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	514.0115, F.S.; revising specified supervision and
6	regulation exemptions for homeowners' association
7	swimming pools; amending s. 718.111, F.S.; revising
8	requirements for an association's approval of land
9	purchases and recreational leases; revising
10	reconstruction costs for which unit owners are
11	responsible and authorizing the costs to be collected
12	in a specified manner; requiring an association to
13	repair or replace as a common expense certain
14	condominium property damaged by an insurable event;
15	requiring an association to allow a member or the
16	member's representative to use certain portable
17	devices to make electronic copies of association
18	records; prohibiting the association from charging the
19	member or representative for using the portable
20	device; revising requirements for the preparation of
21	an association's annual financial statement; amending
22	s. 718.112, F.S.; revising terms of members of an
23	association's board of administrators and revising
24	eligibility criteria for candidates; revising
25	condominium unit owner meeting notice requirements;
26	providing for nonapplicability to associations
27	governing timeshare condominiums of certain provisions
28	relating to elections of board members; revising
	Page 1 of 73

Page 1 of 73

CODING: Words stricken are deletions; words <u>underlined</u> are additions.

hb0073-03-c3

2013

29	recordkeeping requirements of a condominium
30	association board; requiring commencement of
31	challenges to an election within a specified period;
32	providing requirements for challenging the failure of
33	a board to duly notice and hold the required board
34	meeting or to file the required petition for a recall;
35	providing requirements for recalled board members to
36	challenge the recall; prohibiting the Division of
37	Florida Condominiums, Timeshares, and Mobile Homes of
38	the Department of Business and Professional Regulation
39	from accepting recall petitions for filing under
40	certain circumstances; amending s. 718.113, F.S.;
41	providing requirements for a condominium association
42	board relating to the installation of hurricane
43	shutters, impact glass, code-compliant windows or
44	doors, and other types of code-compliant hurricane
45	protection under certain circumstances; amending s.
46	718.115, F.S.; conforming provisions to changes made
47	by the act; amending s. 718.303, F.S.; revising
48	provisions relating to imposing remedies against a
49	noncompliant or delinquent condominium unit owner or
50	member; amending s. 718.403, F.S.; providing
51	requirements for the completion of phase condominiums;
52	creating s. 718.406, F.S.; providing definitions;
53	providing requirements for condominiums created within
54	condominium parcels; providing for the establishment
55	of primary condominium and secondary condominium
56	units; providing requirements for association
I	Page 2 of 73

Page 2 of 73

CODING: Words stricken are deletions; words <u>underlined</u> are additions.

57 declarations; authorizing a primary condominium 58 association to provide insurance and adopt hurricane 59 shutter or hurricane protection specifications under 60 certain conditions; providing requirements relating to 61 assessments; providing for resolution of conflicts 62 between primary condominium declarations and secondary condominium declarations; providing requirements 63 64 relating to common expenses due the primary condominium association; amending s. 718.5011, F.S.; 65 revising the restriction on officers and full-time 66 67 employees of the ombudsman from engaging in other 68 businesses or professions; amending s. 719.104, F.S.; 69 requiring an association to allow a member or the 70 member's representative to use certain portable 71 devices to make electronic copies of association 72 records; prohibiting the association from charging the 73 member or representative for using the portable 74 device; specifying additional records that are not 75 accessible to unit owners; amending s. 719.1055, F.S.; 76 revising provisions relating to the amendment of 77 cooperative documents; providing legislative findings 78 and a finding of compelling state interest; providing 79 criteria for consent or joinder to an amendment; 80 requiring notice regarding proposed amendments to 81 mortgagees; providing criteria for notification; 82 providing for voiding certain amendments; amending s. 83 719.106, F.S.; revising applicability of certain board of administration meeting requirements; requiring 84

Page 3 of 73

CODING: Words stricken are deletions; words underlined are additions.

hb0073-03-c3

85 commencement of challenges to an election within a 86 specified period; specifying certification or 87 educational requirements for a newly elected or appointed cooperative board director; providing 88 89 requirements for challenging the failure of a board to 90 duly notice and hold the required board meeting or to 91 file the required petition for a recall; providing 92 requirements for recalled board members to challenge 93 the recall; prohibiting the division from accepting recall petitions for filing under certain 94 95 circumstances; providing education requirements for 96 board members; amending s. 719.303, F.S.; revising 97 provisions relating to imposing remedies against a 98 noncompliant or delinquent cooperative unit owner or 99 member; amending s. 719.501, F.S.; authorizing the 100 division to provide training and educational programs 101 for cooperative association board members and unit owners; amending s. 720.303, F.S.; requiring an 102 103 association to allow a member or the member's 104 representative to use certain portable devices to make 105 electronic copies of association records; prohibiting 106 the association from charging the member or 107 representative for using the portable device; revising 108 requirements for the preparation of an association's 109 annual financial statement; revising the types of 110 records that are not accessible to homeowners' 111 association members and parcel owners; providing 112 requirements for challenging the failure of a board to

Page 4 of 73

CODING: Words stricken are deletions; words underlined are additions.

hb0073-03-c3

F	L	0	R	D	А	Н	0	U	S	Е	0	F	R	Е	Ρ	R	Е	S	Е	Ν	Т	A	Т	· I	\	V	Е	S

113 duly notice and hold the required board meeting or to 114 file the required petition for a recall; providing 115 requirements for recalled board members to challenge 116 the recall; prohibiting the division from accepting 117 recall petitions for filing under certain 118 circumstances; amending s. 720.305, F.S.; revising provisions relating to imposing remedies against a 119 120 noncompliant or delinquent homeowners' association 121 member and parcel owner; amending s. 720.306, F.S.; 122 revising provisions relating to the amendment of 123 homeowners' association declarations; providing 124 legislative findings and a finding of compelling state 125 interest; providing criteria for consent or joinder to 126 an amendment; requiring notice to mortgagees regarding 127 proposed amendments; providing criteria for notification; providing for voiding certain 128 129 amendments; revising provisions relating to right to speak at a homeowners' association meeting; requiring 130 commencement of challenges to an election within a 131 1.32 specified period; providing an effective date. 133 134 Be It Enacted by the Legislature of the State of Florida: 135 136 Subsection (9) of section 399.02, Florida Section 1. 137 Statutes, is amended to read: 138 399.02 General requirements.-139 Updates to the Safety Code for Existing Elevators and (9) Escalators, ASME A17.1 and A17.3, which require Phase II 140

Page 5 of 73

CODING: Words stricken are deletions; words <u>underlined</u> are additions.

141 Firefighters' Service on elevators may not be enforced until 142 July 1, 2015, or until the elevator is replaced or requires 143 major modification, whichever occurs first, on elevators in 144 condominiums or multifamily residential buildings, including 145 those that are part of a continuing care facility licensed under 146 chapter 651, or similar retirement community with apartments, having a certificate of occupancy by the local building 147 authority that was issued before July 1, 2008. This exception 148 149 does not prevent an elevator owner from requesting a variance 150 from the applicable codes before or after July 1, 2015. This 151 subsection does not prohibit the division from granting 152 variances pursuant to s. 120.542 and subsection (8). The 153 division shall adopt rules to administer this subsection.

Section 2. Subsection (2) of section 514.0115, Florida Statutes, is amended to read:

156 514.0115 Exemptions from supervision or regulation; 157 variances.-

(2) (a) Pools serving no more than 32 condominium <u>units</u>, or
cooperative units, or parcels in a homeowners' association as
<u>defined in s. 720.301</u>, which are not operated as a <u>transient</u>
public lodging establishment, are <u>shall be</u> exempt from
supervision under this chapter, except for water quality.

(b) Pools serving <u>more than 32</u> condominium <u>units</u>, or cooperative <u>units</u>, <u>or parcels in a homeowners' association as</u> defined in s. 720.301, <u>associations of more than 32 units</u> and whose recorded documents prohibit the rental or sublease of the units <u>or parcels</u> for periods of less than 60 days are exempt from supervision under this chapter, except that the

Page 6 of 73

CODING: Words stricken are deletions; words underlined are additions.

hb0073-03-c3

condominium, or cooperative, or parcel owner or association must 169 170 file applications with the department and obtain construction 171 plans approval and receive an initial operating permit. The 172 department shall inspect the swimming pools at such places 173 annually, at the fee set forth in s. 514.033(3), or upon request 174 by a unit owner, to determine compliance with department rules 175 relating to water quality and lifesaving equipment. The 176 department may not require compliance with rules relating to 177 swimming pool lifeguard standards.

Section 3. Subsection (8), paragraphs (g) and (j) of subsection (11), paragraph (c) of subsection (12), and paragraphs (a) and (b) of subsection (13) of section 718.111, Florida Statutes, are amended to read:

182

718.111 The association.-

183 (8) PURCHASE OF LEASES. - The association has the power to 184 purchase any land or recreation lease, subject to the same 185 manner of approval as in s. 718.114 for the acquisition of leaseholds upon the approval of such voting interest as is 186 187 required by the declaration. If the declaration makes no 188 provision for acquisition of the land or recreation lease, the 189 vote required shall be that required to amend the declaration to 190 permit the acquisition.

(11) INSURANCE.-In order to protect the safety, health, and welfare of the people of the State of Florida and to ensure consistency in the provision of insurance coverage to condominiums and their unit owners, this subsection applies to every residential condominium in the state, regardless of the date of its declaration of condominium. It is the intent of the

Page 7 of 73

CODING: Words stricken are deletions; words underlined are additions.

197 Legislature to encourage lower or stable insurance premiums for 198 associations described in this subsection.

199 (g) A condominium unit owner's policy must conform to the 200 requirements of s. 627.714.

201 All reconstruction work after a property loss must be 1. 202 undertaken by the association except as otherwise authorized in 203 this section. A unit owner may undertake reconstruction work on 204 portions of the unit with the prior written consent of the board 205 of administration. However, such work may be conditioned upon 206 the approval of the repair methods, the qualifications of the 207 proposed contractor, or the contract that is used for that 208 purpose. A unit owner must obtain all required governmental 209 permits and approvals before commencing reconstruction.

210 Unit owners are responsible for the cost of 2. 211 reconstruction of any portions of the condominium property for 212 which the unit owner is required to carry property insurance, or 213 for which the unit owner is responsible under subsection (j), 214 and the cost of any such reconstruction work undertaken by the association is chargeable to the unit owner and enforceable as 215 216 an assessment and may be collected in the manner provided for 217 the collection of assessments pursuant to s. 718.116.

3. A multicondominium association may elect, by a majority vote of the collective members of the condominiums operated by the association, to operate the condominiums as a single condominium for purposes of insurance matters, including, but not limited to, the purchase of the property insurance required by this section and the apportionment of deductibles and damages in excess of coverage. The election to aggregate the treatment

Page 8 of 73

CODING: Words stricken are deletions; words underlined are additions.

of insurance premiums, deductibles, and excess damages constitutes an amendment to the declaration of all condominiums operated by the association, and the costs of insurance must be stated in the association budget. The amendments must be recorded as required by s. 718.110.

230 Any portion of the condominium property that must be (j) 231 insured by the association against property loss pursuant to 232 paragraph (f) which is damaged by an insurable event shall be 233 reconstructed, repaired, or replaced as necessary by the 234 association as a common expense. All property insurance 235 deductibles, uninsured losses, and other damages in excess of 236 property insurance coverage under the property insurance 237 policies maintained by the association are a common expense of 238 the condominium, except that:

239 1. A unit owner is responsible for the costs of repair or 240 replacement of any portion of the condominium property not paid by insurance proceeds if such damage is caused by intentional 241 conduct, negligence, or failure to comply with the terms of the 242 243 declaration or the rules of the association by a unit owner, the 244 members of his or her family, unit occupants, tenants, quests, 245 or invitees, without compromise of the subrogation rights of the 246 insurer.

247 2. The provisions of subparagraph 1. regarding the 248 financial responsibility of a unit owner for the costs of 249 repairing or replacing other portions of the condominium 250 property also apply to the costs of repair or replacement of 251 personal property of other unit owners or the association, as 252 well as other property, whether real or personal, which the unit

Page 9 of 73

CODING: Words stricken are deletions; words <u>underlined</u> are additions.

hb0073-03-c3

253 owners are required to insure.

3. To the extent the cost of repair or reconstruction for which the unit owner is responsible under this paragraph is reimbursed to the association by insurance proceeds, and the association has collected the cost of such repair or reconstruction from the unit owner, the association shall reimburse the unit owner without the waiver of any rights of subrogation.

4. The association is not obligated to pay for reconstruction or repairs of property losses as a common expense if the property losses were known or should have been known to a unit owner and were not reported to the association until after the insurance claim of the association for that property was settled or resolved with finality, or denied because it was untimely filed.

