By the Committees on Judiciary; and Regulated Industries; and Senator Bogdanoff

590-03625-12 2012680c2 1 A bill to be entitled 2 An act relating to residential properties; amending s. 3 399.02, F.S.; exempting certain elevators from 4 specific code update requirements; amending s. 5 718.112, F.S.; revising the terms of membership for 6 board members of a condominium unit owner association; 7 revising condominium unit owner meeting notice 8 requirements; providing that certain election 9 requirements do not apply to an association governing 10 a timeshare condominium; revising recordkeeping requirements of a condominium association board; 11 12 requiring challenges to an election to commence within 13 a certain time period; providing requirements for 14 challenging the failure of a board to duly notice and 15 hold the required board meeting or to file the 16 required petition for a recall; providing requirements 17 for recalled board members to challenge the recall; providing duties of the Division of Florida 18 19 Condominiums, Timeshares, and Mobile Homes regarding 20 recall petitions; amending s. 718.113, F.S.; providing 21 requirements for a condominium association board 22 relating to the installation of hurricane shutters, 23 impact glass, code-compliant windows or doors, and 24 other types of code-compliant hurricane protection 25 under certain circumstances; amending s. 718.115, 26 F.S.; conforming provisions to changes made by the 27 act; amending s. 718.116, F.S.; revising liability of 28 certain condominium unit owners acquiring title; 29 amending s. 718.303, F.S.; revising provisions

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30	relating to imposing remedies against a noncompliant
31	or delinquent condominium unit owner or member;
32	revising voting requirements under certain conditions;
33	amending s. 718.403, F.S.; providing requirements for
34	the completion of phase condominiums; creating s.
35	718.406, F.S.; providing definitions; providing
36	requirements for condominiums created within
37	condominium parcels; providing for the establishment
38	of primary condominium and secondary condominium
39	units; providing requirements for association
40	declarations; providing requirements for creating a
41	secondary condominium on a primary condominium parcel;
42	providing that an owner of a secondary unit is subject
43	to both the primary condominium declaration and the
44	secondary condominium declaration; authorizing a
45	primary condominium association to provide insurance
46	and adopt hurricane shutter or hurricane protection
47	specifications under certain conditions; authorizing a
48	unit owner or holder of a first mortgage on a
49	secondary unit to register the unit owner's or
50	mortgagee's interest in the secondary unit with the
51	primary condominium association by delivery of written
52	notice; providing other requirements for the written
53	notice; providing requirements relating to
54	assessments; providing for resolution of conflicts
55	between primary condominium declarations and secondary
56	condominium declarations; providing requirements
57	relating to common expenses due the primary
58	condominium association; amending s. 718.5011, F.S.;

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59	revising the restriction on officers and full-time
60	employees of the ombudsman from engaging in other
61	businesses or professions; amending s. 718.707, F.S.;
62	revising the time limitation for classification as a
63	bulk assignee or bulk buyer; amending s. 719.104,
64	F.S.; specifying additional records that are not
65	accessible to unit owners; amending s. 719.1055, F.S.;
66	revising provisions relating to the amendment of
67	cooperative documents; providing legislative findings
68	and a finding of compelling state interest; providing
69	criteria for consent or joinder to an amendment;
70	requiring notice regarding proposed amendments to
71	mortgagees; providing criteria for notification;
72	providing for voiding certain amendments; amending s.
73	719.106, F.S.; requiring challenges to an election to
74	commence within a certain time period; specifying
75	certification or educational requirements for a newly
76	elected or appointed cooperative board director;
77	providing requirements for challenging the failure of
78	a board to duly notice and hold the required board
79	meeting or to file the required petition for a recall;
80	providing requirements for recalled board members to
81	challenge the recall; providing duties of the division
82	regarding recall petitions; amending s. 719.108, F.S.;
83	revising provisions governing assessments and liens;
84	revising liability of unit owners; providing
85	requirements for persons acquiring title; amending s.
86	719.303, F.S.; revising provisions relating to
87	imposing remedies against a noncompliant or delinquent

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88	cooperative unit owner or member; revising voting
89	requirements under certain conditions; amending s.
90	720.303, F.S.; revising the types of records that are
91	not accessible to homeowners' association members and
92	parcel owners; providing requirements for challenging
93	the failure of a board to duly notice and hold the
94	required board meeting or to file the required
95	petition for a recall; providing requirements for
96	recalled board members to challenge the recall;
97	providing duties of the division regarding recall
98	petitions; amending s. 720.305, F.S.; revising
99	provisions relating to imposing remedies against a
100	noncompliant or delinquent homeowners' association
101	member and parcel owner; revising voting requirements
102	under certain conditions; amending s. 720.306, F.S.;
103	revising provisions relating to the amendment of
104	homeowners' association declarations; providing
105	legislative findings and a finding of compelling state
106	interest; providing criteria for consent or joinder to
107	an amendment; requiring notice to mortgagees regarding
108	proposed amendments; providing criteria for
109	notification; providing for voiding certain
110	amendments; requiring challenges to an election to
111	commence within a certain time period; specifying
112	certification or educational requirements for a newly
113	elected or appointed homeowners' association board
114	director; amending s. 720.3085, F.S.; revising
115	liability of certain parcel owners acquiring title;
116	providing an effective date.

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117	
118	Be It Enacted by the Legislature of the State of Florida:
119	
120	Section 1. Subsection (9) of section 399.02, Florida
121	Statutes, is amended to read:
122	399.02 General requirements
123	(9) Updates to the Safety Code for Existing Elevators and
124	Escalators, ASME A17.1 and A17.3, which require Phase II
125	Firefighters' Service on elevators may not be enforced until
126	July 1, 2015, or until the elevator is replaced or requires
127	major modification, whichever occurs first, on elevators in
128	condominiums or multifamily residential buildings, including
129	those that are part of a continuing care facility licensed under
130	chapter 651, or similar retirement community with apartments,
131	having a certificate of occupancy by the local building
132	authority that was issued before July 1, 2008. This exception
133	does not prevent an elevator owner from requesting a variance
134	from the applicable codes before or after July 1, 2015 . This
135	subsection does not prohibit the division from granting
136	variances pursuant to s. 120.542 and subsection (8). The
137	division shall adopt rules to administer this subsection.
138	Section 2. Paragraphs (d) and (j) of subsection (2) of
139	section 718.112, Florida Statutes, are amended to read:
140	718.112 Bylaws
141	(2) REQUIRED PROVISIONS.—The bylaws shall provide for the
142	following and, if they do not do so, shall be deemed to include
143	the following:
144	(d) Unit owner meetings
145	1. An annual meeting of the unit owners shall be held at

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590-03625-12 2012680c2 146 the location provided in the association bylaws and, if the 147 bylaws are silent as to the location, the meeting shall be held within 45 miles of the condominium property. However, such 148 149 distance requirement does not apply to an association governing a timeshare condominium. 150 2. Unless the bylaws provide otherwise, a vacancy on the 151 152 board caused by the expiration of a director's term shall be 153 filled by electing a new board member, and the election must be 154 by secret ballot. An election is not required if the number of 155 vacancies equals or exceeds the number of candidates. For 156 purposes of this paragraph, the term "candidate" means an 157 eligible person who has timely submitted the written notice, as 158 described in sub-subparagraph 4.a., of his or her intention to 159 become a candidate. Except in a timeshare condominium, or if the 160 staggered term of a board member does not expire until a later 161 annual meeting, or if all members' terms would otherwise expire 162 but there are no candidates, the terms of all board members 163 expire at the annual meeting, and such members may stand for reelection unless prohibited by the bylaws. If the bylaws or the 164 165 articles of incorporation permit staggered terms of no more than 2 years and upon approval of a majority of the total voting 166 167 interests, the association board members may serve 2-year staggered terms. If the number of board members whose terms 168 169 expire at the annual meeting equals or exceeds the number of 170 candidates, the candidates become members of the board effective 171 upon the adjournment of the annual meeting. Unless the bylaws provide otherwise, any remaining vacancies shall be filled by 172 173 the affirmative vote of the majority of the directors making up 174 the newly constituted board even if the directors constitute

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590-03625-12 2012680c2 175 less than a quorum or there is only one director. In a 176 condominium association of more than 10 units or in a 177 condominium association that does not include timeshare units or 178 timeshare interests, coowners of a unit may not serve as members 179 of the board of directors at the same time unless they own more 180 than one unit or unless there are not enough eligible candidates 181 to fill the vacancies on the board at the time of the vacancy. 182 Any unit owner desiring to be a candidate for board membership must comply with sub-subparagraph 4.a. and must be eligible to 183 serve on the board of directors at the time of the deadline for 184 185 submitting a notice of intent to run in order to have his or her 186 name listed as a proper candidate on the ballot or to serve on 187 the board. A person who has been suspended or removed by the 188 division under this chapter, or who is delinquent in the payment 189 of any fee, fine, or special or regular assessment as provided 190 in paragraph (n), is not eligible for board membership. A person 191 who has been convicted of any felony in this state or in a 192 United States District or Territorial Court, or who has been convicted of any offense in another jurisdiction which would be 193 194 considered a felony if committed in this state, is not eligible for board membership unless such felon's civil rights have been 195 196 restored for at least 5 years as of the date such person seeks 197 election to the board. The validity of an action by the board is not affected if it is later determined that a board member is 198 199 ineligible for board membership due to having been convicted of 200 a felony.

3. The bylaws must provide the method of calling meetings
of unit owners, including annual meetings. Written notice must
include an agenda, must be mailed, hand delivered, or

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590-03625-12 2012680c2 204 electronically transmitted to each unit owner at least 14 days 205 before the annual meeting, and must be posted in a conspicuous 206 place on the condominium property at least 14 continuous days 207 before the annual meeting. Upon notice to the unit owners, the 208 board shall, by duly adopted rule, designate a specific location 209 on the condominium property or association property where all 210 notices of unit owner meetings shall be posted. This requirement 211 does not apply if there is no condominium property or association property for posting notices. In lieu of, or in 212 213 addition to, the physical posting of meeting notices, the association may, by reasonable rule, adopt a procedure for 214 215 conspicuously posting and repeatedly broadcasting the notice and 216 the agenda on a closed-circuit cable television system serving 217 the condominium association. However, if broadcast notice is 218 used in lieu of a notice posted physically on the condominium 219 property, the notice and agenda must be broadcast at least four 220 times every broadcast hour of each day that a posted notice is 221 otherwise required under this section. If broadcast notice is 222 provided, the notice and agenda must be broadcast in a manner 223 and for a sufficient continuous length of time so as to allow an 224 average reader to observe the notice and read and comprehend the 225 entire content of the notice and the agenda. Unless a unit owner 226 waives in writing the right to receive notice of the annual 227 meeting, such notice must be hand delivered, mailed, or 228 electronically transmitted to each unit owner. Notice for 229 meetings and notice for all other purposes must be mailed to 230 each unit owner at the address last furnished to the association 231 by the unit owner, or hand delivered to each unit owner. 232 However, if a unit is owned by more than one person, the

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233 association must provide notice to the address that the 234 developer identifies for that purpose and thereafter as one or 235 more of the owners of the unit advise the association in 236 writing, or if no address is given or the owners of the unit do 237 not agree, to the address provided on the deed of record. An 238 officer of the association, or the manager or other person 239 providing notice of the association meeting, must provide an 240 affidavit or United States Postal Service certificate of mailing, to be included in the official records of the 241 242 association affirming that the notice was mailed or hand 243 delivered in accordance with this provision.

