COMMITTEE/SUBCOMMITTEE	ACTION
ADOPTED	(Y/N)
ADOPTED AS AMENDED	(Y/N)
ADOPTED W/O OBJECTION	(Y/N)
FAILED TO ADOPT	(Y/N)
WITHDRAWN	(Y/N)
OTHER	

Committee/Subcommittee hearing bill: Civil Justice & Claims Subcommittee

Representative Moraitis offered the following:

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## Amendment (with title amendment)

Remove lines 220-484 and insert:

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

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- f. The annual budget required by s. 718.112(2)(f) and any proposed budget to be considered at the annual meeting.
- g. The financial report required by subsection (13) and any monthly income or expense statement proposed financial report to be considered at a meeting.
- h. The certification of each director required by s. 718.112(2)(d)4.b.
- i. All contracts or transactions between the association and any director, officer, corporation, firm, or association that is not an affiliated condominium association or any other entity in which an association director is also a director or officer and financially interested.
- j. Any contract or document regarding a conflict of interest or possible conflict of interest as provided in  $\underline{ss.}$  468.436(2)(b)6. and 718.3027(3)  $\underline{ss.}$  468.436(2) and 718.3026(3).
- k. The notice of any unit owner meeting and the agenda for the meeting, as required by s. 718.112(2)(d)3., no later than 14 days before the meeting. The notice must be posted in plain view on the front page of the website, or on a separate subpage of the website labeled "Notices" which is conspicuously visible and linked from the front page. The association must also post on its website any document to be considered and voted on by the owners during the meeting or any document listed on the agenda at least 7 days before the meeting at which the document or the information within the document will be considered.

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- 1. Notice of any board meeting, the agenda, and any other document required for the meeting as required by s. 718.112(2)(c), which must be posted no later than the date required for notice pursuant to s. 718.112(2)(c).
- 3. The association shall ensure that the information and records described in paragraph (c), which are not allowed permitted to be accessible to unit owners, are not posted on the association's website. If protected information or information restricted from being accessible to unit owners is included in documents that are required to be posted on the association's website, the association shall ensure the information is redacted before posting the documents online. Notwithstanding the foregoing, the association or its agent is not liable for disclosing information that is protected or restricted pursuant to this paragraph unless such disclosure was made with a knowing or intentional disregard of the protected or restricted nature of such information.
- 4. The failure of the association to post information required under subparagraph 2. is not in and of itself sufficient to invalidate any action or decision of the association's board or its committees.
- (13) FINANCIAL REPORTING.—Within 90 days after the end of the fiscal year, or annually on a date provided in the bylaws, the association shall prepare and complete, or contract for the preparation and completion of, a financial report for the

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

(e) A unit owner may provide written notice to the division of the association's failure to mail or hand deliver

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him or her a copy of the most recent financial report within 5		
business days after he or she submitted a written request to the		
association for a copy of such report. If the division		
determines that the association failed to mail or hand deliver a		
copy of the most recent financial report to the unit owner, the		
division shall provide written notice to the association that		
the association must mail or hand deliver a copy of the most		
recent financial report to the unit owner and the division		
within 5 business days after it receives such notice from the		
division. An association that fails to comply with the		
division's request may not waive the financial reporting		
requirement provided in paragraph (d) for the fiscal year in		
which the unit owner's request was made and the following fiscal		
year. A financial report received by the division pursuant to		
this paragraph shall be maintained, and the division shall		
provide a copy of such report to an association member upon his		
or her request.		

- Section 2. Paragraphs (a), (c), (d), and (j) of subsection (2) of section 718.112, Florida Statutes, are amended to read: 718.112 Bylaws.—
- (2) REQUIRED PROVISIONS.—The bylaws shall provide for the following and, if they do not do so, shall be deemed to include the following:
  - (a) Administration.
  - 1. The form of administration of the association shall be

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described indicating the title of the officers and board of
administration and specifying the powers, duties, manner of
selection and removal, and compensation, if any, of officers and
boards. In the absence of such a provision, the board of
administration shall be composed of five members, <u>unless the</u>
except in the case of a condominium which has five or fewer
units. The board shall consist of not fewer than three members
in condominiums with five or fewer units that are not-for-profit
corporations, in which case in a not-for-profit corporation the
board shall consist of not fewer than three members. In the
absence of provisions to the contrary in the bylaws, the board
of administration shall have a president, a secretary, and a
treasurer, who shall perform the duties of such officers
customarily performed by officers of corporations. Unless
prohibited in the bylaws, the board of administration may
appoint other officers and grant them the duties it deems
appropriate. Unless otherwise provided in the bylaws, the
officers shall serve without compensation and at the pleasure of
the board of administration. Unless otherwise provided in the
bylaws, the members of the board shall serve without
compensation.

