## Amendment No. \_\_\_\_ (for drafter's use only)

	CHAMBER ACTION <u>Senate</u> <u>House</u>
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5	ORIGINAL STAMP BELOW
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11	Representative(s) Kyle offered the following:
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13	Amendment (with title amendment)
14	Remove from the bill: Everything after the enacting clause
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16	and insert in lieu thereof:
17	Section 1. Subsection (7) is repealed and paragraph
18	(d) of subsection (2), paragraph (a) of subsection (4), and
19	subsection (6) of section 20.165, Florida Statutes, are
20	amended to read:
21	20.165 Department of Business and Professional
22	RegulationThere is created a Department of Business and
23	Professional Regulation.
24	(2) The following divisions of the Department of
25	Business and Professional Regulation are established:
26	(d) Division of <del>Florida Land Sales,</del> Condominiums,
<ul><li>27</li><li>28</li></ul>	<u>Timeshare</u> , and Mobile Homes.  (4)(a) The following boards are established within the
28 29	Division of Professions:
30	1. Board of Architecture and Interior Design, created
31	under part I of chapter 481.
JΙ	under pare i or chapter 401.

Florida Board of Auctioneers, created under part VI 1 2 of chapter 468. 3 Barbers' Board of Barbering and Cosmetology, 4 created under chapter 476. 5 Florida Building Code Administrators and Inspectors 6 Board, created under part XII of chapter 468. 7 5. Construction Industry Licensing Board, created 8 under part I of chapter 489. 6. Board of Cosmetology, created under chapter 477. 9 10 6.7. Electrical Contractors' Licensing Board, created 11 under part II of chapter 489. 12 7.8. Board of Employee Leasing Companies, created 13 under part XI of chapter 468. 14 8.9. Board of Funeral Directors and Embalmers, created 15 under chapter 470. 16 9.<del>10.</del> Board of Landscape Architecture, created under 17 part II of chapter 481. 18 10.<del>11.</del> Board of Pilot Commissioners, created under chapter 310. 19 20 11.<del>12.</del> Board of Professional Engineers, created under 21 chapter 471. 22 12.<del>13.</del> Board of Professional Geologists, created under 23 chapter 492. 24 13.14. Board of Professional Surveyors and Mappers, 25 created under chapter 472. 14.<del>15.</del> Board of Veterinary Medicine, created under 26 27 chapter 474. 28 (6) Each board with five or more than seven members 29 shall have at least two consumer members who are not, and have

never been, members or practitioners of the profession

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Each board with <u>seven or</u> fewer than five members shall have at least one consumer member who is not, and has never been, a member or practitioner of the profession regulated by such board or of any closely related profession.

(7) No board, with the exception of joint coordinatorships, shall be transferred from its present location unless authorized by the Legislature in the General Appropriations Act.

Section 2. Section 326.001, Florida Statutes, is amended to read:

326.001 Short title.--<u>This chapter</u> Sections

326.001-326.006 may be cited as the "Yacht and Ship Brokers'

Act."

Section 3. Section 326.002, Florida Statutes, is amended to read:

326.002 Definitions.--As used in this chapter  $\frac{1}{326.001-326.006}$ , the term:

- (1) "Broker" means a person who, for or in expectation of compensation: sells, offers, or negotiates to sell; buys, offers, or negotiates to buy; solicits or obtains listings of; or negotiates the purchase, sale, or exchange of, yachts for other persons.
- (2) "Department" "Division" means the Division of Florida Land Sales, Condominiums, and Mobile Homes of the Department of Business and Professional Regulation.
- (3) "Salesperson" means a person who, for or in expectation of compensation, is employed by a broker to perform any acts of a broker.
- (4) "Yacht" means any vessel which is propelled by sail or machinery in the water which exceeds 32 feet in length, and which weighs less than 300 gross tons.

"Person" means an individual, partnership, firm, 1 2 corporation, association, or other entity. 3 Section 4. Section 326.003, Florida Statutes, is 4 amended to read: 5 326.003 Administration. -- The department division 6 shall: 7 (1) Administer ss. 326.001-326.006 and collect fees 8 sufficient to administer this chapter ss. 326.001-326.006. (2) Adopt rules pursuant to ss. 120.536(1) and 120.54 9 10 necessary to administer this chapter implement ss. 326.001-326.006 and to classify brokers and salespersons and 11 12 regulate their activities. 13 (3) Enforce the provisions of this chapter ss. 14 326.001-326.006 against any person who operates as a broker or 15 salesperson without a license. Section 5. Section 326.004, Florida Statutes, is 16 17 amended to read: 326.004 Licensing.--18 (1) A person may not act as a broker or salesperson 19 20 unless licensed under the Yacht and Ship Brokers' Act. department division shall adopt rules establishing a procedure 21 for the biennial renewal of licenses. 22 (2) A broker may not engage in business as a broker 23 24 under a fictitious name unless his or her license is issued in 25 such name. (3) A license is not required for: 26 27 A person who sells his or her own yacht. (b) An attorney at law for services rendered in his or 28 29 her professional capacity.

a court order.

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(c) A receiver, trustee, or other person acting under

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- (d) A transaction involving the sale of a new yacht.
- (e) A transaction involving the foreclosure of a security interest in a yacht.
- (4) Any person who purchases a used yacht for resale must transfer title to such yacht into his or her name and maintain the title or bill of sale in his or her possession to be exempt from licensure.
- (5) The <u>department</u> <u>division</u> by rule shall establish fees for application, initial licensing, biennial renewal, and reinstatement of licenses in an amount not to exceed \$500. The fees must be set in an amount that is adequate to proportionately fund the expenses of the <u>department</u> <u>division</u> in <u>this chapter</u> <u>ss. 326.001-326.006</u>.
- (6) The <u>department</u> <u>division</u> may deny a license <u>or</u> <u>license renewal</u> to any applicant who does not:
- (a) Furnish proof satisfactory to the <u>department</u> division that he or she is of good moral character.
- (b) Certify that he or she has never been convicted of a felony.
- (c) Post the bond required by the Yacht and Ship Brokers' Act.
- (d) Demonstrate that he or she is a resident of this state or that he or she conducts business in this state.
- (e) Furnish a full set of fingerprints taken within the 6 months immediately preceding the submission of the application.
- (f) Have a current license and has operated as a broker or salesperson without a license.
- (7)(a) Before any license may be issued to a yacht or ship broker, he or she must deliver to the <u>department</u> division a good and sufficient surety bond or irrevocable letter of

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credit, executed by the broker as principal, in the sum of \$25,000.

- (b) Surety bonds and irrevocable letters of credit must be in a form to be approved by the department division and must be conditioned upon the broker complying with the terms of any written contract made by such broker in connection with the sale or exchange of any yacht or ship and not violating any of the provisions of the Yacht and Ship Brokers' Act in the conduct of the business for which he or she is licensed. The bonds and letters of credit must be delivered to the department division and in favor of any person in a transaction who suffers any loss as a result of any violation of the conditions in this chapter ss. 326.001-326.006. When the department division determines that a person has incurred a loss as a result of a violation of the Yacht and Ship Brokers' Act, it shall notify the person in writing of the existence of the bond or letter of credit. The bonds and letters of credit must cover the license period, and a new bond or letter of credit or a proper continuation certificate must be delivered to the department division at the beginning of each license period. However, the aggregate liability of the surety in any one year may not exceed the sum of the bond or, in the case of a letter of credit, the aggregate liability of the issuing bank may not exceed the sum of the credit.
- (c) Surety bonds must be executed by a surety company authorized to do business in the state as surety, and irrevocable letters of credit must be issued by a bank authorized to do business in the state as a bank.
- (d) Irrevocable letters of credit must be engaged by a bank as an agreement to honor demands for payment as specified

in this section.

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The security for a broker must remain on deposit for a period of 1 year after he or she ceases to be a broker.

- (8) A person may not be licensed as a broker unless he or she has been a salesperson for at least 2 consecutive years, and may not be licensed as a broker after October 1, 1990, unless he or she has been licensed as a salesperson for at least 2 consecutive years.
- (9) An applicant for a salesperson's license or its renewal must deposit with the <u>department</u> division a bond or equivalent securities in the sum of \$10,000 subject to the conditions in subsection (7).
- (10) Upon a final judgment being rendered against a yacht broker or salesperson for a violation of this chapter ss. 326.001-326.006 which results in any action being commenced on the bond or letter of credit, the department division may require the filing of a new bond or letter of credit and immediately on the recovery in any action on such bond or letter of credit, the broker or salesperson involved must file a new bond or letter of credit. His or her failure to do so within 10 days constitutes grounds for the suspension or revocation of his or her license.
- (11) Any person injured by the fraud, deceit, or willful negligence of any broker or salesperson or by the failure of any broker or salesperson to comply with the Yacht and Ship Brokers' Act or other law may file an action for damages upon the respective bonds against the principals and the surety.
- (12) If a surety notifies the <u>department</u> division that it is no longer the surety for a licensee, the department

division shall notify the licensee of such withdrawal by certified mail, return receipt requested, addressed to the licensee's principal office. Upon the termination of such surety the licensee's license is automatically suspended until he or she files a new bond with the department division.

- (13) Each broker must maintain a principal place of business in this state and may establish branch offices in the state. A separate license must be maintained for each branch office. The <u>department</u> <u>division</u> shall establish by rule a fee not to exceed \$100 for each branch office license.
- (14)(a) Each license must be prominently displayed in the office of the broker.
- (b) Each salesperson's license must remain in the possession of the employing broker until canceled or until the salesperson leaves such employment. Immediately upon a salesperson's withdrawal from the employment of a broker, the broker must return the salesperson's license to the <u>department division</u> for cancellation.
- (15) The <u>department</u> <u>division</u> shall provide by rule for the issuance of a temporary 90-day license to an applicant while the Florida Department of Law Enforcement <u>and the Federal Bureau of Investigation conduct conducts</u> a national criminal history analysis of the applicant by means of fingerprint identification.

Section 6. Section 326.006, Florida Statutes, is amended to read:

326.006 Powers and duties of department division.--

- (1) Proceedings under the Yacht and Ship Brokers' Act shall be conducted pursuant to chapter 120.
- (2) The <u>department may</u> division has the power to enforce and ensure compliance with the provisions of this

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chapter and rules adopted under this chapter relating to the sale and ownership of yachts and ships. In performing its duties, the <u>department</u> <u>division</u> has the following powers and duties:

- (a) The <u>department</u> <u>division</u> may make necessary public or private investigations within or outside this state to determine whether any person has violated this chapter or any rule or order issued under this chapter, to aid in the enforcement of this chapter, or to aid in the adoption of rules or forms under this chapter.
- (b) The <u>department</u> <u>division</u> may require or permit any person to file a statement in writing, under oath or otherwise, as the <u>department</u> <u>division</u> determines, as to the facts and circumstances concerning a matter to be investigated.
- (c) For the purpose of any investigation under this chapter, the secretary of the department division director or any officer or employee designated by the secretary division director may administer oaths or affirmations, subpoena witnesses and compel their attendance, take evidence, and require the production of any matter that is relevant to the investigation, including the existence, description, nature, custody, condition, and location of any books, documents, or other tangible things and the identity and location of persons having knowledge of relevant facts or any other matter reasonably calculated to lead to the discovery of material Upon the failure by a person to obey a subpoena or to answer questions propounded by the department investigating officer and upon reasonable notice to all persons affected thereby, the department division may apply to the circuit court for an order compelling compliance, may impose a civil

## penalty, and may suspend or revoke the licensee's license.

- (d) Notwithstanding any remedies available to a yacht or ship purchaser, if the <u>department</u> <u>division</u> has reasonable cause to believe that a violation of any provision of this chapter or rule adopted under this chapter has occurred, the <u>department</u> <u>division</u> may institute enforcement proceedings in its own name against any broker or salesperson or any of his or her assignees or agents, or against any unlicensed person or any of his or her assignees or agents, as follows:
- 1. The <u>department</u> <u>division</u> may permit a person whose conduct or actions are under investigation to waive formal proceedings and enter into a consent proceeding whereby orders, rules, or letters of censure or warning, whether formal or informal, may be entered against the person.
- 2. The <u>department</u> <u>division</u> may issue an order requiring the broker or salesperson or any of his or her assignees or agents, or requiring any unlicensed person or any of his or her assignees or agents, to cease and desist from the unlawful practice and take such affirmative action as in the judgment of the <u>department</u> <u>division</u> will carry out the purposes of this chapter.
- 3. The <u>department</u> <u>division</u> may bring an action in circuit court on behalf of a class of yacht or ship purchasers for declaratory relief, injunctive relief, or restitution.
- 4. The <u>department</u> <u>division</u> may impose a civil penalty against a broker or salesperson or any of his or her assignees or agents, or against an unlicensed person or any of his or her assignees or agents, for any violation of this chapter or a rule adopted under this chapter. A penalty may be imposed for each day of continuing violation, but in no event may the penalty for any offense exceed \$10,000. All amounts collected

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must be deposited with the Treasurer to the credit of the <a href="Professional Regulation">Professional Regulation</a> Division of Florida Land Sales,
Condominiums, and Mobile Homes Trust Fund. If a broker,
salesperson, or unlicensed person working for a broker, fails to pay the civil penalty, the department division shall thereupon issue an order suspending the broker's license until such time as the civil penalty is paid or may pursue enforcement of the penalty in a court of competent jurisdiction. The order imposing the civil penalty or the order of suspension may not become effective until 20 days after the date of such order. Any action commenced by the department division must be brought in the county in which the department division has its executive offices or in the county where the violation occurred.

- (e) The <u>department</u> <u>division</u> may suspend or revoke the license of a broker or salesperson who:
- 1. Makes a substantial and intentional misrepresentation, with respect to a transaction involving a yacht, upon which any person has relied.
- 2. Makes a false warranty, with respect to a transaction involving a yacht, of a character likely to influence, persuade, or induce any person with whom business is transacted.
- 3. Engages in continued misrepresentation or makes false warranties with respect to transactions involving a yacht, whether or not relied upon by another person.
- 4. Acts for both the buyer and seller in a transaction involving a yacht without the knowledge and written consent of both parties.
- 5. Commingles the money or other property of his or her principal with his or her own.

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- 6. Commits fraud or dishonest acts in the conduct of any transaction involving a yacht.

  7. Allows an unlicensed person to use his or her name
  - 7. Allows an unlicensed person to use his or her name to evade the provisions of the Yacht and Ship Brokers' Act.
  - 8. Violates any law governing the transactions involving a yacht, including any provision relating to the collection or payment of sales or use taxes.
  - $\underline{9}$ . Engages in acts that are evidence of a lack of good moral character.
    - 10. Is convicted of a felony.
  - (f) The <u>department</u> <u>division</u> may suspend or revoke the license of a broker or salesperson who has:
  - 1. Procured a license for himself or herself or another by fraud, misrepresentation, falsification, or deceit.
  - 2. Been found guilty of a felony or a crime of moral turpitude.
  - 3. Had a license or registration revoked, suspended, or sanctioned in another state.
  - (3) All fees must be deposited in the <u>Professional</u>

    <u>Regulation</u> <del>Division of Florida Land Sales, Condominiums, and Mobile Homes</del> Trust Fund as provided by law.

Section 7. The regulation of yacht and ship brokers and salespersons is reassigned within the Department of Business and Professional Regulation from the Division of Florida Land Sales, Condominiums, and Mobile Homes to the Division of Professions. All funds collected by the department pursuant to the regulation of yacht and ship brokers and salespersons and all funds in the account created within the Florida Land Sales, Condominiums, and Mobile Homes Trust Fund for such regulation shall be deposited in an account created

within the Professional Regulation Trust Fund for the same

purpose. 1 2 Section 8. Effective upon this act becoming a law, 3 section 399.061, Florida Statutes, is amended to read: 4 399.061 Inspections; correction of deficiencies.--5 (1)(a) All elevators or other conveyances subject to 6 this chapter must be annually inspected by a certified 7 elevator inspector through a third-party inspection service, or by a municipality or county under contract with the 8 division pursuant to s. 399.13. If the elevator or other 9 10 conveyance is by a third-party inspection service certified as a qualified elevator inspector or maintained pursuant to a 11 12 service maintenance contract continuously in force, it shall 13 be inspected at least once every two years by a certified elevator inspector not employed by or otherwise associated 14 15 with the maintenance company; however, if the elevator is not an escalator or a dumbwaiter and the elevator serves only two 16 17 adjacent floors and is covered by a service maintenance contract, no inspection shall be required so long as the 18 service contract remains in effect. A statement verifying the 19 existence, performance, and cancellation of each service 20 maintenance contract must be filed annually with the division 21 22 as prescribed by rule. All elevators covered by a service 23 maintenance contract shall be inspected by a 24 certificate-of-competency holder at least once every 2 years; 25 however, if the elevator is not an escalator or a dumbwaiter and the elevator serves only two adjacent floors and is 26 27 covered by a service maintenance contract, no inspection shall be required so long as the service contract remains in effect. 28 29 (b) The division may inspect an elevator whenever

necessary to ensure its safe operation or when a third-party

inspection service is not available for routine inspection.

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- (2) The division <u>may</u> shall employ state elevator inspectors to conduct the inspections <u>as</u> required by subsection (1) <u>and may charge an inspection fee for each inspection sufficient to cover the costs of that inspection, as provided by rule</u>. Each state elevator inspector shall hold a certificate of competency issued by the division.
- (3) Whenever the division determines from the results of any inspection that, in the interest of the public safety, an elevator is in an unsafe condition, the division may seal the elevator or order the discontinuance of the use of the elevator until the division determines by inspection that such elevator has been satisfactorily repaired or replaced so that the elevator may be operated in a safe manner.
- (4) When the division determines that an elevator is in violation of this chapter, the division may issue an order to the elevator owner requiring correction of the violation.

Section 9. Effective July 1, 2001, subsection (1) of section 455.213, Florida Statutes, is amended, and subsections (11) and (12) are added to that section, to read:

455.213 General licensing provisions. --

(1) Any person desiring to be licensed shall apply to the department in writing. The application for licensure shall be made on a form prepared and furnished by the department and include the applicant's social security number.

Notwithstanding any other provision of law, the department is responsible for the printed or electronic content of all initial licensure and licensure renewal documents. Such

initial licensure and licensure renewal documents. Such documents must require information including as appropriate demographics, education, work history, personal background,

demographics, education, work history, personal background, criminal history, finances, business information, complaints,

inspections, investigations, discipline, bonding, signature

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notarization, photographs, performance periods, reciprocity, local government approvals, supporting documentation, periodic reporting requirements, fingerprint requirements, continuing education requirements, and ongoing education monitoring. The application shall be supplemented as needed to reflect any material change in any circumstance or condition stated in the application which takes place between the initial filing of the application and the final grant or denial of the license and which might affect the decision of the department. In order to further the economic development goals of the state, and notwithstanding any law to the contrary, the department may enter into an agreement with the county tax collector for the purpose of appointing the county tax collector as the department's agent to accept applications for licenses and applications for renewals of licenses. The agreement must specify the time within which the tax collector must forward any applications and accompanying application fees to the department. In cases where a person applies or schedules directly with a national examination organization or examination vendor to take an examination required for licensure, any organization- or vendor-related fees associated with the examination may be paid directly to the organization or vendor.

- (11) Any submission required to be in writing may be made by electronic means.
- (12) The department may not issue or renew a license to any person who is not in compliance with all provisions of a final order of a board or the department until that person is in compliance with all terms and conditions of the final order. The department may not issue or renew a license to any

31 person who is not in compliance with all legal obligations

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under this chapter or the relevant practice act, including, but not limited to, the obligation to pay all fees and assessments that are owed and to complete all continuing education requirements. This subsection applies to all divisions within the department.

Section 10. Section 455.224, Florida Statutes, is amended to read:

455.224 Authority to issue citations.--

- (1) Notwithstanding s. 455.225, the board or the department shall adopt rules to permit the issuance of citations. The citation shall be issued to the subject and shall contain the subject's name and address, the subject's license number if applicable, a brief factual statement, the sections of the law allegedly violated, and the penalty imposed. The citation must clearly state that the subject may choose, in lieu of accepting the citation, to follow the procedure under s. 455.225. If the subject disputes the matter in the citation, the procedures set forth in s. 455.225 must be followed. However, if the subject does not dispute the matter in the citation with the department within 30 days after the citation is served, the citation becomes a final order and constitutes discipline. The penalty shall be a fine or other conditions as established by rule.
- (2) The board, or the department when there is no board, shall adopt rules designating violations for which a citation may be issued. Such rules shall designate as citation violations those violations for which there is no substantial threat to the public health, safety, and welfare.
- (3) The department shall be entitled to recover the costs of investigation, in addition to any penalty provided according to board or department rule, as part of the penalty

levied pursuant to the citation.

- (4) A citation must be issued within 6 months after the filing of the complaint that is the basis for the citation.
- (5) Service of a citation may be made by personal service or certified mail, restricted delivery, to the subject at the subject's last known address.
- exclusive authority to, and shall adopt rules to, designate those violations for which the licensee is subject to the issuance of a citation and designate the penalties for those violations if any board fails to incorporate this section into rules by January 1, 1992. A board created on or after January 1, 1992, has 6 months in which to enact rules designating violations and penalties appropriate for citation offenses. Failure to enact such rules gives the department exclusive authority to adopt rules as required for implementing this section. A board has continuous authority to amend its rules adopted pursuant to this section.
- (7) Notwithstanding s. 455.017, any division within the department may establish a citation program pursuant to the provisions of this section in the enforcement of its regulatory provisions. Any citation issued by a division pursuant to this section must clearly state that the subject may choose, in lieu of accepting the citation, to follow the existing procedures established by law. If the subject does not dispute the matter in the citation with the division within 30 days after the citation is served, the citation becomes a final order and constitutes discipline. The penalty shall be a fine or other conditions as established by rule of the appropriate division.

1 Section 11. Subsections (10) and (11) of section 2 468.401, Florida Statutes, are amended to read: 3 468.401 Regulation of talent agencies; 4 definitions. -- As used in this part or any rule adopted 5 pursuant hereto: 6 (10) "Registration" "License" means a registration 7 license issued by the department of Business and Professional 8 Regulation to carry on the business of a talent agency under 9 this part. 10 (11) "Registrant" "Licensee" means a talent agency that which holds a valid unrevoked and unforfeited 11 12 registration license issued under this part. Section 12. Section 468.402, Florida Statutes, is 13 amended to read: 14 15 468.402 Operation of a talent agency Duties of the 16 department; authority to issue and revoke license; adoption of 17 rules.--18 It is unlawful to have The department may take any 19 one or more of the actions specified in subsection (5) against 20 any person who has: 21 (a) Obtained or attempted to obtain a registration any 22 license by means of fraud, misrepresentation, or concealment. (b) Violated any provision of this part, chapter 455, 23 24 any lawful disciplinary order of the department, or any rule 25 of the department. Been found guilty of, or entered a plea of nolo 26 27 contendere to, regardless of adjudication, a crime involving moral turpitude or dishonest dealings under the laws of this 28 29 state or any other state or government.

authorized, or knowingly permitted the making, printing,

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(d) Made, printed, published, distributed, or caused,

publication, or distribution of any false statement, description, or promise of such a character as to reasonably induce any person to act to his or her damage or injury, if such statement, description, or promises were purported to be performed by the talent agency and if the owner or operator then knew, or by the exercise of reasonable care and inquiry, could have known, of the falsity of the statement, description, or promise.

- (e) Knowingly committed or been a party to any material fraud, misrepresentation, concealment, conspiracy, collusion, trick, scheme, or device whereby any other person lawfully relying upon the work, representation, or conduct of the talent agency acts or has acted to his or her injury or damage.
- (f) Failed or refused upon demand to disclose any information, as required by this part, within his or her knowledge, or failed or refused to produce any document, book, or record in his or her possession for inspection as required by to the department or any authorized agent thereof acting within its jurisdiction or by authority of law.
- (g) Established the talent agency within any place where intoxicating liquors are sold, any place where gambling is permitted, or any house of prostitution.
- (h) Charged, collected, or received compensation for any service performed by the talent agency greater than specified in its schedule of maximum fees, charges, and commissions previously filed with the department.
- (i) Had a license <u>or registration</u> to operate a talent agency revoked, suspended, or otherwise acted against, including, but not limited to, having been denied a license <u>or</u> registration for good cause by the licensing authority of

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- (j) Willfully made or filed a report or record that the <u>registrant</u> <del>licensee</del> knew to be false, failed to file a report or record required by state or federal law, impeded or obstructed such filing, or induced another person to impede or obstruct such filing. Such reports or records shall include only those that are signed in the <u>registrant's</u> <del>licensee's</del> capacity as a registered <del>licensed</del> talent agency.
- (k) Advertised goods or services in a manner that was fraudulent, false, deceptive, or misleading in form or content.
- (1) Advertised, operated, or attempted to operate under a name other than the name appearing on the <u>registration</u> license.
- (m) Been found guilty of fraud or deceit in the operation of a talent agency.
- (n) Operated with a revoked, suspended, inactive, or delinquent registration <del>license</del>.
- (o) Permitted, aided, assisted, procured, or advised any unlicensed person to operate a talent agency contrary to this part or other law to a rule of the department.
- (p) Failed to perform any statutory or legal obligation placed on a <del>licensed</del> talent agency.
- (q) Practiced or offered to practice beyond the scope permitted by law or has accepted and performed professional responsibilities that the <u>registrant</u> <del>licensee</del> knows or has reason to know that he or she is not competent to perform.
- (r) Conspired with another licensee or with any other person to commit an act, or has committed an act, that would tend to coerce, intimidate, or preclude another <u>registrant</u> licensee from advertising his or her services.

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Solicited business, either personally or through an agent or through any other person, through the use of fraud or deception or by other means; through the use of misleading statements; or through the exercise of intimidation or undue influence. Exercised undue influence on the artist in such a manner as to exploit the artist for financial gain of the registrant licensee or a third party, which includes, but is not limited to, the promoting or selling of services to the artist. (2) The department may revoke any license that is issued as a result of the mistake or inadvertence of the department. (2)(3) The department may has authority to adopt rules pursuant to ss. 120.536(1) and 120.54 necessary to administer implement the provisions of this part. (3)<del>(4)</del> A revoked or suspended registration <del>license</del> must be returned to the department within 7 days after the time for appeal has elapsed. (4) (4) (5) Upon a finding of a violation of any one or more of the grounds enumerated in subsection (1) or any other section of this part, the department may take the following actions: (a) Deny an application for registration licensure as a talent agency. Permanently Revoke or suspend the registration license of a talent agency. (c) Impose an administrative fine, not to exceed

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\$5,000, for each count or separate offense.

(e) Issue a public reprimand.

(d) Require restitution.

conditions as the department may specify.

course of their employment with that person.

been revoked or otherwise disciplined.

or exclusively for one artist.

(f) Place the licensee on probation, subject to such

(5) (7) The department may deny a registration license

(6) A person shall be subject to the disciplinary

subsection (1) by that person's agents or employees in the

if any owner or operator listed on the application has been

468.403 Registration License requirements. --

or otherwise engage in or carry on the occupation of a talent agency in this state unless such person first registers with

procures a license for the talent agency from the department. However, a registration license is not required for a person

who acts as an agent for herself or himself, a family member,

be accompanied by an application fee set by the department not

to exceed \$300, plus the actual cost for fingerprint analysis

associated with a talent agency whose registration license has

Section 13. Section 468.403, Florida Statutes, is

(1) A person may not own, operate, solicit business,

(2) Each application for a registration license must

actions specified in subsection (5) for violations of

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(3)(a) Each owner of a talent agency if other than a

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investigating the applicant. Each application for a change of

corporation and each operator of a talent agency shall submit

to the department with the application for licensure of the agency a full set of fingerprints and a photograph of herself

operator must be accompanied by an application fee of \$150.

These fees are not refundable.

for each owner application, to cover the costs of

or himself taken within the preceding 2 years. The department shall conduct an examination of fingerprint records and police records.

- (b) Each owner of a talent agency that is a corporation shall submit to the department, with the application for licensure of the agency, a full set of fingerprints of the principal officer signing the application form and the bond form, and a full set of fingerprints of each operator, and a photograph of each taken within the preceding 2 years. The department shall conduct an examination of fingerprint records and police records.
  - (3)<del>(4)</del> Each application must include:
- (a) The name and address of the owner of the talent agency.
- (b) Proof of at least 1 year of direct experience or similar experience of the operator of such agency in the talent agency business or as a subagent, casting director, producer, director, advertising agency, talent coordinator, or musical booking agent.
- $\underline{\text{(b)}(c)}$  The street and number of the building or place where the talent agency is to be located.
- (5) The department shall investigate the owner of an applicant talent agency only to determine her or his ability to comply with this part and shall investigate the operator of an applicant talent agency to determine her or his employment experience and qualifications.
- (4) (6) If the applicant is other than a corporation, the application shall also include the names and addresses of all persons, except bona fide employees on stated salaries, financially interested, either as partners, associates, or profit sharers, in the operation of the talent agency in

question, together with the amount of their respective interest.

(5)(7) If the applicant is a corporation, the application shall include the corporate name and the names, residential addresses, and telephone numbers of all persons actively participating in the business of the corporation and shall include the names of all persons exercising managing responsibility in the applicant's or registrant's licensee's office.

(8) The application must be accompanied by affidavits of at least five reputable persons, other than artists, who have known or have been associated with the applicant for at least 3 years, stating that the applicant is a person of good moral character or, in the case of a corporation, has a reputation for fair dealing.

(6)(9) If any information in the application supplied to the department by the applicant or registrant licensee changes in any manner whatsoever, the applicant or registrant licensee shall submit such changes to the department within 30 days after the date of such change or after the date such change is known or should have been known to the applicant or registrant licensee.

Section 14. Section 468.404, Florida Statutes, is amended to read:

468.404 Registration License; fees; renewals.--

(1) The department by rule shall establish biennial fees for initial <u>registration</u> <u>licensing</u>, renewal of <u>registration</u> <u>license</u>, and reinstatement of <u>registration</u> <u>license</u>, none of which fees shall exceed \$400. The department may by rule establish a delinquency fee of no more than \$50.