4. 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. <u>This subparagraph does not apply to an</u> association governing a timeshare condominium.

250 a. At least 60 days before a scheduled election, the 251 association shall mail, deliver, or electronically transmit, by 252 separate association mailing or included in another association 253 mailing, delivery, or transmission, including regularly 254 published newsletters, to each unit owner entitled to a vote, a 255 first notice of the date of the election. Any unit owner or 256 other eligible person desiring to be a candidate for the board 257 must give written notice of his or her intent to be a candidate 258 to the association at least 40 days before a scheduled election. 259 Together with the written notice and agenda as set forth in 260 subparagraph 3., the association shall mail, deliver, or 261 electronically transmit a second notice of the election to all

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590-03625-12 2012680c2 262 unit owners entitled to vote, together with a ballot that lists 263 all candidates. Upon request of a candidate, an information 264 sheet, no larger than 8 1/2 inches by 11 inches, which must be 265 furnished by the candidate at least 35 days before the election, 266 must be included with the mailing, delivery, or transmission of 267 the ballot, with the costs of mailing, delivery, or electronic 268 transmission and copying to be borne by the association. The 269 association is not liable for the contents of the information 270 sheets prepared by the candidates. In order to reduce costs, the 271 association may print or duplicate the information sheets on 272 both sides of the paper. The division shall by rule establish 273 voting procedures consistent with this sub-subparagraph, 274 including rules establishing procedures for giving notice by 275 electronic transmission and rules providing for the secrecy of 276 ballots. Elections shall be decided by a plurality of ballots 277 cast. There is no quorum requirement; however, at least 20 278 percent of the eligible voters must cast a ballot in order to 279 have a valid election. A unit owner may not permit any other 280 person to vote his or her ballot, and any ballots improperly 281 cast are invalid. A unit owner who violates this provision may 282 be fined by the association in accordance with s. 718.303. A 283 unit owner who needs assistance in casting the ballot for the 284 reasons stated in s. 101.051 may obtain such assistance. The 285 regular election must occur on the date of the annual meeting. 286 Notwithstanding this sub-subparagraph, an election is not 287 required unless more candidates file notices of intent to run or are nominated than board vacancies exist. 288

b. Within 90 days after being elected or appointed to theboard, each newly elected or appointed director shall certify in

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590-03625-12 2012680c2 291 writing to the secretary of the association that he or she has 292 read the association's declaration of condominium, articles of 293 incorporation, bylaws, and current written policies; that he or she will work to uphold such documents and policies to the best 294 295 of his or her ability; and that he or she will faithfully 296 discharge his or her fiduciary responsibility to the 297 association's members. In lieu of this written certification, 298 within 90 days after being elected or appointed to the board, 299 the newly elected or appointed director may submit a certificate 300 of having satisfactorily completed the educational curriculum 301 administered by a division-approved condominium education 302 provider within 1 year before or 90 days after the date of 303 election or appointment. The written certification or educational certificate is valid and does not have to be 304 305 resubmitted as long as the director serves on the board without interruption. A director who fails to timely file the written 306 307 certification or educational certificate is suspended from 308 service on the board until he or she complies with this sub-309 subparagraph. The board may temporarily fill the vacancy during 310 the period of suspension. The secretary shall cause the association to retain a director's written certification or 311 312 educational certificate for inspection by the members for 5 years after a director's election or the duration of the 313 director's uninterrupted tenure, whichever is longer. Failure to 314 have such written certification or educational certificate on 315 316 file does not affect the validity of any board action. 317 c. Any challenge to the election process must be commenced 318 within 60 days after the election results are announced. 319 5. Any approval by unit owners called for by this chapter

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590-03625-12 2012680c2 320 or the applicable declaration or bylaws, including, but not 321 limited to, the approval requirement in s. 718.111(8), must be made at a duly noticed meeting of unit owners and is subject to 322 323 all requirements of this chapter or the applicable condominium 324 documents relating to unit owner decisionmaking, except that unit owners may take action by written agreement, without 325 326 meetings, on matters for which action by written agreement without meetings is expressly allowed by the applicable bylaws 327 328 or declaration or any law that provides for such action.

329 6. Unit owners may waive notice of specific meetings if allowed by the applicable bylaws or declaration or any law. If 330 331 authorized by the bylaws, notice of meetings of the board of 332 administration, unit owner meetings, except unit owner meetings 333 called to recall board members under paragraph (j), and 334 committee meetings may be given by electronic transmission to 335 unit owners who consent to receive notice by electronic 336 transmission.

337 7. Unit owners have the right to participate in meetings of
338 unit owners with reference to all designated agenda items.
339 However, the association may adopt reasonable rules governing
340 the frequency, duration, and manner of unit owner participation.

341 8. A unit owner may tape record or videotape a meeting of
342 the unit owners subject to reasonable rules adopted by the
343 division.

9. 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,

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349	a board may hold an election to fill the vacancy, in which case
350	the election procedures must conform to sub-subparagraph 4.a.
351	unless the association governs 10 units or fewer and has opted
352	out of the statutory election process, in which case the bylaws
353	of the association control. Unless otherwise provided in the
354	bylaws, a board member appointed or elected under this section
355	shall fill the vacancy for the unexpired term of the seat being
356	filled. Filling vacancies created by recall is governed by
357	paragraph (j) and rules adopted by the division.
358	10. This chapter does not limit the use of general or
359	limited proxies, require the use of general or limited proxies,
360	or require the use of a written ballot or voting machine for any
361	agenda item or election at any meeting of a timeshare
362	condominium association.
363	
364	Notwithstanding subparagraph (b)2. and sub-subparagraph 4.a., an
365	association of 10 or fewer units may, by affirmative vote of a
366	majority of the total voting interests, provide for different
367	voting and election procedures in its bylaws, which may be by a
368	proxy specifically delineating the different voting and election
369	procedures. The different voting and election procedures may
370	provide for elections to be conducted by limited or general
371	proxy.
372	(j) Recall of board members.—Subject to the provisions of
373	s. 718.301, any member of the board of administration may be
374	recalled and removed from office with or without cause by the
375	vote or agreement in writing by a majority of all the voting
376	interests. A special meeting of the unit owners to recall a
377	member or members of the board of administration may be called

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378 by 10 percent of the voting interests giving notice of the 379 meeting as required for a meeting of unit owners, and the notice 380 shall state the purpose of the meeting. Electronic transmission 381 may not be used as a method of giving notice of a meeting called 382 in whole or in part for this purpose.

383 1. If the recall is approved by a majority of all voting 384 interests by a vote at a meeting, the recall will be effective 385 as provided in this paragraph herein. The board shall duly 386 notice and hold a board meeting within 5 full business days 387 after of the adjournment of the unit owner meeting to recall one 388 or more board members. At the meeting, the board shall either 389 certify the recall, in which case such member or members shall 390 be recalled effective immediately and shall turn over to the 391 board within 5 full business days any and all records and 392 property of the association in their possession, or shall 393 proceed as set forth in subparagraph 3.

394 2. If the proposed recall is by an agreement in writing by 395 a majority of all voting interests, the agreement in writing or 396 a copy thereof shall be served on the association by certified 397 mail or by personal service in the manner authorized by chapter 398 48 and the Florida Rules of Civil Procedure. The board of 399 administration shall duly notice and hold a meeting of the board 400 within 5 full business days after receipt of the agreement in writing. At the meeting, the board shall either certify the 401 402 written agreement to recall a member or members of the board, in 403 which case such member or members shall be recalled effective 404 immediately and shall turn over to the board within 5 full 405 business days any and all records and property of the 406 association in their possession, or proceed as described in

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407 subparagraph 3.

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408 3. If the board determines not to certify the written 409 agreement to recall a member or members of the board, or does 410 not certify the recall by a vote at a meeting, the board shall, within 5 full business days after the meeting, file with the 411 412 division a petition for arbitration pursuant to the procedures 413 in s. 718.1255. For the purposes of this section, the unit 414 owners who voted at the meeting or who executed the agreement in 415 writing shall constitute one party under the petition for arbitration. If the arbitrator certifies the recall as to any 416 417 member or members of the board, the recall will be effective 418 upon mailing of the final order of arbitration to the 419 association. If the association fails to comply with the order 420 of the arbitrator, the division may take action pursuant to s. 421 718.501. Any member or members so recalled shall deliver to the 422 board any and all records of the association in their possession 423 within 5 full business days after of the effective date of the 424 recall.

425 4. If the board fails to duly notice and hold a board 426 meeting within 5 full business days <u>after</u> of service of an 427 agreement in writing or within 5 full business days <u>after</u> of the 428 adjournment of the unit owner recall meeting, the recall shall 429 be deemed effective and the board members so recalled shall 430 immediately turn over to the board any and all records and 431 property of the association.

432 <u>5. If the board fails to duly notice and hold the required</u>
433 meeting or fails to file the required petition, the unit owner
434 representative may file a petition pursuant to s. 718.1255
435 challenging the board's failure to act. The petition must be

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436	filed within 60 days after the expiration of the applicable 5-
437	full-business-day period. The review of a petition under this
438	subparagraph is limited to the sufficiency of service on the
439	board and the facial validity of the written agreement or
440	ballots filed.

6.5. If a vacancy occurs on the board as a result of a 441 442 recall or removal and less than a majority of the board members 443 are removed, the vacancy may be filled by the affirmative vote 444 of a majority of the remaining directors, notwithstanding any provision to the contrary contained in this subsection. If 445 446 vacancies occur on the board as a result of a recall and a 447 majority or more of the board members are removed, the vacancies 448 shall be filled in accordance with procedural rules to be 449 adopted by the division, which rules need not be consistent with 450 this subsection. The rules must provide procedures governing the 451 conduct of the recall election as well as the operation of the 452 association during the period after a recall but prior to the 453 recall election.

