820 First Amendment to the United States Constitution and s. 5, Art. 1821 I of the State Constitution.

1822 <u>(3) It is unlawful for a condominium association to fine,</u> 1823 <u>discriminatorily increase a unit owner's assessments,</u>

1824 discriminatorily decrease services to a unit owner, or bring or

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| 1825 | threaten to bring an action for possession or other civil | |
|------------------------------------|--|--|
| 1826 | action, including a defamation, libel, slander, or tortious | |
| 1827 | interference action, based on conduct described in this | |
| 1828 | subsection. In order for the unit owner to raise the defense of | |
| 1829 | retaliatory conduct, the unit owner must have acted in good | |
| 1830 | faith and not for any improper purposes, such as to harass or to | |
| 1831 | cause unnecessary delay or for frivolous purpose or needless | |
| 1832 | increase in the cost of litigation. Examples of conduct for | |
| 1833 | which a condominium association, an officer, a director, or an | |
| 1834 | agent of an association may not retaliate include, but are not | |
| 1835 | limited to, situations in which: | |
| 1836 | (a) The unit owner has in good faith complained to a | |
| 1837 | governmental agency charged with responsibility for enforcement | |
| 1838 | of a building, housing, or health code of a suspected violation | |
| 1839 | applicable to the condominium; | |
| 1840 | (b) The unit owner has organized, encouraged, or | |
| 1841 | participated in a unit owners' organization; | |
| 1842 | (c) The unit owner submitted information or filed a | |
| 1843 | complaint alleging criminal violations or violations of this | |
| 1844 | chapter or the rules of the division with the division, the | |
| 1845 | Office of the Condominium Ombudsman, a law enforcement agency, a | |
| 1846 | state attorney, the Attorney General, or any other governmental | |
| 1847 | agency; | |
| 1848 | (d) The unit owner has exercised his or her rights under | |
| 1849 | this chapter; | |
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| 1850 | (e) The unit owner has complained to the association or | |
|----------------------------|--|--|
| 1851 | any of the association's representatives for the failure to | |
| 1852 | comply with this chapter or chapter 617; or | |
| 1853 | (f) The unit owner has made public statements critical of | |
| 1854 | the operation or management of the association. | |
| 1855 | (4) Evidence of retaliatory conduct may be raised by the | |
| 1856 | unit owner as a defense in any action brought against him or her | |
| 1857 | for possession. | |
| 1858 | (5)(3) A condominium unit owner sued by a condominium | |
| 1859 | association, governmental entity, business organization, or | |
| 1860 | individual in violation of this section has a right to an | |
| 1861 | expeditious resolution of a claim that the suit is in violation | |
| 1862 | of this section. A condominium unit owner may petition the court | |
| 1863 | for an order dismissing the action or granting final judgment in | |
| 1864 | favor of that condominium unit owner. The petitioner may file a | |
| 1865 | motion for summary judgment, together with supplemental | |
| 1866 | affidavits, seeking a determination that the condominium | |
| 1867 | association's, governmental entity's, business organization's, | |
| 1868 | or individual's lawsuit has been brought in violation of this | |
| 1869 | section. The condominium association, governmental entity, | |
| 1870 | business organization, or individual shall thereafter file its | |
| 1871 | response and any supplemental affidavits. As soon as | |
| 1872 | practicable, the court shall set a hearing on the petitioner's | |
| 1873 | motion, which shall be held at the earliest possible time after | |
| 1874 | the filing of the condominium association's, governmental | |
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1875 entity's, business organization's, or individual's response. The 1876 court may award the condominium unit owner sued by the 1877 condominium association, governmental entity, business organization, or individual actual damages arising from the 1878 1879 condominium association's, governmental entity's, individual's, 1880 or business organization's violation of this section. A court 1881 may treble the damages awarded to a prevailing condominium unit 1882 owner and shall state the basis for the treble damages award in 1883 its judgment. The court shall award the prevailing party 1884 reasonable attorney's fees and costs incurred in connection with 1885 a claim that an action was filed in violation of this section.

1886 <u>(6)</u> (4) Condominium associations may not expend association 1887 funds in prosecuting a SLAPP suit against a condominium unit 1888 owner.

1889 (7) Condominium associations may not expend association 1890 funds in support of a defamation, libel, slander, or tortious 1891 interference action against a unit owner or any other claim 1892 against a unit owner based on conduct described in subsection 1893 (3).

1894 Section 14. Paragraph (p) of subsection (4) of section 1895 718.301, Florida Statutes, is amended to read:

1896 718.301 Transfer of association control; claims of defect 1897 by association.-

1898 (4) At the time that unit owners other than the developer 1899 elect a majority of the members of the board of administration 313615 - h1021-strike.docx

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1900 of an association, the developer shall relinquish control of the 1901 association, and the unit owners shall accept control. 1902 Simultaneously, or for the purposes of paragraph (c) not more 1903 than 90 days thereafter, the developer shall deliver to the 1904 association, at the developer's expense, all property of the 1905 unit owners and of the association which is held or controlled 1906 by the developer, including, but not limited to, the following 1907 items, if applicable, as to each condominium operated by the 1908 association:

1909 Notwithstanding when the certificate of occupancy was (p) 1910 issued or the height of the building, a turnover inspection 1911 report included in the official records, under seal of an 1912 architect or engineer authorized to practice in this state or a person certified as a reserve specialist or professional reserve 1913 analyst by the Community Associations Institute or the 1914 1915 Association of Professional Reserve Analysts, and consisting of 1916 a structural integrity reserve study attesting to required 1917 maintenance, condition, useful life, and replacement costs of the following applicable condominium property: 1918

1919 1. Roof.

1920 2. Structure, including load-bearing walls and primary 1921 structural members and primary structural systems as those terms 1922 are defined in s. 627.706.

1923 1924 3. Fireproofing and fire protection systems.