The fees shall be adequate to proportionately fund the

expenses of the department which are allocated to the <a href="registering">regulation</a> of talent agencies and shall be based on the department's estimate of the revenue required to administer this part.

- (2) If one or more individuals on the basis of whose qualifications a talent agency registration license has been obtained cease to be connected with the agency for any reason, the agency business may be carried on for a temporary period, not to exceed 90 days, under such terms and conditions as the department provides by rule for the orderly closing of the business or the replacement and qualifying of a new owner or operator. The registrant's licensee's good standing under this part shall be contingent upon the department's approval of any such new owner or operator.
- (3) No <u>registration license</u> shall be valid to protect any business transacted under any name other than that designated <u>on in</u> the <u>registration license</u>, unless consent is first obtained from the department, unless written consent of the surety or sureties on the original bond required by s.

  468.408 is filed with the department, and unless the <u>registration license</u> is returned to the department for the recording thereon of such changes. A charge of \$25 shall be made by the department for the recording of authorization for each change of name or change of location.
- (4) No <u>registration</u> <del>license</del> issued under this part shall be assignable.

Section 15. Section 468.406, Florida Statutes, is amended to read:

468.406 Fees to be charged by talent agencies; rates; display.--

(1) Each talent agency applicant for a license shall

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maintain and provide to its artists or potential clients file with the application an itemized schedule of maximum fees, charges, and commissions which it intends to charge and collect for its services. This schedule may thereafter be raised only by notifying its artists filing with the department an amended or supplemental schedule at least 30 days before the change is to become effective. The schedule shall be posted in a conspicuous place in each place of business of the agency and shall be printed in not less than a 30-point boldfaced type, except that an agency that uses written contracts containing maximum fee schedules need not post such schedules.

(2) All money collected by a talent agency from an employer for the benefit of an artist shall be paid to the artist, less the talent agency's fee, within 5 business days after the receipt of such money by the talent agency. No talent agency is required to pay money to an artist until the talent agency receives payment from the employer or buyer.

Section 16. Section 468.407, Florida Statutes, is amended to read:

468.407 Registration License; content; posting. --

- (1) The talent agency <u>registration</u> <del>license</del> shall be valid for the biennial period in which issued and shall be in such form as may be determined by the department, but shall at least specify the name under which the applicant is to operate, the address of the place of business, the expiration date of the <u>registration</u> <del>license</del>, the full names and titles of the owner and the operator, and the number of the <u>registration</u> <del>license</del>.
- (2) The talent agency <u>registration</u> <del>license</del> shall at all times be displayed conspicuously in the place of business

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in such manner as to be open to the view of the public and subject to the inspection of all duly authorized officers of the state and county.

(3) If a <u>registrant</u> <del>licensee</del> desires to cancel his or her <u>registration</u> <del>license</del>, he or she must notify the department and forthwith return to the department the <u>registration</u> <del>license</del> so canceled. No <u>registration</u> <del>license</del> fee may be refunded upon cancellation of the registration <del>license</del>.

Section 17. Subsection (3) of section 468.410, Florida Statutes, is amended to read:

468.410 Prohibition against registration fees; referral.--

(3) A talent agency shall give each applicant a copy of a contract which lists the services to be provided and the fees to be charged. The contract shall state that the talent agency is <u>registered with</u> <u>regulated by</u> the department and shall list the address and telephone number of the department.

Section 18. Section 468.412, Florida Statutes, is amended to read:

468.412 Talent agency requirements regulations .--

- (1) A talent agency shall maintain a record sheet for each booking. This shall be the only required record of placement and shall be kept for a period of 1 year after the date of the last entry in the buyer's file.
- (2) Each talent agency shall keep records in which shall be entered:
- (a) The name and address of each artist employing such talent agency;
- (b) The amount of fees received from each such artist;

  and
  - (c) The employment in which each such artist is

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engaged at the time of employing such talent agency and the amount of compensation of the artist in such employment, if any, and the employments subsequently secured by such artist during the term of the contract between the artist and the talent agency and the amount of compensation received by the artist pursuant thereto. ; and

- (d) Other information which the department may require from time to time.
- (3) All books, records, and other papers kept pursuant to this act by any talent agency shall be open at all reasonable hours to the inspection of the department and its agents. Each talent agency shall furnish to the department, upon request, a true copy of such books, records, and papers, or any portion thereof, and shall make such reports as the department may prescribe from time to time.
- (3)(4) Each talent agency shall post in a conspicuous place in the office of such talent agency a printed copy of this part and of the rules adopted under this part. Such copies shall also contain the name and address of the officer charged with enforcing this part. The department shall furnish to talent agencies printed copies of any statute or rule required to be posted under this subsection.
- $\underline{(4)(5)}$  No talent agency may knowingly issue a contract for employment containing any term or condition which, if complied with, would be in violation of law, or attempt to fill an order for help to be employed in violation of law.
- (5) (6) No talent agency may publish or cause to be published any false, fraudulent, or misleading information, representation, notice, or advertisement. All advertisements of a talent agency by means of card, circulars, or signs, and in newspapers and other publications, and all letterheads,

receipts, and blanks shall be printed and contain the <a href="registered">registered</a> licensed name, department registration license number, and address of the talent agency and the words "talent agency." No talent agency may give any false information or make any false promises or representations concerning an engagement or employment to any applicant who applies for an engagement or employment.

(6)(7) No talent agency may send or cause to be sent any person as an employee to any house of ill fame, to any house or place of amusement for immoral purposes, to any place resorted to for the purposes of prostitution, to any place for the modeling or photographing of a minor in the nude in the absence of written permission from the minor's parents or legal guardians, the character of which places the talent agency could have ascertained upon reasonable inquiry.

(7)(8) No talent agency may divide fees with anyone, including, but not limited to, an agent or other employee of an employer, a buyer, a casting director, a producer, a director, or any venue that uses entertainment.

(8)(9) If a talent agency collects from an artist a fee or expenses for obtaining employment for the artist, and the artist fails to procure such employment, or the artist fails to be paid for such employment if procured, such talent agency shall, upon demand therefor, repay to the artist the fee and expenses so collected. Unless repayment thereof is made within 48 hours after demand therefor, the talent agency shall pay to the artist an additional sum equal to the amount of the fee.

(9) (10) Each talent agency must maintain a permanent office and must maintain regular operating hours at that office.

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Section 19. Section 468.413, Florida Statutes, is amended to read:

468.413 Unlawful acts Legal requirements; penalties.--

- (1) Each of the following acts constitutes a felony of the third degree, punishable as provided in s. 775.082, s. 775.083, or s. 775.084:
- (a) Owning or operating, or soliciting business as, a talent agency in this state without first <u>registering with</u> <u>procuring a license from</u> the department.
- (b) Obtaining or attempting to obtain a <u>registration</u> license by means of fraud, misrepresentation, or concealment.
- (2) Each of the following acts constitutes a misdemeanor of the second degree, punishable as provided in s. 775.082 or s. 775.083:
- (a) Relocating a business as a talent agency, or operating under any name other than that designated on the registration license, unless written notification is given to the department and to the surety or sureties on the original bond, and unless the registration license is returned to the department for the recording thereon of such changes.
- (b) Assigning or attempting to assign a <u>registration</u> license issued under this part.
- (c) Failing to show on a <u>registration</u> <del>license</del> application whether or not the agency or any owner of the agency is financially interested in any other business of like nature and, if so, failing to specify such interest or interests.
- (d) Failing to maintain the records required by s. 468.409 or knowingly making false entries in such records.
- (e) Requiring as a condition to registering or obtaining employment or placement for any applicant that the

applicant subscribe to, purchase, or attend any publication, postcard service, advertisement, resume service, photography service, school, acting school, workshop, or acting workshop.

- (f) Failing to give each applicant a copy of a contract which lists the services to be provided and the fees to be charged, which states that the talent agency is <a href="registered with regulated by">registered with regulated by</a> the department, and which lists the address and telephone number of the department.
- (g) Failing to maintain a record sheet as required by  $s.\ 468.412(1)$ .
- (h) Knowingly sending or causing to be sent any artist to a prospective employer or place of business, the character or operation of which employer or place of business the talent agency knows to be in violation of the laws of the United States or of this state.
- (3) The court may, in addition to other punishment provided for in <u>subsection (1) or</u> subsection (2), suspend or revoke the <u>registration license</u> of any <u>person licensee</u> under this part who has been found guilty of any <u>violation of</u> subsection (1) or <u>misdemeanor listed in</u> subsection (2).
- attorney finds shall have probable cause to believe that a talent agency or other person has violated any provision of subsection (1) or subsection (2), an action may be brought by the department or any state attorney to enjoin such talent agency or any person from continuing such violation, or engaging therein or doing any acts in furtherance thereof, and for such other relief as to the court seems appropriate. In addition to this remedy, the department may permanently prohibit a person from operating or working for a talent agency assess a penalty against any talent agency or any

person in an amount not to exceed \$1,000.

(5) Any person injured by a prohibited act or practice in violation of this part may bring a civil action in circuit court for temporary or permanent injunctive relief and may seek appropriate civil relief, including, but not limited to, a civil penalty not to exceed \$5,000 for each violation, restitution and treble damages for injured parties, and court costs and reasonable attorney's fees.

Section 20. Section 468.414, Florida Statutes, is amended to read:

468.414 Collection and deposit of moneys; appropriation.—Proceeds from the fines, fees, and penalties imposed pursuant to this part shall be deposited in the Professional Regulation Trust Fund, created by s. 215.37.

Section 21. Section 468.415, Florida Statutes, is amended to read:

468.415 Sexual misconduct in the operation of a talent agency.—The talent agent—artist relationship is founded on mutual trust. Sexual misconduct in the operation of a talent agency means violation of the talent agent—artist relationship through which the talent agent uses the relationship to induce or attempt to induce the artist to engage or attempt to engage in sexual activity. Sexual misconduct is prohibited in the operation of a talent agency. If any agent, owner, or operator of a registered licensed talent agency is found to have committed sexual misconduct in the operation of a talent agency, the agency registration license shall be permanently revoked. Such agent, owner, or operator shall be permanently disqualified from present and future registration licensure as owner or operator of a Florida talent agency.

Section 22. Sections 468.405 and 468.408, Florida

## Statutes, are repealed.

Section 23. Subsection (7) of section 468.609, Florida Statutes, is amended to read:

468.609 Administration of this part; standards for certification; additional categories of certification.--

- (7)(a) The board may provide for the issuance of provisional certificates valid for such period, not less than 3 years nor more than 5 years, as specified by board rule, to any newly employed or promoted building code inspector or plans examiner who meets the eligibility requirements described in subsection (2) and any newly employed or promoted building code administrator who meets the eligibility requirements described in subsection (3).
- (b) No building code administrator, plans examiner, or building code inspector may have a provisional certificate extended beyond the specified period by renewal or otherwise.
- (c) The board may provide for appropriate levels of provisional certificates and may issue these certificates with such special conditions or requirements relating to the place of employment of the person holding the certificate, the supervision of such person on a consulting or advisory basis, or other matters as the board may deem necessary to protect the public safety and health.
- (d)1. A newly employed or hired person may perform the duties of a plans examiner or building code inspector for 90 days if a provisional certificate application has been submitted, provided such person is under the direct supervision of a certified building code administrator who holds a standard certification and who has found such person qualified for a provisional certificate. However,
  - 2. Direct supervision and the determination of

qualifications under this paragraph may be provided by a building code administrator who holds a limited or provisional certificate in any county with a population of less than 75,000 and in any municipality located within such a county.

3. Direct supervision under this paragraph may be provided in any county with a population of less than 75,000 and in any municipality within such county by telecommunication devices if the supervision is appropriate for the facts surrounding the performance of the duties being supervised.

Section 24. Subsection (4) of section 468.627, Florida Statutes, is amended to read:

468.627 Application; examination; renewal; fees.--

(4) Employees of local government agencies having responsibility for building code inspection, building construction regulation, and enforcement of building, plumbing, mechanical, electrical, gas, fire prevention, energy, accessibility, and other construction codes shall pay no application fees or examination fees. However, the fee charged by the examination contract vendor to the department for scheduling an examination of an employee of a local government shall be recovered from any employee who does not report for the scheduled examination. The department shall have the final approval for excusing applicants from a scheduled examination and may waive recovery of the fee in case of hardship.

Section 25. Subsection (1) of section 471.025, Florida Statutes, is amended to read:

471.025 Seals.--

(1) The board shall prescribe, by rule, the forms  $\frac{a}{b}$  form of seals seal to be used by registrants holding valid

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certificates of registration. Each registrant shall obtain at least one an impression-type metal seal in the form approved by board rule aforesaid and may, in addition, register his or her seal electronically in accordance with ss. 282.70-282.75. All final drawings, specifications, plans, reports, or documents prepared or issued by the registrant and being filed for public record and all final bid documents provided to the owner or the owner's representative shall be signed by the registrant, dated, and stamped with said seal. Such signature, date, and seal shall be evidence of the authenticity of that to which they are affixed. Drawings, specifications, plans, reports, final bid documents, or documents prepared or issued by a registrant may be transmitted electronically and may be signed by the registrant, dated, and stamped electronically with said seal in accordance with ss. 282.70-282.75.

Section 26. Section 472.001, Florida Statutes, is amended to read:

472.001 Purpose.--The Legislature deems it necessary to regulate surveyors and mappers as provided in <u>this chapter</u> ss. 472.001-472.041.

Section 27. Section 472.003, Florida Statutes, is amended to read:

472.003 <u>Exemptions</u> Persons not affected by ss.

472.001-472.041.--<u>This chapter does</u> Sections 472.001-472.041

do not apply to:

- (1) Any surveyor and mapper working as a salaried employee of the United States Government when engaged in work solely for the United States Government.
- (2) A registered professional engineer who takes or contracts for professional surveying and mapping services incidental to her or his practice of engineering and who

delegates such surveying and mapping services to a registered professional surveyor and mapper qualified within her or his firm or contracts for such professional surveying and mapping services to be performed by others who are registered professional surveyors and mappers under this chapter the provisions of ss. 472.001-472.041.

- (3) The following persons when performing construction layout from boundary, horizontal, and vertical controls that have been established by a registered professional surveyor and mapper:
- (a) Contractors performing work on bridges, roads, streets, highways, or railroads, or utilities and services incidental thereto, or employees who are subordinates of such contractors provided that the employee does not hold herself or himself out for hire or engage in such contracting except as an employee;
- (b) Certified or registered contractors licensed pursuant to part I of chapter 489 or employees who are subordinates of such contractors provided that the employee does not hold herself or himself out for hire or engage in contracting except as an employee; and
- (c) Registered professional engineers licensed pursuant to chapter 471 and employees of a firm, corporation, or partnership who are the subordinates of the registered professional engineer in responsible charge.
- (4) Persons employed by county property appraisers, as defined at s. 192.001(3), and persons employed by the Department of Revenue, to prepare maps for property appraisal purposes only, but only to the extent that they perform mapping services which do not include any surveying activities as described in s.  $472.005(4)\frac{(a)}{(a)}$  and  $\frac{(b)}{(b)}$ .

- (5)(a) Persons who are employees of any state, county, municipal, or other governmental unit of this state and who are the subordinates of a person in responsible charge registered under this chapter, to the extent that the supervision meets standards adopted by rule of the board, if any.

  (b) Persons who are employees of any employee leasing
- (b) Persons who are employees of any employee leasing company licensed pursuant to part XI of chapter 468 and who work as subordinates of a person in responsible charge registered under this chapter.
- (c) Persons who are employees of an individual registered or legal entity certified under this chapter and who are the subordinates of a person in responsible charge registered under this chapter, to the extent that the supervision meets standards adopted by rule of the board, if any.

Section 28. Section 472.005, Florida Statutes, is amended to read:

472.005 Definitions.--As used in this chapter  $\frac{1}{472.001-472.041}$ :

- (1) "Board" means the Board of Professional Surveyors and Mappers.
- (2) "Department" means the Department of Business and Professional Regulation.
- (3) "Surveyor and mapper" includes the term
  "professional surveyor and mapper" and means a person who is
  registered to engage in the practice of surveying and mapping
  under this chapter ss. 472.001-472.041. For the purposes of
  this subsection statute, a surveyor and mapper means a person
  who determines and displays the facts of size, shape,
- topography, tidal datum planes, legal or geodetic location or

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relation, and orientation of improved or unimproved real property through direct measurement or from certifiable measurement through accepted photogrammetric procedures.

- (4)(a) "Practice of surveying and mapping" means, among other things, any professional service or work, the adequate performance of which involves the application of special knowledge of the principles of mathematics, the related physical and applied sciences, and the relevant requirements of law for adequate evidence of the act of measuring, locating, establishing, or reestablishing lines, angles, elevations, natural and manmade features in the air, on the surface and immediate subsurface of the earth, within underground workings, and on the beds or surface of bodies of water, for the purpose of determining, establishing, describing, displaying, or interpreting the facts of size, shape, topography, tidal datum planes, legal or geodetic location or relocation, and orientation of improved or unimproved real property and appurtenances thereto, including acreage and condominiums.
- (b) The practice of surveying and mapping also includes, but is not limited to, photogrammetric control; the monumentation and remonumentation of property boundaries and subdivisions; the measurement of and preparation of plans showing existing improvements after construction; the layout of proposed improvements; the preparation of descriptions for use in legal instruments of conveyance of real property and property rights; the preparation of subdivision planning maps and record plats, as provided for in chapter 177; the determination of, but not the design of, grades and elevations of roads and land in connection with subdivisions or divisions of land; and the creation and perpetuation of alignments

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related to maps, record plats, field note records, reports, property descriptions, and plans and drawings that represent them.

- (5) The term "Surveyor and mapper intern" includes the term "surveyor-mapper-in-training" and means a person who complies with the requirements of this chapter provided by ss. 472.001-472.041 and who has passed an examination as provided by rules adopted by the board.
- (6) The term "Responsible charge" means direct control and personal supervision of surveying and mapping work, but does not include experience as a chainperson, rodperson, instrumentperson, ordinary draftsperson, digitizer, scriber, photo lab technician, ordinary stereo plotter operator, aerial photo pilot, photo interpreter, and other positions of routine work.
- (7) The term "License" means the registration of surveyors and mappers or the certification of businesses to practice surveying and mapping in this state.
- (8) "Photogrammetric mapper" means any person who engages in the practice of surveying and mapping using aerial or terrestrial photography or other sources of images.
- (9) "Employee" means a person who receives compensation from and is under the supervision and control of an employer who regularly deducts the F.I.C.A. and withholding tax and provides workers' compensation, all as prescribed by law.
- (10) "Subordinate" means an employee who performs work under the direction, supervision, and responsible charge of a person who is registered under this chapter.
- (11) "Monument" means an artificial or natural object that is permanent or semipermanent and used or presumed to

occupy any real property corner, any point on a boundary line, or any reference point or other point to be used for horizontal or vertical control.

(12) "Legal entity" means a corporation, partnership, association, or person practicing under a fictitious name who is certified under s. 472.021.

Section 29. Subsection (1) of section 472.011, Florida Statutes, is amended to read:

472.011 Fees.--

(1) The board, by rule, may establish fees to be paid for applications, examination, reexamination, licensing and renewal, inactive status application and reactivation of inactive licenses, recordmaking and recordkeeping, and applications for providers of continuing education. The board may also establish by rule a delinquency fee. The board shall establish fees that are adequate to ensure the continued operation of the board. Fees shall be based on department estimates of the revenue required to implement this chapter ss. 472.001-472.041 and the provisions of law with respect to the regulation of surveyors and mappers.

Section 30. Subsection (4) of section 472.015, Florida Statutes, is amended to read:

472.015 Licensure.--

(4) The department shall not issue a license by endorsement to any applicant who is under investigation in another state for any act that would constitute a violation of this chapter ss. 472.001-472.041 or chapter 455 until such time as the investigation is complete and disciplinary proceedings have been terminated.

Section 31. Subsection (1) of section 472.021, Florida Statutes, is amended to read:

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472.021 Certification of partnerships and corporations.--

(1) The practice of or the offer to practice surveying and mapping by registrants through a corporation or partnership offering surveying and mapping services to the public, or by a corporation or partnership offering said services to the public through registrants under this chapter ss. 472.001-472.041 as agents, employees, officers, or partners, is permitted subject to the provisions of this chapter ss. 472.001-472.041, provided that one or more of the principal officers of the corporation or one or more partners of the partnership and all personnel of the corporation or partnership who act in its behalf as surveyors and mappers in this state are registered as provided by this chapter ss. 472.001-472.041, and, further, provided that the corporation or partnership has been issued a certificate of authorization by the board as provided in this section. All final drawings, specifications, plans, reports, or other papers or documents involving the practice of surveying and mapping which are prepared or approved for the use of the corporation or partnership or for delivery to any person or for public record within the state must be dated and must bear the signature and seal of the registrant who prepared or approved them. Nothing in this section shall be construed to allow a corporation to hold a certificate of registration to practice surveying and mapping. No corporation or partnership shall be relieved of responsibility for the conduct or acts of its agents, employees, or officers by reason of its compliance with this section, nor shall any individual practicing surveying and mapping be relieved of responsibility for professional services performed by reason of his or her employment or

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relationship with a corporation or partnership.

Section 32. Section 472.027, Florida Statutes, is amended to read:

472.027 Minimum technical standards for surveying and mapping.—The board shall adopt rules relating to the practice of surveying and mapping which establish minimum technical standards to ensure the achievement of no less than minimum degrees of accuracy, completeness, and quality in order to assure adequate and defensible real property boundary locations and other pertinent information provided by surveyors and mappers under the authority of this chapter ss. 472.001-472.041.

Section 33. Section 472.029, Florida Statutes, is amended to read:

472.029 Authorization Surveyors and mappers authorized to enter lands of third parties; under certain conditions. -- Surveyors and mappers and their subordinates may go on, over, and upon the lands of others when necessary to make surveys and maps or to search for, uncover, locate, or set monuments, and, in so doing, may carry with them their agents and employees necessary for that purpose. Entry under the right hereby granted does not constitute trespass, and surveyors and mappers and their subordinates and duly authorized agents or employees so entering are not liable to arrest or to a civil action by reason of such entry as long as the entering is in compliance with all federal, state, and local regulations pertaining to premises security, agricultural protections, and other health and safety requirements. +However, this section does not give authority to registrants, subordinates, agents, or employees to destroy, injure, damage, or otherwise move any physical improvements

anything on lands of another without the written permission of the landowner. No landowner shall be liable to any third party for any civil or criminal act, or any damages, which result in whole or in part through the negligent or intentional conduct of any person regulated by this section. If written notice is delivered to a landowner or the landowner's registered agent three business days prior to entry on a parcel containing more than 160 acres classified as agricultural land, the duty of care owed to those regulated by this section shall be that due to a licensee under this chapter; however, if no such notice is given, the landowner's duty of care shall be that due to an unforeseen trespasser.

Section 34. Subsection (5) of section 810.12, Florida Statutes, is amended to read:

810.12 Unauthorized entry on land; prima facie evidence of trespass.--

official or employee of the state or a county, municipality, or other governmental agency now authorized by law to enter upon lands or to registered engineers, and surveyors and mappers, and other persons authorized to enter lands pursuant to ss. 471.027 and 472.029. The provisions of this section shall not apply to the trimming or cutting of trees or timber by municipal or private public utilities, or their employees, contractors, or subcontractors, when such trimming is required for the establishment or maintenance of the service furnished by any such utility.

Section 35. Subsection (1) of section 472.031, Florida Statutes, is amended to read:

472.031 Prohibitions; penalties.--

(1) No person shall:

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1	(a) Practice surveying and mapping unless such person
2	is registered under this chapter pursuant to ss.
3	<del>472.001-472.041</del> ;
4	(b) Use the name or title "registered surveyor and
5	mapper" when such person has not registered under this chapter
6	pursuant to ss. 472.001-472.041;
7	(c) Present as his or her own the registration of
8	another;
9	(d) Knowingly give false or forged evidence to the
10	board or a member thereof; or
11	(e) Use or attempt to use a registration that has been
12	suspended or revoked.
13	Section 36. Section 472.037, Florida Statutes, is
14	amended to read:
15	472.037 Application of <u>chapter</u> ss. 472.001-472.041
16	(1) Nothing contained in this chapter ss.
17	472.001-472.041 shall be construed to repeal, amend, limit, or
18	otherwise affect any local building code or zoning law or
19	ordinance, now or hereafter enacted, which is more restrictive
20	with respect to the services of registered surveyors and
21	mappers than the provisions of this chapter $ss.$
22	<del>472.001-472.041</del> .
23	(2) In counties or municipalities that issue building
24	permits, such permits shall not be issued in any case where it
25	is apparent from the application for such building permit that
26	the provisions of this chapter ss. $472.001-472.041$ have been
27	violated. However, this shall not authorize the withholding of
28	building permits in any cases within the exempt classes set

amended to read:

forth in this chapter ss. 472.001-472.041.

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Section 37. Section 476.014, Florida Statutes, is

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476.014~ Short title.--This  $\underline{\text{chapter}}~\underline{\text{act}}$  may be cited as the "Barbers' Act."

Section 38. Section 476.034, Florida Statutes, is amended to read:

476.034 Definitions.--As used in this chapter act:

- (1) "Barber" means a person who is licensed to engage in the practice of barbering in this state under the authority of this chapter.
- (2) "Barbering" means any of the following practices when done for remuneration and for the public, but not when done for the treatment of disease or physical or mental ailments: shaving, cutting, trimming, coloring, shampooing, arranging, dressing, curling, or waving the hair or beard or applying oils, creams, lotions, or other preparations to the face, scalp, or neck, either by hand or by mechanical appliances.
- (3) "Barbershop" means any place of business wherein the practice of barbering is carried on.
- (4) "Board" means the  $\frac{Barbers'}{Board}$  Board of Barbering and Cosmetology.
- (5) "Department" means the Department of Business and Professional Regulation.

Section 39. Section 476.054, Florida Statutes, is amended to read:

476.054 Barbers' Board of Barbering and Cosmetology. --

- (1) There is created within the department the Barbers'Board of Barbering and Cosmetology, consisting of seven members who shall be appointed by the Governor, subject to confirmation by the Senate.
- (2) <u>Two</u> <u>Five</u> members of the board <u>must</u> <u>shall</u> be <u>licensed</u> barbers who have practiced <u>the occupation of</u>

must be licensed cosmetologists who have practiced cosmetology in this state for at least 5 years, and one member must be a registered cosmetology specialist who has practiced his or her specialty in this state for a least 5 years. The remaining member must two members of the board shall be a resident citizens of the state who is are not presently a licensed barber or cosmetologist barbers. No person may shall be appointed to the board who is in any way connected with the manufacture, rental, or wholesale distribution of barber or cosmetology equipment and supplies.

- (3) As the terms of the members expire, the Governor shall appoint successors for terms of 4 years; and such members shall serve until their successors are appointed and qualified. The Governor may remove any member for cause.
- (4) No person <u>may</u> shall be appointed to serve more than two consecutive terms. Any vacancy shall be filled by appointment by the Governor for the unexpired portion of the term.
- (5) Each board member shall receive \$50 per day, up to a maximum of \$2,000 per year, for time spent on board business, plus per diem and mileage allowances as provided in s. 112.061 from the place of her or his residence to the place of meeting and the return therefrom.
- (6) Before beginning duties as a board member, each appointee must take the constitutional oath of office and file it with the Department of State, which shall issue to such member a certificate of appointment.
- (7) The board shall, each January, elect from among its members a chair and a vice chair.
  - (8) The board shall hold such meetings during the year

as necessary, one of which shall be the annual meeting. The chair may call other meetings. A quorum shall consist of not fewer than four members.

(9)(6) Each board member shall be held accountable to the Governor for the proper performance of all duties and obligations of such board member's office. The Governor shall cause to be investigated any complaints or unfavorable reports received concerning the actions of the board or its individual members and shall take appropriate action thereon, which may include removal of any board member for malfeasance, misfeasance, neglect of duty, commission of a felony, drunkenness, incompetency, or permanent inability to perform her or his official duties.

Section 40. Section 476.064, Florida Statutes, is amended to read:

476.064 Organization; headquarters; personnel; meetings.--

- (1) The board shall annually elect a chair and a vice chair from its number. The board shall maintain its headquarters in Tallahassee.
- (2) The department shall appoint or employ such personnel as may be necessary to assist the board in exercising the powers and performing the duties and obligations set forth in this chapter act. Such personnel need not be licensed barbers or cosmetologists and shall not be members of the board. Such personnel shall be authorized to do and perform such duties and work as may be assigned by the board.
- (3) The board shall hold an annual meeting and such other meetings during the year as it may determine to be necessary. The chair of the board may call other meetings at

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her or his discretion. A quorum of the board shall consist of not less than four members.

 $\underline{(3)(4)}$  The board has authority to adopt rules pursuant to ss. 120.536(1) and 120.54 <u>necessary</u> to <u>administer</u> <u>implement</u> the provisions of this chapter.

Section 41. Subsections (1) and (2) of section 476.074, Florida Statutes, are amended to read:

476.074 Legal, investigative, and inspection services.--

- (1) The department shall provide all legal services needed to carry out the provisions of this chapter act.
- (2) The department shall provide all investigative services required by the board or the department in carrying out the provisions of this chapter act.

Section 42. Subsection (2) of section 476.154, Florida Statutes, is amended to read:

476.154 Biennial renewal of licenses.--

(2) Any license or certificate of registration issued pursuant to this <u>chapter</u> act for a period less than the established biennial issuance period may be issued for that lesser period of time, and the department shall adjust the required fee accordingly. The board shall adopt rules providing for such partial period fee adjustments.

Section 43. Paragraphs (a) and (b) of subsection (1) of section 476.194, Florida Statutes, are amended to read:

476.194 Prohibited acts.--

- (1) It is unlawful for any person to:
- (a) Engage in the practice of barbering without an active license as a barber issued pursuant to the provisions of this  $\underline{\text{chapter}}$  act by the department.
  - (b) Engage in willful or repeated violations of this

chapter act or of any of the rules adopted by the board.

