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1
 2 An act relating to community associations; creating s.
 3 633.2225, F.S.; requiring certain condominium or
 4 cooperative associations to post certain signs or
 5 symbols on buildings; requiring the State Fire Marshal
 6 to adopt rules governing such signs or symbols;
 7 providing for enforcement; providing penalties;
 8 amending s. 718.111, F.S.; prohibiting an officer,
 9 director, or manager from soliciting, offering to
 10 accept, or accepting a kickback for which
 11 consideration has not been provided; providing
 12 criminal penalties; requiring that an officer or
 13 director charged with certain crimes be removed from
 14 office; providing requirements for filling the vacancy
 15 left by such removal; prohibiting such officer or
 16 director from being appointed or elected or having
 17 access to official condominium association records for
 18 a specified time; providing an exception; requiring an
 19 officer or director to be reinstated if the charges
 20 are resolved without a finding of guilt; prohibiting
 21 an association from hiring an attorney who represents
 22 the management company of the association; prohibiting
 23 a board member, manager, or management company from
 24 purchasing a unit at a foreclosure sale under certain
 25 circumstances; revising recordkeeping requirements;

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26 providing that the official records of an association
27 are open to inspection by an association member's
28 authorized representative; providing that a renter of
29 a unit has a right to inspect and copy the
30 association's bylaws and rules; providing requirements
31 relating to the posting of specified documents on an
32 association's website; providing a remedy for an
33 association's failure to provide a unit owner with a
34 copy of the most recent financial report; revising
35 reporting requirements; requiring the Division of
36 Florida Condominiums, Timeshares, and Mobile Homes to
37 maintain and provide copies of financial reports;
38 prohibiting a condominium association and its
39 officers, directors, employees, and agents from using
40 a debit card issued in the name of the association, or
41 billed directly to the association, for the payment of
42 any association expense; providing that the use of
43 such debit card for any expense that is not a lawful
44 obligation of the association may be prosecuted as
45 credit card fraud; providing a directive to the
46 Department of Business and Professional Regulation;
47 revising reporting requirements; amending s. 718.112,
48 F.S.; authorizing an association to adopt rules for
49 posting certain notices on a website; revising
50 provisions relating to required condominium and

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51 cooperative association bylaws; revising provisions
52 relating to evidence of condominium and cooperative
53 association compliance with the fire and life safety
54 code; revising unit and common elements required to be
55 retrofitted; revising provisions relating to an
56 association vote to forego retrofitting; providing
57 applicability; amending s. 718.113, F.S.; revising
58 voting requirements relating to alterations and
59 additions to certain common elements or association
60 property; amending s. 718.117, F.S.; revising
61 legislative findings; revising voting requirements for
62 the rejection of a plan of termination; increasing the
63 amount of time to consider a plan of termination under
64 certain conditions; revising the requirements to
65 qualify for payment as a homestead owner if the owner
66 has rejected a plan of termination; revising and
67 providing notice requirements; providing
68 applicability; amending s. 718.707, F.S.; revising the
69 time period for classification as bulk assignee or
70 bulk buyer; amending s. 719.104, F.S.; revising
71 recordkeeping and reporting requirements; amending s.
72 719.1055, F.S.; revising provisions relating to
73 required condominium and cooperative association
74 bylaws; revising provisions relating to evidence of
75 condominium and cooperative association compliance

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76 | with the fire and life safety code; revising unit and
77 | common elements required to be retrofitted; revising
78 | provisions relating to an association vote to forego
79 | retrofitting; providing applicability; amending s.
80 | 719.106, F.S.; revising requirements to serve as a
81 | board member; prohibiting a board member from voting
82 | via e-mail; requiring that directors who are
83 | delinquent in certain payments owed in excess of
84 | certain periods of time be deemed to have abandoned
85 | their offices; authorizing an association to adopt
86 | rules for posting certain notices on a website;
87 | amending s. 719.107, F.S.; specifying certain services
88 | which are obtained pursuant to a bulk contract to be
89 | deemed a common expense; amending s. 720.303, F.S.;
90 | prohibiting a board member from voting via e-mail;
91 | revising certain notice requirements relating to board
92 | meetings; revising financial reporting requirements;
93 | authorizing an association to adopt rules for posting
94 | certain notices on a website; amending s. 720.306,
95 | F.S.; revising elections requirements; amending s.
96 | 720.3085, F.S.; providing applicability; providing an
97 | effective date; providing an effective date.

98 |
99 | Be It Enacted by the Legislature of the State of Florida:
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101 Section 1. Section 633.2225, Florida Statutes, is created
 102 to read:

103 633.2225 Condominium and cooperative buildings without
 104 sprinkler systems; notice requirements; enforcement.-

105 (1) The board of a condominium or cooperative association
 106 that operates a building of three stories or more that has not
 107 installed a sprinkler system in the common areas of the building
 108 shall mark the building with a sign or symbol approved by the
 109 State Fire Marshal in a manner sufficient to warn persons
 110 conducting fire control and other emergency operations of the
 111 lack of a sprinkler system in the common areas.

112 (2) The State Fire Marshal shall:

113 (a) Ensure that the dimensions and placement of the sign
 114 or symbol do not diminish the aesthetic value of the building;
 115 and

116 (b) Adopt rules necessary to implement the provisions of
 117 this section, including, but not limited to:

118 1. The dimensions and color of such sign or symbol.

119 2. The time within which the condominium or cooperative
 120 buildings without sprinkler systems shall be marked as required
 121 by this section.

122 3. The location on each condominium or cooperative
 123 building without a sprinkler system where such sign or symbol
 124 must be posted.

125 (3) The State Fire Marshal, and local fire officials in

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126 | accordance with s. 633.118, shall enforce this section. An
 127 | association that fails to comply with the requirements of this
 128 | section is subject to penalties as provided in s. 633.228.

129 | Section 2. Paragraphs (a) and (d) of subsection (1),
 130 | subsections (3), (9), (12), and (13) of section 718.111, Florida
 131 | Statutes, are amended, and subsection (15) is added to that
 132 | section, to read:

133 | 718.111 The association.—

134 | (1) CORPORATE ENTITY.—

135 | (a) The operation of the condominium shall be by the
 136 | association, which must be a Florida corporation for profit or a
 137 | Florida corporation not for profit. However, any association
 138 | which was in existence on January 1, 1977, need not be
 139 | incorporated. The owners of units shall be shareholders or
 140 | members of the association. The officers and directors of the
 141 | association have a fiduciary relationship to the unit owners. It
 142 | is the intent of the Legislature that nothing in this paragraph
 143 | shall be construed as providing for or removing a requirement of
 144 | a fiduciary relationship between any manager employed by the
 145 | association and the unit owners. An officer, director, or
 146 | manager may not solicit, offer to accept, or accept any thing or
 147 | service of value or kickback for which consideration has not
 148 | been provided for his or her own benefit or that of his or her
 149 | immediate family, from any person providing or proposing to
 150 | provide goods or services to the association. Any such officer,

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151 director, or manager who knowingly so solicits, offers to
 152 accept, or accepts any thing or service of value or kickback is
 153 subject to a civil penalty pursuant to s. 718.501(1)(d) and, if
 154 applicable, a criminal penalty as provided in paragraph (d).

155 However, this paragraph does not prohibit an officer, director,
 156 or manager from accepting services or items received in
 157 connection with trade fairs or education programs. An
 158 association may operate more than one condominium.

159 (d) As required by s. 617.0830, an officer, director, or
 160 agent shall discharge his or her duties in good faith, with the
 161 care an ordinarily prudent person in a like position would
 162 exercise under similar circumstances, and in a manner he or she
 163 reasonably believes to be in the interests of the association.
 164 An officer, director, or agent shall be liable for monetary
 165 damages as provided in s. 617.0834 if such officer, director, or
 166 agent breached or failed to perform his or her duties and the
 167 breach of, or failure to perform, his or her duties constitutes
 168 a violation of criminal law as provided in s. 617.0834;
 169 constitutes a transaction from which the officer or director
 170 derived an improper personal benefit, either directly or
 171 indirectly; or constitutes recklessness or an act or omission
 172 that was in bad faith, with malicious purpose, or in a manner
 173 exhibiting wanton and willful disregard of human rights, safety,
 174 or property. Forgery of a ballot envelope or voting certificate
 175 used in a condominium association election is punishable as

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176 | provided in s. 831.01, the theft or embezzlement of funds of a
177 | condominium association is punishable as provided in s. 812.014,
178 | and the destruction of or the refusal to allow inspection or
179 | copying of an official record of a condominium association that
180 | is accessible to unit owners within the time periods required by
181 | general law in furtherance of any crime is punishable as
182 | tampering with physical evidence as provided in s. 918.13 or as
183 | obstruction of justice as provided in chapter 843. An officer or
184 | director charged by information or indictment with a crime
185 | referenced in this paragraph must be removed from office, and
186 | the vacancy shall be filled as provided in s. 718.112(2)(d)2.
187 | until the end of the officer's or director's period of
188 | suspension or the end of his or her term of office, whichever
189 | occurs first. If a criminal charge is pending against the
190 | officer or director, he or she may not be appointed or elected
191 | to a position as an officer or a director of any association and
192 | may not have access to the official records of any association,
193 | except pursuant to a court order. However, if the charges are
194 | resolved without a finding of guilt, the officer or director
195 | must be reinstated for the remainder of his or her term of
196 | office, if any.

197 | (3) POWER TO MANAGE CONDOMINIUM PROPERTY AND TO CONTRACT,
198 | SUE, AND BE SUED; CONFLICT OF INTEREST.—

199 | (a) The association may contract, sue, or be sued with
200 | respect to the exercise or nonexercise of its powers. For these

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201 purposes, the powers of the association include, but are not
202 limited to, the maintenance, management, and operation of the
203 condominium property. After control of the association is
204 obtained by unit owners other than the developer, the
205 association may institute, maintain, settle, or appeal actions
206 or hearings in its name on behalf of all unit owners concerning
207 matters of common interest to most or all unit owners,
208 including, but not limited to, the common elements; the roof and
209 structural components of a building or other improvements;
210 mechanical, electrical, and plumbing elements serving an
211 improvement or a building; representations of the developer
212 pertaining to any existing or proposed commonly used facilities;
213 and protesting ad valorem taxes on commonly used facilities and
214 on units; and may defend actions in eminent domain or bring
215 inverse condemnation actions. If the association has the
216 authority to maintain a class action, the association may be
217 joined in an action as representative of that class with
218 reference to litigation and disputes involving the matters for
219 which the association could bring a class action. Nothing herein
220 limits any statutory or common-law right of any individual unit
221 owner or class of unit owners to bring any action without
222 participation by the association which may otherwise be
223 available.