268

(12) OFFICIAL RECORDS.-

The official records of the association are open to 269 (C) 270 inspection by any association member or the authorized representative of such member at all reasonable times. The right 271 272 to inspect the records includes the right to make or obtain 273 copies, at the reasonable expense, if any, of the member. The 274 association may adopt reasonable rules regarding the frequency, 275 time, location, notice, and manner of record inspections and 276 copying. The failure of an association to provide the records 277 within 10 working days after receipt of a written request 278 creates a rebuttable presumption that the association willfully 279 failed to comply with this paragraph. A unit owner who is denied access to official records is entitled to the actual damages or 280

Page 10 of 73

CODING: Words stricken are deletions; words underlined are additions.

hb0073-03-c3

281 minimum damages for the association's willful failure to comply. 282 Minimum damages are \$50 per calendar day for up to 10 days, 283 beginning on the 11th working day after receipt of the written 284 request. The failure to permit inspection entitles any person 285 prevailing in an enforcement action to recover reasonable 286 attorney attorney's fees from the person in control of the 287 records who, directly or indirectly, knowingly denied access to 288 the records. Any person who knowingly or intentionally defaces 289 or destroys accounting records that are required by this chapter 290 to be maintained during the period for which such records are 291 required to be maintained, or who knowingly or intentionally 292 fails to create or maintain accounting records that are required 293 to be created or maintained, with the intent of causing harm to 294 the association or one or more of its members, is personally 295 subject to a civil penalty pursuant to s. 718.501(1)(d). The 296 association shall maintain an adequate number of copies of the 297 declaration, articles of incorporation, bylaws, and rules, and 298 all amendments to each of the foregoing, as well as the question 299 and answer sheet as described in s. 718.504 and year-end 300 financial information required under this section, on the 301 condominium property to ensure their availability to unit owners 302 and prospective purchasers, and may charge its actual costs for 303 preparing and furnishing these documents to those requesting the 304 documents. An association shall allow a member or his or her 305 authorized representative to use a portable device, including a 306 smartphone, tablet, portable scanner, or any other technology 307 capable of scanning or taking photographs, to make an electronic 308 copy of the official records in lieu of the association's

Page 11 of 73

CODING: Words stricken are deletions; words underlined are additions.

309 providing the member or his or her authorized representative 310 with a copy of such records. The association may not charge a 311 member or his or her authorized representative for the use of a 312 portable device. Notwithstanding this paragraph, the following 313 records are not accessible to unit owners:

314 Any record protected by the lawyer-client privilege as 1. described in s. 90.502 and any record protected by the work-315 product privilege, including a record prepared by an association 316 317 attorney or prepared at the attorney's express direction, which 318 reflects a mental impression, conclusion, litigation strategy, or legal theory of the attorney or the association, and which 319 320 was prepared exclusively for civil or criminal litigation or for 321 adversarial administrative proceedings, or which was prepared in 322 anticipation of such litigation or proceedings until the 323 conclusion of the litigation or proceedings.

324 2. Information obtained by an association in connection 325 with the approval of the lease, sale, or other transfer of a 326 unit.

327 3. Personnel records of association or management company 328 employees, including, but not limited to, disciplinary, payroll, 329 health, and insurance records. For purposes of this 330 subparagraph, the term "personnel records" does not include 331 written employment agreements with an association employee or 332 management company, or budgetary or financial records that 333 indicate the compensation paid to an association employee.

334

4. Medical records of unit owners.

335 5. Social security numbers, driver's license numbers,
336 credit card numbers, e-mail addresses, telephone numbers,

Page 12 of 73

CODING: Words stricken are deletions; words underlined are additions.

337 facsimile numbers, emergency contact information, addresses of a 338 unit owner other than as provided to fulfill the association's 339 notice requirements, and other personal identifying information 340 of any person, excluding the person's name, unit designation, 341 mailing address, property address, and any address, e-mail 342 address, or facsimile number provided to the association to fulfill the association's notice requirements. However, an owner 343 344 may consent in writing to the disclosure of protected 345 information described in this subparagraph. The association is 346 not liable for the inadvertent disclosure of information that is 347 protected under this subparagraph if the information is included 348 in an official record of the association and is voluntarily 349 provided by an owner and not requested by the association.

350 6. Electronic security measures that are used by the351 association to safeguard data, including passwords.

352 7. The software and operating system used by the 353 association which allow the manipulation of data, even if the 354 owner owns a copy of the same software used by the association. 355 The data is part of the official records of the association.

356 FINANCIAL REPORTING.-Within 90 days after the end of (13)357 the fiscal year, or annually on a date provided in the bylaws, 358 the association shall prepare and complete, or contract for the 359 preparation and completion of, a financial report for the preceding fiscal year. Within 21 days after the final financial 360 361 report is completed by the association or received from the 362 third party, but not later than 120 days after the end of the 363 fiscal year or other date as provided in the bylaws, the 364 association shall mail to each unit owner at the address last

Page 13 of 73

CODING: Words stricken are deletions; words underlined are additions.

hb0073-03-c3

365 furnished to the association by the unit owner, or hand deliver 366 to each unit owner, a copy of the financial report or a notice 367 that a copy of the financial report will be mailed or hand 368 delivered to the unit owner, without charge, upon receipt of a 369 written request from the unit owner. The division shall adopt 370 rules setting forth uniform accounting principles and standards 371 to be used by all associations and addressing the financial 372 reporting requirements for multicondominium associations. The 373 rules must include, but not be limited to, standards for 374 presenting a summary of association reserves, including a good 375 faith estimate disclosing the annual amount of reserve funds 376 that would be necessary for the association to fully fund 377 reserves for each reserve item based on the straight-line 378 accounting method. This disclosure is not applicable to reserves 379 funded via the pooling method. In adopting such rules, the division shall consider the number of members and annual 380 381 revenues of an association. Financial reports shall be prepared 382 as follows:

(a) An association that meets the criteria of this paragraph shall prepare a complete set of financial statements in accordance with generally accepted accounting principles. The financial statements must be based upon the association's total annual revenues, as follows:

388 1. An association with total annual revenues of \$150,000 389 \$100,000 or more, but less than \$300,000 \$200,000, shall prepare 390 compiled financial statements.

391 2. An association with total annual revenues of at least
 392 <u>\$300,000</u> \$200,000, but less than <u>\$500,000</u> \$400,000, shall

Page 14 of 73

CODING: Words stricken are deletions; words underlined are additions.

393 prepare reviewed financial statements.

394 3. An association with total annual revenues of \$500,000
 395 \$400,000 or more shall prepare audited financial statements.

(b)1. An association with total annual revenues of less
 than \$150,000 \$100,000 shall prepare a report of cash receipts
 and expenditures.

399 2. An association that operates fewer than <u>50</u> 75 units, 400 regardless of the association's annual revenues, shall prepare a 401 report of cash receipts and expenditures in lieu of financial 402 statements required by paragraph (a).

403 A report of cash receipts and disbursements must 3. 404 disclose the amount of receipts by accounts and receipt 405 classifications and the amount of expenses by accounts and expense classifications, including, but not limited to, the 406 407 following, as applicable: costs for security, professional and 408 management fees and expenses, taxes, costs for recreation 409 facilities, expenses for refuse collection and utility services, expenses for lawn care, costs for building maintenance and 410 repair, insurance costs, administration and salary expenses, and 411 412 reserves accumulated and expended for capital expenditures, 413 deferred maintenance, and any other category for which the 414 association maintains reserves.

415 Section 4. Paragraphs (d) and (j) of subsection (2) of 416 section 718.112, Florida Statutes, are amended to read:

417 718.112 Bylaws.-

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

Page 15 of 73

CODING: Words stricken are deletions; words underlined are additions.

421

(d) Unit owner meetings.-

1. An annual meeting of the unit owners shall be held at the location provided in the association bylaws and, if the bylaws are silent as to the location, the meeting shall be held within 45 miles of the condominium property. However, such distance requirement does not apply to an association governing a timeshare condominium.

428 2. Unless the bylaws provide otherwise, a vacancy on the 429 board caused by the expiration of a director's term shall be 430 filled by electing a new board member, and the election must be 431 by secret ballot. An election is not required if the number of 432 vacancies equals or exceeds the number of candidates. For 433 purposes of this paragraph, the term "candidate" means an eligible person who has timely submitted the written notice, as 434 435 described in sub-subparagraph 4.a., of his or her intention to 436 become a candidate. Except in a timeshare condominium, or if the 437 staggered term of a board member does not expire until a later 438 annual meeting, or if all members' terms would otherwise expire but there are no candidates, the terms of all board members 439 440 expire at the annual meeting, and such members may stand for 441 reelection unless prohibited by the bylaws. If the bylaws or 442 articles of incorporation permit staggered terms of no more than 443 2 years and upon approval of a majority of the total voting 444 interests, the association board members may serve 2-year 445 staggered terms. If the number of board members whose terms 446 expire at the annual meeting equals or exceeds the number of 447 candidates, the candidates become members of the board effective 448 upon the adjournment of the annual meeting. Unless the bylaws

Page 16 of 73

CODING: Words stricken are deletions; words underlined are additions.

hb0073-03-c3

449 provide otherwise, any remaining vacancies shall be filled by 450 the affirmative vote of the majority of the directors making up the newly constituted board even if the directors constitute 451 452 less than a quorum or there is only one director. In a condominium association of more than 10 units or in a 453 454 condominium association that does not include timeshare units or 455 timeshare interests, coowners of a unit may not serve as members 456 of the board of directors at the same time unless they own more 457 than one unit or unless there are not enough eligible candidates 458 to fill the vacancies on the board at the time of the vacancy. 459 Any unit owner desiring to be a candidate for board membership 460 must comply with sub-subparagraph 4.a. and must be eligible to 461 be a candidate to serve on the board of directors at the time of 462 the deadline for submitting a notice of intent to run in order 463 to have his or her name listed as a proper candidate on the 464 ballot or to serve on the board. A person who has been suspended or removed by the division under this chapter, or who is 465 466 delinquent in the payment of any monetary obligation due to the 467 association fee, fine, or special or regular assessment as 468 provided in paragraph (n), is not eligible to be a candidate for 469 board membership and may not be listed on the ballot. A person 470 who has been convicted of any felony in this state or in a 471 United States District or Territorial Court, or who has been convicted of any offense in another jurisdiction which would be 472 473 considered a felony if committed in this state, is not eligible 474 for board membership unless such felon's civil rights have been 475 restored for at least 5 years as of the date such person seeks 476 election to the board. The validity of an action by the board is

Page 17 of 73

CODING: Words stricken are deletions; words <u>underlined</u> are additions.

hb0073-03-c3

477 not affected if it is later determined that a board member is 478 ineligible for board membership due to having been convicted of 479 a felony.

480 The bylaws must provide the method of calling meetings 3. 481 of unit owners, including annual meetings. Written notice must 482 include an agenda, must be mailed, hand delivered, or 483 electronically transmitted to each unit owner at least 14 days 484 before the annual meeting, and must be posted in a conspicuous 485 place on the condominium property at least 14 continuous days 486 before the annual meeting. Upon notice to the unit owners, the 487 board shall, by duly adopted rule, designate a specific location 488 on the condominium property or association property where all 489 notices of unit owner meetings shall be posted. This requirement 490 does not apply if there is no condominium property or 491 association property for posting notices. In lieu of, or in 492 addition to, the physical posting of meeting notices, the 493 association may, by reasonable rule, adopt a procedure for 494 conspicuously posting and repeatedly broadcasting the notice and the agenda on a closed-circuit cable television system serving 495 the condominium association. However, if broadcast notice is 496 497 used in lieu of a notice posted physically on the condominium 498 property, the notice and agenda must be broadcast at least four 499 times every broadcast hour of each day that a posted notice is 500 otherwise required under this section. If broadcast notice is 501 provided, the notice and agenda must be broadcast in a manner 502 and for a sufficient continuous length of time so as to allow an 503 average reader to observe the notice and read and comprehend the 504 entire content of the notice and the agenda. Unless a unit owner

Page 18 of 73

CODING: Words stricken are deletions; words <u>underlined</u> are additions.

hb0073-03-c3

505 waives in writing the right to receive notice of the annual 506 meeting, such notice must be hand delivered, mailed, or 507 electronically transmitted to each unit owner. Notice for 508 meetings and notice for all other purposes must be mailed to 509 each unit owner at the address last furnished to the association 510 by the unit owner, or hand delivered to each unit owner. 511 However, if a unit is owned by more than one person, the 512 association must provide notice to the address that the 513 developer identifies for that purpose and thereafter as one or 514 more of the owners of the unit advise the association in 515 writing, or if no address is given or the owners of the unit do 516 not agree, to the address provided on the deed of record. An 517 officer of the association, or the manager or other person 518 providing notice of the association meeting, must provide an 519 affidavit or United States Postal Service certificate of 520 mailing, to be included in the official records of the 521 association affirming that the notice was mailed or hand 522 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.

