

1 A bill to be entitled

2 An act relating to residential properties; amending s.
3 201.02, F.S.; providing that a certain deed, transfer,
4 or conveyance from an owner of property is subject to
5 certain taxes; amending s. 617.0721, F.S.; authorizing
6 the use of a copy, facsimile transmission, or other
7 reliable reproduction of an original proxy vote for
8 certain purposes; amending s. 718.103, F.S.; revising
9 the definition of the term "developer"; amending s.
10 718.111, F.S.; revising liability of unit owners under
11 certain conditions; revising what constitutes official
12 records of an association; amending s. 718.112, F.S.;
13 revising provisions relating to the voting process for
14 providing reserves; amending s. 718.116, F.S.;
15 revising provisions relating to the liability of
16 condominium unit owners and mortgagees; revising
17 applicability; revising effect of a claim of lien;
18 amending s. 718.301, F.S.; adding conditions under
19 which certain unit owners are entitled to elect at
20 least a majority of the members of the board of
21 administration of an association; requiring a bulk-
22 unit purchaser to deliver certain items during the
23 transfer of association control from the bulk-unit
24 purchaser; amending s. 718.302, F.S.; revising the
25 conditions under which certain grants, reservations,
26 or contracts made by an association may be cancelled;

27 prohibiting a lender-unit purchaser from voting on
28 cancellation of certain grants, reservations, or
29 contracts while the association is under control of
30 that lender-unit purchaser; amending s. 718.303, F.S.;
31 providing that a fine may be levied by the board under
32 certain conditions; revising requirements for levying
33 a fine or suspension; amending s. 718.501, F.S.;
34 conforming provisions of chapter 718, F.S., relating
35 to the enforcement powers of the Division of Florida
36 Condominiums, Timeshares, and Mobile Homes; creating
37 s. 718.709, F.S.; providing applicability of
38 provisions relating to the Distressed Condominium
39 Relief Act; creating part VIII of chapter 718, F.S.;
40 providing legislative intent; providing definitions;
41 authorizing a bulk-unit purchaser to exercise certain
42 developer rights; requiring a bulk-unit purchaser to
43 pay a working capital contribution under certain
44 circumstances; providing applicability; authorizing a
45 lender-unit purchaser to exercise any developer rights
46 he or she acquires; requiring a bulk-unit purchaser
47 and a lender-unit purchaser to comply with specified
48 provisions under chapter 718, F.S.; limiting the
49 rights of bulk-unit purchasers and lender-unit
50 purchasers to vote on reserves or funding of reserves;
51 prohibiting the transfer of such voting rights;
52 providing assessment liability for bulk-unit

53 purchasers and lender-unit purchasers; providing for
54 suspension of a director who has been elected or
55 appointed by a bulk-unit purchaser in certain
56 circumstances; specifying amendments and alterations
57 for which majority approval of unit owners is
58 required; requiring consent of a bulk-unit purchaser,
59 lender-unit purchaser, or developer to certain
60 amendments; requiring certain warranties and
61 disclosures; subjecting multiple bulk-unit purchasers
62 to joint and several liability; prohibiting a board of
63 administration, a majority of which is elected by a
64 bulk-unit purchaser, from resolving certain
65 construction disputes unless other conditions are
66 satisfied; providing that a bulk-unit purchaser or
67 lender-unit purchaser who does not comply with chapter
68 718, F.S., forfeits all protections or exemptions
69 under chapter 718, F.S.; clarifying conditions under
70 which a bulk-unit purchaser must deliver certain items
71 during the transfer of association control from the
72 bulk-unit purchaser; providing conditions under which
73 a person may become a bulk-unit purchaser following
74 acquisition of title to certain timeshare interests;
75 requiring the disclosure of certain information to
76 purchasers by certain bulk-unit purchasers of
77 timeshare interests; amending s. 719.104, F.S.;

78 revising what constitutes the official records of an

79 association; amending s. 719.108, F.S.; revising
 80 applicability; revising effect of a claim of lien;
 81 amending s. 719.303, F.S.; providing that a fine may
 82 be levied by the board under certain conditions;
 83 revising requirements for levying a fine or
 84 suspension; amending s. 720.301, F.S.; revising the
 85 definition of the term "governing documents"; creating
 86 s. 720.3015, F.S.; providing a short title; amending
 87 s. 720.305, F.S.; revising requirements for levying a
 88 fine or suspension; revising application of certain
 89 provisions; amending s. 720.306, F.S.; revising
 90 requirements for the adoption of amendments to the
 91 governing documents; revising requirements for the
 92 election of directors; providing an effective date.

93

94 Be It Enacted by the Legislature of the State of Florida:

95

96 Section 1. Subsection (9) of section 201.02, Florida
 97 Statutes, is amended to read:

98 201.02 Tax on deeds and other instruments relating to real
 99 property or interests in real property.—

100 (9) (a) A certificate of title issued by the clerk of court
 101 under s. 45.031(5) in a judicial sale of real property under an
 102 order or final judgment issued pursuant to a foreclosure
 103 proceeding is subject to the tax imposed by subsection (1).

104 However, the amount of the tax shall be computed based solely on

105 the amount of the highest and best bid received for the property
 106 at the foreclosure sale. This paragraph ~~subsection~~ is intended
 107 to clarify existing law and shall be applied retroactively.

108 (b) A deed, transfer, or conveyance from an owner of
 109 property, subject to assessments authorized by chapter 718,
 110 chapter 719, chapter 720, or chapter 721, to an association
 111 having lien rights against the property in lieu of the
 112 foreclosure of an assessment lien held by the association
 113 against such property is subject to the tax imposed by
 114 subsection (1). However, the amount of the tax shall be computed
 115 based solely on the amount of the unpaid assessments which are
 116 due and owing to the association on the date of said transfer.

117 Section 2. Subsection (2) of section 617.0721, Florida
 118 Statutes, is amended to read:

119 617.0721 Voting by members.—

120 (2) A member who is entitled to vote may vote in person
 121 or, unless the articles of incorporation or the bylaws otherwise
 122 provide, may vote by proxy executed in writing by the member or
 123 by his or her duly authorized attorney in fact. Notwithstanding
 124 any provision to the contrary in the articles of incorporation
 125 or bylaws, any copy, facsimile transmission, or other reliable
 126 reproduction of the original proxy may be substituted or used in
 127 lieu of the original proxy for any purpose for which the
 128 original proxy could be used if the copy, facsimile
 129 transmission, or other reproduction is a complete reproduction
 130 of the entire proxy. An appointment of a proxy is not valid

131 after 11 months following the date of its execution unless
 132 otherwise provided in the proxy.

133 (a) If directors or officers are to be elected by members,
 134 the bylaws may provide that such elections may be conducted by
 135 mail.

136 (b) A corporation may reject a vote, consent, waiver, or
 137 proxy appointment if the secretary or other officer or agent
 138 authorized to tabulate votes, acting in good faith, has a
 139 reasonable basis for doubting the validity of the signature on
 140 it or the signatory's authority to sign for the member.

141 Section 3. Subsection (16) of section 718.103, Florida
 142 Statutes, is amended to read:

143 718.103 Definitions.—As used in this chapter, the term:

144 (16) "Developer" means a person who creates a condominium
 145 or offers condominium parcels for sale or lease in the ordinary
 146 course of business, but does not include:

147 (a) An owner or lessee of a condominium or cooperative
 148 unit who has acquired the unit for his or her own occupancy;

149 (b) A cooperative association that creates a condominium
 150 by conversion of an existing residential cooperative after
 151 control of the association has been transferred to the unit
 152 owners if, following the conversion, the unit owners are the
 153 same persons who were unit owners of the cooperative and no
 154 units are offered for sale or lease to the public as part of the
 155 plan of conversion;

156 (c) A bulk-unit purchaser, lender-unit purchaser, bulk

157 assignee, or bulk buyer as defined in s. 718.802 ~~718.703~~;

158 (d) A person who acquires title to 7 or fewer units
159 operated by the same association consisting of 40 or fewer units
160 or who acquires title to less than 20 percent of the units
161 operated by the same association consisting of more than 40
162 units, regardless of whether that person offers any of those
163 units for sale;

164 (e) The trustee and any related trust association of a
165 timeshare trust, the interests in which are qualified as
166 timeshare estates pursuant to s. 721.08 or s. 721.53; or

167 (f)~~(d)~~ A state, county, or municipal entity acting as a
168 lessor and not otherwise named as a developer in the declaration
169 of condominium.

170 Section 4. Paragraph (j) of subsection (11) and paragraph
171 (a) of subsection (12) of section 718.111, Florida Statutes, are
172 amended to read:

173 718.111 The association.—

174 (11) INSURANCE.—In order to protect the safety, health,
175 and welfare of the people of the State of Florida and to ensure
176 consistency in the provision of insurance coverage to
177 condominiums and their unit owners, this subsection applies to
178 every residential condominium in the state, regardless of the
179 date of its declaration of condominium. It is the intent of the
180 Legislature to encourage lower or stable insurance premiums for
181 associations described in this subsection.

182 (j) Any portion of the condominium property that must be

183 insured by the association against property loss pursuant to
184 paragraph (f) which is damaged by an insurable event shall be
185 reconstructed, repaired, or replaced as necessary by the
186 association as a common expense. In the absence of an insurable
187 event, the association or the unit owners shall be responsible
188 for the reconstruction, repair, or replacement, as determined by
189 the maintenance provisions of the declaration or bylaws. All
190 property insurance deductibles, ~~uninsured losses,~~ and other
191 damages in excess of property insurance coverage under the
192 property insurance policies maintained by the association are a
193 common expense of the condominium, except that:

194 1. A unit owner is responsible for the costs of repair or
195 replacement of any portion of the condominium property not paid
196 by insurance proceeds if such damage is caused by intentional
197 conduct, negligence, or failure to comply with the terms of the
198 declaration or the rules of the association by a unit owner, the
199 members of his or her family, unit occupants, tenants, guests,
200 or invitees, without compromise of the subrogation rights of the
201 insurer.

202 2. The provisions of subparagraph 1. regarding the
203 financial responsibility of a unit owner for the costs of
204 repairing or replacing other portions of the condominium
205 property also apply to the costs of repair or replacement of
206 personal property of other unit owners or the association, as
207 well as other property, whether real or personal, which the unit
208 owners are required to insure.

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

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

223 (12) OFFICIAL RECORDS.—

224 (a) From the inception of the association, the association
 225 shall maintain each of the following items, if applicable, which
 226 constitutes the official records of the association:

227 1. A copy of the plans, permits, warranties, and other
 228 items provided by the developer pursuant to s. 718.301(4).

229 2. A photocopy of the recorded declaration of condominium
 230 of each condominium operated by the association and each
 231 amendment to each declaration.

232 3. A photocopy of the recorded bylaws of the association
 233 and each amendment to the bylaws.

234 4. A certified copy of the articles of incorporation of

235 the association, or other documents creating the association,
 236 and each amendment thereto.

237 5. A copy of the current rules of the association.

238 6. A book or books that contain the minutes of all
 239 meetings of the association, the board of administration, and
 240 the unit owners, which minutes must be retained for at least 7
 241 years.

242 7. A current roster of all unit owners and their mailing
 243 addresses, unit identifications, voting certifications, and, if
 244 known, telephone numbers. The association shall also maintain
 245 the electronic mailing addresses and facsimile numbers of unit
 246 owners consenting to receive notice by electronic transmission.
 247 The electronic mailing addresses and facsimile numbers are not
 248 accessible to unit owners if consent to receive notice by
 249 electronic transmission is not provided in accordance with
 250 subparagraph (c)5. However, the association is not liable for an
 251 inadvertent disclosure of the electronic mail address or
 252 facsimile number for receiving electronic transmission of
 253 notices.

254 8. All current insurance policies of the association and
 255 condominiums operated by the association.

256 9. A current copy of any management agreement, lease, or
 257 other contract to which the association is a party or under
 258 which the association or the unit owners have an obligation or
 259 responsibility.