224 (b) An association may not hire an attorney who represents
225 the management company of the association.

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226 (9) PURCHASE OF UNITS.—The association has the power,
 227 unless prohibited by the declaration, articles of incorporation,
 228 or bylaws of the association, to purchase units in the
 229 condominium and to acquire and hold, lease, mortgage, and convey
 230 them. There shall be no limitation on the association's right to
 231 purchase a unit at a foreclosure sale resulting from the
 232 association's foreclosure of its lien for unpaid assessments, or
 233 to take title by deed in lieu of foreclosure. However, except
 234 for a timeshare condominium, a board member, manager, or
 235 management company may not purchase a unit at a foreclosure sale
 236 resulting from the association's foreclosure of its lien for
 237 unpaid assessments or take title by deed in lieu of foreclosure.

238 (12) OFFICIAL RECORDS.—

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

242 1. A copy of the plans, permits, warranties, and other
 243 items provided by the developer pursuant to s. 718.301(4).

244 2. A photocopy of the recorded declaration of condominium
 245 of each condominium operated by the association and each
 246 amendment to each declaration.

247 3. A photocopy of the recorded bylaws of the association
 248 and each amendment to the bylaws.

249 4. A certified copy of the articles of incorporation of
 250 the association, or other documents creating the association,

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251 and each amendment thereto.

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

253 6. A book or books that contain the minutes of all
 254 meetings of the association, the board of administration, and
 255 the unit owners, which minutes must be retained for at least 7
 256 years.

257 7. A current roster of all unit owners and their mailing
 258 addresses, unit identifications, and voting certifications, and,
 259 if known, telephone numbers. The association shall also maintain
 260 the electronic mailing addresses and facsimile numbers of unit
 261 owners consenting to receive notice by electronic transmission.
 262 The electronic mailing addresses and facsimile numbers are not
 263 accessible to unit owners if consent to receive notice by
 264 electronic transmission is not provided in accordance with sub-
 265 subparagraph (c)3.e. ~~subparagraph (c)5.~~ However, the association
 266 is not liable for an inadvertent disclosure of the electronic
 267 mail address or facsimile number for receiving electronic
 268 transmission of notices.

269 8. All current insurance policies of the association and
 270 condominiums operated by the association.

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

275 10. Bills of sale or transfer for all property owned by

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276 | the association.

277 | 11. Accounting records for the association and separate
278 | accounting records for each condominium that the association
279 | operates. All accounting records must be maintained for at least
280 | 7 years. Any person who knowingly or intentionally defaces or
281 | destroys such records, or who knowingly or intentionally fails
282 | to create or maintain such records, with the intent of causing
283 | harm to the association or one or more of its members, is
284 | personally subject to a civil penalty pursuant to s.
285 | 718.501(1)(d). The accounting records must include, but are not
286 | limited to:

287 | a. Accurate, itemized, and detailed records of all
288 | receipts and expenditures.

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

293 | c. All audits, reviews, accounting statements, and
294 | financial reports of the association or condominium.

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

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

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

303 13. All rental records if the association is acting as
 304 agent for the rental of condominium units.

305 14. A copy of the current question and answer sheet as
 306 described in s. 718.504.

307 15. All other written records of the association not
 308 specifically included in the foregoing which are related to the
 309 operation of the association.

310 16. A copy of the inspection report as described in s.
 311 718.301(4) (p).

312 17. Bids for materials, equipment, or services.

313 (b) The official records of the association must be
 314 maintained within the state for at least 7 years. The records of
 315 the association shall be made available to a unit owner within
 316 45 miles of the condominium property or within the county in
 317 which the condominium property is located within 10 ~~5~~ working
 318 days after receipt of a written request by the board or its
 319 designee. However, such distance requirement does not apply to
 320 an association governing a timeshare condominium. This paragraph
 321 may be complied with by having a copy of the official records of
 322 the association available for inspection or copying on the
 323 condominium property or association property, or the association
 324 may offer the option of making the records available to a unit
 325 owner electronically via the Internet or by allowing the records

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326 | to be viewed in electronic format on a computer screen and
327 | printed upon request. The association is not responsible for the
328 | use or misuse of the information provided to an association
329 | member or his or her authorized representative pursuant to the
330 | compliance requirements of this chapter unless the association
331 | has an affirmative duty not to disclose such information
332 | pursuant to this chapter.

333 | (c)1. The official records of the association are open to
334 | inspection by any association member or the authorized
335 | representative of such member at all reasonable times. The right
336 | to inspect the records includes the right to make or obtain
337 | copies, at the reasonable expense, if any, of the member or
338 | authorized representative of such member. A renter of a unit has
339 | a right to inspect and copy the association's bylaws and rules.
340 | The association may adopt reasonable rules regarding the
341 | frequency, time, location, notice, and manner of record
342 | inspections and copying. The failure of an association to
343 | provide the records within 10 working days after receipt of a
344 | written request creates a rebuttable presumption that the
345 | association willfully failed to comply with this paragraph. A
346 | unit owner who is denied access to official records is entitled
347 | to the actual damages or minimum damages for the association's
348 | willful failure to comply. Minimum damages are \$50 per calendar
349 | day for up to 10 days, beginning on the 11th working day after
350 | receipt of the written request. The failure to permit inspection

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351 | entitles any person prevailing in an enforcement action to
352 | recover reasonable attorney fees from the person in control of
353 | the records who, directly or indirectly, knowingly denied access
354 | to the records.

355 | 2. Any person who knowingly or intentionally defaces or
356 | destroys accounting records that are required by this chapter to
357 | be maintained during the period for which such records are
358 | required to be maintained, or who knowingly or intentionally
359 | fails to create or maintain accounting records that are required
360 | to be created or maintained, with the intent of causing harm to
361 | the association or one or more of its members, is personally
362 | subject to a civil penalty pursuant to s. 718.501(1)(d).

363 | 3. The association shall maintain an adequate number of
364 | copies of the declaration, articles of incorporation, bylaws,
365 | and rules, and all amendments to each of the foregoing, as well
366 | as the question and answer sheet as described in s. 718.504 and
367 | year-end financial information required under this section, on
368 | the condominium property to ensure their availability to unit
369 | owners and prospective purchasers, and may charge its actual
370 | costs for preparing and furnishing these documents to those
371 | requesting the documents. An association shall allow a member or
372 | his or her authorized representative to use a portable device,
373 | including a smartphone, tablet, portable scanner, or any other
374 | technology capable of scanning or taking photographs, to make an
375 | electronic copy of the official records in lieu of the

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376 association's providing the member or his or her authorized
 377 representative with a copy of such records. The association may
 378 not charge a member or his or her authorized representative for
 379 the use of a portable device. Notwithstanding this paragraph,
 380 the following records are not accessible to unit owners:

381 a.1. Any record protected by the lawyer-client privilege
 382 as described in s. 90.502 and any record protected by the work-
 383 product privilege, including a record prepared by an association
 384 attorney or prepared at the attorney's express direction, which
 385 reflects a mental impression, conclusion, litigation strategy,
 386 or legal theory of the attorney or the association, and which
 387 was prepared exclusively for civil or criminal litigation or for
 388 adversarial administrative proceedings, or which was prepared in
 389 anticipation of such litigation or proceedings until the
 390 conclusion of the litigation or proceedings.

391 b.2. Information obtained by an association in connection
 392 with the approval of the lease, sale, or other transfer of a
 393 unit.

394 c.3. Personnel records of association or management
 395 company employees, including, but not limited to, disciplinary,
 396 payroll, health, and insurance records. For purposes of this
 397 sub-subparagraph ~~subparagraph~~, the term "personnel records" does
 398 not include written employment agreements with an association
 399 employee or management company, or budgetary or financial
 400 records that indicate the compensation paid to an association

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401 employee.

402 ~~d.4.~~ Medical records of unit owners.

403 ~~e.5.~~ Social security numbers, driver license numbers,
404 credit card numbers, e-mail addresses, telephone numbers,
405 facsimile numbers, emergency contact information, addresses of a
406 unit owner other than as provided to fulfill the association's
407 notice requirements, and other personal identifying information
408 of any person, excluding the person's name, unit designation,
409 mailing address, property address, and any address, e-mail
410 address, or facsimile number provided to the association to
411 fulfill the association's notice requirements. Notwithstanding
412 the restrictions in this sub-subparagraph ~~subparagraph~~, an
413 association may print and distribute to parcel owners a
414 directory containing the name, parcel address, and all telephone
415 numbers of each parcel owner. However, an owner may exclude his
416 or her telephone numbers from the directory by so requesting in
417 writing to the association. An owner may consent in writing to
418 the disclosure of other contact information described in this
419 sub-subparagraph ~~subparagraph~~. The association is not liable for
420 the inadvertent disclosure of information that is protected
421 under this sub-subparagraph ~~subparagraph~~ if the information is
422 included in an official record of the association and is
423 voluntarily provided by an owner and not requested by the
424 association.

425 ~~f.6.~~ Electronic security measures that are used by the

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426 association to safeguard data, including passwords.

427 ~~g.7-~~ The software and operating system used by the
428 association which allow the manipulation of data, even if the
429 owner owns a copy of the same software used by the association.
430 The data is part of the official records of the association.

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

433 (e)1. The association or its authorized agent is not
434 required to provide a prospective purchaser or lienholder with
435 information about the condominium or the association other than
436 information or documents required by this chapter to be made
437 available or disclosed. The association or its authorized agent
438 may charge a reasonable fee to the prospective purchaser,
439 lienholder, or the current unit owner for providing good faith
440 responses to requests for information by or on behalf of a
441 prospective purchaser or lienholder, other than that required by
442 law, if the fee does not exceed \$150 plus the reasonable cost of
443 photocopying and any attorney's fees incurred by the association
444 in connection with the response.

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

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

458 (g)1. By July 1, 2018, an association with 150 or more
459 units which does not manage timeshare units shall post digital
460 copies of the documents specified in subparagraph 2. on its
461 website.