529 a. At least 60 days before a scheduled election, the 530 association shall mail, deliver, or electronically transmit, by 531 separate association mailing or included in another association 532 mailing, delivery, or transmission, including regularly

Page 19 of 73

CODING: Words stricken are deletions; words underlined are additions.

533 published newsletters, to each unit owner entitled to a vote, a 534 first notice of the date of the election. Any unit owner or 535 other eligible person desiring to be a candidate for the board 536 must give written notice of his or her intent to be a candidate 537 to the association at least 40 days before a scheduled election. 538 Together with the written notice and agenda as set forth in 539 subparagraph 3., the association shall mail, deliver, or 540 electronically transmit a second notice of the election to all 541 unit owners entitled to vote, together with a ballot that lists 542 all candidates. Upon request of a candidate, an information sheet, no larger than 8 1/2 inches by 11 inches, which must be 543 544 furnished by the candidate at least 35 days before the election, 545 must be included with the mailing, delivery, or transmission of 546 the ballot, with the costs of mailing, delivery, or electronic 547 transmission and copying to be borne by the association. The association is not liable for the contents of the information 548 549 sheets prepared by the candidates. In order to reduce costs, the 550 association may print or duplicate the information sheets on both sides of the paper. The division shall by rule establish 551 552 voting procedures consistent with this sub-subparagraph, 553 including rules establishing procedures for giving notice by 554 electronic transmission and rules providing for the secrecy of 555 ballots. Elections shall be decided by a plurality of ballots 556 cast. There is no quorum requirement; however, at least 20 557 percent of the eligible voters must cast a ballot in order to 558 have a valid election. A unit owner may not permit any other 559 person to vote his or her ballot, and any ballots improperly 560 cast are invalid. A unit owner who violates this provision may

Page 20 of 73

CODING: Words stricken are deletions; words underlined are additions.

hb0073-03-c3

561 be fined by the association in accordance with s. 718.303. A 562 unit owner who needs assistance in casting the ballot for the 563 reasons stated in s. 101.051 may obtain such assistance. The 564 regular election must occur on the date of the annual meeting. 565 Notwithstanding this sub-subparagraph, an election is not 566 required unless more candidates file notices of intent to run or 567 are nominated than board vacancies exist.

568 b. Within 90 days after being elected or appointed to the 569 board, each newly elected or appointed director shall certify in 570 writing to the secretary of the association that he or she has 571 read the association's declaration of condominium, articles of 572 incorporation, bylaws, and current written policies; that he or 573 she will work to uphold such documents and policies to the best 574 of his or her ability; and that he or she will faithfully 575 discharge his or her fiduciary responsibility to the 576 association's members. In lieu of this written certification, 577 within 90 days after being elected or appointed to the board, 578 the newly elected or appointed director may submit a certificate 579 of having satisfactorily completed the educational curriculum 580 administered by a division-approved condominium education 581 provider within 1 year before or 90 days after the date of 582 election or appointment. The written certification or 583 educational certificate is valid and does not have to be 584 resubmitted as long as the director serves on the board without 585 interruption. A director who fails to timely file the written 586 certification or educational certificate is suspended from 587 service on the board until he or she complies with this sub-588 subparagraph. The board may temporarily fill the vacancy during

Page 21 of 73

CODING: Words stricken are deletions; words underlined are additions.

hb0073-03-c3

589 the period of suspension. The secretary shall cause the 590 association to retain a director's written certification or 691 educational certificate for inspection by the members for 5 592 years after a director's election or the duration of the 693 director's uninterrupted tenure, whichever is longer. Failure to 694 have such written certification or educational certificate on 695 file does not affect the validity of any board action.

596 <u>c. Any challenge to the election process must be commenced</u> 597 <u>within 60 days after the election results are announced.</u>

Any approval by unit owners called for by this chapter 598 5. 599 or the applicable declaration or bylaws, including, but not 600 limited to, the approval requirement in s. 718.111(8), must be 601 made at a duly noticed meeting of unit owners and is subject to 602 all requirements of this chapter or the applicable condominium 603 documents relating to unit owner decisionmaking, except that 604 unit owners may take action by written agreement, without 605 meetings, on matters for which action by written agreement 606 without meetings is expressly allowed by the applicable bylaws 607 or declaration or any law that provides for such action.

608 Unit owners may waive notice of specific meetings if 6. 609 allowed by the applicable bylaws or declaration or any law. If 610 authorized by the bylaws, notice of meetings of the board of 611 administration, unit owner meetings, except unit owner meetings 612 called to recall board members under paragraph (j), and 613 committee meetings may be given by electronic transmission to 614 unit owners who consent to receive notice by electronic 615 transmission.

616

7. Unit owners have the right to participate in meetings

Page 22 of 73

CODING: Words stricken are deletions; words underlined are additions.

hb0073-03-c3

of unit owners with reference to all designated agenda items.
However, the association may adopt reasonable rules governing
the frequency, duration, and manner of unit owner participation.

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

623 9. Unless otherwise provided in the bylaws, any vacancy 624 occurring on the board before the expiration of a term may be 625 filled by the affirmative vote of the majority of the remaining 626 directors, even if the remaining directors constitute less than 627 a quorum, or by the sole remaining director. In the alternative, 628 a board may hold an election to fill the vacancy, in which case 629 the election procedures must conform to sub-subparagraph 4.a. 630 unless the association governs 10 units or fewer and has opted 631 out of the statutory election process, in which case the bylaws of the association control. Unless otherwise provided in the 632 633 bylaws, a board member appointed or elected under this section shall fill the vacancy for the unexpired term of the seat being 634 filled. Filling vacancies created by recall is governed by 635 636 paragraph (j) and rules adopted by the division.

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

642

Notwithstanding subparagraph (b)2. and sub-subparagraph 4.a., anassociation of 10 or fewer units may, by affirmative vote of a

Page 23 of 73

CODING: Words stricken are deletions; words underlined are additions.

hb0073-03-c3

645 majority of the total voting interests, provide for different 646 voting and election procedures in its bylaws, which may be by a 647 proxy specifically delineating the different voting and election 648 procedures. The different voting and election procedures may 649 provide for elections to be conducted by limited or general 650 proxy.

651 (j) Recall of board members.-Subject to the provisions of 652 s. 718.301, any member of the board of administration may be 653 recalled and removed from office with or without cause by the 654 vote or agreement in writing by a majority of all the voting 655 interests. A special meeting of the unit owners to recall a 656 member or members of the board of administration may be called 657 by 10 percent of the voting interests giving notice of the 658 meeting as required for a meeting of unit owners, and the notice 659 shall state the purpose of the meeting. Electronic transmission 660 may not be used as a method of giving notice of a meeting called in whole or in part for this purpose. 661

662 If the recall is approved by a majority of all voting 1. interests by a vote at a meeting, the recall will be effective 663 664 as provided in this paragraph herein. The board shall duly 665 notice and hold a board meeting within 5 full business days 666 after of the adjournment of the unit owner meeting to recall one 667 or more board members. At the meeting, the board shall either 668 certify the recall, in which case such member or members shall be recalled effective immediately and shall turn over to the 669 670 board within 5 full business days any and all records and 671 property of the association in their possession, or shall 672 proceed as set forth in subparagraph 3.

Page 24 of 73

CODING: Words stricken are deletions; words <u>underlined</u> are additions.

hb0073-03-c3

673 2. If the proposed recall is by an agreement in writing by 674 a majority of all voting interests, the agreement in writing or 675 a copy thereof shall be served on the association by certified 676 mail or by personal service in the manner authorized by chapter 48 and the Florida Rules of Civil Procedure. The board of 677 678 administration shall duly notice and hold a meeting of the board 679 within 5 full business days after receipt of the agreement in 680 writing. At the meeting, the board shall either certify the 681 written agreement to recall a member or members of the board, in 682 which case such member or members shall be recalled effective 683 immediately and shall turn over to the board within 5 full 684 business days any and all records and property of the 685 association in their possession, or proceed as described in 686 subparagraph 3.

687 3. If the board determines not to certify the written 688 agreement to recall a member or members of the board, or does 689 not certify the recall by a vote at a meeting, the board shall, 690 within 5 full business days after the meeting, file with the 691 division a petition for arbitration pursuant to the procedures 692 in s. 718.1255. For the purposes of this section, the unit 693 owners who voted at the meeting or who executed the agreement in 694 writing shall constitute one party under the petition for 695 arbitration. If the arbitrator certifies the recall as to any member or members of the board, the recall will be effective 696 697 upon mailing of the final order of arbitration to the 698 association. If the association fails to comply with the order 699 of the arbitrator, the division may take action pursuant to s. 700 718.501. Any member or members so recalled shall deliver to the

Page 25 of 73

CODING: Words stricken are deletions; words underlined are additions.

hb0073-03-c3

701 board any and all records of the association in their possession 702 within 5 full business days <u>after</u> of the effective date of the 703 recall.

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

711 5. If the board fails to duly notice and hold the required 712 meeting or fails to file the required petition, the unit owner 713 representative may file a petition pursuant to s. 718.1255 714 challenging the board's failure to act. The petition must be 715 filed within 60 days after the expiration of the applicable 5-716 full-business-day period. The review of a petition under this 717 subparagraph is limited to the sufficiency of service on the 718 board and the facial validity of the written agreement or 719 ballots filed.

720 6.5. If a vacancy occurs on the board as a result of a 721 recall or removal and less than a majority of the board members 722 are removed, the vacancy may be filled by the affirmative vote 723 of a majority of the remaining directors, notwithstanding any 724 provision to the contrary contained in this subsection. If 725 vacancies occur on the board as a result of a recall and a 726 majority or more of the board members are removed, the vacancies 727 shall be filled in accordance with procedural rules to be 728 adopted by the division, which rules need not be consistent with

Page 26 of 73

CODING: Words stricken are deletions; words <u>underlined</u> are additions.

hb0073-03-c3

729 this subsection. The rules must provide procedures governing the 730 conduct of the recall election as well as the operation of the 731 association during the period after a recall but before prior to 732 the recall election. 733 7. A board member who has been recalled may file a 734 petition pursuant to s. 718.1255 challenging the validity of the 735 recall. The petition must be filed within 60 days after the 736 recall is deemed certified. The association and the unit owner 737 representative shall be named as the respondents. 738 8. The division may not accept for filing a recall 739 petition, whether filed pursuant to subparagraph 1., 740 subparagraph 2., subparagraph 5., or subparagraph 7. and 741 regardless of whether the recall was certified, when there are 742 60 or fewer days until the scheduled reelection of the board 743 member sought to be recalled or when 60 or fewer days have 744 elapsed since the election of the board member sought to be 745 recalled. 746 Section 5. Subsection (5) of section 718.113, Florida 747 Statutes, is amended to read: 748 718.113 Maintenance; limitation upon improvement; display 749 of flag; hurricane shutters and protection; display of religious 750 decorations.-751 Each board of administration shall adopt hurricane (5) 752 shutter specifications for each building within each condominium 753 operated by the association which shall include color, style, 754 and other factors deemed relevant by the board. All 755 specifications adopted by the board must comply with the 756 applicable building code.

Page 27 of 73

CODING: Words stricken are deletions; words <u>underlined</u> are additions.

757 The board may, subject to the provisions of s. (a) 718.3026, and the approval of a majority of voting interests of 758 759 the condominium, install hurricane shutters, impact glass, or 760 other code-compliant windows or doors, or other types of code-761 compliant hurricane protection that comply complies with or 762 exceed exceeds the applicable building code. However, a vote of 763 the owners is not required if the maintenance, repair, and 764 replacement of hurricane shutters, impact glass, or other code-765 compliant windows or doors, or other types of code-compliant 766 hurricane protection are the responsibility of the association 767 pursuant to the declaration of condominium. If hurricane 768 protection or laminated glass or window film architecturally 769 designed to function as hurricane protection that which complies 770 with or exceeds the current applicable building code has been 771 previously installed, the board may not install hurricane 772 shutters, hurricane protection, or impact glass, or other code-773 compliant windows or doors, or other types of code-compliant 774 hurricane protection except upon approval by a majority vote of 775 the voting interests.

776 The association is responsible for the maintenance, (b) 777 repair, and replacement of the hurricane shutters, impact glass, 778 code-compliant windows or doors, or other types of code-779 compliant hurricane protection authorized by this subsection if 780 such property hurricane shutters or other hurricane protection 781 is the responsibility of the association pursuant to the 782 declaration of condominium. If the hurricane shutters, impact 783 glass, code-compliant windows or doors, or other types of code-784 compliant hurricane protection authorized by this subsection are

Page 28 of 73

CODING: Words stricken are deletions; words <u>underlined</u> are additions.

