Committee on Regulated Industries

CS/CS/CS/HB 87 — Construction Defect Claims

by Judiciary Committee; Business and Professions Subcommittee; Civil Justice Subcommittee; and Rep. Passidomo and others (CS/SB 418 by Regulated Industries Committee and Senator Richter)

The bill amends ch. 558, F.S., relating to construction defect claims. The bill contains a legislative finding that the opportunity to resolve claims without legal process should be extended to insurers of a contractor, subcontractor, supplier, or design professional and contains a finding that the settlement negotiations should be confidential. The bill revises the definition of "completion of a building or improvement" to include a temporary certificate of occupancy.

The bill amends requirements for filing a notice of claim. The notice must describe the claim in reasonable detail and must sufficiently identify the location of the defect to enable the responding party to locate the defect without undue burden. It does not require destructive or other testing.

The bill provides that a written response to a claim must include one or more offers or statements that the respondent disputes the claim, or that the respondent will remedy the claim, compromise and settle the claim by means of a combination of repairs and monetary payments, or await a determination by an insurer.

The bill states that providing a copy of a notice of claim to a person's insurer does not constitute a claim for insurance purposes unless the insurance policy specifies otherwise.

The bill provides requirements for the exchange of documents by the parties and provides that a party may assert any claim of privilege recognized under Florida law respecting any of the disclosure obligations mandated by ch. 558, F.S.

The bill amends s. 718.203, F.S., and s. 719.203, F.S., regarding condominiums and cooperatives respectively, to provide that completion of a building or improvement includes issuance of a temporary or other certificate of occupancy, that allows for occupancy or use of the entire building or improvement.

If approved by the Governor, these provisions take effect October 1, 2015.
Vote: Senate 35-4; House 112-0

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Committee on Regulated Industries

CS/CS/SB 186 — Alcoholic Beverages

by Fiscal Policy Committee; Regulated Industries Committee; and Senators Latvala, Gibson; and Clemens

The bill revises the Beverage Laws related to alcoholic beverages. The bill prohibits the use of Electronic Benefits (EBT) cards to purchase alcoholic beverages. Related to vendor-licensed brewers, the bill:

- Authorizes the Division of Alcoholic Beverages and Tobacco within the Department of Business and Professional Regulation to issue a vendor's license to a manufacturer of malt beverages for the sale of alcoholic beverages on property consisting of a single complex that includes a brewery (vendor-licensed brewer);
- Repeals the requirement that the licensed property include "other structures which promote the brewery and tourism industry of the state" in order to be eligible as a vendor licensed brewer;
- Limits the amount of malt beverages that can be transferred between breweries owned by the same brewer to the yearly production of the receiving brewery;
- Limits a malt beverage manufacturer to holding no more than eight vendor licenses;
- Requires that all alcoholic beverages that are not manufactured at a brewery owned by the brewer must be obtained through a distributor, an importer, a sales agent, or a broker; and
- Prohibits vendor-licensed brewers from making deliveries.

Related to malt beverage tastings, the bill:

- Permits malt beverage tastings on certain premises;
- Requires malt beverage tastings to be limited to and directed to members of the general public of the age of legal consumption;
- Clarifies that vendors may conduct malt beverage tastings on their licensed premises with beverages from their own inventory;
- Requires that the beer must be served in a cup having a capacity of 3.5 ounces or less and must be inside the building;
- Requires that unconsumed beverages must be removed from the premises and properly disposed of;
- Provides that the party conducting the tasting is responsible for any violations;
- Clarifies who is responsible for paying the excise taxes;
- Prohibits the payment of fees or compensation of any kind in return for the vendor's authorization of the tasting at his premises; and
- Prohibits cooperative advertising and identification of the vendor in advertising.