462 a. The association's website must be:

463 (I) An independent website or web portal wholly owned and
464 operated by the association; or

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

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

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476 c. Upon a unit owner's written request, the association
477 must provide the unit owner with a username and password and
478 access to the protected sections of the association's website
479 that contain any notices, records, or documents that must be
480 electronically provided.

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

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

486 b. The recorded bylaws of the association and each
487 amendment to the bylaws.

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

493 d. The rules of the association.

494 e. Any management agreement, lease, or other contract to
495 which the association is a party or under which the association
496 or the unit owners have an obligation or responsibility.
497 Summaries of bids for materials, equipment, or services must be
498 maintained on the website for 1 year.

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

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501 g. The financial report required by subsection (13) and
 502 any proposed financial report to be considered at a meeting.

503 h. The certification of each director required by s.
 504 718.112(2)(d)4.b.

505 i. All contracts or transactions between the association
 506 and any director, officer, corporation, firm, or association
 507 that is not an affiliated condominium association or any other
 508 entity in which an association director is also a director or
 509 officer and financially interested.

510 j. Any contract or document regarding a conflict of
 511 interest or possible conflict of interest as provided in ss.
 512 468.436(2) and 718.3026(3).

513 k. The notice of any unit owner meeting and the agenda for
 514 the meeting, as required by s. 718.112(2)(d)3., no later than 14
 515 days before the meeting. The notice must be posted in plain view
 516 on the front page of the website, or on a separate subpage of
 517 the website labeled "Notices" which is conspicuously visible and
 518 linked from the front page. The association must also post on
 519 its website any document to be considered and voted on by the
 520 owners during the meeting or any document listed on the agenda
 521 at least 7 days before the meeting at which the document or the
 522 information within the document will be considered.

523 l. Notice of any board meeting, the agenda, and any other
 524 document required for the meeting as required by s.
 525 718.112(2)(c), which must be posted no later than the date

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526 required for notice pursuant to s. 718.112(2)(c).

527 2. The association shall ensure that the information and
528 records described in paragraph (c), which are not permitted to
529 be accessible to unit owners, are not posted on the
530 association's website. If protected information or information
531 restricted from being accessible to unit owners is included in
532 documents that are required to be posted on the association's
533 website, the association shall ensure the information is
534 redacted before posting the documents online.

535 (13) FINANCIAL REPORTING.—Within 90 days after the end of
536 the fiscal year, or annually on a date provided in the bylaws,
537 the association shall prepare and complete, or contract for the
538 preparation and completion of, a financial report for the
539 preceding fiscal year. Within 21 days after the final financial
540 report is completed by the association or received from the
541 third party, but not later than 120 days after the end of the
542 fiscal year or other date as provided in the bylaws, the
543 association shall mail to each unit owner at the address last
544 furnished to the association by the unit owner, or hand deliver
545 to each unit owner, a copy of the most recent financial report
546 or a notice that a copy of the most recent financial report will
547 be mailed or hand delivered to the unit owner, without charge,
548 within 5 business days after ~~upon~~ receipt of a written request
549 from the unit owner. The division shall adopt rules setting
550 forth uniform accounting principles and standards to be used by

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551 all associations and addressing the financial reporting
552 requirements for multicondominium associations. The rules must
553 include, but not be limited to, standards for presenting a
554 summary of association reserves, including a good faith estimate
555 disclosing the annual amount of reserve funds that would be
556 necessary for the association to fully fund reserves for each
557 reserve item based on the straight-line accounting method. This
558 disclosure is not applicable to reserves funded via the pooling
559 method. In adopting such rules, the division shall consider the
560 number of members and annual revenues of an association.

561 Financial reports shall be prepared as follows:

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

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

570 2. An association with total annual revenues of at least
571 \$300,000, but less than \$500,000, shall prepare reviewed
572 financial statements.

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

575 (b)1. An association with total annual revenues of less

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576 | than \$150,000 shall prepare a report of cash receipts and
 577 | expenditures.

578 | ~~2. An association that operates fewer than 50 units,~~
 579 | ~~regardless of the association's annual revenues, shall prepare a~~
 580 | ~~report of cash receipts and expenditures in lieu of financial~~
 581 | ~~statements required by paragraph (a).~~

582 | 2.3. A report of cash receipts and disbursements must
 583 | disclose the amount of receipts by accounts and receipt
 584 | classifications and the amount of expenses by accounts and
 585 | expense classifications, including, but not limited to, the
 586 | following, as applicable: costs for security, professional and
 587 | management fees and expenses, taxes, costs for recreation
 588 | facilities, expenses for refuse collection and utility services,
 589 | expenses for lawn care, costs for building maintenance and
 590 | repair, insurance costs, administration and salary expenses, and
 591 | reserves accumulated and expended for capital expenditures,
 592 | deferred maintenance, and any other category for which the
 593 | association maintains reserves.

594 | (c) An association may prepare, without a meeting of or
 595 | approval by the unit owners:

596 | 1. Compiled, reviewed, or audited financial statements, if
 597 | the association is required to prepare a report of cash receipts
 598 | and expenditures;

599 | 2. Reviewed or audited financial statements, if the
 600 | association is required to prepare compiled financial

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601 statements; or

602 3. Audited financial statements if the association is
603 required to prepare reviewed financial statements.

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

607 1. A report of cash receipts and expenditures in lieu of a
608 compiled, reviewed, or audited financial statement;

609 2. A report of cash receipts and expenditures or a
610 compiled financial statement in lieu of a reviewed or audited
611 financial statement; or

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

615
616 Such meeting and approval must occur before the end of the
617 fiscal year and is effective only for the fiscal year in which
618 the vote is taken, except that the approval may also be
619 effective for the following fiscal year. If the developer has
620 not turned over control of the association, all unit owners,
621 including the developer, may vote on issues related to the
622 preparation of the association's financial reports, from the
623 date of incorporation of the association through the end of the
624 second fiscal year after the fiscal year in which the
625 certificate of a surveyor and mapper is recorded pursuant to s.

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626 718.104(4)(e) or an instrument that transfers title to a unit in
627 the condominium which is not accompanied by a recorded
628 assignment of developer rights in favor of the grantee of such
629 unit is recorded, whichever occurs first. Thereafter, all unit
630 owners except the developer may vote on such issues until
631 control is turned over to the association by the developer. Any
632 audit or review prepared under this section shall be paid for by
633 the developer if done before turnover of control of the
634 association. ~~An association may not waive the financial~~
635 ~~reporting requirements of this section for more than 3~~
636 ~~consecutive years.~~

637 (e) A unit owner may provide written notice to the
638 division of the association's failure to mail or hand deliver
639 him or her a copy of the most recent financial report within 5
640 business days after he or she submitted a written request to the
641 association for a copy of such report. If the division
642 determines that the association failed to mail or hand deliver a
643 copy of the most recent financial report to the unit owner, the
644 division shall provide written notice to the association that
645 the association must mail or hand deliver a copy of the most
646 recent financial report to the unit owner and the division
647 within 5 business days after it receives such notice from the
648 division. An association that fails to comply with the
649 division's request may not waive the financial reporting
650 requirement provided in paragraph (d). A financial report

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651 received by the division pursuant to this paragraph shall be
 652 maintained, and the division shall provide a copy of such report
 653 to an association member upon his or her request.

654 (15) DEBIT CARDS.—

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

659 (b) Use of a debit card issued in the name of the
 660 association, or billed directly to the association, for any
 661 expense that is not a lawful obligation of the association may
 662 be prosecuted as credit card fraud pursuant to s. 817.61.

663 Section 3. Paragraphs (c) and (l) of subsection (2) of
 664 section 718.112, Florida Statutes, are amended to read:

665 718.112 Bylaws.—

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

669 (c) Board of administration meetings.—Meetings of the
 670 board of administration at which a quorum of the members is
 671 present are open to all unit owners. Members of the board of
 672 administration may use e-mail as a means of communication but
 673 may not cast a vote on an association matter via e-mail. A unit
 674 owner may tape record or videotape the meetings. The right to
 675 attend such meetings includes the right to speak at such

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676 meetings with reference to all designated agenda items. The
677 division shall adopt reasonable rules governing the tape
678 recording and videotaping of the meeting. The association may
679 adopt written reasonable rules governing the frequency,
680 duration, and manner of unit owner statements.

681 1. Adequate notice of all board meetings, which must
682 specifically identify all agenda items, must be posted
683 conspicuously on the condominium property at least 48 continuous
684 hours before the meeting except in an emergency. If 20 percent
685 of the voting interests petition the board to address an item of
686 business, the board, within 60 days after receipt of the
687 petition, shall place the item on the agenda at its next regular
688 board meeting or at a special meeting called for that purpose.
689 An item not included on the notice may be taken up on an
690 emergency basis by a vote of at least a majority plus one of the
691 board members. Such emergency action must be noticed and
692 ratified at the next regular board meeting. Notice of any
693 meeting in which a regular or special assessment against unit
694 owners is to be considered must specifically state that
695 assessments will be considered and provide the estimated amount
696 and a description of the purposes for such assessments. ~~However,~~
697 Written notice of a meeting at which a nonemergency special
698 assessment or an amendment to rules regarding unit use will be
699 considered must be mailed, delivered, or electronically
700 transmitted to the unit owners and posted conspicuously on the

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701 condominium property at least 14 days before the meeting.
702 Evidence of compliance with this 14-day notice requirement must
703 be made by an affidavit executed by the person providing the
704 notice and filed with the official records of the association.
705 Upon notice to the unit owners, the board shall, by duly adopted
706 rule, designate a specific location on the condominium or
707 association property where all notices of board meetings must be
708 posted. If there is no condominium property or association
709 property where notices can be posted, notices shall be mailed,
710 delivered, or electronically transmitted to each unit owner at
711 least 14 days before the meeting. In lieu of or in addition to
712 the physical posting of the notice on the condominium property,
713 the association may, by reasonable rule, adopt a procedure for
714 conspicuously posting and repeatedly broadcasting the notice and
715 the agenda on a closed-circuit cable television system serving
716 the condominium association. However, if broadcast notice is
717 used in lieu of a notice physically posted on condominium
718 property, the notice and agenda must be broadcast at least four
719 times every broadcast hour of each day that a posted notice is
720 otherwise required under this section. If broadcast notice is
721 provided, the notice and agenda must be broadcast in a manner
722 and for a sufficient continuous length of time so as to allow an
723 average reader to observe the notice and read and comprehend the
724 entire content of the notice and the agenda. In addition to any
725 of the authorized means of providing notice of a meeting of the

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726 board, the association may, by rule, adopt a procedure for
727 conspicuously posting the meeting notice and the agenda on a
728 website serving the condominium association for at least the
729 minimum period of time for which a notice of a meeting is also
730 required to be physically posted on the condominium property.
731 Any rule adopted shall, in addition to other matters, include a
732 requirement that the association send an electronic notice in
733 the same manner as required for a notice for a meeting of the
734 members, which must include a hypertext link to the website
735 where the notice is posted, to unit owners whose e-mail
736 addresses are included in the association's official records.
737 ~~Notice of any meeting in which regular or special assessments~~
738 ~~against unit owners are to be considered must specifically state~~
739 ~~that assessments will be considered and provide the nature,~~
740 ~~estimated cost, and description of the purposes for such~~
741 ~~assessments.~~

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

749 3. Notwithstanding any other law, the requirement that
750 board meetings and committee meetings be open to the unit owners

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751 does not apply to:

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

756 b. Board meetings held for the purpose of discussing
757 personnel matters.