785 the responsibility of the unit owners pursuant to the 786 declaration of condominium, the maintenance, repair, and 787 replacement of such items are the responsibility of the unit 788 owner.

789 (C) The board may operate shutters, impact glass, code-790 compliant windows or doors, or other types of code-compliant 791 hurricane protection installed pursuant to this subsection 792 without permission of the unit owners only if such operation is 793 necessary to preserve and protect the condominium property and association property. The installation, replacement, operation, 794 795 repair, and maintenance of such shutters, impact glass, code-796 compliant windows or doors, or other types of code-compliant 797 hurricane protection in accordance with the procedures set forth 798 in this paragraph are not a material alteration to the common 799 elements or association property within the meaning of this 800 section.

801 Notwithstanding any other provision in the condominium (d) 802 documents, if approval is required by the documents, a board may 803 not refuse to approve the installation or replacement of 804 hurricane shutters, impact glass, code-compliant windows or 805 doors, or other types of code-compliant hurricane protection by 806 a unit owner conforming to the specifications adopted by the 807 board. 808 Section 6. Paragraph (e) of subsection (1) of section 809 718.115, Florida Statutes, is amended to read: 810 718.115 Common expenses and common surplus.-

811

(1)

(e)

812

```
Page 29 of 73
```

The expense of installation, replacement, operation,

CODING: Words stricken are deletions; words <u>underlined</u> are additions.

813 repair, and maintenance of hurricane shutters, impact glass, 814 code-compliant windows or doors, or other types of code-815 compliant hurricane protection by the board pursuant to s. 816 718.113(5) constitutes shall constitute a common expense as 817 defined herein and shall be collected as provided in this 818 section if the association is responsible for the maintenance, repair, and replacement of the hurricane shutters, impact glass, 819 820 code-compliant windows or doors, or other types of code-821 compliant hurricane protection pursuant to the declaration of 822 condominium. However, if the maintenance, repair, and 823 replacement of the hurricane shutters, impact glass, code-824 compliant windows or doors, or other types of code-compliant 825 hurricane protection are is the responsibility of the unit 826 owners pursuant to the declaration of condominium, the cost of 827 the installation of the hurricane shutters, impact glass, code-828 compliant windows or doors, or other types of code-compliant 829 hurricane protection is shall not be a common expense and, but 830 shall be charged individually to the unit owners based on the 831 cost of installation of the hurricane shutters, impact glass, 832 code-compliant windows or doors, or other types of code-833 compliant hurricane protection appurtenant to the unit. 834 Notwithstanding the provisions of s. 718.116(9), and regardless 835 of whether or not the declaration requires the association or unit owners to maintain, repair, or replace hurricane shutters, 836 837 impact glass, code-compliant windows or doors, or other types of 838 code-compliant hurricane protection, a unit owner who has 839 previously installed hurricane shutters in accordance with s. 840 718.113(5) that comply with the current applicable building code

Page 30 of 73

CODING: Words stricken are deletions; words underlined are additions.

841 shall receive a credit when the shutters are installed; a unit 842 owner who has previously installed impact glass or code-843 compliant windows or doors that comply with the current 844 applicable building code shall receive a credit when the impact 845 glass or code-compliant windows or doors are installed; and a 846 unit owner who has installed, other types of code-compliant hurricane protection that comply with the current applicable 847 848 building code shall receive a credit when the same type of other 849 code-compliant hurricane protection is installed, and the or 850 laminated glass architecturally designed to function as 851 hurricane protection, which hurricane shutters or other 852 hurricane protection or laminated glass comply with the current 853 applicable building code, shall receive a credit shall be equal 854 to the pro rata portion of the assessed installation cost 855 assigned to each unit. However, such unit owner remains shall 856 remain responsible for the pro rata share of expenses for 857 hurricane shutters, impact glass, code-compliant windows or 858 doors, or other types of code-compliant hurricane protection 859 installed on common elements and association property by the 860 board pursuant to s. 718.113(5) $_{\tau}$ and remains shall remain 861 responsible for a pro rata share of the expense of the 862 replacement, operation, repair, and maintenance of such 863 shutters, impact glass, code-compliant windows or doors, or 864 other types of code-compliant hurricane protection. 865 Section 7. Paragraph (a) of subsection (3) of section 866 718.303, Florida Statutes, is amended to read: 867 718.303 Obligations of owners and occupants; remedies.-868 The association may levy reasonable fines for the (3)

Page 31 of 73

CODING: Words stricken are deletions; words underlined are additions.

failure of the owner of the unit or its occupant, licensee, or invitee to comply with any provision of the declaration, the association bylaws, or reasonable rules of the association. A fine may not become a lien against a unit. A fine may be levied on the basis of each day of a continuing violation, with a single notice and opportunity for hearing. However, the fine may not exceed \$100 per violation, or \$1,000 in the aggregate.

876 (a) An association may suspend, for a reasonable period of 877 time, the right of a unit owner, or a unit owner's tenant, 878 quest, or invitee, to use the common elements, common 879 facilities, or any other association property for failure to 880 comply with any provision of the declaration, the association 881 bylaws, or reasonable rules of the association. This paragraph 882 does not apply to limited common elements intended to be used 883 only by that unit, common elements needed to access the unit, 884 utility services provided to the unit, parking spaces, or 885 elevators.

886 Section 8. Subsection (1) of section 718.403, Florida 887 Statutes, is amended to read:

888

718.403 Phase condominiums.-

889 Notwithstanding the provisions of s. 718.110, a (1) 890 developer may develop a condominium in phases, if the original 891 declaration of condominium submitting the initial phase to 892 condominium ownership or an amendment to the declaration which 893 has been approved by all of the unit owners and unit mortgagees 894 provides for and describes in detail all anticipated phases; the 895 impact, if any, which the completion of subsequent phases would 896 have upon the initial phase; and the time period (which may not

Page 32 of 73

CODING: Words stricken are deletions; words underlined are additions.

hb0073-03-c3

897 exceed 7 years from the date of recording the declaration of 898 condominium) within which all phases must be added to the 899 condominium and comply with the requirements of this section and 900 at the end of which the right to add additional phases expires. 901 (a) All phases must be added to the condominium within 7 902 years after the date of recording the original declaration of 903 condominium submitting the initial phase to condominium 904 ownership unless an amendment extending the 7-year period is 905 approved by the unit owners. 906 (b) An amendment to extend the 7-year period requires the 907 approval of the owners necessary to amend the declaration of 908 condominium consistent with s. 718.110(1)(a). An extension of 909 the 7-year period may be submitted for approval only during the 910 last 3 years of the 7-year period. 911 (c) An amendment must describe the period within which all 912 phases must be added to the condominium and such period may not 913 exceed 10 years after the date of recording the original 914 declaration of condominium submitting the initial phase to 915 condominium ownership. 916 (d) Notwithstanding s. 718.110, an amendment extending the 917 7-year period is not an amendment subject to s. 718.110(4). 918 Section 9. Section 718.406, Florida Statutes, is created 919 to read: 920 718.406 Condominiums created within condominium parcels.-921 (1) Unless otherwise expressed in the declaration of 922 condominium, if a condominium is created within a condominium 923 parcel, the term: 924 "Primary condominium" means any condominium that is (a)

Page 33 of 73

CODING: Words stricken are deletions; words <u>underlined</u> are additions.

925	not a secondary condominium and contains one or more subdivided
926	parcels.
927	(b) "Primary condominium association" means any entity
928	that operates a primary condominium.
929	(c) "Primary condominium declaration" means the instrument
930	or instruments by which a primary condominium is created, as
931	they are from time to time amended.
932	(d) "Secondary condominium" means one or more condominium
933	parcels that have been submitted to condominium ownership
934	pursuant to a secondary condominium declaration.
935	(e) "Secondary condominium association" means any entity
936	responsible for the operation of a secondary condominium.
937	(f) "Secondary condominium declaration" means the
938	instrument or instruments by which a secondary condominium is
939	created, as they are from time to time amended.
940	(g) "Secondary unit" means a unit that is part of a
941	secondary condominium.
942	(h) "Subdivided parcel" means a condominium parcel in a
943	primary condominium that has been submitted to condominium
944	ownership pursuant to a secondary condominium declaration.
945	(2) Unless otherwise provided in the primary condominium
946	declaration, if a condominium parcel is a subdivided parcel, the
947	secondary condominium association responsible for operating the
948	secondary condominium upon the subdivided parcel shall act on
949	behalf of all of the unit owners of secondary units in the
950	secondary condominium and shall exercise all rights of the
951	secondary unit owners in the primary condominium association,
952	other than the right of possession of the secondary unit. The

Page 34 of 73

CODING: Words stricken are deletions; words <u>underlined</u> are additions.

2013

953	secondary condominium association shall designate a
954	representative who shall cast the vote of the subdivided parcel
955	in the primary condominium association and, if no person is
956	designated by the secondary condominium association to cast such
957	vote, the vote shall be cast by the president of the secondary
958	condominium association or the designee of the president.
959	(3) Unless otherwise provided in the primary condominium
960	declaration as originally recorded, no secondary condominium may
961	be created upon any condominium parcel in the primary
962	condominium, and no amendment to the primary condominium
963	declaration may permit secondary condominiums to be created upon
964	parcels in the primary condominium, unless the record owners of
965	a majority of the condominium parcels join in the execution of
966	the amendment.
967	(4) If the primary condominium declaration permits the
968	creation of a secondary condominium and a condominium parcel in
969	the primary condominium is being submitted for condominium
970	ownership to create a secondary condominium upon the primary
971	condominium parcel, the approval of the board of administration
972	of the primary condominium association is required in order to
973	create the secondary condominium on the primary condominium
974	parcel. Unless otherwise provided in the primary condominium
975	declaration, the owners of condominium parcels in the primary
976	condominium that will not be part of the proposed secondary
977	condominium and the holders of liens upon such primary
978	condominium parcels shall not have approval rights regarding the
979	creation of the secondary condominium or the contents of the
980	secondary condominium declaration being submitted. Only the
	Page 35 of 73

Page 35 of 73

CODING: Words stricken are deletions; words <u>underlined</u> are additions.

981 board of administration of the primary condominium association, the owner of the subdivided parcel, and the holders of liens 982 983 upon the subdivided parcel shall have approval rights regarding 984 the creation of the secondary condominium and the contents of 985 the secondary condominium declaration. In order for the 986 recording of the secondary condominium declaration to be 987 effective to create the secondary condominium, the board of 988 administration of the primary condominium association, the owner 989 of the subdivided parcel, and all holders of liens on the 990 subdivided parcel must execute the secondary condominium 991 declaration for the purpose of evidencing their approval. 992 (5) An owner of a secondary unit is subject to both the 993 primary condominium declaration and the secondary condominium 994 declaration. 995 (6) The primary condominium association may provide 996 insurance required by s. 718.111(11) for common elements and 997 other improvements within the secondary condominium if the 998 primary condominium declaration permits the primary condominium 999 association to provide such insurance for the benefit of the 1000 condominium property included in the subdivided parcel, in lieu 1001 of such insurance being provided by the secondary condominium 1002 association. 1003 (7) Unless otherwise provided in the primary condominium 1004 declaration, the board of administration of the primary 1005 condominium association may adopt hurricane shutter or hurricane 1006 protection specifications for each building within which 1007 subdivided parcels are located and govern any subdivided parcels 1008 in the primary condominium.

Page 36 of 73

CODING: Words stricken are deletions; words <u>underlined</u> are additions.

1009 Any unit owner of, or holder of a first mortgage on, a (8) 1010 secondary unit may register such unit owner's or mortgagee's 1011 interest in the secondary unit with the primary condominium 1012 association by delivering written notice to the primary 1013 condominium association. Once registered, the primary 1014 condominium association must provide written notice to such secondary unit owner and his, her, or its first mortgagee at 1015 1016 least 30 days before instituting any foreclosure action against 1017 the subdivided parcel in which the secondary unit owner and his, 1018 her, or its first mortgagee hold an interest for failure of the 1019 subdivided parcel owner to pay any assessments or other amounts 1020 due to the primary condominium association. A foreclosure action 1021 against a subdivided parcel is not effective without an 1022 affidavit indicating that written notice of the foreclosure was 1023 timely sent to the names and addresses of secondary unit owners 1024 and first mortgagees registered with the primary condominium association pursuant to this subsection. The registered 1025 1026 secondary unit owner or mortgagee has a right to pay the proportionate amount of the delinquent assessment attributable 1027 1028 to the secondary unit in which the registered unit owner or 1029 mortgagee holds an interest. Upon such payment, the primary 1030 condominium association is obligated to promptly modify or 1031 partially release the record of lien on the primary condominium 1032 association so that the lien no longer encumbers such secondary 1033 unit. Alternatively, a registered secondary unit owner or 1034 mortgagee may pay the amount of all delinquent assessments 1035 attributed to the subdivided parcel and seek reimbursement for 1036 all such amounts paid and all costs incurred from the secondary

Page 37 of 73

CODING: Words stricken are deletions; words <u>underlined</u> are additions.