454 7. A board member who has been recalled may file a petition 455 pursuant to s. 718.1255 challenging the validity of a recall. 456 The petition must be filed within 60 days after the recall is 457 deemed certified. The association and the unit owner 458 representative shall be named as the respondents. 459 8. The division may not accept for filing a recall 460 petition, whether filed pursuant to subparagraph 1., 461 subparagraph 2., subparagraph 5., or subparagraph 7. and 462 regardless of whether the recall was certified, if there are 60 463 days or less until the scheduled reelection of the board member 464 sought to be recalled or if 60 days or less have elapsed since

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465	the election of the board member sought to be recalled.
466	Section 3. Subsection (5) of section 718.113, Florida
467	Statutes, is amended to read:
468	718.113 Maintenance; limitation upon improvement; display
469	of flag; hurricane shutters and protection; display of religious
470	decorations
471	(5) Each board of administration shall adopt hurricane
472	shutter specifications for each building within each condominium
473	operated by the association which shall include color, style,
474	and other factors deemed relevant by the board. All
475	specifications adopted by the board must comply with the
476	applicable building code.
477	(a) The board may, subject to the provisions of s.
478	718.3026 $_{ au}$ and the approval of a majority of voting interests of
479	the condominium, install hurricane shutters, impact glass <u>,</u> or
480	other code-compliant windows <u>or doors</u> , or <u>other types of code-</u>
481	<u>compliant</u> hurricane protection that <u>comply</u> complies with or
482	exceed exceeds the applicable building code. However, a vote of
483	the owners is not required if the maintenance, repair, and
484	replacement of hurricane shutters, impact glass, or other code-
485	compliant windows or doors, or other types of code-compliant
486	hurricane protection are the responsibility of the association
487	pursuant to the declaration of condominium. If hurricane
488	protection or laminated glass or window film architecturally
489	designed to function as hurricane protection that which complies
490	with or exceeds the current applicable building code has been
491	previously installed, the board may not install hurricane
492	shutters, hurricane protection, or impact glass <u>,</u> or other code-
493	compliant windows or doors, or other types of code-compliant

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590-03625-12 2012680c2 494 hurricane protection except upon approval by a majority vote of 495 the voting interests. 496 (b) The association is responsible for the maintenance, 497 repair, and replacement of the hurricane shutters, impact glass, 498 code-compliant windows or doors, or other types of code-499 compliant hurricane protection authorized by this subsection if 500 such property hurricane shutters or other hurricane protection is the responsibility of the association pursuant to the 501 502 declaration of condominium. If the hurricane shutters, impact 503 glass, code-compliant windows or doors, or other types of code-504 compliant hurricane protection authorized by this subsection are 505 the responsibility of the unit owners pursuant to the 506 declaration of condominium, the maintenance, repair, and 507 replacement of such items are the responsibility of the unit 508 owner. 509 (c) The board may operate shutters, impact glass, code-510 compliant windows or doors, or other types of code-compliant hurricane protection installed pursuant to this subsection

511 without permission of the unit owners only if such operation is 512 513 necessary to preserve and protect the condominium property and 514 association property. The installation, replacement, operation, repair, and maintenance of such shutters, impact glass, code-515 compliant windows or doors, or other types of code-compliant 516 517 hurricane protection in accordance with the procedures set forth 518 in this paragraph are not a material alteration to the common 519 elements or association property within the meaning of this 520 section.

(d) Notwithstanding any other provision in the condominiumdocuments, if approval is required by the documents, a board may

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523	not refuse to approve the installation or replacement of
524	hurricane shutters, impact glass, code-compliant windows or
525	doors, or other types of code-compliant hurricane protection by
526	a unit owner conforming to the specifications adopted by the
527	board.
528	Section 4. Paragraph (e) of subsection (1) of section
529	718.115, Florida Statutes, is amended to read:
530	718.115 Common expenses and common surplus
531	(1)
532	(e) The expense of installation, replacement, operation,
533	repair, and maintenance of hurricane shutters, impact glass,
534	code-compliant windows or doors, or other types of code-
535	compliant hurricane protection by the board pursuant to s.
536	718.113(5) <u>constitutes</u> shall constitute a common expense as
537	defined herein and shall be collected as provided in this
538	section if the association is responsible for the maintenance,
539	repair, and replacement of the hurricane shutters, impact glass,
540	code-compliant windows or doors, or other types of code-
541	compliant hurricane protection pursuant to the declaration of
542	condominium. However, if the maintenance, repair, and
543	replacement of the hurricane shutters, impact glass, code-
544	compliant windows or doors, or other types of code-compliant
545	hurricane protection <u>are</u> is the responsibility of the unit
546	owners pursuant to the declaration of condominium, the cost of
547	the installation of the hurricane shutters, impact glass, code-
548	compliant windows or doors, or other types of code-compliant
549	hurricane protection <u>is</u> shall not be a common expense <u>and</u> , but
550	shall be charged individually to the unit owners based on the
551	cost of installation of the hurricane shutters, impact glass,

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590-03625-12 2012680c2 552 code-compliant windows or doors, or other types of code-553 compliant hurricane protection appurtenant to the unit. 554 Notwithstanding the provisions of s. 718.116(9), and regardless 555 of whether or not the declaration requires the association or 556 unit owners to maintain, repair, or replace hurricane shutters, 557 impact glass, code-compliant windows or doors, or other types of 558 code-compliant hurricane protection, a unit owner who has 559 previously installed hurricane shutters in accordance with s. 560 718.113(5) which comply with the current applicable building code shall receive a credit when the shutters are installed; a 561 562 unit owner who has previously installed impact glass or code-563 compliant windows or doors that comply with the current 564 applicable building code shall receive a credit when the impact 565 glass or code-compliant windows or doors are installed; and a 566 unit owner who has installed, other types of code-compliant 567 hurricane protection that comply with the current applicable 568 building code shall receive a credit when the same type of other 569 code-compliant hurricane protection is installed, and the or 570 laminated glass architecturally designed to function as 571 hurricane protection, which hurricane shutters or other hurricane protection or laminated glass comply with the current 572 573 applicable building code, shall receive a credit shall be equal to the pro rata portion of the assessed installation cost 574 575 assigned to each unit. However, such unit owner remains shall 576 remain responsible for the pro rata share of expenses for 577 hurricane shutters, impact glass, code-compliant windows or 578 doors, or other types of code-compliant hurricane protection 579 installed on common elements and association property by the 580 board pursuant to s. $718.113(5)_{7}$ and remains shall remain

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590-03625-12 2012680c2 581 responsible for a pro rata share of the expense of the 582 replacement, operation, repair, and maintenance of such 583 shutters, impact glass, code-compliant windows or doors, or 584 other types of code-compliant hurricane protection. 585 Section 5. Paragraphs (a) and (b) of subsection (1) of 586 section 718.116, Florida Statutes, are amended to read: 587 718.116 Assessments; liability; lien and priority; interest; collection.-588 589 (1) (a) A unit owner, regardless of how the unit owner has 590 acquired his or her title has been acquired, including, but not 591 limited to, by purchase at a foreclosure sale or by deed in lieu 592 of foreclosure, is liable for all assessments that which come due while he or she is the unit owner. Additionally, a unit 593 594 owner is jointly and severally liable with the previous owner 595 for all unpaid assessments, late fees, interest, costs, and 596 reasonable attorney fees incurred by the association in an 597 attempt to collect all such amounts is jointly and severally 598 liable with the previous owner for all unpaid assessments that 599 came due up to the time of transfer of title. This liability is 600 without prejudice to any right the owner may have to recover 601 from the previous owner the amounts paid by the owner. 602 (b)1. The liability of a first mortgagee or its successor

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:

a. The unit's unpaid common expenses and regular periodic
assessments which accrued or came due during the 12 months
immediately preceding the acquisition of title and for which

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610	payment in full has not been received by the association; or
611	b. One percent of the original mortgage debt.
612	
613	The limitations on first mortgagee liability provided by
614	provisions of this <u>subparagraph</u> paragraph apply only if the
615	first mortgagee joined the association as a defendant in the
616	foreclosure action. Joinder of the association is not required
617	if, on the date the complaint is filed, the association was
618	dissolved or did not maintain an office or agent for service of
619	process at a location <u>that</u> which was known to or reasonably
620	discoverable by the mortgagee.
621	2. An association, or its successor or assignee, that
622	acquires title to a unit through the foreclosure of its lien for
623	assessments is not liable for any unpaid assessments, late fees,
624	interest, or reasonable <u>attorney</u> attorney's fees and costs that
625	came due before the association's acquisition of title in favor
626	of any other association, as defined in s. 718.103(2) or s.
627	720.301(9), which holds a superior lien interest on the unit.
628	This subparagraph is intended to clarify existing law.
629	Section 6. Paragraph (a) of subsection (3) and subsection
630	(5) of section 718.303, Florida Statutes, are amended to read:
631	718.303 Obligations of owners and occupants; remedies
632	(3) The association may levy reasonable fines for the
633	failure of the owner of the unit or its occupant, licensee, or
634	invitee to comply with any provision of the declaration, the
635	association bylaws, or reasonable rules of the association. A
636	fine may not become a lien against a unit. A fine may be levied
637	on the basis of each day of a continuing violation, with a
638	single notice and opportunity for hearing. However, the fine may

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590-03625-12 2012680c2 not exceed \$100 per violation, or \$1,000 in the aggregate. 639 640 (a) An association may suspend, for a reasonable period of time, the right of a unit owner, or a unit owner's tenant, 641 642 quest, or invitee, to use the common elements, common 643 facilities, or any other association property for failure to 644 comply with any provision of the declaration, the association 645 bylaws, or reasonable rules of the association. This paragraph 646 does not apply to limited common elements intended to be used 647 only by that unit, common elements needed to access the unit, 648 utility services provided to the unit, parking spaces, or 649 elevators. 650 (5) An association may suspend the voting rights of a unit or member due to nonpayment of any monetary obligation due to 651 652 the association which is more than 90 days delinquent. 653 Notwithstanding an association's declaration, articles of 654 incorporation, or bylaws, the requirements to establish a 655 quorum, conduct an election, or obtain membership approval on 656 actions under this chapter or pursuant to the declaration, 657 articles of incorporation, or bylaws shall be reduced by the 658 number of suspended voting interests or consent rights. A voting 659 interest or consent right allocated to a unit or member which 660 has been suspended by the association may not be counted towards 661 the total number of voting interests necessary to constitute a 662 quorum, the number of voting interests required to conduct an 663 election, or the number of voting interests required to approve 664 an action under this chapter or pursuant to the declaration, 665 articles of incorporation, or bylaws. The suspension ends upon 666 full payment of all obligations currently due or overdue the 667 association. The notice and hearing requirements under

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668	subsection (3) do not apply to a suspension imposed under this
669	subsection.
670	Section 7. Subsection (1) of section 718.403, Florida
671	Statutes, is amended to read:
672	718.403 Phase condominiums
673	(1) Notwithstanding the provisions of s. 718.110, a
674	developer may develop a condominium in phases, if the original
675	declaration of condominium submitting the initial phase to
676	condominium ownership or an amendment to the declaration which
677	has been approved by all of the unit owners and unit mortgagees
678	provides for and describes in detail all anticipated phases; the
679	impact, if any, which the completion of subsequent phases would
680	have upon the initial phase; and the time period (which may not
681	exceed 7 years from the date of recording the declaration of
682	condominium, unless extended as provided in this subsection)
683	within which all phases must be added to the condominium and
684	comply with the requirements of this section and at the end of
685	which the right to add additional phases expires.
686	(a) All phases must be added to the condominium within 7
687	years after the date of recording the original declaration of
688	condominium submitting the initial phase to condominium
689	ownership unless an amendment extending the 7-year period is
690	approved by the unit owners.
691	(b) An amendment to extend the 7-year period requires the
692	approval of the owners necessary to amend the declaration of
693	condominium consistent with s. 718.110(1)(a). An extension of
694	the 7-year period may be submitted for approval only during the
695	last 3 years of the 7-year period.
696	(c) An amendment must describe the time period within which

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697	all phases must be added to the condominium and such time period
698	may not exceed 10 years after the date of recording the original
699	declaration of condominium submitting the initial phase to
700	condominium ownership.
701	(d) Notwithstanding s. 718.110, an amendment extending the
702	7-year period is not an amendment subject to s. 718.110(4).
703	Section 8. Section 718.406, Florida Statutes, is created to
704	read:
705	718.406 Condominiums created within condominium parcels
706	(1) Unless otherwise expressed in the declaration of
707	condominium, if a condominium is created within a condominium
708	parcel, the term:
709	(a) "Primary condominium" means any condominium that is not
710	a secondary condominium and contains one or more subdivided
711	parcels.
712	(b) "Primary condominium association" means any entity that
713	operates a primary condominium.
714	(c) "Primary condominium declaration" means the instrument
715	or instruments by which a primary condominium is created, as
716	they are from time to time amended.
717	(d) "Secondary condominium" means one or more condominium
718	parcels that have been submitted to condominium ownership
719	pursuant to a secondary condominium declaration.
720	(e) "Secondary condominium association" means any entity
721	responsible for the operation of a secondary condominium.
722	(f) "Secondary condominium declaration" means the
723	instrument or instruments by which a secondary condominium is
724	created, as they are from time to time amended.
725	(g) "Secondary unit" means a unit that is part of a