Related to malt beverage containers, the bill:

- Permits the filling and refilling of 32, 64, and 128 ounce malt beverage containers (known as "growlers") at the point of sale;

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- Provides that growlers may be filled and refilled by a vendor-licensed brewer, a package store licensed to sell beer, wine, and distilled spirits only in sealed containers for off-premises consumption, and vendors authorized to sell malt beverages for consumption on the premises and whose license does not restrict the consumption of malt beverages to on the premises only;
- Requires growlers to be identified or be imprinted or labeled with certain information, including the anticipated percentage of alcohol by volume, and that the growlers have an unbroken seal or be incapable of being immediately consumed;
- Provides that a violation of the growler requirements is a misdemeanor of the first degree, which is punishable by a term of imprisonment not to exceed one year or a fine not to exceed $1,000;
- Clarifies that it is not unlawful for a person to possess or transfer full or empty growlers; and
- Prohibits the use of growlers for the purpose of distribution or sale outside of the licensed manufacturing premises or licensed vendor premises.

The bill deletes the vehicle permit requirement for licensed vendors to transport alcoholic beverages. It deletes the requirement that vendor-owned vehicles must have the invoices or sales tickets when transporting alcoholic beverages. It provides that common carries may transport alcoholic beverages.

The bill revises the limitation on the number of containers of distilled spirits that distilleries may sell to consumers. Current law permits distilleries to sell two or fewer containers per calendar year. The bill increases the limitation to permit consumers to purchase from a distillery in a face-to-face transaction, per calendar year:

- Two containers of each brand of distilled spirits;
- Three containers of one brand and one container of a second brand; or
- Four containers of a single brand.

The bill permits the Florida Department of Transportation to install a directional sign to a brewery at the request and expense of the distillery.

If approved by the Governor, these provisions take effect July 1, 2015.
Vote: Senate 38-0; House 117-0

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CS/CS/HB 217 — Engineers

by Regulatory Affairs Committee; Business and Professional Subcommittee; and Rep. Van Zant and others (CS/CS/SB 338 by Fiscal Policy Committee; Regulated Industries Committee; and Senator Altman)

The bill amends existing law regulating engineers to specifically address the practice of structural engineering, which is defined as the analysis and design of threshold buildings and other structures of a certain height, size, or occupancy. The bill modifies current law to include the licensure of structural engineers similar to professional engineers by the Board of Professional Engineers within the Department of Business and Professional Regulation. Beginning March 1, 2017, the bill prohibits anyone, other than a duly licensed structural engineer, from practicing structural engineering. The bill provides an alternative method for some applicants to qualify for structural engineer licensure prior to September 1, 2016.

If approved by the Governor, these provisions take effect July 1, 2015.
Vote: Senate 38-2; House 104-3

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Committee on Regulated Industries

CS/HB 239 — Medication and Testing of Racing Animals

by Business and Professions Subcommittee; and Reps. Fitzenhagen and Stone (CS/SB 226 by Regulated Industries Committee; and Senators Latvala and Sobel)

The bill modifies requirements regarding prohibited medication or drugging of racing animals (horses and greyhounds). Violations are no longer contingent upon a person administering or causing a prohibited substance to be administered; the mere presence of a prohibited substance in a racing animal is evidence of the violation. The fine for violations may be up to $10,000 or the race winnings (purse or sweepstakes amount), whichever is greater. Prosecutions must be started within 90 days of the race date.

Samples are collected from racing animals at racetracks by the Division of Pari-mutuel Wagering (division) of the Department of Business and Professional Regulation. The division must notify the owner or trainer, the stewards, and the horsemen's association at a racetrack of all drug test results. One portion of a sample is analyzed by the division's laboratory to determine whether any substance prohibited in racing animals is present. If the analyzed sample contains prohibited substances, the owner or trainer has the right to request an analysis on the remaining portion by an independent laboratory. For samples from racing greyhounds, if the second analysis does not confirm the first, or is of insufficient quantity to do so, prosecution may still be pursued against the owner or trainer despite the lack of confirmation which maintains current law. For samples from racehorses, if the second analysis does not confirm the first, or is of insufficient quantity to do so, no prosecution may be pursued against the owner or trainer, and any suspended licensee must be reinstated.