4. Plumbing.

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1925 5. Electrical systems. Waterproofing and exterior painting. 1926 6. Windows and exterior doors. 1927 7. Section 15. Subsections (4) and (5) of section 718.3027, 1928 1929 Florida Statutes, are amended to read: 718.3027 Conflicts of interest.-1930 1931 (4) A director or an officer, or a relative of a director 1932 or an officer, who is a party to, or has an interest in, an 1933 activity that is a possible conflict of interest, as described 1934 in subsection (1), may attend the meeting at which the activity 1935 is considered by the board and is authorized to make a 1936 presentation to the board regarding the activity. After the presentation, the director or officer, and any or the relative 1937 1938 of the director or officer, must leave the meeting during the 1939 discussion of, and the vote on, the activity. A director or an 1940 officer who is a party to, or has an interest in, the activity 1941 must recuse himself or herself from the vote. The attendance of 1942 a director or an officer with a possible conflict of interest at 1943 the meeting of the board is sufficient to constitute a quorum 1944 for the meeting and the vote in his or her absence on the 1945 proposed activity. (5) A contract entered into between a director or an 1946 1947 officer, or a relative of a director or an officer, and the 1948 association, which is not a timeshare condominium association, 1949 that has not been properly disclosed as a conflict of interest 313615 - h1021-strike.docx Published On: 1/31/2024 5:51:57 PM

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or potential conflict of interest as required by <u>this section or</u> <u>s. 617.0832</u> s. 718.111(12)(g) is voidable and terminates upon the filing of a written notice terminating the contract with the board of directors which contains the consent of at least 20 percent of the voting interests of the association.

1955 Section 16. Subsection (5) of section 718.303, Florida
1956 Statutes, is amended to read:

1957

718.303 Obligations of owners and occupants; remedies.-

1958 An association may suspend the voting rights of a unit (5) 1959 owner or member due to nonpayment of any fee, fine, or other 1960 monetary obligation due to the association which is more than 1961 \$1,000 and more than 90 days delinquent. Proof of such 1962 obligation must be provided to the unit owner or member 30 days 1963 before such suspension takes effect. At least 90 days before an 1964 election, an association must notify a unit owner or member that 1965 his or her voting rights may be suspended due to a nonpayment of 1966 any fee, or monetary obligation. A voting interest or consent 1967 right allocated to a unit owner or member which has been 1968 suspended by the association shall be subtracted from the total 1969 number of voting interests in the association, which shall be 1970 reduced by the number of suspended voting interests when 1971 calculating the total percentage or number of all voting 1972 interests available to take or approve any action, and the 1973 suspended voting interests shall not be considered for any 1974 purpose, including, but not limited to, the percentage or number 313615 - h1021-strike.docx

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1975 of voting interests necessary to constitute a quorum, the percentage or number of voting interests required to conduct an 1976 1977 election, or the percentage or number of voting interests required to approve an action under this chapter or pursuant to 1978 1979 the declaration, articles of incorporation, or bylaws. The 1980 suspension ends upon full payment of all obligations currently 1981 due or overdue the association. The notice and hearing 1982 requirements under subsection (3) do not apply to a suspension 1983 imposed under this subsection.

1984 Section 17. Subsections (1) and (2) of section 718.501, 1985 Florida Statutes, are amended to read:

1986718.501Authority, responsibility, and duties of Division1987of Florida Condominiums, Timeshares, and Mobile Homes.-

1988 The division may enforce and ensure compliance with (1)1989 this chapter and rules relating to the development, 1990 construction, sale, lease, ownership, operation, and management 1991 of residential condominium units and complaints related to the procedural completion of milestone inspections under s. 553.899. 1992 1993 In performing its duties, the division has complete jurisdiction 1994 to investigate complaints and enforce compliance with respect to associations that are still under developer control or the 1995 1996 control of a bulk assignee or bulk buyer pursuant to part VII of 1997 this chapter and complaints against developers, bulk assignees, 1998 or bulk buyers involving improper turnover or failure to 1999 turnover, pursuant to s. 718.301. However, after turnover has

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2000 occurred, the division has jurisdiction to investigate 2001 complaints alleging violations of this chapter or any rule or 2002 order hereunder. related only to financial issues, elections, 2003 and the maintenance of and unit owner access to association 2004 records under s. 718.111(12), and the procedural completion of 2005 structural integrity reserve studies under s. 718.112(2)(g).

(a)1. The division may make necessary public or private investigations within or outside this state to determine whether any person has violated this chapter or any rule or order hereunder, to aid in the enforcement of this chapter, or to aid in the adoption of rules or forms.

2011 2. The division may submit any official written report, 2012 worksheet, or other related paper, or a duly certified copy 2013 thereof, compiled, prepared, drafted, or otherwise made by and 2014 duly authenticated by a financial examiner or analyst to be 2015 admitted as competent evidence in any hearing in which the 2016 financial examiner or analyst is available for cross-examination 2017 and attests under oath that such documents were prepared as a 2018 result of an examination or inspection conducted pursuant to 2019 this chapter.

(b) The division may require or permit any person to file a statement in writing, under oath or otherwise, as the division determines, as to the facts and circumstances concerning a matter to be investigated.

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2024 For the purpose of any investigation under this (C) 2025 chapter, the division director or any officer or employee 2026 designated by the division director may administer oaths or 2027 affirmations, subpoena witnesses and compel their attendance, 2028 take evidence, and require the production of any matter which is 2029 relevant to the investigation, including the existence, 2030 description, nature, custody, condition, and location of any 2031 books, documents, or other tangible things and the identity and 2032 location of persons having knowledge of relevant facts or any 2033 other matter reasonably calculated to lead to the discovery of material evidence. Upon the failure by a person to obey a 2034 2035 subpoena or to answer questions propounded by the investigating 2036 officer and upon reasonable notice to all affected persons, the 2037 division may apply to the circuit court for an order compelling 2038 compliance.