1037 condominium association, including, without limitation, the 1038 costs of collection other than the share allocable to the 1039 secondary unit on behalf of which such payment was made. 1040 In the event of a conflict between the primary (9) 1041 condominium declaration and the secondary condominium 1042 declaration, the primary condominium declaration controls. 1043 (10) All common expenses due to the primary condominium 1044 association with respect to a subdivided parcel are a common 1045 expense of the secondary condominium association and shall be collected by the secondary condominium association from its 1046 1047 members and paid to the primary condominium association. 1048 Section 10. Subsection (2) of section 718.5011, Florida 1049 Statutes, is amended to read: 1050 718.5011 Ombudsman; appointment; administration.-1051 (2)The Governor shall appoint the ombudsman. The 1052 ombudsman must be an attorney admitted to practice before the 1053 Florida Supreme Court and shall serve at the pleasure of the 1054 Governor. A vacancy in the office shall be filled in the same 1055 manner as the original appointment. An officer or full-time 1056 employee of the ombudsman's office may not actively engage in 1057 any other business or profession that directly or indirectly 1058 relates to or conflicts with his or her work in the ombudsman's 1059 office; serve as the representative of any political party, 1060 executive committee, or other governing body of a political 1061 party; serve as an executive, officer, or employee of a political party; receive remuneration for activities on behalf 1062 1063 of any candidate for public office; or engage in soliciting votes or other activities on behalf of a candidate for public 1064

Page 38 of 73

CODING: Words stricken are deletions; words underlined are additions.

1065 office. The ombudsman or any employee of his or her office may 1066 not become a candidate for election to public office unless he 1067 or she first resigns from his or her office or employment.

1068Section 11. Paragraphs (b) and (c) of subsection (2) of1069section 719.104, Florida Statutes, are amended to read:

1070 719.104 Cooperatives; access to units; records; financial 1071 reports; assessments; purchase of leases.-

1072

(2) OFFICIAL RECORDS.-

The official records of the association shall be 1073 (b) 1074 maintained within the state. The records of the association 1075 shall be made available to a unit owner within 5 working days 1076 after receipt of written request by the board or its designee. 1077 This paragraph may be complied with by having a copy of the 1078 official records available for inspection or copying on the 1079 cooperative property. An association shall allow a member or his 1080 or her authorized representative to use a portable device, 1081 including a smartphone, tablet, portable scanner, or any other 1082 technology capable of scanning or taking photographs, to make an 1083 electronic copy of the official records in lieu of the 1084 association's providing the member or his or her authorized 1085 representative with a copy of such records. The association may 1086 not charge a member or his or her authorized representative for 1087 the use of a portable device.

1088 (c) The official records of the association shall be open 1089 to inspection by any association member or the authorized 1090 representative of such member at all reasonable times. Failure 1091 to permit inspection of the association records as provided <u>in</u> 1092 this subsection herein entitles any person prevailing in an

Page 39 of 73

CODING: Words stricken are deletions; words underlined are additions.

1093 enforcement action to recover reasonable attorney attorney's 1094 fees from the person in control of the records who, directly or 1095 indirectly, knowingly denies access to the records for 1096 inspection. The right to inspect the records includes the right to make or obtain copies, at the reasonable expense, if any, of 1097 1098 the association member. The association may adopt reasonable 1099 rules regarding the frequency, time, location, notice, and 1100 manner of record inspections and copying. The failure of an 1101 association to provide the records within 10 working days after receipt of a written request creates a rebuttable presumption 1102 that the association willfully failed to comply with this 1103 1104 paragraph. A unit owner who is denied access to official records 1105 is entitled to the actual damages or minimum damages for the 1106 association's willful failure to comply with this paragraph. The 1107 minimum damages shall be \$50 per calendar day up to 10 days, the 1108 calculation to begin on the 11th day after receipt of the written request. The association shall maintain an adequate 1109 number of copies of the declaration, articles of incorporation, 1110 1111 bylaws, and rules, and all amendments to each of the foregoing, 1112 as well as the question and answer sheet provided for in s. 719.504, on the cooperative property to ensure their 1113 1114 availability to unit owners and prospective purchasers, and may 1115 charge its actual costs for preparing and furnishing these 1116 documents to those requesting the same. Notwithstanding the 1117 provisions of this paragraph, the following records shall not be 1118 accessible to unit owners:

11191. Any record protected by the lawyer-client privilege as1120provided in s. 90.502; protected by the work-product privilege,

Page 40 of 73

CODING: Words stricken are deletions; words <u>underlined</u> are additions.

1121 including any record A record that was prepared by an 1122 association attorney or prepared at the attorney's express 1123 direction; reflecting that reflects a mental impression, 1124 conclusion, litigation strategy, or legal theory of the attorney 1125 or the association; or that was prepared exclusively for civil 1126 or criminal litigation or for adversarial administrative proceedings or in anticipation of imminent civil or criminal 1127 1128 litigation or imminent adversarial administrative proceedings, 1129 until the conclusion of the litigation or adversarial 1130 administrative proceedings. Information obtained by an association in connection 1131 2. 1132 with the approval of the lease, sale, or other transfer of a 1133 unit. Medical records of unit owners. 1134 3. 1135 4. Personnel records of association employees, including, but not limited to, disciplinary, payroll, health, and insurance 1136 1137 records. For purposes of this subparagraph, the term "personnel 1138 records" does not include written employment agreements with an association employee or budgetary or financial records that 1139 1140 indicate the compensation paid to an association employee. 1141 Social security numbers, driver license numbers, credit 5. 1142 card numbers, e-mail addresses, telephone numbers, emergency 1143 contact information, any addresses of a unit owner other than 1144 addresses provided to fulfill the association's notice 1145 requirements, and other personal identifying information of any 1146 person, excluding the person's name, unit designation, mailing

- 1147 address, and property address.
- 1148





CODING: Words stricken are deletions; words underlined are additions.

1149 association to safeguard data, including passwords. 1150 7. The software and operating system used by the 1151 association which allows manipulation of data, even if the owner 1152 owns a copy of the same software used by the association. The 1153 data is part of the official records of the association. 1154 Section 12. Subsection (7) is added to section 719.1055, 1155 Florida Statutes, to read: 1156 719.1055 Amendment of cooperative documents; alteration 1157 and acquisition of property.-1158 The Legislature finds that the procurement of (7) 1159 mortgagee consent to amendments that do not affect the rights or 1160 interests of mortgagees is an unreasonable and substantial 1161 logistical and financial burden on the unit owners and that 1162 there is a compelling state interest in enabling the members of 1163 an association to approve amendments to the association's 1164 cooperative documents through legal means. Accordingly, and 1165 notwithstanding any provision of this subsection to the 1166 contrary: 1167 (a) As to any mortgage recorded on or after July 1, 2013, 1168 any provision in the association's cooperative documents that 1169 requires the consent or joinder of some or all mortgagees of 1170 units or any other portion of the association's common areas to 1171 amend the association's cooperative documents or for any other 1172 matter is enforceable only as to amendments to the association's 1173 cooperative documents that adversely affect the priority of the 1174 mortgagee's lien or the mortgagee's rights to foreclose its lien 1175 or that otherwise materially affect the rights and interests of 1176 the mortgagees.

Page 42 of 73

CODING: Words stricken are deletions; words <u>underlined</u> are additions.

1177 (b) As to mortgages recorded before July 1, 2013, any 1178 existing provisions in the association's cooperative documents 1179 requiring mortgagee consent are enforceable. 1180 In securing consent or joinder, the association is (C) 1181 entitled to rely upon the public records to identify the holders 1182 of outstanding mortgages. The association may use the address provided in the original recorded mortgage document, unless 1183 1184 there is a different address for the holder of the mortgage in a 1185 recorded assignment or modification of the mortgage, which 1186 recorded assignment or modification must reference the official 1187 records book and page on which the original mortgage was 1188 recorded. Once the association has identified the recorded 1189 mortgages of record, the association shall, in writing, request 1190 of each unit owner whose unit is encumbered by a mortgage of 1191 record any information that the owner has in his or her 1192 possession regarding the name and address of the person to whom 1193 mortgage payments are currently being made. Notice shall be sent 1194 to such person if the address provided in the original recorded 1195 mortgage document is different from the name and address of the 1196 mortgagee or assignee of the mortgage as shown by the public 1197 record. The association is deemed to have complied with this 1198 requirement by making the written request of the unit owners 1199 required under this paragraph. Any notices required to be sent 1200 to the mortgagees under this paragraph shall be sent to all 1201 available addresses provided to the association. 1202 (d) Any notice to the mortgagees required under paragraph 1203 (c) may be sent by a method that establishes proof of delivery,

Page 43 of 73

CODING: Words stricken are deletions; words underlined are additions.

1204 and any mortgagee who fails to respond within 60 days after the 1205 date of mailing is deemed to have consented to the amendment. 1206 For those amendments requiring mortgagee consent on or (e) 1207 after July 1, 2013, in the event mortgagee consent is provided 1208 other than by properly recorded joinder, such consent shall be 1209 evidenced by affidavit of the association recorded in the public 1210 records of the county in which the declaration is recorded. 1211 (f) Any amendment adopted without the required consent of 1212 a mortgagee is voidable only by a mortgagee who was entitled to 1213 notice and an opportunity to consent. An action to void an 1214 amendment is subject to the statute of limitations beginning 5 1215 years after the date of discovery as to the amendments described 1216 in paragraph (a) and 5 years after the date of recordation of 1217 the certificate of amendment for all other amendments. This 1218 paragraph applies to all mortgages, regardless of the date of 1219 recordation of the mortgage. 1220 Section 13. Paragraphs (c), (d), and (f) of subsection (1) of section 719.106, Florida Statutes, are amended to read: 1221 1222 719.106 Bylaws; cooperative ownership.-1223 MANDATORY PROVISIONS. - The bylaws or other cooperative (1)1224 documents shall provide for the following, and if they do not, 1225 they shall be deemed to include the following: 1226 Board of administration meetings.-Meetings of the (C) 1227 board of administration at which a quorum of the members is

1228 present shall be open to all unit owners. Any unit owner may 1229 tape record or videotape meetings of the board of 1230 administration. The right to attend such meetings includes the

1231 right to speak at such meetings with reference to all designated

Page 44 of 73

CODING: Words stricken are deletions; words underlined are additions.

1232 agenda items. The division shall adopt reasonable rules 1233 governing the tape recording and videotaping of the meeting. The 1234 association may adopt reasonable written rules governing the 1235 frequency, duration, and manner of unit owner statements. 1236 Adequate notice of all meetings shall be posted in a conspicuous 1237 place upon the cooperative property at least 48 continuous hours preceding the meeting, except in an emergency. Any item not 1238 1239 included on the notice may be taken up on an emergency basis by 1240 at least a majority plus one of the members of the board. Such emergency action shall be noticed and ratified at the next 1241 regular meeting of the board. However, written notice of any 1242 1243 meeting at which nonemergency special assessments, or at which 1244 amendment to rules regarding unit use, will be considered shall 1245 be mailed, delivered, or electronically transmitted to the unit 1246 owners and posted conspicuously on the cooperative property not 1247 less than 14 days before prior to the meeting. Evidence of compliance with this 14-day notice shall be made by an affidavit 1248 1249 executed by the person providing the notice and filed among the 1250 official records of the association. Upon notice to the unit 1251 owners, the board shall by duly adopted rule designate a 1252 specific location on the cooperative property upon which all 1253 notices of board meetings shall be posted. In lieu of or in 1254 addition to the physical posting of notice of any meeting of the 1255 board of administration on the cooperative property, the 1256 association may, by reasonable rule, adopt a procedure for 1257 conspicuously posting and repeatedly broadcasting the notice and 1258 the agenda on a closed-circuit cable television system serving 1259 the cooperative association. However, if broadcast notice is

Page 45 of 73

CODING: Words stricken are deletions; words underlined are additions.

hb0073-03-c3

1260 used in lieu of a notice posted physically on the cooperative 1261 property, the notice and agenda must be broadcast at least four 1262 times every broadcast hour of each day that a posted notice is 1263 otherwise required under this section. When broadcast notice is 1264 provided, the notice and agenda must be broadcast in a manner 1265 and for a sufficient continuous length of time so as to allow an 1266 average reader to observe the notice and read and comprehend the 1267 entire content of the notice and the agenda. Notice of any 1268 meeting in which regular assessments against unit owners are to 1269 be considered for any reason shall specifically contain a 1270 statement that assessments will be considered and the nature of 1271 any such assessments. Meetings of a committee to take final 1272 action on behalf of the board or to make recommendations to the 1273 board regarding the association budget are subject to the 1274 provisions of this paragraph. Meetings of a committee that does 1275 not take final action on behalf of the board or make 1276 recommendations to the board regarding the association budget 1277 are subject to the provisions of this section, unless those meetings are exempted from this section by the bylaws of the 1278 1279 association. Notwithstanding any other law to the contrary, the 1280 requirement that board meetings and committee meetings be open 1281 to the unit owners does not apply is inapplicable to board or 1282 committee meetings held for the purpose of discussing personnel 1283 matters or meetings between the board or a committee and the 1284 association's attorney, with respect to proposed or pending 1285 litigation, if when the meeting is held for the purpose of 1286 seeking or rendering legal advice.