260 10. Bills of sale or transfer for all property owned by

261 the association.

262 11. Accounting records for the association and separate
263 accounting records for each condominium that the association
264 operates. All accounting records must be maintained for at least
265 7 years. Any person who knowingly or intentionally defaces or
266 destroys such records, or who knowingly or intentionally fails
267 to create or maintain such records, with the intent of causing
268 harm to the association or one or more of its members, is
269 personally subject to a civil penalty pursuant to s.
270 718.501(1)(d). The accounting records must include, but are not
271 limited to:

272 a. Accurate, itemized, and detailed records of all
273 receipts and expenditures.

274 b. A current account and a monthly, bimonthly, or
275 quarterly statement of the account for each unit designating the
276 name of the unit owner, the due date and amount of each
277 assessment, the amount paid on the account, and the balance due.

278 c. All audits, reviews, accounting statements, and
279 financial reports of the association or condominium.

280 d. All contracts for work to be performed. Bids for work
281 to be performed are also considered official records and must be
282 maintained by the association.

283 12. Ballots, sign-in sheets, voting proxies, and all other
284 papers relating to voting by unit owners, which must be
285 maintained for 1 year from the date of the election, vote, or
286 meeting to which the document relates, notwithstanding paragraph

287 (b).

288 13. All rental records if the association is acting as
289 agent for the rental of condominium units.

290 14. A copy of the current question and answer sheet as
291 described in s. 718.504.

292 15. All other written records of the association not
293 specifically included in the foregoing which are related to the
294 operation of the association.

295 16. A copy of the inspection report as described in s.
296 718.301(4) (p).

297 Section 5. Paragraph (f) of subsection (2) of section
298 718.112, Florida Statutes, is amended to read:

299 718.112 Bylaws.—

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

303 (f) Annual budget.—

304 1. The proposed annual budget of estimated revenues and
305 expenses must be detailed and must show the amounts budgeted by
306 accounts and expense classifications, including, at a minimum,
307 any if applicable, ~~but not limited to,~~ those expenses listed in
308 s. 718.504(21). A multicondominium association shall adopt a
309 separate budget of common expenses for each condominium the
310 association operates and shall adopt a separate budget of common
311 expenses for the association. In addition, if the association
312 maintains limited common elements with the cost to be shared

313 only by those entitled to use the limited common elements as
314 provided for in s. 718.113(1), the budget or a schedule attached
315 to it must show the amount budgeted for this maintenance. If,
316 after turnover of control of the association to the unit owners,
317 any of the expenses listed in s. 718.504(21) are not applicable,
318 they need not be listed.

319 2.a. In addition to annual operating expenses, the budget
320 must include reserve accounts for capital expenditures and
321 deferred maintenance. These accounts must include, but are not
322 limited to, roof replacement, building painting, and pavement
323 resurfacing, regardless of the amount of deferred maintenance
324 expense or replacement cost, and ~~for~~ any other item that has a
325 deferred maintenance expense or replacement cost that exceeds
326 \$10,000. The amount to be reserved must be computed using a
327 formula based upon estimated remaining useful life and estimated
328 replacement cost or deferred maintenance expense of each reserve
329 item. The association may adjust replacement reserve assessments
330 annually to take into account any changes in estimates or
331 extension of the useful life of a reserve item caused by
332 deferred maintenance. This subsection does not apply to an
333 adopted budget in which the members of an association have
334 determined, by a majority vote at a duly called meeting of the
335 association, to provide no reserves or less reserves than
336 required by this subsection.

337 b. Before ~~However, prior to~~ turnover of control of an
338 association by a developer to unit owners other than a developer

339 pursuant to s. 718.301, the developer may vote the voting
340 interests allocated to its units to waive the reserves or reduce
341 the funding of reserves through the period expiring at the end
342 of the second fiscal year after the fiscal year in which the
343 certificate of a surveyor and mapper is recorded pursuant to s.
344 718.104(4)(e) or an instrument that transfers title to a unit in
345 the condominium which is not accompanied by a recorded
346 assignment of developer rights in favor of the grantee of such
347 unit is recorded, whichever occurs first, after which time
348 reserves may be waived or reduced only upon the vote of a
349 majority of all nondeveloper voting interests voting in person
350 or by limited proxy at a duly called meeting of the association.
351 If a meeting of the unit owners has been called to determine
352 whether to waive or reduce the funding of reserves, and no such
353 result is achieved or a quorum is not attained, the reserves
354 included in the budget shall go into effect. After the turnover,
355 the developer may vote its voting interest to waive or reduce
356 the funding of reserves.

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

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

369 4. The only voting interests that are eligible to vote on
370 questions that involve waiving or reducing the funding of
371 reserves, or using existing reserve funds for purposes other
372 than purposes for which the reserves were intended, are the
373 voting interests of the units subject to assessment to fund the
374 reserves in question. Proxy questions relating to waiving or
375 reducing the funding of reserves or using existing reserve funds
376 for purposes other than purposes for which the reserves were
377 intended must ~~shall~~ contain the following statement in
378 capitalized, bold letters in a font size larger than any other
379 used on the face of the proxy ballot: WAIVING OF RESERVES, IN
380 WHOLE OR IN PART, OR ALLOWING ALTERNATIVE USES OF EXISTING
381 RESERVES MAY RESULT IN UNIT OWNER LIABILITY FOR PAYMENT OF
382 UNANTICIPATED SPECIAL ASSESSMENTS REGARDING THOSE ITEMS.

383 Section 6. Paragraphs (a) and (b) of subsection (1),
384 subsection (3), and paragraph (b) of subsection (5) of section
385 718.116, Florida Statutes, are amended to read:

386 718.116 Assessments; liability; lien and priority;
387 interest; collection.—

388 (1) (a) A unit owner, regardless of how the unit owner has
389 acquired ~~his or her~~ title ~~has been acquired~~, including, but not
390 limited to, ~~by~~ purchase at a foreclosure sale or ~~by~~ deed in lieu

391 of foreclosure, is liable for all assessments that ~~which~~ come
392 due while he or she is the unit owner, including any special
393 assessments or installments on special assessments coming due
394 during the period of ownership, regardless of when the special
395 assessment was levied. Additionally, a unit owner is jointly and
396 severally liable with the previous unit owner for all unpaid
397 monthly and special assessments, interest and late fees on both
398 unpaid assessments and unpaid special assessments, and costs and
399 reasonable attorney fees incurred by the association in an
400 attempt to collect all such amounts that came due up to the time
401 of transfer of title. This joint and several liability of a
402 subsequent unit owner does not apply to an owner who acquires
403 title through purchase of a tax deed and is without prejudice to
404 any right the present unit owner may have to recover from the
405 previous unit owner the amounts paid by the present unit owner.
406 For the purposes of this section ~~paragraph~~, the term "previous
407 unit owner" does not include an association that acquires title
408 to a unit ~~delinquent property~~ through foreclosure or by deed in
409 lieu of foreclosure. A present unit owner's liability for unpaid
410 assessments, interest, late fees, and costs and reasonable
411 attorney fees is limited to any unpaid assessments, interest,
412 late fees, and costs and reasonable attorney fees that accrued
413 before the association acquired title to the unit ~~delinquent~~
414 ~~property~~ through foreclosure or by deed in lieu of foreclosure.

415 (b)1. The liability of a first mortgagee or its successor
416 or assignees who acquire title to a unit by foreclosure or by

417 deed in lieu of foreclosure for the unpaid assessments,
418 interest, late fees, costs and reasonable attorney fees, and any
419 other fee, cost, or expense incurred by or on behalf of the
420 association in the collection process that became due before the
421 mortgagee's acquisition of title is limited to the lesser of:

422 a. The unit's unpaid common expenses and regular periodic
423 assessments which accrued or came due during the 12 months
424 immediately preceding the acquisition of title and for which
425 payment in full has not been received by the association; or

426 b. One percent of the original mortgage debt. The
427 provisions of this paragraph apply only if the first mortgagee
428 joined the association as a defendant in the foreclosure action.
429 Joinder of the association is not required if, on the date the
430 complaint is filed, the association was dissolved or did not
431 maintain an office or agent for service of process at a location
432 which was known to or reasonably discoverable by the mortgagee.

433 2. An association, or its successor or assignee, that
434 acquires title to a unit through the foreclosure of its lien for
435 assessments is not liable for any unpaid assessments, late fees,
436 interest, or reasonable attorney ~~attorney's~~ fees and costs that
437 came due before the association's acquisition of title in favor
438 of any other association, as defined in s. 718.103(2) or s.
439 720.301(9), which holds a superior lien interest on the unit.
440 This subparagraph is intended to clarify existing law.

441 (3) Assessments and installments on assessments which are
442 not paid when due bear interest at the rate provided in the

443 declaration, from the due date until paid. The rate may not
444 exceed the rate allowed by law, and, if no rate is provided in
445 the declaration, interest accrues at the rate of 18 percent per
446 year. If provided by the declaration or bylaws, the association
447 may, in addition to such interest, charge an administrative late
448 fee of up to the greater of \$25 or 5 percent of each delinquent
449 installment for which the payment is late. Any payment received
450 by an association must be applied first to any interest accrued
451 by the association, then to any administrative late fee, then to
452 any costs and reasonable attorney ~~attorney's~~ fees incurred in
453 collection, and then to the delinquent assessment. The foregoing
454 is applicable notwithstanding s. 673.3111, any purported accord
455 and satisfaction, or any restrictive endorsement, designation,
456 or instruction placed on or accompanying a payment. The
457 preceding sentence is intended to clarify existing law. A late
458 fee is not subject to chapter 687 or s. 718.303(4).

459 (5)

460 (b) To be valid, a claim of lien must state the
461 description of the condominium parcel, the name of the record
462 owner, the name and address of the association, the amount due,
463 and the due dates. It must be executed and acknowledged by an
464 officer or authorized agent of the association. The lien is not
465 effective 1 year after the claim of lien was recorded unless,
466 within that time, an action to enforce the lien is commenced.
467 The 1-year period is automatically extended for any length of
468 time during which the association is prevented from filing a

469 foreclosure action by an automatic stay resulting from a
470 bankruptcy petition filed by the parcel owner or any other
471 person claiming an interest in the parcel. The claim of lien
472 secures all unpaid assessments that are due and that may accrue
473 after the claim of lien is recorded and through the entry of a
474 final judgment, as well as interest, administrative late fees,
475 and all reasonable costs and attorney ~~attorney's~~ fees incurred
476 by the association incident to the collection process. Upon
477 payment in full, the person making the payment is entitled to a
478 satisfaction of the lien.

479 Section 7. Subsections (1) and (4) of section 718.301,
480 Florida Statutes, are amended to read:

481 718.301 Transfer of association control; claims of defect
482 by association.—

483 (1) If unit owners other than the developer own 15 percent
484 or more of the units ~~in a condominium~~ that ultimately will be
485 operated ~~ultimately~~ by an association, as provided in the
486 declaration, articles of incorporation, or bylaws as originally
487 recorded, the unit owners other than the developer are entitled
488 to elect at least one-third of the members of the board of
489 administration of the association. Unit owners other than the
490 developer are entitled to elect at least a majority of the
491 members of the board of administration of an association, upon
492 the first ~~to occur of any~~ of the following events that occurs:

493 (a) Three years after 50 percent of the units that
494 ultimately will be operated ~~ultimately~~ by the association, as

495 provided in the declaration, articles of incorporation, or
496 bylaws as originally recorded, have been conveyed to
497 purchasers.~~†~~

498 (b) Three months after 90 percent of the units that
499 ultimately will be operated ~~ultimately~~ by the association, as
500 provided in the declaration, articles of incorporation, or
501 bylaws as originally recorded, have been conveyed to
502 purchasers.~~†~~

503 (c) When all the units that ultimately will be operated
504 ~~ultimately~~ by the association, as provided in the declaration,
505 articles of incorporation, or bylaws as originally recorded,
506 have been completed, some of them have been conveyed to
507 purchasers, and none of the others is ~~are~~ being offered for sale
508 by the developer in the ordinary course of business.~~†~~

509 (d) When some of the units have been conveyed to
510 purchasers and none of the others is ~~are~~ being constructed or
511 offered for sale by the developer in the ordinary course of
512 business.~~†~~

513 (e) When the developer files a petition seeking protection
514 in bankruptcy.~~†~~

515 (f) When a bulk-unit purchaser who owns a majority of the
516 units that ultimately will be operated by the association, as
517 provided in the declaration, articles of incorporation, or
518 bylaws as originally recorded, files a petition seeking
519 protection in bankruptcy.