2. When a unit owner of a residential condominium files a written inquiry by certified mail with the board of administration, the board shall respond in writing to the unit owner within 30 days after receipt of the inquiry. The board's

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

(c) Board of administration meetings.—Meetings of the board of administration at which a quorum of the members is present are open to all unit owners. Members of the board of administration may use e-mail as a means of communication but may not cast a vote on an association matter via e-mail. A unit

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owner may tape record or videotape the meetings. The right to attend such meetings includes the right to speak at such meetings with reference to all designated agenda items. The division shall adopt reasonable rules governing the tape recording and videotaping of the meeting. The association may adopt written reasonable rules governing the frequency, duration, and manner of unit owner statements.

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

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## COMMITTEE/SUBCOMMITTEE AMENDMENT Bill No. CS/HB 841 (2018)

Amendment No.

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executed by the person providing the notice and filed with the official records of the association. Notice of any meeting in which regular or special assessments against unit owners are to be considered must specifically state that assessments will be considered and provide the estimated cost and description of the purposes for such assessments. Upon notice to the unit owners, the board shall, by duly adopted rule, designate a specific location on the condominium or association property where all notices of board meetings must be posted. If there is no condominium property or association property where notices can be posted, notices shall be mailed, delivered, or electronically transmitted to each unit owner at least 14 days before the meeting. In lieu of or in addition to the physical posting of the notice on the condominium property, the association may, by reasonable rule, adopt a procedure for conspicuously posting and repeatedly broadcasting the notice and the agenda on a closedcircuit cable television system serving the condominium association. However, if broadcast notice is used in lieu of a notice physically posted on condominium property, the notice and agenda must be broadcast at least four times every broadcast hour of each day that a posted notice is otherwise required under this section. If broadcast notice is provided, the notice and agenda must be broadcast in a manner and for a sufficient continuous length of time so as to allow an average reader to observe the notice and read and comprehend the entire content of

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

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

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board meetings and committee meetings be open to the unit owners does not apply to:

- a. Meetings between the board or a committee and the association's attorney, with respect to proposed or pending litigation, if the meeting is held for the purpose of seeking or rendering legal advice; or
- b. Board meetings held for the purpose of discussing personnel matters.
  - (d) Unit owner meetings.-
- 1. An annual meeting of the unit owners <u>must</u> shall be held at the location provided in the association bylaws and, if the bylaws are silent as to the location, the meeting <u>must</u> shall be held within 45 miles of the condominium property. However, such distance requirement does not apply to an association governing a timeshare condominium.
- 2. Unless the bylaws provide otherwise, a vacancy on the board caused by the expiration of a director's term <u>must shall</u> be filled by electing a new board member, and the election must be by secret ballot. An election is not required if the number of vacancies equals or exceeds the number of candidates. For purposes of this paragraph, the term "candidate" means an eligible person who has timely submitted the written notice, as described in sub-subparagraph 4.a., of his or her intention to become a candidate. Except in a timeshare or nonresidential condominium, or if the staggered term of a board member does not

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## COMMITTEE/SUBCOMMITTEE AMENDMENT Bill No. CS/HB 841 (2018)

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expire until a later annual meeting, or if all members' terms would otherwise expire but there are no candidates, the terms of all board members expire at the annual meeting, and such members may stand for reelection unless prohibited by the bylaws. Board members may serve 2-year terms longer than one year if permitted by the bylaws or articles of incorporation. A board member may not serve more than eight consecutive years four consecutive 2-year terms, unless approved by an affirmative vote of unit owners representing two-thirds of all votes cast in the election the total voting interests of the association or unless there are not enough eligible candidates to fill the vacancies on the board at the time of the vacancy. If the number of board members whose terms expire at

## 282 TITLE AMENDMENT

283 Remove line 11 and insert:

revising board term limits; authorizing an association

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