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726	secondary condominium.
727	(h) "Subdivided parcel" means a condominium parcel in a
728	primary condominium that has been submitted to condominium
729	ownership pursuant to a secondary condominium declaration.
730	(2) Unless otherwise provided in the primary condominium
731	declaration, if a condominium parcel is a subdivided parcel, the
732	secondary condominium association responsible for operating the
733	secondary condominium upon the subdivided parcel shall act on
734	behalf of all of the unit owners of secondary units in the
735	secondary condominium and shall exercise all rights of the
736	secondary unit owners in the primary condominium association,
737	other than the right of possession of the secondary unit. The
738	secondary condominium association shall designate a
739	representative who shall cast the vote of the subdivided parcel
740	in the primary condominium association and, if no person is
741	designated by the secondary condominium association to cast such
742	vote, the vote shall be cast by the president of the secondary
743	condominium association or the designee of the president.
744	(3) Unless otherwise provided in the primary condominium
745	declaration as originally recorded, no secondary condominium may
746	be created upon any condominium parcel in the primary
747	condominium, and no amendment to the primary condominium
748	declaration may permit secondary condominiums to be created upon
749	parcels in the primary condominium, unless the record owners of
750	a majority of the condominium parcels join in the execution of
751	the amendment.
752	(4) If the primary condominium declaration permits the
753	creation of a secondary condominium and a condominium parcel in
754	the primary condominium is being submitted for condominium

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590-03625-12 2012680c2 755 ownership to create a secondary condominium upon the primary 756 condominium parcel, the approval of the board of administration 757 of the primary condominium association is required in order to 758 create the secondary condominium on the primary condominium 759 parcel. Unless otherwise provided in the primary condominium 760 declaration, the owners of condominium parcels in the primary 761 condominium that will not be part of the proposed secondary 762 condominium and the holders of liens upon such primary 763 condominium parcels shall not have approval rights regarding the 764 creation of the secondary condominium or the contents of the 765 secondary condominium declaration being submitted. Only the 766 primary condominium association, the owner of the subdivided parcel, and the holders of liens upon the subdivided parcel 767 768 shall have approval rights regarding the creation of the 769 secondary condominium and the contents of the secondary 770 condominium declaration. In order for the recording of the 771 secondary condominium declaration to be effective to create the 772 secondary condominium, the board of administration of the 773 primary condominium association, the owner of the subdivided 774 parcel, and all holders of liens on the subdivided parcel must 775 execute the secondary condominium declaration for the purpose of 776 evidencing their approval. 777 (5) An owner of a secondary unit is subject to both the 778 primary condominium declaration and the secondary condominium 779 declaration. 780 (6) The primary condominium association may provide 781 insurance required by s. 718.111(11) for common elements and 782 other improvements within the secondary condominium if the 783 primary condominium declaration permits the primary condominium

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784	association to provide such insurance for the benefit of the
785	condominium property included in the subdivided parcel, in lieu
786	of such insurance being provided by the secondary condominium
787	association.
788	(7) Unless otherwise provided in the primary condominium
789	declaration, the board of administration of the primary
790	condominium association may adopt hurricane shutter or hurricane
791	protection specifications for each building within which
792	subdivided parcels are located and govern any subdivided parcels
793	in the primary condominium.
794	(8) Any unit owner of, or holder of a first mortgage on, a
795	secondary unit may register such unit owner's or mortgagee's
796	interest in the secondary unit with the primary condominium
797	association by delivering written notice to the primary
798	condominium association. Once registered, the primary
799	condominium association must provide written notice to such
800	secondary unit owner and his, her, or its first mortgagee at
801	least 30 days before instituting any foreclosure action against
802	the subdivided parcel in which the secondary unit owner and his,
803	her, or its first mortgagee hold an interest for failure of the
804	subdivided parcel owner to pay any assessments or other amounts
805	due to the primary condominium association. A foreclosure action
806	against a subdivided parcel is not effective without an
807	affidavit indicating that written notice of the foreclosure was
808	timely sent to the names and addresses of secondary unit owners
809	and first mortgagees registered with the primary condominium
810	association pursuant to this subsection. The registered
811	secondary unit owner or mortgagee has a right to pay the
812	proportionate amount of the delinquent assessment attributable

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590-03625-12 2012680c2 813 to the secondary unit in which the registered unit owner or 814 mortgagee holds an interest. Upon such payment, the primary 815 condominium association shall be obligated to promptly modify or 816 partially release the record of lien on the primary condominium 817 association so that the lien no longer encumbers such secondary 818 unit. Alternatively, a registered secondary unit owner or 819 mortgagee may pay the amount of all delinquent assessments 820 attributed to the subdivided parcel and seek reimbursement for 821 all such amounts paid and all costs incurred from the secondary condominium association, including, without limitation, the 822 823 costs of collection other than the share allocable to the 824 secondary unit on behalf of which such payment was made. 825 (9) In the event of a conflict between the primary 826 condominium declaration and the secondary condominium 827 declaration, the primary condominium declaration controls. 828 (10) All common expenses due to the primary condominium 829 association with respect to a subdivided parcel are a common 830 expense of the secondary condominium association and shall be 831 collected by the secondary condominium association from its 832 members and paid to the primary condominium association. 833 Section 9. Subsection (2) of section 718.5011, Florida 834 Statutes, is amended to read: 835 718.5011 Ombudsman; appointment; administration.-836 (2) The Governor shall appoint the ombudsman. The ombudsman 837 must be an attorney admitted to practice before the Florida 838 Supreme Court and shall serve at the pleasure of the Governor. A vacancy in the office shall be filled in the same manner as the 839 840 original appointment. An officer or full-time employee of the 841 ombudsman's office may not actively engage in any other business

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590-03625-12 2012680c2 842 or profession that directly or indirectly relates to or 843 conflicts with his or her work in the ombudsman's office; serve as the representative of any political party, executive 844 845 committee, or other governing body of a political party; serve 846 as an executive, officer, or employee of a political party; 847 receive remuneration for activities on behalf of any candidate 848 for public office; or engage in soliciting votes or other 849 activities on behalf of a candidate for public office. The 850 ombudsman or any employee of his or her office may not become a 851 candidate for election to public office unless he or she first 852 resigns from his or her office or employment. 853 Section 10. Section 718.707, Florida Statutes, is amended 854 to read: 855 718.707 Time limitation for classification as bulk assignee 856 or bulk buyer.-A person acquiring condominium parcels may not be 857

classified as a bulk assignee or bulk buyer unless the condominium parcels were acquired on or after July 1, 2010, but before July 1, 2015 2012. The date of such acquisition shall be determined by the date of recording 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 a certificate of title in a foreclosure proceeding with respect to such condominium parcels.

865 Section 11. Paragraph (c) of subsection (2) of section866 719.104, Florida Statutes, is amended to read:

867 719.104 Cooperatives; access to units; records; financial 868 reports; assessments; purchase of leases.-

869 (2) OFFICIAL RECORDS.-

870 (c) The official records of the association shall be open

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590-03625-12 2012680c2 871 to inspection by any association member or the authorized 872 representative of such member at all reasonable times. Failure 873 to permit inspection of the association records as provided in 874 this subsection herein entitles any person prevailing in an 875 enforcement action to recover reasonable attorney attorney's 876 fees from the person in control of the records who, directly or 877 indirectly, knowingly denies access to the records for 878 inspection. The right to inspect the records includes the right 879 to make or obtain copies, at the reasonable expense, if any, of 880 the association member. The association may adopt reasonable 881 rules regarding the frequency, time, location, notice, and 882 manner of record inspections and copying. The failure of an association to provide the records within 10 working days after 883 884 receipt of a written request creates a rebuttable presumption 885 that the association willfully failed to comply with this paragraph. A unit owner who is denied access to official records 886 887 is entitled to the actual damages or minimum damages for the 888 association's willful failure to comply with this paragraph. The 889 minimum damages shall be \$50 per calendar day up to 10 days, the 890 calculation to begin on the 11th day after receipt of the 891 written request. The association shall maintain an adequate 892 number of copies of the declaration, articles of incorporation, 893 bylaws, and rules, and all amendments to each of the foregoing, 894 as well as the question and answer sheet provided for in s. 895 719.504, on the cooperative property to ensure their 896 availability to unit owners and prospective purchasers, and may 897 charge its actual costs for preparing and furnishing these 898 documents to those requesting the same. Notwithstanding the 899 provisions of this paragraph, the following records shall not be

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900	accessible to unit owners:
901	1. Any record protected by the lawyer-client privilege as
902	provided in s. 90.502; protected by the work-product privilege,
903	including any record A record that was prepared by an
904	association attorney or prepared at the attorney's express
905	direction; <u>reflecting</u> that reflects a mental impression,
906	conclusion, litigation strategy, or legal theory of the attorney
907	or the association; or that was prepared exclusively for civil
908	or criminal litigation or for adversarial administrative
909	proceedings or in anticipation of imminent civil or criminal
910	litigation or imminent adversarial administrative proceedings,
911	until the conclusion of the litigation or adversarial
912	administrative proceedings.
913	2. Information obtained by an association in connection
914	with the approval of the lease, sale, or other transfer of a
915	unit.
916	3. Medical records of unit owners.
917	4. Personnel records of association employees, including,
918	but not limited to, disciplinary, payroll, health, and insurance
919	records. For purposes of this subparagraph, the term "personnel
920	records" does not include written employment agreements with an
921	association employee or budgetary or financial records that
922	indicate the compensation paid to an association employee.
923	5. Social security numbers, driver license numbers, credit
924	card numbers, e-mail addresses, telephone numbers, emergency
925	contact information, any addresses of a unit owner other than

926 <u>addresses provided to fulfill the association's notice</u> 927 requirements, and other personal identifying information of any

928 person, excluding the person's name, unit designation, mailing

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929	address, and property address.
930	6. Any electronic security measures that are used by the
931	association to safeguard data, including passwords.
932	7. The software and operating system used by the
933	association which allows manipulation of data, even if the owner
934	owns a copy of the same software used by the association. The
935	data is part of the official records of the association.
936	Section 12. Subsection (7) is added to section 719.1055,
937	Florida Statutes, to read:
938	719.1055 Amendment of cooperative documents; alteration and
939	acquisition of property
940	(7) The Legislature finds that the procurement of mortgagee
941	consent to amendments that do not affect the rights or interests
942	of mortgagees is an unreasonable and substantial logistical and
943	financial burden on the unit owners and that there is a
944	compelling state interest in enabling the members of an
945	association to approve amendments to the association's
946	cooperative documents through legal means. Accordingly, and
947	notwithstanding any provision to the contrary contained in this
948	subsection:
949	(a) As to any mortgage recorded on or after July 1, 2012,
950	any provision in the association's cooperative documents that
951	requires the consent or joinder of some or all mortgagees of
952	units or any other portion of the association's common areas to
953	amend the association's cooperative documents or for any other
954	matter is enforceable only as to amendments to the association's
955	cooperative documents that adversely affect the priority of the
956	mortgagee's lien or the mortgagee's rights to foreclose its lien
957	or that otherwise materially affect the rights and interests of

