

LEGISLATIVE ACTION

Senate House

Comm: RE 04/25/2011

The Committee on Judiciary (Joyner) recommended the following:

Senate Amendment (with title amendment)

Delete everything after the enacting clause and insert:

Section 1. Subsection (14) of section 633.0215, Florida Statutes, is amended to read:

633.0215 Florida Fire Prevention Code.-

(14) A condominium, cooperative, or multifamily residential building that is less than four one or two stories in height and has an exterior corridor providing a means of egress is exempt from installing a manual fire alarm system as required in s. 9.6 of the most recent edition of the Life Safety Code adopted in the Florida Fire Prevention Code. This is intended to clarify

2 3

4

5

6

7

8

9

10

11

12

13



existing law.

14

15

16

17

18 19

20

21 2.2

23

24

25

26 27

28 29

30

31

32

33 34

35

36 37

38

39

40

41 42

Section 2. Paragraphs (a) and (c) of subsection (12) of section 718.111, Florida Statutes, are amended to read:

718.111 The association.

- (12) OFFICIAL RECORDS. -
- (a) From the inception of the association, the association shall maintain each of the following items, if applicable, which constitute shall constitute the official records of the association:
- 1. A copy of the plans, permits, warranties, and other items provided by the developer pursuant to s. 718.301(4).
- 2. A photocopy of the recorded declaration of condominium of each condominium operated by the association and $\frac{1}{2}$ each amendment to each declaration.
- 3. A photocopy of the recorded bylaws of the association and of each amendment to the bylaws.
- 4. A certified copy of the articles of incorporation of the association, or other documents creating the association, and of each amendment thereto.
 - 5. A copy of the current rules of the association.
- 6. A book or books that which contain the minutes of all meetings of the association, of the board of administration, and the of unit owners, which minutes must be retained for at least 7 years.
- 7. A current roster of all unit owners and their mailing addresses, unit identifications, voting certifications, and, if known, telephone numbers. The association shall also maintain the electronic mailing addresses and facsimile the numbers designated by unit owners for receiving notice sent by

44 45

46

47

48

49

50

51

52

53

54

55

56

57

58 59

60

61

62

63

64

65 66

67

68

69

70 71



electronic transmission of those unit owners consenting to receive notice by electronic transmission. The electronic mailing addresses and facsimile telephone numbers may not be accessible to unit owners must be removed from association records if consent to receive notice by electronic transmission is not provided in accordance with subparagraph (c)5 revoked. However, the association is not liable for an erroneous disclosure of the electronic mail address or facsimile the number for receiving electronic transmission of notices.

- 8. All current insurance policies of the association and condominiums operated by the association.
- 9. A current copy of any management agreement, lease, or other contract to which the association is a party or under which the association or the unit owners have an obligation or responsibility.
- 10. Bills of sale or transfer for all property owned by the association.
- 11. Accounting records for the association and separate accounting records for each condominium that which the association operates. All accounting records must shall be maintained for at least 7 years. Any person who knowingly or intentionally defaces or destroys such accounting records required to be created and maintained by this chapter during the period for which such records are required to be maintained, or who knowingly or intentionally fails to create or maintain such records, with the intent of causing harm to the association or one or more of its members, is personally subject to a civil penalty pursuant to s. 718.501(1)(d). The accounting records must include, but are not limited to:

73

74

75

76 77

78 79

80

81

82

83

84 85

86 87

88 89

90

91 92

93

94

95

96

97

98

99 100



- a. Accurate, itemized, and detailed records of all receipts and expenditures.
- b. A current account and a monthly, bimonthly, or quarterly statement of the account for each unit designating the name of the unit owner, the due date and amount of each assessment, the amount paid on upon the account, and the balance due.
- c. All audits, reviews, accounting statements, and financial reports of the association or condominium.
- d. All contracts for work to be performed. Bids for work to be performed are also considered official records and must be maintained by the association.
- 12. Ballots, sign-in sheets, voting proxies, and all other papers relating to voting by unit owners, which must be maintained for 1 year from the date of the election, vote, or meeting to which the document relates, notwithstanding paragraph (b).
- 13. All rental records if the association is acting as agent for the rental of condominium units.
- 14. A copy of the current question and answer sheet as described in s. 718.504.
- 15. All other records of the association not specifically included in the foregoing which are related to the operation of the association.
- 16. A copy of the inspection report as described provided in s. 718.301(4)(p).
- (c) The official records of the association are open to inspection by any association member or the authorized representative of such member at all reasonable times. The right to inspect the records includes the right to make or obtain

102

103

104

105

106

107

108 109

110

111

112

113

114

115 116

117

118

119

120 121

122

123

124

125

126

127

128 129



copies, at the reasonable expense, if any, of the member. The association may adopt reasonable rules regarding the frequency, time, location, notice, and manner of record inspections and copying. The failure of an association to provide the records within 10 working days after receipt of a written request creates a rebuttable presumption that the association willfully failed to comply with this paragraph. A unit owner who is denied access to official records is entitled to the actual damages or minimum damages for the association's willful failure to comply. Minimum damages are shall be \$50 per calendar day for up to 10 days, beginning the calculation to begin on the 11th working day after receipt of the written request. The failure to permit inspection of the association records as provided herein entitles any person prevailing in an enforcement action to recover reasonable attorney's fees from the person in control of the records who, directly or indirectly, knowingly denied access to the records. Any person who knowingly or intentionally defaces or destroys accounting records that are required by this chapter to be maintained under this chapter during the period for which such records are required to be maintained, or who knowingly or intentionally fails to create or maintain accounting records that are required to be created or maintained, with the intent of causing harm to the association or one or more of its members, is personally subject to a civil penalty pursuant to s. 718.501(1)(d). The association shall maintain an adequate number of copies of the declaration, articles of incorporation, bylaws, and rules, and all amendments to each of the foregoing, as well as the question and answer sheet as described provided for in s. 718.504 and year-end

131

132

133

134 135

136

137

138

139

140

141

142 143

144

145

146

147

148

149 150

151

152

153

154 155

156

157

158



financial information required under in this section, on the condominium property to ensure their availability to unit owners and prospective purchasers, and may charge its actual costs for preparing and furnishing these documents to those requesting the documents. Notwithstanding the provisions of this paragraph, the following records are not accessible to unit owners:

- 1. Any record protected by the lawyer-client privilege as described in s. 90.502; and any record protected by the workproduct privilege, including a any record prepared by an association attorney or prepared at the attorney's express direction, + which reflects a mental impression, conclusion, litigation strategy, or legal theory of the attorney or the association, and which was prepared exclusively for civil or criminal litigation or for adversarial administrative proceedings, or which was prepared in anticipation of such imminent civil or criminal litigation or imminent adversarial administrative proceedings until the conclusion of the litigation or adversarial administrative proceedings.
- 2. Information obtained by an association in connection with the approval of the lease, sale, or other transfer of a unit.
- 3. Personnel records of association or management company employees, including, but not limited to, disciplinary, payroll, health, and insurance records. For purposes of this subparagraph, the term "personnel records" does not include written employment agreements with an association employee or budgetary or financial records that indicate the compensation paid to an association employee.
 - 4. Medical records of unit owners.

160

161 162

163

164

165

166 167

168

169

170

171

172

173

174

175

176 177

178

179

180 181

182

183

184

185

186 187



- 5. Social security numbers, driver's license numbers, credit card numbers, e-mail addresses, telephone numbers, facsimile numbers, emergency contact information, any addresses of a unit owner other than as provided to fulfill the association's notice requirements, and other personal identifying information of any person, excluding the person's name, unit designation, mailing address, and property address, and any address, e-mail address, or facsimile number provided to the association to fulfill the association's notice requirements. However, an owner may consent in writing to the disclosure of protected information described in this subparagraph. The association is not liable for the disclosure of information that is protected under this subparagraph if the information is included in an official record of the association and is voluntarily provided by an owner and not requested by the association.
- 6. Any Electronic security measures $\frac{\text{measure}}{\text{measure}}$ that are $\frac{\text{is}}{\text{measure}}$ used by the association to safeguard data, including passwords.
- 7. The software and operating system used by the association which allow the allows manipulation of data, even if the owner owns a copy of the same software used by the association. The data is part of the official records of the association.

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

718.112 Bylaws.-

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

189

190

191 192

193

194 195

196

197

198

199

200 201

202

203 204

205 206

207

208

209

210 211

212

213 214

215 216



- (b) Quorum; voting requirements; proxies.-
- 1. Unless a lower number is provided in the bylaws, the percentage of voting interests required to constitute a quorum at a meeting of the members is shall be a majority of the voting interests. Unless otherwise provided in this chapter or in the declaration, articles of incorporation, or bylaws, and except as provided in subparagraph (d) 4. (d) 3., decisions shall be made by owners of a majority of the voting interests represented at a meeting at which a quorum is present.
- 2. Except as specifically otherwise provided herein, after January 1, 1992, unit owners may not vote by general proxy, but may vote by limited proxies substantially conforming to a limited proxy form adopted by the division. A No voting interest or consent right allocated to a unit owned by the association may not shall be exercised or considered for any purpose, whether for a quorum, an election, or otherwise. Limited proxies and general proxies may be used to establish a quorum. Limited proxies shall be used for votes taken to waive or reduce reserves in accordance with subparagraph (f)2.; for votes taken to waive the financial reporting requirements of s. 718.111(13); for votes taken to amend the declaration pursuant to s. 718.110; for votes taken to amend the articles of incorporation or bylaws pursuant to this section; and for any other matter for which this chapter requires or permits a vote of the unit owners. Except as provided in paragraph (d), a after January 1, 1992, no proxy, limited or general, may not shall be used in the election of board members. General proxies may be used for other matters for which limited proxies are not required, and may also be used in voting for nonsubstantive changes to items for which a

218

219 220

221

222

223

224

225

226

227

228

229

230

231 232

233

234

235

236

237

238

239

240

241

242

243

244

245



limited proxy is required and given. Notwithstanding the provisions of this subparagraph, unit owners may vote in person at unit owner meetings. This subparagraph does not Nothing contained herein shall limit the use of general proxies or require the use of limited proxies for any agenda item or election at any meeting of a timeshare condominium association.

- 3. Any proxy given is shall be effective only for the specific meeting for which originally given and any lawfully adjourned meetings thereof. A In no event shall any proxy is not be valid for a period longer than 90 days after the date of the first meeting for which it was given. Every proxy is revocable at any time at the pleasure of the unit owner executing it.
- 4. A member of the board of administration or a committee may submit in writing his or her agreement or disagreement with any action taken at a meeting that the member did not attend. This agreement or disagreement may not be used as a vote for or against the action taken or to create and may not be used for the purposes of creating a quorum.
- 5. If When any of the board or committee members meet by telephone conference, those board or committee members attending by telephone conference may be counted toward obtaining a quorum and may vote by telephone. A telephone speaker must be used so that the conversation of those board or committee members attending by telephone may be heard by the board or committee members attending in person as well as by any unit owners present at a meeting.
- (c) Board of administration meetings. Meetings of the board of administration at which a quorum of the members is present are shall be open to all unit owners. A Any unit owner may tape

247

248

249 250

251

252

253

254

255

256

257

258

259

260 261

262

263 264

265

266

267

268 269

270

271

272

273 274



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

1. Adequate notice of all board meetings, which must notice shall specifically identify all incorporate an identification of agenda items, must shall be posted conspicuously on the condominium property at least 48 continuous hours before preceding the meeting except in an emergency. If 20 percent of the voting interests petition the board to address an item of business, the board shall at its next regular board meeting or at a special meeting of the board, but not later than 60 days after the receipt of the petition, shall place the item on the agenda. Any item not included on the notice may be taken up on an emergency basis by at least a majority plus one of the board members of the board. Such emergency action must shall be noticed and ratified at the next regular board meeting of the board. However, written notice of any meeting at which nonemergency special assessments, or at which amendment to rules regarding unit use, will be considered must shall be mailed, delivered, or electronically transmitted to the unit owners and posted conspicuously on the condominium property at least not less than 14 days before prior to the meeting. Evidence of compliance with this 14-day notice requirement must shall be made by an affidavit executed by the person providing the notice and filed with among the official records of the association.