758 (1) Certificate of compliance.—A provision that a
759 certificate of compliance from a licensed electrical contractor,
760 ~~or electrician,~~ or professional engineer may be accepted by the
761 association's board as evidence of compliance ~~of the condominium~~
762 ~~units~~ with the applicable fire and life safety code must be
763 included. Notwithstanding chapter 633 or ~~of~~ any other code,
764 statute, ordinance, administrative rule, or regulation, or any
765 interpretation of the foregoing, an association, ~~residential~~
766 ~~condominium,~~ or unit owner is not obligated to retrofit the
767 common elements, association property, or units of a residential
768 condominium with a fire sprinkler system or other engineered
769 lifesafety system in a building that is 75 feet or less in
770 height. There is no obligation to retrofit for a building
771 greater than 75 feet in height, calculated from the lowest level
772 of fire department vehicle access to the floor of the highest
773 occupiable story ~~has been certified for occupancy by the~~
774 ~~applicable governmental entity~~ if the unit owners have voted to
775 forego such retrofitting by the affirmative vote of two-thirds a

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776 ~~majority~~ of all voting interests in the affected condominium.
777 There is no requirement that owners in condominiums of 75 feet
778 or less conduct an opt-out vote and such condominiums are exempt
779 from fire sprinkler or other engineered lifesafety retrofitting.
780 The preceding sentence is intended to clarify existing law. The
781 local authority having jurisdiction may not require completion
782 of retrofitting with a fire sprinkler system or other engineered
783 lifesafety system before January 1, 2022 ~~2020~~. By December 31,
784 2018 ~~2016~~, an a residential condominium association that
785 operates a residential condominium that is not in compliance
786 with the requirements for a fire sprinkler system or other
787 engineered lifesafety system and has not voted to forego
788 retrofitting of such a system must initiate an application for a
789 building permit for the required installation with the local
790 government having jurisdiction demonstrating that the
791 association will become compliant by December 31, 2021 ~~2019~~.

792 1. A vote to forego required retrofitting may be obtained
793 by limited proxy or by a ballot personally cast at a duly called
794 membership meeting, or by execution of a written consent by the
795 member, or by electronic voting, and is effective upon recording
796 a certificate executed by an officer or agent of the association
797 attesting to such vote in the public records of the county where
798 the condominium is located. When an opt-out vote is to be
799 conducted at a meeting, the association shall mail or ~~hand~~
800 deliver to each unit owner written notice at least 14 days

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801 before the membership meeting in which the vote to forego
802 retrofitting of the required fire sprinkler system or other
803 engineered lifesafety system is to take place. Within 30 days
804 after the association's opt-out vote, notice of the results of
805 the opt-out vote must be mailed or ~~hand~~ delivered to all unit
806 owners. Evidence of compliance with this notice requirement must
807 be made by affidavit executed by the person providing the notice
808 and filed among the official records of the association. Failure
809 to provide timely notice to unit owners does not invalidate an
810 otherwise valid opt-out vote if notice of the results is
811 provided to the owners. After notice is provided to each owner,
812 a copy must be provided by the current owner to a new owner
813 before closing and by a unit owner to a renter before signing a
814 lease.

815 2. If there has been a previous vote to forego
816 retrofitting, a vote to require retrofitting may be obtained at
817 a special meeting of the unit owners called by a petition of at
818 least 10 percent of the voting interests or by a majority of the
819 board of directors. The approval of two-thirds of all voting
820 interests in the affected condominium is required to require
821 retrofitting. ~~Such a vote may only be called once every 3 years.~~
822 Notice shall be provided as required for any regularly called
823 meeting of the unit owners, and must state the purpose of the
824 meeting. ~~Electronic transmission may not be used to provide~~
825 ~~notice of a meeting called in whole or in part for this purpose.~~

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826 3. As part of the information collected annually from
827 condominiums, the division shall require condominium
828 associations to report the membership vote and recording of a
829 certificate under this subsection and, if retrofitting has been
830 undertaken, the per-unit cost of such work. The division shall
831 annually report to the Division of State Fire Marshal of the
832 Department of Financial Services the number of condominiums that
833 have elected to forego retrofitting. Compliance with this
834 administrative reporting requirement does not affect the
835 validity of an opt-out vote.

836 4. Notwithstanding s. 553.509, a residential association
837 may not be obligated to, and may forego the retrofitting of, any
838 improvements required by s. 553.509(2) upon an affirmative vote
839 of a majority of the voting interests in the affected
840 condominium.

841 5. The provisions of this paragraph do not apply to
842 timeshare condominium associations, which shall be governed by
843 s. 721.24.

844 Section 4. Subsection (2) of section 718.113, Florida
845 Statutes, is amended to read:

846 718.113 Maintenance; limitation upon improvement; display
847 of flag; hurricane shutters and protection; display of religious
848 decorations.—

849 (2) (a) Except as otherwise provided in this section, there
850 shall be no material alteration or substantial additions to the

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851 common elements or to real property which is association
852 property, except in a manner provided in the declaration as
853 originally recorded or as amended under the procedures provided
854 therein. If the declaration as originally recorded or as amended
855 under the procedures provided therein does not specify the
856 procedure for approval of material alterations or substantial
857 additions, 75 percent of the total voting interests of the
858 association must approve the alterations or additions before the
859 material alterations or substantial additions are commenced.

860 This paragraph is intended to clarify existing law and applies
861 to associations existing on the effective date of this act
862 October 1, 2008.

863 (b) There shall not be any material alteration of, or
864 substantial addition to, the common elements of any condominium
865 operated by a multicondominium association unless approved in
866 the manner provided in the declaration of the affected
867 condominium or condominiums as originally recorded or as amended
868 under the procedures provided therein. If a declaration as
869 originally recorded or as amended under the procedures provided
870 therein does not specify a procedure for approving such an
871 alteration or addition, the approval of 75 percent of the total
872 voting interests of each affected condominium is required before
873 the material alterations or substantial additions are commenced.

874 This subsection does not prohibit a provision in any
875 declaration, articles of incorporation, or bylaws as originally

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876 | recorded or as amended under the procedures provided therein
877 | requiring the approval of unit owners in any condominium
878 | operated by the same association or requiring board approval
879 | before a material alteration or substantial addition to the
880 | common elements is permitted. This paragraph is intended to
881 | clarify existing law and applies to associations existing on the
882 | effective date of this act.

883 | (c) There shall not be any material alteration or
884 | substantial addition made to association real property operated
885 | by a multicondominium association, except as provided in the
886 | declaration, articles of incorporation, or bylaws as originally
887 | recorded or as amended under the procedures provided therein. If
888 | the declaration, articles of incorporation, or bylaws as
889 | originally recorded or as amended under the procedures provided
890 | therein do not specify the procedure for approving an alteration
891 | or addition to association real property, the approval of 75
892 | percent of the total voting interests of the association is
893 | required before the material alterations or substantial
894 | additions are commenced. This paragraph is intended to clarify
895 | existing law and applies to associations existing on the
896 | effective date of this act.

897 | Section 5. Subsections (1) and (3) of section 718.117,
898 | Florida Statutes, are amended, and subsection (21) is added to
899 | that section, to read:

900 | 718.117 Termination of condominium.—

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901 (1) LEGISLATIVE FINDINGS.—The Legislature finds that:

902 (a) Condominiums are created as authorized by statute and

903 are subject to covenants that encumber the land and restrict the

904 use of real property.

905 (b) In some circumstances, the continued enforcement of

906 those covenants that may create economic waste, areas of

907 disrepair that threaten the safety and welfare of the public, or

908 cause obsolescence of the a condominium property for its

909 intended use and thereby lower property tax values, and the

910 ~~Legislature further finds that~~ it is the public policy of this

911 state to provide by statute a method to preserve the value of

912 the property interests and the rights of alienation thereof that

913 owners have in the condominium property before and after

914 termination.

915 (c) The Legislature further finds that It is contrary to

916 the public policy of this state to require the continued

917 operation of a condominium when to do so constitutes economic

918 waste or when the ability to do so is made impossible by law or

919 regulation.

920 (d) It is in the best interest of the state to provide for

921 termination of the covenants of a declaration of condominium in

922 certain circumstances, in order to:

923 1. Ensure the continued maintenance, management, and

924 repair of stormwater management systems, conservation areas, and

925 conservation easements.

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926 2. Avoid transferring the expense of maintaining
 927 infrastructure serving the condominium property, including, but
 928 not limited to, stormwater systems and conservation areas, to
 929 the general tax bases of the state and local governments.

930 3. Prevent covenants from impairing the continued
 931 productive use of the property.

932 4. Protect state residents from health and safety hazards
 933 created by derelict, damaged, obsolete, or abandoned condominium
 934 properties.

935 5. Provide for fair treatment and just compensation for
 936 individuals, preserve property values, and preserve the local
 937 property tax base.

938 6. Preserve the state's long history of protecting
 939 homestead property and homestead property rights by ensuring
 940 that such protection is extended to homestead property owners in
 941 the context of a termination of the covenants of a declaration
 942 of condominium. This section applies to all condominiums in this
 943 state in existence on or after July 1, 2007.