520 (g) ~~(f)~~ When a receiver for the developer is appointed by a

521 circuit court and is not discharged within 30 days after such
522 appointment, unless the court determines within 30 days after
523 appointment of the receiver that transfer of control would be
524 detrimental to the association or its members.~~;~~~~or~~

525 (h) When a receiver for a bulk-unit purchaser who owns a
526 majority of the units that ultimately will be operated by the
527 association, as provided in the declaration, articles of
528 incorporation, or bylaws as originally recorded, is appointed by
529 a circuit court and is not discharged within 30 days after such
530 appointment, unless the court determines within 30 days after
531 appointment of the receiver that transfer of control would be
532 detrimental to the association or its members.

533 (i) Five years after the date of recording of the first
534 conveyance to a bulk-unit purchaser that owns a majority of the
535 units that ultimately will be operated by the association, as
536 provided in the declaration, articles of incorporation, or
537 bylaws as originally recorded. Notwithstanding that unit owners
538 other than the developer are entitled to elect a majority of the
539 members of the board of administration and notwithstanding s.
540 718.112(2)(f)2., 5 years after the date of recording of the
541 first conveyance of a unit to a bulk-unit purchaser that owns a
542 majority of the units, the bulk-unit purchaser may exercise the
543 right to vote for each unit owned by the bulk-unit purchaser in
544 the same manner as any other unit owner except for the purposes
545 of reacquiring control of the association or electing or
546 appointing a majority of the members of the board of

547 administration.

548 (j)~~(g)~~ Seven years after the date of the recording of the
549 certificate of a surveyor and mapper pursuant to s.
550 718.104(4)(e) or the recording of an instrument that transfers
551 title to a unit in the condominium which is not accompanied by a
552 recorded assignment of developer rights in favor of the grantee
553 of such unit, whichever occurs first; or, in the case of an
554 association that ~~may~~ ultimately may operate more than one
555 condominium, 7 years after the date of the recording of the
556 certificate of a surveyor and mapper pursuant to s.
557 718.104(4)(e) or the recording of an instrument that transfers
558 title to a unit which is not accompanied by a recorded
559 assignment of developer rights in favor of the grantee of such
560 unit, whichever occurs first, for the first condominium it
561 operates; or, in the case of an association operating a phase
562 condominium created pursuant to s. 718.403, 7 years after the
563 date of the recording of the certificate of a surveyor and
564 mapper pursuant to s. 718.104(4)(e) or the recording of an
565 instrument that transfers title to a unit which is not
566 accompanied by a recorded assignment of developer rights in
567 favor of the grantee of such unit, whichever occurs first.

568
569 The developer is entitled to elect at least one member of the
570 board of administration of an association as long as the
571 developer holds for sale in the ordinary course of business at
572 least 5 percent, in condominiums with fewer than 500 units, and

573 2 percent, in condominiums with more than 500 units, of the
574 units in a condominium operated by the association. After the
575 developer relinquishes control of the association, the developer
576 may exercise the right to vote any developer-owned units in the
577 same manner as any other unit owner except for purposes of
578 reacquiring control of the association or selecting a ~~the~~
579 majority of the members of the board of administration.

580 (4) At the time that unit owners other than the developer
581 elect a majority of the members of the board of administration
582 of an association, the developer or bulk-unit purchaser shall
583 relinquish control of the association, and the unit owners shall
584 accept control. Simultaneously, or for the purposes of paragraph
585 (c) not more than 90 days thereafter, the developer or bulk-unit
586 purchaser shall deliver to the association, at the developer's
587 or bulk-unit purchaser's expense, all property of the unit
588 owners and of the association which is held or controlled by the
589 developer or bulk-unit purchaser, including, but not limited to,
590 the following items, if applicable, as to each condominium
591 operated by the association:

592 (a)1. The original or a photocopy of the recorded
593 declaration of condominium and all amendments thereto. If a
594 photocopy is provided, it must be certified by affidavit of the
595 developer, a bulk-unit purchaser, or an officer or agent of the
596 developer or bulk-unit purchaser as being a complete copy of the
597 actual recorded declaration.

598 2. A certified copy of the articles of incorporation of

599 the association or, if the association was created before ~~prior~~
 600 ~~to~~ the effective date of this act and it is not incorporated,
 601 copies of the documents creating the association.

602 3. A copy of the bylaws.

603 4. The minute books, including all minutes, and other
 604 books and records of the association, if any.

605 5. Any house rules and regulations that have been adopted
 606 ~~promulgated~~.

607 (b) Resignations of officers and members of the board of
 608 administration who are required to resign because the developer
 609 or bulk-unit purchaser is required to relinquish control of the
 610 association.

611 (c) The financial records, including financial statements
 612 of the association, and source documents from the incorporation
 613 of the association through the date of turnover. The records
 614 must be audited for the period from the incorporation of the
 615 association or from the period covered by the last audit, if an
 616 audit has been performed for each fiscal year since
 617 incorporation, by an independent certified public accountant.
 618 All financial statements must be prepared in accordance with
 619 generally accepted accounting principles and must be audited in
 620 accordance with generally accepted auditing standards, as
 621 prescribed by the Florida Board of Accountancy, pursuant to
 622 chapter 473. The accountant performing the audit shall examine
 623 to the extent necessary supporting documents and records,
 624 including the cash disbursements and related paid invoices, to

625 determine whether ~~if~~ expenditures were for association purposes
626 and the billings, cash receipts, and related records to
627 determine whether ~~that~~ the developer or bulk-unit purchaser was
628 charged and paid the proper amounts of assessments.

629 (d) Association funds or control thereof.

630 (e) All tangible personal property that is property of the
631 association, which is represented by the developer or bulk-unit
632 purchaser to be part of the common elements or which is
633 ostensibly part of the common elements, and an inventory of that
634 property.

635 (f) A copy of the plans and specifications used ~~utilized~~
636 in the construction or remodeling of improvements and the
637 supplying of equipment to the condominium and in the
638 construction and installation of all mechanical components
639 serving the improvements and the site with a certificate in
640 affidavit form of the developer, the bulk-unit purchaser, or the
641 developer's or bulk-unit purchaser's agent or an architect or
642 engineer authorized to practice in this state that such plans
643 and specifications represent, to the best of his or her
644 knowledge and belief, the actual plans and specifications used
645 ~~utilized~~ in the construction and improvement of the condominium
646 property and for the construction and installation of the
647 mechanical components serving the improvements. If the
648 condominium property has been declared a condominium more than 3
649 years after the completion of construction or remodeling of the
650 improvements, ~~the requirements of this paragraph~~ does ~~do~~ not

651 apply.

652 (g) A list of the names and addresses of all contractors,
653 subcontractors, and suppliers used ~~utilized~~ in the construction
654 or remodeling of the improvements and in the landscaping of the
655 condominium or association property which the developer or bulk-
656 unit purchaser had knowledge of at any time in the development
657 of the condominium.

658 (h) Insurance policies.

659 (i) Copies of any certificates of occupancy that may have
660 been issued for the condominium property.

661 (j) Any other permits applicable to the condominium
662 property which have been issued by governmental bodies and are
663 in force or were issued within 1 year before ~~prior to~~ the date
664 the unit owners other than the developer or bulk-unit purchaser
665 took control of the association.

666 (k) All written warranties of the contractor,
667 subcontractors, suppliers, and manufacturers, if any, that are
668 still effective.

669 (l) A roster of unit owners and their addresses and
670 telephone numbers, if known, as shown on the developer's or
671 bulk-unit purchaser's records.

672 (m) Leases of the common elements and other leases to
673 which the association is a party.

674 (n) Employment contracts or service contracts in which the
675 association is one of the contracting parties or service
676 contracts in which the association or the unit owners have an

677 obligation or responsibility, directly or indirectly, to pay
678 some or all of the fee or charge of the person or persons
679 performing the service.

680 (o) All other contracts to which the association is a
681 party.

682 (p) A report included in the official records, under seal
683 of an architect or engineer authorized to practice in this
684 state, attesting to required maintenance, useful life, and
685 replacement costs of the following applicable common elements
686 comprising a turnover inspection report:

- 687 1. Roof.
- 688 2. Structure.
- 689 3. Fireproofing and fire protection systems.
- 690 4. Elevators.
- 691 5. Heating and cooling systems.
- 692 6. Plumbing.
- 693 7. Electrical systems.
- 694 8. Swimming pool or spa and equipment.
- 695 9. Seawalls.
- 696 10. Pavement and parking areas.
- 697 11. Drainage systems.
- 698 12. Painting.
- 699 13. Irrigation systems.

700 (q) A copy of the certificate of a surveyor and mapper
701 recorded pursuant to s. 718.104(4)(e) or the recorded instrument
702 that transfers title to a unit in the condominium which is not

703 accompanied by a recorded assignment of developer or bulk-unit
704 purchaser rights in favor of the grantee of such unit, whichever
705 occurred first.

706 Section 8. Subsections (1) through (4) of section 718.302,
707 Florida Statutes, are amended to read:

708 718.302 Agreements entered into by the association.—

709 (1) A ~~Any~~ grant or reservation made by a declaration,
710 lease, or other document, and a ~~any~~ contract made by an
711 association before ~~prior to~~ assumption of control of the
712 association by unit owners other than the developer, a bulk-unit
713 purchaser, or a lender-unit purchaser, which ~~that~~ provides for
714 operation, maintenance, or management of a condominium
715 association or property serving the unit owners of a condominium
716 must ~~shall~~ be fair and reasonable, and such grant, reservation,
717 or contract may be canceled by unit owners other than the
718 developer or a bulk-unit purchaser. A lender-unit purchaser may
719 not vote on cancellation of a grant, reservation, or contract
720 made by the association while the association is under control
721 of that lender-unit purchaser.+

722 (a) If the association operates only one condominium and
723 the unit owners other than the developer, a bulk-unit purchaser,
724 or a lender-unit purchaser have assumed control of the
725 association, or if the unit owners other than the developer, a
726 bulk-unit purchaser, or a lender-unit purchaser own at least ~~not~~
727 ~~less than~~ 75 percent of the voting interests in the condominium,
728 the cancellation shall be by concurrence of the owners of at

729 least ~~not less than~~ 75 percent of the voting interests other
 730 than the voting interests owned by the developer, a bulk-unit
 731 purchaser, or a lender-unit purchaser. If a grant, reservation,
 732 or contract is so canceled and the unit owners other than the
 733 developer or a bulk-unit purchaser have not assumed control of
 734 the association, the association shall make a new contract or
 735 otherwise provide for maintenance, management, or operation in
 736 lieu of the canceled obligation, at the direction of the owners
 737 of ~~not less than~~ a majority of the voting interests in the
 738 condominium other than the voting interests owned by the
 739 developer, a bulk-unit purchaser, or a lender-unit purchaser.

740 (b) If the association operates more than one condominium
 741 and the unit owners other than the developer, a bulk-unit
 742 purchaser, or a lender-unit purchaser have not assumed control
 743 of the association, and if the unit owners other than the
 744 developer or a bulk-unit purchaser own at least 75 percent of
 745 the voting interests in a condominium operated by the
 746 association, any grant, reservation, or contract for
 747 maintenance, management, or operation of buildings containing
 748 the units in that condominium or of improvements used only by
 749 the unit owners of that condominium may be canceled by
 750 concurrence of the owners of at least 75 percent of the voting
 751 interests in the condominium other than the voting interests
 752 owned by the developer or a bulk-unit purchaser. ~~A~~ ~~no~~ grant,
 753 reservation, or contract for maintenance, management, or
 754 operation of recreational areas or any other property serving

755 more than one condominium, and operated by more than one
756 association, may not be canceled except pursuant to paragraph
757 (d).