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958	the mortgagees.
959	(b) As to mortgages recorded before July 1, 2012, any
960	existing provisions in the association's cooperative documents
961	requiring mortgagee consent are enforceable.
962	(c) In securing consent or joinder, the association is
963	entitled to rely upon the public records to identify the holders
964	of outstanding mortgages. The association may use the address
965	provided in the original recorded mortgage document, unless
966	there is a different address for the holder of the mortgage in a
967	recorded assignment or modification of the mortgage, which
968	recorded assignment or modification must reference the official
969	records book and page on which the original mortgage was
970	recorded. Once the association has identified the recorded
971	mortgages of record, the association shall, in writing, request
972	of each unit owner whose unit is encumbered by a mortgage of
973	record any information the owner has in his or her possession
974	regarding the name and address of the person to whom mortgage
975	payments are currently being made. Notice shall be sent to such
976	person if the address provided in the original recorded mortgage
977	document is different from the name and address of the mortgagee
978	or assignee of the mortgage as shown by the public record. The
979	association is deemed to have complied with this requirement by
980	making the written request of the unit owners required under
981	this paragraph. Any notices required to be sent to the
982	mortgagees under this paragraph shall be sent to all available
983	addresses provided to the association.
984	(d) Any notice to the mortgagees required under paragraph
985	(c) may be sent by a method that establishes proof of delivery,
986	and any mortgagee who fails to respond within 60 days after the

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987	date of mailing is deemed to have consented to the amendment.
988	(e) For those amendments requiring mortgagee consent on or
989	after July 1, 2012, in the event mortgagee consent is provided
990	other than by properly recorded joinder, such consent shall be
991	evidenced by affidavit of the association recorded in the public
992	records of the county in which the declaration is recorded.
993	(f) Any amendment adopted without the required consent of a
994	mortgagee is voidable only by a mortgagee who was entitled to
995	notice and an opportunity to consent. An action to void an
996	amendment is subject to the statute of limitations beginning 5
997	years after the date of discovery as to the amendments described
998	in paragraph (a) and 5 years after the date of recordation of
999	the certificate of amendment for all other amendments. This
1000	paragraph applies to all mortgages, regardless of the date of
1001	recordation of the mortgage.
1002	Section 13. Paragraphs (c), (d), and (f) of subsection (1)
1003	of section 719.106, Florida Statutes, are amended to read:

1004

719.106 Bylaws; cooperative ownership.-

1005 (1) MANDATORY PROVISIONS.—The bylaws or other cooperative 1006 documents shall provide for the following, and if they do not, 1007 they shall be deemed to include the following:

1008 (c) Board of administration meetings.-Meetings of the board 1009 of administration at which a quorum of the members is present 1010 shall be open to all unit owners. Any unit owner may tape record 1011 or videotape meetings of the board of administration. The right 1012 to attend such meetings includes the right to speak at such meetings with reference to all designated agenda items. The 1013 1014 division shall adopt reasonable rules governing the tape 1015 recording and videotaping of the meeting. The association may

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590-03625-12 2012680c2 1016 adopt reasonable written rules governing the frequency, 1017 duration, and manner of unit owner statements. Adequate notice 1018 of all meetings shall be posted in a conspicuous place upon the 1019 cooperative property at least 48 continuous hours preceding the 1020 meeting, except in an emergency. Any item not included on the 1021 notice may be taken up on an emergency basis by at least a 1022 majority plus one of the members of the board. Such emergency 1023 action shall be noticed and ratified at the next regular meeting 1024 of the board. However, written notice of any meeting at which 1025 nonemergency special assessments, or at which amendment to rules regarding unit use, will be considered shall be mailed, 1026 1027 delivered, or electronically transmitted to the unit owners and 1028 posted conspicuously on the cooperative property not less than 1029 14 days prior to the meeting. Evidence of compliance with this 1030 14-day notice shall be made by an affidavit executed by the 1031 person providing the notice and filed among the official records 1032 of the association. Upon notice to the unit owners, the board 1033 shall by duly adopted rule designate a specific location on the 1034 cooperative property upon which all notices of board meetings 1035 shall be posted. In lieu of or in addition to the physical 1036 posting of notice of any meeting of the board of administration 1037 on the cooperative property, the association may, by reasonable 1038 rule, adopt a procedure for conspicuously posting and repeatedly 1039 broadcasting the notice and the agenda on a closed-circuit cable 1040 television system serving the cooperative association. However, 1041 if broadcast notice is used in lieu of a notice posted 1042 physically on the cooperative property, the notice and agenda 1043 must be broadcast at least four times every broadcast hour of 1044 each day that a posted notice is otherwise required under this

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590-03625-12 2012680c2 1045 section. When broadcast notice is provided, the notice and 1046 agenda must be broadcast in a manner and for a sufficient 1047 continuous length of time so as to allow an average reader to 1048 observe the notice and read and comprehend the entire content of 1049 the notice and the agenda. Notice of any meeting in which 1050 regular assessments against unit owners are to be considered for 1051 any reason shall specifically contain a statement that 1052 assessments will be considered and the nature of any such 1053 assessments. Meetings of a committee to take final action on 1054 behalf of the board or to make recommendations to the board 1055 regarding the association budget are subject to the provisions 1056 of this paragraph. Meetings of a committee that does not take 1057 final action on behalf of the board or make recommendations to 1058 the board regarding the association budget are subject to the 1059 provisions of this section, unless those meetings are exempted 1060 from this section by the bylaws of the association. 1061 Notwithstanding any other law to the contrary, the requirement 1062 that board meetings and committee meetings be open to the unit 1063 owners does not apply is inapplicable to board or committee 1064 meetings held for the purpose of discussing personnel matters or 1065 meetings between the board or a committee and the association's 1066 attorney, with respect to proposed or pending litigation, if 1067 when the meeting is held for the purpose of seeking or rendering 1068 legal advice.

(d) Shareholder meetings.—There shall be an annual meeting of the shareholders. All members of the board of administration shall be elected at the annual meeting unless the bylaws provide for staggered election terms or for their election at another meeting. Any unit owner desiring to be a candidate for board

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590-03625-12 2012680c2 1074 membership must comply with subparagraph 1. The bylaws must 1075 provide the method for calling meetings, including annual 1076 meetings. Written notice, which must incorporate an 1077 identification of agenda items, shall be given to each unit 1078 owner at least 14 days before the annual meeting and posted in a 1079 conspicuous place on the cooperative property at least 14 1080 continuous days preceding the annual meeting. Upon notice to the 1081 unit owners, the board must by duly adopted rule designate a 1082 specific location on the cooperative property upon which all 1083 notice of unit owner meetings are posted. In lieu of or in 1084 addition to the physical posting of the meeting notice, the 1085 association may, by reasonable rule, adopt a procedure for 1086 conspicuously posting and repeatedly broadcasting the notice and 1087 the agenda on a closed-circuit cable television system serving 1088 the cooperative association. However, if broadcast notice is 1089 used in lieu of a posted notice, the notice and agenda must be 1090 broadcast at least four times every broadcast hour of each day 1091 that a posted notice is otherwise required under this section. 1092 If broadcast notice is provided, the notice and agenda must be 1093 broadcast in a manner and for a sufficient continuous length of 1094 time to allow an average reader to observe the notice and read 1095 and comprehend the entire content of the notice and the agenda. 1096 Unless a unit owner waives in writing the right to receive 1097 notice of the annual meeting, the notice of the annual meeting 1098 must be sent by mail, hand delivered, or electronically 1099 transmitted to each unit owner. An officer of the association must provide an affidavit or United States Postal Service 1100 1101 certificate of mailing, to be included in the official records 1102 of the association, affirming that notices of the association

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590-03625-12 2012680c2 1103 meeting were mailed, hand delivered, or electronically 1104 transmitted, in accordance with this provision, to each unit owner at the address last furnished to the association. 1105 1106 1. The board of administration shall be elected by written 1107 ballot or voting machine. A proxy may not be used in electing 1108 the board of administration in general elections or elections to 1109 fill vacancies caused by recall, resignation, or otherwise 1110 unless otherwise provided in this chapter. 1111 a. At least 60 days before a scheduled election, the 1112 association shall mail, deliver, or transmit, whether by separate association mailing, delivery, or electronic 1113 transmission or included in another association mailing, 1114 1115 delivery, or electronic transmission, including regularly 1116 published newsletters, to each unit owner entitled to vote, a 1117 first notice of the date of the election. Any unit owner or 1118 other eligible person desiring to be a candidate for the board 1119 of administration must give written notice to the association at 1120 least 40 days before a scheduled election. Together with the 1121 written notice and agenda as set forth in this section, the 1122 association shall mail, deliver, or electronically transmit a second notice of election to all unit owners entitled to vote, 1123 1124 together with a ballot that which lists all candidates. Upon request of a candidate, the association shall include an 1125 1126 information sheet, no larger than 8 1/2 inches by 11 inches, 1127 which must be furnished by the candidate at least 35 days before 1128 the election, to be included with the mailing, delivery, or 1129 electronic transmission of the ballot, with the costs of 1130 mailing, delivery, or transmission and copying to be borne by 1131 the association. The association is not liable for the contents

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1132	of the information sheets provided by the candidates. In order
1133	to reduce costs, the association may print or duplicate the
1134	information sheets on both sides of the paper. The division
1135	shall by rule establish voting procedures consistent with this
1136	subparagraph, including rules establishing procedures for giving
1137	notice by electronic transmission and rules providing for the
1138	secrecy of ballots. Elections shall be decided by a plurality of
1139	those ballots cast. There is no quorum requirement. However, at
1140	least 20 percent of the eligible voters must cast a ballot in
1141	order to have a valid election. A unit owner may not permit any
1142	other person to vote his or her ballot, and any such ballots
1143	improperly cast are invalid. A unit owner who needs assistance
1144	in casting the ballot for the reasons stated in s. 101.051 may
1145	obtain assistance in casting the ballot. Any unit owner
1146	violating this provision may be fined by the association in
1147	accordance with s. 719.303. The regular election must occur on
1148	the date of the annual meeting. This subparagraph does not apply
1149	to timeshare cooperatives. Notwithstanding this subparagraph, an
1150	election and balloting are not required unless more candidates
1151	file a notice of intent to run or are nominated than vacancies
1152	exist on the board. Any challenge to the election process must
1153	be commenced within 60 days after the election results are
1154	announced.
1155	b. Within 90 days after being elected or appointed to the
1156	board, each new director shall certify in writing to the
1157	secretary of the association that he or she has read the
1158	association's bylaws, articles of incorporation, proprietary
1159	lease, and current written policies; that he or she will work to
1160	uphold such documents and policies to the best of his or her

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590-03625-12 2012680c2 1161 ability; and that he or she will faithfully discharge his or her 1162 fiduciary responsibility to the association's members. Within 90 1163 days after being elected or appointed to the board, in lieu of 1164 this written certification, the newly elected or appointed 1165 director may submit a certificate of having satisfactorily 1166 completed the educational curriculum administered by an 1167 education provider as approved by the division pursuant to the requirements established in chapter 718 within 1 year before or 1168 1169 90 days after the date of election or appointment. The 1170 educational certificate is valid and does not have to be 1171 resubmitted as long as the director serves on the board without 1172 interruption. A director who fails to timely file the written 1173 certification or educational certificate is suspended from 1174 service on the board until he or she complies with this sub-1175 subparagraph. The board may temporarily fill the vacancy during 1176 the period of suspension. The secretary shall cause the 1177 association to retain a director's written certification or 1178 educational certificate for inspection by the members for 5 1179 years after a director's election or the duration of the 1180 director's uninterrupted tenure, whichever is longer. Failure to 1181 have such written certification or educational certificate on 1182 file does not affect the validity of any board action.