276

277 278

279

280

281

282

283

284

285

286

287

288

289 290

291 292

293

294

295

296

297

298

299

300

301

302

303



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

2. Meetings of a committee to take final action on behalf of the board or make recommendations to the board regarding the

305

306

307

308

309

310

311 312

313

314

315

316

317

318

319

320

321 322

323

324

325

326

327

328

329

330

331

332



association budget are subject to the provisions of this paragraph. Meetings of a committee that does not take final action on behalf of the board or make recommendations to the board regarding the association budget are subject to the provisions of this section, unless those meetings are exempted from this section by the bylaws of the association.

- 3. Notwithstanding any other law, the requirement that board meetings and committee meetings be open to the unit owners does not apply is inapplicable to:
- a. Meetings between the board or a committee and the association's attorney, with respect to proposed or pending litigation, if when the meeting is held for the purpose of seeking or rendering legal advice; or
- b. Board meetings held for the purpose of discussing personnel matters.
 - (d) Unit owner meetings.-
- 1. An annual meeting of the unit owners shall be held at the location provided in the association bylaws and, if the bylaws are silent as to the location, the meeting shall be held within 45 miles of the condominium property. However, such distance requirement does not apply to an association governing a timeshare condominium.
- 2. Unless the bylaws provide otherwise, a vacancy on the board caused by the expiration of a director's term shall be filled by electing a new board member, and the election must be by secret ballot. An election is not required However, if the number of vacancies equals or exceeds the number of candidates, an election is not required. For purposes of this paragraph, the term "candidate" means an eligible person who has timely

334

335

336

337

338

339

340

341

342

343

344

345

346

347

348

349

350

351

352

353

354

355

356

357

358

359

360

361



submitted the written notice, as described in sub-subparagraph 4.a., of his or her intention to become a candidate. Except in a timeshare condominium, or if the staggered term of a board member does not expire until a later annual meeting, or if all members terms would otherwise expire but there are no candidates, the terms of all board members of the board expire at the annual meeting, and such board members may stand for reelection unless prohibited otherwise permitted by the bylaws. If the bylaws permit staggered terms of no more than 2 years and upon approval of a majority of the total voting interests, the association board members may serve 2-year staggered terms. If the number of board members whose terms expire at the annual meeting equals or have expired exceeds the number of candidates, the candidates become members of the board effective upon the adjournment of the annual meeting. Unless the bylaws provide otherwise, any remaining vacancies shall be filled by the affirmative vote of the majority of the directors making up the newly constituted board even if the directors constitute less than a quorum or there is only one director eligible members showing interest in or demonstrating an intention to run for the vacant positions, each board member whose term has expired is eligible for reappointment to the board of administration and need not stand for reelection. In a condominium association of more than 10 units or in a condominium association that does not include timeshare units or timeshare interests, coowners of a unit may not serve as members of the board of directors at the same time unless they own more than one unit or unless there are not enough eligible candidates to fill the vacancies on the board at the time of the vacancy. Any unit owner desiring to be

363 364

365

366

367

368

369 370

371

372

373

374

375

376

377

378

379

380

381

382

383

384

385

386

387

388

389

390



a candidate for board membership must comply with subsubparagraph 4.a. and must be eligible to serve on the board of directors at the time of the deadline for submitting a notice of intent to run, and continuously thereafter, in order to have his or her name listed as a proper candidate on the ballot or to serve on the board 3.a. A person who has been suspended or removed by the division under this chapter, or who is delinquent in the payment of any fee, fine, or special or regular assessment as provided in paragraph (n), is not eligible for board membership. A person who has been convicted of any felony in this state or in a United States District or Territorial Court, or who has been convicted of any offense in another jurisdiction which that would be considered a felony if committed in this state, is not eligible for board membership unless such felon's civil rights have been restored for at least 5 years as of the date on which such person seeks election to the board. The validity of an action by the board is not affected if it is later determined that a board member of the board is ineligible for board membership due to having been convicted of a felony.

3.2. The bylaws must provide the method of calling meetings of unit owners, including annual meetings. Written notice, which must include an agenda, must shall be mailed, hand delivered, or electronically transmitted to each unit owner at least 14 days before the annual meeting, and must be posted in a conspicuous place on the condominium property at least 14 continuous days before preceding the annual meeting. Upon notice to the unit owners, the board shall, by duly adopted rule, designate a specific location on the condominium property or association

392

393

394

395

396

397

398

399

400

401

402

403

404

405

406

407

408 409

410 411

412

413

414

415

416

417

418

419



property where upon which all notices of unit owner meetings shall be posted. This requirement does not apply However, if there is no condominium property or association property for posting upon which notices can be posted, this requirement does not apply. In lieu of, or in addition to, the physical posting of meeting notices, the association may, by reasonable rule, adopt a procedure for conspicuously posting and repeatedly broadcasting the notice and the agenda on a closed-circuit cable television system serving the condominium association. However, if broadcast notice is used in lieu of a notice posted physically on the condominium property, the notice and agenda must be broadcast at least four times every broadcast hour of each day that a posted notice is otherwise required under this section. If broadcast notice is provided, the notice and agenda must be broadcast in a manner and for a sufficient continuous length of time so as to allow an average reader to observe the notice and read and comprehend the entire content of the notice and the agenda. Unless a unit owner waives in writing the right to receive notice of the annual meeting, such notice must be hand delivered, mailed, or electronically transmitted to each unit owner. Notice for meetings and notice for all other purposes must be mailed to each unit owner at the address last furnished to the association by the unit owner, or hand delivered to each unit owner. However, if a unit is owned by more than one person, the association must shall provide notice, for meetings and all other purposes, to the that one address that which the developer initially identifies for that purpose and thereafter as one or more of the owners of the unit shall advise the association in writing, or if no address is given or

421

422

423

424

425

426

427

428

429

430

431

432

433

434

435

436

437 438

439

440

441

442 443

444

445

446

447 448



the owners of the unit do not agree, to the address provided on the deed of record. An officer of the association, or the manager or other person providing notice of the association meeting, must shall provide an affidavit or United States Postal Service certificate of mailing, to be included in the official records of the association affirming that the notice was mailed or hand delivered, in accordance with this provision.

4.3. The members of the board shall be elected by written ballot or voting machine. Proxies may not be used in electing the board in general elections or elections to fill vacancies caused by recall, resignation, or otherwise, unless otherwise provided in this chapter.

a. At least 60 days before a scheduled election, the association shall mail, deliver, or electronically transmit, whether by separate association mailing or included in another association mailing, delivery, or transmission, including regularly published newsletters, to each unit owner entitled to a vote, a first notice of the date of the election. Any unit owner or other eligible person desiring to be a candidate for the board must give written notice of his or her intent to be a candidate to the association at least 40 days before a scheduled election. Together with the written notice and agenda as set forth in subparagraph 3. 2., the association shall mail, deliver, or electronically transmit a second notice of the election to all unit owners entitled to vote, together with a ballot that lists all candidates. Upon request of a candidate, an information sheet, no larger than 8 1/2 inches by 11 inches, which must be furnished by the candidate at least 35 days before the election, must be included with the mailing, delivery, or

450

451

452

453

454

455

456

457

458

459

460

461 462

463 464

465

466 467

468

469

470

471

472 473

474

475

476

477



transmission of the ballot, with the costs of mailing, delivery, or electronic transmission and copying to be borne by the association. The association is not liable for the contents of the information sheets prepared by the candidates. In order to reduce costs, the association may print or duplicate the information sheets on both sides of the paper. The division shall by rule establish voting procedures consistent with this sub-subparagraph, including rules establishing procedures for giving notice by electronic transmission and rules providing for the secrecy of ballots. Elections shall be decided by a plurality of those ballots cast. There is no quorum requirement; however, at least 20 percent of the eligible voters must cast a ballot in order to have a valid election of members of the board. A unit owner may not permit any other person to vote his or her ballot, and any ballots improperly cast are invalid. $A_{\overline{L}}$ provided any unit owner who violates this provision may be fined by the association in accordance with s. 718.303. A unit owner who needs assistance in casting the ballot for the reasons stated in s. 101.051 may obtain such assistance. The regular election must occur on the date of the annual meeting. This subsubparagraph does not apply to timeshare condominium associations. Notwithstanding this sub-subparagraph, an election is not required unless more candidates file notices of intent to run or are nominated than board vacancies exist.

b. Within 90 days after being elected or appointed to the board, each newly elected or appointed director shall certify in writing to the secretary of the association that he or she has read the association's declaration of condominium, articles of incorporation, bylaws, and current written policies; that he or

479

480

481 482

483

484

485

486

487

488

489

490

491

492

493

494

495

496

497

498

499

500

501 502

503

504

505 506



she will work to uphold such documents and policies to the best of his or her ability; and that he or she will faithfully discharge his or her fiduciary responsibility to the association's members. In lieu of this written certification, within 90 days after being elected or appointed to the board, the newly elected or appointed director may submit a certificate of having satisfactorily completed satisfactory completion of the educational curriculum administered by a division-approved condominium education provider within 1 year before or 90 days after the date of election or appointment. The written certification or educational certificate is valid and does not have to be resubmitted as long as the director serves on the board without interruption. A director who fails to timely file the written certification or educational certificate is suspended from service on the board until he or she complies with this sub-subparagraph. The board may temporarily fill the vacancy during the period of suspension. The secretary shall cause the association to retain a director's written certification or educational certificate for inspection by the members for 5 years after a director's election. Failure to have such written certification or educational certificate on file does not affect the validity of any board action.

5.4. Any approval by unit owners called for by this chapter or the applicable declaration or bylaws, including, but not limited to, the approval requirement in s. 718.111(8), must shall be made at a duly noticed meeting of unit owners and is subject to all requirements of this chapter or the applicable condominium documents relating to unit owner decisionmaking, except that unit owners may take action by written agreement,

508

509

510

511

512

513

514 515

516

517

518

519 520

521

522

523

524 525

526

527

528

529

530 531

532

533

534 535



without meetings, on matters for which action by written agreement without meetings is expressly allowed by the applicable bylaws or declaration or any law statute that provides for such action.

- 6.5. Unit owners may waive notice of specific meetings if allowed by the applicable bylaws or declaration or any law statute. If authorized by the bylaws, notice of meetings of the board of administration, unit owner meetings, except unit owner meetings called to recall board members under paragraph (j), and committee meetings may be given by electronic transmission to unit owners who consent to receive notice by electronic transmission.
- 7.6. Unit owners shall have the right to participate in meetings of unit owners with reference to all designated agenda items. However, the association may adopt reasonable rules governing the frequency, duration, and manner of unit owner participation.
- 8.7. A Any unit owner may tape record or videotape a meeting of the unit owners subject to reasonable rules adopted by the division.
- 9.8. Unless otherwise provided in the bylaws, any vacancy occurring on the board before the expiration of a term may be filled by the affirmative vote of the majority of the remaining directors, even if the remaining directors constitute less than a quorum, or by the sole remaining director. In the alternative, a board may hold an election to fill the vacancy, in which case the election procedures must conform to the requirements of subsubparagraph 4.a. 3.a. unless the association governs 10 units or fewer and has opted out of the statutory election process, in

537

538

539

540

541

542

543

544

545

546

547

548 549

550

551

552

553

554

555

556

557

558

559

560

561

562

563 564



which case the bylaws of the association control. Unless otherwise provided in the bylaws, a board member appointed or elected under this section shall fill the vacancy for the unexpired term of the seat being filled. Filling vacancies created by recall is governed by paragraph (j) and rules adopted by the division.