Section 44. Subsections (1) and (3) of section 476.214, Florida Statutes, are amended to read:

476.214 Grounds for suspending, revoking, or refusing to grant license or certificate.--

- (1) The board shall have the power to revoke or suspend any license, registration card, or certificate of registration issued pursuant to this <u>chapter</u> act, or to reprimand, censure, deny subsequent licensure of, or otherwise discipline any holder of a license, registration card, or certificate of registration issued pursuant to this <u>chapter</u> act, for any of the following causes:
- (a) Gross malpractice or gross incompetency in the practice of barbering;
- (b) Practice by a person knowingly having an infectious or contagious disease; or
- (c) Commission of any of the offenses described in s. 476.194.
- (3) The board shall keep a record of its disciplinary proceedings against holders of licenses or certificates of registration issued pursuant to this <u>chapter</u> act.

Section 45. Section 476.234, Florida Statutes, is amended to read:

476.234 Civil proceedings.--In addition to any other remedy, the department may file a proceeding in the name of the state seeking issuance of a restraining order, injunction, or writ of mandamus against any person who is or has been violating any of the provisions of this <u>chapter</u> act or the lawful rules or orders of the board, commission, or department.

Section 46. Subsection (1) of section 477.013, Florida

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Statutes, is amended to read:
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           477.013 Definitions.--As used in this chapter:
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           (1) "Board" means the Board of Barbering and
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    Cosmetology.
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                        Section 477.015, Florida Statutes, is
           Section 47.
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    repealed.
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           Section 48. The Barbers' Board created pursuant to
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    section 476.054, Florida Statutes, and the Board of
    Cosmetology created pursuant to section 477.015, Florida
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    Statutes, are abolished. All rules of the Barbers' Board and
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    the Board of Cosmetology in effect on the effective date of
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    this act shall remain in full force and shall become rules of
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    the Board of Barbering and Cosmetology.
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           Section 49. The Board of Barbering and Cosmetology is
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    created by this act by the amendment of section 476.054,
    Florida Statutes, and the repeal of section 477.015, Florida
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    Statutes. Appointments to this board are new and shall be made
    by the Governor, subject to confirmation by the Senate, for
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    initial terms of 4 years or less so that no more than two
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    terms expire in any one year. The board shall assume
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    responsibilities for the regulation of barbering pursuant to
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    chapter 476, Florida Statutes, and the regulation of
    cosmetology pursuant to chapter 477, Florida Statutes, as
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    provided in those chapters.
           Section 50. The Board of Barbering and Cosmetology
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    shall be replaced as the party of interest for any legal
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    actions naming the Barbers' Board or the Board of Cosmetology
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    as a party.
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           Section 51. Subsection (7) of section 477.019, Florida
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    Statutes, is amended to read:
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           477.019 Cosmetologists; qualifications; licensure;
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supervised practice; license renewal; endorsement; continuing
education.--

- (7)(a) The board shall prescribe by rule continuing education requirements intended to ensure protection of the public through updated training of licensees and registered specialists, not to exceed 16 hours biennially, as a condition for renewal of a license or registration as a specialist under this chapter. Continuing education courses shall include, but not be limited to, the following subjects as they relate to the practice of cosmetology: human immunodeficiency virus and acquired immune deficiency syndrome; Occupational Safety and Health Administration regulations; workers' compensation issues; state and federal laws and rules as they pertain to cosmetologists, cosmetology, salons, specialists, specialty salons, and booth renters; chemical makeup as it pertains to hair, skin, and nails; and environmental issues. Courses given at cosmetology conferences may be counted toward the number of continuing education hours required if approved by the board.
- (b) Any person whose occupation or practice is confined solely to hair braiding, hair wrapping, or body wrapping is exempt from the continuing education requirements of this subsection.
- approval of continuing education courses and providers. The board may, by rule, require any licensee in violation of a continuing education requirement to take a refresher course or refresher course and examination in addition to any other penalty. The number of hours for the refresher course may not exceed 48 hours.
- (d) The department shall approve all continuing education courses and providers as set forth in this

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subsection. The board may not approve any course which does not substantially and exclusively relate to the practice of cosmetology and serve to ensure the protection of the public.

Courses given at cosmetology conferences may be counted toward the number of continuing education hours required if approved by the department.

(e) Correspondence courses may be approved if offered by a provider approved by the board under paragraph (d) and meet all relevant course criteria established by the board.

Correspondence courses must include a written post course examination developed and graded by the course provider which demonstrates the licensee's understanding of the subject matter taught by the course. The board may, by rule, set the minimum allowed passing score for such examinations.

Section 52. Subsection (1) of section 477.026, Florida Statutes, is amended to read:

477.026 Fees; disposition.--

- (1) The board shall set fees according to the following schedule:
- (a) For cosmetologists, fees for original licensing, license renewal, and delinquent renewal shall not exceed \$25.
- (b) For cosmetologists, fees for endorsement application, examination, and reexamination shall not exceed \$50.
- (c) For cosmetology and specialty salons, fees for license application, original licensing, license renewal, and delinquent renewal shall not exceed \$50.
- (d) For specialists, fees for application and endorsement registration shall not exceed \$30.
- (e) For specialists, fees for initial registration,registration renewal, and delinquent renewal shall not exceed

\$50.

(f) For hair braiders, hair wrappers, and body wrappers, fees for <u>initial</u> registration, registration renewal, and delinquent renewal shall not exceed \$25.

Section 53. Subsection (1) of section 481.209, Florida Statutes, is amended to read:

481.209 Examinations.--

- (1) A person desiring to be licensed as a registered architect shall apply to the department to take the licensure examination. The department shall administer the licensure examination for architects to each applicant who the board certifies:
- (a) Has completed the application form and remitted a nonrefundable application fee and an examination fee which is refundable if the applicant is found to be ineligible to take the examination;
- (b)1. Has successfully completed all architectural curriculum courses required by and Is a graduate of a school or college of architecture accredited by the National Architectural Accreditation Board; or
- 2. Is a graduate of an approved architectural curriculum, evidenced by a degree from an unaccredited school or college of architecture approved by the board. The board shall adopt rules providing for the review and approval of unaccredited schools and colleges of architecture and courses of architectural study based on a review and inspection by the board of the curriculum of accredited schools and colleges of architecture in the United States, including those schools and colleges accredited by the National Architectural Accreditation Board; and
  - (c) Has completed, prior to examination, 1 year of the

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internship experience required by s. 481.211(1).

Section 54. Section 481.223, Florida Statutes, is amended to read:

481.223 Prohibitions; penalties; injunctive relief .--

- (1) A person may not knowingly:
- (a) Practice architecture unless the person is an architect or a registered architect;
- (b) Practice interior design unless the person is a registered interior designer unless otherwise exempted herein;
- (c) Use the name or title "architect" or "registered architect," or "interior designer" or "registered interior designer," or words to that effect, when the person is not then the holder of a valid license issued pursuant to this part;
  - (d) Present as his or her own the license of another;
- (e) Give false or forged evidence to the board or a
  member thereof;
- (f) Use or attempt to use an architect or interior designer license that has been suspended, revoked, or placed on inactive or delinquent status;
- (g) Employ unlicensed persons to practice architecture or interior design; or
- (h) Conceal information relative to violations of this part.
- (2) Any person who violates any provision of subsection (1) this section commits a misdemeanor of the first degree, punishable as provided in s. 775.082 or s. 775.083.
- (3)(a) Notwithstanding chapter 455 or any other provision of law to the contrary, an affected person may maintain an action for injunctive relief to restrain or

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(1)(b), or paragraph (1)(c). The prevailing party shall be entitled to actual costs and attorney's fees.

(b) For purposes of this subsection, "affected person" means a person directly affected by the actions of a person suspected of violating paragraph (1)(a), paragraph (1)(b), or paragraph (1)(c) and includes, but is not limited to, the department, any person who received services from the alleged violator, or any private association composed primarily of members of the profession the alleged violator is practicing or offering to practice or holding himself or herself out as qualified to practice.

Section 55. Effective July 1, 2001, subsections (2) and (4) of section 489.107, Florida Statutes, are amended to read:

489.107 Construction Industry Licensing Board.--

- (2) The board shall consist of 16 <del>18</del> members, of whom:
- (a) Four are primarily engaged in business as general contractors;
- (b) Three are primarily engaged in business as building contractors or residential contractors, however, at least one building contractor and one residential contractor shall be appointed;
- (c) One is primarily engaged in business as a roofing contractor;
- (d) One is primarily engaged in business as a sheet
  metal contractor;
- (e) One is primarily engaged in business as an air-conditioning contractor;
- (f) One is primarily engaged in business as a
  mechanical contractor;
  - (g) One is primarily engaged in business as a pool

contractor;

- (h) One is primarily engaged in business as a plumbing contractor;
- (i) One is primarily engaged in business as an underground utility and excavation contractor;
- (j) Notwithstanding the provisions of s. 20.165(6), one is a Two are consumer member members who is are not, and has have never been, a member members or practitioner practitioners of a profession regulated by the board or a member members of any closely related profession; and
- (k) One is a  $\overline{\text{Two are}}$  building  $\overline{\text{officials}}$  of a municipality or county.
- (1) On the date the reduction of the number of members on the board made by this act becomes effective, the affected appointments shall be those in the reduced membership class whose terms next expire.
- $\mbox{(4)}$  The board shall be divided into two divisions, Division I and Division II.
- (a) Division I is comprised of the general contractor, building contractor, and residential contractor members of the board; one of the members appointed pursuant to paragraph (2)(j); and one of the member members appointed pursuant to paragraph (2)(k). Division I has jurisdiction over the regulation of general contractors, building contractors, and residential contractors.
- (b) Division II is comprised of the roofing contractor, sheet metal contractor, air-conditioning contractor, mechanical contractor, pool contractor, plumbing contractor, and underground utility and excavation contractor members of the board; and one of the members appointed pursuant to paragraph (2)(j); and one of the members appointed

pursuant to paragraph (2)(k). Division II has jurisdiction 1 2 over the regulation of contractors defined in s. 3 489.105(3)(d)-(p). 4 (c) Jurisdiction for the regulation of specialty 5 contractors defined in s. 489.105(3)(q) shall lie with the 6 division having jurisdiction over the scope of work of the 7 specialty contractor as defined by board rule. 8 Section 56. Section 489.1133, Florida Statutes, is 9 created to read: 10 489.1133 Temporary certificate or registration.--The department may issue a temporary certificate or registration 11 12 to any applicant who has submitted a completed application and 13 who appears to meet all qualifications for certification or 14 registration, pending final approval of the application and 15 the granting of a permanent certificate or registration by the board. If the board determines that the applicant does not 16 17 meet all of the requirements for certification or registration 18 under this part, the board shall, upon notifying the applicant of his or her failure to qualify, revoke the applicant's 19 20 temporary certificate or registration. Section 57. Paragraph (b) of subsection (4) of section 21 489.115, Florida Statutes, as amended by chapters 98-287 and 22 2000-141, Laws of Florida, is amended to read: 23 24 489.115 Certification and registration; endorsement; 25 reciprocity; renewals; continuing education .--(4)26 27 (b)1. Each certificateholder or registrant shall provide proof, in a form established by rule of the board, 28 that the certificateholder or registrant has completed at 29 30 least 14 classroom hours of at least 50 minutes each of

continuing education courses during each biennium since the

issuance or renewal of the certificate or registration. The board shall establish by rule that a portion of the required 14 hours must deal with the subject of workers' compensation, business practices, and workplace safety. The board shall by rule establish criteria for the approval of continuing education courses and providers, including requirements relating to the content of courses and standards for approval of providers, and may by rule establish criteria for accepting alternative nonclassroom continuing education on an hour-for-hour basis. The board shall prescribe by rule the continuing education, if any, which is required during the first biennium of initial licensure. A person who has been licensed for less than an entire biennium must not be required to complete the full 14 hours of continuing education.

- 2. In addition, the board may approve specialized continuing education courses on compliance with the wind resistance provisions for one and two family dwellings contained in the Florida Building Code and any alternate methodologies for providing such wind resistance which have been approved for use by the Florida Building Commission.

  Contractors defined in s. 489.105(3)(a)-(c)Division T certificateholders or registrants who demonstrate proficiency upon completion of such specialized courses may certify plans and specifications for one and two family dwellings to be in compliance with the code or alternate methodologies, as appropriate, except for dwellings located in floodways or coastal hazard areas as defined in ss. 60.3D and E of the National Flood Insurance Program.
- 3. Each certificateholder or registrant shall provide to the board proof of completion of the core curriculum courses, or passing the equivalency test of the Building Code

Training Program established under s. 553.841, specific to the licensing category sought, within 2 years after commencement of the program or of initial certification or registration, whichever is later. Classroom hours spent taking core curriculum courses shall count toward the number required for renewal of certificates or registration. A certificateholder or registrant who passes the equivalency test in lieu of taking the core curriculum courses shall receive full credit for core curriculum course hours.

4. The board shall require, by rule adopted pursuant to ss. 120.536(1) and 120.54, a specified number of hours in specialized or advanced module courses, approved by the Florida Building Commission, on any portion of the Florida Building Code, adopted pursuant to part VII of chapter 553, relating to the contractor's respective discipline.

Section 58. Subsection (1) of section 489.118, Florida Statutes, is amended to read:

489.118 Certification of registered contractors; grandfathering provisions.—The board shall, upon receipt of a completed application and appropriate fee, issue a certificate in the appropriate category to any contractor registered under this part who makes application to the board and can show that he or she meets each of the following requirements:

(1) Currently holds a valid registered local license in one of the contractor categories defined in s.

489.105(3)(a)-(p) or holds a valid registered local specialty license which substantially corresponds to a type of specialty contractor recognized for state certification pursuant to board rule under s. 489.113(6).

Section 59. Subsection (1) of section 489.13, Florida Statutes is amended to read:

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1	489.13 Unlicensed contracting; authority to issue or
2	receive a building permit
3	(1) Any person performing an activity requiring
4	licensure under this part as a construction contractor is
5	guilty of unlicensed contracting if he or she does not hold a
6	valid active certificate or registration authorizing him or
7	her to perform such activity, regardless of whether he or she
8	holds a local construction contractor license or local
9	certificate of competency, except where he or she holds a
10	valid local specialty license as defined in s. 489.105(3)(q).
11	Persons working outside the geographical scope of their
12	registration are guilty of unlicensed activity for purposes of
13	this part.
14	Section 60. Subsection (6) of section 489.507, Florida
15	Statutes, is repealed.
	Costion 61 The Floatricel Contractoral Licensing
16	Section 61. The Electrical Contractors' Licensing
16 17	Board shall review its operations and its regular board
17	Board shall review its operations and its regular board
17 18	Board shall review its operations and its regular board meeting lengths and locations and develop a plan to reduce its
17 18 19	Board shall review its operations and its regular board meeting lengths and locations and develop a plan to reduce its annual operating budget by \$25,000, and shall submit the plan
17 18 19 20	Board shall review its operations and its regular board meeting lengths and locations and develop a plan to reduce its annual operating budget by \$25,000, and shall submit the plan to the Department of Business and Professional Regulation by
17 18 19 20 21	Board shall review its operations and its regular board meeting lengths and locations and develop a plan to reduce its annual operating budget by \$25,000, and shall submit the plan to the Department of Business and Professional Regulation by January 1, 2002.
17 18 19 20 21 22	Board shall review its operations and its regular board meeting lengths and locations and develop a plan to reduce its annual operating budget by \$25,000, and shall submit the plan to the Department of Business and Professional Regulation by January 1, 2002.  Section 62. Subsection (6) of section 489.511, Florida
17 18 19 20 21 22 23	Board shall review its operations and its regular board meeting lengths and locations and develop a plan to reduce its annual operating budget by \$25,000, and shall submit the plan to the Department of Business and Professional Regulation by January 1, 2002.  Section 62. Subsection (6) of section 489.511, Florida Statutes, is amended to read:
17 18 19 20 21 22 23 24	Board shall review its operations and its regular board meeting lengths and locations and develop a plan to reduce its annual operating budget by \$25,000, and shall submit the plan to the Department of Business and Professional Regulation by  January 1, 2002.  Section 62. Subsection (6) of section 489.511, Florida  Statutes, is amended to read:  489.511 Certification; application; examinations;
17 18 19 20 21 22 23 24 25	Board shall review its operations and its regular board meeting lengths and locations and develop a plan to reduce its annual operating budget by \$25,000, and shall submit the plan to the Department of Business and Professional Regulation by January 1, 2002.  Section 62. Subsection (6) of section 489.511, Florida Statutes, is amended to read:  489.511 Certification; application; examinations; endorsement
17 18 19 20 21 22 23 24 25 26	Board shall review its operations and its regular board meeting lengths and locations and develop a plan to reduce its annual operating budget by \$25,000, and shall submit the plan to the Department of Business and Professional Regulation by  January 1, 2002.  Section 62. Subsection (6) of section 489.511, Florida  Statutes, is amended to read:  489.511 Certification; application; examinations; endorsement  (6) The board shall certify as qualified for
17 18 19 20 21 22 23 24 25 26 27	Board shall review its operations and its regular board meeting lengths and locations and develop a plan to reduce its annual operating budget by \$25,000, and shall submit the plan to the Department of Business and Professional Regulation by  January 1, 2002.  Section 62. Subsection (6) of section 489.511, Florida  Statutes, is amended to read:  489.511 Certification; application; examinations; endorsement  (6) The board shall certify as qualified for certification by endorsement any individual who applies from a

or United States territorial licensing examination that is 1 2 substantially equivalent to the examination required by this 3 part; and has satisfied the requirements set forth in s. 4 489.521.<del>; or</del> 5 (b) Holds a valid license to practice electrical or alarm system contracting issued by another state or territory 6 7 of the United States, if the criteria for issuance of such 8 license was substantially equivalent to the certification criteria that existed in this state at the time the 9 10 certificate was issued. 11 Section 63. Subsection (5) of section 498.005, Florida 12 Statutes, is amended to read: 13 498.005 Definitions.--As used in this chapter, unless 14 the context otherwise requires, the term: 15 "Division" means the Division of Real Estate Florida Land Sales, Condominiums, and Mobile Homes of the 16 17 Department of Business and Professional Regulation. 18 Section 64. Section 498.019, Florida Statutes, is amended to read: 19 20 498.019 Professional Regulation Division of Florida Land Sales, Condominiums, and Mobile Homes Trust Fund. --21 22 (1) There is created within the State Treasury the 23 Division of Florida Land Sales, Condominiums, and Mobile Homes 24 Trust Fund to be used for the administration and operation of 25 this chapter and chapters 718, 719, 721, and 723 by the division. 26 27 (2) All moneys collected by the division from fees, fines, or penalties or from costs awarded to the division by a 28 29 court shall be paid into the Professional Regulation Division of Florida Land Sales, Condominiums, and Mobile Homes Trust 30

Fund to be used to administer and enforce this chapter and

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rules adopted thereunder. The department shall maintain a separate account in the trust fund and shall administer the account pursuant to s. 455.219. The Legislature shall appropriate funds from this trust fund sufficient to carry out the provisions of this chapter and the provisions of law with respect to each category of business covered by this trust fund. The division shall maintain separate revenue accounts in the trust fund for each of the businesses regulated by the division. The division shall provide for the proportionate allocation among the accounts of expenses incurred by the division in the performance of its duties with respect to each of these businesses. As part of its normal budgetary process, the division shall prepare an annual report of revenue and allocated expenses related to the operation of each of these businesses which may be used to determine fees charged by the division. This subsection shall operate pursuant to the provisions of s. 215.20.

Section 65. Subsection (5) of section 498.049, Florida Statutes, is amended to read:

498.049 Suspension; revocation; civil penalties .--

offer or disposition of any interest in subdivided lands in violation of this chapter or relevant rules involving fraud, deception, false pretenses, misrepresentation, or false advertising or the disposition, concealment, or diversion of any funds or assets of any person which adversely affects the interests of a purchaser of any interest in subdivided lands, and who directly or indirectly controls a subdivider or is a general partner, officer, director, agent, or employee of a subdivider shall also be liable under this subsection jointly and severally with and to the same extent as the subdivider,

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unless that person did not know, and in the exercise of reasonable care could not have known, of the existence of the facts creating the alleged liability. Among these persons a right of contribution shall exist, except that a creditor of a subdivider shall not be jointly and severally liable unless the creditor has assumed managerial or fiduciary responsibility in a manner related to the basis for the liability of the subdivider under this subsection. Civil penalties shall be limited to \$10,000 for each offense, and all amounts collected shall be deposited with the Treasurer to the credit of the Professional Regulation <del>Division of Florida</del> Land Sales, Condominiums, and Mobile Homes Trust Fund. No order requiring the payment of a civil penalty shall become effective until 20 days after the date of the order, unless otherwise agreed in writing by the person on whom the penalty is imposed.

Section 66. Subsection (2) of section 190.009, Florida Statutes, is amended to read:

190.009 Disclosure of public financing .--

(2) The Division of <u>Real Estate</u> Florida Land Sales, Condominiums, and Mobile Homes of the Department of Business and Professional Regulation shall ensure that disclosures made by developers pursuant to chapter 498 meet the requirements of subsection (1).

Section 67. The regulation of land sales pursuant to chapter 498, Florida Statutes, shall remain under the Department of Business and Professional Regulation but is reassigned from the Division of Florida Land Sales, Condominiums, and Mobile Homes to the Division of Real Estate. All funds collected by the department pursuant to this

regulation and all funds in the account created within the

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Florida Land Sales, Condominiums, and Mobile Homes Trust Fund
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    for the purpose of this regulation shall be deposited in an
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    account created within the Professional Regulation Trust Fund
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    for this same purpose.
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           Section 68. Subsection (17) of section 718.103,
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    Florida Statutes, is amended to read:
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           718.103 Definitions.--As used in this chapter, the
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    term:
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           (17) "Division" means the Division of Florida Land
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    Sales, Condominiums, Timeshare, and Mobile Homes of the
    Department of Business and Professional Regulation.
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           Section 69. Paragraph (c) of subsection (4) of section
    718.105, Florida Statutes, is amended to read:
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           718.105 Recording of declaration. --
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           (4)
                If the sum of money held by the clerk has not been
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    paid to the developer or association as provided in paragraph
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    (b) by 3 years after the date the declaration was originally
    recorded, the clerk in his or her discretion may notify, in
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    writing, the registered agent of the association that the sum
    is still available and the purpose for which it was deposited.
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    If the association does not record the certificate within 90
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    days after the clerk has given the notice, the clerk may
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    disburse the money to the developer. If the developer cannot
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    be located, the clerk shall disburse the money to the division
    of Florida Land Sales, Condominiums, and Mobile Homes for
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    deposit in the Division of Florida Land Sales, Condominiums,
    Timeshare, and Mobile Homes Trust Fund.
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           Section 70. Paragraph (f) of subsection (2) of section
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    718.112, Florida Statutes, is amended to read:
           718.112 Bylaws.--
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- (2) REQUIRED PROVISIONS.--The bylaws shall provide for the following and, if they do not do so, shall be deemed to include the following:
  - (f) Annual budget.--

- 1. The proposed annual budget of common expenses shall be detailed and shall show the amounts budgeted by accounts and expense classifications, including, if applicable, but not limited to, those expenses listed in s. 718.504(21). A multicondominium association shall adopt a separate budget of common expenses for each condominium the association operates and shall adopt a separate budget of common expenses for the association. In addition, if the association maintains limited common elements with the cost to be shared only by those entitled to use the limited common elements as provided for in s. 718.113(1), the budget or a schedule attached thereto shall show amounts budgeted therefor. If, after turnover of control of the association to the unit owners, any of the expenses listed in s. 718.504(21) are not applicable, they need not be listed.
- 2. In addition to annual operating expenses, the budget may shall include reserve accounts for capital expenditures and deferred maintenance. These accounts shall include, but are not limited to, roof replacement, building painting, and pavement resurfacing, regardless of the amount of deferred maintenance expense or replacement cost, and for any other item for which the deferred maintenance expense or replacement cost exceeds \$10,000. The amount to be reserved shall be computed by means of a formula which is based upon estimated remaining useful life and estimated replacement cost or deferred maintenance expense of each reserve item. The association may adjust replacement reserve assessments

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annually to take into account any changes in estimates or extension of the useful life of a reserve item caused by deferred maintenance. This subsection applies does not apply to an adopted budget in which the members of an association have determined, by a majority vote at a duly called meeting of the association, to provide the <del>no</del> reserves as described in or less reserves than required by this subsection. However, prior to turnover of control of an association by a developer to unit owners other than a developer pursuant to s. 718.301, the developer may vote to waive the reserves or reduce the funding of reserves for the first 2 fiscal years of the association's operation, beginning with the fiscal year in which the initial declaration is recorded, after which time reserves may be required waived or reduced only upon the vote of a majority of all nondeveloper voting interests voting in person or by limited proxy at a duly called meeting of the association. If a meeting of the unit owners has been called to determine whether to waive or reduce the funding of reserves, and no such result is achieved or a quorum is not attained, the reserves as included in the budget shall go into effect. After the turnover, the developer may vote its voting interest to provide for waive or reduce the funding of reserves.

3. Reserve funds and any interest accruing thereon shall remain in the reserve account or accounts, and shall be used only for authorized reserve expenditures unless their use for other purposes is approved in advance by a majority vote at a duly called meeting of the association. Prior to turnover of control of an association by a developer to unit owners other than the developer pursuant to s. 718.301, the developer-controlled association shall not vote to use

reserves for purposes other than that for which they were intended without the approval of a majority of all nondeveloper voting interests, voting in person or by limited proxy at a duly called meeting of the association.

4. In a multicondominium association, the only voting interests which are eligible to vote on questions that involve waiving or reducing the funding of reserves, or using existing reserve funds for purposes other than purposes for which the reserves were intended, are the voting interests of the units subject to assessment to fund the reserves in question.

Section 71. Section 718.1255, Florida Statutes, is amended to read:

718.1255 Alternative dispute resolution; voluntary mediation; mandatory nonbinding arbitration and mediation; local resolution; exemptions; legislative findings.--

- (1) APPLICABILITY DEFINITIONS. --
- (a) The provisions of subsection (3) apply to As used in this section, the term "dispute" means any disagreement between two or more parties that involves:
- (a) The authority of the board of directors, under this chapter or association document to:
- 1. Require any owner to take any action, or not to take any action, involving that owner's unit or the appurtenances thereto.
  - 2. Alter or add to a common area or element.
- (b) the failure of a governing body, when required by this chapter or an association document, to:
- $\frac{1.}{1.}$  properly conduct elections or to recall a board  $\underline{\text{member}}$ .
- (b) The provisions of paragraph (3)(f)-(n) apply to any disagreement between two or more parties that involves:

1	1. The authority of the board of directors, under this
2	chapter or an association document, to:
3	a. Require any owner to take any action, or not to
4	take any action, involving that owner's unit or the
5	appurtenances thereto; or
6	b. Alter or add to a common area or element.
7	2. The failure of a governing body, when required by
8	this chapter or an association document, to:
9	$\underline{a.2.}$ Give adequate notice of meetings or other
LO	actions <u>;</u> -
L1	<u>b.3.</u> Properly conduct meetings; or.
L2	$\underline{\text{c.}4.}$ Allow inspection of books and records.
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L4	"Dispute" does not include any disagreement that primarily
L5	involves: title to any unit or common element; the
L6	interpretation or enforcement of any warranty; the levy of a
L7	fee or assessment, or the collection of an assessment levied
L8	against a party; the eviction or other removal of a tenant
L9	from a unit; alleged breaches of fiduciary duty by one or more
20	directors; or claims for damages to a unit based upon the
21	alleged failure of the association to maintain the common
22	elements or condominium property.
23	(2) VOLUNTARY MEDIATIONVoluntary mediation through
24	Citizen Dispute Settlement Centers as provided for in s.
25	44.201 is encouraged.
26	(2)(3) LEGISLATIVE FINDINGS
27	(a) The Legislature finds that unit owners are
28	frequently at a disadvantage when litigating against an
29	association. Specifically, a condominium association, with its
30	statutory assessment authority, is often more able to bear the
31	costs and expenses of litigation than the unit owner who must

rely on his or her own financial resources to satisfy the costs of litigation against the association.

- (b) The Legislature finds that the courts are becoming overcrowded with condominium and other disputes, and further finds that alternative dispute resolution has been making progress in reducing court dockets and trials and in offering a more efficient, cost-effective option to court litigation. However, the Legislature also finds that alternative dispute resolution should not be used as a mechanism to encourage the filing of frivolous or nuisance suits.
- (c) There exists a need to develop a flexible means of alternative dispute resolution that directs disputes to the most efficient means of resolution.
- (d) The high cost and significant delay of circuit court litigation faced by unit owners in the state can be alleviated by requiring nonbinding arbitration and mediation in appropriate cases, thereby reducing delay and attorney's fees while preserving the right of either party to have its case heard by a jury, if applicable, in a court of law.
- (3)(4) MANDATORY NONBINDING ARBITRATION AND MEDIATION OF DISPUTES.—The division of Florida Land Sales, Condominiums, and Mobile Homes of the Department of Business and Professional Regulation shall provide employ full-time attorneys to act as arbitrators to conduct the arbitration hearings as required provided by this chapter. The department may employ attorneys to act as arbitrators, and the division may also certify attorneys who are not employed by the division to act as arbitrators to conduct the arbitration hearings provided by this chapter section. No person may be employed by the department as an a full-time arbitrator unless he or she is a member in good standing of The Florida Bar. The

department shall promulgate rules of procedure to govern such arbitration hearings including mediation incident thereto. The decision of an arbitrator shall be final; however, such a decision shall not be deemed final agency action. Nothing in this provision shall be construed to foreclose parties from proceeding in a trial de novo unless the parties have agreed that the arbitration is binding. If such judicial proceedings are initiated, the final decision of the arbitrator shall be admissible in evidence in the trial de novo.