2039 (d) Notwithstanding any remedies available to unit owners 2040 and associations, if the division has reasonable cause to 2041 believe that a violation of any provision of this chapter or 2042 related rule has occurred, the division may institute 2043 enforcement proceedings in its own name against any developer, 2044 bulk assignee, bulk buyer, association, officer, or member of 2045 the board of administration, or its assignees or agents, as 2046 follows:

2047 1. The division may permit a person whose conduct or 2048 actions may be under investigation to waive formal proceedings 313615 - h1021-strike.docx

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2049 and enter into a consent proceeding whereby orders, rules, or 2050 letters of censure or warning, whether formal or informal, may 2051 be entered against the person.

2052 2. The division may issue an order requiring the 2053 developer, bulk assignee, bulk buyer, association, developer-2054 designated officer, or developer-designated member of the board 2055 of administration, developer-designated assignees or agents, 2056 bulk assignee-designated assignees or agents, bulk buyer-2057 designated assignees or agents, community association manager, 2058 or community association management firm to cease and desist 2059 from the unlawful practice and take such affirmative action as 2060 in the judgment of the division carry out the purposes of this 2061 chapter. If the division finds that a developer, bulk assignee, 2062 bulk buyer, association, officer, or member of the board of 2063 administration, or its assignees or agents, is violating or is 2064 about to violate any provision of this chapter, any rule adopted 2065 or order issued by the division, or any written agreement 2066 entered into with the division, and presents an immediate danger 2067 to the public requiring an immediate final order, it may issue 2068 an emergency cease and desist order reciting with particularity 2069 the facts underlying such findings. The emergency cease and 2070 desist order is effective for 90 days. If the division begins 2071 nonemergency cease and desist proceedings, the emergency cease 2072 and desist order remains effective until the conclusion of the 2073 proceedings under ss. 120.569 and 120.57.

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If a developer, bulk assignee, or bulk buyer fails to 2074 3. 2075 pay any restitution determined by the division to be owed, plus 2076 any accrued interest at the highest rate permitted by law, within 30 days after expiration of any appellate time period of 2077 2078 a final order requiring payment of restitution or the conclusion 2079 of any appeal thereof, whichever is later, the division must 2080 bring an action in circuit or county court on behalf of any 2081 association, class of unit owners, lessees, or purchasers for 2082 restitution, declaratory relief, injunctive relief, or any other 2083 available remedy. The division may also temporarily revoke its 2084 acceptance of the filing for the developer to which the 2085 restitution relates until payment of restitution is made.

2086 The division may petition the court for appointment of 2087 a receiver or conservator. If appointed, the receiver or 2088 conservator may take action to implement the court order to 2089 ensure the performance of the order and to remedy any breach 2090 thereof. In addition to all other means provided by law for the 2091 enforcement of an injunction or temporary restraining order, the 2092 circuit court may impound or sequester the property of a party 2093 defendant, including books, papers, documents, and related 2094 records, and allow the examination and use of the property by 2095 the division and a court-appointed receiver or conservator.

5. The division may apply to the circuit court for an order of restitution whereby the defendant in an action brought under subparagraph 4. is ordered to make restitution of those

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sums shown by the division to have been obtained by the defendant in violation of this chapter. At the option of the court, such restitution is payable to the conservator or receiver appointed under subparagraph 4. or directly to the persons whose funds or assets were obtained in violation of this chapter.

2105 6. The division may impose a civil penalty against a 2106 developer, bulk assignee, or bulk buyer, or association, or its 2107 assignee or agent, for any violation of this chapter or related 2108 rule. The division may impose a civil penalty individually 2109 against an officer or board member who willfully and knowingly 2110 violates this chapter, an adopted rule, or a final order of the division; may order the removal of such individual as an officer 2111 2112 or from the board of administration or as an officer of the association; and may prohibit such individual from serving as an 2113 2114 officer or on the board of a community association for a period 2115 of time. The term "willfully and knowingly" means that the division informed the officer or board member that his or her 2116 2117 action or intended action violates this chapter, a rule adopted 2118 under this chapter, or a final order of the division and that 2119 the officer or board member refused to comply with the 2120 requirements of this chapter, a rule adopted under this chapter, 2121 or a final order of the division. The division, before 2122 initiating formal agency action under chapter 120, must afford the officer or board member an opportunity to voluntarily 2123 313615 - h1021-strike.docx

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2124 comply, and an officer or board member who complies within 10 2125 days is not subject to a civil penalty. A penalty may be imposed 2126 on the basis of each day of continuing violation, but the penalty for any offense may not exceed \$5,000. The division 2127 2128 shall adopt, by rule, penalty guidelines applicable to possible 2129 violations or to categories of violations of this chapter or 2130 rules adopted by the division. The guidelines must specify a meaningful range of civil penalties for each such violation of 2131 2132 the statute and rules and must be based upon the harm caused by 2133 the violation, upon the repetition of the violation, and upon 2134 such other factors deemed relevant by the division. For example, 2135 the division may consider whether the violations were committed by a developer, bulk assignee, or bulk buyer, or owner-2136 2137 controlled association, the size of the association, and other 2138 factors. The quidelines must designate the possible mitigating 2139 or aggravating circumstances that justify a departure from the range of penalties provided by the rules. It is the legislative 2140 2141 intent that minor violations be distinguished from those which 2142 endanger the health, safety, or welfare of the condominium 2143 residents or other persons and that such guidelines provide 2144 reasonable and meaningful notice to the public of likely 2145 penalties that may be imposed for proscribed conduct. This 2146 subsection does not limit the ability of the division to 2147 informally dispose of administrative actions or complaints by stipulation, agreed settlement, or consent order. All amounts 2148 313615 - h1021-strike.docx

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2149 collected shall be deposited with the Chief Financial Officer to 2150 the credit of the Division of Florida Condominiums, Timeshares, 2151 and Mobile Homes Trust Fund. If a developer, bulk assignee, or 2152 bulk buyer fails to pay the civil penalty and the amount deemed 2153 to be owed to the association, the division shall issue an order 2154 directing that such developer, bulk assignee, or bulk buyer 2155 cease and desist from further operation until such time as the 2156 civil penalty is paid or may pursue enforcement of the penalty 2157 in a court of competent jurisdiction. If an association fails to 2158 pay the civil penalty, the division shall pursue enforcement in 2159 a court of competent jurisdiction, and the order imposing the 2160 civil penalty or the cease and desist order is not effective 2161 until 20 days after the date of such order. Any action commenced 2162 by the division shall be brought in the county in which the 2163 division has its executive offices or in the county in which 2164 where the violation occurred.