758 (c) If the association operates more than one condominium
759 and the unit owners other than the developer, a bulk-unit
760 purchaser, or a lender-unit purchaser have assumed control of
761 the association, the cancellation shall be by concurrence of the
762 owners of at least ~~not less than~~ 75 percent of the total number
763 of voting interests in all condominiums operated by the
764 association other than the voting interests owned by the
765 developer or a bulk-unit purchaser.

766 (d) If the owners of units in a condominium have the right
767 to use property in common with owners of units in other
768 condominiums and those condominiums are operated by more than
769 one association, a ~~no~~ grant, reservation, or contract for
770 maintenance, management, or operation of the property serving
771 more than one condominium may not be canceled until the unit
772 owners other than the developer, a bulk-unit purchaser, or a
773 lender-unit purchaser have assumed control of all of the
774 associations operating the condominiums that are to be served by
775 the recreational area or other property, after which
776 cancellation may be effected by concurrence of the owners of at
777 least ~~not less than~~ 75 percent of the total number of voting
778 interests in those condominiums other than voting interests
779 owned by the developer, a bulk-unit purchaser, or a lender-unit
780 purchaser.

781 (2) A ~~Any~~ grant or reservation made by a declaration,
 782 lease, or other document, or a ~~any~~ contract made by the
 783 developer or association before ~~prior to the time when~~ unit
 784 owners other than the developer or a bulk-unit purchaser elect a
 785 majority of the board of administration, which grant,
 786 reservation, or contract requires the association to purchase
 787 condominium property or to lease condominium property to another
 788 party, shall be deemed ratified unless rejected by a majority of
 789 the voting interests of the unit owners other than the developer
 790 or a bulk-unit purchaser within 18 months after the unit owners
 791 other than the developer or a bulk-unit purchaser elect a
 792 majority of the board of administration. A lender-unit purchaser
 793 may not vote on cancellation of a grant, reservation, or
 794 contract made by the association while the association is under
 795 control of that lender-unit purchaser. This subsection does not
 796 apply to a ~~any~~ grant or reservation made by a declaration under
 797 which ~~whereby~~ persons other than the developer or the
 798 developer's or bulk-unit purchaser's heirs, assigns, affiliates,
 799 directors, officers, or employees are granted the right to use
 800 the condominium property, if ~~so long as~~ such persons are
 801 obligated to pay at least, ~~at a minimum,~~ a proportionate share
 802 of the cost associated with such property.

803 (3) A ~~Any~~ grant or reservation made by a declaration,
 804 lease, or other document, and a ~~any~~ contract made by an
 805 association, whether before or after assumption of control of
 806 the association by unit owners other than the developer, a bulk-

807 unit purchaser, or a lender-unit purchaser, which ~~that~~ provides
 808 for operation, maintenance, or management of a condominium
 809 association or property serving the unit owners of a condominium
 810 may ~~shall~~ not ~~be in~~ conflict with the powers and duties of the
 811 association or the rights of the unit owners as provided in this
 812 chapter. This subsection is intended only as a clarification of
 813 existing law.

814 (4) A ~~Any~~ grant or reservation made by a declaration,
 815 lease, or other document, and a ~~any~~ contract made by an
 816 association before ~~prior to~~ assumption of control of the
 817 association by unit owners other than the developer, a bulk-unit
 818 purchaser, or a lender-unit purchaser, must ~~shall~~ be fair and
 819 reasonable.

820 Section 9. Subsections (3), (4), and (5) of section
 821 718.303, Florida Statutes, are amended, and subsection (7) is
 822 added to that section, to read:

823 718.303 Obligations of owners and occupants; remedies.—

824 (3) The association may levy reasonable fines for the
 825 failure of the owner of the unit or its occupant, licensee, or
 826 invitee to comply with any provision of the declaration, the
 827 association bylaws, or reasonable rules of the association. A
 828 fine may not become a lien against a unit. A fine may be levied
 829 by the board on the basis of each day of a continuing violation,
 830 with a single notice and opportunity for hearing before a
 831 committee as provided in paragraph (b). However, the fine may
 832 not exceed \$100 per violation, or \$1,000 in the aggregate.

833 (a) An association may suspend, for a reasonable period of
834 time, the right of a unit owner, or a unit owner's tenant,
835 guest, or invitee, to use the common elements, common
836 facilities, or any other association property for failure to
837 comply with any provision of the declaration, the association
838 bylaws, or reasonable rules of the association. This paragraph
839 does not apply to limited common elements intended to be used
840 only by that unit, common elements needed to access the unit,
841 utility services provided to the unit, parking spaces, or
842 elevators.

843 (b) A fine or suspension levied by the board of
844 administration may not be imposed unless the board ~~association~~
845 first provides at least 14 days' written notice and an
846 opportunity for a hearing to the unit owner and, if applicable,
847 its occupant, licensee, or invitee. The hearing must be held
848 before a committee of other unit owners who are neither board
849 members nor persons residing in a board member's household. The
850 role of the committee is limited to determining whether to
851 confirm or reject the fine or suspension levied by the board. If
852 the committee does not agree, the fine or suspension may not be
853 imposed.

854 (4) If a unit owner is more than 90 days delinquent in
855 paying a fee, fine, or other monetary obligation due to the
856 association, the association may suspend the right of the unit
857 owner or the unit's occupant, licensee, or invitee to use common
858 elements, common facilities, or any other association property

859 until the fee, fine, or other monetary obligation is paid in
860 full. This subsection does not apply to limited common elements
861 intended to be used only by that unit, common elements needed to
862 access the unit, utility services provided to the unit, parking
863 spaces, or elevators. The notice and hearing requirements under
864 subsection (3) do not apply to suspensions imposed under this
865 subsection.

866 (5) An association may suspend the voting rights of a unit
867 or member due to nonpayment of any fee, fine, or other monetary
868 obligation due to the association which is more than 90 days
869 delinquent. A voting interest or consent right allocated to a
870 unit or member which has been suspended by the association shall
871 be subtracted from ~~may not be counted towards~~ the total number
872 of voting interests in the association, which shall be reduced
873 by the number of suspended voting interests when calculating the
874 total percentage or number of all voting interests available to
875 take or approve any action, and the suspended voting interests
876 shall not be considered for any purpose, including, but not
877 limited to, the percentage or number of voting interests
878 necessary to constitute a quorum, the percentage or number of
879 voting interests required to conduct an election, or the
880 percentage or number of voting interests required to approve an
881 action under this chapter or pursuant to the declaration,
882 articles of incorporation, or bylaws. The suspension ends upon
883 full payment of all obligations currently due or overdue the
884 association. The notice and hearing requirements under

885 subsection (3) do not apply to a suspension imposed under this
886 subsection.

887 (7) The suspensions permitted by paragraph (3)(a) and
888 subsections (4) and (5) apply to a member and, when appropriate,
889 the member's tenants, guests, or invitees, even if the
890 delinquency or failure that resulted in the suspension arose
891 from less than all of the multiple units owned by a member.

892 Section 10. Subsection (1) of section 718.501, Florida
893 Statutes, is amended to read:

894 718.501 Authority, responsibility, and duties of Division
895 of Florida Condominiums, Timeshares, and Mobile Homes.—

896 (1) The division may enforce and ensure compliance with
897 ~~the provisions of~~ this chapter and rules relating to the
898 development, construction, sale, lease, ownership, operation,
899 and management of residential condominium units. In performing
900 its duties, the division has complete jurisdiction to
901 investigate complaints and enforce compliance with respect to
902 associations that are still under the control of the developer,
903 the control of a bulk-unit purchaser or lender-unit purchaser,
904 or the control of a bulk assignee or bulk buyer pursuant to part
905 VII of this chapter and complaints against developers, bulk-unit
906 purchasers, lender-unit purchasers, bulk assignees, or bulk
907 buyers involving improper turnover or failure to turnover,
908 pursuant to s. 718.301. However, after turnover has occurred,
909 the division has jurisdiction to investigate only complaints
910 related ~~only~~ to financial issues, elections, and unit owner

911 access to association records pursuant to s. 718.111(12).

912 (a)1. The division may make necessary public or private
913 investigations within or outside this state to determine whether
914 any person has violated this chapter or any rule or order
915 hereunder, to aid in the enforcement of this chapter, or to aid
916 in the adoption of rules or forms.

917 2. The division may submit any official written report,
918 worksheet, or other related paper, or a duly certified copy
919 thereof, compiled, prepared, drafted, or otherwise made by and
920 duly authenticated by a financial examiner or analyst to be
921 admitted as competent evidence in any hearing in which the
922 financial examiner or analyst is available for cross-examination
923 and attests under oath that such documents were prepared as a
924 result of an examination or inspection conducted pursuant to
925 this chapter.

926 (b) The division may require or permit any person to file
927 a statement in writing, under oath or otherwise, as the division
928 determines, as to the facts and circumstances concerning a
929 matter to be investigated.

930 (c) For the purpose of any investigation under this
931 chapter, the division director or any officer or employee
932 designated by the division director may administer oaths or
933 affirmations, subpoena witnesses and compel their attendance,
934 take evidence, and require the production of any matter that
935 ~~which~~ is relevant to the investigation, including the existence,
936 description, nature, custody, condition, and location of any

937 books, documents, or other tangible things and the identity and
938 location of persons having knowledge of relevant facts or any
939 other matter reasonably calculated to lead to the discovery of
940 material evidence. Upon the failure of ~~by~~ a person to obey a
941 subpoena or to answer questions propounded by the investigating
942 officer and upon reasonable notice to all affected persons, the
943 division may apply to the circuit court for an order compelling
944 compliance.

945 (d) Notwithstanding any remedies available to unit owners
946 and associations, if the division has reasonable cause to
947 believe that a violation of ~~any provision of~~ this chapter or a
948 related rule has occurred, the division may institute
949 enforcement proceedings in its own name against any developer,
950 bulk-unit purchaser, lender-unit purchaser, bulk assignee, bulk
951 buyer, association, officer, or member of the board of
952 administration, or his or her ~~its~~ assignees or agents, as
953 follows:

954 1. The division may permit a person whose conduct or
955 actions may be under investigation to waive formal proceedings
956 and enter into a consent proceeding under which ~~whereby~~ orders,
957 rules, or letters of censure or warning, whether formal or
958 informal, may be entered against the person.

959 2. The division may issue an order requiring the
960 developer, bulk-unit purchaser, lender-unit purchaser, bulk
961 assignee, bulk buyer, association, developer-designated officer,
962 or developer-designated member of the board of administration,

963 or his or her ~~developer-designated~~ assignees or agents, the ~~bulk~~
964 ~~assignee-designated assignees or agents, bulk buyer-designated~~
965 ~~assignees or agents,~~ community association manager, or the
966 ~~community association~~ management firm to cease and desist from
967 the unlawful practice and take such affirmative action as in the
968 judgment of the division to carry out the purposes of this
969 chapter. If the division finds that a developer, bulk-unit
970 purchaser, lender-unit purchaser, bulk assignee, bulk buyer,
971 association, officer, or member of the board of administration,
972 or his or her ~~its~~ assignees or agents, is violating or is about
973 to violate ~~any provision of~~ this chapter, any rule adopted or
974 order issued by the division, or any written agreement entered
975 into with the division, ~~and~~ the violation presents an immediate
976 danger to the public requiring an immediate final order, it may
977 issue an emergency cease and desist order reciting with
978 particularity the facts underlying such findings. The emergency
979 cease and desist order is effective for 90 days. If the division
980 begins nonemergency cease and desist proceedings, the emergency
981 cease and desist order remains effective until the conclusion of
982 the proceedings under ss. 120.569 and 120.57.