- (a) Prior to the institution of court litigation, a party to a dispute shall petition the division for nonbinding arbitration. The petition must be accompanied by a filing fee in the amount of \$50. Filing fees collected under this section must be used to defray the expenses of the alternative dispute resolution program.
- (b) The petition must recite, and have attached thereto, supporting proof that the petitioner gave the respondents:
- 1. Advance written notice of the specific nature of the dispute;
- 2. A demand for relief, and a reasonable opportunity to comply or to provide the relief; and
- 3. Notice of the intention to file an arbitration petition or other legal action in the absence of a resolution of the dispute.

27 Failure to include the allegations or proof of compliance with 28 these prerequisites requires dismissal of the petition without

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(c) Upon receipt, the petition shall be promptly reviewed by the division to determine the existence of a

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dispute and compliance with the requirements of paragraphs (a) and (b). If emergency relief is required and is not available through arbitration, a motion to stay the arbitration may be filed. The motion must be accompanied by a verified petition alleging facts that, if proven, would support entry of a temporary injunction, and if an appropriate motion and supporting papers are filed, the division may abate the arbitration pending a court hearing and disposition of a motion for temporary injunction.

- (d) Upon determination by the division that a dispute exists and that the petition substantially meets the requirements of paragraphs (a) and (b) and any other applicable rules, a copy of the petition shall forthwith be served by the division upon all respondents.
- (e) Either before or after the filing of the respondents' answer to the petition, any party may request that the arbitrator refer the case to mediation under this section and any rules adopted by the division. Upon receipt of a request for mediation, the division shall promptly contact the parties to determine if there is agreement that mediation would be appropriate. If all parties agree, the dispute must be referred to mediation. Notwithstanding a lack of an agreement by all parties, the arbitrator may refer a dispute to mediation at any time.
- (f) The arbitrator or the division may refer the parties to a Citizens Dispute Settlement Center under s.

  44.201 in the county in which the dispute arose Upon referral of a case to mediation, or the parties may agree on must select a mutually acceptable mediator. To assist in the selection, the arbitrator shall provide the parties with a list of both volunteer and paid mediators that have been

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certified by the division under s. 718.501. If the parties are unable to agree on a mediator within the time allowed by the arbitrator or the division, the arbitrator or the division shall appoint a mediator from the list of certified mediators. If a case is referred to mediation, the parties shall attend a mediation conference, as scheduled by the parties and the mediator. If any party fails to attend a duly noticed mediation conference, without the permission or approval of the arbitrator or mediator, the arbitrator or the division may must impose sanctions against the party, including the striking of any pleadings filed, the entry of an order of dismissal or default if appropriate, and the award of costs and attorneys' fees incurred by the other parties. Unless otherwise agreed to by the parties or as provided by order of the arbitrator, a party is deemed to have appeared at a mediation conference by the physical presence of the party or its representative having full authority to settle without further consultation, provided that an association may comply by having one or more representatives present with full authority to negotiate a settlement and recommend that the board of administration ratify and approve such a settlement within 5 days from the date of the mediation conference. The mediator or Citizens Dispute Settlement Center may charge fees for handling these cases. The parties shall share equally the expense of mediation, unless they agree otherwise.

- (g) The purpose of mediation as provided for by this section is to present the parties with an opportunity to resolve the underlying dispute in good faith, and with a minimum expenditure of time and resources.
- (h) Mediation proceedings must generally be conducted in accordance with the Florida Rules of Civil Procedure, and

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these proceedings are privileged and confidential to the same extent as court-ordered mediation. Persons who are not parties to the dispute are not allowed to attend the mediation conference without the consent of all parties, with the exception of counsel for the parties and corporate representatives designated to appear for a party. If the case was referred to mediation by an arbitrator and the mediator declares an impasse after a mediation conference ends in an impasse has been held, the arbitration proceeding terminates, unless all parties agree in writing to continue the arbitration proceeding, in which case the arbitrator's decision shall be either binding or nonbinding, as agreed upon by the parties; in the arbitration proceeding, the arbitrator shall not consider any evidence relating to the unsuccessful mediation except in a proceeding to impose sanctions for failure to appear at the mediation conference. If the parties do not agree to continue arbitration, the arbitrator shall enter an order of dismissal, and either party may institute a suit in a court of competent jurisdiction. If the case was referred to mediation by the division and ends in an impasse, either party may institute a suit in a court of competent jurisdiction. The parties may seek to recover any costs and attorneys' fees incurred in connection with arbitration and mediation proceedings under this section as part of the costs and fees that may be recovered by the prevailing party in any subsequent litigation.

- (i) Arbitration shall be conducted according to rules promulgated by the division. The filing of a petition for arbitration shall toll the applicable statute of limitations.
- (j) At the request of any party to the arbitration, such arbitrator shall issue subpoenas for the attendance of

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witnesses and the production of books, records, documents, and other evidence and any party on whose behalf a subpoena is issued may apply to the court for orders compelling such attendance and production. Subpoenas shall be served and shall be enforceable in the manner provided by the Florida Rules of Civil Procedure. Discovery may, in the discretion of the arbitrator, be permitted in the manner provided by the Florida Rules of Civil Procedure. Rules adopted by the division may authorize any reasonable sanctions except contempt for a violation of the arbitration procedural rules of the division or for the failure of a party to comply with a reasonable nonfinal order issued by an arbitrator which is not under judicial review.

- (k) The arbitration decision shall be presented to the parties in writing. An arbitration decision is final in those disputes in which the parties have agreed to be bound. arbitration decision is also final if a complaint for a trial de novo is not filed in a court of competent jurisdiction in which the condominium is located within 30 days. The right to file for a trial de novo entitles the parties to file a complaint in the appropriate trial court for a judicial resolution of the dispute. The prevailing party in an arbitration proceeding shall be awarded the costs of the arbitration and reasonable attorney's fees in an amount determined by the arbitrator. Such an award shall include the costs and reasonable attorney's fees incurred in the arbitration proceeding as well as the costs and reasonable attorney's fees incurred in preparing for and attending any scheduled mediation.
- (1) The party who files a complaint for a trial de novo shall be assessed the other party's arbitration costs,

court costs, and other reasonable costs, including attorney's fees, investigation expenses, and expenses for expert or other testimony or evidence incurred after the arbitration hearing if the judgment upon the trial de novo is not more favorable than the arbitration decision. If the judgment is more favorable, the party who filed a complaint for trial de novo shall be awarded reasonable court costs and attorney's fees.

- (m) Any party to an arbitration proceeding may enforce an arbitration award by filing a petition in a court of competent jurisdiction in which the condominium is located. A petition may not be granted unless the time for appeal by the filing of a complaint for trial de novo has expired. If a complaint for a trial de novo has been filed, a petition may not be granted with respect to an arbitration award that has been stayed. If the petition for enforcement is granted, the petitioner shall recover reasonable attorney's fees and costs incurred in enforcing the arbitration award. A mediation settlement may also be enforced through the county or circuit court, as applicable, by the filing of a court case. and Any costs and fees incurred in the enforcement of a settlement agreement reached at mediation must be awarded to the prevailing party in any enforcement action.
- (n) In the resolution of these cases on the local level, past precedent of prior division arbitration decisions shall be considered and followed where appropriate.
- (4) EXEMPTIONS.--A dispute is not subject to resolution under this section if it includes any disagreement that primarily involves:
  - (a) Title to any unit or common element;
  - (b) The interpretation or enforcement of any warranty;
  - (c) The levy of a fee or assessment or the collection

of an assessment levied against a party; 1 2 The eviction or other removal of a tenant from a 3 unit; 4 Alleged breaches of fiduciary duty by one or more (e) 5 directors; or Claims for damages to a unit based upon the 6 (f) 7 alleged failure of the association to maintain the common 8 elements or condominium property. 9 (5) DISPUTES INVOLVING ELECTION IRREGULARITIES. -- Every 10 arbitration petition received by the division and required to be filed under this section challenging the legality of the 11 12 election of any director of the board of administration shall 13 be handled on an expedited basis in the manner provided by division rules for recall arbitration disputes. 14 15 Section 72. The Division of Condominiums, Timeshare, and Mobile Homes of the Department of Business and 16 17 Professional Regulation shall continue the arbitration of any 18 cases which qualified for arbitration on the date the case was filed with the division and which were filed with the division 19 prior to the date on which this act becomes law. 20 Section 73. There is appropriated 1 FTE and \$440,626 21 from the Division of Condominiums, Timeshare, and Mobile Homes 22 Trust Fund to the Department of Business and Professional 23 24 Regulation for the purpose of investigating and resolving 25 disputes and dealing with compliance issues relating to condominiums and cooperatives. This appropriation shall not 26 27 take effect if a similar amount of funding is included in the various appropriations for compliance and enforcement in the 28 Florida Condominiums, Timeshare, and Mobile Homes program in 29 the fiscal year 2001-2002 General Appropriations Act. 30

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Section 74. Section 718.501, Florida Statutes, is

amended to read:

718.501 Powers and duties of Division of Florida Land Sales, Condominiums, Timeshare, and Mobile Homes.--

- (1) The Division of Florida Land Sales, Condominiums, Timeshare, and Mobile Homes of the Department of Business and Professional Regulation, referred to as the "division" in this part, in addition to other powers and duties prescribed by chapter 498, has the power to enforce and ensure compliance with the provisions of this chapter and rules adopted promulgated pursuant hereto relating to the development, construction, sale, lease, ownership, operation, and management of residential condominium units. In performing its duties, the division has the following powers and duties:
- (a) The division may make necessary public or private investigations within or outside this state to determine whether any person has violated this chapter or any rule or order hereunder, to aid in the enforcement of this chapter, or to aid in the adoption of rules or forms hereunder.
- (b) The division may require or permit any person to file a statement in writing, under oath or otherwise, as the division determines, as to the facts and circumstances concerning a matter to be investigated.
- (c) For the purpose of any investigation under this chapter, the division director or any officer or employee designated by the division director may administer oaths or affirmations, subpoena witnesses and compel their attendance, take evidence, and require the production of any matter which is relevant to the investigation, including the existence, description, nature, custody, condition, and location of any books, documents, or other tangible things and the identity and location of persons having knowledge of relevant facts or

any other matter reasonably calculated to lead to the discovery of material evidence. Upon the failure by a person to obey a subpoena or to answer questions propounded by the investigating officer and upon reasonable notice to all persons affected thereby, the division may apply to the circuit court for an order compelling compliance.

- (d) Notwithstanding any remedies available to unit owners and associations, if the division has reasonable cause to believe that a violation of any provision of this chapter or rule promulgated pursuant hereto has occurred, the division may institute enforcement proceedings in its own name against any developer, association, officer, or member of the board of administration, or its assignees or agents, as follows:
- 1. The division may permit a person whose conduct or actions may be under investigation to waive formal proceedings and enter into a consent proceeding whereby orders, rules, or letters of censure or warning, whether formal or informal, may be entered against the person.
- 2. The division may issue an order requiring the developer, association, officer, or member of the board of administration, or its assignees or agents, to cease and desist from the unlawful practice and take such affirmative action as in the judgment of the division will carry out the purposes of this chapter. Such affirmative action may include, but is not limited to, an order requiring a developer to pay moneys determined to be owed to a condominium association.
- 3. The division may bring an action in circuit court on behalf of a class of unit owners, lessees, or purchasers for declaratory relief, injunctive relief, or restitution.
- 4. The division may impose a civil penalty against a developer or association, or its assignee or agent, for any

## Amendment No. \_\_\_\_ (for drafter's use only)

violation of this chapter or a rule promulgated pursuant 1 2 hereto. The division may impose a civil penalty individually 3 against any officer or board member who willfully and 4 knowingly violates a provision of this chapter, a rule adopted pursuant hereto, or a final order of the division. The term 5 "willfully and knowingly" means that the division informed the 6 7 officer or board member that his or her action or intended action violates this chapter, a rule adopted under this 8 chapter, or a final order of the division and that the officer 9 10 or board member refused to comply with the requirements of this chapter, a rule adopted under this chapter, or a final 11 12 order of the division. The division, prior to initiating 13 formal agency action under chapter 120, shall afford the officer or board member an opportunity to voluntarily comply 14 15 with this chapter, a rule adopted under this chapter, or a final order of the division. An officer or board member who 16 17 complies within 10 days is not subject to a civil penalty. A penalty may be imposed on the basis of each day of continuing 18 violation, but in no event shall the penalty for any offense 19 exceed \$5,000. By January 1, 1998, the division shall adopt, 20 by rule, penalty guidelines applicable to possible violations 21 or to categories of violations of this chapter or rules 22 adopted by the division. The guidelines must specify a 23 24 meaningful range of civil penalties for each such violation of 25 the statute and rules and must be based upon the harm caused by the violation, the repetition of the violation, and upon 26 27 such other factors deemed relevant by the division. For example, the division may consider whether the violations were 28 29 committed by a developer or owner-controlled association, the 30 size of the association, and other factors. The guidelines must designate the possible mitigating or aggravating

circumstances that justify a departure from the range of 1 2 penalties provided by the rules. It is the legislative intent 3 that minor violations be distinguished from those which 4 endanger the health, safety, or welfare of the condominium 5 residents or other persons and that such guidelines provide reasonable and meaningful notice to the public of likely 6 7 penalties that may be imposed for proscribed conduct. This 8 subsection does not limit the ability of the division to informally dispose of administrative actions or complaints by 9 10 stipulation, agreed settlement, or consent order. All amounts 11 collected shall be deposited with the Treasurer to the credit 12 of the Division of Florida Land Sales, Condominiums, 13 Timeshare, and Mobile Homes Trust Fund. If a developer fails 14 to pay the civil penalty, the division shall thereupon issue 15 an order directing that such developer cease and desist from further operation until such time as the civil penalty is paid 16 17 or may pursue enforcement of the penalty in a court of competent jurisdiction. If an association fails to pay the 18 19 civil penalty, the division shall thereupon pursue enforcement 20 in a court of competent jurisdiction, and the order imposing the civil penalty or the cease and desist order will not 21 become effective until 20 days after the date of such order. 22 Any action commenced by the division shall be brought in the 23 24 county in which the division has its executive offices or in 25 the county where the violation occurred.

- (e) The division is authorized to prepare and disseminate a prospectus and other information to assist prospective owners, purchasers, lessees, and developers of residential condominiums in assessing the rights, privileges, and duties pertaining thereto.
  - (f) The division has authority to adopt rules pursuant

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to ss. 120.536(1) and 120.54 to implement and enforce the provisions of this chapter.

- (g) The division shall establish procedures for providing notice to an association when the division is considering the issuance of a declaratory statement with respect to the declaration of condominium or any related document governing in such condominium community.
- (h) The division shall furnish each association which pays the fees required by paragraph (2)(a) a copy of this act, subsequent changes to this act on an annual basis, an amended version of this act as it becomes available from the Secretary of State's office on a biennial basis, and the rules promulgated pursuant thereto on an annual basis.
- (i) The division shall annually provide each association with a summary of declaratory statements and formal legal opinions relating to the operations of condominiums which were rendered by the division during the previous year.
- (j) The division shall provide training programs for condominium association board members and unit owners.
- (k) The division shall maintain a toll-free telephone number accessible to condominium unit owners.
- (1) The division shall develop a program to certify both volunteer and paid mediators to provide mediation of condominium disputes. The division shall provide, upon request, a list of such mediators to any association, unit owner, or other participant in arbitration proceedings under s. 718.1255 requesting a copy of the list. The division shall include on the list of volunteer mediators only the names of persons who have received at least 20 hours of training in mediation techniques or who have mediated at least 20

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disputes. In order to become initially certified by the division, paid mediators must be certified by the Supreme Court to mediate court cases in either county or circuit courts. However, the division may adopt, by rule, additional factors for the certification of paid mediators, which factors must be related to experience, education, or background. Any person initially certified as a paid mediator by the division must, in order to continue to be certified, comply with the factors or requirements imposed by rules adopted by the division.

When a complaint is made, the division shall conduct its inquiry with due regard to the interests of the affected parties. Within 30 days after receipt of a complaint, the division shall acknowledge the complaint in writing and notify the complainant whether the complaint is within the jurisdiction of the division and whether additional information is needed by the division from the complainant. The division shall conduct its investigation and shall, within 90 days after receipt of the original complaint or of timely requested additional information, take action upon the complaint. However, the failure to complete the investigation within 90 days does not prevent the division from continuing the investigation, accepting or considering evidence obtained or received after 90 days, or taking administrative action if reasonable cause exists to believe that a violation of this chapter or a rule of the division has occurred. If an investigation is not completed within the time limits established in this paragraph, the division shall, on a monthly basis, notify the complainant in writing of the status of the investigation. When reporting its action to the complainant, the division shall inform the complainant of any

right to a hearing pursuant to ss. 120.569 and 120.57.

(2)(a) Effective January 1, 1992, each condominium association which operates more than two units shall pay to the division an annual fee in the amount of \$4 for each residential unit in condominiums operated by the association. If the fee is not paid by March 1, then the association shall be assessed a penalty of 10 percent of the amount due, and the association will not have standing to maintain or defend any action in the courts of this state until the amount due, plus any penalty, is paid.

(b) All fees shall be deposited in the Division of Florida Land Sales, Condominiums, <u>Timeshare</u>, and Mobile Homes Trust Fund as provided by law.

Section 75. Paragraph (a) of subsection (2) of section 718.502, Florida Statutes, is amended to read:

718.502 Filing prior to sale or lease.--

(2)(a) Prior to filing as required by subsection (1), and prior to acquiring an ownership, leasehold, or contractual interest in the land upon which the condominium is to be developed, a developer shall not offer a contract for purchase of a unit or lease of a unit for more than 5 years. However, the developer may accept deposits for reservations upon the approval of a fully executed escrow agreement and reservation agreement form properly filed with the division of Florida Land Sales, Condominiums, and Mobile Homes. Each filing of a proposed reservation program shall be accompanied by a filing fee of \$250. Reservations shall not be taken on a proposed condominium unless the developer has an ownership, leasehold, or contractual interest in the land upon which the condominium is to be developed. The division shall notify the developer within 20 days of receipt of the reservation filing of any

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deficiencies contained therein. Such notification shall not preclude the determination of reservation filing deficiencies at a later date, nor shall it relieve the developer of any responsibility under the law. The escrow agreement and the reservation agreement form shall include a statement of the right of the prospective purchaser to an immediate unqualified refund of the reservation deposit moneys upon written request to the escrow agent by the prospective purchaser or the developer.

Section 76. Section 718.504, Florida Statutes, is amended to read:

718.504 Prospectus or offering circular.--Every developer of a residential condominium which contains more than 20 residential units, or which is part of a group of residential condominiums which will be served by property to be used in common by unit owners of more than 20 residential units, shall prepare a prospectus or offering circular and file it with the division of Florida Land Sales, Condominiums, and Mobile Homes prior to entering into an enforceable contract of purchase and sale of any unit or lease of a unit for more than 5 years and shall furnish a copy of the prospectus or offering circular to each buyer. In addition to the prospectus or offering circular, each buyer shall be furnished a separate page entitled "Frequently Asked Questions and Answers," which shall be in accordance with a format approved by the division and a copy of the financial information required by s. 718.111. This page shall, in readable language, inform prospective purchasers regarding their voting rights and unit use restrictions, including restrictions on the leasing of a unit; shall indicate whether and in what amount the unit owners or the association is

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obligated to pay rent or land use fees for recreational or 2 other commonly used facilities; shall contain a statement 3 identifying that amount of assessment which, pursuant to the 4 budget, would be levied upon each unit type, exclusive of any 5 special assessments, and which shall further identify the 6 basis upon which assessments are levied, whether monthly, 7 quarterly, or otherwise; shall state and identify any court 8 cases in which the association is currently a party of record in which the association may face liability in excess of 9 10 \$100,000; and which shall further state whether membership in 11 a recreational facilities association is mandatory, and if so, 12 shall identify the fees currently charged per unit type. 13 division shall by rule require such other disclosure as in its 14 judgment will assist prospective purchasers. The prospectus or 15 offering circular may include more than one condominium, although not all such units are being offered for sale as of 16 17 the date of the prospectus or offering circular. 18 prospectus or offering circular must contain the following information: 19

- (1) The front cover or the first page must contain only:
  - (a) The name of the condominium.
  - (b) The following statements in conspicuous type:
- 1. THIS PROSPECTUS (OFFERING CIRCULAR) CONTAINS IMPORTANT MATTERS TO BE CONSIDERED IN ACQUIRING A CONDOMINIUM UNIT.
- 2. THE STATEMENTS CONTAINED HEREIN ARE ONLY SUMMARY IN NATURE. A PROSPECTIVE PURCHASER SHOULD REFER TO ALL REFERENCES, ALL EXHIBITS HERETO, THE CONTRACT DOCUMENTS, AND SALES MATERIALS.
  - 3. ORAL REPRESENTATIONS CANNOT BE RELIED UPON AS

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CORRECTLY STATING THE REPRESENTATIONS OF THE DEVELOPER. REFER TO THIS PROSPECTUS (OFFERING CIRCULAR) AND ITS EXHIBITS FOR CORRECT REPRESENTATIONS.

- (2) Summary: The next page must contain all statements required to be in conspicuous type in the prospectus or offering circular.
- (3) A separate index of the contents and exhibits of the prospectus.
- (4) Beginning on the first page of the text (not including the summary and index), a description of the condominium, including, but not limited to, the following information:
  - (a) Its name and location.
- (b) A description of the condominium property, including, without limitation:
- 1. The number of buildings, the number of units in each building, the number of bathrooms and bedrooms in each unit, and the total number of units, if the condominium is not a phase condominium, or the maximum number of buildings that may be contained within the condominium, the minimum and maximum numbers of units in each building, the minimum and maximum numbers of bathrooms and bedrooms that may be contained in each unit, and the maximum number of units that may be contained within the condominium, if the condominium is a phase condominium.
- 2. The page in the condominium documents where a copy of the plot plan and survey of the condominium is located.
- 3. The estimated latest date of completion of constructing, finishing, and equipping. In lieu of a date, the description shall include a statement that the estimated date of completion of the condominium is in the purchase

agreement and a reference to the article or paragraph containing that information.

- (c) The maximum number of units that will use facilities in common with the condominium. If the maximum number of units will vary, a description of the basis for variation and the minimum amount of dollars per unit to be spent for additional recreational facilities or enlargement of such facilities. If the addition or enlargement of facilities will result in a material increase of a unit owner's maintenance expense or rental expense, if any, the maximum increase and limitations thereon shall be stated.
- (5)(a) A statement in conspicuous type describing whether the condominium is created and being sold as fee simple interests or as leasehold interests. If the condominium is created or being sold on a leasehold, the location of the lease in the disclosure materials shall be stated.
- (b) If timeshare estates are or may be created with respect to any unit in the condominium, a statement in conspicuous type stating that timeshare estates are created and being sold in units in the condominium.
- (6) A description of the recreational and other commonly used facilities that will be used only by unit owners of the condominium, including, but not limited to, the following:
- (a) Each room and its intended purposes, location, approximate floor area, and capacity in numbers of people.
- (b) Each swimming pool, as to its general location, approximate size and depths, approximate deck size and capacity, and whether heated.
- (c) Additional facilities, as to the number of each facility, its approximate location, approximate size, and

approximate capacity.

- (d) A general description of the items of personal property and the approximate number of each item of personal property that the developer is committing to furnish for each room or other facility or, in the alternative, a representation as to the minimum amount of expenditure that will be made to purchase the personal property for the facility.
- (e) The estimated date when each room or other facility will be available for use by the unit owners.
- (f)1. An identification of each room or other facility to be used by unit owners that will not be owned by the unit owners or the association;
- 2. A reference to the location in the disclosure materials of the lease or other agreements providing for the use of those facilities; and
- 3. A description of the terms of the lease or other agreements, including the length of the term; the rent payable, directly or indirectly, by each unit owner, and the total rent payable to the lessor, stated in monthly and annual amounts for the entire term of the lease; and a description of any option to purchase the property leased under any such lease, including the time the option may be exercised, the purchase price or how it is to be determined, the manner of payment, and whether the option may be exercised for a unit owner's share or only as to the entire leased property.
- (g) A statement as to whether the developer may provide additional facilities not described above; their general locations and types; improvements or changes that may be made; the approximate dollar amount to be expended; and the maximum additional common expense or cost to the individual

unit owners that may be charged during the first annual period of operation of the modified or added facilities.

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Descriptions as to locations, areas, capacities, numbers, volumes, or sizes may be stated as approximations or minimums.

- (7) A description of the recreational and other facilities that will be used in common with other condominiums, community associations, or planned developments which require the payment of the maintenance and expenses of such facilities, either directly or indirectly, by the unit owners. The description shall include, but not be limited to, the following:
  - (a) Each building and facility committed to be built.
- (b) Facilities not committed to be built except under certain conditions, and a statement of those conditions or contingencies.
- (c) As to each facility committed to be built, or which will be committed to be built upon the happening of one of the conditions in paragraph (b), a statement of whether it will be owned by the unit owners having the use thereof or by an association or other entity which will be controlled by them, or others, and the location in the exhibits of the lease or other document providing for use of those facilities.
- (d) The year in which each facility will be available for use by the unit owners or, in the alternative, the maximum number of unit owners in the project at the time each of all of the facilities is committed to be completed.
- (e) A general description of the items of personal property, and the approximate number of each item of personal property, that the developer is committing to furnish for each room or other facility or, in the alternative, a

04/26/01 09:01 pm representation as to the minimum amount of expenditure that will be made to purchase the personal property for the facility.

(f) If there are leases, a description thereof, including the length of the term, the rent payable, and a description of any option to purchase.

Descriptions shall include location, areas, capacities, numbers, volumes, or sizes and may be stated as approximations or minimums.

- (8) Recreation lease or associated club membership:
- (a) If any recreational facilities or other facilities offered by the developer and available to, or to be used by, unit owners are to be leased or have club membership associated, the following statement in conspicuous type shall be included: THERE IS A RECREATIONAL FACILITIES LEASE ASSOCIATED WITH THIS CONDOMINIUM; or, THERE IS A CLUB MEMBERSHIP ASSOCIATED WITH THIS CONDOMINIUM. There shall be a reference to the location in the disclosure materials where the recreation lease or club membership is described in detail.
- (b) If it is mandatory that unit owners pay a fee, rent, dues, or other charges under a recreational facilities lease or club membership for the use of facilities, there shall be in conspicuous type the applicable statement:
- 1. MEMBERSHIP IN THE RECREATIONAL FACILITIES CLUB IS MANDATORY FOR UNIT OWNERS; or
- - 3. UNIT OWNERS ARE REQUIRED TO PAY THEIR SHARE OF THE

COSTS AND EXPENSES OF MAINTENANCE, MANAGEMENT, UPKEEP,
REPLACEMENT, RENT, AND FEES UNDER THE RECREATIONAL FACILITIES
LEASE (OR THE OTHER INSTRUMENTS PROVIDING THE FACILITIES); or

4. A similar statement of the nature of the organization or the manner in which the use rights are created, and that unit owners are required to pay.

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Immediately following the applicable statement, the location in the disclosure materials where the development is described in detail shall be stated.

- (c) If the developer, or any other person other than the unit owners and other persons having use rights in the facilities, reserves, or is entitled to receive, any rent, fee, or other payment for the use of the facilities, then there shall be the following statement in conspicuous type: THE UNIT OWNERS OR THE ASSOCIATION(S) MUST PAY RENT OR LAND USE FEES FOR RECREATIONAL OR OTHER COMMONLY USED FACILITIES. Immediately following this statement, the location in the disclosure materials where the rent or land use fees are described in detail shall be stated.
- (d) If, in any recreation format, whether leasehold, club, or other, any person other than the association has the right to a lien on the units to secure the payment of assessments, rent, or other exactions, there shall appear a statement in conspicuous type in substantially the following form:
- 1. THERE IS A LIEN OR LIEN RIGHT AGAINST EACH UNIT TO SECURE THE PAYMENT OF RENT AND OTHER EXACTIONS UNDER THE RECREATION LEASE. THE UNIT OWNER'S FAILURE TO MAKE THESE PAYMENTS MAY RESULT IN FORECLOSURE OF THE LIEN; or
  - 2. THERE IS A LIEN OR LIEN RIGHT AGAINST EACH UNIT TO

SECURE THE PAYMENT OF ASSESSMENTS OR OTHER EXACTIONS COMING DUE FOR THE USE, MAINTENANCE, UPKEEP, OR REPAIR OF THE RECREATIONAL OR COMMONLY USED FACILITIES. THE UNIT OWNER'S FAILURE TO MAKE THESE PAYMENTS MAY RESULT IN FORECLOSURE OF THE LIEN.

Immediately following the applicable statement, the location in the disclosure materials where the lien or lien right is described in detail shall be stated.

- (9) If the developer or any other person has the right to increase or add to the recreational facilities at any time after the establishment of the condominium whose unit owners have use rights therein, without the consent of the unit owners or associations being required, there shall appear a statement in conspicuous type in substantially the following form: RECREATIONAL FACILITIES MAY BE EXPANDED OR ADDED WITHOUT CONSENT OF UNIT OWNERS OR THE ASSOCIATION(S). Immediately following this statement, the location in the disclosure materials where such reserved rights are described shall be stated.
- (10) A statement of whether the developer's plan includes a program of leasing units rather than selling them, or leasing units and selling them subject to such leases. If so, there shall be a description of the plan, including the number and identification of the units and the provisions and term of the proposed leases, and a statement in boldfaced type that: THE UNITS MAY BE TRANSFERRED SUBJECT TO A LEASE.
- (11) The arrangements for management of the association and maintenance and operation of the condominium property and of other property that will serve the unit owners of the condominium property, and a description of the

04/26/01 09:01 pm management contract and all other contracts for these purposes having a term in excess of 1 year, including the following:

- (a) The names of contracting parties.
- (b) The term of the contract.
- (c) The nature of the services included.
- (d) The compensation, stated on a monthly and annual basis, and provisions for increases in the compensation.
- (e) A reference to the volumes and pages of the condominium documents and of the exhibits containing copies of such contracts.