The bill requires the division to adopt rules regarding the use and allowed levels of medications, drugs, and naturally occurring substances in racing animals, as listed by the Association of Racing Commissioners International (ARCI). The bill requires the division to adopt rules that include a classification system for drugs and incorporates ARCI's Penalty Guidelines for drug violations and must determine monitoring and testing methodology that may be used to screen samples for prohibited substances. Medication levels for racing greyhounds are recommended by the University of Florida College of Veterinary Medicine. The division's rules also must include the conditions for the use of furosemide, a diuretic (Lasix or Salix). Furosemide is the only medication that may be administered within 24 hours before a race, but it may not be administered within 4 hours before the officially scheduled post time of a race. The division may solicit input from the Department of Agriculture and Consumer Services (DACS) on the rules, which must be adopted before January 1, 2016.

An outside quality assurance program must annually assess the ability of all laboratories approved by the division to analyze samples for the presence of medications, drugs, and prohibited substances. The findings must be reported to the division and DACS.

If approved by the Governor, these provisions take effect July 1, 2015.
Vote: Senate 40-0; House 112-0

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CS/CS/HB 277— Public Lodging Establishments

by Veteran and Military Affairs Subcommittee; Business and Professions Subcommittee; and Rep. Hager and others (CS/CS/SB 394 by Military and Veterans Affairs, Space, and Domestic Security Committee; Regulated Industries Committee; and Senators Brandes and Altman)

The bill requires that public lodging establishments, which includes hotels, motels, and bed and breakfast inns, waive any policy that restricts accommodations to individuals based on age for active duty members of the United States Armed Forces, the National Guard, the Reserve Forces, and the Coast Guard upon the presentation of a military identification card. The bill also prohibits individuals from duplicating military identification cards.

If approved by the Governor, these provisions take effect July 1, 2015.
Vote: Senate 36-0; House 113-1

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Committee on Regulated Industries

CS/CS/HB 307 — Mobile Homes

by Regulatory Affairs Committee; Civil Justice Subcommittee; and Rep. Latvala (SB 662 by Senator Latvala)

The bill relates to the Florida Mobile Home Act, which regulates residential tenancies in which a mobile home is placed on a rented or leased lot in a mobile home park with 10 or more lots. The Division of Florida Condominiums, Timeshares, and Mobile Homes (division) within the Department of Business and Professional Regulation (department) enforces the act. The bill provides that:

- The division is required to provide training and educational programs for mobile home owners' associations;
- Mobile home owners must comply with all building permit and construction requirements. A mobile home owner is responsible for fines imposed for violating any local codes;
- A mobile home owner's right to a 90-day notice of a rental increase or change in services may not be waived;
- A homeowners' committee must make a written request for a meeting with the park owner to discuss a proposed rental increase or change in services or rules;
- Lifetime leases and automatically renewable leases are assumable by the homeowner's spouse; however, this right of assumption may only be exercised once during the term of the lease;
- A member of the board of directors of the Florida Mobile Home Relocation Corporation must be removed immediately upon written request for removal from the association that originally nominated that member;
- A homeowners' association's bylaws are deemed to provide specific provisions in the bill related to the conduct of meetings, electronic communication, voting requirements, use of proxies, amending the articles of incorporation and bylaws, duties of officers and directors, filling vacancies on the board, and recall of directors;
- The division must adopt rules to provide binding arbitration or recall election disputes;
- Board members must either certify that they have read the association's organizing documents, rules, and regulations and that they will faithfully discharge their fiduciary responsibility, or complete the division's educational program within one year of taking office; and
- The homeowners' association is required to retain and make available certain official records to the members of the association, but may not disclose specified information.

If approved by the Governor, these provisions take effect July 1, 2015.
Vote: Senate 40-0; House 114-0

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CS/CS/HB 373 — Public Accountancy

by Regulatory Affairs Committee; Government Operations Appropriations Subcommittee; and Rep. Raulerson and others (CS/SB 636 by Regulated Industries Committee and Senator Latvala)

The bill amends the definition of licensed firm or public accounting firm to mean a sole proprietor, partnership, corporation, limited liability company, firm, or other legal entity licensed under s. 473.3101, F.S.