2165 7. If a unit owner presents the division with proof that 2166 the unit owner has requested access to official records in 2167 writing by certified mail, and that after 10 days the unit owner 2168 again made the same request for access to official records in 2169 writing by certified mail, and that more than 10 days has 2170 elapsed since the second request and the association has still 2171 failed or refused to provide access to official records as 2172 required by this chapter, the division shall issue a subpoena requiring production of the requested records at the location in 2173 313615 - h1021-strike.docx

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2174 <u>which</u> where the records are kept pursuant to s. 718.112. <u>Upon</u> 2175 <u>receipt of the records, the division must provide to the unit</u> 2176 <u>owner who was denied access to such records the produced</u> 2177 official records without charge.

2178 In addition to subparagraph 6., the division may seek 8. 2179 the imposition of a civil penalty through the circuit court for 2180 any violation for which the division may issue a notice to show 2181 cause under paragraph (r). The civil penalty shall be at least 2182 \$500 but no more than \$5,000 for each violation. The court may 2183 also award to the prevailing party court costs and reasonable 2184 attorney fees and, if the division prevails, may also award reasonable costs of investigation. 2185

(e) The division may prepare and disseminate a prospectus
and other information to assist prospective owners, purchasers,
lessees, and developers of residential condominiums in assessing
the rights, privileges, and duties pertaining thereto.

(f) The division may adopt rules to administer and enforce this chapter.

(g) The division shall establish procedures for providing notice to an association and the developer, bulk assignee, or bulk buyer during the period in which the developer, bulk assignee, or bulk buyer controls the association if the division is considering the issuance of a declaratory statement with respect to the declaration of condominium or any related document governing such condominium community.

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2199 (h) The division shall furnish each association that pays 2200 the fees required by paragraph (2)(a) a copy of this chapter, as 2201 amended, and the rules adopted thereto on an annual basis. 2202 (i) The division shall annually provide each association 2203 with a summary of declaratory statements and formal legal 2204 opinions relating to the operations of condominiums which were 2205 rendered by the division during the previous year. The division shall provide training and educational 2206 (j) 2207 programs for condominium association board members and unit 2208 owners. The training may, in the division's discretion, include 2209 web-based electronic media and live training and seminars in 2210 various locations throughout the state. The division may review 2211 and approve education and training programs for board members 2212 and unit owners offered by providers and shall maintain a 2213 current list of approved programs and providers and make such 2214 list available to board members and unit owners in a reasonable 2215 and cost-effective manner. The division shall provide to 2216 directors of the board of administration at no charge the 2217 educational curriculum required under s. 718.112(2)(d) and issue 2218 a certificate of satisfactory completion, including when the 2219 required educational curriculum is provided by a division-2220 approved condominium education provider. 2221

2222

(k) The division shall maintain a toll-free telephonenumber accessible to condominium unit owners.

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2223 The division shall develop a program to certify both (1)2224 volunteer and paid mediators to provide mediation of condominium 2225 disputes. The division shall provide, upon request, a list of 2226 such mediators to any association, unit owner, or other 2227 participant in alternative dispute resolution proceedings under 2228 s. 718.1255 requesting a copy of the list. The division shall 2229 include on the list of volunteer mediators only the names of 2230 persons who have received at least 20 hours of training in 2231 mediation techniques or who have mediated at least 20 disputes. 2232 In order to become initially certified by the division, paid 2233 mediators must be certified by the Supreme Court to mediate 2234 court cases in county or circuit courts. However, the division 2235 may adopt, by rule, additional factors for the certification of 2236 paid mediators, which must be related to experience, education, 2237 or background. Any person initially certified as a paid mediator 2238 by the division must, in order to continue to be certified, 2239 comply with the factors or requirements adopted by rule.

2240 (m) If a complaint is made, the division must conduct its 2241 inquiry with due regard for the interests of the affected 2242 parties. Within 30 days after receipt of a complaint, the 2243 division shall acknowledge the complaint in writing and notify 2244 the complainant whether the complaint is within the jurisdiction 2245 of the division and whether additional information is needed by 2246 the division from the complainant. The division shall conduct 2247 its investigation and, within 90 days after receipt of the

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2248 original complaint or of timely requested additional 2249 information, take action upon the complaint. However, the 2250 failure to complete the investigation within 90 days does not 2251 prevent the division from continuing the investigation, 2252 accepting or considering evidence obtained or received after 90 2253 days, or taking administrative action if reasonable cause exists 2254 to believe that a violation of this chapter or a rule has 2255 occurred. If an investigation is not completed within the time 2256 limits established in this paragraph, the division shall, on a 2257 monthly basis, notify the complainant in writing of the status 2258 of the investigation. When reporting its action to the 2259 complainant, the division shall inform the complainant of any 2260 right to a hearing under ss. 120.569 and 120.57. The division 2261 may adopt rules regarding the submission of a complaint against 2262 an association.

2263 (n) Condominium association directors, officers, and 2264 employees; condominium developers; bulk assignees, bulk buyers, 2265 and community association managers; and community association 2266 management firms have an ongoing duty to reasonably cooperate 2267 with the division in any investigation under this section. The 2268 division shall refer to local law enforcement authorities any 2269 person whom the division believes has altered, destroyed, 2270 concealed, or removed any record, document, or thing required to 2271 be kept or maintained by this chapter with the purpose to impair 2272 its verity or availability in the department's investigation.