Copies of all described contracts shall be attached as exhibits. If there is a contract for the management of the condominium property, then a statement in conspicuous type in substantially the following form shall appear, identifying the proposed or existing contract manager: THERE IS (IS TO BE) A CONTRACT FOR THE MANAGEMENT OF THE CONDOMINIUM PROPERTY WITH (NAME OF THE CONTRACT MANAGER). Immediately following this statement, the location in the disclosure materials of the contract for management of the condominium property shall be stated.

other than the unit owners has the right to retain control of the board of administration of the association for a period of time which can exceed 1 year after the closing of the sale of a majority of the units in that condominium to persons other than successors or alternate developers, then a statement in conspicuous type in substantially the following form shall be included: THE DEVELOPER (OR OTHER PERSON) HAS THE RIGHT TO RETAIN CONTROL OF THE ASSOCIATION AFTER A MAJORITY OF THE

UNITS HAVE BEEN SOLD. Immediately following this statement,

the location in the disclosure materials where this right to control is described in detail shall be stated.

- (13) If there are any restrictions upon the sale, transfer, conveyance, or leasing of a unit, then a statement in conspicuous type in substantially the following form shall be included: THE SALE, LEASE, OR TRANSFER OF UNITS IS RESTRICTED OR CONTROLLED. Immediately following this statement, the location in the disclosure materials where the restriction, limitation, or control on the sale, lease, or transfer of units is described in detail shall be stated.
- (14) If the condominium is part of a phase project, the following information shall be stated:
- (a) A statement in conspicuous type in substantially the following form: THIS IS A PHASE CONDOMINIUM. ADDITIONAL LAND AND UNITS MAY BE ADDED TO THIS CONDOMINIUM. Immediately following this statement, the location in the disclosure materials where the phasing is described shall be stated.
- (b) A summary of the provisions of the declaration which provide for the phasing.
- buildings and units which are added to the condominium may be substantially different from the residential buildings and units originally in the condominium. If the added residential buildings and units may be substantially different, there shall be a general description of the extent to which such added residential buildings and units may differ, and a statement in conspicuous type in substantially the following form shall be included: BUILDINGS AND UNITS WHICH ARE ADDED TO THE CONDOMINIUM MAY BE SUBSTANTIALLY DIFFERENT FROM THE OTHER BUILDINGS AND UNITS IN THE CONDOMINIUM. Immediately following this statement, the location in the disclosure materials where

the extent to which added residential buildings and units may substantially differ is described shall be stated.

- (d) A statement of the maximum number of buildings containing units, the maximum and minimum numbers of units in each building, the maximum number of units, and the minimum and maximum square footage of the units that may be contained within each parcel of land which may be added to the condominium.
- (15) If the condominium is or may become part of a multicondominium, the following information must be provided:
- (a) A statement in conspicuous type in substantially the following form: THIS CONDOMINIUM IS (MAY BE) PART OF A MULTICONDOMINIUM DEVELOPMENT IN WHICH OTHER CONDOMINIUMS WILL (MAY) BE OPERATED BY THE SAME ASSOCIATION. Immediately following this statement, the location in the prospectus or offering circular and its exhibits where the multicondominium aspects of the offering are described must be stated.
- (b) A summary of the provisions in the declaration, articles of incorporation, and bylaws which establish and provide for the operation of the multicondominium, including a statement as to whether unit owners in the condominium will have the right to use recreational or other facilities located or planned to be located in other condominiums operated by the same association, and the manner of sharing the common expenses related to such facilities.
- (c) A statement of the minimum and maximum number of condominiums, and the minimum and maximum number of units in each of those condominiums, which will or may be operated by the association, and the latest date by which the exact number will be finally determined.
  - (d) A statement as to whether any of the condominiums

in the multicondominium may include units intended to be used for nonresidential purposes and the purpose or purposes permitted for such use.

- (e) A general description of the location and approximate acreage of any land on which any additional condominiums to be operated by the association may be located.
- (16) If the condominium is created by conversion of existing improvements, the following information shall be stated:
  - (a) The information required by s. 718.616.
- (b) A caveat that there are no express warranties unless they are stated in writing by the developer.
- (17) A summary of the restrictions, if any, to be imposed on units concerning the use of any of the condominium property, including statements as to whether there are restrictions upon children and pets, and reference to the volumes and pages of the condominium documents where such restrictions are found, or if such restrictions are contained elsewhere, then a copy of the documents containing the restrictions shall be attached as an exhibit.
- (18) If there is any land that is offered by the developer for use by the unit owners and that is neither owned by them nor leased to them, the association, or any entity controlled by unit owners and other persons having the use rights to such land, a statement shall be made as to how such land will serve the condominium. If any part of such land will serve the condominium, the statement shall describe the land and the nature and term of service, and the declaration or other instrument creating such servitude shall be included as an exhibit.
  - (19) The manner in which utility and other services,

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including, but not limited to, sewage and waste disposal, water supply, and storm drainage, will be provided and the person or entity furnishing them.

- (20) An explanation of the manner in which the apportionment of common expenses and ownership of the common elements has been determined.
- (21) An estimated operating budget for the condominium and the association, and a schedule of the unit owner's expenses shall be attached as an exhibit and shall contain the following information:
- (a) The estimated monthly and annual expenses of the condominium and the association that are collected from unit owners by assessments.
- (b) The estimated monthly and annual expenses of each unit owner for a unit, other than common expenses paid by all unit owners, payable by the unit owner to persons or entities other than the association, as well as to the association, including fees assessed pursuant to s. 718.113(1) for maintenance of limited common elements where such costs are shared only by those entitled to use the limited common element, and the total estimated monthly and annual expense. There may be excluded from this estimate expenses which are not provided for or contemplated by the condominium documents, including, but not limited to, the costs of private telephone; maintenance of the interior of condominium units, which is not the obligation of the association; maid or janitorial services privately contracted for by the unit owners; utility bills billed directly to each unit owner for utility services to his or her unit; insurance premiums other than those incurred for policies obtained by the condominium; and similar personal expenses of the unit owner. A unit owner's estimated payments

for assessments shall also be stated in the estimated amounts for the times when they will be due.

- (c) The estimated items of expenses of the condominium and the association, except as excluded under paragraph (b), including, but not limited to, the following items, which shall be stated either as an association expense collectible by assessments or as unit owners' expenses payable to persons other than the association:
  - 1. Expenses for the association and condominium:
  - a. Administration of the association.
  - b. Management fees.
  - c. Maintenance.
- d. Rent for recreational and other commonly used facilities.
  - e. Taxes upon association property.
  - f. Taxes upon leased areas.
  - g. Insurance.
    - h. Security provisions.
- i. Other expenses.
  - j. Operating capital.
- 21 k. Reserves.

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- 1. Fees payable to the division.
  - 2. Expenses for a unit owner:
  - a. Rent for the unit, if subject to a lease.
  - b. Rent payable by the unit owner directly to the lessor or agent under any recreational lease or lease for the use of commonly used facilities, which use and payment is a mandatory condition of ownership and is not included in the common expense or assessments for common maintenance paid by the unit owners to the association.
    - (d) The estimated amounts shall be stated for a period

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of at least 12 months and may distinguish between the period prior to the time unit owners other than the developer elect a majority of the board of administration and the period after that date.

- (22) A schedule of estimated closing expenses to be paid by a buyer or lessee of a unit and a statement of whether title opinion or title insurance policy is available to the buyer and, if so, at whose expense.
- (23) The identity of the developer and the chief operating officer or principal directing the creation and sale of the condominium and a statement of its and his or her experience in this field.
- (24) Copies of the following, to the extent they are applicable, shall be included as exhibits:
- (a) The declaration of condominium, or the proposed declaration if the declaration has not been recorded.
- (b) The articles of incorporation creating the association.
  - (c) The bylaws of the association.
- (d) The ground lease or other underlying lease of the condominium.
- (e) The management agreement and all maintenance and other contracts for management of the association and operation of the condominium and facilities used by the unit owners having a service term in excess of 1 year.
- (f) The estimated operating budget for the condominium and the required schedule of unit owners' expenses.
- (g) A copy of the floor plan of the unit and the plot plan showing the location of the residential buildings and the recreation and other common areas.
  - (h) The lease of recreational and other facilities

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that will be used only by unit owners of the subject condominium.

- (i) The lease of facilities used by owners and others.
- (j) The form of unit lease, if the offer is of a leasehold.
- (k) A declaration of servitude of properties serving the condominium but not owned by unit owners or leased to them or the association.
- (1) The statement of condition of the existing building or buildings, if the offering is of units in an operation being converted to condominium ownership.
- (m) The statement of inspection for termite damage and treatment of the existing improvements, if the condominium is a conversion.
  - (n) The form of agreement for sale or lease of units.
- (o) A copy of the agreement for escrow of payments made to the developer prior to closing.
- (p) A copy of the documents containing any restrictions on use of the property required by subsection (16).
- (25) Any prospectus or offering circular complying, prior to the effective date of this act, with the provisions of former ss. 711.69 and 711.802 may continue to be used without amendment or may be amended to comply with the provisions of this chapter.
- (26) A brief narrative description of the location and effect of all existing and intended easements located or to be located on the condominium property other than those described in the declaration.
- (27) If the developer is required by state or local authorities to obtain acceptance or approval of any dock or

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marina facilities intended to serve the condominium, a copy of any such acceptance or approval acquired by the time of filing with the division under s. 718.502(1) or a statement that such acceptance or approval has not been acquired or received.

(28) Evidence demonstrating that the developer has an ownership, leasehold, or contractual interest in the land upon which the condominium is to be developed.

Section 77. Section 718.508, Florida Statutes, is amended to read:

718.508 Regulation by Division of Hotels and Restaurants.—In addition to the authority, regulation, or control exercised by the Division of Florida Land Sales, Condominiums, Timeshare, and Mobile Homes pursuant to this act with respect to condominiums, buildings included in a condominium property shall be subject to the authority, regulation, or control of the Division of Hotels and Restaurants of the Department of Business and Professional Regulation, to the extent provided for in chapter 399.

Section 78. Section 718.509, Florida Statutes, is amended to read:

718.509 Division of Florida Land Sales, Condominiums, Timeshare, and Mobile Homes Trust Fund.--

- (1) There is created within the State Treasury the Division of Condominiums, Timeshare, and Mobile Homes Trust Fund, to be used for the administration and operation of this chapter and chapters 719, 721, and 723 by the division.
- (2) All funds collected by the division and any amount paid for a fee or penalty under this chapter shall be deposited in the State Treasury to the credit of the Division of Florida Land Sales, Condominiums, Timeshare, and Mobile

Homes Trust Fund created by s. 718.509 498.019. The division

shall maintain separate revenue accounts in the trust fund for each business regulated by the division, and shall provide for the proportionate allocation among the accounts of expenses incurred in the performance of its duties for each of these businesses. As part of its normal budgetary process, the division shall prepare an annual report of revenue and allocated expenses related to the operation of each of these businesses, which may be used to determine fees charged by the division. The provisions of s. 215.20 apply to the trust fund.

Section 79. Paragraph (a) of subsection (2) of section 718.608, Florida Statutes, is amended to read:

718.608 Notice of intended conversion; time of delivery; content.--

(2)(a) Each notice of intended conversion shall be dated and in writing. The notice shall contain the following statement, with the phrases of the following statement which appear in upper case printed in conspicuous type:

These apartments are being converted to condominium by ...(name of developer)..., the developer.

- 1. YOU MAY REMAIN AS A RESIDENT UNTIL THE EXPIRATION OF YOUR RENTAL AGREEMENT. FURTHER, YOU MAY EXTEND YOUR RENTAL AGREEMENT AS FOLLOWS:
- a. If you have continuously been a resident of these apartments during the last 180 days and your rental agreement expires during the next 270 days, you may extend your rental agreement for up to 270 days after the date of this notice.
- b. If you have not been a continuous resident of these apartments for the last 180 days and your rental agreement expires during the next 180 days, you may extend your rental agreement for up to 180 days after the date of this notice.

- C. IN ORDER FOR YOU TO EXTEND YOUR RENTAL AGREEMENT, YOU MUST GIVE THE DEVELOPER WRITTEN NOTICE WITHIN 45 DAYS AFTER THE DATE OF THIS NOTICE.
- 2. IF YOUR RENTAL AGREEMENT EXPIRES IN THE NEXT 45 DAYS, you may extend your rental agreement for up to 45 days after the date of this notice while you decide whether to extend your rental agreement as explained above. To do so, you must notify the developer in writing. You will then have the full 45 days to decide whether to extend your rental agreement as explained above.
- 3. During the extension of your rental agreement you will be charged the same rent that you are now paying.
- 4. YOU MAY CANCEL YOUR RENTAL AGREEMENT AND ANY EXTENSION OF THE RENTAL AGREEMENT AS FOLLOWS:
- a. If your rental agreement began or was extended or renewed after May 1, 1980, and your rental agreement, including extensions and renewals, has an unexpired term of 180 days or less, you may cancel your rental agreement upon 30 days' written notice and move. Also, upon 30 days' written notice, you may cancel any extension of the rental agreement.
- b. If your rental agreement was not begun or was not extended or renewed after May 1, 1980, you may not cancel the rental agreement without the consent of the developer. If your rental agreement, including extensions and renewals, has an unexpired term of 180 days or less, you may, however, upon 30 days' written notice cancel any extension of the rental agreement.
- 5. All notices must be given in writing and sent by mail, return receipt requested, or delivered in person to the developer at this address: ...(name and address of developer)....

- 6. If you have continuously been a resident of these apartments during the last 180 days:
- a. You have the right to purchase your apartment and will have 45 days to decide whether to purchase. If you do not buy the unit at that price and the unit is later offered at a lower price, you will have the opportunity to buy the unit at the lower price. However, in all events your right to purchase the unit ends when the rental agreement or any extension of the rental agreement ends or when you waive this right in writing.
- b. Within 90 days you will be provided purchase information relating to your apartment, including the price of your unit and the condition of the building. If you do not receive this information within 90 days, your rental agreement and any extension will be extended 1 day for each day over 90 days until you are given the purchase information. If you do not want this rental agreement extension, you must notify the developer in writing.
- 7. If you have any questions regarding this conversion or the Condominium Act, you may contact the developer or the state agency which regulates condominiums: The Division of Florida Land Sales, Condominiums, Timeshare, and Mobile Homes, ... (Tallahassee address and telephone number of division)....

Section 80. Subsection (17) of section 719.103, Florida Statutes, is amended to read:

719.103 Definitions. -- As used in this chapter:

(17) "Division" means the Division of Florida Land Sales, Condominiums, Timeshare, and Mobile Homes of the Department of Business and Professional Regulation.

Section 81. Section 719.1255, Florida Statutes, is amended to read:

719.1255 Alternative resolution of disputes.--The division of Florida Land Sales, Condominiums, and Mobile Homes of the Department of Business and Professional Regulation shall provide for alternative dispute resolution in accordance with s. 718.1255.

Section 82. Section 719.501, Florida Statutes, is amended to read:

719.501 Powers and duties of Division of Florida Land Sales, Condominiums, Timeshare, and Mobile Homes.--

- (1) The Division of Florida Land Sales, Condominiums, Timeshare, and Mobile Homes of the Department of Business and Professional Regulation, referred to as the "division" in this part, in addition to other powers and duties prescribed by chapter 498, has the power to enforce and ensure compliance with the provisions of this chapter and rules adopted promulgated pursuant hereto relating to the development, construction, sale, lease, ownership, operation, and management of residential cooperative units. In performing its duties, the division shall have the following powers and duties:
- (a) The division may make necessary public or private investigations within or outside this state to determine whether any person has violated this chapter or any rule or order hereunder, to aid in the enforcement of this chapter, or to aid in the adoption of rules or forms hereunder.
- (b) The division may require or permit any person to file a statement in writing, under oath or otherwise, as the division determines, as to the facts and circumstances concerning a matter to be investigated.
- (c) For the purpose of any investigation under this chapter, the division director or any officer or employee

designated by the division director may administer oaths or affirmations, subpoena witnesses and compel their attendance, take evidence, and require the production of any matter which is relevant to the investigation, including the existence, description, nature, custody, condition, and location of any books, documents, or other tangible things and the identity and location of persons having knowledge of relevant facts or any other matter reasonably calculated to lead to the discovery of material evidence. Upon failure by a person to obey a subpoena or to answer questions propounded by the investigating officer and upon reasonable notice to all persons affected thereby, the division may apply to the circuit court for an order compelling compliance.

- (d) Notwithstanding any remedies available to unit owners and associations, if the division has reasonable cause to believe that a violation of any provision of this chapter or rule promulgated pursuant hereto has occurred, the division may institute enforcement proceedings in its own name against a developer, association, officer, or member of the board, or its assignees or agents, as follows:
- 1. The division may permit a person whose conduct or actions may be under investigation to waive formal proceedings and enter into a consent proceeding whereby orders, rules, or letters of censure or warning, whether formal or informal, may be entered against the person.
- 2. The division may issue an order requiring the developer, association, officer, or member of the board, or its assignees or agents, to cease and desist from the unlawful practice and take such affirmative action as in the judgment of the division will carry out the purposes of this chapter.
- Such affirmative action may include, but is not limited to, an

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order requiring a developer to pay moneys determined to be owed to a condominium association.

- 3. The division may bring an action in circuit court on behalf of a class of unit owners, lessees, or purchasers for declaratory relief, injunctive relief, or restitution.
- The division may impose a civil penalty against a developer or association, or its assignees or agents, for any violation of this chapter or a rule promulgated pursuant hereto. The division may impose a civil penalty individually against any officer or board member who willfully and knowingly violates a provision of this chapter, a rule adopted pursuant to this chapter, or a final order of the division. The term "willfully and knowingly" means that the division informed the officer or board member that his or her action or intended action violates this chapter, a rule adopted under this chapter, or a final order of the division, and that the officer or board member refused to comply with the requirements of this chapter, a rule adopted under this chapter, or a final order of the division. The division, prior to initiating formal agency action under chapter 120, shall afford the officer or board member an opportunity to voluntarily comply with this chapter, a rule adopted under this chapter, or a final order of the division. An officer or board member who complies within 10 days is not subject to a civil penalty. A penalty may be imposed on the basis of each day of continuing violation, but in no event shall the penalty for any offense exceed \$5,000. By January 1, 1998, the division shall adopt, by rule, penalty guidelines applicable to possible violations or to categories of violations of this chapter or rules adopted by the division. The guidelines must specify a meaningful range of civil penalties for each such

violation of the statute and rules and must be based upon the 1 2 harm caused by the violation, the repetition of the violation, 3 and upon such other factors deemed relevant by the division. 4 For example, the division may consider whether the violations 5 were committed by a developer or owner-controlled association, the size of the association, and other factors. The guidelines 6 7 must designate the possible mitigating or aggravating 8 circumstances that justify a departure from the range of penalties provided by the rules. It is the legislative intent 9 that minor violations be distinguished from those which 10 endanger the health, safety, or welfare of the cooperative 11 12 residents or other persons and that such guidelines provide 13 reasonable and meaningful notice to the public of likely penalties that may be imposed for proscribed conduct. This 14 15 subsection does not limit the ability of the division to informally dispose of administrative actions or complaints by 16 17 stipulation, agreed settlement, or consent order. All amounts collected shall be deposited with the Treasurer to the credit 18 of the Division of Florida Land Sales, Condominiums, 19 20 Timeshare, and Mobile Homes Trust Fund. If a developer fails to pay the civil penalty, the division shall thereupon issue 21 an order directing that such developer cease and desist from 22 further operation until such time as the civil penalty is paid 23 24 or may pursue enforcement of the penalty in a court of 25 competent jurisdiction. If an association fails to pay the civil penalty, the division shall thereupon pursue enforcement 26 27 in a court of competent jurisdiction, and the order imposing the civil penalty or the cease and desist order shall not 28 become effective until 20 days after the date of such order. 29 30 Any action commenced by the division shall be brought in the county in which the division has its executive offices or in

the county where the violation occurred.

- (e) The division is authorized to prepare and disseminate a prospectus and other information to assist prospective owners, purchasers, lessees, and developers of residential cooperatives in assessing the rights, privileges, and duties pertaining thereto.
- (f) The division has authority to adopt rules pursuant to ss. 120.536(1) and 120.54 to implement and enforce the provisions of this chapter.
- (g) The division shall establish procedures for providing notice to an association when the division is considering the issuance of a declaratory statement with respect to the cooperative documents governing such cooperative community.
- (h) The division shall furnish each association which pays the fees required by paragraph (2)(a) a copy of this act, subsequent changes to this act on an annual basis, an amended version of this act as it becomes available from the Secretary of State's office on a biennial basis, and the rules promulgated pursuant thereto on an annual basis.
- (i) The division shall annually provide each association with a summary of declaratory statements and formal legal opinions relating to the operations of cooperatives which were rendered by the division during the previous year.
- (j) The division shall adopt uniform accounting principles, policies, and standards to be used by all associations in the preparation and presentation of all financial statements required by this chapter. The principles, policies, and standards shall take into consideration the size of the association and the total revenue collected by the

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association.

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- (k) The division shall provide training programs for cooperative association board members and unit owners.
- (1) The division shall maintain a toll-free telephone number accessible to cooperative unit owners.
- When a complaint is made to the division, the division shall conduct its inquiry with reasonable dispatch and with due regard to the interests of the affected parties. Within 30 days after receipt of a complaint, the division shall acknowledge the complaint in writing and notify the complainant whether the complaint is within the jurisdiction of the division and whether additional information is needed by the division from the complainant. The division shall conduct its investigation and shall, within 90 days after receipt of the original complaint or timely requested additional information, take action upon the complaint. However, the failure to complete the investigation within 90 days does not prevent the division from continuing the investigation, accepting or considering evidence obtained or received after 90 days, or taking administrative action if reasonable cause exists to believe that a violation of this chapter or a rule of the division has occurred. If an investigation is not completed within the time limits established in this paragraph, the division shall, on a monthly basis, notify the complainant in writing of the status of the investigation. When reporting its action to the complainant, the division shall inform the complainant of any right to a hearing pursuant to ss. 120.569 and 120.57.
- (n) The division shall develop a program to certify both volunteer and paid mediators to provide mediation of cooperative disputes. The division shall provide, upon

request, a list of such mediators to any association, unit owner, or other participant in arbitration proceedings under s. 718.1255 requesting a copy of the list. The division shall include on the list of voluntary mediators only persons who have received at least 20 hours of training in mediation techniques or have mediated at least 20 disputes. In order to become initially certified by the division, paid mediators must be certified by the Supreme Court to mediate court cases in either county or circuit courts. However, the division may adopt, by rule, additional factors for the certification of paid mediators, which factors must be related to experience, education, or background. Any person initially certified as a paid mediator by the division must, in order to continue to be certified, comply with the factors or requirements imposed by rules adopted by the division.

- (2)(a) Each cooperative association shall pay to the division, on or before January 1 of each year, an annual fee in the amount of \$4 for each residential unit in cooperatives operated by the association. If the fee is not paid by March 1, then the association shall be assessed a penalty of 10 percent of the amount due, and the association shall not have the standing to maintain or defend any action in the courts of this state until the amount due is paid.
- (b) All fees shall be deposited in the Division of Florida Land Sales, Condominiums, <u>Timeshare</u>, and Mobile Homes Trust Fund as provided by law.

Section 83. Paragraph (a) of subsection (2) of section 719.502, Florida Statutes, is amended to read:

719.502 Filing prior to sale or lease.--

(2)(a) Prior to filing as required by subsection (1), and prior to acquiring an ownership, leasehold, or contractual

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interest in the land upon which the cooperative is to be developed, a developer shall not offer a contract for purchase or lease of a unit for more than 5 years. However, the developer may accept deposits for reservations upon the approval of a fully executed escrow agreement and reservation agreement form properly filed with the division of Florida Land Sales, Condominiums, and Mobile Homes. Each filing of a proposed reservation program shall be accompanied by a filing fee of \$250. Reservations shall not be taken on a proposed cooperative unless the developer has an ownership, leasehold, or contractual interest in the land upon which the cooperative is to be developed. The division shall notify the developer within 20 days of receipt of the reservation filing of any deficiencies contained therein. Such notification shall not preclude the determination of reservation filing deficiencies at a later date, nor shall it relieve the developer of any responsibility under the law. The escrow agreement and the reservation agreement form shall include a statement of the right of the prospective purchaser to an immediate unqualified refund of the reservation deposit moneys upon written request to the escrow agent by the prospective purchaser or the developer.

Section 84. Section 719.504, Florida Statutes, is amended to read:

719.504 Prospectus or offering circular.--Every developer of a residential cooperative which contains more than 20 residential units, or which is part of a group of residential cooperatives which will be served by property to be used in common by unit owners of more than 20 residential units, shall prepare a prospectus or offering circular and file it with the division of Florida Land Sales, Condominiums,

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and Mobile Homes prior to entering into an enforceable 1 2 contract of purchase and sale of any unit or lease of a unit 3 for more than 5 years and shall furnish a copy of the 4 prospectus or offering circular to each buyer. In addition to 5 the prospectus or offering circular, each buyer shall be furnished a separate page entitled "Frequently Asked Questions 6 7 and Answers," which must be in accordance with a format 8 approved by the division. This page must, in readable language: inform prospective purchasers regarding their 9 10 voting rights and unit use restrictions, including 11 restrictions on the leasing of a unit; indicate whether and in 12 what amount the unit owners or the association is obligated to 13 pay rent or land use fees for recreational or other commonly 14 used facilities; contain a statement identifying that amount 15 of assessment which, pursuant to the budget, would be levied upon each unit type, exclusive of any special assessments, and 16 17 which identifies the basis upon which assessments are levied, whether monthly, quarterly, or otherwise; state and identify 18 any court cases in which the association is currently a party 19 20 of record in which the association may face liability in excess of \$100,000; and state whether membership in a 21 recreational facilities association is mandatory and, if so, 22 identify the fees currently charged per unit type. 23 24 division shall by rule require such other disclosure as in its 25 judgment will assist prospective purchasers. The prospectus or offering circular may include more than one cooperative, 26 27 although not all such units are being offered for sale as of the date of the prospectus or offering circular. 28 29 prospectus or offering circular must contain the following 30 information:

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(1) The front cover or the first page must contain

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- (a) The name of the cooperative.
- (b) The following statements in conspicuous type:
- 1. THIS PROSPECTUS (OFFERING CIRCULAR) CONTAINS IMPORTANT MATTERS TO BE CONSIDERED IN ACQUIRING A COOPERATIVE UNIT.
- 2. THE STATEMENTS CONTAINED HEREIN ARE ONLY SUMMARY IN NATURE. A PROSPECTIVE PURCHASER SHOULD REFER TO ALL REFERENCES, ALL EXHIBITS HERETO, THE CONTRACT DOCUMENTS, AND SALES MATERIALS.
- 3. ORAL REPRESENTATIONS CANNOT BE RELIED UPON AS CORRECTLY STATING THE REPRESENTATIONS OF THE DEVELOPER. REFER TO THIS PROSPECTUS (OFFERING CIRCULAR) AND ITS EXHIBITS FOR CORRECT REPRESENTATIONS.
- (2) Summary: The next page must contain all statements required to be in conspicuous type in the prospectus or offering circular.
- (3) A separate index of the contents and exhibits of the prospectus.
- (4) Beginning on the first page of the text (not including the summary and index), a description of the cooperative, including, but not limited to, the following information:
  - (a) Its name and location.
- (b) A description of the cooperative property, including, without limitation:
- 1. The number of buildings, the number of units in each building, the number of bathrooms and bedrooms in each unit, and the total number of units, if the cooperative is not a phase cooperative; or, if the cooperative is a phase cooperative, the maximum number of buildings that may be

contained within the cooperative, the minimum and maximum number of units in each building, the minimum and maximum number of bathrooms and bedrooms that may be contained in each unit, and the maximum number of units that may be contained within the cooperative.

- 2. The page in the cooperative documents where a copy of the survey and plot plan of the cooperative is located.
- 3. The estimated latest date of completion of constructing, finishing, and equipping. In lieu of a date, a statement that the estimated date of completion of the cooperative is in the purchase agreement and a reference to the article or paragraph containing that information.
- (c) The maximum number of units that will use facilities in common with the cooperative. If the maximum number of units will vary, a description of the basis for variation and the minimum amount of dollars per unit to be spent for additional recreational facilities or enlargement of such facilities. If the addition or enlargement of facilities will result in a material increase of a unit owner's maintenance expense or rental expense, if any, the maximum increase and limitations thereon shall be stated.
- (5)(a) A statement in conspicuous type describing whether the cooperative is created and being sold as fee simple interests or as leasehold interests. If the cooperative is created or being sold on a leasehold, the location of the lease in the disclosure materials shall be stated.
- (b) If timeshare estates are or may be created with respect to any unit in the cooperative, a statement in conspicuous type stating that timeshare estates are created and being sold in such specified units in the cooperative.

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- (6) A description of the recreational and other common areas that will be used only by unit owners of the cooperative, including, but not limited to, the following:
- (a) Each room and its intended purposes, location, approximate floor area, and capacity in numbers of people.
- (b) Each swimming pool, as to its general location, approximate size and depths, approximate deck size and capacity, and whether heated.
- (c) Additional facilities, as to the number of each facility, its approximate location, approximate size, and approximate capacity.
- (d) A general description of the items of personal property and the approximate number of each item of personal property that the developer is committing to furnish for each room or other facility or, in the alternative, a representation as to the minimum amount of expenditure that will be made to purchase the personal property for the facility.
- (e) The estimated date when each room or other facility will be available for use by the unit owners.
- (f)1. An identification of each room or other facility to be used by unit owners that will not be owned by the unit owners or the association;
- 2. A reference to the location in the disclosure materials of the lease or other agreements providing for the use of those facilities; and
- 3. A description of the terms of the lease or other agreements, including the length of the term; the rent payable, directly or indirectly, by each unit owner, and the total rent payable to the lessor, stated in monthly and annual amounts for the entire term of the lease; and a description of

any option to purchase the property leased under any such lease, including the time the option may be exercised, the purchase price or how it is to be determined, the manner of payment, and whether the option may be exercised for a unit owner's share or only as to the entire leased property.