983 3. If a developer, bulk-unit purchaser, lender-unit
984 purchaser, bulk assignee, or bulk buyer, ~~fails to pay any~~
985 restitution determined by the division to be owed and, ~~plus~~ any
986 accrued interest charged at the highest rate permitted by law,
987 within 30 days after expiration of any appellate time period of
988 a final order requiring payment of restitution or the conclusion

989 of any appeal thereof, whichever is later, the division shall
 990 ~~must~~ bring an action in circuit or county court on behalf of any
 991 association, class of unit owners, lessees, or purchasers for
 992 restitution, declaratory relief, injunctive relief, or any other
 993 available remedy. The division may also temporarily revoke its
 994 acceptance of the filing for the developer, bulk-unit purchaser,
 995 or lender-unit purchaser, to which the restitution relates until
 996 payment of restitution is made.

997 4. The division may petition the court for appointment of
 998 a receiver or conservator who, ~~if appointed, the receiver or~~
 999 ~~conservator~~ may take action to implement the court order to
 1000 ensure the performance of the order and to remedy any breach
 1001 thereof. In addition to all other means provided by law for the
 1002 enforcement of an injunction or temporary restraining order, the
 1003 circuit court may impound or sequester the property of a party
 1004 defendant, including books, papers, documents, and related
 1005 records, and allow the examination and use of the property by
 1006 the division and a court-appointed receiver or conservator.

1007 5. The division may apply to the circuit court for an
 1008 order of restitution under which ~~whereby~~ the defendant in an
 1009 action brought pursuant to subparagraph 4. is ordered to make
 1010 restitution of those sums shown by the division to have been
 1011 obtained by the defendant in violation of this chapter. At the
 1012 option of the court, such restitution is payable to the
 1013 conservator or receiver appointed pursuant to subparagraph 4. or
 1014 directly to the persons whose funds or assets were obtained in

1015 violation of this chapter.

1016 6. The division may impose a civil penalty against a

1017 developer, bulk-unit purchaser, lender-unit purchaser, bulk

1018 assignee, ~~or~~ bulk buyer, or association, or its assignee or

1019 agent, for a ~~any~~ violation of this chapter or a related rule.

1020 The division may impose a civil penalty individually against an

1021 officer or board member who willfully and knowingly violates ~~a~~

1022 ~~provision of~~ this chapter, an adopted rule, or a final order of

1023 the division; may order the removal of such individual as an

1024 officer or from the board of administration or as an officer of

1025 the association; and may prohibit such individual from serving

1026 as an officer or on the board of a community association for a

1027 period of time. The term "willfully and knowingly" means that

1028 the division informed the officer or board member that his or

1029 her action or intended action violates this chapter, a rule

1030 adopted under this chapter, or a final order of the division and

1031 that the officer or board member refused to comply with ~~the~~

1032 ~~requirements of~~ this chapter, a rule adopted under this chapter,

1033 or a final order of the division. ~~The division,~~ Before

1034 initiating formal agency action under chapter 120, the division

1035 must afford the officer or board member an opportunity to

1036 voluntarily comply, and an officer or board member who complies

1037 within 10 days is not subject to a civil penalty. A penalty may

1038 be imposed on the basis of each day of continuing violation, but

1039 the penalty for any offense may not exceed \$5,000. ~~By January 1,~~

1040 ~~1998,~~ The division shall adopt, by rule, penalty guidelines

1041 applicable to possible violations or to categories of violations
1042 of this chapter or rules adopted by the division. The guidelines
1043 must specify a meaningful range of civil penalties for each such
1044 violation of the statute and rules and must be based upon the
1045 harm caused by the violation, the repetition of the violation,
1046 and upon such other factors deemed relevant by the division. ~~For~~
1047 ~~example,~~ The division may consider whether the violations were
1048 committed by a developer, bulk-unit purchaser, lender-unit
1049 purchaser, bulk assignee, or bulk buyer, or owner-controlled
1050 association, the size of the association, and other factors. The
1051 guidelines must designate the possible mitigating or aggravating
1052 circumstances that justify a departure from the range of
1053 penalties provided by the rules. It is the legislative intent
1054 that minor violations be distinguished from those that ~~which~~
1055 endanger the health, safety, or welfare of ~~the~~ condominium
1056 residents or other persons and that such guidelines provide
1057 reasonable and meaningful notice to the public of likely
1058 penalties that may be imposed for proscribed conduct. This
1059 subsection does not limit the ability of the division to
1060 informally dispose of administrative actions or complaints by
1061 stipulation, agreed settlement, or consent order. All amounts
1062 collected shall be deposited with the Chief Financial Officer to
1063 the credit of the Division of Florida Condominiums, Timeshares,
1064 and Mobile Homes Trust Fund. If a developer, bulk-unit
1065 purchaser, lender-unit purchaser, bulk assignee, or bulk buyer
1066 fails to pay the civil penalty and the amount deemed to be owed

1067 to the association, the division shall issue an order directing
1068 that such developer, bulk-unit purchaser, lender-unit purchaser,
1069 bulk assignee, or bulk buyer cease and desist from further
1070 operation until such time as the civil penalty is paid or may
1071 pursue enforcement of the penalty in a court of competent
1072 jurisdiction. If an association fails to pay the civil penalty,
1073 the division shall pursue enforcement in a court of competent
1074 jurisdiction, and the order imposing the civil penalty or the
1075 cease and desist order is not effective until 20 days after the
1076 date of such order. Any action commenced by the division shall
1077 be brought in the county in which the division has its executive
1078 offices or in the county where the violation occurred.

1079 7. If a unit owner presents the division with proof that
1080 the unit owner has requested access to official records in
1081 writing by certified mail, and that after 10 days the unit owner
1082 again made the same request for access to official records in
1083 writing by certified mail, and that more than 10 days has
1084 elapsed since the second request and the association has still
1085 failed or refused to provide access to official records as
1086 required by this chapter, the division shall issue a subpoena
1087 requiring production of the requested records where the records
1088 are kept pursuant to s. 718.112.

1089 8. In addition to subparagraph 6., the division may seek
1090 the imposition of a civil penalty through the circuit court for
1091 any violation for which the division may issue a notice to show
1092 cause under paragraph (r). The civil penalty shall be at least

1093 \$500 but no more than \$5,000 for each violation. The court may
1094 also award to the prevailing party court costs and reasonable
1095 attorney ~~attorney's~~ fees and, if the division prevails, may also
1096 award reasonable costs of investigation.

1097 (e) The division may prepare and disseminate a prospectus
1098 and other information to assist prospective owners, purchasers,
1099 lessees, and developers of residential condominiums in assessing
1100 the rights, privileges, and duties pertaining thereto.

1101 (f) The division may adopt rules to administer and enforce
1102 ~~the provisions of~~ this chapter.

1103 (g) The division shall establish procedures for providing
1104 notice to an association and the developer, bulk-unit purchaser,
1105 lender-unit purchaser, bulk assignee, or bulk buyer during the
1106 period in which the developer, bulk-unit purchaser, lender-unit
1107 purchaser, bulk assignee, or bulk buyer controls the association
1108 if the division is considering the issuance of a declaratory
1109 statement with respect to the declaration of condominium or any
1110 related document governing such condominium community.

1111 (h) The division shall furnish each association that pays
1112 the fees required by paragraph (2) (a) a copy of this chapter, as
1113 amended, and the rules adopted thereto on an annual basis.

1114 (i) The division shall annually provide each association
1115 with a summary of declaratory statements and formal legal
1116 opinions relating to the operations of condominiums which were
1117 rendered by the division during the previous year.

1118 (j) The division shall provide training and educational

1119 programs for condominium association board members and unit
1120 owners. The training may, at ~~in~~ the division's discretion,
1121 include web-based electronic media~~7~~, and live training and
1122 seminars in various locations throughout the state. The division
1123 may review and approve education and training programs for board
1124 members and unit owners offered by providers, and shall maintain
1125 a current list of approved programs and providers, and shall
1126 make such list available to board members and unit owners in a
1127 reasonable and cost-effective manner.

1128 (k) The division shall maintain a toll-free telephone
1129 number accessible to condominium unit owners.

1130 (l) The division shall develop a program to certify both
1131 volunteer and paid mediators to provide mediation of condominium
1132 disputes. Upon request, the division shall provide, ~~upon~~
1133 ~~request~~, a list of such mediators to any association, unit
1134 owner, or other participant in arbitration proceedings under s.
1135 718.1255 requesting a copy of the list. The division shall
1136 include on the list of volunteer mediators only the names of
1137 individuals ~~persons~~ who have received at least 20 hours of
1138 training in mediation techniques or who have mediated at least
1139 20 disputes. In order to become initially certified by the
1140 division, paid mediators must be certified by the Supreme Court
1141 to mediate court cases in county or circuit courts. However, the
1142 division may adopt, by rule, additional factors for the
1143 certification of paid mediators, which must be related to
1144 experience, education, or background. In order to continue to be

1145 certified, an individual ~~Any person~~ initially certified as a
1146 paid mediator by the division must, ~~in order to continue to be~~
1147 ~~certified,~~ comply with the factors or requirements adopted by
1148 rule.

1149 (m) If a complaint is made, the division shall ~~must~~
1150 conduct its inquiry with due regard for the interests of the
1151 affected parties. Within 30 days after receipt of a complaint,
1152 the division shall acknowledge the complaint in writing and
1153 notify the complainant as to whether the complaint is within the
1154 jurisdiction of the division and whether additional information
1155 is needed by the division from the complainant. The division
1156 shall conduct its investigation and, within 90 days after
1157 receipt of the original complaint or of timely requested
1158 additional information, take action upon the complaint. However,
1159 the failure to complete the investigation within 90 days does
1160 not prevent the division from continuing the investigation,
1161 accepting or considering evidence obtained or received after 90
1162 days, or taking administrative action if reasonable cause exists
1163 to believe that a violation of this chapter or a rule has
1164 occurred. If an investigation is not completed within the time
1165 limits established in this paragraph, the division shall, on a
1166 monthly basis, notify the complainant in writing of the status
1167 of the investigation. When reporting its action to the
1168 complainant, the division shall inform the complainant of any
1169 right to a hearing pursuant to ss. 120.569 and 120.57.

1170 (n) Condominium association directors, officers, and

1171 employees; condominium developers; bulk-unit purchasers, lender-
1172 unit purchasers, bulk assignees, bulk buyers, and community
1173 association managers; and community association management firms
1174 have an ongoing duty to reasonably cooperate with the division
1175 in any investigation pursuant to this section. The division
1176 shall refer to local law enforcement authorities any person who
1177 ~~whom~~ the division believes has altered, destroyed, concealed, or
1178 removed any record, document, or thing required to be kept or
1179 maintained by this chapter with the purpose to impair its verity
1180 or availability in the department's investigation.

1181 (o) The division may:

- 1182 1. Contract with agencies in this state or other
- 1183 jurisdictions to perform investigative functions; or
- 1184 2. Accept grants-in-aid from any source.

1185 (p) The division shall cooperate with similar agencies in
1186 other jurisdictions to establish uniform filing procedures and
1187 forms, public offering statements, advertising standards, and
1188 rules and common administrative practices.

1189 (q) The division shall consider notice to a developer,
1190 bulk-unit purchaser, lender-unit purchaser, bulk assignee, or
1191 bulk buyer to be complete when it is delivered to the address of
1192 the developer, bulk-unit purchaser, lender-unit purchaser, bulk
1193 assignee, or bulk buyer currently on file with the division.

1194 (r) In addition to its enforcement authority, the division
1195 may issue a notice to show cause, which must provide for a
1196 hearing, upon written request, in accordance with chapter 120.