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2273 The division shall refer to local law enforcement authorities 2274 any person whom the division believes has engaged in fraud, 2275 theft, embezzlement, or other criminal activity or when the division has cause to believe that fraud, theft, embezzlement, 2276 2277 or other criminal activity has occurred. 2278 (o) The division director or any officer or employee of 2279 the division and the condominium ombudsman or any employee of 2280 the Office of the Condominium Ombudsman may attend and observe 2281 any meeting of the board of administration or unit owner 2282 meeting, including any meeting of a subcommittee or special committee, which is open to members of the association for the 2283 2284 purpose of performing the duties of the division or the Office 2285 of the Condominium Ombudsman under this chapter. 2286 (p) (o) The division may: 2287 1. Contract with agencies in this state or other 2288 jurisdictions to perform investigative functions; or 2289 2. Accept grants-in-aid from any source. 2290 (q) (p) The division shall cooperate with similar agencies 2291 in other jurisdictions to establish uniform filing procedures 2292 and forms, public offering statements, advertising standards, 2293 and rules and common administrative practices. 2294 (r) - (q) The division shall consider notice to a developer, 2295 bulk assignee, or bulk buyer to be complete when it is delivered 2296 to the address of the developer, bulk assignee, or bulk buyer 2297 currently on file with the division. 313615 - h1021-strike.docx Published On: 1/31/2024 5:51:57 PM Page 93 of 110

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2298 <u>(s) (r)</u> In addition to its enforcement authority, the 2299 division may issue a notice to show cause, which must provide 2300 for a hearing, upon written request, in accordance with chapter 2301 120. 2302 <u>(t) The division shall routinely conduct random audits of</u> 2303 <u>condominium associations to determine compliance with the</u>

2304 website or application requirements for official records under 2305 s. 718.111(12)(g).

2306 (u) (u) (s) The division shall submit to the Governor, the 2307 President of the Senate, the Speaker of the House of Representatives, and the chairs of the legislative 2308 2309 appropriations committees an annual report that includes, but 2310 need not be limited to, the number of training programs provided 2311 for condominium association board members and unit owners, the 2312 number of complaints received by type, the number and percent of 2313 complaints acknowledged in writing within 30 days and the number 2314 and percent of investigations acted upon within 90 days in 2315 accordance with paragraph (m), and the number of investigations 2316 exceeding the 90-day requirement. The annual report must also 2317 include an evaluation of the division's core business processes 2318 and make recommendations for improvements, including statutory 2319 changes. The report shall be submitted by September 30 following 2320 the end of the fiscal year.

(2) (a) Each condominium association <u>that</u> which operates more than two units shall pay to the division an annual fee in 313615 - h1021-strike.docx

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the amount of \$4 for each residential unit in condominiums 2323 operated by the association. The annual fee shall be filed 2324 2325 together with the annual certification described in paragraph (c). If the fee is not paid by March 1, the association shall be 2326 2327 assessed a penalty of 10 percent of the amount due, and the 2328 association will not have standing to maintain or defend any 2329 action in the courts of this state until the amount due, plus 2330 any penalty, is paid. 2331 (b) All fees shall be deposited in the Division of Florida 2332 Condominiums, Timeshares, and Mobile Homes Trust Fund as 2333 provided by law. 2334 (c) On the certification form provided by the division, 2335 the directors of the association shall certify that each 2336 director of the association has completed the written 2337 certification and educational certificate requirements in s. 2338 718.112(2)(d)4.b. 2339 Section 18. Subsection (2) of section 718.5011, Florida 2340 Statutes, is amended to read: 2341 The Governor Secretary shall appoint the ombudsman. (2) 2342 The ombudsman must be an attorney admitted to practice before 2343 the Florida Supreme Court and shall serve at the pleasure of the 2344 Governor. A vacancy in the office shall be filled in the same 2345 manner as the original appointment. An officer or full-time 2346 employee of the ombudsman's office may not actively engage in 2347 any other business or profession that directly or indirectly 313615 - h1021-strike.docx Published On: 1/31/2024 5:51:57 PM

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2348 relates to or conflicts with his or her work in the ombudsman's 2349 office; serve as the representative of any political party, 2350 executive committee, or other governing body of a political 2351 party; serve as an executive, officer, or employee of a 2352 political party; receive remuneration for activities on behalf 2353 of any candidate for public office; or engage in soliciting 2354 votes or other activities on behalf of a candidate for public 2355 office. The ombudsman or any employee of his or her office may 2356 not become a candidate for election to public office unless he 2357 or she first resigns from his or her office or employment.

2358Section 19. Paragraphs (j) and (k) of subsection (1) of2359section 719.106, Florida Statutes, are amended to read:

2360

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:

2364

(j) Annual budget.-

1. The proposed annual budget of common expenses must be detailed and must show the amounts budgeted by accounts and expense classifications, including, if applicable, but not limited to, those expenses listed in s. 719.504(20). The board of administration shall adopt the annual budget at least 14 days before the start of the association's fiscal year. In the event that the board fails to timely adopt the annual budget a second

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2372 time, it is deemed a minor violation and the prior year's budget 2373 shall continue in effect until a new budget is adopted.