10. This chapter does not limit the use of general or limited proxies, require the use of general or limited proxies, or require the use of a written ballot or voting machine for any agenda item or election at any meeting of a timeshare condominium association.

Notwithstanding subparagraph (b) 2. and sub-subparagraph 4.a. (d)3.a., an association of 10 or fewer units may, by affirmative vote of a majority of the total voting interests, provide for different voting and election procedures in its bylaws, which vote may be by a proxy specifically delineating the different voting and election procedures. The different voting and election procedures may provide for elections to be conducted by limited or general proxy.

Section 4. Subsection (5) of section 718.113, Florida Statutes, is amended to read:

- 718.113 Maintenance; limitation upon improvement; display of flag; hurricane shutters; display of religious decorations.-
- (5) Each board of administration shall adopt hurricane shutter specifications for each building within each condominium operated by the association which shall include color, style, and other factors deemed relevant by the board. All specifications adopted by the board must shall comply with the



applicable building code.

565

566

567 568

569

570

571

572

573

574

575

576

577

578

579

580

581

582

583

584

585

586

587

588 589

590

591

592 593

- (a) The board may, subject to the provisions of s. 718.3026_{T} and the approval of a majority of voting interests of the condominium, install hurricane shutters, impact glass or other code-compliant windows, or hurricane protection that complies with or exceeds the applicable building code. However, or both, except that a vote of the owners is not required if the maintenance, repair, and replacement of hurricane shutters, impact glass, or other code-compliant windows or other forms of hurricane protection are the responsibility of the association pursuant to the declaration of condominium. If However, where hurricane protection or laminated glass or window film architecturally designed to function as hurricane protection which complies with or exceeds the current applicable building code has been previously installed, the board may not install hurricane shutters, or other hurricane protection, or impact glass or other code-compliant windows except upon approval by a majority vote of the voting interests.
- (b) The association is shall be responsible for the maintenance, repair, and replacement of the hurricane shutters or other hurricane protection authorized by this subsection if such hurricane shutters or other hurricane protection is the responsibility of the association pursuant to the declaration of condominium. If the hurricane shutters or other hurricane protection is authorized by this subsection are the responsibility of the unit owners pursuant to the declaration of condominium, the responsibility for the maintenance, repair, and replacement of such items is shall be the responsibility of the unit owner.

595 596

597

598

599

600

601

602

603

604

605

606 607

608

609

610

611 612

613 614

615

616 617

618

619

620

621 622



- (c) The board may operate shutters installed pursuant to this subsection without permission of the unit owners only if where such operation is necessary to preserve and protect the condominium property and association property. The installation, replacement, operation, repair, and maintenance of such shutters in accordance with the procedures set forth in this paragraph are herein shall not be deemed a material alteration to the common elements or association property within the meaning of this section.
- (d) Notwithstanding any other provision to the contrary in the condominium documents, if approval is required by the documents, a board may shall not refuse to approve the installation or replacement of hurricane shutters by a unit owner conforming to the specifications adopted by the board.

Section 5. Section 718.114, Florida Statutes, is amended to read:

718.114 Association powers.—An association may has the power to enter into agreements, to acquire leaseholds, memberships, and other possessory or use interests in lands or facilities such as country clubs, golf courses, marinas, and other recreational facilities, . It has this power whether or not the lands or facilities are contiguous to the lands of the condominium, if such lands and facilities they are intended to provide enjoyment, recreation, or other use or benefit to the unit owners. All of these leaseholds, memberships, and other possessory or use interests existing or created at the time of recording the declaration must be stated and fully described in the declaration. Subsequent to the recording of the declaration, agreements acquiring these leaseholds, memberships, or other

624

625

626

627

628

629

630

631

632

633

634

635

636

637

638

639

640 641

642

643

644 645

646

647

648 649

650

651



possessory or use interests which are not entered into within 12 months following the recording of the declaration are shall be considered a material alteration or substantial addition to the real property that is association property, and the association may not acquire or enter into such agreements acquiring these leaseholds, memberships, or other possessory or use interests except upon a vote of, or written consent by, a majority of the total voting interests or as authorized by the declaration as provided in s. 718.113. The declaration may provide that the rental, membership fees, operations, replacements, and other expenses are common expenses and may impose covenants and restrictions concerning their use and may contain other provisions not inconsistent with this chapter. A condominium association may conduct bingo games as provided in s. 849.0931.

Section 6. Subsections (1) and (3), paragraph (b) of subsection (5), and subsection (11) of section 718.116, Florida Statutes, are amended to read:

718.116 Assessments; liability; lien and priority; interest; collection.-

(1) (a) A unit owner, regardless of how his or her title has been acquired, including by purchase at a foreclosure sale or by deed in lieu of foreclosure, is liable for all assessments which come due while he or she is the unit owner. Additionally, A unit owner is also jointly and severally liable with the previous owner for all unpaid assessments that came due up to the time of transfer of title. This liability is without prejudice to any right the owner may have to recover from the previous owner the amounts paid by the owner.

(a) (b) The liability of a first mortgagee or its successor

653

654

655

656

657

658

659

660

661 662

663

664 665

666

667

668

669

670

671

672

673

674

675

676

677 678

679

680



or assignees who acquire title to a unit by foreclosure or by deed in lieu of foreclosure for the unpaid assessments that became due before the mortgagee's acquisition of title is limited to the lesser of:

- 1. The unit's unpaid common expenses and regular periodic assessments that which accrued or came due during the 12 months immediately preceding the acquisition of title and for which payment in full has not been received by the association; or
 - 2. One percent of the original mortgage debt.

The provisions of this paragraph apply only if the first mortgagee joined the association as a defendant in the foreclosure action. Joinder of the association is not required if, on the date the complaint is filed, the association was dissolved or did not maintain an office or agent for service of process at a location that which was known to or reasonably discoverable by the mortgagee.

- (b) An association, or its successor or assignee, which acquires title to a unit through the foreclosure of its lien for assessments is not liable for any unpaid assessments, late fees, interest, or reasonable attorney's fees and costs that came due before the association's acquisition of title in favor of any other association, as defined in s. 718.103(2) or s. 720.301(9), which holds a superior lien interest on the unit. This paragraph is intended to clarify existing law.
- (c) The person acquiring title shall pay the amount owed to the association within 30 days after transfer of title. Failure to pay the full amount when due entitles shall entitle the association to record a claim of lien against the parcel and

682

683

684

685

686

687

688

689

690

691

692

693 694

695

696

697

698

699

700

701

702

703

704

705

706

707

708 709



proceed in the same manner as provided in this section for the collection of unpaid assessments.

- (d) With respect to each timeshare unit, each owner of a timeshare estate therein is jointly and severally liable for the payment of all assessments and other charges levied against or with respect to that unit pursuant to the declaration or bylaws, except to the extent that the declaration or bylaws may otherwise provide to the contrary.
- (e) Notwithstanding the provisions of paragraph (a) (b), a first mortgagee or its successor or assignees who acquire title to a condominium unit as a result of the foreclosure of the mortgage or by deed in lieu of foreclosure of the mortgage are shall be exempt from liability for all unpaid assessments attributable to the parcel or chargeable to the previous owner which came due before prior to acquisition of title if the first mortgage was recorded before prior to April 1, 1992. If, However, if the first mortgage was recorded on or after April 1, 1992, or if on the date the mortgage was recorded, the declaration included language incorporating by reference future amendments to this chapter, the provisions of paragraph (a) does (b) shall apply.
- (f) The provisions of this subsection are intended to clarify existing law, and are shall not be available if in any case where the unpaid assessments sought to be recovered by the association are secured by a lien recorded before prior to the recording of the mortgage. Notwithstanding the provisions of chapter 48, the association is shall be a proper party to intervene in any foreclosure proceeding to seek equitable relief.



- (g) For purposes of this subsection, the term "successor or assignee" as used with respect to a first mortgagee includes only a subsequent holder of the first mortgage.
- (3) Assessments and installments on assessments which are not paid when due bear interest at the rate provided in the declaration, from the due date until paid. The This rate may not exceed the rate allowed by law, and, if no rate is provided in the declaration, interest accrues at the rate of 18 percent per year. Also, If provided by the declaration or bylaws, the association may, in addition to such interest, charge an administrative late fee of up to the greater of \$25 or 5 percent of each installment of the assessment for each delinquent installment for which the payment is late. Any payment received by an association must be applied first to any interest accrued by the association, then to any administrative late fee, then to any costs and reasonable attorney's fees incurred in collection, and then to the delinquent assessment. The foregoing applies $\frac{i}{s}$ applicable notwithstanding any restrictive endorsement, designation, or instruction placed on or accompanying a payment. A late fee is not subject to chapter 687 or s. 718.303(4) 718.303(3).

(5)

710

711

712 713

714

715

716

717

718

719

720

721

722

723

724

725

726 727

728

729

730

731

732

733

734

735 736

737

738

(b) To be valid, a claim of lien must state the description of the condominium parcel, the name of the record owner, the name and address of the association, the amount due, and the due dates. It must be executed and acknowledged by an officer or authorized agent of the association. The lien is not effective longer than 1 year after the claim of lien was recorded unless, within that time, an action to enforce the lien is commenced.



The 1-year period is automatically extended for any length of time during which the association is prevented from filing a foreclosure action by an automatic stay resulting from a bankruptcy petition filed by the parcel owner or any other person claiming an interest in the parcel. The claim of lien secures all unpaid assessments that are due and that may accrue after the claim of lien is recorded and through the entry of a final judgment, as well as interest and all reasonable costs and attorney's fees incurred by the association incident to the collection process. Upon payment in full, the person making the payment is entitled to a satisfaction of the lien.

749 750 751

752

753

754

755

756

757

758

759

760

761

762

763

764

765

766 767

739

740

741

742

743

744

745

746

747

748

After notice of contest of lien has been recorded, the clerk of the circuit court shall mail a copy of the recorded notice to the association by certified mail, return receipt requested, at the address shown in the claim of lien or most recent amendment to it and shall certify to the service on the face of the notice. Service is complete upon mailing. After service, the association has 90 days in which to file an action to enforce the lien; and, if the action is not filed within the 90-day period, the lien is void. However, the 90-day period shall be extended for any length of time that the association is prevented from filing its action because of an automatic stay resulting from the filing of a bankruptcy petition by the unit owner or by any other person claiming an interest in the parcel.

(11) If the unit is occupied by a tenant and the unit owner is delinquent in paying any monetary obligation due to the association, the association may make a written demand that the tenant pay subsequent rental payments to the association the



future monetary obligations related to the condominium unit to the association, and continue to the tenant must make such payments until all monetary obligations of the unit owner related to the unit have been paid in full to the association payment. The demand is continuing in nature and, upon demand, The tenant must pay rent the monetary obligations to the association until the association releases the tenant or the tenant discontinues tenancy in the unit. The association must mail written notice to the unit owner of the association's demand that the tenant make payments to the association. The association shall, upon request, provide the tenant with written receipts for payments made. A tenant who acts in good faith in response to a written demand from an association is immune from any claim by from the unit owner.

(a) The association must provide written notice to the unit owner of the association's demand that the tenant make payments to the association. Such notice must be made by hand delivery or United States mail and in substantially the following form:

786 787

788

789

790

768

769

770

771

772

773

774

775

776

777

778

779

780

781

782

783

784

785

Pursuant to s. 718.116(11), Florida Statutes, the association hereby demands that you pay your rent directly to the condominium association and continue until the association notifies you otherwise.