1197 (s) The division shall submit to the Governor, the
 1198 President of the Senate, the Speaker of the House of
 1199 Representatives, and the chairs of the legislative
 1200 appropriations committees an annual report that includes, but
 1201 need not be limited to, the number of training programs provided
 1202 for condominium association board members and unit owners;~~;~~ the
 1203 number of complaints received, by type;~~;~~ the number and percent
 1204 of complaints acknowledged in writing within 30 days and the
 1205 number and percent of investigations acted upon within 90 days
 1206 in accordance with paragraph (m);~~;~~ and the number of
 1207 investigations exceeding the 90-day requirement. The annual
 1208 report must also include an evaluation of the division's core
 1209 business processes and make recommendations for improvements,
 1210 including statutory changes. The report shall be submitted by
 1211 September 30 following the end of the fiscal year.

1212 Section 11. Section 718.709, Florida Statutes, is created
 1213 to read:

1214 718.709 Applicability.—Sections 718.701-718.708, relating
 1215 to the Distressed Condominium Relief Act, apply to title to
 1216 units acquired on or after July 1, 2010, but before July 1,
 1217 2016.

1218 Section 12. Part VIII of chapter 718, Florida Statutes,
 1219 consisting of sections 718.801-718.813, is created to read:

1220 PART VIII

1221 BULK-UNIT PURCHASERS AND LENDER-UNIT PURCHASERS

1222 718.801 Legislative intent.—The Legislature declares that

1223 it is the public policy of this state to protect the interests
 1224 of developers, lenders, unit owners, and condominium
 1225 associations with regard to bulk-unit purchasers or lender-unit
 1226 purchasers of condominium units and that there is a need to
 1227 balance such interests by limiting the applicability of the
 1228 Distressed Condominium Relief Act. Notwithstanding the
 1229 limitation, the Distressed Condominium Relief Act applies to
 1230 title acquired on or after July 1, 2010, but before July 1,
 1231 2016.

1232 718.802 Definitions.—As used in this part:

1233 (1) "Bulk-unit purchaser" means a person who acquires
 1234 title to the greater of at least eight units or 20 percent of
 1235 the units that ultimately will be operated by the same
 1236 association, as provided in the declaration, articles of
 1237 incorporation, or bylaws as originally recorded. Multiple bulk-
 1238 unit purchasers may be members of an association simultaneously
 1239 or successively. There may be one or more bulk-unit purchasers
 1240 while the developer still owns units operated by the
 1241 association. A person who acquires title to units or timeshare
 1242 interests in a condominium, the units or timeshare interests of
 1243 which are or will be included in a timeshare plan governed by
 1244 chapter 721, may elect to be a bulk-unit purchaser pursuant to
 1245 s. 718.813. The term does not include a lender-unit purchaser.
 1246 Further, the term does not include an acquirer of units if any
 1247 transfer of title to the acquirer is made:

1248 (a) With intent to defraud or materially harm a purchaser,

1249 a unit owner, or the association;
 1250 (b) Where the acquirer is a person or limited liability
 1251 company that would be an insider, as defined in s. 726.102, of
 1252 the bulk-unit purchaser or of the developer; or
 1253 (c) As a fraudulent transfer under chapter 726.
 1254 (2) "Bulk assignee" means a person who is not a bulk buyer
 1255 and who:
 1256 (a) Acquires more than seven condominium parcels in a
 1257 single condominium;
 1258 (b) Receives an assignment of any of the developer rights,
 1259 other than or in addition to those rights described in
 1260 subsection (3), as set forth in the declaration of condominium
 1261 or this chapter:
 1262 1. By a written instrument recorded as part of or as an
 1263 exhibit of the deed;
 1264 2. By a separate instrument recorded in the public records
 1265 of the county in which the condominium is located; or
 1266 3. Pursuant to a final judgment or certificate of title
 1267 issued in favor of a purchaser at a foreclosure sale; and
 1268 (c) Acquired condominium parcels on or after July 1, 2010,
 1269 but before July 1, 2016. The date of such acquisition shall be
 1270 determined by the date of recoding a deed or other instrument of
 1271 conveyance for such parcels in the public records of the county
 1272 in which the condominium is located, or by the date of issuing a
 1273 certificate of title in a foreclosure proceeding with respect to
 1274 such condominium parcels.

1275
1276 A mortgagee or its assignee may not be deemed a bulk assignee or
1277 developer by reason of the acquisition of condominium units and
1278 receipt of an assignment of some or all of a developer's rights
1279 unless the mortgage or its assignee exercises any of the
1280 developer rights other than those described in subsection (3).

1281 (3) "Bulk buyer" means a person who acquired condominium
1282 parcels on or after July 1, 2010, but before July 1, 2016, and
1283 the date of acquisition shall be determined in the same manner
1284 as in subsection (2). Further, the term means a person who
1285 acquires more than seven condominium parcels in a single
1286 condominium but who does not receive an assignment of any
1287 developer rights or receives only some or all of the following
1288 rights:

1289 (a) The right to conduct sales, leasing, and marketing
1290 activities within the condominium.

1291 (b) The right to be exempt from the payment of working
1292 capital contributions to the condominium association arising out
1293 of, or in connection with, the bulk buyer's acquisition of the
1294 units.

1295 (c) The right to be exempt from any rights of first
1296 refusal which may be held by the condominium association and
1297 would otherwise be applicable to subsequent transfers of title
1298 from the bulk buyer to a third-party purchaser concerning one or
1299 more units.

1300 (4) "Lender-unit purchaser" means a person, or the

1301 person's successors, assigns, or wholly owned subsidiaries, who
1302 holds a mortgage from a developer or from a bulk-unit purchaser
1303 on the greater of at least eight units or 20 percent of the
1304 units that, as provided in the declaration, articles of
1305 incorporation, or bylaws as originally recorded, ultimately will
1306 be operated by the same association; who subsequently obtains
1307 title to such units through foreclosure or deed in lieu of
1308 foreclosure; and who makes the election to become a lender-unit
1309 purchaser pursuant to 718.808(4). However, a mortgagee or his or
1310 her wholly owned subsidiary that acquires and sells units to one
1311 or more bulk-unit purchasers is not a developer or a lender-unit
1312 purchaser with respect to the sale.

1313 718.803 Exercise of rights.-

1314 (1) A bulk-unit purchaser may exercise only the following
1315 developer rights, provided such rights are contained in the
1316 declaration:

1317 (a) The right to conduct sales, leasing, and marketing
1318 activities within the condominium, including the use of the
1319 sales and leasing office.

1320 (b) The right to assign limited common elements and use
1321 rights to common elements and association property which were
1322 not assigned before the bulk-unit purchaser acquired title to
1323 the units. Such rights may include, without limitation, the
1324 rights to garages, parking spaces, storage areas, and cabanas.
1325 If there is more than one bulk-unit purchaser, this right must
1326 be established in a written assignment from the developer which

1327 specifies the bulk-unit purchaser who has such a right as to
1328 specified limited common elements, common elements, and
1329 association property.

1330 (c) For a phase condominium, the right to add phases.

1331 (2) If the initial purchaser of a unit from the developer
1332 is required to make a working capital contribution to the
1333 association, a bulk-unit purchaser shall pay a working capital
1334 contribution to the association, which must be calculated in the
1335 same manner for each unit acquired, upon the earlier of:

1336 (a) Sale of a unit by the bulk-unit purchaser to a third
1337 party other than the bulk-unit purchaser; or

1338 (b) Five years from the date of acquisition of title to a
1339 unit by the bulk-unit purchaser.

1340 (3) If a bulk-unit purchaser exercises developer rights
1341 other than those specified in subsection (1), he or she is no
1342 longer deemed to be a bulk-unit purchaser, and this part does
1343 not apply to such person.

1344 (4) Except as set forth in this part, a lender-unit
1345 purchaser may exercise any developer rights that the lender-unit
1346 purchaser acquires.

1347 718.804 Compliance.—A bulk-unit purchaser and a lender-
1348 unit purchaser shall comply with all applicable requirements of
1349 s. 718.202 and part V of this chapter in connection with any
1350 units that they own or sell.

1351 718.805 Voting rights.—

1352 (1) For the first 2 fiscal years following the first

1353 conveyance of a unit to a bulk-unit purchaser or lender-unit
1354 purchaser, the bulk-unit purchaser or lender-unit purchaser may
1355 vote the voting interests allocated to his or her units to waive
1356 reserves or reduce the funding of reserves. After these 2 fiscal
1357 years, the bulk-unit purchaser or lender-unit purchaser may not
1358 vote his or her voting interests to waive reserves or reduce the
1359 funding of reserves until the bulk-unit purchaser or lender-unit
1360 purchaser holds less than a majority of the voting interests in
1361 the association.

1362 (2) A bulk-unit purchaser or lender-unit purchaser may not
1363 transfer his or her right to vote to waive reserves or reduce
1364 the funding of reserves to other bulk-unit purchasers or lender-
1365 unit purchasers to extend the time period in subsection (1).

1366 718.806 Assessment liability; election of directors.-

1367 (1) BULK-UNIT PURCHASER ASSESSMENT LIABILITY.-A bulk-unit
1368 purchaser is liable for all assessments on his or her units
1369 which become due while the bulk-unit purchaser holds title to
1370 such units. Additionally, the bulk-unit purchaser is jointly and
1371 severally liable with the previous owner for all unpaid regular
1372 periodic assessments and special assessments which became due
1373 before the acquisition of title, for all other monetary
1374 obligations accrued which are secured by the association's lien,
1375 and for all costs advanced by the association for the
1376 maintenance and repair of the units acquired by the bulk-unit
1377 purchaser.

1378 (2) LENDER-UNIT PURCHASER ASSESSMENT LIABILITY.-The

1379 liability of a lender-unit purchaser or his or her successors or
 1380 assignees for the units that the lender-unit purchaser owns is
 1381 limited to the lesser of:

1382 (a) The units' regular periodic assessments that accrued
 1383 or became due during the 12 months immediately preceding the
 1384 lender-unit purchaser's acquisition of title and for which
 1385 payment in full has not been received by the association; or

1386 (b) One percent of the original mortgage debt.

1387
 1388 The lender-unit purchaser acquiring title must comply with s.
 1389 718.116(1)(c).

1390 (3) DIRECTOR ELECTED BY BULK-UNIT PURCHASER.—A director
 1391 who has been elected or appointed by a bulk-unit purchaser is
 1392 automatically suspended from board service for 30 days following
 1393 the failure of the bulk-unit purchaser to timely pay monetary
 1394 obligations on a unit the bulk-unit purchaser owns. The
 1395 remaining directors may temporarily fill the vacancy created by
 1396 the suspension. Once the bulk-unit purchaser has cured all
 1397 outstanding delinquencies on the unit, the suspended director
 1398 shall replace the temporary appointee and resume service on the
 1399 board for the unexpired term.

1400 718.807 Amendments and material alterations.—

1401 (1) The following amendments or alterations may not go
 1402 into effect unless approved by a majority vote of unit owners
 1403 other than the developer, a bulk-unit purchaser, or a lender-
 1404 unit purchaser:

1405 (a) An amendment described in s. 718.110(4) or (8).
 1406 (b) An amendment creating, changing, or terminating
 1407 leasing restrictions.
 1408 (c) An amendment of the declaration pertaining to the
 1409 condominium's status as housing for older persons.
 1410 (d) An amendment pursuant to s. 718.110(14) or an
 1411 amendment that otherwise reclassifies a portion of the common
 1412 elements as a limited common element or that authorizes the
 1413 association to change the limited common elements assigned to
 1414 any unit.
 1415 (e) Material alterations or substantial additions to the
 1416 common elements or association property any time one of the
 1417 following owns a percentage of voting interests equal to or
 1418 greater than the percentage required to approve the amendment:
 1419 1. A bulk-unit purchaser;
 1420 2. A lender-unit purchaser;
 1421 3. The developer and a bulk-unit purchaser;
 1422 4. The developer and a lender-unit purchaser; or
 1423 5. A bulk-unit purchaser and a lender-unit purchaser.
 1424 (2) Notwithstanding subsection (1), consent of the
 1425 developer, a bulk-unit purchaser, or a lender-unit purchaser is
 1426 required for an amendment that would otherwise require the
 1427 approval of such voting interests based upon the requirements of
 1428 the declaration, articles of incorporation, or bylaws or s.
 1429 718.110 or s. 718.113.
 1430 718.808 Warranties and disclosures.—

1431 (1) As the seller, a bulk-unit purchaser or lender-unit
1432 purchaser is deemed to have granted an implied warranty of
1433 fitness and merchantability to a purchaser of each unit sold for
1434 a period of 3 years, which begins on the date of the completion
1435 of repairs or improvements that the bulk-unit purchaser or
1436 lender-unit purchaser makes to the unit, common elements, or
1437 limited common elements. The bulk-unit purchaser or lender-unit
1438 purchaser is not deemed to have granted a warranty on
1439 improvements, repairs, or alterations to the condominium which
1440 he or she did not undertake.