(g) A statement as to whether the developer may provide additional facilities not described above, their general locations and types, improvements or changes that may be made, the approximate dollar amount to be expended, and the maximum additional common expense or cost to the individual unit owners that may be charged during the first annual period of operation of the modified or added facilities.

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Descriptions as to locations, areas, capacities, numbers, volumes, or sizes may be stated as approximations or minimums.

- (7) A description of the recreational and other facilities that will be used in common with other cooperatives, community associations, or planned developments which require the payment of the maintenance and expenses of such facilities, either directly or indirectly, by the unit owners. The description shall include, but not be limited to, the following:
  - (a) Each building and facility committed to be built.
- (b) Facilities not committed to be built except under certain conditions, and a statement of those conditions or contingencies.
- (c) As to each facility committed to be built, or which will be committed to be built upon the happening of one of the conditions in paragraph (b), a statement of whether it will be owned by the unit owners having the use thereof or by an association or other entity which will be controlled by

them, or others, and the location in the exhibits of the lease or other document providing for use of those facilities.

- (d) The year in which each facility will be available for use by the unit owners or, in the alternative, the maximum number of unit owners in the project at the time each of all of the facilities is committed to be completed.
- (e) A general description of the items of personal property, and the approximate number of each item of personal property, that the developer is committing to furnish for each room or other facility or, in the alternative, a representation as to the minimum amount of expenditure that will be made to purchase the personal property for the facility.
- (f) If there are leases, a description thereof, including the length of the term, the rent payable, and a description of any option to purchase.

Descriptions shall include location, areas, capacities, numbers, volumes, or sizes and may be stated as approximations or minimums.

- (8) Recreation lease or associated club membership:
- (a) If any recreational facilities or other common areas offered by the developer and available to, or to be used by, unit owners are to be leased or have club membership associated, the following statement in conspicuous type shall be included: THERE IS A RECREATIONAL FACILITIES LEASE ASSOCIATED WITH THIS COOPERATIVE; or, THERE IS A CLUB MEMBERSHIP ASSOCIATED WITH THIS COOPERATIVE. There shall be a reference to the location in the disclosure materials where the recreation lease or club membership is described in detail.

- (b) If it is mandatory that unit owners pay a fee, rent, dues, or other charges under a recreational facilities lease or club membership for the use of facilities, there shall be in conspicuous type the applicable statement:
- 1. MEMBERSHIP IN THE RECREATIONAL FACILITIES CLUB IS MANDATORY FOR UNIT OWNERS; or
- 2. UNIT OWNERS ARE REQUIRED, AS A CONDITION OF OWNERSHIP, TO BE LESSEES UNDER THE RECREATIONAL FACILITIES LEASE; or
- 3. UNIT OWNERS ARE REQUIRED TO PAY THEIR SHARE OF THE COSTS AND EXPENSES OF MAINTENANCE, MANAGEMENT, UPKEEP, REPLACEMENT, RENT, AND FEES UNDER THE RECREATIONAL FACILITIES LEASE (OR THE OTHER INSTRUMENTS PROVIDING THE FACILITIES); or
- 4. A similar statement of the nature of the organization or manner in which the use rights are created, and that unit owners are required to pay.

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Immediately following the applicable statement, the location in the disclosure materials where the development is described in detail shall be stated.

- (c) If the developer, or any other person other than the unit owners and other persons having use rights in the facilities, reserves, or is entitled to receive, any rent, fee, or other payment for the use of the facilities, then there shall be the following statement in conspicuous type: THE UNIT OWNERS OR THE ASSOCIATION(S) MUST PAY RENT OR LAND USE FEES FOR RECREATIONAL OR OTHER COMMON AREAS. Immediately following this statement, the location in the disclosure materials where the rent or land use fees are described in detail shall be stated.
  - (d) If, in any recreation format, whether leasehold,

club, or other, any person other than the association has the right to a lien on the units to secure the payment of assessments, rent, or other exactions, there shall appear a statement in conspicuous type in substantially the following form:

- 1. THERE IS A LIEN OR LIEN RIGHT AGAINST EACH UNIT TO SECURE THE PAYMENT OF RENT AND OTHER EXACTIONS UNDER THE RECREATION LEASE. THE UNIT OWNER'S FAILURE TO MAKE THESE PAYMENTS MAY RESULT IN FORECLOSURE OF THE LIEN; or
- 2. THERE IS A LIEN OR LIEN RIGHT AGAINST EACH UNIT TO SECURE THE PAYMENT OF ASSESSMENTS OR OTHER EXACTIONS COMING DUE FOR THE USE, MAINTENANCE, UPKEEP, OR REPAIR OF THE RECREATIONAL OR COMMONLY USED AREAS. THE UNIT OWNER'S FAILURE TO MAKE THESE PAYMENTS MAY RESULT IN FORECLOSURE OF THE LIEN.

Immediately following the applicable statement, the location in the disclosure materials where the lien or lien right is described in detail shall be stated.

- (9) If the developer or any other person has the right to increase or add to the recreational facilities at any time after the establishment of the cooperative whose unit owners have use rights therein, without the consent of the unit owners or associations being required, there shall appear a statement in conspicuous type in substantially the following form: RECREATIONAL FACILITIES MAY BE EXPANDED OR ADDED WITHOUT CONSENT OF UNIT OWNERS OR THE ASSOCIATION(S). Immediately following this statement, the location in the disclosure materials where such reserved rights are described shall be stated.
- (10) A statement of whether the developer's plan includes a program of leasing units rather than selling them,

or leasing units and selling them subject to such leases. If so, there shall be a description of the plan, including the number and identification of the units and the provisions and term of the proposed leases, and a statement in boldfaced type that: THE UNITS MAY BE TRANSFERRED SUBJECT TO A LEASE.

- (11) The arrangements for management of the association and maintenance and operation of the cooperative property and of other property that will serve the unit owners of the cooperative property, and a description of the management contract and all other contracts for these purposes having a term in excess of 1 year, including the following:
  - (a) The names of contracting parties.
  - (b) The term of the contract.
  - (c) The nature of the services included.
- (d) The compensation, stated on a monthly and annual basis, and provisions for increases in the compensation.
- (e) A reference to the volumes and pages of the cooperative documents and of the exhibits containing copies of such contracts.

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Copies of all described contracts shall be attached as exhibits. If there is a contract for the management of the cooperative property, then a statement in conspicuous type in substantially the following form shall appear, identifying the proposed or existing contract manager: THERE IS (IS TO BE) A CONTRACT FOR THE MANAGEMENT OF THE COOPERATIVE PROPERTY WITH (NAME OF THE CONTRACT MANAGER). Immediately following this statement, the location in the disclosure materials of the contract for management of the cooperative property shall be stated.

(12) If the developer or any other person or persons

other than the unit owners has the right to retain control of the board of administration of the association for a period of time which can exceed 1 year after the closing of the sale of a majority of the units in that cooperative to persons other than successors or alternate developers, then a statement in conspicuous type in substantially the following form shall be included: THE DEVELOPER (OR OTHER PERSON) HAS THE RIGHT TO RETAIN CONTROL OF THE ASSOCIATION AFTER A MAJORITY OF THE UNITS HAVE BEEN SOLD. Immediately following this statement, the location in the disclosure materials where this right to control is described in detail shall be stated.

- (13) If there are any restrictions upon the sale, transfer, conveyance, or leasing of a unit, then a statement in conspicuous type in substantially the following form shall be included: THE SALE, LEASE, OR TRANSFER OF UNITS IS RESTRICTED OR CONTROLLED. Immediately following this statement, the location in the disclosure materials where the restriction, limitation, or control on the sale, lease, or transfer of units is described in detail shall be stated.
- (14) If the cooperative is part of a phase project, the following shall be stated:
- (a) A statement in conspicuous type in substantially the following form shall be included: THIS IS A PHASE COOPERATIVE. ADDITIONAL LAND AND UNITS MAY BE ADDED TO THIS COOPERATIVE. Immediately following this statement, the location in the disclosure materials where the phasing is described shall be stated.
- (b) A summary of the provisions of the declaration providing for the phasing.
- (c) A statement as to whether or not residential buildings and units which are added to the cooperative may be

substantially different from the residential buildings and units originally in the cooperative, and, if the added residential buildings and units may be substantially different, there shall be a general description of the extent to which such added residential buildings and units may differ, and a statement in conspicuous type in substantially the following form shall be included: BUILDINGS AND UNITS WHICH ARE ADDED TO THE COOPERATIVE MAY BE SUBSTANTIALLY DIFFERENT FROM THE OTHER BUILDINGS AND UNITS IN THE COOPERATIVE. Immediately following this statement, the location in the disclosure materials where the extent to which added residential buildings and units may substantially differ is described shall be stated.

- (d) A statement of the maximum number of buildings containing units, the maximum and minimum number of units in each building, the maximum number of units, and the minimum and maximum square footage of the units that may be contained within each parcel of land which may be added to the cooperative.
- (15) If the cooperative is created by conversion of existing improvements, the following information shall be stated:
  - (a) The information required by s. 719.616.
- (b) A caveat that there are no express warranties unless they are stated in writing by the developer.
- (16) A summary of the restrictions, if any, to be imposed on units concerning the use of any of the cooperative property, including statements as to whether there are restrictions upon children and pets, and reference to the volumes and pages of the cooperative documents where such restrictions are found, or if such restrictions are contained

elsewhere, then a copy of the documents containing the restrictions shall be attached as an exhibit.

- developer for use by the unit owners and that is neither owned by them nor leased to them, the association, or any entity controlled by unit owners and other persons having the use rights to such land, a statement shall be made as to how such land will serve the cooperative. If any part of such land will serve the cooperative, the statement shall describe the land and the nature and term of service, and the cooperative documents or other instrument creating such servitude shall be included as an exhibit.
- (18) The manner in which utility and other services, including, but not limited to, sewage and waste disposal, water supply, and storm drainage, will be provided and the person or entity furnishing them.
- (19) An explanation of the manner in which the apportionment of common expenses and ownership of the common areas have been determined.
- (20) An estimated operating budget for the cooperative and the association, and a schedule of the unit owner's expenses shall be attached as an exhibit and shall contain the following information:
- (a) The estimated monthly and annual expenses of the cooperative and the association that are collected from unit owners by assessments.
- (b) The estimated monthly and annual expenses of each unit owner for a unit, other than assessments payable to the association, payable by the unit owner to persons or entities other than the association, and the total estimated monthly and annual expense. There may be excluded from this estimate

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expenses that are personal to unit owners, which are not uniformly incurred by all unit owners, or which are not provided for or contemplated by the cooperative documents, including, but not limited to, the costs of private telephone; maintenance of the interior of cooperative units, which is not the obligation of the association; maid or janitorial services privately contracted for by the unit owners; utility bills billed directly to each unit owner for utility services to his or her unit; insurance premiums other than those incurred for policies obtained by the cooperative; and similar personal expenses of the unit owner. A unit owner's estimated payments for assessments shall also be stated in the estimated amounts for the times when they will be due.

- (c) The estimated items of expenses of the cooperative and the association, except as excluded under paragraph (b), including, but not limited to, the following items, which shall be stated either as an association expense collectible by assessments or as unit owners' expenses payable to persons other than the association:
  - 1. Expenses for the association and cooperative:
  - a. Administration of the association.
  - b. Management fees.
    - c. Maintenance.
- d. Rent for recreational and other commonly used areas.
  - e. Taxes upon association property.
  - f. Taxes upon leased areas.
  - g. Insurance.
    - h. Security provisions.
- i. Other expenses.
  - j. Operating capital.

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k. Reserves.

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- 1. Fee payable to the division.
- 2. Expenses for a unit owner:
- a. Rent for the unit, if subject to a lease.
- b. Rent payable by the unit owner directly to the lessor or agent under any recreational lease or lease for the use of commonly used areas, which use and payment are a mandatory condition of ownership and are not included in the common expense or assessments for common maintenance paid by the unit owners to the association.
- (d) The estimated amounts shall be stated for a period of at least 12 months and may distinguish between the period prior to the time unit owners other than the developer elect a majority of the board of administration and the period after that date.
- (21) A schedule of estimated closing expenses to be paid by a buyer or lessee of a unit and a statement of whether title opinion or title insurance policy is available to the buyer and, if so, at whose expense.
- (22) The identity of the developer and the chief operating officer or principal directing the creation and sale of the cooperative and a statement of its and his or her experience in this field.
- (23) Copies of the following, to the extent they are applicable, shall be included as exhibits:
- (a) The cooperative documents, or the proposed cooperative documents if the documents have not been recorded.
- (b) The articles of incorporation creating the association.
  - (c) The bylaws of the association.
  - (d) The ground lease or other underlying lease of the

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- (e) The management agreement and all maintenance and other contracts for management of the association and operation of the cooperative and facilities used by the unit owners having a service term in excess of 1 year.
- (f) The estimated operating budget for the cooperative and the required schedule of unit owners' expenses.
- (g) A copy of the floor plan of the unit and the plot plan showing the location of the residential buildings and the recreation and other common areas.
- (h) The lease of recreational and other facilities that will be used only by unit owners of the subject cooperative.
  - (i) The lease of facilities used by owners and others.
- (j) The form of unit lease, if the offer is of a leasehold.
- (k) A declaration of servitude of properties serving the cooperative but not owned by unit owners or leased to them or the association.
- (1) The statement of condition of the existing building or buildings, if the offering is of units in an operation being converted to cooperative ownership.
- (m) The statement of inspection for termite damage and treatment of the existing improvements, if the cooperative is a conversion.
  - (n) The form of agreement for sale or lease of units.
- (o) A copy of the agreement for escrow of payments made to the developer prior to closing.
- (p) A copy of the documents containing any restrictions on use of the property required by subsection(16).

- (24) Any prospectus or offering circular complying with the provisions of former ss. 711.69 and 711.802 may continue to be used without amendment, or may be amended to comply with the provisions of this chapter.
- (25) A brief narrative description of the location and effect of all existing and intended easements located or to be located on the cooperative property other than those in the declaration.
- (26) If the developer is required by state or local authorities to obtain acceptance or approval of any dock or marina facility intended to serve the cooperative, a copy of such acceptance or approval acquired by the time of filing with the division pursuant to s. 719.502 or a statement that such acceptance has not been acquired or received.
- (27) Evidence demonstrating that the developer has an ownership, leasehold, or contractual interest in the land upon which the cooperative is to be developed.

Section 85. Section 719.508, Florida Statutes, is amended to read:

719.508 Regulation by Division of Hotels and Restaurants.—In addition to the authority, regulation, or control exercised by the Division of Florida Land Sales, Condominiums, Timeshare, and Mobile Homes pursuant to this act with respect to cooperatives, buildings included in a cooperative property shall be subject to the authority, regulation, or control of the Division of Hotels and Restaurants of the Department of Business and Professional Regulation, to the extent provided for in chapters 399 and 509.

Section 86. Paragraph (a) of subsection (2) of section 719.608, Florida Statutes, is amended to read:

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719.608 Notice of intended conversion; time of delivery; content. --

(2)(a) Each notice of intended conversion shall be dated and in writing. The notice shall contain the following statement, with the phrases of the following statement which appear in upper case printed in conspicuous type:

These apartments are being converted to cooperative by ... (name of developer)..., the developer.

- 1. YOU MAY REMAIN AS A RESIDENT UNTIL THE EXPIRATION OF YOUR RENTAL AGREEMENT. FURTHER, YOU MAY EXTEND YOUR RENTAL AGREEMENT AS FOLLOWS:
- If you have continuously been a resident of these apartments during the last 180 days and your rental agreement expires during the next 270 days, you may extend your rental agreement for up to 270 days after the date of this notice.
- If you have not been a continuous resident of these apartments for the last 180 days and your rental agreement expires during the next 180 days, you may extend your rental agreement for up to 180 days after the date of this notice.
- IN ORDER FOR YOU TO EXTEND YOUR RENTAL AGREEMENT, c. YOU MUST GIVE THE DEVELOPER WRITTEN NOTICE WITHIN 45 DAYS AFTER THE DATE OF THIS NOTICE.
- IF YOUR RENTAL AGREEMENT EXPIRES IN THE NEXT 45 DAYS, you may extend your rental agreement for up to 45 days after the date of this notice while you decide whether to extend your rental agreement as explained above. To do so, you must notify the developer in writing. You will then have the full 45 days to decide whether to extend your rental agreement as explained above.
  - During the extension of your rental agreement you

will be charged the same rent that you are now paying.

- 4. YOU MAY CANCEL YOUR RENTAL AGREEMENT AND ANY EXTENSION OF THE RENTAL AGREEMENT AS FOLLOWS:
- a. If your rental agreement began or was extended or renewed after May 1, 1980, and your rental agreement, including extensions and renewals, has an unexpired term of 180 days or less, you may cancel your rental agreement upon 30 days' written notice and move. Also, upon 30 days' written notice, you may cancel any extension of the rental agreement.
- b. If your rental agreement was not begun or was not extended or renewed after May 1, 1980, you may not cancel the rental agreement without the consent of the developer. If your rental agreement, including extensions and renewals, has an unexpired term of 180 days or less, you may, however, upon 30 days' written notice cancel any extension of the rental agreement.
- 5. All notices must be given in writing and sent by mail, return receipt requested, or delivered in person to the developer at this address: ...(name and address of developer)....
- 6. If you have continuously been a resident of these apartments during the last 180 days:
- a. You have the right to purchase your apartment and will have 45 days to decide whether to purchase. If you do not buy the unit at that price and the unit is later offered at a lower price, you will have the opportunity to buy the unit at the lower price. However, in all events your right to purchase the unit ends when the rental agreement or any extension of the rental agreement ends or when you waive this right in writing.
  - b. Within 90 days you will be provided purchase

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information relating to your apartment, including the price of your unit and the condition of the building. If you do not receive this information within 90 days, your rental agreement and any extension will be extended 1 day for each day over 90 days until you are given the purchase information. If you do not want this rental agreement extension, you must notify the developer in writing.

7. If you have any questions regarding this conversion or the Cooperative Act, you may contact the developer or the state agency which regulates cooperatives: The Division of Florida Land Sales, Condominiums, Timeshare, and Mobile Homes, ... (Tallahassee address and telephone number of division)....

Section 87. Subsection (10) of section 721.05, Florida Statutes, is amended to read:

721.05 Definitions.--As used in this chapter, the term:

(10) "Division" means the Division of Florida Land Sales, Condominiums, Timeshare, and Mobile Homes of the Department of Business and Professional Regulation.

Section 88. Paragraph (d) of subsection (2) of section 721.07, Florida Statutes, is amended to read:

721.07 Public offering statement.--Prior to offering any timeshare plan, the developer must submit a registered public offering statement to the division for approval as prescribed by s. 721.03, s. 721.55, or this section. Until the division approves such filing, any contract regarding the sale of that timeshare plan is voidable by the purchaser.

(2)

(d) A developer shall have the authority to deliver to purchasers any purchaser public offering statement that is not yet approved by the division, provided that the following

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shall apply:

1. At the time the developer delivers an unapproved purchaser public offering statement to a purchaser pursuant to this paragraph, the developer shall deliver a fully completed and executed copy of the purchase contract required by s. 721.06 that contains the following statement in conspicuous type in substantially the following form which shall replace the statements required by s. 721.06(1)(g):

The developer is delivering to you a public offering statement that has been filed with but not yet approved by the Division of Florida Land Sales, Condominiums, Timeshare, and Mobile Homes. Any revisions to the unapproved public offering statement you have received must be delivered to you, but only if the revisions materially alter or modify the offering in a manner adverse to you. After the division approves the public offering statement, you will receive notice of the approval from the developer and the required revisions, if any.

Your statutory right to cancel this transaction without any penalty or obligation expires 10 calendar days after the date you signed your purchase contract or 10 calendar days after you receive revisions required to be delivered to you, if any, whichever is later.

2. After receipt of approval from the division and prior to closing, if any revisions made to the documents contained in the purchaser public offering statement materially alter or modify the offering in a manner adverse to a purchaser, the developer shall send the purchaser such revisions together with a notice containing a statement in

conspicuous type in substantially the following form:

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The unapproved public offering statement previously delivered to you, together with the enclosed revisions, has been approved by the Division of Florida Land Sales, Condominiums, Timeshare, and Mobile Homes. Accordingly, your cancellation right expires 10 calendar days after you sign your purchase contract or 10 calendar days after you receive these revisions, whichever is later. If you have any questions regarding your cancellation rights, you may contact the division at [insert division's current address].

3. After receipt of approval from the division and prior to closing, if no revisions have been made to the documents contained in the unapproved purchaser public offering statement, or if such revisions do not materially alter or modify the offering in a manner adverse to a purchaser, the developer shall send the purchaser a notice containing a statement in conspicuous type in substantially the following form:

The unapproved public offering statement previously delivered to you has been approved by the Division of Florida Land Sales, Condominiums, Timeshare, and Mobile Homes. Revisions made to the unapproved public offering statement, if any, are either not required to be delivered to you or are not deemed by the developer, in its opinion, to materially alter or modify the offering in a manner that is adverse to you. Accordingly, your cancellation right expired 10 days after you signed your purchase contract. A complete copy of the approved public offering statement is available through the managing

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entity for inspection as part of the books and records of the plan. If you have any questions regarding your cancellation rights, you may contact the division at [insert division's current address].

Section 89. Subsection (8) of section 721.08, Florida Statutes, is amended to read:

721.08 Escrow accounts; nondisturbance instruments; alternate security arrangements; transfer of legal title.--

(8) An escrow agent holding escrowed funds pursuant to this chapter that have not been claimed for a period of 5 years after the date of deposit shall make at least one reasonable attempt to deliver such unclaimed funds to the purchaser who submitted such funds to escrow. In making such attempt, an escrow agent is entitled to rely on a purchaser's last known address as set forth in the books and records of the escrow agent and is not required to conduct any further search for the purchaser. If an escrow agent's attempt to deliver unclaimed funds to any purchaser is unsuccessful, the escrow agent may deliver such unclaimed funds to the division and the division shall deposit such unclaimed funds in the Division of Florida Land Sales, Condominiums, Timeshare, and Mobile Homes Trust Fund, 30 days after giving notice in a publication of general circulation in the county in which the timeshare property containing the purchaser's timeshare interest is located. The purchaser may claim the same at any time prior to the delivery of such funds to the division. After delivery of such funds to the division, the purchaser shall have no more rights to the unclaimed funds. The escrow agent shall not be liable for any claims from any party arising out of the escrow agent's delivery of the unclaimed funds to the division pursuant to this section.

Section 90. Section 721.26, Florida Statutes, is amended to read:

721.26 Regulation by division.--The division has the power to enforce and ensure compliance with the provisions of this chapter, except for parts III and IV, using the powers provided in this chapter, as well as the powers prescribed in chapters 498, 718, and 719. In performing its duties, the division shall have the following powers and duties:

- (1) To aid in the enforcement of this chapter, or any division rule or order promulgated or issued pursuant to this chapter, the division may make necessary public or private investigations within or outside this state to determine whether any person has violated or is about to violate this chapter, or any division rule or order promulgated or issued pursuant to this chapter.
- (2) The division may require or permit any person to file a written statement under oath or otherwise, as the division determines, as to the facts and circumstances concerning a matter under investigation.
- chapter, the director of the division or any officer or employee designated by the director may administer oaths or affirmations, subpoena witnesses and compel their attendance, take evidence, and require the production of any matter which is relevant to the investigation, including the identity, existence, description, nature, custody, condition, and location of any books, documents, or other tangible things and the identity and location of persons having knowledge of relevant facts or any other matter reasonably calculated to lead to the discovery of material evidence. Failure to obey a subpoena or to answer questions propounded by the

investigating officer and upon reasonable notice to all persons affected thereby shall be a violation of this chapter. In addition to the other enforcement powers authorized in this subsection, the division may, at its discretion, apply to the circuit court for an order compelling compliance.

- (4) The division may prepare and disseminate a prospectus and other information to assist prospective purchasers, sellers, and managing entities of timeshare plans in assessing the rights, privileges, and duties pertaining thereto.
- (5) Notwithstanding any remedies available to purchasers, if the division has reasonable cause to believe that a violation of this chapter, or of any division rule or order promulgated or issued pursuant to this chapter, has occurred, the division may institute enforcement proceedings in its own name against any regulated party, as such term is defined in this subsection:
- (a)1. "Regulated party," for purposes of this section, means any developer, exchange company, seller, managing entity, association, association director, association officer, manager, management firm, escrow agent, trustee, any respective assignees or agents, or any other person having duties or obligations pursuant to this chapter.
- 2. Any person who materially participates in any offer or disposition of any interest in, or the management or operation of, a timeshare plan in violation of this chapter or relevant rules involving fraud, deception, false pretenses, misrepresentation, or false advertising or the disbursement, concealment, or diversion of any funds or assets, which conduct adversely affects the interests of a purchaser, and which person directly or indirectly controls a regulated party

or is a general partner, officer, director, agent, or employee of such regulated party, shall be jointly and severally liable under this subsection with such regulated party, unless such person did not know, and in the exercise of reasonable care could not have known, of the existence of the facts giving rise to the violation of this chapter. A right of contribution shall exist among jointly and severally liable persons pursuant to this paragraph.

- (b) The division may permit any person whose conduct or actions may be under investigation to waive formal proceedings and enter into a consent proceeding whereby an order, rule, or letter of censure or warning, whether formal or informal, may be entered against that person.
- (c) The division may issue an order requiring a regulated party to cease and desist from an unlawful practice under this chapter and take such affirmative action as in the judgment of the division will carry out the purposes of this chapter.
- (d)1. The division may bring an action in circuit court for declaratory or injunctive relief or for other appropriate relief, including restitution.
- 2. The division shall have broad authority and discretion to petition the circuit court to appoint a receiver with respect to any managing entity which fails to perform its duties and obligations under this chapter with respect to the operation of a timeshare plan. The circumstances giving rise to an appropriate petition for receivership under this subparagraph include, but are not limited to:
- a. Damage to or destruction of any of the accommodations or facilities of a timeshare plan, where the managing entity has failed to repair or reconstruct same.

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expenses of the timeshare plan. Failure of the managing entity to operate the timeshare plan in accordance with the timeshare instrument and this chapter.

including, but not limited to, undisclosed self-dealing or

failure to timely assess, collect, or disburse the common

A breach of fiduciary duty by the managing entity,

- If, under the circumstances, it appears that the events giving rise to the petition for receivership cannot be reasonably and
- the timeshare instrument, the receiver may petition the circuit court to implement such amendments or revisions to the

timely corrected in a cost-effective manner consistent with

- timeshare instrument as may be necessary to enable the
- managing entity to resume effective operation of the timeshare plan, or to enter an order terminating the timeshare plan, or
- 16 to enter such further orders regarding the disposition of the
  - timeshare property as the court deems appropriate, including
  - the disposition and sale of the timeshare property held by the
  - association or the purchasers. In the event of a receiver's sale, all rights, title, and interest held by the association
- 21 or any purchaser shall be extinguished and title shall vest in
  - the buyer. This provision applies to timeshare estates and
  - timeshare licenses. All reasonable costs and fees of the receiver relating to the receivership shall become common
  - expenses of the timeshare plan upon order of the court.
  - The division may revoke its approval of any filing for any timeshare plan for which a petition for receivership has been filed pursuant to this paragraph.
  - (e)1. The division may impose a penalty against any regulated party for a violation of this chapter or any rule

adopted thereunder. A penalty may be imposed on the basis of each day of continuing violation, but in no event may the penalty for any offense exceed \$10,000. All accounts collected shall be deposited with the Treasurer to the credit of the Division of Florida Land Sales, Condominiums, Timeshare, and Mobile Homes Trust Fund.

- 2.a. If a regulated party fails to pay a penalty, the division shall thereupon issue an order directing that such regulated party cease and desist from further operation until such time as the penalty is paid; or the division may pursue enforcement of the penalty in a court of competent jurisdiction.
- b. If an association or managing entity fails to pay a civil penalty, the division may pursue enforcement in a court of competent jurisdiction.
- (f) In order to permit the regulated party an opportunity either to appeal such decision administratively or to seek relief in a court of competent jurisdiction, the order imposing the penalty or the cease and desist order shall not become effective until 20 days after the date of such order.
- (g) Any action commenced by the division shall be brought in the county in which the division has its executive offices or in the county where the violation occurred.
- (h) Notice to any regulated party shall be complete when delivered by United States mail, return receipt requested, to the party's address currently on file with the division or to such other address at which the division is able to locate the party. Every regulated party has an affirmative duty to notify the division of any change of address at least 5 business days prior to such change.
  - (6) The division has authority to adopt rules pursuant

to ss. 120.536(1) and 120.54 to implement and enforce the 1 2 provisions of this chapter. 3 (7)(a) The use of any unfair or deceptive act or 4 practice by any person in connection with the sales or other 5 operations of an exchange program or timeshare plan is a 6 violation of this chapter. 7 (b) Any violation of the Florida Deceptive and Unfair 8 Trade Practices Act, ss. 501.201 et seq., relating to the 9 creation, promotion, sale, operation, or management of any 10 timeshare plan shall also be a violation of this chapter. (c) The division is authorized to institute 11 12 proceedings against any such person and take any appropriate 13 action authorized in this section in connection therewith, notwithstanding any remedies available to purchasers. 14 15 (8) The failure of any person to comply with any order 16 of the division is a violation of this chapter. 17 Section 91. Section 721.28, Florida Statutes, is amended to read: 18 19 721.28 Division of Florida Land Sales, Condominiums, 20 Timeshare, and Mobile Homes Trust Fund. -- All funds collected by the division and any amounts paid as fees or penalties 21 22 under this chapter shall be deposited in the State Treasury to the credit of the Division of Florida Land Sales, 23 24 Condominiums, Timeshare, and Mobile Homes Trust Fund created 25 by s.  $718.509 \frac{498.019}{1}$ . Section 92. Paragraph (c) of subsection (1) of section 26 27 721.301, Florida Statutes, is amended to read: 721.301 Florida Timesharing, Vacation Club, and 28

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Hospitality Program. --

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The director may designate funds from the Division

of Florida Land Sales, Condominiums, <u>Timeshare</u>, and Mobile Homes Trust Fund, not to exceed \$50,000 annually, to support the projects and proposals undertaken pursuant to paragraph (b). All state trust funds to be expended pursuant to this section must be matched equally with private moneys and shall comprise no more than half of the total moneys expended annually.