791 792

Payment due the association may be in the same form you paid your landlord and must be sent by U.S. Mail or hand delivered to (...full address...) and payable to (...name...).

794 795

796

793

Your obligation to pay your rent to the association begins immediately, unless you have



already paid rent to your landlord for the current period before receiving this notice. In such case, you must provide the association written proof of your payment within 14 days after receiving this notice, and your obligation to pay rent to the association begins with the next rental period.

Section 7.116(11), Florida Statutes, also provides that your payment of rent to the association gives you complete immunity from any claim for the rent by your landlord for all amounts timely paid to the association.

808 809

810

811

812

813

814

815

816

817

818

819

820 821

822

823

824

825

797

798

799

800

801

802

803

804

805

806

807

(b) (a) If the tenant paid prepaid rent to the landlord or unit owner for a given rental period before receiving the demand from the association and provides written evidence to the association of having paid paying the rent to the association within 14 days after receiving the demand, the tenant shall begin making rental payments for the following rental period and continue making receive credit for the prepaid rent for the applicable period and must make any subsequent rental payments to the association to be credited against the monetary obligations of the unit owner until to the association releases the tenant or the tenant discontinues tenancy in the unit.

(c) (b) The tenant is not liable for increases in the amount of the monetary obligations due unless the tenant was notified in writing of the increase at least 10 days before the date the rent is due. The liability of the tenant may not exceed the amount due from the tenant to the tenant's landlord. The tenant's landlord shall provide the tenant a credit against

827

828

829

830

831

832

833

834

835

836

837

838

839

840

841

842

843 844

845

846

847

848

849

850

851

852

853

854



rents due to the landlord unit owner in the amount of moneys paid to the association under this section.

- (d) $\frac{(e)}{(e)}$ The association may issue notices under s. 83.56 and may sue for eviction under ss. 83.59-83.625 as if the association were a landlord under part II of chapter 83 if the tenant fails to pay a required payment to the association. However, the association is not otherwise considered a landlord under chapter 83 and specifically has no obligations duties under s. 83.51.
- (e) (d) The tenant does not, by virtue of payment of monetary obligations to the association, have any of the rights of a unit owner to vote in any election or to examine the books and records of the association.
- (f) (e) A court may supersede the effect of this subsection by appointing a receiver.
- Section 8. Paragraph (c) is added to subsection (2) of section 718.117, Florida Statutes, and subsections (3), (4), and (11), paragraphs (a) and (d) of subsection (12), subsection (14), paragraph (a) of subsection (17), and subsections (18) and (19) of that section are amended, to read:
 - 718.117 Termination of condominium.
- (2) TERMINATION BECAUSE OF ECONOMIC WASTE OR IMPOSSIBILITY.-
- (c) Notwithstanding paragraph (a), a condominium that includes units and timeshare estates where the improvements have been totally destroyed or demolished may be terminated pursuant to a plan of termination proposed by a unit owner upon filing a petition in court seeking equitable relief.
 - 1. Within 10 days after filing the petition, and in lieu of

856

857

858

859

860

861

862

863

864

865

866

867

868

869

870

871

872

873

874

875

876 877

878

879

880

881

882

883



the requirements of paragraph (15)(a), the petitioner shall record the proposed plan of termination and mail copies of the plan and the petition to:

- a. Each member of the board of directors of the association identified in the most recent annual report filed with the department of state and the registered agent of the association if the association has not been dissolved as a matter of law;
 - b. The managing entity as defined in s. 721.05;
- c. Each unit owner and each timeshare estate owner at the address reflected in the official records of the association, or if the association records cannot be obtained by the petitioner, each unit owner and each timeshare estate owner at the address listed in the office of the tax collector for tax notices; and
- d. Each holder of a recorded mortgage lien affecting a unit or timeshare estate at the address appearing on the recorded mortgage or any recorded assignment thereof.
- 2. The association as class representative if it has not been dissolved as a matter of law, the managing entity as defined in s. 721.05, any unit owner, timeshare estate owner, or holder of a recorded mortgage lien affecting a unit or timeshare estate may intervene in the proceedings to contest the proposed plan of termination brought pursuant to this paragraph. The provisions of subsection (9), to the extent inconsistent with this paragraph, and subsection (16) are not applicable to a party contesting a plan of termination under this paragraph. If no party intervenes to contest the proposed plan within 45 days after filing the petition, the petitioner may move the court to enter a final judgment authorizing that the plan of termination be implemented. If a party timely intervenes to contest the

885

886

887

888

889

890

891

892

893

894

895

896

897

898

899

900

901

902

903

904

905

906

907

908

909

910

911

912



proposed plan, the plan may not be implemented until a final judgment has been entered by the court finding that the proposed plan of termination is fair and reasonable and authorizing implementation of the plan.

- (3) OPTIONAL TERMINATION.—Except as provided in subsection (2) or unless the declaration provides for a lower percentage, the condominium form of ownership of the property may be terminated for all or a portion of the condominium property pursuant to a plan of termination approved by at least 80 percent of the total voting interests of the condominium if no not more than 10 percent of the total voting interests of the condominium have rejected the plan of termination by negative vote or by providing written objections thereto. This subsection does not apply to condominiums in which 75 percent or more of the units are timeshare units.
- (4) EXEMPTION.—A plan of termination is not an amendment subject to s. 718.110(4). In a partial termination, a plan of termination is not an amendment subject to s. 718.110(4) if the ownership share of the common elements of a surviving unit in the condominium remains in the same proportion to the surviving units as it was before the partial termination.
- (11) PLAN OF TERMINATION; OPTIONAL PROVISIONS; CONDITIONAL TERMINATION.-
- (a) The plan of termination may provide that each unit owner retains the exclusive right of possession to the portion of the real estate which $\frac{1}{2}$ formerly constituted the unit if in which case the plan specifies must specify the conditions of possession. In a partial termination, the plan of termination as specified in subsection (10) must also identify the units that

914

915 916

917

918

919

920

921

922

923

924

925

926

927

928

929

930

931

932

933

934

935

936

937

938 939

940

941



survive the partial termination and provide that such units remain in the condominium form of ownership pursuant to an amendment to the declaration of condominium or an amended and restated declaration. In a partial termination, title to the surviving units and common elements that remain part of the condominium property specified in the plan of termination remain vested in the ownership shown in the public records and do not vest in the termination trustee.

- (b) In a conditional termination, the plan must specify the conditions for termination. A conditional plan does not vest title in the termination trustee until the plan and a certificate executed by the association with the formalities of a deed, confirming that the conditions in the conditional plan have been satisfied or waived by the requisite percentage of the voting interests, have been recorded. In a partial termination, the plan does not vest title to the surviving units or common elements that remain part of the condominium property in the termination trustee.
- (12) ALLOCATION OF PROCEEDS OF SALE OF CONDOMINIUM PROPERTY.-
- (a) Unless the declaration expressly provides for the allocation of the proceeds of sale of condominium property, the plan of termination must first apportion the proceeds between the aggregate value of all units and the value of the common elements, based on their respective fair market values immediately before the termination, as determined by one or more independent appraisers selected by the association or termination trustee. In a partial termination, the aggregate values of the units and common elements that are being

943

944

945

946

947

948

949

950

951

952

953

954

955

956

957

958

959

960

961

962

963

964

965

966

967 968

969

970



terminated must be separately determined, and the plan of termination must specify the allocation of the proceeds of sale for the units and common elements.

- (d) Liens that encumber a unit shall be transferred to the proceeds of sale of the condominium property and the proceeds of sale or other distribution of association property, common surplus, or other association assets attributable to such unit in their same priority. In a partial termination, liens that encumber a unit being terminated must be transferred to the proceeds of sale of that portion of the condominium property being terminated which are attributable to such unit. The proceeds of any sale of condominium property pursuant to a plan of termination may not be deemed to be common surplus or association property.
- (14) TITLE VESTED IN TERMINATION TRUSTEE.-If termination is pursuant to a plan of termination under subsection (2) or subsection (3), the unit owners' rights and title to as tenants in common in undivided interests in the condominium property being terminated vests vest in the termination trustee when the plan is recorded or at a later date specified in the plan. The unit owners thereafter become the beneficiaries of the proceeds realized from the plan of termination as set forth in the plan. The termination trustee may deal with the condominium property being terminated or any interest therein if the plan confers on the trustee the authority to protect, conserve, manage, sell, or dispose of the condominium property. The trustee, on behalf of the unit owners, may contract for the sale of real property being terminated, but the contract is not binding on the unit owners until the plan is approved pursuant to subsection (2) or



subsection (3).

971

972

973

974

975

976

977

978

979 980

981

982

983

984

985

986

987

988

989

990

991

992

993

994

995

996

997

998

999

- (17) DISTRIBUTION. -
- (a) Following termination of the condominium, the condominium property, association property, common surplus, and other assets of the association shall be held by the termination trustee pursuant to the plan of termination, as trustee for unit owners and holders of liens on the units, in their order of priority unless otherwise set forth in the plan of termination.
- (18) ASSOCIATION STATUS.—The termination of a condominium does not change the corporate status of the association that operated the condominium property. The association continues to exist to conclude its affairs, prosecute and defend actions by or against it, collect and discharge obligations, dispose of and convey its property, and collect and divide its assets, but not to act except as necessary to conclude its affairs. In a partial termination, the association may continue as the condominium association for the property that remains subject to the declaration of condominium.
- (19) CREATION OF ANOTHER CONDOMINIUM.—The termination or partial termination of a condominium does not bar the filing of a new declaration of condominium or an amended and restated declaration of condominium by the termination trustee, or the trustee's successor in interest, for the terminated property or affecting any portion thereof of the same property. The partial termination of a condominium may provide for the simultaneous filing of an amendment to the declaration of condominium or an amended and restated declaration of condominium by the condominium association for any portion of the property not terminated from the condominium form of ownership.

1001

1002

1003

1004

1005

1006

1007

1008

1009 1010

1011

1012

1013

1014

1015

1016

1017

1018

1019

1020

1021

1022

1023 1024

1025

1026

1027

1028



Section 9. Subsections (3), (4), and (5) of section 718.303, Florida Statutes, are amended, and subsection (6) is added to that section, to read:

718.303 Obligations of owners and occupants; remedies .-

- (3) If a unit owner is delinquent for more than 90 days in paying a monetary obligation due to the association, the association may suspend the right of a unit owner or a unit's occupant, licensee, or invitee to use common elements, common facilities, or any other association property until the monetary obligation is paid. This subsection does not apply to limited common elements intended to be used only by that unit, common elements that must be used to access the unit, utility services provided to the unit, parking spaces, or elevators. The association may also levy reasonable fines for the failure of the owner of the unit, or its occupant, licensee, or invitee, to comply with any provision of the declaration, the association bylaws, or reasonable rules of the association. A fine may does not become a lien against a unit. A fine may not exceed \$100 per violation. However, A fine may be levied on the basis of each day of a continuing violation, with a single notice and opportunity for hearing. However, the fine may not exceed \$100 per violation, or \$1,000 in the aggregate exceed \$1,000.
- (a) An association may suspend, for a reasonable period of time, the right of a unit owner, or a unit owner's tenant, guest, or invitee, to use the common elements, common facilities, or any other association property for failure to comply with any provision of the declaration, the association bylaws, or reasonable rules of the association.
 - (b) A fine or suspension may not be imposed levied and a

1030

1031

1032

1033 1034

1035

1036

1037

1038

1039

1040

1041

1042

1043

1044

1045 1046

1047

1048 1049

1050

1051 1052

1053

1054

1055

1056 1057



suspension may not be imposed unless the association first provides at least 14 days' written notice and an opportunity for a hearing to the unit owner and, if applicable, its occupant, licensee, or invitee. The hearing must be held before a committee of other unit owners who are neither board members nor persons residing in a board member's household. If the committee does not agree with the fine or suspension, the fine or suspension may not be levied or imposed.