1441 (2) The statute of limitations in s. 718.203 is tolled
1442 while the bulk-unit purchaser begins the process of appointing
1443 or electing a majority of the board of administration.

1444 (3) As the seller, the bulk-unit purchaser shall include
1445 the following disclosure to purchasers in conspicuous type on
1446 the first page of the sales contract:

1447
1448 SELLER IS A BULK-UNIT PURCHASER UNDER THE CONDOMINIUM ACT.
1449 SELLER IS NOT THE DEVELOPER OF THE CONDOMINIUM FOR ANY PURPOSE
1450 UNDER THE CONDOMINIUM ACT.

1451
1452 (4) A mortgagee who acquires units may elect to become a
1453 lender-unit purchaser by providing written notice of the
1454 election to the association addressed to the registered agent at
1455 the address specified in the records of the Department of State.
1456 The notice shall be delivered within the time period ending upon

1457 the earliest of:

1458 (a) The date on which the mortgagee exercises any
 1459 developer rights other than the developer rights described in s.
 1460 718.803(1) (a);

1461 (b) Before the sale of a unit by the mortgagee; or

1462 (c) One hundred eighty days after the recording of the
 1463 certificate of title or of the deed in lieu of foreclosure if
 1464 the mortgagee acquired the units by foreclosure or by deed in
 1465 lieu of foreclosure.

1466 (5) As the seller, the lender-unit purchaser shall include
 1467 the following disclosure to purchasers in conspicuous type on
 1468 the first page of the sales contract:

1470 SELLER IS A LENDER-UNIT PURCHASER UNDER THE CONDOMINIUM ACT.
 1471 SELLER IS NOT THE DEVELOPER OF THE CONDOMINIUM FOR ANY PURPOSE
 1472 UNDER THE CONDOMINIUM ACT. SELLER TOOK TITLE TO THE UNIT(S)
 1473 BEING SOLD TO PURCHASER BY FORECLOSURE OR DEED IN LIEU OF
 1474 FORECLOSURE.

1476 (6) (a) At or before the signing of a contract to sell a
 1477 unit, the bulk-unit purchaser and the lender-unit purchaser must
 1478 provide a condition report that complies with s. 718.616(2) and
 1479 (3) and this section to the prospective purchaser and must
 1480 obtain verification of delivery of such condition report. A
 1481 condition report is not required in connection with a sale to a
 1482 bulk-unit purchaser or in connection with a deed in lieu of

1483 foreclosure to a lender-unit purchaser. A mortgagee is not
1484 required to deliver to a bulk-unit purchaser a condition report
1485 even if the mortgagee acquires and transfers developer rights to
1486 such bulk-unit purchaser.

1487 (b) The condition report must include a reasonably
1488 detailed description of the repairs or replacements necessary to
1489 cure defective construction identified in the condition report.

1490 (c) If, during the course of preparing the condition
1491 report, the architect or engineer becomes aware of a component
1492 that violates an applicable building code or federal or state
1493 law or that deviates from the building plans approved by the
1494 permitting authority, the architect or engineer shall disclose
1495 such information in the condition report. The architect or
1496 engineer shall make written inquiry to the applicable local
1497 government authority of any building code violations and shall
1498 include in the condition report any of the authority's responses
1499 or its failure to respond.

1500 (d) The condition report shall be prepared before the
1501 bulk-unit purchaser or the lender-unit purchaser enters into his
1502 or her first sales contract, but the condition report may not be
1503 prepared more than 6 months before the first sales contract is
1504 agreed upon. If the bulk-unit purchaser or lender-unit purchaser
1505 remains engaged in selling units, the condition report shall be
1506 updated no later than 1 year after the closing of the first
1507 sales contract and each year thereafter.

1508 (e) If a bulk-unit purchaser or lender-unit purchaser

1509 fails to provide the condition report in accordance with this
1510 section, the bulk-unit purchaser is deemed to grant implied
1511 warranties of fitness and merchantability which are not limited
1512 to the construction, improvements, or repairs that he or she
1513 undertakes to the units, common elements, or limited common
1514 elements.

1515 718.809 Joint and several liability.—For purposes of this
1516 chapter, if there are multiple bulk-unit purchasers within the
1517 same association, the units owned by the multiple bulk-unit
1518 purchasers and the rights of the bulk-unit purchasers shall be
1519 aggregated as if there were only one bulk-unit purchaser. Each
1520 bulk-unit purchaser is jointly and severally liable with his or
1521 her predecessor bulk-unit purchasers for compliance with this
1522 chapter.

1523 718.810 Construction disputes.—A board of administration
1524 composed of a majority of directors elected or appointed by a
1525 bulk-unit purchaser may not resolve a construction dispute that
1526 is subject to chapter 558 unless such resolution is approved by
1527 a majority of the voting interests of the unit owners other than
1528 the developer and a bulk-unit purchaser.

1529 718.811 Noncompliance.—A bulk-unit purchaser or a lender-
1530 unit purchaser who fails to substantially comply with the
1531 requirements of this chapter pertaining to the obligations and
1532 rights of bulk-unit purchasers and lender-unit purchasers
1533 forfeits all protections or exemptions provided under the
1534 Condominium Act.

1535 718.812 Documents to be delivered upon turnover.—If a
1536 bulk-unit purchaser elects a majority of the board of
1537 administration and, thereafter, the unit owners other than the
1538 bulk-unit purchaser elect a majority of the board of
1539 administration, the bulk-unit purchaser must deliver all of the
1540 items specified in s. 718.301(4) to the association. However,
1541 the bulk-unit purchaser is not required to deliver items that
1542 were never in the possession of the bulk-unit purchaser. In
1543 conjunction with the acquisition of units, the bulk-unit
1544 purchaser shall undertake a good faith effort to obtain the
1545 items specified in s. 718.301(4) which must be delivered to the
1546 association. If the bulk-unit purchaser cannot obtain such
1547 items, the bulk-unit purchaser must deliver a certificate in
1548 writing to the association which names or describes items that
1549 were not obtainable by the bulk-unit purchaser and which
1550 describes the good faith efforts that were undertaken to obtain
1551 the items. Delivery of the certificate relieves the bulk-unit
1552 purchaser of his or her responsibility under s. 718.301 to
1553 deliver the documents and materials referenced in the
1554 certificate. The responsibility of the bulk-unit purchaser to
1555 conduct the audit required by s. 718.301(4)(c) begins on the
1556 date the bulk-unit purchaser elects or appoints a majority of
1557 the members of the board of administration and ends on the date
1558 the bulk-unit purchaser no longer controls the board.

1559 718.813 Timeshare condominiums.—With respect to the
1560 acquisition of title to units or timeshare interests in a

1561 condominium, which units or timeshare interests are or
1562 ultimately will be included in a timeshare plan governed by
1563 chapter 721:

1564 (1) A person qualified to be a bulk-unit purchaser
1565 pursuant to s. 718.802 is not a bulk-unit purchaser unless he or
1566 she makes an election to become a bulk-unit purchaser by
1567 providing notice to the association addressed to the registered
1568 agent at the address specified in the records of Department of
1569 State. The notice must be delivered by earliest of the
1570 following:

1571 (a) The date on which the person exercises any developer
1572 rights other than the developer rights described in s.
1573 718.803(1)(a);

1574 (b) The date of sale of any unit or timeshare interest by
1575 the person; or

1576 (c) One hundred eighty days after the date of the
1577 recording of the deed or other instrument of conveyance by which
1578 the person acquired the units or timeshare interests.

1579 (2) If a person has made an election to be a bulk-unit
1580 purchaser pursuant to subsection (1), the bulk-unit purchaser,
1581 when selling units or timeshare interests, must include the
1582 following disclosure to purchasers in conspicuous type on the
1583 first page of the contract for sale of units or timeshare
1584 interests:

1585
1586 SELLER IS A BULK-UNIT PURCHASER UNDER THE CONDOMINIUM

1587 ACT. SELLER IS NOT THE DEVELOPER OF THE CONDOMINIUM
 1588 FOR ANY PURPOSE UNDER THE CONDOMINIUM ACT.

1589
 1590 Section 13. Paragraph (a) of subsection (2) of section
 1591 719.104, Florida Statutes, is amended to read:

1592 719.104 Cooperatives; access to units; records; financial
 1593 reports; assessments; purchase of leases.—

1594 (2) OFFICIAL RECORDS.—

1595 (a) From the inception of the association, the association
 1596 shall maintain a copy of each of the following, where
 1597 applicable, which shall constitute the official records of the
 1598 association:

1599 1. The plans, permits, warranties, and other items
 1600 provided by the developer pursuant to s. 719.301(4).

1601 2. A photocopy of the cooperative documents.

1602 3. A copy of the current rules of the association.

1603 4. A book or books containing the minutes of all meetings
 1604 of the association, of the board of directors, and of the unit
 1605 owners, which minutes shall be retained for a period of not less
 1606 than 7 years.

1607 5. A current roster of all unit owners and their mailing
 1608 addresses, unit identifications, voting certifications, and, if
 1609 known, telephone numbers. The association shall also maintain
 1610 the electronic mailing addresses and the numbers designated by
 1611 unit owners for receiving notice sent by electronic transmission
 1612 of those unit owners consenting to receive notice by electronic

1613 transmission. The electronic mailing addresses and numbers
1614 provided by unit owners to receive notice by electronic
1615 transmission shall be removed from association records when
1616 consent to receive notice by electronic transmission is revoked.
1617 However, the association is not liable for an erroneous
1618 disclosure of the electronic mail address or the number for
1619 receiving electronic transmission of notices.

1620 6. All current insurance policies of the association.

1621 7. A current copy of any management agreement, lease, or
1622 other contract to which the association is a party or under
1623 which the association or the unit owners have an obligation or
1624 responsibility.

1625 8. Bills of sale or transfer for all property owned by the
1626 association.

1627 9. Accounting records for the association and separate
1628 accounting records for each unit it operates, according to good
1629 accounting practices. All accounting records shall be maintained
1630 for a period of not less than 7 years. The accounting records
1631 shall include, but not be limited to:

1632 a. Accurate, itemized, and detailed records of all
1633 receipts and expenditures.

1634 b. A current account and a monthly, bimonthly, or
1635 quarterly statement of the account for each unit designating the
1636 name of the unit owner, the due date and amount of each
1637 assessment, the amount paid upon the account, and the balance
1638 due.

1639 c. All audits, reviews, accounting statements, and
 1640 financial reports of the association.

1641 d. All contracts for work to be performed. Bids for work
 1642 to be performed shall also be considered official records and
 1643 shall be maintained for a period of 1 year.

1644 10. Ballots, sign-in sheets, voting proxies, and all other
 1645 papers relating to voting by unit owners, which shall be
 1646 maintained for a period of 1 year after the date of the
 1647 election, vote, or meeting to which the document relates.

1648 11. All rental records where the association is acting as
 1649 agent for the rental of units.

1650 12. A copy of the current question and answer sheet as
 1651 described in s. 719.504.

1652 13. All other written records of the association not
 1653 specifically included in the foregoing which are related to the
 1654 operation of the association.