Section 93. Section 721.50, Florida Statutes, is amended to read:

721.50 Short title.--This part may be cited as the "McAllister Act" in recognition and appreciation for the years of extraordinary and insightful contributions by Mr. Bryan C. McAllister, Examinations Supervisor, <u>former</u> Division of Florida Land Sales, Condominiums, and Mobile Homes.

Section 94. Subsection (10) of section 721.82, Florida Statutes, is amended to read:

721.82 Definitions.--As used in this part, the term:

by the obligor under s. 721.84 for the purpose of accepting all notices and service of process under this part for the obligor. A registered agent may be an individual resident in this state whose business office qualifies as a registered office, or a domestic or foreign corporation or a not-for-profit corporation as defined in chapter 617 authorized to transact business or to conduct its affairs in this state, whose business office qualifies as a registered office. A registered agent for any obligor may not be the lienholder or the attorney for the lienholder.

Section 95. Subsection (5) of section 721.84, Florida Statutes, is amended, present subsections (6) and (7) are renumbered as subsections (9) and (10), respectively, and new

subsections (6), (7), and (8) are added to that section, to read:

- 721.84 Appointment of a registered agent; duties.--
- (5) A registered agent may resign his or her agency appointment for any obligor for which he or she serves as registered agent, provided that:
- (a) The resigning registered agent executes a written statement of resignation that identifies himself or herself and the street address of his or her registered office, and identifies the obligors affected by his or her resignation;
- (b) 1. A successor registered agent is appointed by the resigning registered agent and such successor registered agent executes an acceptance of appointment as successor registered agent and satisfies all of the requirements of subsection (1): or:
- 2. The registered agent provides 120 days' prior written notice to the mortagee as to the mortgage lien and to the owners' association of the timeshare plan as to the assessment lien of its intent to deliver the statement of resignation. Prior to the effective date of termination of the resigning registered agent's agency and registered office, a The resigning registered agent may designate the successor registered agent; however, if the resigning registered agent fails to designate a successor registered agent or the designated successor registered agent fails to accept, the successor registered agent for the affected obligors may be designated by the mortgagee as to the mortgage lien and by the owners' association of the timeshare plan as to the assessment lien; and
- (c) 1. If a successor registered agent is appointed under subparagraph (b)1.,copies of the statement of

resignation and acceptance of appointment as successor registered agent are promptly mailed to the affected obligors at the obligors' last designated address shown on the records of the resigning registered agent and to the affected lienholders: or.

- 2. If a resigning registered agent has previously provided notice under subparagraph (b)2., a copy of the statement of resignation is promptly mailed to the affected obligors at the obligor's last designated address shown on the records of the resigning registered agent and a copy of the statement of resignation and a list of the obligors' last designated addresses shown on the records of the resigning registered agent are promptly mailed to the affected lienholders.
- (6) If a successor registered agent is appointed under subparagraph (5)(b)1., the agency and registered office of the resigning registered agent are terminated and the agency and registered office of the successor registered agent are effective as of the 10th day after the date on which the statement of resignation and acceptance of appointment as successor registered agent are received by the lienholder, unless a longer period is provided in the statement of resignation and acceptance of appointment as successor registered agent.
- (7) If a resigning registered agent has previously provided notice under subparagraph (5)(b)2. and a successor registered agent is not designated or the designated successor registered agent fails to accept the appointment as registered agent, the agency and registered office of the resigning registered agent are terminated effective as of the 10th day after the date on which the statement of resignation and list

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of obligors required by subparagraph (5)(c)2. are received by
   the lienholder, unless a longer period is provided in the
   statement of resignation. After the effective date of the
   termination of the agency and registered office of the
    resigning registered agent, if no successor registered agent
   exists, the affected lienholders must mail any notice or
   document required to be delivered by a lienholder to the
   obligor by first class mail if the obligor's address is within
    the United States, and by international air mail if the
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   obligor's address is outside the United States, with postage
    fees prepaid to the obligor at the obligor's last designated
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   address as shown on the records of the resigning registered
   agent. If such notice or document requires service of process
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   on persons outside the United States, such service of process
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   shall be accomplished by any internationally agreed means
   reasonably calculated to give notice. Whenever no successor
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   registered agent exists, a successor registered agent for the
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   affected obligors may be designated by the mortagee as to the
   mortgage lien and by the owners' association of the timeshare
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   plan as to the assessment lien.
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(8) If a successor registered agent is appointed under subparagraph (5)(b)2. or under subsection (7), copies of the acceptance of appointment as successor registered agent must be promptly mailed, by the mortgagee as to a registered agent appointed by the mortgagee as to the mortgage lien, and by the owners' association of the timeshare plan as to the assessment lien, to the affected obligors at the obligor's last address shown on the records of the resigning registered agent. The agency and registered office of the successor registered agent are effective as of the date provided in the acceptance of appointment.

Section 96. Subsection (1) of section 723.003, Florida Statutes, is amended to read:

723.003 Definitions.--As used in this chapter, the following words and terms have the following meanings unless clearly indicated otherwise:

(1) The term "division" means the Division of Florida Land Sales, Condominiums, <u>Timeshare</u>, and Mobile Homes of the Department of Business and Professional Regulation.

Section 97. Paragraph (e) of subsection (5) of section 723.006, Florida Statutes, is amended to read:

723.006 Powers and duties of division.--In performing its duties, the division has the following powers and duties:

- (5) Notwithstanding any remedies available to mobile home owners, mobile home park owners, and homeowners' associations, if the division has reasonable cause to believe that a violation of any provision of this chapter or any rule promulgated pursuant hereto has occurred, the division may institute enforcement proceedings in its own name against a developer, mobile home park owner, or homeowners' association, or its assignee or agent, as follows:
- (e)1. The division may impose a civil penalty against a mobile home park owner or homeowners' association, or its assignee or agent, for any violation of this chapter, a properly promulgated park rule or regulation, or a rule or regulation promulgated pursuant hereto. A penalty may be imposed on the basis of each separate violation and, if the violation is a continuing one, for each day of continuing violation, but in no event may the penalty for each separate violation or for each day of continuing violation exceed \$5,000. All amounts collected shall be deposited with the Treasurer to the credit of the Division of Florida Land Sales,

Condominiums, Timeshare, and Mobile Homes Trust Fund.

2. If a violator fails to pay the civil penalty, the division shall thereupon issue an order directing that such violator cease and desist from further violation until such time as the civil penalty is paid or may pursue enforcement of the penalty in a court of competent jurisdiction. If a homeowners' association fails to pay the civil penalty, the division shall thereupon pursue enforcement in a court of competent jurisdiction, and the order imposing the civil penalty or the cease and desist order shall not become effective until 20 days after the date of such order. Any action commenced by the division shall be brought in the county in which the division has its executive offices or in which the violation occurred.

Section 98. Section 723.0065, Florida Statutes, is amended to read:

T23.0065 Public records exemption; findings.--The Legislature, in narrowing the existing public records exemption pursuant to s. 1, chapter 94-78, Laws of Florida, finds that a public necessity exists to keep confidential and retain the public records exemption for financial records of mobile home park owners acquired by the division of Florida Land Sales, Condominiums, and Mobile Homes when performing its duties under the Florida Mobile Home Act unless the mobile home park owner has violated the provisions of this chapter. In that case, only those financial records that are specifically relevant to the finding of violation should be released. If it were otherwise, the division would encounter difficulties in procuring such proprietary information which would impede the effective and efficient performance of the division's public duties. Additionally, release of such

proprietary information would harm the business interests of innocent mobile home park owners to the advantage of competitors and potential purchasers. Effective monitoring of the division's performance of its duties can be conducted without access to these records, and these records are otherwise available pursuant to a civil complaint as envisioned by the act. Accordingly, the public good served by access to financial records of a mobile home park owner who has not violated the provisions of this chapter is outweighed by the interference with division investigations and the private harm that could be caused by allowing such access.

Section 99. Section 723.009, Florida Statutes, is amended to read:

723.009 Division of Florida Land Sales, Condominiums, Timeshare, and Mobile Homes Trust Fund.—All proceeds from the fees, penalties, and fines imposed pursuant to this chapter shall be deposited into the Division of Florida Land Sales, Condominiums, Timeshare, and Mobile Homes Trust Fund created by s. 718.509 498.019. Moneys in this fund, as appropriated by the Legislature pursuant to chapter 216, may be used to defray the expenses incurred by the division in administering the provisions of this chapter.

Section 100. Subsection (2) of section 73.073, Florida Statutes, is amended to read:

- 73.073 Eminent domain procedure with respect to condominium common elements.--
- (2) With respect to the exercise of eminent domain or a negotiated sale for the purchase or taking of a portion of the common elements of a condominium, the condemning authority shall have the responsibility of contacting the condominium association and acquiring the most recent rolls indicating the

names of the unit owners or contacting the appropriate taxing authority to obtain the names of the owners of record on the tax rolls. Notification shall thereupon be sent by certified mail, return receipt requested, to the unit owners of record of the condominium units by the condemning authority indicating the intent to purchase or take the required property and requesting a response from the unit owner. The condemning authority shall be responsible for the expense of sending notification pursuant to this section. Such notice shall, at a minimum, include:

- (a) The name and address of the condemning authority.
- (b) A written or visual description of the property.
- (c) The public purpose for which the property is needed.
  - (d) The appraisal value of the property.
- (e) A clear, concise statement relating to the unit owner's right to object to the taking or appraisal value and the procedures and effects of exercising that right.
- (f) A clear, concise statement relating to the power of the association to convey the property on behalf of the unit owners if no objection to the taking or appraisal value is raised, and the effects of this alternative on the unit owner.

The Division of Florida Land Sales, Condominiums, <u>Timeshare</u>, and Mobile Homes of the Department of Business and Professional Regulation may adopt, by rule, a standard form for such notice and may require the notice to include any additional relevant information.

Section 101. Paragraph (e) of subsection (6) of section 192.037, Florida Statutes, is amended to read:

1 192.037 Fee timeshare real property; taxes and 2 assessments; escrow.--3 (6) 4 (e) On or before May 1 of each year, a statement of receipts and disbursements of the escrow account must be filed 5 6 with the Division of Florida Land Sales, Condominiums, 7 Timeshare, and Mobile Homes of the Department of Business and 8 Professional Regulation, which may enforce this paragraph 9 pursuant to s. 721.26. This statement must appropriately show 10 the amount of principal and interest in such account. 11 Section 102. Paragraph (i) of subsection (7) of 12 section 213.053, Florida Statutes, is amended to read: 13 213.053 Confidentiality and information sharing .--(7) Notwithstanding any other provision of this 14 15 section, the department may provide: 16 (i) Information relative to chapters 212 and 326 to 17 the Division of Florida Land Sales, Condominiums, and Mobile Homes of the Department of Business and Professional 18 Regulation in the conduct of its official duties. 19 20 21 Disclosure of information under this subsection shall be 22 pursuant to a written agreement between the executive director and the agency. Such agencies, governmental or 23 24 nongovernmental, shall be bound by the same requirements of 25 confidentiality as the Department of Revenue. Breach of confidentiality is a misdemeanor of the first degree, 26 27 punishable as provided by s. 775.082 or s. 775.083. Section 103. Paragraph (w) of subsection (4) of 28 29 section 215.20, Florida Statutes, is amended to read: 30 215.20 Certain income and certain trust funds to contribute to the General Revenue Fund. --31

(4) The income of a revenue nature deposited in the following described trust funds, by whatever name designated, is that from which the deductions authorized by subsection (3) shall be made:

(w) The Division of Florida Land Sales, Condominiums, Timeshare, and Mobile Homes Trust Fund established pursuant to

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14 15 s. 718.509 <del>498.019</del>.

The enumeration of the foregoing moneys or trust funds shall not prohibit the applicability thereto of s. 215.24 should the Governor determine that for the reasons mentioned in s. 215.24 the money or trust funds should be exempt herefrom, as it is the purpose of this law to exempt income from its force and effect when, by the operation of this law, federal matching funds or contributions or private grants to any trust fund would be lost to the state.

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Section 104. Paragraph (a) of subsection (4) of section 380.0651, Florida Statutes, is amended to read:

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380.0651 Statewide guidelines and standards.--

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(4) Two or more developments, represented by their owners or developers to be separate developments, shall be aggregated and treated as a single development under this chapter when they are determined to be part of a unified plan of development and are physically proximate to one other.

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(a) The criteria of two of the following subparagraphs must be met in order for the state land planning agency to determine that there is a unified plan of development:

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1.a. The same person has retained or shared control of the developments;

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b. The same person has ownership or a significant legal or equitable interest in the developments; or

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- c. There is common management of the developments controlling the form of physical development or disposition of parcels of the development.
- 2. There is a reasonable closeness in time between the completion of 80 percent or less of one development and the submission to a governmental agency of a master plan or series of plans or drawings for the other development which is indicative of a common development effort.
- 3. A master plan or series of plans or drawings exists covering the developments sought to be aggregated which have been submitted to a local general-purpose government, water management district, the Florida Department of Environmental Protection, or the Division of Florida Land Sales, Condominiums, Timeshare, and Mobile Homes for authorization to commence development. The existence or implementation of a utility's master utility plan required by the Public Service Commission or general-purpose local government or a master drainage plan shall not be the sole determinant of the existence of a master plan.
- 4. The voluntary sharing of infrastructure that is indicative of a common development effort or is designated specifically to accommodate the developments sought to be aggregated, except that which was implemented because it was required by a local general-purpose government; water management district; the Department of Environmental Protection; the Division of Florida Land Sales, Condominiums, Timeshare, and Mobile Homes; or the Public Service Commission.
- 5. There is a common advertising scheme or promotional plan in effect for the developments sought to be aggregated.

  Section 105. Subsection (5) of section 455.116,
- Florida Statutes, is amended to read:

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1	455.116 Regulation trust fundsThe following trust
2	funds shall be placed in the department:
3	(5) Division of Florida Land Sales, Condominiums,
4	Timeshare, and Mobile Homes Trust Fund.
5	Section 106. Section 475.455, Florida Statutes, is
6	amended to read:
7	475.455 Exchange of disciplinary informationThe
8	commission shall inform the Division of Florida Land Sales,
9	Condominiums, <u>Timeshare</u> , and Mobile Homes of the Department of
10	Business and Professional Regulation of any disciplinary
11	action the commission has taken against any of its licensees.
12	The division shall inform the commission of any disciplinary
13	action the division has taken against any broker or
14	salesperson registered with the division.
15	Section 107. Section 509.512, Florida Statutes, is
16	amended to read:
17	509.512 Timeshare plan developer and exchange company
18	exemptionSections 509.501-509.511 do not apply to a
19	developer of a timeshare plan or an exchange company approved
20	by the Division of Florida Land Sales, Condominiums,
21	Timeshare, and Mobile Homes pursuant to chapter 721, but only
22	to the extent that the developer or exchange company engages
23	in conduct regulated under chapter 721.
24	Section 108. Subsection (1) of section 559.935,
25	Florida Statutes, is amended to read:
26	559.935 Exemptions
27	(1) This part does not apply to:
28	(a) A bona fide employee of a seller of travel who is
29	engaged solely in the business of her or his employer;
30	(b) Any direct common carrier of passengers or
31	property regulated by an agency of the Federal Government or

employees of such carrier when engaged solely in the transportation business of the carrier as identified in the carrier's certificate;

- (c) An intrastate common carrier of passengers or property selling only transportation as defined in the applicable state or local registration or certification, or employees of such carrier when engaged solely in the transportation business of the carrier;
- (d) Hotels, motels, or other places of public accommodation selling public accommodations, or employees of such hotels, motels, or other places of public accommodation, when engaged solely in making arrangements for lodging, accommodations, or sightseeing tours within the state, or taking reservations for the traveler with times, dates, locations, and accommodations certain at the time the reservations are made, provided that hotels and motels registered with the Department of Business and Professional Regulation pursuant to chapter 509 are excluded from the provisions of this chapter;
- (e) Persons involved solely in the rental, leasing, or sale of residential property;
- (f) Persons involved solely in the rental, leasing, or sale of transportation vehicles;
- (g) Persons who make travel arrangements for themselves; for their employees or agents; for distributors, franchisees, or dealers of the persons' products or services; for entities which are financially related to the persons; or for the employees or agents of the distributor, franchisee, or dealer or financially related entity;
- (h) A developer of a timeshare plan or an exchange company approved by the Division of Florida Land Sales,

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Condominiums, <u>Timeshare</u>, and Mobile Homes pursuant to chapter 721, but only to the extent that the developer or exchange company engages in conduct regulated under chapter 721; or

(i) Persons or entities engaged solely in offering diving services, including classes and sales or rentals of equipment, when engaged in making any prearranged travel-related or tourist-related services in conjunction with a primarily dive-related event.

Section 109. Effective July 1, 2001, subsection (2) of section 468.452, Florida Statutes, is amended to read:

468.452 Definitions.--For purposes of this part, the term:

(2) "Athlete agent" means a person who, directly or indirectly, recruits or solicits a student athlete to enter into an agent contract, or who, for any type of financial gain, procures, offers, promises, or attempts to obtain employment or promotional fees or benefits for a student athlete with a professional sports team or as a professional athlete, or with any promoter who markets or attempts to market the student athlete's athletic ability or athletic reputation. This term includes all employees and other persons acting on behalf of an athlete agent who participate in the activities included under this subsection. The term does not include a spouse, parent, sibling, grandparent, or guardian of the student-athlete or an individual acting solely on behalf of a professional sports team or professional sports organization.

Section 110. Effective July 1, 2001, section 468.453, Florida Statutes, is amended to read:

468.453 Licensure required; qualifications;

examination; bond; exception; license nontransferable. --

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- (1) Any person who practices as an athlete agent in this state must be licensed pursuant to this part.
- (2) A person shall be licensed as an athlete agent if the applicant:
  - (a) Is at least 18 years of age.
  - (b) Is of good moral character.
- (c) Passes an examination provided by the department which tests the applicant's proficiency to practice as an athlete agent, including, but not limited to, knowledge of the laws and rules of this state relating to athlete agents, this part, and chapter 455.

(c)(d) Has completed the application form and remitted an application fee not to exceed \$500, an examination fee not to exceed the actual cost for the examination plus \$500, an active licensure fee not to exceed \$2,000, and all other applicable fees provided for in this part or in chapter 455.

(d)(e) Has submitted to the department a fingerprint card for a criminal history records check. The fingerprint card shall be forwarded to the Division of Criminal Justice Information Systems within the Department of Law Enforcement for purposes of processing the fingerprint card to determine if the applicant has a criminal history record. The fingerprint card shall also be forwarded to the Federal Bureau of Investigation for purposes of processing the fingerprint card to determine if the applicant has a criminal history record. The information obtained by the processing of the fingerprint card by the Florida Department of Law Enforcement and the Federal Bureau of Investigation shall be sent to the department for the purpose of determining if the applicant is statutorily qualified for licensure.

(e) (f) Has not in any jurisdiction, within the

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preceding 5 years, been convicted or found guilty of or entered a plea of nolo contendere for, regardless of adjudication, a crime which relates to the applicant's practice or ability to practice as an athlete agent.

- (g) Has posted with the department a \$15,000 surety bond issued by an insurance company authorized to do business in this state. The bond shall be in favor of the State of Florida, Department of Business and Professional Regulation, for the use and benefit of any student athlete or college or university within Florida who or which is injured or damaged, including reasonable costs and attorney's fees, as a result of acts or omissions by the athlete agent pursuant to a license issued under this part. The bond shall be written in the form determined by the department. The bond shall provide that the athlete agent is responsible for the acts or omissions of any representatives acting under the athlete agent's supervision or authority. The bond shall be in effect for and cover all times that the athlete agent has an active license and conducts business pursuant to that license in this or any other state.
- (3) An unlicensed individual may act as an athlete agent if:
- (a) A student-athlete or person acting on the athlete's behalf initiates communication with the individual; and
- (b) Within 7 days after an initial act as an athlete agent, the individual submits an application for licensure.

  Members of The Florida Bar are exempt from the state laws and rules component, and the fee for such, of the examination required by this section.
  - (4) A license issued to an athlete agent is not

1	transferable.
2	(5) By acting as an athlete agent in this state, a
3	nonresident individual appoints the department as the
4	individual's agent for service of process in any civil action
5	related to the individual's acting as an athlete agent.
6	(6) The department may issue a temporary license while
7	an application for licensure is pending. If the department
8	issues a notice of intent to deny the license application, the
9	initial temporary license expires and may not be extended
10	during any proceeding or administrative or judicial review.
11	Section 111. Effective July 1, 2001, section 468.454,
12	Florida Statutes, is amended to read:
13	468.454 Contracts
14	(1) An agent contract must be in a record, signed, or
15	otherwise authenticated by the parties.
16	(2) An agent contract must state:
17	(a) The amount and method of calculating the
18	consideration to be paid by the student-athlete for services
19	to be provided by the athlete agent and any other
20	consideration the agent has received or will receive from any
21	other source under the contract;
22	(b) The name of any person not listed in the licensure
23	application who will be compensated because the
24	student-athlete signed the agent contract;
25	(c) A description of any expenses that the
26	student-athlete agrees to reimburse;
27	(d) A description of the services to be provided to
28	the student-athlete;
29	(e) The duration of the contract; and
30	(f) The date of execution.
31	(3) An agent contract must contain, in close proximity

to the signature of the student-athlete, a conspicuous notice 1 2 in boldface type in capital letters stating: 3 4 WARNING TO STUDENT-ATHLETE 5 IF YOU SIGN THE CONTRACT: 6 7 1. YOU MAY LOSE YOUR ELIGIBILITY TO COMPETE AS 8 A STUDENT-ATHLETE IN YOUR SPORT; 9 2. IF YOU HAVE AN ATHLETIC DIRECTOR, WITHIN 72 10 HOURS AFTER ENTERING INTO THE CONTRACT, YOU AND 11 YOUR ATHLETE AGENT MUST NOTIFY YOUR ATHLETIC 12 DIRECTOR; AND 13 3. YOU MAY CANCEL THIS CONTRACT WITHIN 14 DAYS AFTER SIGNING IT. HOWEVER, CANCELLATION OF THIS 14 15 CONTRACT MAY NOT REINSTATE YOUR ELIGIBILITY. 16 17 (4) An agent contract that does not conform to this 18 section is voidable by the student-athlete. If a 19 student-athlete voids an agent contract, the student-athlete 20 is not required to pay any consideration or return any consideration received from the athlete agent to induce the 21 22 student-athlete to enter into the contract. 23 The athlete agent shall give a record of the 24 signed or authenticated agent contract to the student-athlete 25 at the time of execution. Within 72 hours after entering into an agent 26 27 contract or before the next scheduled athletic event in which the student-athlete may participate, whichever occurs first, 28 29 the athlete agent must give notice in a record of the 30 existence of the contract to the athletic director of the

educational institution at which the student-athlete is

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enrolled or the athlete agent has reasonable grounds to believe the student-athlete intends to enroll.

- (7) Within 72 hours after entering into an agent contract or before the next athletic event in which the student-athlete may participate, whichever occurs first, the student-athlete must inform the athletic director of the educational institution at which the student-athlete is enrolled that he or she has entered into an agent contract.
- (8) A student-athlete may cancel an agent contract by giving notice of the cancellation to the athlete agent in a record within 14 days after the contract is signed.
- (9) A student-athlete may not waive the right to cancel an agent contract.
- (10) If a student-athlete cancels an agent contract, the student-athlete is not required to pay any consideration or return any consideration received from the athlete agent to induce the student-athlete to enter into the contract.
- (1) An athlete agent and a student athlete who enter into an agent contract must provide written notice of the contract to the athletic director or the president of the college or university in which the student athlete is enrolled. The athlete agent and the student must give the notice before the contracting student athlete practices or participates in any intercollegiate athletic event or within 72 hours after entering into said contract, whichever comes first. Failure of the athlete agent to provide this notification is a felony of the third degree, punishable as provided in ss. 775.082, 775.083, 775.084, 775.089, and 775.091.
- (2) A written contract between a student athlete and an athlete agent must state the fees and percentages to be

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paid by the student athlete to the agent and must have a notice printed near the student athlete's signature containing the following statement in 10-point boldfaced type:

"WARNING TO THE STUDENT ATHLETE: WHEN YOU SIGN THIS CONTRACT, YOU WILL LIKELY IMMEDIATELY LOSE YOUR ELIGIBILITY TO COMPETE IN INTERCOLLEGIATE ATHLETICS. TO AVOID CRIMINAL PROSECUTION YOU MUST GIVE WRITTEN NOTICE THAT YOU HAVE ENTERED THTO THIS CONTRACT TO THE ATHLETIC DIRECTOR OF PRESIDENT OF YOUR COLLEGE OR UNIVERSITY WITHIN 72 HOURS AFTER ENTERING INTO THIS CONTRACT OF PRIOR TO PARTICIPATING IN INTERCOLLEGIATE ATHLETICS, WHICHEVER COMES FIRST. FAILURE TO PROVIDE THIS NOTICE IS A CRIMINAL OFFENSE. DO NOT SIGN THIS CONTRACT UNTIL YOU HAVE READ IT AND FILLED IN ANY BLANK SPACES. YOU MAY CANCEL THIS CONTRACT BY NOTIFYING THE ATHLETE AGENT IN WRITING OF YOUR DESIRE TO CANCEL NOT LATER THAN THE 15TH DAY AFTER THE DATE YOU SIGN THIS CONTRACT. HOWEVER, EVEN IF YOU CANCEL THIS CONTRACT, THE INTERCOLLEGIATE ATHLETIC ASSOCIATION OR CONFERENCE TO WHICH YOUR COLLEGE OR UNIVERSITY BELONGS MAY NOT RESTORE YOUR ELIGIBILITY TO PARTICIPATE IN INTERCOLLEGIATE ATHLETICS."

(3) An agent contract which does not meet the requirements of this section is void and unenforceable.

(4) Within 15 days after the date the athletic director or president of the college or university of the student athlete receives the notice required by this section that a student athlete has entered into an athlete agent contract, the student athlete shall have the right to rescind the contract with the athlete agent by giving written notice to the athlete agent of the student athlete's rescission of the contract. The student athlete may not under any circumstances waive the student athlete's right to rescind the

## agent contract.

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## (5) A postdated agent contract is void and unenforceable.

(11)<del>(6)</del> An athlete agent shall not enter into an agent contract that purports to or takes effect at a future time after the student athlete no longer has remaining eligibility to participate in intercollegiate athletics. Such a contract is void and unenforceable.

(12)<del>(7)</del> An agent contract between a student athlete and a person not licensed under this part is void and unenforceable.

Section 112. Effective July 1, 2001, subsection (3) of section 468.456, Florida Statutes, is amended to read:

468.456 Prohibited acts.--

(3) When the department finds any person guilty of any of the prohibited acts set forth in subsection (1), the department may enter an order imposing one or more of the penalties provided for in s. 455.227, and an administrative fine not to exceed \$25,000 for each separate offense. In addition to any other penalties or disciplinary actions provided for in this part, the department shall suspend or revoke the license of any athlete agent licensed under this part who violates paragraph (1)(f) or paragraph (1)(o) or s. 468.45615.

Section 113. Effective July 1, 2001, subsection (4) is added to section 468.45615, Florida Statutes, to read:

468.45615 Provision of illegal inducements to athletes prohibited; penalties; license suspension .--

(4)(a) An athlete agent, with the intent to induce a student-athlete to enter into an agent contract, may not:

Give any materially false or misleading information

1	or make a materially false promise or representation;
2	2. Furnish anything of value to a student-athlete
3	before the student-athlete enters into the agent contract; or
4	3. Furnish anything of value to any individual other
5	than the student-athlete or another athlete agent.
6	(b) An athlete agent may not intentionally:
7	1. Initiate contact with a student-athlete unless
8	licensed under this part;
9	2. Refuse or fail to retain or permit inspection of
10	the records required to be retained by s. 468.4565;
11	3. Provide materially false or misleading information
12	in an application for licensure;
13	4. Predate or postdate an agent contract;
14	5. Fail to give notice of the existence of an agent
15	contract as required by s. 468.454(6); or
16	6. Fail to notify a student-athlete before the
17	student-athlete signs or otherwise authenticates an agent
18	contract for a sport that the signing or authentication may
19	make the student-athlete ineligible to participate as a
20	student-athlete in that sport.
21	(c) An athlete agent who violates this subsection
22	commits a felony of the second degree, punishable as provided
23	in s. 775.082, s. 775.083, or s. 775.084.
24	Section 114. Effective July 1, 2001, section 468.4562,
25	Florida Statutes, is amended to read:
26	468.4562 Civil action by institution
27	(1) A college or university may sue for damages, as
28	provided by this section, any person who violates this part.
29	A college or university may seek equitable relief to prevent
30	or minimize harm arising from acts or omissions which are or
31	would be a violation of this part.

(2) For purposes of this section, a college or
university is damaged if, because of activities of the person,
the college or university is penalized <u>, or is</u> disqualified <u>,</u> or
suspended from participation in intercollegiate athletics by a
national association for the promotion and regulation of
intercollegiate athletics <u>, or</u> by an intercollegiate athletic
conference or by reasonable self-imposed disciplinary action
taken to mitigate sanctions likely to be imposed by such
organization and, because of that penalty, disqualification,
or suspension, or action the institution:
(a) Loses revenue from media coverage of a sports
contest;
(b) Loses the right to grant an athletic scholarship;
(c) Loses the right to recruit an athlete;
(d) Is prohibited from participating in postseason
athletic competition;
(e) Forfeits an athletic contest; or
(f) Otherwise suffers an adverse financial impact.
(3) An institution that prevails in a suit brought
under this section may recover:
(a) Actual damages;
(b) Punitive damages;
(c) Treble damages;
(d) Court costs; and
(e) Reasonable attorney's fees.
(4) A right of action under this section does not
accrue until the educational institution discovers or by the
exercise of reasonable diligence would have discovered the
violation by the athlete agent or former student-athlete.