(4) If a unit owner is more than 90 days delinquent in paying a monetary obligation due to the association, the association may suspend the right of the unit owner or the unit's occupant, licensee, or invitee to use common elements, common facilities, or any other association property until the monetary obligation is paid in full. This subsection does not apply to limited common elements intended to be used only by that unit, common elements needed to access the unit, utility services provided to the unit, parking spaces, or elevators. The notice and hearing requirements under subsection (3) do not apply to suspensions imposed under this subsection.

(4) The notice and hearing requirements of subsection (3) do not apply to the imposition of suspensions or fines against a unit owner or a unit's occupant, licensee, or invitee because of failing to pay any amounts due the association. If such a fine or suspension is imposed, the association must levy the fine or impose a reasonable suspension at a properly noticed board meeting, and after the imposition of such fine or suspension, the association must notify the unit owner and, if applicable, the unit's occupant, licensee, or invitee by mail or hand delivery.

1059

1060

1061

1062

1063

1064 1065

1066

1067

1068

1069

1070

1071

1072

1073

1074

1075 1076

1077

1078

1079

1080

1081

1082

1083

1084

1085

1086



- (5) An association may also suspend the voting rights of a unit or member due to nonpayment of any monetary obligation due to the association which is more than 90 days delinquent. A voting interest or consent right allocated to a unit or member which has been suspended by the association may not be counted towards the total number of voting interests for any purpose, including, but not limited to, the number of voting interests necessary to constitute a quorum, conduct an election, or approve an action under this chapter or pursuant to the declaration, articles of incorporation, or bylaws. The suspension ends upon full payment of all obligations currently due or overdue the association. The notice and hearing requirements under subsection (3) do not apply to a suspension imposed under this subsection.
- (6) All suspensions imposed pursuant to subsection (4) or subsection (5) must be approved at a properly noticed board meeting. Upon approval, the association must notify the unit owner and, if applicable, the unit's occupant, licensee, or invitee by mail or hand delivery.

Section 10. Section 718.703, Florida Statutes, is amended to read:

718.703 Definitions.—As used in this part, the term:

- (1) "Bulk assignee" means a person who is not a bulk buyer and who:
- (a) Acquires more than seven condominium parcels in a single condominium as set forth in s. 718.707; and
- (b) Receives an assignment of any of the developer rights, other than or in addition to those rights described in subsection (2), some or all of the rights of the developer as

1088

1089

1090

1091

1092

1093

1094 1095

1096

1097

1098

1099

1100

1101

1102

1103

1104

1105

1106

1107

1108

1109

1110 1111

1112 1113

1114 1115



set forth in the declaration of condominium or this chapter: by

- 1. By a written instrument recorded as part of or as an exhibit to the deed; or as
- 2. By a separate instrument recorded in the public records of the county in which the condominium is located; or
- 3. Pursuant to a final judgment or certificate of title issued in favor of a purchaser at a foreclosure sale.

A mortgagee or its assignee may not be deemed a bulk assignee or a developer by reason of the acquisition of condominium units and receipt of an assignment of some or all of a developer rights unless the mortgagee or its assignee exercises any of the developer rights other than those described in subsection (2).

- (2) "Bulk buyer" means a person who acquires more than seven condominium parcels in a single condominium as set forth in s. 718.707, but who does not receive an assignment of any developer rights, or receives only some or all of the following rights: other than
- (a) The right to conduct sales, leasing, and marketing activities within the condominium;
- (b) The right to be exempt from the payment of working capital contributions to the condominium association arising out of, or in connection with, the bulk buyer's acquisition of the $\frac{a}{b}$ bulk number of units; and
- (c) The right to be exempt from any rights of first refusal which may be held by the condominium association and would otherwise be applicable to subsequent transfers of title from the bulk buyer to a third party purchaser concerning one or more units.

1117

1118 1119

1120

1121

1122 1123

1124

1125

1126

1127

1128

1129

1130

1131

1132 1133

1134 1135

1136

1137

1138

1139

1140

1141

1142

1143

1144



Section 11. Section 718.704, Florida Statutes, is amended to read:

718.704 Assignment and assumption of developer rights by bulk assignee; bulk buyer.-

- (1) A bulk assignee is deemed to have assumed assumes and is liable for all duties and responsibilities of the developer under the declaration and this chapter upon its acquisition of title to units and continuously thereafter, except that it is not liable for:
- (a) Warranties of the developer under s. 718.203(1) or s. 718.618, except as expressly provided by the bulk assignee in a prospectus or offering circular, or the contract for purchase and sale executed with a purchaser, or for design, construction, development, or repair work performed by or on behalf of the such bulk assignee. +
 - (b) The obligation to:
- 1. Fund converter reserves under s. 718.618 for a unit that was not acquired by the bulk assignee; or
- 2. Provide implied converter warranties on any portion of the condominium property except as expressly provided by the bulk assignee in a prospectus or offering circular, or the contract for purchase and sale executed with a purchaser, or for and pertaining to any design, construction, development, or repair work performed by or on behalf of the bulk assignee. +
- (c) The requirement to provide the association with a cumulative audit of the association's finances from the date of formation of the condominium association as required by s. 718.301(4)(c). However, the bulk assignee must provide an audit for the period during which the bulk assignee elects or appoints

1146

1147

1148 1149

1150

1151

1152

1153

1154 1155

1156

1157

1158

1159

1160

1161

1162 1163

1164

1165

1166

1167 1168

1169

1170

1171

1172

1173



a majority of the members of the board of administration.

- (d) Any liability arising out of or in connection with actions taken by the board of administration or the developerappointed directors before the bulk assignee elects or appoints a majority of the members of the board of administration.; and
- (e) Any liability for or arising out of the developer's failure to fund previous assessments or to resolve budgetary deficits in relation to a developer's right to quarantee assessments, except as otherwise provided in subsection (2).

The bulk assignee is also responsible only for delivering documents and materials in accordance with s. 718.705(3). A bulk assignee may expressly assume some or all of the developer obligations of the developer described in paragraphs (a)-(e).

- (2) A bulk assignee assigned the developer right receiving the assignment of the rights of the developer to guarantee the level of assessments and fund budgetary deficits pursuant to s. 718.116 assumes and is liable for all obligations of the developer with respect to such guarantee upon its acquisition of title to the units and continuously thereafter, including any applicable funding of reserves to the extent required by law, for as long as the guarantee remains in effect. A bulk assignee not receiving such assignment, or a bulk buyer, does not assume and is not liable for the obligations of the developer with respect to such guarantee, but is responsible for payment of assessments due on or after acquisition of the units in the same manner as all other owners of condominium parcels or as otherwise provided in s. 718.116.
 - (3) A bulk buyer is liable for the duties and

1175 1176

1177

1178

1179

1180

1181

1182

1183

1184

1185

1186

1187

1188

1189

1190

1191 1192

1193

1194

1195 1196

1197

1198

1199

1200

1201

1202



responsibilities of a the developer under the declaration and this chapter only to the extent that such provided in this part, together with any other duties or responsibilities are of the developer expressly assumed in writing by the bulk buyer.

- (4) An acquirer of condominium parcels is not a bulk assignee or a bulk buyer if the transfer to such acquirer was made:
 - (a) Before the effective date of this part;
- (b) With the intent to hinder, delay, or defraud any purchaser, unit owner, or the association; or if the acquirer is
- (c) By a person who would be considered an insider under s. 726.102(7).
- (5) An assignment of developer rights to a bulk assignee may be made by a the developer, a previous bulk assignee, a mortgagee or assignee who has acquired title to the units and received an assignment of rights, or a court acting on behalf of the developer or the previous bulk assignee if such developer rights are held by the predecessor in title to the bulk assignee. At any particular time, there may not be no more than one bulk assignee within a condominium; however, but there may be more than one bulk buyer. If more than one acquirer of condominium parcels in the same condominium receives an assignment of developer rights in addition to those rights described in s. 718.703(2) from the same person, the bulk assignee is the acquirer whose instrument of assignment is recorded first in the public records of the county in which the condominium is located, and any subsequent purported bulk assignee may still qualify as a bulk buyer.

1204

1205 1206

1207

1208

1209

1210

1211

1212

1213

1214

1215

1216

1217

1218 1219

1220

1221

1222

1223

1224

1225

1226

1227

1228 1229

1230

1231



Section 12. Subsections (1) and (3) of section 718.705, Florida Statutes, are amended to read:

718.705 Board of administration; transfer of control.-

- (1) If at the time the bulk assignee acquires title to the units and receives an assignment of developer rights, the developer has not relinquished control of the board of administration, for purposes of determining the timing for transfer of control of the board of administration of the association to unit owners other than the developer under s. 718.301(1)(a) and (b), if a bulk assignee is entitled to elect a majority of the members of the board, a condominium parcel acquired by the bulk assignee is not deemed to be conveyed to a purchaser, or owned by an owner other than the developer, until the condominium parcel is conveyed to an owner who is not a bulk assignee.
- (3) If a bulk assignee relinquishes control of the board of administration as set forth in s. 718.301, the bulk assignee must deliver all of those items required by s. 718.301(4). However, the bulk assignee is not required to deliver items and documents not in the possession of the bulk assignee if some items were or should have been in existence before the bulk assignee's acquisition of the units during the period during which the bulk assignee was entitled to elect at least a majority of the members of the board of administration. In conjunction with the acquisition of units condominium parcels, a bulk assignee shall undertake a good faith effort to obtain the documents and materials that must be provided to the association pursuant to s. 718.301(4). If the bulk assignee is not able to obtain all of such documents and materials, the bulk assignee

1233

1234

1235

1236

1237

1238

1239

1240

1241

1242

1243

1244

1245

1246

1247

1248

1249

1250

1251

1252

1253

1254

1255

1256

1257

1258

1259

1260



must certify in writing to the association the names or descriptions of the documents and materials that were not obtainable by the bulk assignee. Delivery of the certificate relieves the bulk assignee of responsibility for delivering the documents and materials referenced in the certificate as otherwise required under ss. 718.112 and 718.301 and this part. The responsibility of the bulk assignee for the audit required by s. 718.301(4) commences as of the date on which the bulk assignee elected or appointed a majority of the members of the board of administration.

Section 13. Section 718.706, Florida Statutes, is amended to read:

718.706 Specific provisions pertaining to offering of units by a bulk assignee or bulk buyer.-

- (1) Before offering more than seven any units in a single condominium for sale or for lease for a term exceeding 5 years, a bulk assignee or a bulk buyer must file the following documents with the division and provide such documents to a prospective purchaser or tenant:
- (a) An updated prospectus or offering circular, or a supplement to the prospectus or offering circular, filed by the original developer prepared in accordance with s. 718.504, which must include the form of contract for sale and for lease in compliance with s. 718.503(2);
- (b) An updated Frequently Asked Questions and Answers sheet;
- (c) The executed escrow agreement if required under s. 718.202; and
 - (d) The financial information required by s. 718.111(13).