944 (3) OPTIONAL TERMINATION. ~~Except as provided in subsection~~
 945 ~~(2) or unless the declaration provides for a lower percentage,~~
 946 The condominium form of ownership may be terminated for all or a
 947 portion of the condominium property pursuant to a plan of
 948 termination meeting the requirements of this section and
 949 approved by the division. Before a residential association
 950 submits a plan to the division, the plan must be approved by at

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951 | least 80 percent of the total voting interests of the
952 | condominium. However, if 5 ~~10~~ percent or more of the total
953 | voting interests of the condominium have rejected the plan of
954 | termination by negative vote or by providing written objections,
955 | the plan of termination may not proceed.

956 | (a) The termination of the condominium form of ownership
957 | is subject to the following conditions:

958 | 1. The total voting interests of the condominium must
959 | include all voting interests for the purpose of considering a
960 | plan of termination. A voting interest of the condominium may
961 | not be suspended for any reason when voting on termination
962 | pursuant to this subsection.

963 | 2. If 5 ~~10~~ percent or more of the total voting interests
964 | of the condominium reject a plan of termination, a subsequent
965 | plan of termination pursuant to this subsection may not be
966 | considered for 24 ~~18~~ months after the date of the rejection.

967 | (b) This subsection does not apply to any condominium
968 | created pursuant to part VI of this chapter until 10 ~~5~~ years
969 | after the recording of the declaration of condominium, unless
970 | there is no objection to the plan of termination.

971 | (c) For purposes of this subsection, the term "bulk owner"
972 | means the single holder of such voting interests or an owner
973 | together with a related entity or entities that would be
974 | considered an insider, as defined in s. 726.102, holding such
975 | voting interests. If the condominium association is a

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976 residential association proposed for termination pursuant to
977 this section and, at the time of recording the plan of
978 termination, at least 80 percent of the total voting interests
979 are owned by a bulk owner, the plan of termination is subject to
980 the following conditions and limitations:

981 1. If the former condominium units are offered for lease
982 to the public after the termination, each unit owner in
983 occupancy immediately before the date of recording of the plan
984 of termination may lease his or her former unit and remain in
985 possession of the unit for 12 months after the effective date of
986 the termination on the same terms as similar unit types within
987 the property are being offered to the public. In order to obtain
988 a lease and exercise the right to retain exclusive possession of
989 the unit owner's former unit, the unit owner must make a written
990 request to the termination trustee to rent the former unit
991 within 90 days after the date the plan of termination is
992 recorded. Any unit owner who fails to timely make such written
993 request and sign a lease within 15 days after being presented
994 with a lease is deemed to have waived his or her right to retain
995 possession of his or her former unit and shall be required to
996 vacate the former unit upon the effective date of the
997 termination, unless otherwise provided in the plan of
998 termination.

999 2. Any former unit owner whose unit was granted homestead
1000 exemption status by the applicable county property appraiser as

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1001 of the date of the recording of the plan of termination shall be
 1002 paid a relocation payment in an amount equal to 1 percent of the
 1003 termination proceeds allocated to the owner's former unit. Any
 1004 relocation payment payable under this subparagraph shall be paid
 1005 by the single entity or related entities owning at least 80
 1006 percent of the total voting interests. Such relocation payment
 1007 shall be in addition to the termination proceeds for such
 1008 owner's former unit and shall be paid no later than 10 days
 1009 after the former unit owner vacates his or her former unit.

1010 3. For their respective units, all unit owners other than
 1011 the bulk owner must be compensated at least 100 percent of the
 1012 fair market value of their units. The fair market value shall be
 1013 determined as of a date that is no earlier than 90 days before
 1014 the date that the plan of termination is recorded and shall be
 1015 determined by an independent appraiser selected by the
 1016 termination trustee. For a person ~~an original purchaser from the~~
 1017 ~~developer who rejects the plan of termination and~~ whose unit was
 1018 granted homestead exemption status by the applicable county
 1019 property appraiser, or was an owner-occupied operating business,
 1020 as of the date that the plan of termination is recorded and who
 1021 is current in payment of both assessments and other monetary
 1022 obligations to the association ~~and any mortgage encumbering the~~
 1023 ~~unit~~ as of the date the plan of termination is recorded, the
 1024 fair market value for the unit owner rejecting the plan shall be
 1025 at least the original purchase price paid for the unit. For

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1026 | purposes of this subparagraph, the term "fair market value"
1027 | means the price of a unit that a seller is willing to accept and
1028 | a buyer is willing to pay on the open market in an arms-length
1029 | transaction based on similar units sold in other condominiums,
1030 | including units sold in bulk purchases but excluding units sold
1031 | at wholesale or distressed prices. The purchase price of units
1032 | acquired in bulk following a bankruptcy or foreclosure shall not
1033 | be considered for purposes of determining fair market value.

1034 | 4. The plan of termination must provide for payment of a
1035 | first mortgage encumbering a unit to the extent necessary to
1036 | satisfy the lien, but the payment may not exceed the unit's
1037 | share of the proceeds of termination under the plan. If the unit
1038 | owner is current in payment of both assessments and other
1039 | monetary obligations to the association and any mortgage
1040 | encumbering the unit as of the date the plan of termination is
1041 | recorded, the receipt by the holder of the unit's share of the
1042 | proceeds of termination under the plan or the outstanding
1043 | balance of the mortgage, whichever is less, shall be deemed to
1044 | have satisfied the first mortgage in full.

1045 | 5. Before a plan of termination is presented to the unit
1046 | owners for consideration pursuant to this paragraph, the plan
1047 | must include the following written disclosures in a sworn
1048 | statement:

1049 | a. The identity of any person or entity that owns or
1050 | controls 25 ~~50~~ percent or more of the units in the condominium

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1051 and, if the units are owned by an artificial entity or entities,
 1052 a disclosure of the natural person or persons who, directly or
 1053 indirectly, manage or control the entity or entities and the
 1054 natural person or persons who, directly or indirectly, own or
 1055 control 10 ~~20~~ percent or more of the artificial entity or
 1056 entities that constitute the bulk owner.

1057 b. The units acquired by any bulk owner, the date each
 1058 unit was acquired, and the total amount of compensation paid to
 1059 each prior unit owner by the bulk owner, regardless of whether
 1060 attributed to the purchase price of the unit.

1061 c. The relationship of any board member to the bulk owner
 1062 or any person or entity affiliated with the bulk owner subject
 1063 to disclosure pursuant to this subparagraph.

1064 d. The factual circumstances that show that the plan
 1065 complies with the requirements of this section and that the plan
 1066 supports the expressed public policies of this section.

1067 (d) If the members of the board of administration are
 1068 elected by the bulk owner, unit owners other than the bulk owner
 1069 may elect at least one-third of the members of the board of
 1070 administration before the approval of any plan of termination.

1071 (e) The provisions of subsection (2) do not apply to
 1072 optional termination pursuant to this subsection.

1073 (21) APPLICABILITY.—This section applies to all
 1074 condominiums in this state in existence on or after July 1,
 1075 2007.

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1076 Section 6. The amendments made by Section 5 of this act
 1077 are intended to clarify existing law, are remedial in nature and
 1078 intended to address the rights and liabilities of the affected
 1079 parties, and apply to all condominiums created under the
 1080 Condominium Act.

1081 Section 7. Section 718.707, Florida Statutes, is amended
 1082 to read:

1083 718.707 Time limitation for classification as bulk
 1084 assignee or bulk buyer.—A person acquiring condominium parcels
 1085 may not be classified as a bulk assignee or bulk buyer unless
 1086 the condominium parcels were acquired on or after July 1, 2010~~7~~
 1087 ~~but before July 1, 2018~~. The date of such acquisition shall be
 1088 determined by the date of recording a deed or other instrument
 1089 of conveyance for such parcels in the public records of the
 1090 county in which the condominium is located, or by the date of
 1091 issuing a certificate of title in a foreclosure proceeding with
 1092 respect to such condominium parcels.

1093 Section 8. Paragraphs (a) and (b) of subsection (2) and
 1094 paragraphs (b) and (c) of subsection (4) of section 719.104,
 1095 Florida Statutes, are amended to read:

1096 719.104 Cooperatives; access to units; records; financial
 1097 reports; assessments; purchase of leases.—

1098 (2) OFFICIAL RECORDS.—

1099 (a) From the inception of the association, the association
 1100 shall maintain a copy of each of the following, where

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1101 applicable, which shall constitute the official records of the
1102 association:

- 1103 1. The plans, permits, warranties, and other items
1104 provided by the developer pursuant to s. 719.301(4).
- 1105 2. A photocopy of the cooperative documents.
- 1106 3. A copy of the current rules of the association.
- 1107 4. A book or books containing the minutes of all meetings
1108 of the association, of the board of directors, and of the unit
1109 owners, which minutes shall be retained for a period of not less
1110 than 7 years.
- 1111 5. A current roster of all unit owners and their mailing
1112 addresses, unit identifications, voting certifications, and, if
1113 known, telephone numbers. The association shall also maintain
1114 the electronic mailing addresses and the numbers designated by
1115 unit owners for receiving notice sent by electronic transmission
1116 of those unit owners consenting to receive notice by electronic
1117 transmission. The electronic mailing addresses and numbers
1118 provided by unit owners to receive notice by electronic
1119 transmission shall be removed from association records when
1120 consent to receive notice by electronic transmission is revoked.
1121 However, the association is not liable for an erroneous
1122 disclosure of the electronic mail address or the number for
1123 receiving electronic transmission of notices.
- 1124 6. All current insurance policies of the association.
- 1125 7. A current copy of any management agreement, lease, or

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1126 | other contract to which the association is a party or under
 1127 | which the association or the unit owners have an obligation or
 1128 | responsibility.

1129 | 8. Bills of sale or transfer for all property owned by the
 1130 | association.

1131 | 9. Accounting records for the association and separate
 1132 | accounting records for each unit it operates, according to good
 1133 | accounting practices. All accounting records shall be maintained
 1134 | for a period of not less than 7 years. The accounting records
 1135 | shall include, but not be limited to:

1136 | a. Accurate, itemized, and detailed records of all
 1137 | receipts and expenditures.