2374 2. In addition to annual operating expenses, the budget 2375 must include reserve accounts for capital expenditures and 2376 deferred maintenance. These accounts must include, but not be 2377 limited to, roof replacement, building painting, and pavement 2378 resurfacing, regardless of the amount of deferred maintenance 2379 expense or replacement cost, and for any other items for which 2380 the deferred maintenance expense or replacement cost exceeds 2381 \$10,000. The amount to be reserved must be computed by means of 2382 a formula which is based upon estimated remaining useful life 2383 and estimated replacement cost or deferred maintenance expense 2384 of the reserve item. In a budget adopted by an association that 2385 is required to obtain a structural integrity reserve study, 2386 reserves must be maintained for the items identified in 2387 paragraph (k) for which the association is responsible pursuant 2388 to the declaration, and the reserve amount for such items must 2389 be based on the findings and recommendations of the 2390 association's most recent structural integrity reserve study. 2391 With respect to items for which an estimate of useful life is 2392 not readily ascertainable or with an estimated remaining useful 2393 life of greater than 25 years, an association is not required to 2394 reserve replacement costs for such items, but an association 2395 must reserve the amount of deferred maintenance expense, if any, 2396 which is recommended by the structural integrity reserve study

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2397 for such items. The association may adjust replacement reserve 2398 assessments annually to take into account an inflation 2399 adjustment and any changes in estimates or extension of the 2400 useful life of a reserve item caused by deferred maintenance. 2401 The members of a unit-owner-controlled association may 2402 determine, by a majority vote of the total voting interests of 2403 the association, for a fiscal year to provide no reserves or 2404 reserves less adequate than required by this subsection. Before 2405 turnover of control of an association by a developer to unit 2406 owners other than a developer under s. 719.301, the developer-2407 controlled association may not vote to waive the reserves or 2408 reduce funding of the reserves. For a budget adopted on or after 2409 December 31, 2024, a unit-owner-controlled association that must 2410 obtain a structural integrity reserve study may not determine to 2411 provide no reserves or reserves less adequate than required by 2412 this paragraph for items listed in paragraph (k). If a meeting 2413 of the unit owners has been called to determine to provide no 2414 reserves, or reserves less adequate than required, and such 2415 result is not attained or a quorum is not attained, the reserves 2416 as included in the budget shall go into effect.

3. Reserve funds and any interest accruing thereon shall remain in the reserve account or accounts, and shall be used only for authorized reserve expenditures unless their use for other purposes is approved in advance by a vote of the majority of the total voting interests of the association. Before

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turnover of control of an association by a developer to unit 2422 owners other than the developer under s. 719.301, the developer 2423 2424 may not vote to use reserves for purposes other than that for 2425 which they were intended. For a budget adopted on or after 2426 December 31, 2024, members of a unit-owner-controlled 2427 association that must obtain a structural integrity reserve 2428 study may not vote to use reserve funds, or any interest 2429 accruing thereon, for purposes other than the replacement or 2430 deferred maintenance costs of the components listed in paragraph 2431 (k).

2432

(k) Structural integrity reserve study.-

1. A residential cooperative association must have a structural integrity reserve study completed at least every 10 years for each building on the cooperative property that is three stories or higher in height, as determined by the Florida Building Code, that includes, at a minimum, a study of the following items as related to the structural integrity and safety of the building:

a. Roof.

b. Structure, including load-bearing walls and other primary structural members and primary structural systems as those terms are defined in s. 627.706.

2444

2440

c. Fireproofing and fire protection systems.

d. Plumbing.

e. Electrical systems.

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f. Waterproofing and exterior painting.

g. Windows and exterior doors.

h. Any other item that has a deferred maintenance expense
or replacement cost that exceeds \$10,000 and the failure to
replace or maintain such item negatively affects the items
listed in sub-subparagraphs a.-g., as determined by the visual
inspection portion of the structural integrity reserve study.

2. A structural integrity reserve study is based on a visual inspection of the cooperative property. A structural integrity reserve study may be performed by any person qualified to perform such study. However, the visual inspection portion of the structural integrity reserve study must be performed or verified by an engineer licensed under chapter 471, an architect licensed under chapter 481, or a person certified as a reserve specialist or professional reserve analyst by the Community Associations Institute or the Association of Professional Reserve Analysts.

3. At a minimum, a structural integrity reserve study must identify each item of the cooperative property being visually inspected, state the estimated remaining useful life and the estimated replacement cost or deferred maintenance expense of each item of the cooperative property being visually inspected, and provide a reserve funding schedule with a recommended annual reserve amount that achieves the estimated replacement cost or deferred maintenance expense of each item of cooperative

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2472 property being visually inspected by the end of the estimated 2473 remaining useful life of the item. The structural integrity 2474 reserve study may recommend that reserves do not need to be 2475 maintained for any item for which an estimate of useful life and 2476 an estimate of replacement cost cannot be determined, or the 2477 study may recommend a deferred maintenance expense amount for 2478 such item. The structural integrity reserve study may recommend 2479 that reserves for replacement costs do not need to be maintained 2480 for any item with an estimated remaining useful life of greater 2481 than 25 years, but the study may recommend a deferred 2482 maintenance expense amount for such item.

4. This paragraph does not apply to buildings less than three stories in height; single-family, two-family, or threefamily dwellings with three or fewer habitable stories above ground; any portion or component of a building that has not been submitted to the cooperative form of ownership; or any portion or component of a building that is maintained by a party other than the association.

5. Before a developer turns over control of an association to unit owners other than the developer, the developer must have a turnover inspection report in compliance with s. 719.301(4)(p) and (q) for each building on the cooperative property that is three stories or higher in height.

6. Associations existing on or before July 1, 2022, which are controlled by unit owners other than the developer, must 313615 - h1021-strike.docx

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2497 have a structural integrity reserve study completed by December 31, 2024, for each building on the cooperative property that is 2498 2499 three stories or higher in height. An association that is 2500 required to complete a milestone inspection on or before 2501 December 31, 2026, in accordance with s. 553.899 may complete 2502 the structural integrity reserve study simultaneously with the 2503 milestone inspection. In no event may the structural integrity 2504 reserve study be completed after December 31, 2026.

7. If the milestone inspection required by s. 553.899, or an inspection completed for a similar local requirement, was performed within the past 5 years and meets the requirements of this paragraph, such inspection may be used in place of the visual inspection portion of the structural integrity reserve study.