However, if a financial information report did does not exist for the fiscal year before the acquisition of title by the bulk assignee or bulk buyer, and if or accounting records that cannot be obtained in good faith by the bulk assignee or the bulk buyer which would permit preparation of the required financial information report for that period cannot be obtained despite good faith efforts by the bulk assignee or the bulk buyer, the bulk assignee or bulk buyer is excused from the requirement of this paragraph. However, the bulk assignee or bulk buyer must include in the purchase contract the following statement in conspicuous type:

1272 1273

1274

1275

1276 1277

1278

1279

1261

1262

1263

1264

1265

1266

1267

1268

1269

1270

1271

ALL OR A PORTION OF THE FINANCIAL INFORMATION REPORT REQUIRED UNDER S. 718.111(13) FOR THE TIME PERIOD BEFORE THE SELLER'S ACQUISITION OF THE UNIT IMMEDIATELY PRECEDING FISCAL YEAR OF THE ASSOCIATION IS NOT AVAILABLE OR CANNOT BE OBTAINED DESPITE THE GOOD FAITH EFFORTS OF CREATED BY THE SELLER DUE TO THE INSUFFICIENT ACCOUNTING RECORDS OF THE ASSOCIATION.

1280 1281

1282

1283

1284

(2) Before offering more than seven any units in a single condominium for sale or for lease for a term exceeding 5 years, a bulk assignee or a bulk buyer must file with the division and provide to a prospective purchaser or tenant under a lease for a term exceeding 5 years a disclosure statement that includes, but is not limited to:

1285 1286 1287

1288 1289

(a) A description of any rights of the developer rights that developer which have been assigned to the bulk assignee or bulk buyer;



1290 (b) The following statement in conspicuous type: 1291

> THE SELLER IS NOT OBLIGATED FOR ANY WARRANTIES OF THE DEVELOPER UNDER S. 718.203(1) OR S. 718.618, AS APPLICABLE, EXCEPT FOR DESIGN, CONSTRUCTION, DEVELOPMENT, OR REPAIR WORK PERFORMED BY OR ON BEHALF OF THE SELLER; and

1297 1298

1292 1293

1294

1295

1296

(c) If the condominium is a conversion subject to part VI, the following statement in conspicuous type:

1299 1300

1301

1302

1303

1304

1305

1306

1307

THE SELLER HAS NO OBLIGATION TO FUND CONVERTER RESERVES OR TO PROVIDE CONVERTER WARRANTIES UNDER S. 718.618 ON ANY PORTION OF THE CONDOMINIUM PROPERTY EXCEPT AS MAY BE EXPRESSLY REQUIRED OF THE SELLER IN THE CONTRACT FOR PURCHASE AND SALE EXECUTED BY THE SELLER AND THE PREVIOUS DEVELOPER AND PERTAINING TO ANY DESIGN, CONSTRUCTION, DEVELOPMENT, OR REPAIR WORK PERFORMED BY OR ON BEHALF OF THE SELLER.

1308 1309 1310

1311

1312

(3) A bulk assignee, while it is in control of the board of administration of the association, may not authorize, on behalf of the association:

1313 1314

(a) The waiver of reserves or the reduction of funding of the reserves pursuant to s. 718.112(2)(f)2., unless approved by a majority of the voting interests not controlled by the developer, bulk assignee, and bulk buyer; or

1316 1317

1318

1315

(b) The use of reserve expenditures for other purposes pursuant to s. 718.112(2)(f)3., unless approved by a majority of

1320

1321 1322

1323

1324

1325

1326

1327

1328

1329

1330

1331

1332

1333

1334

1335 1336

1337

1338

1339

1340 1341

1342

1343 1344

1345

1346

1347



the voting interests not controlled by the developer, bulk assignee, and bulk buyer.

- (4) A bulk assignee or a bulk buyer must comply with all the requirements of s. 718.302 regarding any contracts entered into by the association during the period the bulk assignee or bulk buyer maintains control of the board of administration. Unit owners shall be provided afforded all of the rights and the protections contained in s. 718.302 regarding agreements entered into by the association which are under the control of before unit owners other than the developer, bulk assignee, or bulk buyer elected a majority of the board of administration.
- (5) Notwithstanding any other provision of this part, a bulk assignee or a bulk buyer is not required to comply with the filing or disclosure requirements of subsections (1) and (2) if all of the units owned by the bulk assignee or bulk buyer are offered and conveyed to a single purchaser in a single transaction. A bulk buyer must comply with the requirements contained in the declaration regarding any transfer of a unit, including sales, leases, and subleases. A bulk buyer is not entitled to any exemptions afforded a developer or successor developer under this chapter regarding the transfer of a unit, including sales, leases, or subleases.

Section 14. Section 718.707, Florida Statutes, is amended to read:

718.707 Time limitation for classification as bulk assignee or bulk buyer. - A person acquiring condominium parcels may not be classified as a bulk assignee or bulk buyer unless the condominium parcels were acquired on or after July 1, 2010, but before July 1, 2012. The date of such acquisition shall be

1349

1350

1351

1352

1353

1354

1355

1356

1357

1358

1359

1360

1361

1362

1363

1364

1365 1366

1367

1368

1369

1370

1371

1372

1373

1374

1375

1376



determined by the date of recording of a deed or other instrument of conveyance for such parcels in the public records of the county in which the condominium is located, or by the date of issuing issuance of a certificate of title in a foreclosure proceeding with respect to such condominium parcels.

Section 15. Subsections (4) and (10) of section 719.108, Florida Statutes, are amended to read:

719.108 Rents and assessments; liability; lien and priority; interest; collection; cooperative ownership.-

(4) The association has a lien on each cooperative parcel for any unpaid rents and assessments, plus interest, any authorized administrative late fees, and any reasonable costs for collection services for which the association has contracted against the unit owner of the cooperative parcel. If authorized by the cooperative documents, the lien also secures reasonable attorney's fees incurred by the association incident to the collection of the rents and assessments or enforcement of such lien. The lien is effective from and after recording a claim of lien in the public records in the county in which the cooperative parcel is located which states the description of the cooperative parcel, the name of the unit owner, the amount due, and the due dates. The lien expires if a claim of lien is not filed within 1 year after the date the assessment was due, and the lien does not continue for longer than 1 year after the claim of lien has been recorded unless, within that time, an action to enforce the lien is commenced. Except as otherwise provided in this chapter, a lien may not be filed by the association against a cooperative parcel until 30 days after the date on which a notice of intent to file a lien has been



delivered to the owner.

1377

1378 1379

1380

1381

1382

1383

1384

1385

1386

1387

1388

1389

1390

1391 1392

1393

1394

1395

1396

1397

1398

1399

1400

1401

1402

1403

1404

1405

- (a) The notice must be sent to the unit owner at the address of the unit by first-class United States mail and:
- 1. If the most recent address of the unit owner on the records of the association is the address of the unit, the notice must be sent by registered or certified mail, return receipt requested, to the unit owner at the address of the unit.
- 2. If the most recent address of the unit owner on the records of the association is in the United States, but is not the address of the unit, the notice must be sent by registered or certified mail, return receipt requested, to the unit owner at his or her most recent address.
- 3. If the most recent address of the unit owner on the records of the association is not in the United States, the notice must be sent by first-class United States mail to the unit owner at his or her most recent address.
- (b) A notice that is sent pursuant to this subsection is deemed delivered upon mailing.
- (10) If the unit is occupied by a tenant and the unit owner is delinquent in paying any monetary obligation due to the association, the association may make a written demand that the tenant pay rent to the association the future monetary obligations related to the cooperative share to the association and continue to the tenant must make such payments until all monetary obligations of the unit owner related to the unit have been paid in full to the association payment. The demand is continuing in nature, and upon demand, The tenant must pay the rent the monetary obligations to the association until the association releases the tenant or the tenant discontinues

1407

1408

1409

1410

1411

1412

1413 1414

1415

1416

1417

1418

1419

1420

1421

1422

1423 1424

1425

1426

1427

1428

1429

1430

1431

1432

1433

1434



tenancy in the unit. The association must mail written notice to the unit owner of the association's demand that the tenant make payments to the association. The association shall, upon request, provide the tenant with written receipts for payments made. A tenant who acts in good faith in response to a written demand from an association is immune from any claim by from the unit owner.

- (a) If the tenant paid prepaid rent to the unit owner for a given rental period before receiving the demand from the association and provides written evidence of prepaying paying the rent to the association within 14 days after receiving the demand, the tenant shall receive credit for the prepaid rent for the applicable period but and must make any subsequent rental payments to the association to be credited against the monetary obligations of the unit owner to the association.
- (b) The tenant is not liable for increases in the amount of the regular monetary obligations due unless the tenant was notified in writing of the increase at least 10 days before the date on which the rent is due. The liability of the tenant may not exceed the amount due from the tenant to the tenant's landlord. The tenant's landlord shall provide the tenant a credit against rents due to the unit owner in the amount of moneys paid to the association under this section.
- (c) The association may issue notices under s. 83.56 and may sue for eviction under ss. 83.59-83.625 as if the association were a landlord under part II of chapter 83 if the tenant fails to pay a required payment. However, the association is not otherwise considered a landlord under chapter 83 and specifically has no obligations duties under s. 83.51.

1436

1437 1438

1439

1440

1441 1442

1443

1444

1445

1446

1447

1448

1449 1450

1451

1452

1453

1454 1455

1456 1457

1458 1459

1460

1461

1462

1463



- (d) The tenant does not, by virtue of payment of monetary obligations, have any of the rights of a unit owner to vote in any election or to examine the books and records of the association.
- (e) A court may supersede the effect of this subsection by appointing a receiver.

Section 16. Subsection (3) of section 719.303, Florida Statutes, is amended, and subsections (4), (5), and (6) are added to that section, to read:

719.303 Obligations of owners.-

- (3) If the cooperative documents so provide, The association may levy reasonable fines against a unit owner for failure of the unit owner or the unit's occupant, his or her licensee, or invitee or the unit's occupant to comply with any provision of the cooperative documents or reasonable rules of the association. A fine may not No fine shall become a lien against a unit. No fine shall exceed \$100 per violation. However, A fine may be levied on the basis of each day of a continuing violation, with a single notice and opportunity for hearing. However, the fine may not exceed \$100 per violation, or \$1,000 provided that no such fine shall in the aggregate exceed \$1,000.
- (a) An association may suspend, for a reasonable period of time, the right of a unit owner, or a unit owner's tenant, guest, or invitee, to use the common elements, common facilities, or any other association property for failure to comply with any provision of the cooperative documents or reasonable rules of the association.
 - (b) A No fine or suspension may not be imposed levied

1465 1466

1467

1468

1469

1470

1471

1472

1473 1474

1475

1476

1477

1478

1479

1480 1481

1482

1483

1484

1485

1486

1487

1488

1489

1490

1491

1492



except after giving reasonable notice and opportunity for a hearing to the unit owner and, if applicable, the unit's his or her licensee or invitee. The hearing must shall be held before a committee of other unit owners. If the committee does not agree with the fine or suspension, it may shall not be imposed levied. This subsection does not apply to unoccupied units.

- (4) If a unit owner is more than 90 days delinquent in paying a monetary obligation due to the association, the association may suspend the right of the unit owner or the unit's occupant, licensee, or invitee to use common elements, common facilities, or any other association property until the monetary obligation is paid in full. This subsection does not apply to limited common elements intended to be used only by that unit, common elements needed to access the unit, utility services provided to the unit, parking spaces, or elevators. The notice and hearing requirements under subsection (3) do not apply to suspensions imposed under this subsection.
- (5) An association may suspend the voting rights of a unit or member due to nonpayment of any monetary obligation due to the association which is more than 90 days delinquent. A voting interest or consent right allocated to a unit or member which has been suspended by the association may not be counted towards the total number of voting interests for any purpose, including, but not limited to, the number of voting interests necessary to constitute a quorum, conduct an election, or approve an action under this chapter or pursuant to the declaration, articles of incorporation, or bylaws. The suspension ends upon full payment of all obligations currently due or overdue the association. The notice and hearing requirements under subsection (3) do not

1494

1495

1496

1497

1498

1499

1500

1501

1502

1503

1504

1505

1506

1507

1508

1509

1510

1511

1512

1513

1514

1515

1516

1517

1518

1519

1520

1521



apply to a suspension imposed under this subsection.