1138 | b. A current account and a monthly, bimonthly, or
 1139 | quarterly statement of the account for each unit designating the
 1140 | name of the unit owner, the due date and amount of each
 1141 | assessment, the amount paid upon the account, and the balance
 1142 | due.

1143 | c. All audits, reviews, accounting statements, and
 1144 | financial reports of the association.

1145 | d. All contracts for work to be performed. Bids for work
 1146 | to be performed shall also be considered official records and
 1147 | shall be maintained for a period of 1 year.

1148 | 10. Ballots, sign-in sheets, voting proxies, and all other
 1149 | papers and electronic records relating to voting by unit owners,
 1150 | which shall be maintained for a period of 1 year after the date

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1151 of the election, vote, or meeting to which the document relates.

1152 11. All rental records where the association is acting as
1153 agent for the rental of units.

1154 12. A copy of the current question and answer sheet as
1155 described in s. 719.504.

1156 13. All other written records of the association not
1157 specifically included in the foregoing which are related to the
1158 operation of the association.

1159 (b) The official records of the association must be
1160 maintained within the state for at least 7 years. The records of
1161 the association shall be made available to a unit owner within
1162 45 miles of the cooperative property or within the county in
1163 which the cooperative property is located within 10 ~~5~~ working
1164 days after receipt of written request by the board or its
1165 designee. This paragraph may be complied with by having a copy
1166 of the official records of the association available for
1167 inspection or copying on the cooperative property or the
1168 association may offer the option of making the records available
1169 to a unit owner electronically via the Internet or by allowing
1170 the records to be viewed in an electronic format on a computer
1171 screen and printed upon request. The association is not
1172 responsible for the use or misuse of the information provided to
1173 an association member or his or her authorized representative
1174 pursuant to the compliance requirements of this chapter unless
1175 the association has an affirmative duty not to disclose such

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1176 information pursuant to this chapter.

1177 (4) FINANCIAL REPORT.—

1178 (b) Except as provided in paragraph (c), an association
 1179 whose total annual revenues meet the criteria of this paragraph
 1180 shall prepare or cause to be prepared a complete set of
 1181 financial statements according to the generally accepted
 1182 accounting principles adopted by the Board of Accountancy. The
 1183 financial statements shall be as follows:

1184 1. An association with total annual revenues between
 1185 \$150,000 and \$299,999 shall prepare a compiled financial
 1186 statement.

1187 2. An association with total annual revenues between
 1188 \$300,000 and \$499,999 shall prepare a reviewed financial
 1189 statement.

1190 3. An association with total annual revenues of \$500,000
 1191 or more shall prepare an audited financial statement.

1192 4. The requirement to have the financial statement
 1193 compiled, reviewed, or audited does not apply to an association
 1194 if a majority of the voting interests of the association present
 1195 at a duly called meeting of the association have voted to waive
 1196 this requirement for the fiscal year. In an association in which
 1197 turnover of control by the developer has not occurred, the
 1198 developer may vote to waive the audit requirement for the first
 1199 2 years of operation of the association, after which time waiver
 1200 of an applicable audit requirement shall be by a majority of

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1201 voting interests other than the developer. The meeting shall be
 1202 held prior to the end of the fiscal year, and the waiver shall
 1203 be effective for only one fiscal year. ~~An association may not~~
 1204 ~~waive the financial reporting requirements of this section for~~
 1205 ~~more than 3 consecutive years.~~

1206 (c)1. An association with total annual revenues of less
 1207 than \$150,000 shall prepare a report of cash receipts and
 1208 expenditures.

1209 ~~2. An association in a community of fewer than 50 units,~~
 1210 ~~regardless of the association's annual revenues, shall prepare a~~
 1211 ~~report of cash receipts and expenditures in lieu of the~~
 1212 ~~financial statements required by paragraph (b), unless the~~
 1213 ~~declaration or other recorded governing documents provide~~
 1214 ~~otherwise.~~

1215 2.3. A report of cash receipts and expenditures must
 1216 disclose the amount of receipts by accounts and receipt
 1217 classifications and the amount of expenses by accounts and
 1218 expense classifications, including the following, as applicable:
 1219 costs for security, professional, and management fees and
 1220 expenses; taxes; costs for recreation facilities; expenses for
 1221 refuse collection and utility services; expenses for lawn care;
 1222 costs for building maintenance and repair; insurance costs;
 1223 administration and salary expenses; and reserves, if maintained
 1224 by the association.

1225 Section 9. Subsection (5) of section 719.1055, Florida

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1226 Statutes, is amended to read:

1227 719.1055 Amendment of cooperative documents; alteration
1228 and acquisition of property.—

1229 (5) The bylaws must include a provision whereby a
1230 certificate of compliance from a licensed electrical contractor,
1231 ~~or electrician,~~ or professional engineer may be accepted by the
1232 association's board as evidence of compliance ~~of the cooperative~~
1233 ~~units~~ with the applicable fire and life safety code.

1234 (a)1. Notwithstanding chapter 633 or any other code,
1235 statute, ordinance, administrative rule, or regulation, or any
1236 interpretation of the foregoing, an association a cooperative or
1237 unit owner is not obligated to retrofit the common elements or
1238 units of a residential cooperative with a fire sprinkler system
1239 or other engineered lifesafety system in a building that is 75
1240 feet or less in height. There is no obligation to retrofit for a
1241 building greater than 75 feet in height, calculated from the
1242 lowest level of fire department vehicle access to the floor of
1243 the highest occupiable story has been certified for occupancy by
1244 ~~the applicable governmental entity~~ if the unit owners have voted
1245 to forego such retrofitting by the affirmative vote of two-
1246 thirds a majority of all voting interests in the affected
1247 cooperative. There is no requirement that owners in cooperatives
1248 of 75 feet or less conduct an opt-out vote and such cooperatives
1249 are exempt from fire sprinkler or other engineered life safety
1250 retrofitting. The preceding sentence is intended to clarify

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1251 existing law. The local authority having jurisdiction may not
1252 require completion of retrofitting with a fire sprinkler system
1253 or other engineered life safety system before January 1, 2022
1254 ~~the end of 2019~~. By December 31, 2018 ~~2016~~, a cooperative that
1255 is not in compliance with the requirements for a fire sprinkler
1256 system or other engineered lifesafety system and has not voted
1257 to forego retrofitting of such a system must initiate an
1258 application for a building permit for the required installation
1259 with the local government having jurisdiction demonstrating that
1260 the cooperative will become compliant by December 31, 2021 ~~2019~~.

1261 2. A vote to forego required retrofitting may be obtained
1262 by limited proxy or by a ballot personally cast at a duly called
1263 membership meeting, or by execution of a written consent by the
1264 member, or by electronic voting, and is effective upon recording
1265 a certificate executed by an officer or agent of the association
1266 attesting to such vote in the public records of the county where
1267 the cooperative is located. When the opt-out vote is to be
1268 conducted at a meeting, the cooperative shall mail or ~~hand~~
1269 deliver to each unit owner written notice at least 14 days
1270 before the membership meeting in which the vote to forego
1271 retrofitting of the required fire sprinkler system or other
1272 engineered lifesafety system is to take place. Within 30 days
1273 after the cooperative's opt-out vote, notice of the results of
1274 the opt-out vote must be mailed or ~~hand~~ delivered to all unit
1275 owners. Evidence of compliance with this notice requirement must

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1276 | be made by affidavit executed by the person providing the notice
1277 | and filed among the official records of the cooperative. Failure
1278 | to provide timely notice to unit owners does not invalidate an
1279 | otherwise valid opt-out vote if notice of the results is
1280 | provided to the owners. After notice is provided to each owner,
1281 | a copy must be provided by the current owner to a new owner
1282 | before closing and by a unit owner to a renter before signing a
1283 | lease.

1284 | (b) If there has been a previous vote to forego
1285 | retrofitting, a vote to require retrofitting may be obtained at
1286 | a special meeting of the unit owners called by a petition of
1287 | least 10 percent of the voting interests or by a majority of the
1288 | board of directors. The approval of two-thirds of all voting
1289 | interests in the affected condominium is required to require
1290 | retrofitting. ~~Such vote may only be called once every 3 years.~~
1291 | Notice must be provided as required for any regularly called
1292 | meeting of the unit owners, and the notice must state the
1293 | purpose of the meeting. ~~Electronic transmission may not be used~~
1294 | ~~to provide notice of a meeting called in whole or in part for~~
1295 | ~~this purpose.~~

1296 | (c) As part of the information collected annually from
1297 | cooperatives, the division shall require associations to report
1298 | the membership vote and recording of a certificate under this
1299 | subsection and, if retrofitting has been undertaken, the per-
1300 | unit cost of such work. The division shall annually report to

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1301 the Division of State Fire Marshal of the Department of
 1302 Financial Services the number of cooperatives that have elected
 1303 to forego retrofitting. Compliance with this administrative
 1304 reporting requirement does not affect the validity of an opt-out
 1305 vote.

1306 Section 10. Paragraphs (a) and (c) of subsection (1) of
 1307 section 719.106, Florida Statutes, are amended, and paragraph
 1308 (m) is added to that subsection, to read:

1309 719.106 Bylaws; cooperative ownership.—

1310 (1) MANDATORY PROVISIONS.—The bylaws or other cooperative
 1311 documents shall provide for the following, and if they do not,
 1312 they shall be deemed to include the following:

1313 (a) Administration.—

1314 1. The form of administration of the association shall be
 1315 described, indicating the titles of the officers and board of
 1316 administration and specifying the powers, duties, manner of
 1317 selection and removal, and compensation, if any, of officers and
 1318 board members. In the absence of such a provision, the board of
 1319 administration shall be composed of five members, except in the
 1320 case of cooperatives having five or fewer units, in which case
 1321 in not-for-profit corporations, the board shall consist of not
 1322 fewer than three members. In a residential cooperative
 1323 association of more than 10 units, co-owners of a unit may not
 1324 serve as members of the board of directors at the same time
 1325 unless the co-owners own more than one unit or unless there are

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1326 | not enough eligible candidates to fill the vacancies on the
1327 | board at the time of the vacancy. In the absence of provisions
1328 | to the contrary, the board of administration shall have a
1329 | president, a secretary, and a treasurer, who shall perform the
1330 | duties of those offices customarily performed by officers of
1331 | corporations. Unless prohibited in the bylaws, the board of
1332 | administration may appoint other officers and grant them those
1333 | duties it deems appropriate. Unless otherwise provided in the
1334 | bylaws, the officers shall serve without compensation and at the
1335 | pleasure of the board. Unless otherwise provided in the bylaws,
1336 | the members of the board shall serve without compensation.