2. Any approval by unit owners called for by this chapter, or the applicable cooperative documents, must be made at a duly noticed meeting of unit owners and is subject to this chapter or the applicable cooperative documents relating to unit owner decisionmaking, except that unit owners may take action by written agreement, without meetings, on matters for which action by written agreement without meetings is expressly allowed by

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1190 the applicable cooperative documents or law which provides for 1191 the unit owner action.

1192 3. Unit owners may waive notice of specific meetings if 1193 allowed by the applicable cooperative documents or law. If 1194 authorized by the bylaws, notice of meetings of the board of 1195 administration, shareholder meetings, except shareholder 1196 meetings called to recall board members under paragraph (f), and 1197 committee meetings may be given by electronic transmission to 1198 unit owners who consent to receive notice by electronic 1199 transmission.

4. Unit owners 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.

1204 5. Any unit owner may tape record or videotape meetings of 1205 the unit owners subject to reasonable rules adopted by the 1206 division.

1207 6. Unless otherwise provided in the bylaws, a vacancy occurring on the board before the expiration of a term may be 1208 1209 filled by the affirmative vote of the majority of the remaining 1210 directors, even if the remaining directors constitute less than 1211 a quorum, or by the sole remaining director. In the alternative, 1212 a board may hold an election to fill the vacancy, in which case 1213 the election procedures must conform to the requirements of 1214 subparagraph 1. unless the association has opted out of the 1215 statutory election process, in which case the bylaws of the 1216 association control. Unless otherwise provided in the bylaws, a 1217 board member appointed or elected under this subparagraph shall 1218 fill the vacancy for the unexpired term of the seat being

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590-03625-12 2012680c2 1219 filled. Filling vacancies created by recall is governed by 1220 paragraph (f) and rules adopted by the division. 1221 1222 Notwithstanding subparagraphs (b)2. and (d)1., an association 1223 may, by the affirmative vote of a majority of the total voting 1224 interests, provide for a different voting and election procedure 1225 in its bylaws, which vote may be by a proxy specifically 1226 delineating the different voting and election procedures. The 1227 different voting and election procedures may provide for 1228 elections to be conducted by limited or general proxy. 1229 (f) Recall of board members.-Subject to the provisions of 1230 s. 719.301, any member of the board of administration may be 1231 recalled and removed from office with or without cause by the 1232 vote or agreement in writing by a majority of all the voting 1233 interests. A special meeting of the voting interests to recall 1234 any member of the board of administration may be called by 10 1235 percent of the unit owners giving notice of the meeting as 1236 required for a meeting of unit owners, and the notice shall 1237 state the purpose of the meeting. Electronic transmission may 1238 not be used as a method of giving notice of a meeting called in

1240 1. If the recall is approved by a majority of all voting interests by a vote at a meeting, the recall shall be effective 1241 1242 as provided in this paragraph herein. The board shall duly 1243 notice and hold a board meeting within 5 full business days 1244 after of the adjournment of the unit owner meeting to recall one 1245 or more board members. At the meeting, the board shall either 1246 certify the recall, in which case such member or members shall 1247 be recalled effective immediately and shall turn over to the

whole or in part for this purpose.

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590-03625-12 2012680c2 1248 board within 5 full business days any and all records and 1249 property of the association in their possession, or shall 1250 proceed as set forth in subparagraph 3. 1251 2. If the proposed recall is by an agreement in writing by 1252 a majority of all voting interests, the agreement in writing or 1253 a copy thereof shall be served on the association by certified 1254 mail or by personal service in the manner authorized by chapter 1255 48 and the Florida Rules of Civil Procedure. The board of 1256 administration shall duly notice and hold a meeting of the board 1257 within 5 full business days after receipt of the agreement in 1258 writing. At the meeting, the board shall either certify the 1259 written agreement to recall members of the board, in which case 1260 such members shall be recalled effective immediately and shall 1261 turn over to the board, within 5 full business days, any and all 1262 records and property of the association in their possession, or 1263 proceed as described in subparagraph 3. 1264 3. If the board determines not to certify the written 1265 agreement to recall members of the board, or does not certify 1266 the recall by a vote at a meeting, the board shall, within 5 1267 full business days after the board meeting, file with the 1268 division a petition for binding arbitration pursuant to the 1269 procedures of s. 719.1255. For purposes of this paragraph, the 1270 unit owners who voted at the meeting or who executed the 1271 agreement in writing shall constitute one party under the 1272 petition for arbitration. If the arbitrator certifies the recall

1274 upon mailing of the final order of arbitration to the 1275 association. If the association fails to comply with the order 1276 of the arbitrator, the division may take action pursuant to s.

as to any member of the board, the recall shall be effective

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1277
      719.501. Any member so recalled shall deliver to the board any
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      and all records and property of the association in the member's
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      possession within 5 full business days after of the effective
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      date of the recall.
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           4. If the board fails to duly notice and hold a board
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      meeting within 5 full business days after <del>of</del> service of an
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      agreement in writing or within 5 full business days after of the
      adjournment of the unit owner recall meeting, the recall shall
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1285
      be deemed effective and the board members so recalled shall
1286
      immediately turn over to the board any and all records and
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      property of the association.
1288
           5. If the board fails to duly notice and hold the required
      meeting or fails to file the required petition, the unit owner
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1290
      representative may file a petition pursuant to s. 719.1255
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      challenging the board's failure to act. The petition must be
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      filed within 60 days after the expiration of the applicable 5-
1293
      full-business-day period. The review of a petition under this
1294
      subparagraph is limited to the sufficiency of service on the
1295
      board and the facial validity of the written agreement or
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      ballots filed.
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           6.5. If a vacancy occurs on the board as a result of a
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      recall and less than a majority of the board members are
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      removed, the vacancy may be filled by the affirmative vote of a
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      majority of the remaining directors, notwithstanding any
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      provision to the contrary contained in this chapter. If
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1303 majority or more of the board members are removed, the vacancies 1304 shall be filled in accordance with procedural rules to be 1305 adopted by the division, which rules need not be consistent with

vacancies occur on the board as a result of a recall and a

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1306	this chapter. The rules must provide procedures governing the
1307	conduct of the recall election as well as the operation of the
1308	association during the period after a recall but prior to the
1309	recall election.
1310	7. A board member who has been recalled may file a petition
1311	pursuant to s. 719.1255 challenging the validity of a recall.
1312	The petition must be filed within 60 days after the recall is
1313	deemed certified. The association and the unit owner
1314	representative shall be named as the respondents.
1315	8. The division may not accept for filing a recall
1316	petition, whether filed pursuant to subparagraph 1.,
1317	subparagraph 2., subparagraph 5., or subparagraph 7. and
1318	regardless of whether the recall was certified, if there are 60
1319	days or less until the scheduled reelection of the board member
1320	sought to be recalled or if 60 days or less have not elapsed
1321	since the election of the board member sought to be recalled.
1322	Section 14. Subsections (1), (3), (4), and (9) of section
1323	719.108, Florida Statutes, are amended to read:
1324	719.108 Rents and assessments; liability; lien and
1325	priority; interest; collection; cooperative ownership
1326	(1) A unit owner, regardless of how title is acquired,
1327	including, without limitation, a purchaser at a judicial sale,
1328	is shall be liable for all rents and assessments coming due
1329	while the unit owner <u>owns the unit</u> is in exclusive possession of
1330	a unit . <u>Additionally, a</u> In a voluntary transfer, the unit owner
1331	is in exclusive possession shall be jointly and severally liable
1332	with the previous unit owner for all unpaid rents and
1333	assessments, late fees, interest costs, and reasonable attorney
1334	fees incurred in an attempt to collect all such amounts that

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590-03625-12 2012680c2 1335 came due against the previous unit owner for his or her share of 1336 the common expenses up to the time of the transfer of title. 1337 This liability is τ without prejudice to the rights of the 1338 present unit owner in exclusive possession to recover from the 1339 previous unit owner any the amounts paid by the present unit 1340 owner in exclusive possession therefor. 1341 (3) Rents and assessments, and installments on them, not 1342 paid when due bear interest at the rate provided in the 1343 cooperative documents from the date due until paid. This rate 1344 may not exceed the rate allowed by law and, if a rate is not 1345 provided in the cooperative documents, accrues at 18 percent per 1346 annum. If the cooperative documents or bylaws so provide, the 1347 association may charge an administrative late fee in addition to 1348 such interest, not to exceed the greater of \$25 or 5 percent of 1349 each installment of the assessment for each delinquent 1350 installment that the payment is late. Any payment received by an 1351 association must be applied first to any interest accrued by the 1352 association, then to any administrative late fee, then to any costs and reasonable attorney attorney's fees incurred in 1353 1354 collection, and then to the delinquent assessment. The foregoing 1355 applies notwithstanding any restrictive endorsement, 1356 designation, or instruction placed on or accompanying a payment. 1357 A late fee is not subject to chapter 687 or s. 719.303(4).

(4) The association has a lien on each cooperative parcel for any unpaid rents and assessments, plus interest, and any authorized administrative late fees. If authorized by the cooperative documents, the lien also secures reasonable <u>attorney</u> attorney's fees incurred by the association incident to the collection of the rents and assessments or enforcement of such

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590-03625-12 2012680c2 1364 lien. The lien is effective from and after recording a claim of 1365 lien in the public records in the county in which the 1366 cooperative parcel is located which states the description of 1367 the cooperative parcel, the name of the unit owner, the amount 1368 due, and the due dates. The lien expires if a claim of lien is 1369 not filed within 1 year after the date the assessment was due, 1370 and the lien does not continue for longer than 1 year after the 1371 claim of lien has been recorded unless, within that time, an 1372 action to enforce the lien is commenced. Except as otherwise 1373 provided in this chapter, a lien may not be filed by the 1374 association against a cooperative parcel until 30 days after the 1375 date on which a notice of intent to file a lien has been 1376 delivered to the owner.

1377 (a) The notice must be sent to the unit owner at the1378 address of the unit by first-class United States mail and:

1379 1. If the most recent address of the unit owner on the 1380 records of the association is the address of the unit, the 1381 notice must be sent by registered or certified mail, return 1382 receipt requested, to the unit owner at the address of the unit.

1383 2. If the most recent address of the unit owner on the 1384 records of the association is in the United States, but is not 1385 the address of the unit, the notice must be sent by registered 1386 or certified mail, return receipt requested, to the unit owner 1387 at his or her most recent address.

1388 3. If the most recent address of the unit owner on the 1389 records of the association is not in the United States, the 1390 notice must be sent by first-class United States mail to the 1391 unit owner at his or her most recent address.

1392

(b) A notice that is sent pursuant to this subsection is

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590-03625-12 2012680c2 1393 deemed delivered upon mailing.

1394 (9) The specific purposes of any special assessment, 1395 including any contingent special assessment levied in 1396 conjunction with the purchase of an insurance policy authorized 1397 by s. 719.104(3), approved in accordance with the cooperative 1398 documents shall be set forth in a written notice of such 1399 assessment sent or delivered to each unit owner. The funds 1400 collected pursuant to a special assessment may shall be used 1401 only for the specific purpose or purposes set forth in such 1402 notice or returned to the unit owners. However, upon completion 1403 of such specific purposes, any excess funds shall be considered 1404 common surplus and may, at the discretion of the board, either 1405 be returned to the unit owners or applied as a credit toward 1406 future assessments.