8. If the officers or directors of an association willfully and knowingly fail to complete a structural integrity reserve study pursuant to this paragraph, such failure is a breach of an officer's and director's fiduciary relationship to the unit owners under s. 719.104(9).

2516 <u>9. Within 45 days after receiving the structural integrity</u> 2517 <u>reserve study, the association must distribute a copy of the</u> 2518 <u>study to each unit owner or deliver to each unit owner a notice</u> 2519 <u>that the completed study is available for inspection and copying</u> 2520 <u>upon a written request. Distribution of a copy of the study or</u> 2521 <u>notice must be made by United States mail or personal delivery</u>

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| 2522 | at the mailing address, property address, or any other address |
|------|---|
| 2523 | of the owner provided to fulfill the association's notice |
| 2524 | requirements under this chapter, or by electronic transmission |
| 2525 | to the e-mail address or facsimile number provided to fulfill |
| 2526 | the association's notice requirements to unit owners who |
| 2527 | previously consented to receive notice by electronic |
| 2528 | transmission. |
| 2529 | Section 20. Paragraph (p) of subsection (4) of section |
| 2530 | 719.301, Florida Statutes, is amended to read: |
| 2531 | 719.301 Transfer of association control |
| 2532 | (4) When unit owners other than the developer elect a |
| 2533 | majority of the members of the board of administration of an |
| 2534 | association, the developer shall relinquish control of the |
| 2535 | association, and the unit owners shall accept control. |
| 2536 | Simultaneously, or for the purpose of paragraph (c) not more |
| 2537 | than 90 days thereafter, the developer shall deliver to the |
| 2538 | association, at the developer's expense, all property of the |
| 2539 | unit owners and of the association held or controlled by the |
| 2540 | developer, including, but not limited to, the following items, |
| 2541 | if applicable, as to each cooperative operated by the |
| 2542 | association: |
| 2543 | (p) Notwithstanding when the certificate of occupancy was |
| 2544 | issued or the height of the building, a turnover inspection |
| 2545 | report included in the official records, under seal of an |
| 2546 | architect or engineer authorized to practice in this state or a |
| | |

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| 2547 | person certified as a reserve specialist or professional reserve |
|------|--|
| 2548 | analyst by the Community Associations Institute or the |
| 2549 | Association of Professional Reserve Analysts, consisting of a |
| 2550 | structural integrity reserve study attesting to required |
| 2551 | maintenance, condition, useful life, and replacement costs of |
| 2552 | the following applicable cooperative property: |
| 2553 | 1. Roof. |
| 2554 | 2. Structure, including load-bearing walls and primary |
| 2555 | structural members and primary structural systems as those terms |
| 2556 | are defined in s. 627.706. |
| 2557 | 3. Fireproofing and fire protection systems. |
| 2558 | 4. Plumbing. |
| 2559 | 5. Electrical systems. |
| 2560 | 6. Waterproofing and exterior painting. |
| 2561 | 7. Windows and exterior doors. |
| 2562 | Section 21. The Division of Florida Condominiums, |
| 2563 | Timeshares, and Mobile Homes of the Department of Business and |
| 2564 | Professional Regulation shall complete a review of the website |
| 2565 | or application requirements for official records under s. |
| 2566 | 718.111(12)(g), Florida Statutes, and make recommendations |
| 2567 | regarding any additional official records of a condominium |
| 2568 | association that should be included in the record maintenance |
| 2569 | requirement in the statute. The division shall submit to the |
| 2570 | Governor, the President of the Senate, the Speaker of the House |
| 2571 | of Representatives, and the chairs of the legislative |
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| | \mathbf{D} which and \mathbf{O} and $1/21/2024$ E.E1.E7 \mathbf{D} |

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| 2572 | appropriations committees and appropriate substantive committees | |
|--------------------------------|--|--|
| 2573 | with jurisdiction over chapter 718, Florida Statutes, the | |
| 2574 | findings of its review by February 1, 2025. | |
| 2575 | Section 23. Except as otherwise expressly provided in this | |
| 2576 | act, this act shall take effect July 1, 2024. | |
| 2577 | | |
| 2578 | TITLE AMENDMENT | |
| 2579 | Remove everything before the enacting clause and insert: | |
| 2580 | amending s. 468.4334, F.S.; requiring community association | |
| 2581 | managers and community association management firms to return | |
| 2582 | official records of an association within a specified time after | |
| 2583 | termination of a contract; providing a rebuttable presumption | |
| 2584 | regarding noncompliance; providing penalties for the failure to | |
| 2585 | timely return official records; creating s. 468.4335, F.S.; | |
| 2586 | requiring community association managers and community | |
| 2587 | association management firms to disclose certain conflicts of | |
| 2588 | interest to the association's board; providing a rebuttable | |
| 2589 | presumption as to the existence of a conflict; requiring an | |
| 2590 | association to consider multiple bids for goods or services | |
| 2591 | under certain circumstances; providing requirements for an | |
| 2592 | association to approve any activity that is a conflict of | |
| 2593 | interest; authorizing certain contracts to be canceled, subject | |
| 2594 | to certain requirements; specifying liability and nonliability | |
| 2595 | of the association upon cancellation of such a contract; | |
| 2596 | authorizing an association to cancel a contract if certain | |
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conflicts were not disclosed; specifying liability and 2597 2598 nonliability of the association upon cancellation of a contract; 2599 defining the term "relative"; reenacting and amending s. 2600 468.436, F.S.; revising the list of grounds for which the 2601 Department of Business and Professional Regulation may take 2602 disciplinary actions against community association managers or 2603 community association firms; amending s. 718.103, F.S.; revising 2604 and providing definitions; amending s. 718.104, F.S.; requiring 2605 declarations to specify the entity responsible for the installation, maintenance, repair, or replacement of hurricane 2606 2607 protection; amending s. 718.111, F.S.; providing criminal 2608 penalties for any officer, director, or manager of an 2609 association who unlawfully solicits, offers to accept, or 2610 accepts any thing or service of value or kickback; revising the 2611 list of records that constitute the official records of an 2612 association; revising maintenance requirements for official 2613 records; revising requirements regarding requests to inspect or 2614 copy association records; requiring an association to provide a 2615 checklist and affidavit in response to certain records requests; 2616 providing a rebuttable presumption and criminal penalties; 2617 defining the term "repeatedly"; requiring copies of certain 2618 building permits be posted on an association's website or 2619 application; modifying the method of delivery of certain letters 2620 regarding association financial reports to unit owners; revising 2621 circumstances under which an association may prepare certain 313615 - h1021-strike.docx

