

Committee on Regulated Industries

CS/CS/CS/HB 1195, 1st Eng. — Condominium, Cooperative, and Homeowners' Associations

by Judiciary Committee; Economic Affairs Committee; Civil Justice Subcommittee; and Reps. Moraitis and Grant (CS/CS/CS/SB 530 by Budget Committee; Community Affairs Committee; Regulated Industries Committee; and Senators Fasano and Sachs)

The bill clarifies existing law relating to the installation of manual fire alarm systems for condominiums, cooperatives, or multifamily residential buildings that are less than four stories. It revises laws related to condominium, homeowner, and cooperative associations (community associations). The bill amends provisions that are applicable to each type of community association.

The bill makes the following changes for all community associations:

- Provides for the suspension of use rights and election rights of unit or parcel owners who are more than 90 days delinquent in the payment of a monetary obligation and for failure to comply with the association's governing documents;
- Provides for the suspension of use rights and election rights of unit or parcel owners who are more than 90 days delinquent in the payment of a monetary obligation; and
- In regards to the association's collection of unpaid monetary obligations from a unit or parcel owner's tenant, the bill specifies the statutory form for the written notice that the association must provide to the tenant if the association demands that the tenant make rental payments to the community association rather than to the unit or parcel owner.

For condominium and homeowners' associations the bill provides that an association that acquires title to a unit through the foreclosure of its lien for assessment is not liable for any unpaid assessments, late fees, interest, or reasonable attorney's fees and costs that came due before the acquisition of title in favor of any other condominium association or homeowners' association which holds superior lien interest on the unit or parcel.

Regarding condominium associations, the bill:

- Includes unit owner facsimile numbers as a record to be maintained by the association;
- Permits condominium unit owners to consent to the disclosure of protected information, e.g., name and telephone numbers for a membership directory;
- Permits unit owners to have access to written employment agreements or budgetary or financial records that indicate the compensation paid to an association employee;
- Permits condominium associations to hold closed meetings to discuss personnel matters;
- Authorizes condominium association boards to install impact glass or other code-compliant windows;
- Provides that the newly elected or appointed board members may, in lieu of the written certification, submit a certificate of having satisfactorily completed an educational

curriculum on condominium law within one year before or 90 days after the date of election or appointment;

- Requires a vote of, or written consent by, a majority of the total voting interests of an association in order to enter into agreements and to acquire leaseholds, memberships and other possessory or use interests in lands or facilities;
- Provides for the partial termination of a condominium property;
- Provides for the termination of a condominium property by a unit owner upon filing a petition seeking equitable relief in instances in which the condominium includes units and timeshare estates where improvements have been totally destroyed or demolished; and
- Revises provisions related to bulk assignees and bulk buyers.

Regarding homeowners' associations, the bill:

- Clarifies the definition of "declaration of covenants";
- Permits parcel owners to consent to the disclosure of protected information, e.g., names and telephone numbers for a membership directory;
- Permits unit owners to have access to written employment agreements or budgetary or financial records that indicate the compensation paid to an association employee;
- Provides limitations on who may serve on the board of directors of a homeowners' association; and
- Authorizes and provides procedures for homeowners' associations to contract for communications, information, or Internet services on a bulk rate basis.

If approved by the Governor, these provisions take effect July 1, 2011.

Vote: Senate 38-0; House 113-1