(d) Shareholder meetings.-There shall be an annual meeting

Page 46 of 73

CODING: Words stricken are deletions; words underlined are additions.

of the shareholders. All members of the board of administration 1288 1289 shall be elected at the annual meeting unless the bylaws provide 1290 for staggered election terms or for their election at another 1291 meeting. Any unit owner desiring to be a candidate for board 1292 membership must comply with subparagraph 1. The bylaws must 1293 provide the method for calling meetings, including annual 1294 meetings. Written notice, which must incorporate an identification of agenda items, shall be given to each unit 1295 1296 owner at least 14 days before the annual meeting and posted in a 1297 conspicuous place on the cooperative property at least 14 continuous days preceding the annual meeting. Upon notice to the 1298 1299 unit owners, the board must by duly adopted rule designate a 1300 specific location on the cooperative property upon which all 1301 notice of unit owner meetings are posted. In lieu of or in 1302 addition to the physical posting of the meeting notice, the 1303 association may, by reasonable rule, adopt a procedure for 1304 conspicuously posting and repeatedly broadcasting the notice and the agenda on a closed-circuit cable television system serving 1305 the cooperative association. However, if broadcast notice is 1306 1307 used in lieu of a posted notice, the notice and agenda must be 1308 broadcast at least four times every broadcast hour of each day 1309 that a posted notice is otherwise required under this section. 1310 If broadcast notice is provided, the notice and agenda must be 1311 broadcast in a manner and for a sufficient continuous length of 1312 time to allow an average reader to observe the notice and read 1313 and comprehend the entire content of the notice and the agenda. 1314 Unless a unit owner waives in writing the right to receive 1315 notice of the annual meeting, the notice of the annual meeting

Page 47 of 73

CODING: Words stricken are deletions; words underlined are additions.

hb0073-03-c3

1316 must be sent by mail, hand delivered, or electronically 1317 transmitted to each unit owner. An officer of the association 1318 must provide an affidavit or United States Postal Service 1319 certificate of mailing, to be included in the official records 1320 of the association, affirming that notices of the association 1321 meeting were mailed, hand delivered, or electronically 1322 transmitted, in accordance with this provision, to each unit owner at the address last furnished to the association. 1323

1324 1. The board of administration shall be elected by written 1325 ballot or voting machine. A proxy may not be used in electing 1326 the board of administration in general elections or elections to 1327 fill vacancies caused by recall, resignation, or otherwise 1328 unless otherwise provided in this chapter.

1329 At least 60 days before a scheduled election, the a. association shall mail, deliver, or transmit, whether by 1330 1331 separate association mailing, delivery, or electronic 1332 transmission or included in another association mailing, 1333 delivery, or electronic transmission, including regularly published newsletters, to each unit owner entitled to vote, a 1334 1335 first notice of the date of the election. Any unit owner or 1336 other eligible person desiring to be a candidate for the board 1337 of administration must give written notice to the association at 1338 least 40 days before a scheduled election. Together with the 1339 written notice and agenda as set forth in this section, the 1340 association shall mail, deliver, or electronically transmit a 1341 second notice of election to all unit owners entitled to vote, 1342 together with a ballot that which lists all candidates. Upon 1343 request of a candidate, the association shall include an

Page 48 of 73

CODING: Words stricken are deletions; words underlined are additions.

1344 information sheet, no larger than 8 1/2 inches by 11 inches, 1345 which must be furnished by the candidate at least 35 days before 1346 the election, to be included with the mailing, delivery, or 1347 electronic transmission of the ballot, with the costs of 1348 mailing, delivery, or transmission and copying to be borne by 1349 the association. The association is not liable for the contents 1350 of the information sheets provided by the candidates. In order 1351 to reduce costs, the association may print or duplicate the 1352 information sheets on both sides of the paper. The division 1353 shall by rule establish voting procedures consistent with this subparagraph, including rules establishing procedures for giving 1354 1355 notice by electronic transmission and rules providing for the 1356 secrecy of ballots. Elections shall be decided by a plurality of 1357 those ballots cast. There is no quorum requirement. However, at 1358 least 20 percent of the eligible voters must cast a ballot in 1359 order to have a valid election. A unit owner may not permit any 1360 other person to vote his or her ballot, and any such ballots 1361 improperly cast are invalid. A unit owner who needs assistance 1362 in casting the ballot for the reasons stated in s. 101.051 may 1363 obtain assistance in casting the ballot. Any unit owner 1364 violating this provision may be fined by the association in 1365 accordance with s. 719.303. The regular election must occur on the date of the annual meeting. This subparagraph does not apply 1366 1367 to timeshare cooperatives. Notwithstanding this subparagraph, an 1368 election and balloting are not required unless more candidates 1369 file a notice of intent to run or are nominated than vacancies 1370 exist on the board. Any challenge to the election process must be commenced within 60 days after the election results are 1371

Page 49 of 73

CODING: Words stricken are deletions; words underlined are additions.

1372 announced. 1373 Within 90 days after being elected or appointed to the b. 1374 board, each new director shall certify in writing to the 1375 secretary of the association that he or she has read the 1376 association's bylaws, articles of incorporation, proprietary 1377 lease, and current written policies; that he or she will work to 1378 uphold such documents and policies to the best of his or her 1379 ability; and that he or she will faithfully discharge his or her 1380 fiduciary responsibility to the association's members. Within 90 days after being elected or appointed to the board, in lieu of 1381 1382 this written certification, the newly elected or appointed 1383 director may submit a certificate of having satisfactorily 1384 completed the educational curriculum administered by an 1385 education provider as approved by the division pursuant to the 1386 requirements established in chapter 718 within 1 year before or 1387 90 days after the date of election or appointment. The educational certificate is valid and does not have to be 1388 1389 resubmitted as long as the director serves on the board without 1390 interruption. A director who fails to timely file the written 1391 certification or educational certificate is suspended from 1392 service on the board until he or she complies with this sub-1393 subparagraph. The board may temporarily fill the vacancy during 1394 the period of suspension. The secretary of the association shall 1395 cause the association to retain a director's written 1396 certification or educational certificate for inspection by the 1397 members for 5 years after a director's election or the duration of the director's uninterrupted tenure, whichever is longer. 1398 Failure to have such written certification or educational 1399

Page 50 of 73

CODING: Words stricken are deletions; words <u>underlined</u> are additions.

1400 certificate on file does not affect the validity of any board 1401 action.

1402 2. Any approval by unit owners called for by this chapter, 1403 or the applicable cooperative documents, must be made at a duly 1404 noticed meeting of unit owners and is subject to this chapter or 1405 the applicable cooperative documents relating to unit owner decisionmaking, except that unit owners may take action by 1406 written agreement, without meetings, on matters for which action 1407 1408 by written agreement without meetings is expressly allowed by 1409 the applicable cooperative documents or law which provides for the unit owner action. 1410

1411 3. Unit owners may waive notice of specific meetings if 1412 allowed by the applicable cooperative documents or law. If 1413 authorized by the bylaws, notice of meetings of the board of 1414 administration, shareholder meetings, except shareholder 1415 meetings called to recall board members under paragraph (f), and committee meetings may be given by electronic transmission to 1416 unit owners who consent to receive notice by electronic 1417 transmission. 1418

1419 4. Unit owners have the right to participate in meetings
1420 of unit owners with reference to all designated agenda items.
1421 However, the association may adopt reasonable rules governing
1422 the frequency, duration, and manner of unit owner participation.

1423 5. Any unit owner may tape record or videotape meetings of 1424 the unit owners subject to reasonable rules adopted by the 1425 division.

1426 6. Unless otherwise provided in the bylaws, a vacancy 1427 occurring on the board before the expiration of a term may be

Page 51 of 73

CODING: Words stricken are deletions; words <u>underlined</u> are additions.

1440

1428 filled by the affirmative vote of the majority of the remaining 1429 directors, even if the remaining directors constitute less than 1430 a quorum, or by the sole remaining director. In the alternative, 1431 a board may hold an election to fill the vacancy, in which case 1432 the election procedures must conform to the requirements of 1433 subparagraph 1. unless the association has opted out of the statutory election process, in which case the bylaws of the 1434 1435 association control. Unless otherwise provided in the bylaws, a 1436 board member appointed or elected under this subparagraph shall fill the vacancy for the unexpired term of the seat being 1437 filled. Filling vacancies created by recall is governed by 1438 1439 paragraph (f) and rules adopted by the division.

Notwithstanding subparagraphs (b)2. and (d)1., an association may, by the affirmative vote of a majority of the total voting interests, provide for a different voting and election procedure in its bylaws, which vote may be by a proxy specifically delineating the different voting and election procedures. The different voting and election procedures may provide for elections to be conducted by limited or general proxy.

Recall of board members.-Subject to the provisions of 1448 (f) 1449 s. 719.301, any member of the board of administration may be 1450 recalled and removed from office with or without cause by the 1451 vote or agreement in writing by a majority of all the voting 1452 interests. A special meeting of the voting interests to recall 1453 any member of the board of administration may be called by 10 1454 percent of the unit owners giving notice of the meeting as 1455 required for a meeting of unit owners, and the notice shall

Page 52 of 73

CODING: Words stricken are deletions; words <u>underlined</u> are additions.

1456 state the purpose of the meeting. Electronic transmission may 1457 not be used as a method of giving notice of a meeting called in 1458 whole or in part for this purpose.

1459 If the recall is approved by a majority of all voting 1. 1460 interests by a vote at a meeting, the recall shall be effective 1461 as provided in this paragraph herein. The board shall duly notice and hold a board meeting within 5 full business days 1462 after of the adjournment of the unit owner meeting to recall one 1463 1464 or more board members. At the meeting, the board shall either certify the recall, in which case such member or members shall 1465 be recalled effective immediately and shall turn over to the 1466 1467 board within 5 full business days any and all records and 1468 property of the association in their possession, or shall 1469 proceed as set forth in subparagraph 3.

1470 2. If the proposed recall is by an agreement in writing by 1471 a majority of all voting interests, the agreement in writing or 1472 a copy thereof shall be served on the association by certified 1473 mail or by personal service in the manner authorized by chapter 48 and the Florida Rules of Civil Procedure. The board of 1474 1475 administration shall duly notice and hold a meeting of the board 1476 within 5 full business days after receipt of the agreement in 1477 writing. At the meeting, the board shall either certify the 1478 written agreement to recall members of the board, in which case 1479 such members shall be recalled effective immediately and shall 1480 turn over to the board, within 5 full business days, any and all 1481 records and property of the association in their possession, or 1482 proceed as described in subparagraph 3.

1483

3. If the board determines not to certify the written

Page 53 of 73

CODING: Words stricken are deletions; words underlined are additions.

hb0073-03-c3

1484 agreement to recall members of the board, or does not certify 1485 the recall by a vote at a meeting, the board shall, within 5 1486 full business days after the board meeting, file with the 1487 division a petition for binding arbitration pursuant to the 1488 procedures of s. 719.1255. For purposes of this paragraph, the 1489 unit owners who voted at the meeting or who executed the agreement in writing shall constitute one party under the 1490 petition for arbitration. If the arbitrator certifies the recall 1491 1492 as to any member of the board, the recall shall be effective 1493 upon mailing of the final order of arbitration to the 1494 association. If the association fails to comply with the order 1495 of the arbitrator, the division may take action pursuant to s. 1496 719.501. Any member so recalled shall deliver to the board any 1497 and all records and property of the association in the member's 1498 possession within 5 full business days after of the effective date of the recall. 1499

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

1507 <u>5. If the board fails to duly notice and hold the required</u>
1508 meeting or fails to file the required petition, the unit owner
1509 representative may file a petition pursuant to s. 719.1255
1510 challenging the board's failure to act. The petition must be
1511 filed within 60 days after the expiration of the applicable 5-

Page 54 of 73

CODING: Words stricken are deletions; words <u>underlined</u> are additions.