The bill amends s. 473.3101, F.S., to provide that the following firms must hold a license as a public accounting firm:

- Any firm with an office in this state which performs audits, reviews, and compilations services that involve the rendering of an attestation or opinion;
- Any firm with an office in this state which uses the title "CPA," "CPA firm," or any other title, designation, words, letters, abbreviations, or device tending to indicate that it is a CPA firm; and
- Any firm that does not have an office in this state but performs the services described in s. 473.3141(4), F.S., for a client having its home office in this state.

The bill requires the Board of Accountancy within the Department of Business and Professional Regulation to define by rule what constitutes a CPA firm. The board is required to define by rule what constitutes an office.

The bill also provides that the term "quality review" includes the term "peer review" as defined in s. 473.3125, F.S.

If approved by the Governor, these provisions take effect July 1, 2015.
Vote: Senate 40-0; House 114-0

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CS/HB 401 — Public Lodging and Public Food Service Establishments

by Business and Professions Subcommittee and Rep. Magar (SB 558 by Senator Stargel)

The bill deletes the July 1, 2014 date by which the Division of Hotels and Restaurants (division) within the Department of Business and Professional Regulation was required to adopt a rule for risk-based inspection of public food service establishments. The number or frequency of risk-based inspections is based on several risk factors, including the type of food utilized, food preparation methods, and inspection and compliance history. The division adopted the risk-based inspection frequency rule on July 4, 2013. The bill requires the division to reassess the inspection frequency at least annually.

The bill requires the division to notify, rather than provide, each inspected public food service establishment and temporary food service event sponsor that the food recovery brochure is available. The food recovery brochure is developed by the Department of Agriculture and Consumer Services to provide information about food recovery programs that provide surplus food to governmental agencies and local volunteer and nonprofit organizations for distribution to those in need. The division maintains an electronic copy of this brochure on its website.

The bill permits currently-licensed public food service establishments to operate at a temporary food service event for the duration of the event without obtaining an additional temporary food service event license if the event exceeds three days. The bill permits the division to deliver inspection reports to operators of public food service and public lodging establishments by electronic transmittal. The bill requires public food service establishments to maintain a copy of the inspection report and to make the copy available to the division when the establishment is inspected. It deletes the requirement that the establishment maintain a duplicate copy of the inspection report on the premises. The bill maintains the requirement that establishments must make a copy of the inspection report available to the public upon request.

The bill deletes the $100 delinquent fee for public food service establishments and public lodging establishments that file for renewal more than 30 days but not more than 60 days after the expiration date of the license. Licensees who fail to file a license renewal for 30 days or less after the date the license expires would be assessed a $50 delinquent fee.

If approved by the Governor, these provisions take effect July 1, 2015.
Vote: Senate 39-0; House 114-0

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Committee on Regulated Industries

CS/CS/HB 453 — Timeshares

by Government Operations Appropriations Subcommittee; Civil Justice Subcommittee; and Rep. Eisnaugle (CS/SB 932 by Fiscal Policy Committee and Senator Stargel)

The bill relates to the Florida Vacation Plan and Timesharing Act (act), which establishes requirements for the creation, sale, exchange, promotion, and operation of timeshare plans, including requirements for full and fair disclosure to purchasers. The act is enforced by the Division of Florida Land Sales, Condominiums, and Mobile Homes (division) within the Department of Business and Professional Regulation (department). The bill:

- Provides that an ownership interest in a condominium or cooperative unit or a beneficial interest in a timeshare trust is required for such interests to qualify as timeshare estates;
- Revises the definitions for nonspecific and specific multisite timeshare plans to provide that the plans may include interests other than timeshare licenses or personal property timeshare interests;
- Revises the required disclosures for public offering statements in multisite timeshare plans and provides that the developer has the burden of proof with regard to compliance with those provisions;
- Revises the requirements for amendments to timeshare instruments in regards to component sites;
- Expands the limitation on liability for developers who, in good faith attempt to and substantially comply with, all the provisions of the act;
- Requires the disclosure of lease terms in timeshare trusts;
- Repeals the requirement for judicial approval of transactions involving timeshare trust property;
- Creates a procedure for the extension or termination of timeshare plans;
- Creates a procedure for the transfer of the reservation system and owner data when a managing entity is discharged;
- Requires all multisite timeshare plans to disclose the term of each component site plan and prominently disclose the term of component sites which are shorter than the term of the plan;
- Excludes component site common expenses and ad valorem expenses from the cap on annual increases in common expense assessments;
- Allows for substitute and replacement accommodations that are better than the existing accommodations; and
- Revises the notice requirements on substitute accommodations.

If approved by the Governor, these provisions take effect July 1, 2015.
Vote: Senate 38-0; House 87-22

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CS/SB 466 — Low-voltage Alarm Systems

by Regulated Industries Committee and Senator Flores

The bill amends the definition of Low-voltage Alarm Systems, reduces the maximum permit fee for those systems, and eliminates permit requirements for wireless burglar alarms and smoke detectors. Any electrical device or signaling device used to signal or detect a burglary, fire, robbery, or medical emergency is an alarm system. A system that is hardwired and operates at low voltage (with or without home-automation equipment, thermostats, and video cameras) is a low-voltage alarm system. The bill excludes wireless alarm systems (burglar alarms and smoke detectors) from all permitting requirements of any local enforcement agency with jurisdiction over building inspections and code enforcement, such as a local government, school board, community college, or university.

In addition to providing that permits may not be required in order to install, maintain, inspect, replace or service wireless alarm systems, the bill reduces the maximum charge for a uniform basic permit for a hardwired, low-voltage alarm system from $55 to $40. The bill deletes permit fee provisions that expired on January 1, 2015. The bill prohibits a local enforcement agency from requiring the payment of any additional amount associated with the installation or replacement of a hardwired, low-voltage alarm system. The bill authorizes local enforcement agencies to coordinate inspections with the owner or customer of low-voltage alarm system projects to ensure compliance with applicable codes and standards. However, the obligation to take corrective action if a project fails an inspection remains with the alarm system contractor.

If approved by the Governor, these provisions take effect July 1, 2015.
Vote: Senate 36-0; House 115-0

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CS/CS/SB 596 — Craft Distilleries

by Commerce and Tourism Committee; Regulated Industries Committee; and Senator Hays

The bill revises the limitation on the number of containers of distilled spirits that distilleries may sell to consumers. Current law permits distilleries to sell two or fewer containers per calendar year. The bill increases the limitation to permit consumers to purchase from a distillery in a face-to-face transaction, per calendar year:

- Two containers of each brand of distilled spirits;
- Three containers of one brand and one container of a second brand; or
- Four containers of a single brand.

The bill defines the term "branded product" to mean the distilled spirit product manufactured on site, which requires a federal certificate and label approval by the Federal Alcohol Administrative Act or regulations.

The bill provides that a craft distillery may only sell and deliver distilled spirits to consumers within the state in a face-to-face transaction at the distillery property.

The bill provides that a craft distillery may be affiliated with another distillery that produces 75,000 gallons or fewer on each of its premises in this state or in another state, territory, or country. The bill permits the Florida Department of Transportation to install a directional sign to a brewery at the request and expense of the distillery.

If approved by the Governor, these provisions take effect July 1, 2015.
Vote: Senate 39-0; House 118-1

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Committee on Regulated Industries

CS/CS/SB 608 — Real Estate Brokers and Appraisers

by Fiscal Policy Committee; Regulated Industries Committee; and Senator Stargel

The bill authorizes the Florida Real Estate Commission (commission) within the Department of Business and Professional Regulation (department) to adopt rules to permit a real estate brokerage to register a broker on a temporary, emergency basis if the sole broker of a brokerage dies or is unexpectedly unable to remain a broker.