(6) All suspensions imposed pursuant to subsection (4) or subsection (5) must be approved at a properly noticed board meeting. Upon approval, the association must notify the unit owner and, if applicable, the unit's occupant, licensee, or invitee by mail or hand delivery.

Section 17. Subsection (4) of section 720.301, Florida Statutes, is amended to read:

720.301 Definitions.—As used in this chapter, the term:

(4) "Declaration of covenants," or "declaration," means a recorded written instrument or instruments in the nature of covenants running with the land which subject subjects the land comprising the community to the jurisdiction and control of an association or associations in which the owners of the parcels, or their association representatives, must be members.

Section 18. Paragraph (c) of subsection (5) of section 720.303, Florida Statutes, is amended to read:

720.303 Association powers and duties; meetings of board; official records; budgets; financial reporting; association funds; recalls.-

(5) INSPECTION AND COPYING OF RECORDS.—The official records shall be maintained within the state and must be open to inspection and available for photocopying by members or their authorized agents at reasonable times and places within 10 business days after receipt of a written request for access. This subsection may be complied with by having a copy of the official records available for inspection or copying in the community. If the association has a photocopy machine available where the records are maintained, it must provide parcel owners

1523

1524

1525

1526

1527

1528

1529

1530

1531

1532

1533

1534

1535

1536

1537 1538

1539 1540

1541

1542

1543

1544

1545

1546

1547

1548

1549 1550



with copies on request during the inspection if the entire request is limited to no more than 25 pages.

- (c) The association may adopt reasonable written rules governing the frequency, time, location, notice, records to be inspected, and manner of inspections, but may not require a parcel owner to demonstrate any proper purpose for the inspection, state any reason for the inspection, or limit a parcel owner's right to inspect records to less than one 8-hour business day per month. The association may impose fees to cover the costs of providing copies of the official records, including, without limitation, the costs of copying. The association may charge up to 50 cents per page for copies made on the association's photocopier. If the association does not have a photocopy machine available where the records are kept, or if the records requested to be copied exceed 25 pages in length, the association may have copies made by an outside vendor or association management company personnel and may charge the actual cost of copying, including any reasonable costs involving personnel fees and charges at an hourly rate for vendor or employee time to cover administrative costs to the vendor or association. The association shall maintain an adequate number of copies of the recorded governing documents, to ensure their availability to members and prospective members. Notwithstanding this paragraph, the following records are not accessible to members or parcel owners:
- 1. Any record protected by the lawyer-client privilege as described in s. 90.502 and any record protected by the workproduct privilege, including, but not limited to, a any record prepared by an association attorney or prepared at the

1552 1553

1554

1555

1556

1557

1558

1559

1560

1561

1562

1563

1564

1565

1566

1567 1568

1569

1570

1571

1572

1573

1574

1575

1576

1577

1578

1579



attorney's express direction which reflects a mental impression, conclusion, litigation strategy, or legal theory of the attorney or the association and which was prepared exclusively for civil or criminal litigation or for adversarial administrative proceedings or which was prepared in anticipation of such imminent civil or criminal litigation or imminent adversarial administrative proceedings until the conclusion of the litigation or administrative proceedings.

- 2. Information obtained by an association in connection with the approval of the lease, sale, or other transfer of a parcel.
- 3. Personnel records of the association's employees, including, but not limited to, disciplinary, payroll, health, and insurance records. For purposes of this paragraph, the term "personnel records" does not include written employment agreements with an association employee or budgetary or financial records that indicate the compensation paid to an association employee.
 - 4. Medical records of parcel owners or community residents.
- 5. Social security numbers, driver's license numbers, credit card numbers, electronic mailing addresses, telephone numbers, facsimile numbers, emergency contact information, any addresses for a parcel owner other than as provided for association notice requirements, and other personal identifying information of any person, excluding the person's name, parcel designation, mailing address, and property address. However, an owner may consent in writing to the disclosure of protected information described in this subparagraph. The association is not liable for the disclosure of information that is protected

1581

1582

1583

1584

1585

1586

1587

1588

1589

1590

1591

1592

1593

1594

1595

1596

1597

1598

1599

1600

1601

1602

1603

1604

1605

1606

1607

1608



under this subparagraph if the information is included in an official record of the association and is voluntarily provided by an owner and not requested by the association.

- 6. Any electronic security measure that is used by the association to safeguard data, including passwords.
- 7. The software and operating system used by the association which allows the manipulation of data, even if the owner owns a copy of the same software used by the association. The data is part of the official records of the association.

Section 19. Subsection (2) of section 720.305, Florida Statutes, is amended, present subsection (3) of that section is amended and renumbered as subsection (4), and a new subsection (3) and subsection (5) are added to that section, to read:

720.305 Obligations of members; remedies at law or in equity; levy of fines and suspension of use rights.-

(2) The association If a member is delinquent for more than 90 days in paying a monetary obligation due the association, an association may suspend, until such monetary obligation is paid, the rights of a member or a member's tenants, quests, or invitees, or both, to use common areas and facilities and may levy reasonable fines of up to \$100 per violation, against any member or any member's tenant, guest, or invitee for the failure of the owner of the parcel, or its occupant, licensee, or invitee, to comply with any provision of the declaration, the association bylaws, or reasonable rules of the association. A fine may be levied for each day of a continuing violation, with a single notice and opportunity for hearing, except that the $\frac{a}{b}$ fine may not exceed \$1,000 in the aggregate unless otherwise provided in the governing documents. A fine of less than \$1,000

1610

1611

1612

1613

1614

1615

1616

1617

1618

1619

1620

1621

1622

1623 1624

1625

1626 1627

1628

1629

1630

1631

1632

1633

1634

1635

1636

1637



may not become a lien against a parcel. In any action to recover a fine, the prevailing party is entitled to collect its reasonable attorney's fees and costs from the nonprevailing party as determined by the court.

- (a) An association may suspend, for a reasonable period of time, the right of a member, or a member's tenant, guest, or invitee, to use common areas and facilities for the failure of the owner of the parcel, or its occupant, licensee, or invitee, to comply with any provision of the declaration, the association bylaws, or reasonable rules of the association. The provisions regarding the suspension-of-use rights do not apply to the portion of common areas that must be used to provide access to the parcel or utility services provided to the parcel.
- (b) (a) A fine or suspension may not be imposed without at least 14 days' notice to the person sought to be fined or suspended and an opportunity for a hearing before a committee of at least three members appointed by the board who are not officers, directors, or employees of the association, or the spouse, parent, child, brother, or sister of an officer, director, or employee. If the committee, by majority vote, does not approve a proposed fine or suspension, it may not be imposed. If the association imposes a fine or suspension, the association must provide written notice of such fine or suspension by mail or hand delivery to the parcel owner and, if applicable, to any tenant, licensee, or invitee of the parcel owner.
- (3) If a member is more than 90 days delinquent in paying a monetary obligation due to the association, the association may suspend the right of the member, or the member's tenant, guest,

1639

1640

1641

1642

1643

1644

1645 1646

1647

1648

1649

1650

1651

1652

1653

1654

1655

1656

1657

1658

1659

1660

1661

1662

1663

1664

1665 1666



or invitee, to use common areas and facilities until the monetary obligation is paid in full. The subsection does not apply to that portion of common areas used to provide access to the parcel or to utility services provided to the parcel.

(b) Suspension does of common-area-use rights do not impair the right of an owner or tenant of a parcel to have vehicular and pedestrian ingress to and egress from the parcel, including, but not limited to, the right to park. The notice and hearing requirements under subsection (2) do not apply to a suspension imposed under this subsection.

(4) (3) If the governing documents so provide, An association may suspend the voting rights of a parcel or member for the nonpayment of any monetary obligation that is more than regular annual assessments that are delinquent in excess of 90 days delinquent. A voting interest or consent right allocated to a parcel or member which has been suspended by the association may not be counted towards the total number of voting interests for any purpose, including, but not limited to, the number of voting interests necessary to constitute a quorum, conduct an election, or approve an action under this chapter or pursuant to the governing documents. The suspension ends upon full payment of all obligations currently due or overdue to the association. The notice and hearing requirements under subsection (2) do not apply to a suspension imposed under this subsection.

(5) All suspensions imposed pursuant to subsection (3) or subsection (4) must be approved at a properly noticed board meeting. Upon approval, the association must notify the parcel owner and, if applicable, the parcel's occupant, licensee, or invitee by mail or hand delivery.

1668

1669 1670

1671

1672

1673

1674

1675

1676

1677

1678

1679

1680

1681

1682

1683 1684

1685

1686

1687

1688 1689

1690

1691

1692

1693

1694

1695



Section 20. Subsection (9) of section 720.306, Florida Statutes, is amended to read:

720.306 Meetings of members; voting and election procedures; amendments.-

- (9) ELECTIONS AND BOARD VACANCIES. Elections of directors must be conducted in accordance with the procedures set forth in the governing documents of the association.
- (a) All members of the association are eligible to serve on the board of directors, and a member may nominate himself or herself as a candidate for the board at a meeting where the election is to be held or, if the election process allows voting by absentee ballot, in advance of the balloting. However:
- 1. A person who is delinquent in the payment of any fee, fine, or other monetary obligation to the association for more than 90 days is not eligible for board membership.
- 2. A person who has been convicted of any felony in this state or in a United States District or Terrritorial Court, or has been convicted of any offense in another jurisdiction which would be considered a felony if committed in this state, is not eligible for board membership unless such felon's civil rights have been restored for at least 5 years as of the date on which such person seeks election to the board. The validity of any action by the board is not affected if it is later determined that a member of the board is ineligible for board membership due to having been convicted of a felony.
- (b) Except as otherwise provided in the governing documents, boards of directors must be elected by a plurality of the votes cast by eligible voters.
 - (c) Any election dispute between a member and an

1697

1698

1699

1700

1701

1702

1703

1704

1705

1706

1707

1708

1709

1710

1711 1712

1713

1714

1715

1716

1717

1718

1719

1720

1721

1722

1723

1724



association must be submitted to mandatory binding arbitration with the division. Such proceedings must be conducted in the manner provided by s. 718.1255 and the procedural rules adopted by the division.

- (d) Unless otherwise provided in the bylaws, any vacancy occurring on the board before the expiration of a term may be filled by an affirmative vote of the majority of the remaining directors, even if the remaining directors constitute less than a quorum, or by the sole remaining director. In the alternative, a board may hold an election to fill the vacancy, in which case the election procedures must conform to the requirements of the governing documents.
- (e) Unless otherwise provided in the bylaws, a board member appointed or elected under this section is appointed for the unexpired term of the seat being filled.
- (f) Filling vacancies created by recall is governed by s. 720.303(10) and rules adopted by the division.

Section 21. Subsections (2) and (8) of section 720.3085, Florida Statutes, are amended to read:

720.3085 Payment for assessments; lien claims.-

- (2) (a) A parcel owner, regardless of how his or her title to property has been acquired, including by purchase at a foreclosure sale or by deed in lieu of foreclosure, is liable for all assessments that come due while he or she is the parcel owner. The parcel owner's liability for assessments may not be avoided by waiver or suspension of the use or enjoyment of any common area or by abandonment of the parcel upon which the assessments are made.
 - (a) (b) A parcel owner is jointly and severally liable with

1726

1727

1728

1729

1730

1731 1732

1733

1734

1735

1736

1737

1738

1739

1740 1741

1742

1743 1744

1745

1746

1747

1748

1749

1750

1751

1752

1753



the previous parcel owner for all unpaid assessments that came due up to the time of transfer of title. This liability is without prejudice to any right the present parcel owner may have to recover any amounts paid by the present owner from the previous owner.