1512 <u>full-business-day period. The review of a petition under this</u> 1513 <u>subparagraph is limited to the sufficiency of service on the</u> 1514 <u>board and the facial validity of the written agreement or</u> 1515 ballots filed.

1516 6.5. If a vacancy occurs on the board as a result of a 1517 recall and less than a majority of the board members are 1518 removed, the vacancy may be filled by the affirmative vote of a majority of the remaining directors, notwithstanding any 1519 1520 provision to the contrary contained in this chapter. If 1521 vacancies occur on the board as a result of a recall and a 1522 majority or more of the board members are removed, the vacancies 1523 shall be filled in accordance with procedural rules to be 1524 adopted by the division, which rules need not be consistent with 1525 this chapter. The rules must provide procedures governing the 1526 conduct of the recall election as well as the operation of the 1527 association during the period after a recall but before prior to 1528 the recall election.

15297. A board member who has been recalled may file a1530petition pursuant to s. 719.1255 challenging the validity of the1531recall. The petition must be filed within 60 days after the1532recall is deemed certified. The association and the unit owner1533representative shall be named as the respondents.

1534 <u>8. The division may not accept for filing a recall</u>
1535 <u>petition, whether filed pursuant to subparagraph 1.,</u>
1536 <u>subparagraph 2., subparagraph 5., or subparagraph 7. and</u>
1537 <u>regardless of whether the recall was certified, when there are</u>
1538 <u>60 or fewer days until the scheduled reelection of the board</u>
1539 member sought to be recalled or when 60 or fewer days have not

Page 55 of 73

CODING: Words stricken are deletions; words <u>underlined</u> are additions.

1540 elapsed since the election of the board member sought to be 1541 recalled.

1542Section 14. Paragraph (a) of subsection (3) of section1543719.303, Florida Statutes, is amended to read:

1544

719.303 Obligations of owners.-

1545 The association may levy reasonable fines for failure (3)1546 of the unit owner or the unit's occupant, licensee, or invitee 1547 to comply with any provision of the cooperative documents or 1548 reasonable rules of the association. A fine may not become a 1549 lien against a unit. A fine may be levied on the basis of each 1550 day of a continuing violation, with a single notice and 1551 opportunity for hearing. However, the fine may not exceed \$100 1552 per violation, or \$1,000 in the aggregate.

1553 An association may suspend, for a reasonable period of (a) 1554 time, the right of a unit owner, or a unit owner's tenant, 1555 guest, or invitee, to use the common elements, common 1556 facilities, or any other association property for failure to 1557 comply with any provision of the cooperative documents or 1558 reasonable rules of the association. This paragraph does not 1559 apply to limited common elements intended to be used only by 1560 that unit, common elements needed to access the unit, utility 1561 services provided to the unit, parking spaces, or elevators.

Section 15. Paragraph (k) of subsection (1) of section 1563 719.501, Florida Statutes, is amended to read:

1564719.501Powers and duties of Division of Florida1565Condominiums, Timeshares, and Mobile Homes.-

(1) The Division of Florida Condominiums, Timeshares, andMobile Homes of the Department of Business and Professional

Page 56 of 73

CODING: Words stricken are deletions; words <u>underlined</u> are additions.

hb0073-03-c3

Regulation, referred to as the "division" in this part, in addition to other powers and duties prescribed by chapter 718, has the power to enforce and ensure compliance with this chapter and adopted rules relating to the development, construction, sale, lease, ownership, operation, and management of residential cooperative units. In performing its duties, the division shall have the following powers and duties:

1575 (k) The division shall provide training and educational 1576 programs for cooperative association board members and unit 1577 owners. The training may, in the division's discretion, include 1578 web-based electronic media, and live training and seminars in 1579 various locations throughout the state. The division may review 1580 and approve education and training programs for board members 1581 and unit owners offered by providers and shall maintain a 1582 current list of approved programs and providers and make such 1583 list available to board members and unit owners in a reasonable 1584 and cost-effective manner.

1585 Section 16. Subsection (5), paragraphs (a) and (b) of 1586 subsection (7), and subsection (10) of section 720.303, Florida 1587 Statutes, are amended to read:

1588 720.303 Association powers and duties; meetings of board; 1589 official records; budgets; financial reporting; association 1590 funds; recalls.-

(5) INSPECTION AND COPYING OF RECORDS.—The official records shall be maintained within the state and must be open to inspection and available for photocopying by members or their authorized agents at reasonable times and places within 10 business days after receipt of a written request for access.

Page 57 of 73

CODING: Words stricken are deletions; words <u>underlined</u> are additions.

1596 This subsection may be complied with by having a copy of the 1597 official records available for inspection or copying in the 1598 community. If the association has a photocopy machine available 1599 where the records are maintained, it must provide parcel owners 1600 with copies on request during the inspection if the entire 1601 request is limited to no more than 25 pages. An association 1602 shall allow a member or his or her authorized representative to use a portable device, including a smartphone, tablet, portable 1603 1604 scanner, or any other technology capable of scanning or taking 1605 photographs, to make an electronic copy of the official records 1606 in lieu of the association's providing the member or his or her 1607 authorized representative with a copy of such records. The 1608 association may not charge a member or his or her authorized 1609 representative for the use of a portable device.

(a) The failure of an association to provide access to the
records within 10 business days after receipt of a written
request submitted by certified mail, return receipt requested,
creates a rebuttable presumption that the association willfully
failed to comply with this subsection.

(b) A member who is denied access to official records is entitled to the actual damages or minimum damages for the association's willful failure to comply with this subsection. The minimum damages are to be \$50 per calendar day up to 10 days, the calculation to begin on the 11th business day after receipt of the written request.

1621 (c) The association may adopt reasonable written rules 1622 governing the frequency, time, location, notice, records to be 1623 inspected, and manner of inspections, but may not require a

Page 58 of 73

CODING: Words stricken are deletions; words <u>underlined</u> are additions.

2013

1624 parcel owner to demonstrate any proper purpose for the 1625 inspection, state any reason for the inspection, or limit a 1626 parcel owner's right to inspect records to less than one 8-hour 1627 business day per month. The association may impose fees to cover 1628 the costs of providing copies of the official records, 1629 including, without limitation, the costs of copying. The association may charge up to 50 cents per page for copies made 1630 1631 on the association's photocopier. If the association does not have a photocopy machine available where the records are kept, 1632 or if the records requested to be copied exceed 25 pages in 1633 length, the association may have copies made by an outside 1634 1635 vendor or association management company personnel and may 1636 charge the actual cost of copying, including any reasonable 1637 costs involving personnel fees and charges at an hourly rate for 1638 vendor or employee time to cover administrative costs to the vendor or association. The association shall maintain an 1639 1640 adequate number of copies of the recorded governing documents, 1641 to ensure their availability to members and prospective members. 1642 Notwithstanding this paragraph, the following records are not 1643 accessible to members or parcel owners:

1644 Any record protected by the lawyer-client privilege as 1. 1645 described in s. 90.502 and any record protected by the work-1646 product privilege, including, but not limited to, a record 1647 prepared by an association attorney or prepared at the 1648 attorney's express direction which reflects a mental impression, 1649 conclusion, litigation strategy, or legal theory of the attorney 1650 or the association and which was prepared exclusively for civil or criminal litigation or for adversarial administrative 1651

Page 59 of 73

CODING: Words stricken are deletions; words <u>underlined</u> are additions.

1652 proceedings or which was prepared in anticipation of such 1653 litigation or proceedings until the conclusion of the litigation 1654 or proceedings.

1655 2. Information obtained by an association in connection 1656 with the approval of the lease, sale, or other transfer of a 1657 parcel.

1658 3. Personnel records of association or management company the association's employees, including, but not limited to, 1659 1660 disciplinary, payroll, health, and insurance records. For purposes of this subparagraph, the term "personnel records" does 1661 1662 not include written employment agreements with an association or 1663 management company employee or budgetary or financial records 1664 that indicate the compensation paid to an association or 1665 management company employee.

1666 4. Medical records of parcel owners or community1667 residents.

1668 Social security numbers, driver driver's license 5. numbers, credit card numbers, electronic mailing addresses, 1669 1670 telephone numbers, facsimile numbers, emergency contact 1671 information, any addresses for a parcel owner other than as 1672 provided for association notice requirements, and other personal 1673 identifying information of any person, excluding the person's 1674 name, parcel designation, mailing address, and property address. 1675 However, an owner may consent in writing to the disclosure of 1676 protected information described in this subparagraph. The 1677 association is not liable for the disclosure of information that 1678 is protected under this subparagraph if the information is 1679 included in an official record of the association and is

Page 60 of 73

CODING: Words stricken are deletions; words underlined are additions.

1680 voluntarily provided by an owner and not requested by the 1681 association.

1682 6. Any electronic security measure that is used by the 1683 association to safeguard data, including passwords.

1684 7. The software and operating system used by the 1685 association which allows the manipulation of data, even if the 1686 owner owns a copy of the same software used by the association. 1687 The data is part of the official records of the association.

1688 The association or its authorized agent is not (d) required to provide a prospective purchaser or lienholder with 1689 information about the residential subdivision or the association 1690 1691 other than information or documents required by this chapter to 1692 be made available or disclosed. The association or its 1693 authorized agent may charge a reasonable fee to the prospective 1694 purchaser or lienholder or the current parcel owner or member 1695 for providing good faith responses to requests for information by or on behalf of a prospective purchaser or lienholder, other 1696 than that required by law, if the fee does not exceed \$150 plus 1697 the reasonable cost of photocopying and any attorney attorney's 1698 1699 fees incurred by the association in connection with the 1700 response.

(7) FINANCIAL REPORTING.-Within 90 days after the end of the fiscal year, or annually on the date provided in the bylaws, the association shall prepare and complete, or contract with a third party for the preparation and completion of, a financial report for the preceding fiscal year. Within 21 days after the final financial report is completed by the association or received from the third party, but not later than 120 days after

Page 61 of 73

CODING: Words stricken are deletions; words <u>underlined</u> are additions.

hb0073-03-c3

the end of the fiscal year or other date as provided in the bylaws, the association shall, within the time limits set forth in subsection (5), provide each member with a copy of the annual financial report or a written notice that a copy of the financial report is available upon request at no charge to the member. Financial reports shall be prepared as follows:

(a) An association that meets the criteria of this paragraph shall prepare or cause to be prepared a complete set of financial statements in accordance with generally accepted accounting principles as adopted by the Board of Accountancy. The financial statements shall be based upon the association's total annual revenues, as follows:

1720 1. An association with total annual revenues of $\frac{150,000}{1721}$ 1721 $\frac{100,000}{1722}$ or more, but less than $\frac{300,000}{200,000}$, shall prepare 1722 compiled financial statements.

1723 2. An association with total annual revenues of at least
1724 <u>\$300,000</u> \$200,000, but less than <u>\$500,000</u> \$400,000, shall
1725 prepare reviewed financial statements.

1726 3. An association with total annual revenues of \$500,000
1727 \$400,000 or more shall prepare audited financial statements.

(b)1. An association with total annual revenues of less than \$150,000 \$100,000 shall prepare a report of cash receipts and expenditures.

1731 2. An association in a community of fewer than 50 parcels, 1732 regardless of the association's annual revenues, may prepare a 1733 report of cash receipts and expenditures in lieu of financial 1734 statements required by paragraph (a) unless the governing 1735 documents provide otherwise.

Page 62 of 73

CODING: Words stricken are deletions; words <u>underlined</u> are additions.

1736 A report of cash receipts and disbursement must 3. 1737 disclose the amount of receipts by accounts and receipt 1738 classifications and the amount of expenses by accounts and 1739 expense classifications, including, but not limited to, the 1740 following, as applicable: costs for security, professional, and 1741 management fees and expenses; taxes; costs for recreation facilities; expenses for refuse collection and utility services; 1742 1743 expenses for lawn care; costs for building maintenance and 1744 repair; insurance costs; administration and salary expenses; and 1745 reserves if maintained by the association.

1746

(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.

2. When the governing documents, including the declaration, articles of incorporation, or bylaws, provide that only a specific class of members is entitled to elect a board director or directors, only that class of members may vote to recall those 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.

Page 63 of 73

CODING: Words stricken are deletions; words underlined are additions.

1764 The board shall duly notice and hold a meeting of the 2. 1765 board within 5 full business days after receipt of the agreement 1766 in writing or written ballots. At the meeting, the board shall 1767 either certify the written ballots or written agreement to 1768 recall a director or directors of the board, in which case such 1769 director or directors shall be recalled effective immediately 1770 and shall turn over to the board within 5 full business days any 1771 and all records and property of the association in their 1772 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 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.

```
1791
```

(c)1. If the declaration, articles of incorporation, or

Page 64 of 73

CODING: Words stricken are deletions; words <u>underlined</u> are additions.