The bill clarifies that the exemption to post-licensure education and the education course requirements applies to persons who have received a four year degree, or higher, in real estate from an accredited institution of higher education.

The bill authorizes the commission to reinstate the license of an individual that has become void if the commission determines that the individual failed to comply because of illness or economic hardship, as defined by rule. The individual must apply for reinstatement within 6 months after the license becomes void.

The bill specifies the work file documentation that appraisers and registered appraisal management companies must retain and requires that the appraiser's work file must meet the standards of the Appraisal Standards Board of the Appraisal Foundation, as established by rule of the Florida Real Estate Appraisal Board (board) within the department. The bill deletes the prohibition that the department cannot inspect or copy the records of an appraisal management company except in connection with a pending investigation or complaint.

The bill deletes the requirement of a written agreement between Florida and other states for the reciprocal licensing of out-of-state appraisers.

If approved by the Governor, these provisions take effect July 1, 2015.
Vote: Senate 39-0; House 115-0

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Committee on Regulated Industries

CS/HB 641 — Amusement Games or Machines

by Regulatory Affairs Committee and Rep. Trumbull and others (CS/CS/SB 268 by Finance and Tax Committee; Regulated Industries Committee; and Senators Stargel, Latvala, and Abruzzo)

The bill creates section 546.10, F.S., to specify types of amusement games, methods for activating amusement games, the award of coupons, points, or prizes, limits upon prize values, and locations authorized for the operation of amusement games. The bill:

- Includes a statement of legislative intent to ensure that provisions regulating amusement games or machines are not subject to abuse or interpreted in any manner as creating an exception to Florida's general prohibitions against gambling;
- Provides that in addition to the use of a coin, an amusement game may be activated by currency, card (not a credit or debit card), coupon, point, slug, token, or similar device, and is played by application of skill;
- Provides for the classification of amusement games as Types A, B, or C:
  - Type A amusement games enable a player to receive free replays of the game without further activation or payment for a game (up to a maximum of 15 accumulated replays); no tickets or merchandise may be awarded to the player;
  - Type B amusement games enable a player to receive a coupon or point that may be accumulated and used to redeem merchandise onsite;
  - Type C amusement games allow a player to manipulate a claw or similar device within an enclosure and receive merchandise directly from the game.
- Increases the maximum redemption value of coupons or points a player may receive for a single play of a Type B amusement game from 75 cents to $5.25, with a maximum value of 100 times that amount ($525) for an item of merchandise that may be obtained onsite using accumulated coupons or points won by a player;
- Increases the maximum wholesale cost of merchandise dispensed directly to a player by a Type C amusement game to 10 times that amount ($52.50).
- Provides for the maximum values to be adjusted annually, based on changes in the consumer price index, beginning January 1, 2018; and
- Increases the authorized locations for amusement games to be operated:
  - Type A amusement games may be operated at any location;
  - Type B amusement games may be operated at:
    - A facility as defined in s. 721.05(17), F.S., that is under the control of a timeshare plan;
    - A public lodging establishment or public food service establishment licensed pursuant to chapter 509, F.S.;
    - The following premises, if the owner or operator of the premises has a current license issued by the Department of Business and Professional Regulation pursuant to chapter 509, chapter 561, chapter 562, chapter 563, chapter 564, chapter 565, chapter 567, or chapter 568, F.S.:
      - An arcade amusement center;
      - A bowling center, as defined in s. 849.141, F.S.; or
      - A truck stop.

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- Type C amusement games may be operated at:
  - A facility as defined in s. 721.05(17), F.S., that is under the control of a timeshare plan;
  - An arcade amusement center;
  - A bowling center, as defined in s. 849.141, F.S.
  - The premises of a retailer, as defined in s. 212.02, F.S.
  - A public lodging establishment or public food service establishment licensed pursuant to chapter 509, F.S.
  - A truck stop; or
  - The premises of a veterans' service organization granted a federal charter under Title 36, U.S.C., or a division, department, post, or chapter of such organization, for which an alcoholic beverage license has been issued.
- Limits actions to enjoin the operation of an amusement game for alleged violation of s. 546.10, F.S., or chapter 849, F.S., to the Florida Attorney General, state attorneys, certain sovereign tribes, the Florida Department of Agriculture and Consumer Services, the Florida Department of Business and Professional Regulation, and certain substantially affected persons.
- Provides for additional sanctions for violation of s. 546.10, F.S., in addition to other existing civil, administrative, and criminal sanctions.