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reports; revising criminal penalties for persons who unlawfully 2622 use a debit card issued in the name of an association; defining 2623 2624 the term "lawful obligation of the association"; revising the threshold for associations that must post certain documents on 2625 2626 its website or through an application; amending s. 718.112, 2627 F.S.; requiring the boards of certain associations to meet at 2628 least once every quarter; revising requirements regarding notice 2629 of such meetings; requiring a director to complete an 2630 educational requirement within a specified time period before or 2631 after election or appointment to the board; providing transitional provisions; requiring a director to complete 2632 2633 educational requirements each year relating to changes in the 2634 law; authorizing members of an association to waive reserves or 2635 reduce reserves under certain circumstances and for a limited 2636 time; requiring an association to distribute or deliver copies 2637 of a structural integrity reserve study to unit owners within a 2638 specified timeframe; specifying the manner of distribution or 2639 delivery; revising the circumstances under which a director or 2640 an officer must be removed from office after being charged by 2641 information or indictment of certain crimes; prohibiting such 2642 officers and directors with pending criminal charges from 2643 accessing the official records of any association; providing an 2644 exception; providing criminal penalties for certain fraudulent 2645 voting activities relating to association elections; amending s. 2646 718.113, F.S.; providing applicability; specifying that certain 313615 - h1021-strike.docx

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2647 actions are not material alterations or substantial additions; 2648 authorizing the boards of residential and mixed-use condominiums 2649 to install or require unit owners to install hurricane 2650 protection; requiring a vote of the unit owners for the 2651 installation of hurricane protection; requiring that such vote 2652 be attested to in a certificate and recorded in certain public 2653 records; providing requirements for such certificate; providing 2654 that the validity or enforceability of a vote is not affected if 2655 the board fails to take certain actions; providing that a vote 2656 of the unit owners is not required under certain circumstances; 2657 prohibiting installation of the same type of hurricane 2658 protection previously installed; providing exceptions; 2659 prohibiting the boards of residential and mixed-use condominiums 2660 from refusing to approve certain hurricane protections; 2661 authorizing the board to require owners to adhere to certain 2662 quidelines regarding the external appearance of a condominium; 2663 revising responsibility for the cost of the removal or 2664 reinstallation of hurricane protection, including exterior 2665 windows, doors, or apertures; prohibiting the association from 2666 charging certain expenses to unit owners; requiring 2667 reimbursement or a credit toward future assessments to the unit 2668 owner in certain circumstances; authorizing the association to 2669 collect certain charges and specifying that such charges are enforceable as assessments under certain circumstances; amending 2670 s. 718.115, F.S.; specifying when the cost of installation of 2671 313615 - h1021-strike.docx

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2672 hurricane protection is not a common expense; authorizing 2673 certain expenses to be enforceable as assessments; requiring 2674 certain unit owners to be excused from certain assessments or to 2675 receive a credit for hurricane protection that has been 2676 installed; providing credit applicability under certain 2677 circumstances; providing for the amount of credit that a unit 2678 owner must receive; specifying that certain expenses are common 2679 expenses; amending s. 718.116, F.S.; requiring that the written 2680 notice of certain assessments be recorded in the public records; 2681 amending s. 718.121, F.S.; conforming a cross-reference; 2682 amending s. 718.1224, F.S.; revising legislative findings and 2683 intent; revising the definition of the term "governmental 2684 entity"; prohibiting an association from filing strategic 2685 lawsuits, taking certain actions against unit owners, and 2686 expending funds to support certain actions; amending s. 718.301, 2687 F.S.; requiring developers to deliver a structural integrity 2688 reserve report to an association upon relinquishing control of 2689 the association; amending s. 718.3027, F.S.; revising 2690 requirements regarding attendance at a board meeting in the 2691 event of a conflict of interest; modifying circumstances under 2692 which a contract may be voided; amending s. 718.303, F.S.; 2693 requiring that a notice of nonpayment be provided to a unit 2694 owner by a specified time before an election or a vote of 2695 association members; amending s. 718.501, F.S.; revising 2696 circumstances under which the Division of Florida Condominiums, 313615 - h1021-strike.docx

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2697 Timeshares, and Mobile Homes has jurisdiction to investigate and 2698 enforce certain matters; requiring that the division provide 2699 official records, without charge, to a unit owner denied access; 2700 requiring the division to provide an educational curriculum free 2701 of charge and issue a certificate to directors of a board of 2702 administration; requiring that the division refer suspected 2703 criminal acts to the appropriate law enforcement authority; 2704 authorizing certain division officials to attend association 2705 meetings; requiring that the division conduct random audits of 2706 associations for specified purposes; requiring an association's 2707 annual fee be filed concurrently with the annual certification; 2708 specifying requirements for the annual certification; amending 2709 s. 718.5011, F.S.; relating to ombudsman appointment; amending 2710 s. 719.106, F.S.; requiring an association to distribute or 2711 deliver copies of a structural integrity reserve study to unit 2712 owners within a specified timeframe; specifying the manner of 2713 distribution or delivery; amending s. 719.301, F.S.; requiring 2714 developers to deliver a structural integrity reserve study to a 2715 cooperative association upon relinquishing control of 2716 association property; requiring the division to submit its 2717 findings, including any recommendations, to the Governor and the 2718 Legislature by a specified date; providing effective dates.

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