Section 15. Paragraph (a) of subsection (3) and subsection (5) of section 719.303, Florida Statutes, are amended to read: 719.303 Obligations of owners.-

1410 (3) The association may levy reasonable fines for failure of the unit owner or the unit's occupant, licensee, or invitee 1411 1412 to comply with any provision of the cooperative documents or 1413 reasonable rules of the association. A fine may not become a 1414 lien against a unit. A fine may be levied on the basis of each 1415 day of a continuing violation, with a single notice and 1416 opportunity for hearing. However, the fine may not exceed \$100 1417 per violation, or \$1,000 in the aggregate.

(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

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590-03625-12 2012680c2 1422 comply with any provision of the cooperative documents or 1423 reasonable rules of the association. This paragraph does not 1424 apply to limited common elements intended to be used only by 1425 that unit, common elements needed to access the unit, utility 1426 services provided to the unit, parking spaces, or elevators. 1427 (5) An association may suspend the voting rights of a unit 1428 or member due to nonpayment of any monetary obligation due to 1429 the association which is more than 90 days delinquent. 1430 Notwithstanding an association's cooperative documents, the 1431 requirements to establish a quorum, conduct an election, or 1432 obtain membership approval on actions under this chapter or 1433 pursuant to the association's cooperative documents shall be 1434 reduced by the number of suspended voting interests or consent 1435 rights. A voting interest or consent right allocated to a unit 1436 or member which has been suspended by the association may not be 1437 counted towards the total number of voting interests for any 1438 purpose, including, but not limited to, the number of voting 1439 interests necessary to constitute a quorum, the number of voting 1440 interests required to conduct an election, or the number of 1441 voting interests required to approve an action under this 1442 chapter or pursuant to the cooperative documents, articles of 1443 incorporation, or bylaws. The suspension ends upon full payment 1444 of all obligations currently due or overdue the association. The notice and hearing requirements under subsection (3) do not 1445 1446 apply to a suspension imposed under this subsection. 1447 Section 16. Paragraph (c) of subsection (5) and subsection

(10) of section 720.303, Florida Statutes, are amended to read:
720.303 Association powers and duties; meetings of board;
official records; budgets; financial reporting; association

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1451 funds; recalls.-

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1452 (5) INSPECTION AND COPYING OF RECORDS. - The official records 1453 shall be maintained within the state and must be open to 1454 inspection and available for photocopying by members or their 1455 authorized agents at reasonable times and places within 10 1456 business days after receipt of a written request for access. 1457 This subsection may be complied with by having a copy of the 1458 official records available for inspection or copying in the 1459 community. If the association has a photocopy machine available 1460 where the records are maintained, it must provide parcel owners 1461 with copies on request during the inspection if the entire 1462 request is limited to no more than 25 pages.

1463 (c) The association may adopt reasonable written rules 1464 governing the frequency, time, location, notice, records to be 1465 inspected, and manner of inspections, but may not require a 1466 parcel owner to demonstrate any proper purpose for the 1467 inspection, state any reason for the inspection, or limit a 1468 parcel owner's right to inspect records to less than one 8-hour 1469 business day per month. The association may impose fees to cover 1470 the costs of providing copies of the official records, 1471 including, without limitation, the costs of copying. The 1472 association may charge up to 50 cents per page for copies made 1473 on the association's photocopier. If the association does not 1474 have a photocopy machine available where the records are kept, 1475 or if the records requested to be copied exceed 25 pages in 1476 length, the association may have copies made by an outside 1477 vendor or association management company personnel and may 1478 charge the actual cost of copying, including any reasonable 1479 costs involving personnel fees and charges at an hourly rate for

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590-03625-12 2012680c2 1480 vendor or employee time to cover administrative costs to the 1481 vendor or association. The association shall maintain an 1482 adequate number of copies of the recorded governing documents, 1483 to ensure their availability to members and prospective members. 1484 Notwithstanding this paragraph, the following records are not 1485 accessible to members or parcel owners: 1486 1. Any record protected by the lawyer-client privilege as 1487 described in s. 90.502 and any record protected by the workproduct privilege, including, but not limited to, a record 1488 1489 prepared by an association attorney or prepared at the attorney's express direction which reflects a mental impression, 1490 1491 conclusion, litigation strategy, or legal theory of the attorney 1492 or the association and which was prepared exclusively for civil 1493 or criminal litigation or for adversarial administrative 1494 proceedings or which was prepared in anticipation of such 1495 litigation or proceedings until the conclusion of the litigation 1496 or proceedings.

1497 2. Information obtained by an association in connection 1498 with the approval of the lease, sale, or other transfer of a 1499 parcel.

1500 3. Personnel records of association or management company 1501 the association's employees, including, but not limited to, disciplinary, payroll, health, and insurance records. For 1502 1503 purposes of this subparagraph, the term "personnel records" does 1504 not include written employment agreements with an association or 1505 management company employee or budgetary or financial records 1506 that indicate the compensation paid to an association or 1507 management company employee.

1508

4. Medical records of parcel owners or community residents.

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1509
           5. Social security numbers, driver driver's license
1510
      numbers, credit card numbers, electronic mailing addresses,
      telephone numbers, facsimile numbers, emergency contact
1511
1512
      information, any addresses for a parcel owner other than as
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      provided for association notice requirements, and other personal
1514
      identifying information of any person, excluding the person's
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      name, parcel designation, mailing address, and property address.
1516
      However, an owner may consent in writing to the disclosure of
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      protected information described in this subparagraph. The
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      association is not liable for the disclosure of information that
1519
      is protected under this subparagraph if the information is
1520
      included in an official record of the association and is
1521
      voluntarily provided by an owner and not requested by the
1522
      association.
1523
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1523 6. Any electronic security measure that is used by the 1524 association to safeguard data, including passwords.

1525 7. The software and operating system used by the 1526 association which allows the manipulation of data, even if the 1527 owner owns a copy of the same software used by the association. 1528 The data is part of the official records of the association.

1529

(10) RECALL OF DIRECTORS.-

(a)1. Regardless of any provision to the contrary contained in the governing documents, subject to the provisions of s. 720.307 regarding transition of association control, any member of the board of directors may be recalled and removed from office with or without cause by a majority of the total voting interests.

1536 2. When the governing documents, including the declaration,1537 articles of incorporation, or bylaws, provide that only a

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590-03625-122012680c21538specific class of members is entitled to elect a board director1539or directors, only that class of members may vote to recall1540those board directors so elected.

(b)1. Board directors may be recalled by an agreement in writing or by written ballot without a membership meeting. The agreement in writing or the written ballots, or a copy thereof, shall be served on the association by certified mail or by personal service in the manner authorized by chapter 48 and the Florida Rules of Civil Procedure.

1547 2. The board shall duly notice and hold a meeting of the 1548 board within 5 full business days after receipt of the agreement 1549 in writing or written ballots. At the meeting, the board shall 1550 either certify the written ballots or written agreement to 1551 recall a director or directors of the board, in which case such 1552 director or directors shall be recalled effective immediately 1553 and shall turn over to the board within 5 full business days any 1554 and all records and property of the association in their 1555 possession, or proceed as described in paragraph (d).

3. When it is determined by the department pursuant to binding arbitration proceedings that an initial recall effort was defective, written recall agreements or written ballots used in the first recall effort and not found to be defective may be reused in one subsequent recall effort. However, in no event is a written agreement or written ballot valid for more than 120 days after it has been signed by the member.

4. Any rescission or revocation of a member's written recall ballot or agreement must be in writing and, in order to be effective, must be delivered to the association before the association is served with the written recall agreements or

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1567 ballots.

5. The agreement in writing or ballot shall list at least as many possible replacement directors as there are directors subject to the recall, when at least a majority of the board is sought to be recalled; the person executing the recall instrument may vote for as many replacement candidates as there are directors subject to the recall.

(c)1. If the declaration, articles of incorporation, or 1574 1575 bylaws specifically provide, the members may also recall and 1576 remove a board director or directors by a vote taken at a 1577 meeting. If so provided in the governing documents, a special 1578 meeting of the members to recall a director or directors of the 1579 board of administration may be called by 10 percent of the 1580 voting interests giving notice of the meeting as required for a 1581 meeting of members, and the notice shall state the purpose of 1582 the meeting. Electronic transmission may not be used as a method 1583 of giving notice of a meeting called in whole or in part for 1584 this purpose.

1585 2. The board shall duly notice and hold a board meeting 1586 within 5 full business days after the adjournment of the member 1587 meeting to recall one or more directors. At the meeting, the 1588 board shall certify the recall, in which case such member or 1589 members shall be recalled effective immediately and shall turn 1590 over to the board within 5 full business days any and all 1591 records and property of the association in their possession, or 1592 shall proceed as set forth in subparagraph (d).

(d) If the board determines not to certify the written agreement or written ballots to recall a director or directors of the board or does not certify the recall by a vote at a

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590-03625-12 2012680c2 1596 meeting, the board shall, within 5 full business days after the 1597 meeting, file with the department a petition for binding 1598 arbitration pursuant to the applicable procedures in ss. 1599 718.112(2)(j) and 718.1255 and the rules adopted thereunder. For 1600 the purposes of this section, the members who voted at the 1601 meeting or who executed the agreement in writing shall 1602 constitute one party under the petition for arbitration. If the 1603 arbitrator certifies the recall as to any director or directors 1604 of the board, the recall will be effective upon mailing of the final order of arbitration to the association. The director or 1605 1606 directors so recalled shall deliver to the board any and all 1607 records of the association in their possession within 5 full 1608 business days after the effective date of the recall. 1609 (e) If a vacancy occurs on the board as a result of a 1610 recall and less than a majority of the board directors are 1611 removed, the vacancy may be filled by the affirmative vote of a 1612 majority of the remaining directors, notwithstanding any 1613 provision to the contrary contained in this subsection or in the association documents. If vacancies occur on the board as a 1614 1615 result of a recall and a majority or more of the board directors 1616 are removed, the vacancies shall be filled by members voting in

1617 favor of the recall; if removal is at a meeting, any vacancies 1618 shall be filled by the members at the meeting. If the recall 1619 occurred by agreement in writing or by written ballot, members 1620 may vote for replacement directors in the same instrument in 1621 accordance with procedural rules adopted by the division, which 1622 rules need not be consistent with this subsection.

(f) If the board fails to duly notice and hold a boardmeeting within 5 full business days after service of an

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590-03625-12 2012680c2 1625 agreement in writing or within 5 full business days after the 1626 adjournment of the member recall meeting, the recall shall be 1627 deemed effective and the board directors so recalled shall 1628 immediately turn over to the board all records and property of 1629 the association. 1630 (g) If the board fails to duly notice and hold the required 1631 meeting or fails to file the required petition, the unit owner 1632 representative may file a petition pursuant to s. 718.1255 1633 challenging the board's failure to act. The petition must be 1634 filed within 60 days after the expiration of the applicable 5-1635 full-business-day period. The review of a petition under this 1636 paragraph is limited to the sufficiency of service on the board 1637 and the facial validity of the written agreement or ballots 1638 filed. 1639 (h) - (g) If a director who is removed fails to relinquish his 1640 or her office or turn over records as required under this 1641 section, the circuit court in the county where the association 1642 maintains its principal office may, upon the petition of the 1643 association, summarily order the director to relinquish his or

1644 her office and turn over all association records upon 1645 application of the association.