If approved by the Governor, these provisions take effect July 1, 2015.
Vote: Senate 39-1; House 113-0

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CS/CS/CS/HB 643 — Termination of a Condominium Association

by Judiciary Committee; Business and Professions Subcommittee; Civil Justice Subcommittee; and Reps. Sprowls, Grant, and others (CS/CS/CS/SB 1172 by Fiscal Policy Committee; Judiciary Committee; Regulated Industries Committee; and Senator Latvala)

The bill revises the requirements for the optional termination of condominiums. Current law permits a condominium to be terminated at any time if a plan of termination is approved by 80 percent of the condominium's total voting interests and no more than 10 percent of the total voting interests reject the termination. The bill provides that, if 10 percent or more of the voting interests of a condominium reject a plan of termination, another termination may not be considered for 18 months.

The bill prohibits condominiums that have been created pursuant to the condominium conversion procedures in Part VI of ch. 718, F.S., from undertaking an optional plan of termination until 5 years after the conversion.

The bill provides the following conditions and limitations for the termination of a condominium if at the time the plan of termination is recorded, at least 80 percent of the total voting interests are owned by a bulk owner or a bulk owner with an entity which would be considered an insider under s. 726.102, F.S.:

- Upon timely request, unit owners must be allowed to retain possession of units and lease their former units for 12 months after the effective date of the termination if the units are offered to the public;
- Any unit owner whose unit was granted homestead exemption must be paid a relocation payment equal to 1 percent of the termination proceeds allocated to the unit;
- Unit owners other than the bulk owner must be paid at least 100 percent of the fair market value of their units as determined by one or more independent appraisers;
- The fair market value for a unit of an owner who was an original purchaser from the developer and who dissented or objected to the plan of termination must be at least the original purchase price paid for the unit; and
- The plan of termination must provide the manner by which each first mortgage on a unit will be satisfied in full at the time the plan is implemented.

Before a plan of termination can be presented to the unit owners for consideration the following disclosures must be made in a sworn statement:

- The identity of any person owning or controlling 50 percent or more of the condominium units or if owned by an artificial entity, the person who owns or controls it and the person who owns or controls 20 percent of the entity that constitutes the bulk owner;
- The units acquired by the bulk owner, the date of acquisition and the price of each unit; and
- The relationship of any board member to the bulk owner.

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If members of the board are elected by the bulk owner, other unit owners may elect at least one-third of the board before approval of any plan of termination.

It provides for termination of common elements, withdrawal of the plan, correction of errors, and valuation of the common elements in the plan of termination.

The bill provides timeframes for objections to the plan of termination, including plans approved at a meeting and plans approved by a written consent or joinder.

The bill permits unit owners to contest a plan of termination by petitioning the Division of Florida Condominiums, Timeshares, and Mobile Homes for mandatory nonbinding arbitration. It repeals the unit owners' right to contest the plan of termination in a court by initiating a summary procedure pursuant to s. 51.011, F.S. Unit owners may contest the fairness and reasonableness of the apportionment of the proceeds from the sale, that the first mortgages of unit owners will not be fully satisfied, or that the required vote was not obtained.

If approved by the Governor, these provisions take effect upon becoming law.
Vote: Senate 38-0; House 117-0

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Committee on Regulated Industries

CS/CS/SB 716 — Public Records/Animal Medical Records

by Governmental Oversight and Accountability Committee; Regulated Industries Committee; and Senators Hays, Soto, and Diaz de la Portilla

The bill makes animal medical records held by any state college of veterinary medicine accredited by the American Veterinary Medical Association Council on Education confidential and exempt from public inspection and copying.