1337 | 2. A person who has been suspended or removed by the
1338 | division under this chapter, or who is delinquent in the payment
1339 | of any monetary obligation due to the association, is not
1340 | eligible to be a candidate for board membership and may not be
1341 | listed on the ballot. A director or officer charged by
1342 | information or indictment with a felony theft or embezzlement
1343 | offense involving the association's funds or property is
1344 | suspended from office. The board shall fill the vacancy
1345 | according to general law until the end of the period of the
1346 | suspension or the end of the director's term of office,
1347 | whichever occurs first. However, if the charges are resolved
1348 | without a finding of guilt or without acceptance of a plea of
1349 | guilty or nolo contendere, the director or officer shall be
1350 | reinstated for any remainder of his or her term of office. A

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1351 member who has such criminal charges pending may not be
1352 appointed or elected to a position as a director or officer. A
1353 person who has been convicted of any felony in this state or in
1354 any United States District Court, or who has been convicted of
1355 any offense in another jurisdiction which would be considered a
1356 felony if committed in this state, is not eligible for board
1357 membership unless such felon's civil rights have been restored
1358 for at least 5 years as of the date such person seeks election
1359 to the board. The validity of an action by the board is not
1360 affected if it is later determined that a board member is
1361 ineligible for board membership due to having been convicted of
1362 a felony.

1363 3. When a unit owner files a written inquiry by certified
1364 mail with the board of administration, the board shall respond
1365 in writing to the unit owner within 30 days of receipt of the
1366 inquiry. The board's response shall either give a substantive
1367 response to the inquirer, notify the inquirer that a legal
1368 opinion has been requested, or notify the inquirer that advice
1369 has been requested from the division. If the board requests
1370 advice from the division, the board shall, within 10 days of its
1371 receipt of the advice, provide in writing a substantive response
1372 to the inquirer. If a legal opinion is requested, the board
1373 shall, within 60 days after the receipt of the inquiry, provide
1374 in writing a substantive response to the inquirer. The failure
1375 to provide a substantive response to the inquirer as provided

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1376 herein precludes the board from recovering attorney's fees and
1377 costs in any subsequent litigation, administrative proceeding,
1378 or arbitration arising out of the inquiry. The association may,
1379 through its board of administration, adopt reasonable rules and
1380 regulations regarding the frequency and manner of responding to
1381 the unit owners' inquiries, one of which may be that the
1382 association is obligated to respond to only one written inquiry
1383 per unit in any given 30-day period. In such case, any
1384 additional inquiry or inquiries must be responded to in the
1385 subsequent 30-day period, or periods, as applicable.

1386 (c) Board of administration meetings.—Members of the board
1387 of administration may use e-mail as a means of communication but
1388 may not cast a vote on an association matter via e-mail.

1389 Meetings of the board of administration at which a quorum of the
1390 members is present shall be open to all unit owners. Any unit
1391 owner may tape record or videotape meetings of the board of
1392 administration. The right to attend such meetings includes the
1393 right to speak at such meetings with reference to all designated
1394 agenda items. The division shall adopt reasonable rules
1395 governing the tape recording and videotaping of the meeting. The
1396 association may adopt reasonable written rules governing the
1397 frequency, duration, and manner of unit owner statements.
1398 Adequate notice of all meetings shall be posted in a conspicuous
1399 place upon the cooperative property at least 48 continuous hours
1400 preceding the meeting, except in an emergency. Any item not

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1401 included on the notice may be taken up on an emergency basis by
1402 at least a majority plus one of the members of the board. Such
1403 emergency action shall be noticed and ratified at the next
1404 regular meeting of the board. Notice of any meeting in which
1405 regular or special assessments against unit owners are to be
1406 considered must specifically state that assessments will be
1407 considered and provide the estimated amount and description of
1408 the purposes for such assessments. ~~However,~~ Written notice of
1409 any meeting at which nonemergency special assessments, or at
1410 which amendment to rules regarding unit use, will be considered
1411 shall be mailed, delivered, or electronically transmitted to the
1412 unit owners and posted conspicuously on the cooperative property
1413 not less than 14 days before the meeting. Evidence of compliance
1414 with this 14-day notice shall be made by an affidavit executed
1415 by the person providing the notice and filed among the official
1416 records of the association. Upon notice to the unit owners, the
1417 board shall by duly adopted rule designate a specific location
1418 on the cooperative property upon which all notices of board
1419 meetings shall be posted. In lieu of or in addition to the
1420 physical posting of notice of any meeting of the board of
1421 administration on the cooperative property, the association may,
1422 by reasonable rule, adopt a procedure for conspicuously posting
1423 and repeatedly broadcasting the notice and the agenda on a
1424 closed-circuit cable television system serving the cooperative
1425 association. However, if broadcast notice is used in lieu of a

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1426 | notice posted physically on the cooperative property, the notice
1427 | and agenda must be broadcast at least four times every broadcast
1428 | hour of each day that a posted notice is otherwise required
1429 | under this section. When broadcast notice is provided, the
1430 | notice and agenda must be broadcast in a manner and for a
1431 | sufficient continuous length of time so as to allow an average
1432 | reader to observe the notice and read and comprehend the entire
1433 | content of the notice and the agenda. In addition to any of the
1434 | authorized means of providing notice of a meeting of the board,
1435 | the association may, by rule, adopt a procedure for
1436 | conspicuously posting the meeting notice and the agenda on a
1437 | website serving the cooperative association for at least the
1438 | minimum period of time for which a notice of a meeting is also
1439 | required to be physically posted on the cooperative property.
1440 | Any rule adopted shall, in addition to other matters, include a
1441 | requirement that the association send an electronic notice in
1442 | the same manner as required for a notice for a meeting of the
1443 | members, which must include a hypertext link to the website
1444 | where the notice is posted, to unit owners whose e-mail
1445 | addresses are included in the association's official records.
1446 | ~~Notice of any meeting in which regular assessments against unit~~
1447 | ~~owners are to be considered for any reason shall specifically~~
1448 | ~~contain a statement that assessments will be considered and the~~
1449 | ~~nature of any such assessments.~~ Meetings of a committee to take
1450 | final action on behalf of the board or to make recommendations

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1451 to the board regarding the association budget are subject to the
 1452 provisions of this paragraph. Meetings of a committee that does
 1453 not take final action on behalf of the board or make
 1454 recommendations to the board regarding the association budget
 1455 are subject to the provisions of this section, unless those
 1456 meetings are exempted from this section by the bylaws of the
 1457 association. Notwithstanding any other law to the contrary, the
 1458 requirement that board meetings and committee meetings be open
 1459 to the unit owners does not apply to board or committee meetings
 1460 held for the purpose of discussing personnel matters or meetings
 1461 between the board or a committee and the association's attorney,
 1462 with respect to proposed or pending litigation, if the meeting
 1463 is held for the purpose of seeking or rendering legal advice.

1464 (m) Director or officer delinquencies.—A director or
 1465 officer more than 90 days delinquent in the payment of any
 1466 monetary obligation due the association shall be deemed to have
 1467 abandoned the office, creating a vacancy in the office to be
 1468 filled according to law.

1469 Section 11. Paragraph (b) of subsection (1) of section
 1470 719.107, Florida Statutes, is amended to read:

1471 719.107 Common expenses; assessment.—

1472 (1)

1473 (b) If so provided in the bylaws, the cost of
 1474 communications services as defined in chapter 202, information
 1475 services, or Internet services ~~a master antenna television~~

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1476 ~~system or duly franchised cable television service~~ obtained
 1477 pursuant to a bulk contract shall be deemed a common expense,
 1478 and if not obtained pursuant to a bulk contract, such cost shall
 1479 be considered common expense if it is designated as such in a
 1480 written contract between the board of administration and the
 1481 company providing the communications services as defined in
 1482 chapter 202, information services, or Internet services ~~master~~
 1483 ~~television antenna system or the cable television service~~. The
 1484 contract shall be for a term of not less than 2 years.

1485 1. Any contract made by the board after April 2, 1992, for
 1486 a community antenna system or duly franchised cable television
 1487 service, communications services as defined in chapter 202,
 1488 information services, or Internet services may be canceled by a
 1489 majority of the voting interests present at the next regular or
 1490 special meeting of the association. Any member may make a motion
 1491 to cancel the contract, but if no motion is made or if such
 1492 motion fails to obtain the required majority at the next regular
 1493 or special meeting, whichever is sooner, following the making of
 1494 the contract, then such contract shall be deemed ratified for
 1495 the term therein expressed.

1496 2. Any such contract shall provide, and shall be deemed to
 1497 provide if not expressly set forth, that any hearing impaired or
 1498 legally blind unit owner who does not occupy the unit with a
 1499 nonhearing impaired or sighted person may discontinue the
 1500 service without incurring disconnect fees, penalties, or

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1501 subsequent service charges, and as to such units, the owners
1502 shall not be required to pay any common expenses charge related
1503 to such service. If less than all members of an association
1504 share the expenses of cable television, the expense shall be
1505 shared equally by all participating unit owners. The association
1506 may use the provisions of s. 719.108 to enforce payment of the
1507 shares of such costs by the unit owners receiving cable
1508 television.

1509 Section 12. Paragraphs (a) and (c) of subsection (2) and
1510 subsection (7) of section 720.303, Florida Statutes, are amended
1511 to read:

1512 720.303 Association powers and duties; meetings of board;
1513 official records; budgets; financial reporting; association
1514 funds; recalls.—

1515 (2) BOARD MEETINGS.—

1516 (a) Members of the board of administration may use e-mail
1517 as a means of communication, but may not cast a vote on an
1518 association matter via e-mail. A meeting of the board of
1519 directors of an association occurs whenever a quorum of the
1520 board gathers to conduct association business. Meetings of the
1521 board must be open to all members, except for meetings between
1522 the board and its attorney with respect to proposed or pending
1523 litigation where the contents of the discussion would otherwise
1524 be governed by the attorney-client privilege. A meeting of the
1525 board must be held at a location that is accessible to a

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1526 | physically handicapped person if requested by a physically
1527 | handicapped person who has a right to attend the meeting. The
1528 | provisions of this subsection shall also apply to the meetings
1529 | of any committee or other similar body when a final decision
1530 | will be made regarding the expenditure of association funds and
1531 | to meetings of any body vested with the power to approve or
1532 | disapprove architectural decisions with respect to a specific
1533 | parcel of residential property owned by a member of the
1534 | community.