1646 (i) (h) The minutes of the board meeting at which the board 1647 decides whether to certify the recall are an official association record. The minutes must record the date and time of 1648 1649 the meeting, the decision of the board, and the vote count taken 1650 on each board member subject to the recall. In addition, when 1651 the board decides not to certify the recall, as to each vote 1652 rejected, the minutes must identify the parcel number and the 1653 specific reason for each such rejection.

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1654
           (j) (j) (i) When the recall of more than one board director is
1655
      sought, the written agreement, ballot, or vote at a meeting
1656
      shall provide for a separate vote for each board director sought
1657
      to be recalled.
1658
           (k) A board member who has been recalled may file a
1659
      petition pursuant to ss. 718.112(2)(j) and 718.1255 and the
1660
      rules adopted challenging the validity of the recall. The
      petition must be filed within 60 days after the recall is deemed
1661
1662
      certified. The association and the unit owner representative
1663
      shall be named as respondents.
1664
           (1) The division may not accept for filing a recall
1665
      petition, whether filed pursuant to paragraph (b), paragraph
1666
      (c), paragraph (g), or paragraph (k) and regardless of whether
1667
      the recall was certified, if there are 60 days or less until the
1668
      scheduled reelection of the board member sought to be recalled
1669
      or if 60 days or less have not elapsed since the election of the
1670
      board member sought to be recalled.
1671
           Section 17. Subsections (2) and (4) of section 720.305,
      Florida Statutes, are amended to read:
1672
1673
           720.305 Obligations of members; remedies at law or in
1674
      equity; levy of fines and suspension of use rights.-
1675
            (2) The association may levy reasonable fines of up to $100
1676
      per violation against any member or any member's tenant, guest,
1677
      or invitee for the failure of the owner of the parcel or its
1678
      occupant, licensee, or invitee to comply with any provision of
1679
      the declaration, the association bylaws, or reasonable rules of
1680
      the association. A fine may be levied for each day of a
1681
      continuing violation, with a single notice and opportunity for
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hearing, except that the fine may not exceed \$1,000 in the

1711

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1683	aggregate unless otherwise provided in the governing documents.
1684	A fine of less than \$1,000 may not become a lien against a
1685	parcel. In any action to recover a fine, the prevailing party is
1686	entitled to reasonable <u>attorney</u> attorney's fees and costs from
1687	the nonprevailing party as determined by the court.
1688	(a) An association may suspend, for a reasonable period of
1689	time, the right of a member, or a member's tenant, guest, or
1690	invitee, to use common areas and facilities for the failure of
1691	the owner of the parcel or its occupant, licensee, or invitee to
1692	comply with any provision of the declaration, the association
1693	bylaws, or reasonable rules of the association. <u>This paragraph</u>
1694	does not apply to that portion of common areas used to provide
1695	access or utility services to the parcel. A suspension may not
1696	impair the right of an owner or tenant of a parcel to have
1697	vehicular and pedestrian ingress to and egress from the parcel,
1698	including, but not limited to, the right to park.
1699	(b) A fine or suspension may not be imposed without at
1700	least 14 days' notice to the person sought to be fined or
1701	suspended and an opportunity for a hearing before a committee of
1702	at least three members appointed by the board who are not
1703	officers, directors, or employees of the association, or the
1704	spouse, parent, child, brother, or sister of an officer,
1705	director, or employee. If the committee, by majority vote, does
1706	not approve a proposed fine or suspension, it may not be
1707	imposed. If the association imposes a fine or suspension, the
1708	association must provide written notice of such fine or
1709	suspension by mail or hand delivery to the parcel owner and, if

applicable, to any tenant, licensee, or invitee of the parcel owner.

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1712	(4) An association may suspend the voting rights of a
1713	parcel or member for the nonpayment of any monetary obligation
1714	due to the association that is more than 90 days delinquent.
1715	Notwithstanding an association's governing documents, the
1716	requirements to establish a quorum, conduct an election, or
1717	obtain membership approval on actions under this chapter or
1718	pursuant to the association's governing documents shall be
1719	reduced by the number of suspended voting interests or consent
1720	rights. A voting interest or consent right allocated to a parcel
1721	or member which has been suspended by the association may not be
1722	counted towards the total number of voting interests for any
1723	purpose, including, but not limited to, the number of voting
1724	interests necessary to constitute a quorum, the number of voting
1725	interests required to conduct an election, or the number of
1726	voting interests required to approve an action under this
1727	chapter or pursuant to the governing documents. The notice and
1728	hearing requirements under subsection (2) do not apply to a
1729	suspension imposed under this subsection. The suspension ends
1730	upon full payment of all obligations currently due or overdue to
1731	the association.
1732	Section 18. Paragraph (d) is added to subsection (1) of
1733	section 720.306, Florida Statutes, and subsection (9) of that
1734	section is amended, to read:
1735	720.306 Meetings of members; voting and election
1736	procedures; amendments
1737	(1) QUORUM; AMENDMENTS
1738	(d) The Legislature finds that the procurement of mortgagee
1739	consent to amendments that do not affect the rights or interests
1740	of mortgagees is an unreasonable and substantial logistical and

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1741	financial burden on the parcel owners and that there is a
1742	compelling state interest in enabling the members of an
1743	association to approve amendments to the association's governing
1744	documents through legal means. Accordingly, and notwithstanding
1745	any provision to the contrary contained in this paragraph:
1746	1. As to any mortgage recorded on or after July 1, 2012,
1747	any provision in the association's governing documents that
1748	requires the consent or joinder of some or all mortgagees of
1749	parcels or any other portion of the association's common areas
1750	to amend the association's governing documents or for any other
1751	matter is enforceable only as to amendments to the association's
1752	governing documents that adversely affect the priority of the
1753	mortgagee's lien or the mortgagee's rights to foreclose its lien
1754	or that otherwise materially affect the rights and interests of
1755	the mortgagees.
1756	2. As to mortgages recorded before July 1, 2012, any
1757	existing provisions in the association's governing documents
1758	requiring mortgagee consent are enforceable.
1759	3. In securing consent or joinder, the association is
1760	entitled to rely upon the public records to identify the holders
1761	of outstanding mortgages. The association may use the address
1762	provided in the original recorded mortgage document, unless
1763	there is a different address for the holder of the mortgage in a
1764	recorded assignment or modification of the mortgage, which
1765	recorded assignment or modification must reference the official
1766	records book and page on which the original mortgage was
1767	recorded. Once the association has identified the recorded
1768	mortgages of record, the association shall, in writing, request
1769	of each parcel owner whose parcel is encumbered by a mortgage of

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590-03625-12 2012680c2 1770 record any information the owner has in his or her possession 1771 regarding the name and address of the person to whom mortgage 1772 payments are currently being made. Notice shall be sent to such 1773 person if the address provided in the original recorded mortgage 1774 document is different from the name and address of the mortgagee 1775 or assignee of the mortgage as shown by the public record. The 1776 association is deemed to have complied with this requirement by 1777 making the written request of the parcel owners required under 1778 this subparagraph. Any notices required to be sent to the 1779 mortgagees under this subparagraph shall be sent to all 1780 available addresses provided to the association. 1781 4. Any notice to the mortgagees required under subparagraph 3. may be sent by a method that establishes proof of delivery, 1782 1783 and any mortgagee who fails to respond within 60 days after the 1784 date of mailing is deemed to have consented to the amendment. 1785 5. For those amendments requiring mortgagee consent on or 1786 after July 1, 2012, in the event mortgagee consent is provided 1787 other than by properly recorded joinder, such consent shall be 1788 evidenced by affidavit of the association recorded in the public 1789 records of the county in which the declaration is recorded. 1790 6. Any amendment adopted without the required consent of a 1791 mortgagee is voidable only by a mortgagee who was entitled to notice and an opportunity to consent. An action to void an 1792 1793 amendment is subject to the statute of limitations beginning 5 1794 years after the date of discovery as to the amendments described in subparagraph 1. and 5 years after the date of recordation of 1795 1796 the certificate of amendment for all other amendments. This 1797 subparagraph applies to all mortgages, regardless of the date of 1798 recordation of the mortgage.

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1799
            (9) (a) ELECTIONS AND BOARD VACANCIES.-
1800
           (a) Elections of directors must be conducted in accordance
1801
      with the procedures set forth in the governing documents of the
1802
      association. All members of the association are eligible to
1803
      serve on the board of directors, and a member may nominate
1804
      himself or herself as a candidate for the board at a meeting
1805
      where the election is to be held or, if the election process
1806
      allows voting by absentee ballot, in advance of the balloting.
1807
      Except as otherwise provided in the governing documents, boards
1808
      of directors must be elected by a plurality of the votes cast by
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1809 eligible voters. Any challenge to the election process must be 1810 commenced within 60 days after the election results are 1811 announced.

1812 (b) A person who is delinquent in the payment of any fee, 1813 fine, or other monetary obligation to the association for more 1814 than 90 days is not eligible for board membership. A person who 1815 has been convicted of any felony in this state or in a United States District or Territorial Court, or has been convicted of 1816 any offense in another jurisdiction which would be considered a 1817 1818 felony if committed in this state, is not eligible for board 1819 membership unless such felon's civil rights have been restored 1820 for at least 5 years as of the date on which such person seeks 1821 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 1822 1823 board is ineligible for board membership.

(c) Any election dispute between a member and an 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

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1828	by the division. Unless otherwise provided in the bylaws, any
1829	vacancy occurring on the board before the expiration of a term
1830	may be filled by an affirmative vote of the majority of the
1831	remaining directors, even if the remaining directors constitute
1832	less than a quorum, or by the sole remaining director. In the
1833	alternative, a board may hold an election to fill the vacancy,
1834	in which case the election procedures must conform to the
1835	requirements of the governing documents. Unless otherwise
1836	provided in the bylaws, a board member appointed or elected
1837	under this section is appointed for the unexpired term of the
1838	seat being filled. Filling vacancies created by recall is
1839	governed by s. 720.303(10) and rules adopted by the division.
1840	Section 19. Paragraphs (b) and (d) of subsection (2) of
1841	section 720.3085, Florida Statutes, are amended to read:
1842	720.3085 Payment for assessments; lien claims
1843	(2)
1844	(b) A parcel owner, regardless of how the parcel owner has
1845	acquired title, including, but not limited to, by purchase at a
1846	foreclosure sale, is jointly and severally liable with the
1847	previous parcel owner for all unpaid assessments, late fees,
1848	interest, costs, and reasonable attorney fees incurred by the
1849	association in an attempt to collect all such amounts that came
1850	due up to the time of transfer of title. This liability is
1851	without prejudice to any right the present parcel owner may have
1852	to recover any amounts paid by the present owner from the
1853	previous owner.
1854	(d) An association, or its successor or assignee, that

1855 acquires title to a parcel through the foreclosure of its lien 1856 for assessments is not liable for any unpaid assessments, late

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1857	fees, interest, or reasonable <u>attorney</u> attorney's fees and costs
1858	that came due before the association's acquisition of title in
1859	favor of any other association, as defined in s. 718.103(2) or
1860	s. 720.301(9), which holds a superior lien interest on the
1861	parcel. This paragraph is intended to clarify existing law.
1862	Section 20. This act shall take effect July 1, 2012.