1792 bylaws specifically provide, the members may also recall and 1793 remove a board director or directors by a vote taken at a 1794 meeting. If so provided in the governing documents, a special 1795 meeting of the members to recall a director or directors of the 1796 board of administration may be called by 10 percent of the 1797 voting interests giving notice of the meeting as required for a meeting of members, and the notice shall state the purpose of 1798 1799 the meeting. Electronic transmission may not be used as a method 1800 of giving notice of a meeting called in whole or in part for 1801 this purpose.

1802 2. The board shall duly notice and hold a board meeting 1803 within 5 full business days after the adjournment of the member 1804 meeting to recall one or more directors. At the meeting, the 1805 board shall certify the recall, in which case such member or 1806 members shall be recalled effective immediately and shall turn 1807 over to the board within 5 full business days any and all 1808 records and property of the association in their possession, or 1809 shall proceed as set forth in subparagraph (d).

1810 (d) If the board determines not to certify the written 1811 agreement or written ballots to recall a director or directors 1812 of the board or does not certify the recall by a vote at a 1813 meeting, the board shall, within 5 full business days after the 1814 meeting, file with the department a petition for binding 1815 arbitration pursuant to the applicable procedures in ss. 1816 718.112(2)(j) and 718.1255 and the rules adopted thereunder. For the purposes of this section, the members who voted at the 1817 1818 meeting or who executed the agreement in writing shall constitute one party under the petition for arbitration. If the 1819

Page 65 of 73

CODING: Words stricken are deletions; words underlined are additions.

hb0073-03-c3

arbitrator certifies the recall as to any director or directors of the board, the recall will be effective upon mailing of the final order of arbitration to the association. The director or directors so recalled shall deliver to the board any and all records of the association in their possession within 5 full business days after the effective date of the recall.

1826 If a vacancy occurs on the board as a result of a (e) 1827 recall and less than a majority of the board directors are 1828 removed, the vacancy may be filled by the affirmative vote of a 1829 majority of the remaining directors, notwithstanding any 1830 provision to the contrary contained in this subsection or in the 1831 association documents. If vacancies occur on the board as a 1832 result of a recall and a majority or more of the board directors 1833 are removed, the vacancies shall be filled by members voting in 1834 favor of the recall; if removal is at a meeting, any vacancies 1835 shall be filled by the members at the meeting. If the recall 1836 occurred by agreement in writing or by written ballot, members 1837 may vote for replacement directors in the same instrument in 1838 accordance with procedural rules adopted by the division, which 1839 rules need not be consistent with this subsection.

(f) If the board fails to duly notice and hold a board meeting within 5 full business days after service of an agreement in writing or within 5 full business days after the adjournment of the member recall meeting, the recall shall be deemed effective and the board directors so recalled shall immediately turn over to the board all records and property of the association.

1847

(g) If the board fails to duly notice and hold the

Page 66 of 73

CODING: Words stricken are deletions; words <u>underlined</u> are additions.

1848 required meeting or fails to file the required petition, the 1849 unit owner representative may file a petition pursuant to s. 1850 718.1255 challenging the board's failure to act. The petition 1851 must be filed within 60 days after the expiration of the 1852 applicable 5-full-business-day period. The review of a petition 1853 under this paragraph is limited to the sufficiency of service on 1854 the board and the facial validity of the written agreement or 1855 ballots filed.

1856 (h) (g) If a director who is removed fails to relinquish 1857 his or her office or turn over records as required under this 1858 section, the circuit court in the county where the association 1859 maintains its principal office may, upon the petition of the 1860 association, summarily order the director to relinquish his or 1861 her office and turn over all association records upon 1862 application of the association.

1863 (i) (h) The minutes of the board meeting at which the board 1864 decides whether to certify the recall are an official association record. The minutes must record the date and time of 1865 1866 the meeting, the decision of the board, and the vote count taken 1867 on each board member subject to the recall. In addition, when the board decides not to certify the recall, as to each vote 1868 1869 rejected, the minutes must identify the parcel number and the 1870 specific reason for each such rejection.

1871 <u>(j)</u> (i) When the recall of more than one board director is 1872 sought, the written agreement, ballot, or vote at a meeting 1873 shall provide for a separate vote for each board director sought 1874 to be recalled.

1875

(k) A board member who has been recalled may file a

Page 67 of 73

CODING: Words stricken are deletions; words <u>underlined</u> are additions.

hb0073-03-c3

1876 petition pursuant to ss. 718.112(2)(j) and 718.1255 and the 1877 rules adopted challenging the validity of the recall. The 1878 petition must be filed within 60 days after the recall is deemed 1879 certified. The association and the unit owner representative 1880 shall be named as respondents.

1881 (1) The division may not accept for filing a recall petition, whether filed pursuant to paragraph (b), paragraph (c), paragraph (g), or paragraph (k) and regardless of whether the recall was certified, when there are 60 or fewer days until the scheduled reelection of the board member sought to be recalled or when 60 or fewer days have not elapsed since the election of the board member sought to be recalled.

Section 17. Subsection (2) of section 720.305, Florida
Statutes, is amended to read:

1890 720.305 Obligations of members; remedies at law or in 1891 equity; levy of fines and suspension of use rights.-

1892 The association may levy reasonable fines of up to (2)1893 \$100 per violation against any member or any member's tenant, 1894 quest, or invitee for the failure of the owner of the parcel or 1895 its occupant, licensee, or invitee to comply with any provision 1896 of the declaration, the association bylaws, or reasonable rules 1897 of the association. A fine may be levied for each day of a 1898 continuing violation, with a single notice and opportunity for 1899 hearing, except that the fine may not exceed \$1,000 in the 1900 aggregate unless otherwise provided in the governing documents. 1901 A fine of less than \$1,000 may not become a lien against a 1902 parcel. In any action to recover a fine, the prevailing party is 1903 entitled to reasonable attorney attorney's fees and costs from

Page 68 of 73

CODING: Words stricken are deletions; words underlined are additions.

1904 the nonprevailing party as determined by the court.

1905 An association may suspend, for a reasonable period of (a) 1906 time, the right of a member, or a member's tenant, quest, or 1907 invitee, to use common areas and facilities for the failure of 1908 the owner of the parcel or its occupant, licensee, or invitee to comply with any provision of the declaration, the association 1909 1910 bylaws, or reasonable rules of the association. This paragraph 1911 does not apply to that portion of common areas used to provide 1912 access or utility services to the parcel. A suspension may not impair the right of an owner or tenant of a parcel to have 1913 1914 vehicular and pedestrian ingress to and egress from the parcel, 1915 including, but not limited to, the right to park.

1916 A fine or suspension may not be imposed without at (b) 1917 least 14 days' notice to the person sought to be fined or 1918 suspended and an opportunity for a hearing before a committee of 1919 at least three members appointed by the board who are not 1920 officers, directors, or employees of the association, or the spouse, parent, child, brother, or sister of an officer, 1921 director, or employee. If the committee, by majority vote, does 1922 1923 not approve a proposed fine or suspension, it may not be 1924 imposed. If the association imposes a fine or suspension, the 1925 association must provide written notice of such fine or 1926 suspension by mail or hand delivery to the parcel owner and, if 1927 applicable, to any tenant, licensee, or invitee of the parcel 1928 owner.

1929 Section 18. Paragraph (d) is added to subsection (1) of 1930 section 720.306, Florida Statutes, and subsection (6) and

Page 69 of 73

CODING: Words stricken are deletions; words underlined are additions.

hb0073-03-c3

1931 paragraph (a) of subsection (9) of that section are amended, to 1932 read:

1933 720.306 Meetings of members; voting and election
1934 procedures; amendments.-

1935

(1) QUORUM; AMENDMENTS.-

1936 The Legislature finds that the procurement of (d) 1937 mortgagee consent to amendments that do not affect the rights or 1938 interests of mortgagees is an unreasonable and substantial 1939 logistical and financial burden on the parcel owners and that 1940 there is a compelling state interest in enabling the members of 1941 an association to approve amendments to the association's 1942 governing documents through legal means. Accordingly, and 1943 notwithstanding any provision of this paragraph to the contrary:

1944 1. As to any mortgage recorded on or after July 1, 2013, 1945 any provision in the association's governing documents that 1946 requires the consent or joinder of some or all mortgagees of 1947 parcels or any other portion of the association's common areas 1948 to amend the association's governing documents or for any other 1949 matter is enforceable only as to amendments to the association's 1950 governing documents that adversely affect the priority of the 1951 mortgagee's lien or the mortgagee's rights to foreclose its lien 1952 or that otherwise materially affect the rights and interests of 1953 the mortgagees.

19542. As to mortgages recorded before July 1, 2013, any1955existing provisions in the association's governing documents1956requiring mortgagee consent are enforceable.

19573. In securing consent or joinder, the association is1958entitled to rely upon the public records to identify the holders

Page 70 of 73

CODING: Words stricken are deletions; words <u>underlined</u> are additions.

1959 of outstanding mortgages. The association may use the address 1960 provided in the original recorded mortgage document, unless 1961 there is a different address for the holder of the mortgage in a 1962 recorded assignment or modification of the mortgage, which 1963 recorded assignment or modification must reference the official 1964 records book and page on which the original mortgage was 1965 recorded. Once the association has identified the recorded 1966 mortgages of record, the association shall, in writing, request 1967 of each parcel owner whose parcel is encumbered by a mortgage of 1968 record any information that the owner has in his or her 1969 possession regarding the name and address of the person to whom 1970 mortgage payments are currently being made. Notice shall be sent 1971 to such person if the address provided in the original recorded 1972 mortgage document is different from the name and address of the 1973 mortgagee or assignee of the mortgage as shown by the public 1974 record. The association is deemed to have complied with this 1975 requirement by making the written request of the parcel owners 1976 required under this subparagraph. Any notices required to be 1977 sent to the mortgagees under this subparagraph shall be sent to 1978 all available addresses provided to the association. 1979 Any notice to the mortgagees required under 4. 1980 subparagraph 3. may be sent by a method that establishes proof of delivery, and any mortgagee who fails to respond within 60 1981 1982 days after the date of mailing is deemed to have consented to 1983 the amendment. 1984 5. For those amendments requiring mortgagee consent on or after July 1, 2013, in the event mortgagee consent is provided 1985 1986 other than by properly recorded joinder, such consent shall be

Page 71 of 73

CODING: Words stricken are deletions; words underlined are additions.

1987 evidenced by affidavit of the association recorded in the public 1988 records of the county in which the declaration is recorded. 1989 6. Any amendment adopted without the required consent of a 1990 mortgagee is voidable only by a mortgagee who was entitled to notice and an opportunity to consent. An action to void an 1991 1992 amendment is subject to the statute of limitations beginning 5 years after the date of discovery as to the amendments described 1993 1994 in subparagraph 1. and 5 years after the date of recordation of 1995 the certificate of amendment for all other amendments. This 1996 subparagraph applies to all mortgages, regardless of the date of 1997 recordation of the mortgage.

RIGHT TO SPEAK.-Members and parcel owners have the 1998 (6) 1999 right to attend all membership meetings and to speak at any 2000 meeting with reference to all items opened for discussion or 2001 included on the agenda. Notwithstanding any provision to the 2002 contrary in the governing documents or any rules adopted by the 2003 board or by the membership, a member and a parcel owner have the 2004 right to speak for at least 3 minutes on any item, provided that the member or parcel owner submits a written request to speak 2005 2006 prior to the meeting. The association may adopt written 2007 reasonable rules governing the frequency, duration, and other 2008 manner of member and parcel owner statements, which rules must 2009 be consistent with this subsection.

2010

(9) (a) ELECTIONS AND BOARD VACANCIES.-

2011 <u>(a)</u> Elections of directors must be conducted in accordance 2012 with the procedures set forth in the governing documents of the 2013 association. All members of the association are eligible to 2014 serve on the board of directors, and a member may nominate

Page 72 of 73

CODING: Words stricken are deletions; words <u>underlined</u> are additions.

hb0073-03-c3

FLORIDA HOUSE OF REPRESENTATIV

himself or herself as a candidate for the board at a meeting 2015 2016 where the election is to be held or, if the election process 2017 allows voting by absentee ballot, in advance of the balloting. 2018 Except as otherwise provided in the governing documents, boards 2019 of directors must be elected by a plurality of the votes cast by 2020 eligible voters. Any challenge to the election process must be 2021 commenced within 60 days after the election results are 2022 announced.

2023 Section 19. This act shall take effect July 1, 2013.

Page 73 of 73

CODING: Words stricken are deletions; words <u>underlined</u> are additions.