- (b) (c) Notwithstanding any other provision of anything to the contrary contained in this section, the liability of a first mortgagee, or its successor or assignee as a subsequent holder of the first mortgage who acquires title to a parcel by foreclosure or by deed in lieu of foreclosure for the unpaid assessments that became due before the mortgagee's acquisition of title is limited to, shall be the lesser of:
- 1. The parcel's unpaid common expenses and regular periodic or special assessments that accrued or came due during the 12 months immediately preceding the acquisition of title and for which payment in full has not been received by the association; or
 - 2. One percent of the original mortgage debt.

The limitations on first mortgagee liability provided by this paragraph apply only if the first mortgagee filed suit against the parcel owner and initially joined the association as a defendant in the mortgagee foreclosure action. Joinder of the association is not required if, on the date the complaint is filed, the association was dissolved or did not maintain an office or agent for service of process at a location that was known to or reasonably discoverable by the mortgagee.

(c) An association, or its successor or assignee, which acquires title to a parcel through the foreclosure of its lien

1755

1756

1757

1758

1759

1760

1761

1762

1763

1764

1765

1766 1767

1768

1769

1770

1771 1772

1773

1774

1775

1776

1777

1778

1779

1780

1781

1782



for assessments is not liable for any unpaid assessments, late fees, interest, or reasonable attorney's fees and costs that came due before the association's acquisition of title in favor of any other association, as defined in s. 718.103(2) or s. 720.301(9), which hold a superior lien interest on the parcel. This paragraph is intended to clarify existing law.

- (8) If the parcel is occupied by a tenant and the parcel owner is delinquent in paying any monetary obligation due to the association, the association may demand that the tenant pay rent to the association and continue to make such payments until all the monetary obligations of the parcel owner related to the parcel have been paid in full and the future monetary obligations related to the parcel. The demand is continuing in nature, and upon demand, the tenant must continue to pay the monetary obligations until the association releases the tenant or until the tenant discontinues tenancy in the parcel. A tenant who acts in good faith in response to a written demand from an association is immune from any claim by from the parcel owner.
- (a) If the tenant paid prepaid rent to the parcel owner for a given rental period before receiving the demand from the association and provides written evidence of prepaying paying the rent to the association within 14 days after receiving the demand, the tenant shall receive credit for the prepaid rent for the applicable period but and must make any subsequent rental payments to the association to be credited against the monetary obligations of the parcel owner to the association. The association shall, upon request, provide the tenant with written receipts for payments made. The association shall mail written notice to the parcel owner of the association's demand that the

1784 1785

1786

1787

1788

1789

1790

1791

1792

1793

1794

1795

1796

1797

1798

1799

1800 1801

1802

1803

1804 1805

1806

1807

1808

1809

1810 1811



tenant pay monetary obligations to the association.

- (b) The tenant is not liable for increases in the amount of the monetary obligations due unless the tenant was notified in writing of the increase at least 10 days before the date on which the rent is due. The liability of the tenant may not exceed the amount due from the tenant to the tenant's landlord. The tenant shall be given a credit against rents due to the parcel owner in the amount of assessments paid to the association.
- (c) The association may issue notices under s. 83.56 and may sue for eviction under ss. 83.59-83.625 as if the association were a landlord under part II of chapter 83 if the tenant fails to pay a monetary obligation. However, the association is not otherwise considered a landlord under chapter 83 and specifically has no obligations duties under s. 83.51.
- (d) The tenant does not, by virtue of payment of monetary obligations, have any of the rights of a parcel owner to vote in any election or to examine the books and records of the association.
- (e) A court may supersede the effect of this subsection by appointing a receiver.

Section 22. Section 720.309, Florida Statutes, is amended to read:

720.309 Agreements entered into by the association.-

(1) Any grant or reservation made by any document, and any contract that has with a term greater than in excess of 10 years, that is made by an association before control of the association is turned over to the members other than the developer, and that provides which provide for the operation,

1813 1814

1815

1816

1817

1818

1819

1820

1821 1822

1823

1824 1825

1826

1827

1828

1829

1830

1831

1832

1833 1834

1835

1836

1837

1838

1839

1840



maintenance, or management of the association or common areas, must be fair and reasonable.

- (2) If the governing documents provide for the cost of communication services as defined in s. 202.11, information services or Internet services obtained pursuant to a bulk contract shall be deemed an operating expense of the association. If the governing documents do not provide for such services, the board may contract for the services, and the cost shall be deemed an operating expense of the association but must be allocated on a per-parcel basis rather than a percentage basis, notwithstanding that the governing documents provide for other than an equal sharing of operating expenses. Any contract entered into before July 1, 2011, in which the cost of the service is not equally divided among all parcel owners may be changed by a majority of the voting interests present at a regular or special meeting of the association in order to allocate the cost equally among all parcels.
- (a) Any contract entered into may be canceled by a majority of the voting interests present at the next regular or special meeting of the association, whichever occurs first. Any member may make a motion to cancel such contract, but if no motion is made or if such motion fails to obtain the required vote, the contract shall be deemed ratified for the term expressed therein.
- (b) Any contract entered into must provide, and shall be deemed to provide if not expressly set forth therein, that a hearing-impaired or legally blind parcel owner who does not occupy the parcel along with a nonhearing-impaired or sighted person, or a parcel owner who receives supplemental security



income under Title XVI of the Social Security Act or food stamps as administered by the Department of Children and Family Services pursuant to s. 414.31, may discontinue the service without incurring disconnect fees, penalties, or subsequent service charges, and may not be required to pay any operating expenses charge related to such service for those parcels. If fewer than all parcel owners share the expenses of the communication services, information services, or Internet services, the expense must be shared by all participating parcel owners. The association may use the provisions of s. 720.3085 to enforce payment by the parcel owners receiving such services.

(c) A resident of any parcel, whether a tenant or parcel owner, may not be denied access to available franchised, licensed, or certificated cable or video service providers if the resident pays the provider directly for services. A resident or a cable or video service provider may not be required to pay anything of value in order to obtain or provide such service except for the charges normally paid for like services by residents of single-family homes located outside the community but within the same franchised, licensed, or certificated area, and except for installation charges agreed to between the resident and the service provider.

Section 23. This act shall take effect July 1, 2011.

1864 1865

1841

1842

1843 1844

1845

1846

1847

1848

1849

1850

1851

1852

1853

1854

1855

1856

1857

1858

1859

1860

1861

1862

1863

======= T I T L E A M E N D M E N T ========= And the title is amended as follows:

1866

Delete everything before the enacting clause and insert:

1868 1869

1867

A bill to be entitled

Page 65 of 69

1871

1872

1873

1874

1875

1876

1877

1878

1879

1880

1881

1882

1883

1884

1885

1886

1887

1888

1889

1890

1891

1892

1893

1894

1895

1896

1897

1898



An act relating to condominium, cooperative, and homeowners' associations; amending s. 633.0215, F.S.; exempting certain residential buildings from a requirement to install a manual fire alarm system; amending s. 718.111, F.S.; revising provisions relating to the official records of condominium associations; providing for disclosure of employment agreements or compensation paid to association employees; amending s. 718.112, F.S.; revising provisions relating to bylaws; providing that board of administration meetings discussing personnel matters are not open to unit members; revising requirements for electing the board of directors; providing for continued office and for filling vacancies under certain circumstances; specifying unit owner eligibility for board membership; requiring that certain educational curriculum be completed within a specified time before the election or appointment of a board director; amending s. 718.113, F.S.; authorizing the board of a condominium association to install impact glass or other code-compliant windows under certain circumstances; amending s. 718.114, F.S.; requiring the vote or written consent of a majority of the voting interests before a condominium association may enter into certain agreements to acquire leaseholds, memberships, or other possessory or use interests; amending s. 718.116, F.S.; revising provisions relating to condominium assessments; providing that an association that acquires title to a

1900

1901

1902

1903

1904

1905

1906

1907

1908

1909

1910

1911

1912

1913

1914

1915

1916

1917

1918

1919

1920

1921

1922

1923

1924

1925

1926

1927



unit through the foreclosure of its lien for assessments is not liable for unpaid assessments, late fees, interest, or attorney's fees and costs under specified circumstances; conforming a cross-reference; revising provisions authorizing an association to collect rent from the tenant of a unit owner that owes money to the association; amending s. 718.117, F.S.; providing a procedure for the termination of ownership of a condominium if the units have been totally destroyed or demolished; providing procedures and requirements for partial termination of a condominium property; requiring that a lien against a condominium unit being terminated be transferred to the proceeds of sale for that property; amending s. 718.303, F.S.; revising provisions relating to imposing remedies against a delinquent unit owner or occupant; providing for the suspension of certain rights of use or voting rights; forbidding a voting interest or consent right allocated to a unit or member which has been suspended from being counted toward the total number of voting interests; requiring that the suspension of certain rights of use or voting rights be approved at a noticed board meeting; amending s. 718.703. F.S.; redefining the term "bulk assignee" for purposes of the Distressed Condominium Relief Act; amending s. 718.704, F.S.; revising provisions relating to the assignment of developer rights by a bulk assignee; amending s. 718.705, F.S.; revising provisions relating to the transfer of control of a condominium

1929

1930

1931

1932

1933

1934

1935

1936

1937

1938

1939

1940

1941

1942

1943

1944

1945

1946

1947

1948

1949

1950

1951

1952

1953

1954

1955

1956



board of administration to unit owners; amending s. 718.706, F.S.; revising provisions relating to the offering of units by a bulk assignee or bulk buyer; amending s. 718.707, F.S.; revising the time limitation for classification as a bulk assignee or bulk buyer; amending s. 719.108, F.S.; deleting a provision authorizing an association to add administrative late fees and costs for collection services to a lien against a cooperative parcel for unpaid rents and assessments; amending s. 719.303, F.S.; revising provisions relating to imposing remedies against a delinquent unit owner or occupant; providing for the suspension of certain rights of use or voting rights; forbidding a voting interest or consent right allocated to a unit or member which has been suspended from being counted toward the total number of voting interests; requiring that the suspension of certain rights of use or voting rights be approved at a noticed board meeting; amending s. 720.301, F.S.; revising the definition of the term "declaration of covenants"; amending s. 720.303, F.S.; revising provisions relating to records that are not accessible to members of a homeowners' association; providing for disclosure of employment agreements and compensation paid to association employees; amending s. 720.305, F.S.; revising provisions relating to imposing remedies against a delinquent member of a homeowners' association; forbidding a voting interest or consent right allocated to a parcel or member which

1958

1959

1960

1961

1962

1963

1964

1965

1966

1967

1968

1969

1970

1971

1972

1973

1974

1975

1976

1977

1978

1979



has been suspended from being counted toward the total number of voting interests; requiring that the suspension of certain rights of use or voting rights be approved at a noticed board meeting; amending s. 720.306, F.S.; providing limitations on who may serve on the board of directors of a homeowners' association; amending s. 720.3085, F.S.; revising provisions relating to the payment of assessments; providing that an association that acquires title to a unit through the foreclosure of its lien for assessments is not liable for unpaid assessments, late fees, interest, or attorney's fees and costs under specified circumstances; amending s. 720.309, F.S.; providing for the allocation of communication services by a homeowners' association; providing for the cancellation of communication contracts; providing that hearing-impaired or legally blind owners and owners receiving certain supplemental security income or food stamps may discontinue the service without incurring costs; providing that residents may not be denied access to available franchised, licensed, or certificated cable or video service providers; providing an effective date.