1535 | (c) The bylaws shall provide the following for giving
1536 | notice to parcel owners and members of all board meetings and,
1537 | if they do not do so, shall be deemed to include ~~provide~~ the
1538 | following:

1539 | 1. Notices of all board meetings must be posted in a
1540 | conspicuous place in the community at least 48 hours in advance
1541 | of a meeting, except in an emergency. In the alternative, if
1542 | notice is not posted in a conspicuous place in the community,
1543 | notice of each board meeting must be mailed or delivered to each
1544 | member at least 7 days before the meeting, except in an
1545 | emergency. Notwithstanding this general notice requirement, for
1546 | communities with more than 100 members, the association bylaws
1547 | may provide for a reasonable alternative to posting or mailing
1548 | of notice for each board meeting, including publication of
1549 | notice, provision of a schedule of board meetings, or the
1550 | conspicuous posting and repeated broadcasting of the notice on a

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1551 closed-circuit cable television system serving the homeowners'
1552 association. However, if broadcast notice is used in lieu of a
1553 notice posted physically in the community, the notice must be
1554 broadcast at least four times every broadcast hour of each day
1555 that a posted notice is otherwise required. When broadcast
1556 notice is provided, the notice and agenda must be broadcast in a
1557 manner and for a sufficient continuous length of time so as to
1558 allow an average reader to observe the notice and read and
1559 comprehend the entire content of the notice and the agenda. In
1560 addition to any of the authorized means of providing notice of a
1561 meeting of the board, the association may, by rule, adopt a
1562 procedure for conspicuously posting the meeting notice and the
1563 agenda on a website serving the association for at least the
1564 minimum period of time for which a notice of a meeting is also
1565 required to be physically posted on the association property.
1566 Any rule adopted shall, in addition to other matters, include a
1567 requirement that the association send an electronic notice in
1568 the same manner as required for a notice for a meeting of the
1569 members, which must include a hypertext link to the website
1570 where the notice is posted, to members who have provided an e-
1571 mail address to the association for the purpose of receiving
1572 notice by electronic transmission. The association may provide
1573 notice by electronic transmission in a manner authorized by law
1574 for meetings of the board of directors, committee meetings
1575 requiring notice under this section, and annual and special

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1576 meetings of the members to any member who has provided a
 1577 facsimile number or e-mail address to the association to be used
 1578 for such purposes; however, a member must consent in writing to
 1579 receiving notice by electronic transmission.

1580 2. An assessment may not be levied at a board meeting
 1581 unless the notice of the meeting includes a statement that
 1582 assessments will be considered and the nature of the
 1583 assessments. Written notice of any meeting at which special
 1584 assessments will be considered or at which amendments to rules
 1585 regarding parcel use will be considered must be mailed,
 1586 delivered, or electronically transmitted to the members and
 1587 parcel owners and posted conspicuously on the property or
 1588 broadcast on closed-circuit cable television not less than 14
 1589 days before the meeting.

1590 3. Directors may not vote by proxy or by secret ballot at
 1591 board meetings, except that secret ballots may be used in the
 1592 election of officers. This subsection also applies to the
 1593 meetings of any committee or other similar body, when a final
 1594 decision will be made regarding the expenditure of association
 1595 funds, and to any body vested with the power to approve or
 1596 disapprove architectural decisions with respect to a specific
 1597 parcel of residential property owned by a member of the
 1598 community.

1599 (7) FINANCIAL REPORTING.—Within 90 days after the end of
 1600 the fiscal year, or annually on the date provided in the bylaws,

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1601 the association shall prepare and complete, or contract with a
1602 third party for the preparation and completion of, a financial
1603 report for the preceding fiscal year. Within 21 days after the
1604 final financial report is completed by the association or
1605 received from the third party, but not later than 120 days after
1606 the end of the fiscal year or other date as provided in the
1607 bylaws, the association shall, within the time limits set forth
1608 in subsection (5), provide each member with a copy of the annual
1609 financial report or a written notice that a copy of the
1610 financial report is available upon request at no charge to the
1611 member. Financial reports shall be prepared as follows:

1612 (a) An association that meets the criteria of this
1613 paragraph shall prepare or cause to be prepared a complete set
1614 of financial statements in accordance with generally accepted
1615 accounting principles as adopted by the Board of Accountancy.
1616 The financial statements shall be based upon the association's
1617 total annual revenues, as follows:

1618 1. An association with total annual revenues of \$150,000
1619 or more, but less than \$300,000, shall prepare compiled
1620 financial statements.

1621 2. An association with total annual revenues of at least
1622 \$300,000, but less than \$500,000, shall prepare reviewed
1623 financial statements.

1624 3. An association with total annual revenues of \$500,000
1625 or more shall prepare audited financial statements.

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1626 (b)1. An association with total annual revenues of less
 1627 than \$150,000 shall prepare a report of cash receipts and
 1628 expenditures.

1629 ~~2. An association in a community of fewer than 50 parcels,~~
 1630 ~~regardless of the association's annual revenues, may prepare a~~
 1631 ~~report of cash receipts and expenditures in lieu of financial~~
 1632 ~~statements required by paragraph (a) unless the governing~~
 1633 ~~documents provide otherwise.~~

1634 2.3. A report of cash receipts and disbursement must
 1635 disclose the amount of receipts by accounts and receipt
 1636 classifications and the amount of expenses by accounts and
 1637 expense classifications, including, but not limited to, the
 1638 following, as applicable: costs for security, professional, and
 1639 management fees and expenses; taxes; costs for recreation
 1640 facilities; expenses for refuse collection and utility services;
 1641 expenses for lawn care; costs for building maintenance and
 1642 repair; insurance costs; administration and salary expenses; and
 1643 reserves if maintained by the association.

1644 (c) If 20 percent of the parcel owners petition the board
 1645 for a level of financial reporting higher than that required by
 1646 this section, the association shall duly notice and hold a
 1647 meeting of members within 30 days of receipt of the petition for
 1648 the purpose of voting on raising the level of reporting for that
 1649 fiscal year. Upon approval of a majority of the total voting
 1650 interests of the parcel owners, the association shall prepare or

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1651 cause to be prepared, shall amend the budget or adopt a special
 1652 assessment to pay for the financial report regardless of any
 1653 provision to the contrary in the governing documents, and shall
 1654 provide within 90 days of the meeting or the end of the fiscal
 1655 year, whichever occurs later:

1656 1. Compiled, reviewed, or audited financial statements, if
 1657 the association is otherwise required to prepare a report of
 1658 cash receipts and expenditures;

1659 2. Reviewed or audited financial statements, if the
 1660 association is otherwise required to prepare compiled financial
 1661 statements; or

1662 3. Audited financial statements if the association is
 1663 otherwise required to prepare reviewed financial statements.

1664 (d) If approved by a majority of the voting interests
 1665 present at a properly called meeting of the association, an
 1666 association may prepare or cause to be prepared:

1667 1. A report of cash receipts and expenditures in lieu of a
 1668 compiled, reviewed, or audited financial statement;

1669 2. A report of cash receipts and expenditures or a
 1670 compiled financial statement in lieu of a reviewed or audited
 1671 financial statement; or

1672 3. A report of cash receipts and expenditures, a compiled
 1673 financial statement, or a reviewed financial statement in lieu
 1674 of an audited financial statement.

1675 Section 13. Paragraph (a) of subsection (9) of section

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1676 720.306, Florida Statutes, is amended to read:

1677 720.306 Meetings of members; voting and election
1678 procedures; amendments.—

1679 (9) ELECTIONS AND BOARD VACANCIES.—

1680 (a) Elections of directors must be conducted in accordance
1681 with the procedures set forth in the governing documents of the
1682 association. Except as provided in paragraph (b), all members of
1683 the association are eligible to serve on the board of directors,
1684 and a member may nominate himself or herself as a candidate for
1685 the board at a meeting where the election is to be held;
1686 provided, however, that if the election process allows
1687 candidates to be nominated in advance of the meeting, the
1688 association is not required to allow nominations at the meeting.
1689 An election is not required unless more candidates are nominated
1690 than vacancies exist. If an election is not required because
1691 there are either an equal number or fewer qualified candidates
1692 than vacancies exist, and if nominations from the floor are not
1693 required pursuant to this section or the bylaws, write-in
1694 nominations are not permitted and such candidates shall commence
1695 service on the board of directors, regardless of whether a
1696 quorum is attained at the annual meeting. Except as otherwise
1697 provided in the governing documents, boards of directors must be
1698 elected by a plurality of the votes cast by eligible voters. Any
1699 challenge to the election process must be commenced within 60
1700 days after the election results are announced.

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1701 Section 14. Paragraph (b) of subsection (3) of section
 1702 720.3085, Florida Statutes, is amended to read:

1703 720.3085 Payment for assessments; lien claims.—

1704 (3) Assessments and installments on assessments that are
 1705 not paid when due bear interest from the due date until paid at
 1706 the rate provided in the declaration of covenants or the bylaws
 1707 of the association, which rate may not exceed the rate allowed
 1708 by law. If no rate is provided in the declaration or bylaws,
 1709 interest accrues at the rate of 18 percent per year.

1710 (b) Any payment received by an association and accepted
 1711 shall be applied first to any interest accrued, then to any
 1712 administrative late fee, then to any costs and reasonable
 1713 attorney fees incurred in collection, and then to the delinquent
 1714 assessment. This paragraph applies notwithstanding any
 1715 restrictive endorsement, designation, or instruction placed on
 1716 or accompanying a payment. A late fee is not subject to the
 1717 provisions of chapter 687 and is not a fine. The foregoing is
 1718 applicable notwithstanding s. 673.3111, any purported accord and
 1719 satisfaction, or any restrictive endorsement, designation, or
 1720 instruction placed on or accompanying a payment. The preceding
 1721 sentence is intended to clarify existing law.

1722 Section 15. This act shall take effect July 1, 2017.