In addition, the bill makes medical records that are transferred by a records owner in connection with official business by any accredited state college of veterinary medicine confidential and exempt from disclosure. Confidential and exempt animal medical records may be disclosed to another governmental entity in the performance of its duties and responsibilities and as provided by current law governing veterinary medical records. The bill provides a public necessity statement justifying the exemption pursuant to s. 24(c), Art. I, of the State Constitution, and includes a finding that the exemption permits eligible veterinary colleges to effectively and efficiently carry out their mission to educate veterinary medicine students.

The bill provides that the public record exemption is subject to the Open Government Sunset Review Act and stands repealed on October 2, 2020, unless reviewed and saved from repeal through reenactment by the Legislature.

If approved by the Governor, these provisions take effect July 1, 2015.
Vote: Senate 37-1; House 116-0

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Committee on Regulated Industries

CS/CS/HB 791 — Residential Properties

by Finance and Tax Committee; Civil Justice Subcommittee; and Rep. Moraitis, Fitzenhagan, and others (CS/CS/CS/SB 748 by Fiscal Policy Committee; Judiciary Committee; Regulated Industries Committee; and Senator Ring)

The bill relates to the governance of condominium, cooperative, and homeowners' associations (community associations).

The bill permits corporations not for profit to use a copy, facsimile, or other reliable reproduction of the original proxy for any purpose for which the original proxy could be used if it is a complete reproduction of the entire proxy. In current law, community associations may be corporations for profit or corporations not for profit.

For condominium associations, the bill:

- Provides that, in cases where damage to condominium property is not the result of an insurable event, the maintenance provisions of the declaration or bylaws determine whether the association or the unit owners are responsible for the repair or replacement;
- Provides that, for the period before turnover of control, the developer's vote to reduce or waive the funding of reserves is based on the developers voting interests allocated to its units;
- Permits the condominium association to file a lien on unpaid administrative late fees; and
- Extends from July 1, 2016 to July 1, 2018 the date before which condominium parcels must be purchased to qualify as a bulk assignee or bulk buyer.

For cooperative associations, the bill provides that neither the authorized designee of the cooperative association or persons residing in the home of the board's designee may sit on the committee charged with determining whether to confirm or reject the fine or suspension levied by the board.

For homeowners' associations, the bill prohibits designees of the board and persons who reside with the designee of the board from sitting on the committee charged with reviewing fines and penalties against members of the association.

For condominium and cooperative associations, the bill provides that the priority provisions for applying a homeowner's payments to a monetary obligation in ss. 718.116(3) and 719.108, (3), F.S., respectively, apply notwithstanding any negotiated instrument resolving a dispute on the debt or any purported accord and satisfaction.

For condominium and homeowners' associations, the bill provides that, when voting rights are suspended, the total number of voting interests of the association must be reduced by the number of suspended voting interests when calculating the total percentage or number required to take or approve any action, and that the suspended voting interests may not be used for any purpose.

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For condominium, cooperative, and homeowners' associations, the bill:

- Permits associations to provide electronic notice of unit owner and board meetings without having specific authority in the bylaws of the association for giving notice by electronic transmission;
- Creates a mechanism for Internet-based online voting in condominium, cooperative, and homeowners' associations;
- Permits associations to file a lien on unpaid administrative late fees; and
- Clarifies that it is the board of the association that levies any fines and that the role of the impartial committee is limited to determining whether to confirm or reject the fine or suspension levied by the board.

Regarding homeowners' associations, the bill provides that:

- The board may not levy a fine exceeding $100, unless otherwise provided in the association's governing documents;
- Members that fail to pay a fine may be suspended from the board of directors or barred from running for a seat on the board;
- Chapter 720, F.S., may be cited as the "Homeowners' Association Act;" and
- The association's failure to timely provide notice of the recording of the amendment does not affect the validity or enforceability of the amendment.

If approved by the Governor, these provisions take effect July 1, 2015.
Vote: Senate 39-0; House 98-17

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