(5) Any liability of the athlete agent or the former

1	(6) This part does not restrict rights, remedies, or
2	defenses of any person under law or equity.
3	Section 115. Effective July 1, 2001, subsection (1) of
4	section 468.4565, Florida Statutes, is amended to read:
5	468.4565 Business records requirement
6	(1) An athlete agent <del>who holds an active license and</del>
7	engages in business as an athlete agent shall establish and
8	maintain complete financial and business records. The athlete
9	agent shall save each entry into a financial or business
10	record for at least $\frac{5}{4}$ years from the date of entry. These
11	records must include, but shall not be limited to:
12	(a) The name and address of each individual
13	represented by the athlete agent;
14	(b) Any agent contract entered into by the athlete
15	agent; and
16	(c) Any direct costs incurred by the athlete agent in
17	the recruitment or solicitation of a student-athlete to enter
18	into an agent contract.
19	Section 116. Effective July 1, 2001, sections 468.4563
20	and 468.4564, Florida Statutes, are repealed.
21	Section 117. Section 702.09, Florida Statutes, is
22	amended to read:
23	702.09 DefinitionsFor the purposes of ss. 702.07
24	and 702.08 the words "decree of foreclosure" shall include a
25	judgment or order rendered or passed in the foreclosure
26	proceedings in which the decree of foreclosure shall be
27	rescinded, vacated, and set aside; the word "mortgage" shall
28	mean any written instrument securing the payment of money or
29	advances and shall include liens to secure payment of
30	assessments arising under chapters 718, 719, and 720; the word
31	debt" shall include promissory notes, bonds, and all other

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written obligations given for the payment of money; the words "foreclosure proceedings" shall embrace every action in the circuit or county courts of this state wherein it is sought to foreclose a mortgage and sell the property covered by the same; and the word "property" shall mean and include both real and personal property.

Section 118. Paragraph (h) of subsection (4) and subsection (5) of section 718.104, Florida Statutes, are amended to read:

718.104 Creation of condominiums; contents of declaration.--Every condominium created in this state shall be created pursuant to this chapter.

- (4) The declaration must contain or provide for the following matters:
- (h) If a developer reserves the right, in a declaration recorded on or after July 1, 2000, to create a multicondominium, the declaration must state, or provide a specific formula for determining, the fractional or percentage shares of liability for the common expenses of the association and of ownership of the common surplus of the association to be allocated to the units in each condominium to be operated by the association. If a the declaration recorded on or after July 1, 2000, for a condominium operated by a multicondominium association, as originally recorded, fails to so provide, the share of liability for the common expenses of the association and of ownership of the common surplus of the association allocated to each unit in each condominium operated by the association shall be a fraction of the whole, the numerator of which is the number "one" and the denominator of which is the total number of units in all condominiums operated by the association.

amended pursuant to the procedures provided therein, may include covenants and restrictions concerning the use, occupancy, and transfer of the units permitted by law with reference to real property. With the exception of amendments that materially modify unit appurtenances as provided in s. 718.110(4), amendments may be applied to owners of units existing as of the effective date of the amendment. This section is intended to clarify existing law and applies to associations existing on the effective date of this act. However, the rule against perpetuities shall not defeat a right given any person or entity by the declaration for the purpose of allowing unit owners to retain reasonable control over the use, occupancy, and transfer of units.

Section 119. Paragraph (b) of subsection (2) of section 718.106, Florida Statutes, is amended to read:

718.106 Condominium parcels; appurtenances; possession and enjoyment.--

- (2) There shall pass with a unit, as appurtenances thereto:
- (b) The exclusive right to use such portion of the common elements as may be provided by the declaration, including the right to transfer such right to other units or unit owners to the extent authorized by the declaration as originally recorded, or amendments to the declaration adopted pursuant to the provisions contained therein under s.

  718.110(2). Amendments to declarations of condominium providing for the transfer of use rights with respect to limited common elements are not amendments which materially modify unit appurtenances as described in s. 718.110(4).

with respect to limited common elements must be effectuated in conformity with the procedures set forth in the declaration as originally recorded or as amended. Further, such transfers must be evidenced by a written instrument which must be executed with the formalities of a deed and recorded in the land records of the county in which the condominium is located in order to be effective. Such instrument of transfer must also specify the legal description of the unit which is transferring use rights, as well as the legal description of the unit obtaining the transfer of such rights. This section is intended to clarify existing law and applies to associations existing on the effective date of this act.

Section 120. Subsection (4) of section 718.110,

Section 120. Subsection (4) of section 718.110, Florida Statutes, is amended to read:

718.110 Amendment of declaration; correction of error or omission in declaration by circuit court.--

(4) Unless otherwise provided in the declaration as originally recorded, no amendment may change the configuration or size of any unit in any material fashion, materially alter or modify the appurtenances to the unit, or change the proportion or percentage by which the unit owner shares the common expenses of the condominium and owns the common surplus of the condominium unless the record owner of the unit and all record owners of liens on the unit join in the execution of the amendment and unless all the record owners of all other units in the same condominium approve the amendment. The acquisition of property by the association, and material alterations or substantial additions to such property or the common elements by the association in accordance with s. 718.111(7) or s. 718.113, amendments providing for the transfer of use rights in limited common elements pursuant to

s. 718.106(2)(b), and amendments restricting or modifying the right to lease condominium units shall not be deemed to constitute a material alteration or modification of the appurtenances to the units. With the exception of amendments that materially modify unit appurtenances as provided in this section, amendments may be applied to owners of units existing as of the effective date of the amendment. This section is intended to clarify existing law and applies to associations existing on the effective date of this act. A declaration recorded after April 1, 1992, may not require the approval of less than a majority of total voting interests of the condominium for amendments under this subsection, unless otherwise required by a governmental entity.

Section 121. Subsection (4), paragraph (a) of

subsection (7), and subsection (13) of section 718.111, Florida Statutes, are amended to read:

718.111 The association.--

- (4) ASSESSMENTS; MANAGEMENT OF COMMON ELEMENTS.--The association has the power to make and collect assessments and to lease, maintain, repair, and replace the common elements or association property; however, the association may not charge a use fee against a unit owner for the use of common elements or association property unless otherwise provided for in the declaration of condominium or by a majority vote of the association or unless the charges relate to expenses incurred by an owner having exclusive use of the common elements or association property.
  - (7) TITLE TO PROPERTY. --
- (a) The association has the power to acquire title to property or otherwise hold, convey, lease, and mortgage association property for the use and benefit of its members.

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The power to acquire personal property shall be exercised by the board of administration. Except as otherwise permitted in subsections (8) and (9) and in s. 718.114, no association may acquire, convey, lease, or mortgage association real property except in the manner provided in the declaration, and if the declaration does not specify the procedure, then approval of 75 percent of the total voting interests shall be required.

- (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 cause to be prepared and completed by a third party, a financial report for the preceding fiscal year. Within 21 days after the final financial report is completed by the association or received by the association from the third party, but in no event later than 120 days after the end of the fiscal year, or such other date as is 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 financial report or a notice that a copy of the financial report will be mailed or hand delivered to the unit owner, without charge, upon 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 shall adopt rules addressing financial reporting requirements for multicondominium In adopting such rules, the division shall associations. consider the number of members and annual revenues of an association. Financial reports shall be prepared as follows:
- (a) An association that meets the criteria of this paragraph shall prepare or cause to be prepared a complete set

of financial statements in accordance with generally accepted accounting principles. The financial statements shall be based upon the association's total annual revenues, as follows:

- 1. An association with total annual revenues of \$100,000 or more, but less than \$200,000, shall prepare compiled financial statements.
- 2. An association with total annual revenues of at least \$200,000, but less than \$400,000, shall prepare reviewed financial statements.
- 3. An association with total annual revenues of \$400,000 or more shall prepare audited financial statements.
- (b)1. An association with total annual revenues of less than \$100,000 shall prepare a report of cash receipts and expenditures.
- 2. An association which operates less than 50 units, regardless of the association's annual revenues, shall prepare a report of cash receipts and expenditures in lieu of financial statements required by paragraph (a).
- 3. A report of cash receipts and disbursements must disclose the amount of receipts by accounts and receipt classifications and the amount of expenses by accounts and expense classifications, including, but not limited to, the following, as applicable: costs for security, professional and management fees and expenses, taxes, costs for recreation facilities, expenses for refuse collection and utility services, expenses for lawn care, costs for building maintenance and repair, insurance costs, administration and salary expenses, and reserves accumulated and expended for capital expenditures, deferred maintenance, and any other category for which the association maintains reserves.

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- (c) An association may prepare or cause to be prepared, without a meeting of or approval by the unit owners:
- Compiled, reviewed, or audited financial statements, if the association is required to prepare a report of cash receipts and expenditures;
- 2. Reviewed or audited financial statements, if the association is required to prepare compiled financial statements; or
- 3. Audited financial statements if the association is required to prepare reviewed financial statements.
- (d) If approved by a majority of the voting interests present at a properly called meeting of the association, an association may prepare or cause to be prepared:
- 1. A report of cash receipts and expenditures in lieu of a compiled, reviewed, or audited financial statement;
- 2. A report of cash receipts and expenditures or a compiled financial statement in lieu of a reviewed or audited financial statement; or
- 3. A report of cash receipts and expenditures, a compiled financial statement, or a reviewed financial statement in lieu of an audited financial statement.

Such meeting and approval must occur prior to the end of the fiscal year and is effective only for the fiscal year in which the vote is taken. With respect to an association to which the developer has not turned over control of the association, all unit owners, including the developer, may vote on issues related to the preparation of financial reports for the first 2 fiscal years of the association's operation, beginning with the fiscal year in which the declaration is recorded.

Thereafter, all unit owners except the developer may vote on

such issues until control is turned over to the association by the developer.

Section 122. Subsection (3) of section 718.112, Florida Statutes, is amended to read:

718.112 Bylaws.--

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- (3) OPTIONAL PROVISIONS. -- The bylaws as originally recorded, or as amended pursuant to the procedure provided therein, may provide for the following:
- (a) A method of adopting and amending administrative rules and regulations governing the details of the operation and use of the common elements.
- (b) Restrictions on and requirements for the use, maintenance, and appearance of the units and the use of the common elements.
- (c) Other provisions which are not inconsistent with this chapter or with the declaration, as may be desired. This subsection is intended to clarify existing law and applies to associations existing on the effective date of this act.

Section 123. Subsection (2) of section 718.113, Florida Statutes, is amended to read:

- 718.113 Maintenance; limitation upon improvement; display of flag; hurricane shutters.--
- (2)(a) Except as otherwise provided in this section, there shall be no material alteration or substantial additions to the common elements or to real property which is association property, except in a manner provided in the declaration as originally recorded or as amended pursuant to the procedures provided therein. If the declaration as originally recorded or amended does not specify the procedure for approval of material alterations or substantial additions, 75 percent of the total voting interests of the association

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must approve the alterations or additions. This paragraph is intended to clarify existing law and applies to associations existing on the effective date of this act.

- There shall not be any material alteration of, or substantial addition to, the common elements of any condominium operated by a multicondominium association unless approved in the manner provided in the declaration of the affected condominium or condominiums as originally recorded, or as amended pursuant to the procedures provided therein. If a declaration as originally recorded or amended does not specify a procedure for approving such an alteration or addition, the approval of 75 percent of the total voting interests of each affected condominium is required. This subsection does not prohibit a provision in any declaration, articles of incorporation, or bylaws as originally recorded or amended requiring the approval of unit owners in any condominium operated by the same association or requiring board approval before a material alteration or substantial addition to the common elements is permitted. This paragraph is intended to clarify existing law and applies to associations existing on the effective date of this act.
- (c) There shall not be any material alteration or substantial addition made to association real property operated by a multicondominium association, except as provided in the declaration, articles of incorporation, or bylaws <u>assaid documents are originally recorded or amended pursuant to the procedures provided therein</u>. If the declaration, articles of incorporation, or bylaws do not specify the procedure for approving an alteration or addition to association real property, the approval of 75 percent of the total voting interests of the association is required. This paragraph is

intended to clarify existing law and applies to associations existing on the effective date of this act.

Section 124. Paragraphs (b) and (c) of subsection (1) of section 718.115, Florida Statutes, are amended to read:

718.115 Common expenses and common surplus.--

(1)

- (b) The common expenses of a condominium within a multicondominium are the common expenses directly attributable to the operation of that condominium. The common expenses of a multicondominium association do not include the common expenses directly attributable to the operation of any specific condominium or condominiums within the multicondominium. This paragraph is intended to clarify existing law and applies to associations existing on the effective date of this act.
- association may include categories of expenses related to the property or common elements within a specific condominium in the multicondominium if such property or common elements are areas in which all members of the multicondominium association have use rights or from which all members receive tangible economic benefits. Such common expenses of the association shall be identified in the declaration or bylaws of each condominium within the multicondominium association. This paragraph is intended to clarify existing law and applies to associations existing on the effective date of this act.

Section 125. Subsections (1) and (4) of section 718.405, Florida Statutes, are amended to read:

718.405 Multicondominiums; multicondominium associations.--

(1) An association may operate more than one

condominium. For multicondominiums created on or after July 1, 2000, if the declaration for each condominium to be operated by that association shall provide provides for participation in a multicondominium, in conformity with this section, and disclose discloses or describe describes:

- (a) The manner or formula by which the assets, liabilities, common surplus, and common expenses of the association will be apportioned among the units within the condominiums operated by the association, in accordance with s. 718.104(4)(g) or (h), as applicable.
- (b) Whether unit owners in any other condominium, or any other persons, will or may have the right to use recreational areas or any other facilities or amenities that are common elements of the condominium, and, if so, the specific formula by which the other users will share the common expenses related to those facilities or amenities.
- (c) Recreational and other commonly used facilities or amenities which the developer has committed to provide that will be owned, leased by, or dedicated by a recorded plat to the association but which are not included within any condominium operated by the association. The developer may reserve the right to add additional facilities or amenities if the declaration and prospectus for each condominium to be operated by the association contains the following statement in conspicuous type and in substantially the following form: RECREATIONAL FACILITIES MAY BE EXPANDED OR ADDED WITHOUT CONSENT OF UNIT OWNERS OR THE ASSOCIATION.
- (d) The voting rights of the unit owners in the election of directors and in other multicondominium association affairs when a vote of the owners is taken, including, but not limited to, a statement as to whether each

unit owner will have a right to personally cast his or her own vote in all matters voted upon.

(4) This section does not prevent or restrict the formation of a multicondominium by the merger or consolidation of two or more condominium associations. Mergers or consolidations of associations shall be accomplished in accordance with this chapter, the declarations of the condominiums being merged or consolidated, and chapter 617. Section 718.110(4) does not apply to amendments to declarations necessary to effect a merger or consolidation. This section is intended to clarify existing law and applies to associations existing on the effective date of this act.

Section 126. Subsection (2) of section 718.503, Florida Statutes, is amended to read:

718.503 Developer disclosure prior to sale; nondeveloper unit owner disclosure prior to sale; voidability.--

- (2) NONDEVELOPER DISCLOSURE. --
- (a) Each unit owner who is not a developer as defined by this chapter shall comply with the provisions of this subsection prior to the sale of his or her unit. Each prospective purchaser who has entered into a contract for the purchase of a condominium unit is entitled, at the seller's expense, to a current copy of the declaration of condominium, articles of incorporation of the association, bylaws, and rules of the association, as well as a copy of the question and answer sheet provided for by s. 718.504 and a copy of the financial information required by s. 718.111.
- (b) If a person licensed under part I of chapter 475 provides to or otherwise obtains for a prospective purchaser the documents described in this subsection, the person is not

liable for any error or inaccuracy contained in the documents.

- (c) Each contract entered into after July 1, 1992, for the resale of a residential unit shall contain in conspicuous type either:
- 1. A clause which states: THE BUYER HEREBY
  ACKNOWLEDGES THAT BUYER HAS BEEN PROVIDED A CURRENT COPY OF
  THE DECLARATION OF CONDOMINIUM, ARTICLES OF INCORPORATION OF
  THE ASSOCIATION, BYLAWS, RULES OF THE ASSOCIATION, AND A COPY
  OF THE MOST RECENT YEAR-END FINANCIAL INFORMATION AND THE
  QUESTION AND ANSWER SHEET MORE THAN 3 DAYS, EXCLUDING
  SATURDAYS, SUNDAYS, AND LEGAL HOLIDAYS, PRIOR TO EXECUTION OF
  THIS CONTRACT; or
- 2. A clause which states: THIS AGREEMENT IS VOIDABLE BY BUYER BY DELIVERING WRITTEN NOTICE OF THE BUYER'S INTENTION TO CANCEL WITHIN 3 DAYS, EXCLUDING SATURDAYS, SUNDAYS, AND LEGAL HOLIDAYS, AFTER THE DATE OF EXECUTION OF THIS AGREEMENT BY THE BUYER AND RECEIPT BY BUYER OF A CURRENT COPY OF THE DECLARATION OF CONDOMINIUM, ARTICLES OF INCORPORATION, BYLAWS, AND RULES OF THE ASSOCIATION, AND A COPY OF THE MOST RECENT YEAR-END FINANCIAL INFORMATION AND OUESTION AND ANSWER SHEET IF SO REQUESTED IN WRITING. ANY PURPORTED WAIVER OF THESE VOIDABILITY RIGHTS SHALL BE OF NO EFFECT. BUYER MAY EXTEND THE TIME FOR CLOSING FOR A PERIOD OF NOT MORE THAN 3 DAYS, EXCLUDING SATURDAYS, SUNDAYS, AND LEGAL HOLIDAYS, AFTER THE BUYER RECEIVES THE DECLARATION, ARTICLES OF INCORPORATION, BYLAWS, AND RULES, AND QUESTION AND ANSWER SHEET IF REQUESTED IN WRITING. BUYER'S RIGHT TO VOID THIS AGREEMENT SHALL TERMINATE AT CLOSING.

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A contract that does not conform to the requirements of this paragraph is voidable at the option of the purchaser prior to

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Section 127. Subsection (15) of section 718.504, Florida Statutes, is amended to read:

718.504 Prospectus or offering circular.--Every developer of a residential condominium which contains more than 20 residential units, or which is part of a group of residential condominiums which will be served by property to be used in common by unit owners of more than 20 residential units, shall prepare a prospectus or offering circular and file it with the Division of Florida Land Sales, Condominiums, and Mobile Homes prior to entering into an enforceable contract of purchase and sale of any unit or lease of a unit for more than 5 years and shall furnish a copy of the prospectus or offering circular to each buyer. In addition to the prospectus or offering circular, each buyer shall be furnished a separate page entitled "Frequently Asked Questions and Answers," which shall be in accordance with a format approved by the division and a copy of the financial information required by s. 718.111. This page shall, in readable language, inform prospective purchasers regarding their voting rights and unit use restrictions, including restrictions on the leasing of a unit; shall indicate whether and in what amount the unit owners or the association is obligated to pay rent or land use fees for recreational or other commonly used facilities; shall contain a statement identifying that amount of assessment which, pursuant to the budget, would be levied upon each unit type, exclusive of any special assessments, and which shall further identify the basis upon which assessments are levied, whether monthly, quarterly, or otherwise; shall state and identify any court cases in which the association is currently a party of record

in which the association may face liability in excess of \$100,000; and which shall further state whether membership in a recreational facilities association is mandatory, and if so, shall identify the fees currently charged per unit type. The division shall by rule require such other disclosure as in its judgment will assist prospective purchasers. The prospectus or offering circular may include more than one condominium, although not all such units are being offered for sale as of the date of the prospectus or offering circular. The prospectus or offering circular must contain the following information:

- (15) If <u>a</u> the condominium <u>created on or after July 1, 2000,</u> is or may become part of a multicondominium, the following information must be provided:
- (a) A statement in conspicuous type in substantially the following form: THIS CONDOMINIUM IS (MAY BE) PART OF A MULTICONDOMINIUM DEVELOPMENT IN WHICH OTHER CONDOMINIUMS WILL (MAY) BE OPERATED BY THE SAME ASSOCIATION. Immediately following this statement, the location in the prospectus or offering circular and its exhibits where the multicondominium aspects of the offering are described must be stated.
- (b) A summary of the provisions in the declaration, articles of incorporation, and bylaws which establish and provide for the operation of the multicondominium, including a statement as to whether unit owners in the condominium will have the right to use recreational or other facilities located or planned to be located in other condominiums operated by the same association, and the manner of sharing the common expenses related to such facilities.
- (c) A statement of the minimum and maximum number of condominiums, and the minimum and maximum number of units in

each of those condominiums, which will or may be operated by the association, and the latest date by which the exact number will be finally determined.

- (d) A statement as to whether any of the condominiums in the multicondominium may include units intended to be used for nonresidential purposes and the purpose or purposes permitted for such use.
- (e) A general description of the location and approximate acreage of any land on which any additional condominiums to be operated by the association may be located.

Section 128. Except as otherwise expressly provided in this act, this act shall take effect October 1, 2001.

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And the title is amended as follows:

On page 1, line 2 through page 6, line 2, remove from the title of the bill: all of said lines

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20 and insert in lieu thereof:

An act relating to the Department of Business

and Professional Regulation; amending s. 20.165, F.S.; renaming the Division of Florida Land Sales, Condominiums, and Mobile Homes as the Division of Condominiums, Timeshare, and Mobile Homes; including reference to the Board of Barbering and Cosmetology; revising minimum requirements for the number of consumer members on professional licensing boards; repealing provisions relating to the transfer of board locations; amending ss. 326.001, 326.002,

326.003, 326.004, 326.006, F.S.; transferring 1 2 the regulation of yacht and ship brokers and 3 salespersons from the Division of Florida Land 4 Sales, Condominiums, and Mobile Homes to the 5 Division of Professions; revising provisions relating to criminal history checks and 6 7 administrative and civil penalties; requiring that all funds collected pursuant to such 8 regulation be deposited into the Professional 9 10 Regulation Trust Fund; revising references; amending s. 399.061, F.S.; revising provisions 11 12 relating to the inspection of elevators; amending s. 455.213, F.S.; providing for the 13 content of licensure and renewal documents; 14 15 providing for the electronic submission of information to the department; providing that 16 17 all legal obligations must be met before the issuance or renewal of a license; amending s. 18 455.224, F.S.; authorizing any division of the 19 20 department to issue citations in the enforcement of its regulatory provisions in 21 accordance with the provisions established for 22 such purposes for the regulation of 23 24 professions; amending ss. 468.401, 468.402, 468.403, 468.404, 468.406, 468.407, 468.410, 25 468.412, 468.413, 468.414, 468.415, F.S.; 26 27 providing for registration of talent agencies in lieu of licensure; conforming provisions; 28 providing penalties; repealing ss. 468.405 and 29 30 468.408, F.S., relating to qualification for 31 talent agency license and bonding requirements;

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amending s. 468.609, F.S.; authorizing direct supervision by building code administrators by telecommunications devices in certain localities and under specified circumstances; amending s. 468.627, F.S.; requiring the payment of costs for certain building code enforcement applicants who fail to appear for scheduled examinations, subject to waiver in case of hardship; amending s. 471.025, F.S.; allowing for more than one type of seal to be used by professional engineers; amending s. 472.003, F.S.; providing exemption from ch. 472, F.S., relating to land surveying and mapping, for certain subordinate employees; revising cross-references; amending s. 472.005, F.S.; revising and providing definitions; revising cross-references; amending s. 472.029, F.S.; revising provisions relating to access to lands of others for surveying or mapping purposes; providing applicability to subordinates; requiring certain notice; amending s. 810.12, F.S.; revising provisions relating to trespass, to conform; amending ss. 472.001, 472.011, 472.015, 472.021, 472.027, 472.031, 472.037, F.S.; revising cross-references; amending s. 476.034, F.S.; redefining the term "board"; amending s. 476.054, F.S.; creating the Board of Barbering and Cosmetology; providing certain compensation; requiring an oath and providing for a certificate of appointment; providing for

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officers, meetings, and quorum; amending s. 476.064, F.S.; conforming provisions; amending ss. 476.014, 476.074, 476.154, 476.194, 476.214, 476.234, F.S.; revising references; amending s. 477.013, F.S.; defining the term "board"; repealing s. 477.015, F.S., relating to the Board of Cosmetology; abolishing the Barbers' Board and the Board of Cosmetology; providing for appointment of all members of the Board of Barbering and Cosmetology to staggered terms; providing savings clauses for rules and legal actions; amending s. 477.019, F.S.; revising requirements related to continuing education providers and courses; eliminating a requirement for refresher courses and examinations for failure of cosmetology licensees to comply with continuing education requirements; amending s. 477.026, F.S.; providing authority for registration renewal and delinquent fees for hair braiders, hair wrappers, and body wrappers; amending s. 481.209, F.S.; revising requirements relating to education for licensure as an architect; amending s. 481.223, F.S.; providing for injunctive relief for certain violations relating to architecture and interior design; amending s. 489.107, F.S.; reducing the number of members on the Construction Industry Licensing Board; creating s. 489.1133, F.S.; providing for temporary certificates and registrations; amending s. 489.115, F.S.;

eliminating references to divisions of the 1 2 Construction Industry Licensing Board; amending s. 489.118, F.S.; revising grandfathering 3 4 provisions for certification of registered 5 contractors to qualify persons holding certain registered local specialty licenses; amending 6 7 s. 489.13, F.S., to clarify the application of 8 certain provisions relating to specialty licenses; repealing s. 489.507(6), F.S., to 9 10 delete a duplicate provision relating to appointment of committees of the Construction 11 12 Industry Licensing Board and the Electrical 13 Contractors' Licensing Board for the purpose of 14 meeting jointly twice each year; requiring the 15 Electrical Contractors' Licensing Board to develop a plan to reduce its annual operating 16 17 budget by a specified amount and submit such plan to the department by a specified date; 18 amending s. 489.511, F.S.; revising provisions 19 20 relating to licensure as an electrical or alarm system contractor by endorsement; amending ss. 21 498.005, 498.019, 498.049, F.S.; reassigning 22 the regulation of land sales from the Division 23 24 of Florida Land Sales, Condominiums, and Mobile Homes to the Division of Real Estate; requiring 25 all funds collected by the department pursuant 26 27 to the regulation of land sales to be deposited in the Professional Regulation Trust Fund; 28 amending s. 190.009, F.S.; conforming 29 30 terminology; amending ss. 718.103, 718.105, 718.112, 718.1255, 718.501, 718.502, 718.504, 31

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718.508, 718.509, 718.608, 719.103, 719.1255, 719.501, 719.502, 719.504, 719.508, 719.608, 721.05, 721.07, 721.08, 721.26, 721.28, 721.301, 721.50, 721.82, 721.84, 723.003, 723.006, 723.0065, 723.009, F.S.; renaming the Division of Florida Land Sales, Condominiums, and Mobile Homes as the Division of Condominiums, Timeshare, and Mobile Homes; renaming the Division of Florida Land Sales, Condominiums, and Mobile Homes Trust Fund as the Division of Condominiums, Timeshare, and Mobile Homes Trust Fund; conforming provisions; revising language with respect to condominium association bylaws; revising language with respect to the annual budget; providing for reserves under certain circumstances; providing and limiting arbitration of disputes by the division to those regarding elections and the recall of board members; deleting reference to voluntary mediation; providing for the resolution of certain other complaints at the local level; providing exemptions; providing for expedited handling of election disputes; requiring the continuation of arbitration of cases filed by a certain date; providing a contingent appropriation; providing division enforcement powers and duties; providing for injunction, restitution, and civil penalties; providing certain immunity; providing for use of certain documents as evidence; providing for certain notice; providing for intervention in

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suits; locating the executive offices of the division in Tallahassee; authorizing branch offices; providing for adoption and use of a seal; providing applicability to specified chapters of the Florida Statutes; amending s. 721.82, F.S.; redefining the term "registered agent"; amending s. 721.84, F.S.; providing for appointment of a successor registered agent; amending ss. 73.073, 192.037, 213.053, 215.20, 380.0651, 455.116, 475.455, 509.512, 559.935, F.S.; conforming terminology; amending s. 468.452, F.S.; revising definitions; amending s. 468.453, F.S.; revising licensure requirements; providing for service of process on nonresident agents; providing for temporary licenses; deleting a bond requirement; amending s. 468.454, F.S.; revising contract requirements; providing for cancellation of contracts; amending s. 468.456, F.S.; providing for increased administrative fines; amending s. 468.45615, F.S.; providing additional criminal penalties for certain acts; amending s. 468.4562, F.S.; revising provisions relating to civil remedies available to colleges and universities for violations of athlete agent regulations; amending s. 468.4565, F.S.; revising business record requirements; repealing s. 468.4563, F.S., relating to authority to require continuing education by athlete agents; repealing s. 468.4564, relating to license display requirements; amending s.

702.09, F.S.; revising the definitions of the 1 2 terms "mortgage" and "foreclosure proceedings"; 3 amending s. 718.104, F.S., revising language 4 with respect to declarations for the creation 5 of a condominium; amending s. 718.106, F.S.; revising language with respect to appurtenances 6 7 that pass with a condominium unit; amending s. 8 718.110, F.S.; revising language with respect to amendments to a declaration of condominium; 9 10 amending s. 718.111, F.S.; revising language with respect to the association; amending s. 11 12 718.112, F.S.; revising language with respect 13 to bylaws; amending s. 718.113, F.S.; revising language with respect to material alterations 14 15 of common elements or association real property operated by a multicondominium association; 16 17 amending s. 718.115, F.S.; revising language with respect to common expenses; amending s. 18 718.405, F.S.; revising language with respect 19 to multicondominiums and multicondominium 20 associations; amending s. 718.503, F.S., 21 relating to disclosure requirements for the 22 sale of certain condominiums; removing the 23 24 requirement that question and answer sheets be 25 part of the closing documents; amending s. 718.504, F.S.; revising language with respect 26 27 to the prospectus or offering circular; providing effective dates. 28 29

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