1655 Section 14. Subsections (3) and (4) of section 719.108,
 1656 Florida Statutes, are amended to read:

1657 719.108 Rents and assessments; liability; lien and
 1658 priority; interest; collection; cooperative ownership.—

1659 (3) Rents and assessments, and installments on them, not
 1660 paid when due bear interest at the rate provided in the
 1661 cooperative documents from the date due until paid. This rate
 1662 may not exceed the rate allowed by law and, if a rate is not
 1663 provided in the cooperative documents, accrues at 18 percent per
 1664 annum. If the cooperative documents or bylaws so provide, the

1665 association may charge an administrative late fee in addition to
 1666 such interest, not to exceed the greater of \$25 or 5 percent of
 1667 each installment of the assessment for each delinquent
 1668 installment that the payment is late. Any payment received by an
 1669 association must be applied first to any interest accrued by the
 1670 association, then to any administrative late fee, then to any
 1671 costs and reasonable attorney fees incurred in collection, and
 1672 then to the delinquent assessment. The foregoing applies
 1673 notwithstanding s. 673.3111, any purported accord and
 1674 satisfaction, or any restrictive endorsement, designation, or
 1675 instruction placed on or accompanying a payment. The preceding
 1676 sentence of is intended to clarify existing law. A late fee is
 1677 not subject to chapter 687 or s. 719.303(4).

1678 (4) The association has a lien on each cooperative parcel
 1679 for any unpaid rents and assessments, plus interest, and any
 1680 ~~authorized~~ administrative late fees. If authorized by the
 1681 cooperative documents, the lien also secures reasonable attorney
 1682 fees incurred by the association incident to the collection of
 1683 the rents and assessments or enforcement of such lien. The lien
 1684 is effective from and after recording a claim of lien in the
 1685 public records in the county in which the cooperative parcel is
 1686 located which states the description of the cooperative parcel,
 1687 the name of the unit owner, the amount due, and the due dates.
 1688 Except as otherwise provided in this chapter, a lien may not be
 1689 filed by the association against a cooperative parcel until 30
 1690 days after the date on which a notice of intent to file a lien

CS/HB 791

2015

1691 has been delivered to the owner.

1692 (a) The notice must be sent to the unit owner at the
 1693 address of the unit by first-class United States mail, and the
 1694 notice must be in substantially the following form:

1695 NOTICE OF INTENT

1696 TO RECORD A CLAIM OF LIEN

1697 RE: Unit ...(unit number)... of ...(name of cooperative)...

1698 The following amounts are currently due on your account to
 1699 ...(name of association)..., and must be paid within 30 days
 1700 after your receipt of this letter. This letter shall serve as
 1701 the association's notice of intent to record a Claim of Lien
 1702 against your property no sooner than 30 days after your receipt
 1703 of this letter, unless you pay in full the amounts set forth
 1704 below:

1705	Maintenance due ...(dates)...	\$.....
1706	Late fee, if applicable	\$.....
1707	Interest through ...(dates)...*	\$.....
1708	Certified mail charges	\$.....
1709	Other costs	\$.....
1710	TOTAL OUTSTANDING	\$.....

1711 *Interest accrues at the rate of percent per annum.

1712 1. If the most recent address of the unit owner on the
 1713 records of the association is the address of the unit, the
 1714 notice must be sent by certified mail, return receipt requested,
 1715 to the unit owner at the address of the unit.

1716 2. If the most recent address of the unit owner on the

1717 records of the association is in the United States, but is not
1718 the address of the unit, the notice must be sent by certified
1719 mail, return receipt requested, to the unit owner at his or her
1720 most recent address.

1721 3. If the most recent address of the unit owner on the
1722 records of the association is not in the United States, the
1723 notice must be sent by first-class United States mail to the
1724 unit owner at his or her most recent address.

1725 (b) A notice that is sent pursuant to this subsection is
1726 deemed delivered upon mailing. A claim of lien must be executed
1727 and acknowledged by an officer or authorized agent of the
1728 association. The lien is not effective 1 year after the claim of
1729 lien was recorded unless, within that time, an action to enforce
1730 the lien is commenced. The 1-year period is automatically
1731 extended for any length of time during which the association is
1732 prevented from filing a foreclosure action by an automatic stay
1733 resulting from a bankruptcy petition filed by the parcel owner
1734 or any other person claiming an interest in the parcel. The
1735 claim of lien secures all unpaid rents and assessments that are
1736 due and that may accrue after the claim of lien is recorded and
1737 through the entry of a final judgment, as well as interest and
1738 all reasonable costs and attorney fees incurred by the
1739 association incident to the collection process. Upon payment in
1740 full, the person making the payment is entitled to a
1741 satisfaction of the lien.

1742 (c) By recording a notice in substantially the following

1743 form, a unit owner or the unit owner's agent or attorney may
 1744 require the association to enforce a recorded claim of lien
 1745 against his or her cooperative parcel:

1746 NOTICE OF CONTEST OF LIEN

1747 TO: ...(Name and address of association)...:

1748 You are notified that the undersigned contests the claim of lien
 1749 filed by you on, ...(year)..., and recorded in Official
 1750 Records Book at Page, of the public records of
 1751 County, Florida, and that the time within which you may file
 1752 suit to enforce your lien is limited to 90 days from the date of
 1753 service of this notice. Executed this day of,
 1754 ...(year)....

1755 Signed: ...(Owner or Attorney)...

1756 After notice of contest of lien has been recorded, the clerk of
 1757 the circuit court shall mail a copy of the recorded notice to
 1758 the association by certified mail, return receipt requested, at
 1759 the address shown in the claim of lien or most recent amendment
 1760 to it and shall certify to the service on the face of the
 1761 notice. Service is complete upon mailing. After service, the
 1762 association has 90 days in which to file an action to enforce
 1763 the lien. If the action is not filed within the 90-day period,
 1764 the lien is void. However, the 90-day period shall be extended
 1765 for any length of time during which the association is prevented
 1766 from filing its action because of an automatic stay resulting
 1767 from the filing of a bankruptcy petition by the unit owner or by
 1768 any other person claiming an interest in the parcel.

CS/HB 791

2015

1769 (d) A release of lien must be in substantially the
 1770 following form:

1771 RELEASE OF LIEN

1772 The undersigned lienor, in consideration of the final payment in
 1773 the amount of \$...., hereby waives and releases its lien and
 1774 right to claim a lien for unpaid assessments through,
 1775 ...(year)..., recorded in the Official Records Book at Page
 1776, of the public records of County, Florida, for the
 1777 following described real property:

1778 THAT COOPERATIVE PARCEL WHICH INCLUDES UNIT NO. OF ...(NAME
 1779 OF COOPERATIVE)..., A COOPERATIVE AS SET FORTH IN THE
 1780 COOPERATIVE DOCUMENTS AND THE EXHIBITS ANNEXED THERETO AND
 1781 FORMING A PART THEREOF, RECORDED IN OFFICIAL RECORDS BOOK,
 1782 PAGE, OF THE PUBLIC RECORDS OF COUNTY, FLORIDA.

1783 ...(Signature of Authorized Agent).....(Signature of Witness)...
 1784 ...(Print Name)... (Print Name)...
 1785 (Signature of Witness)...
 1786 (Print Name)...

1787 Sworn to (or affirmed) and subscribed before me this day of
 1788, ...(year)..., by ...(name of person making statement)....
 1789 ...(Signature of Notary Public)...
 1790 ...(Print, type, or stamp commissioned name of Notary Public)...
 1791 Personally Known OR Produced as identification.

1792 Section 15. Subsection (3) of section 719.303, Florida
 1793 Statutes, is amended to read:

1794 719.303 Obligations of owners.—

1795 (3) The association may levy reasonable fines for failure
1796 of the unit owner or the unit's occupant, licensee, or invitee
1797 to comply with any provision of the cooperative documents or
1798 reasonable rules of the association. A fine may not become a
1799 lien against a unit. A fine may be levied by the board on the
1800 basis of each day of a continuing violation, with a single
1801 notice and opportunity for hearing before a committee as
1802 provided in paragraph (b). However, the fine may not exceed \$100
1803 per violation, or \$1,000 in the aggregate.

1804 (a) An association may suspend, for a reasonable period of
1805 time, the right of a unit owner, or a unit owner's tenant,
1806 guest, or invitee, to use the common elements, common
1807 facilities, or any other association property for failure to
1808 comply with any provision of the cooperative documents or
1809 reasonable rules of the association. This paragraph does not
1810 apply to limited common elements intended to be used only by
1811 that unit, common elements needed to access the unit, utility
1812 services provided to the unit, parking spaces, or elevators.

1813 (b) A fine or suspension levied by the board of
1814 administration may not be imposed unless the board first
1815 provides at least 14 days' written ~~except after giving~~
1816 ~~reasonable~~ notice and an opportunity for a hearing to the unit
1817 owner and, if applicable, its occupant, ~~the unit's~~ licensee, or
1818 invitee. The hearing must be held before a committee of other
1819 unit owners who are neither board members nor persons residing
1820 in a board member's household. The role of the committee is

1821 limited to determining whether to confirm or reject the fine or
 1822 suspension levied by the board. If the committee does not agree
 1823 with the fine or suspension, it may not be imposed.

1824 Section 16. Subsection (8) of section 720.301, Florida
 1825 Statutes, is amended to read:

1826 720.301 Definitions.—As used in this chapter, the term:

1827 (8) "Governing documents" means:

1828 (a) The recorded declaration of covenants for a community~~7~~
 1829 and all duly adopted and recorded amendments, supplements, and
 1830 recorded exhibits thereto; ~~and~~

1831 (b) The articles of incorporation and bylaws of the
 1832 homeowners' association~~7~~ and any duly adopted amendments
 1833 thereto; and

1834 (c) Rules and regulations adopted under the authority of
 1835 the recorded declaration, articles of incorporation, or bylaws
 1836 and duly adopted amendments thereto.

1837 Section 17. Section 720.3015, Florida Statutes, is created
 1838 to read:

1839 720.3015 Short title.—This chapter may be cited as the
 1840 "Homeowners' Association Act."

1841 Section 18. Section 720.305, Florida Statutes, is amended
 1842 to read:

1843 720.305 Obligations of members; remedies at law or in
 1844 equity; levy of fines and suspension of use rights.—

1845 (1) Each member and the member's tenants, guests, and
 1846 invitees, and each association, are governed by, and must comply

1847 with, this chapter, the governing documents of the community,
 1848 and the rules of the association. Actions at law or in equity,
 1849 or both, to redress alleged failure or refusal to comply with
 1850 these provisions may be brought by the association or by any
 1851 member against:

1852 (a) The association;

1853 (b) A member;

1854 (c) Any director or officer of an association who
 1855 willfully and knowingly fails to comply with these provisions;
 1856 and

1857 (d) Any tenants, guests, or invitees occupying a parcel or
 1858 using the common areas.

1859
 1860 The prevailing party in any such litigation is entitled to
 1861 recover reasonable attorney ~~attorney's~~ fees and costs. A member
 1862 prevailing in an action between the association and the member
 1863 under this section, in addition to recovering his or her
 1864 reasonable attorney ~~attorney's~~ fees, may recover additional
 1865 amounts as determined by the court to be necessary to reimburse
 1866 the member for his or her share of assessments levied by the
 1867 association to fund its expenses of the litigation. This relief
 1868 does not exclude other remedies provided by law. This section
 1869 does not deprive any person of any other available right or
 1870 remedy.

1871 (2) The association may levy reasonable fines. A fine may
 1872 not exceed ~~of up to~~ \$100 per violation against any member or any

1873 member's tenant, guest, or invitee for the failure of the owner
1874 of the parcel or its occupant, licensee, or invitee to comply
1875 with any provision of the declaration, the association bylaws,
1876 or reasonable rules of the association unless otherwise provided
1877 in the governing documents. A fine may be levied by the board
1878 for each day of a continuing violation, with a single notice and
1879 opportunity for hearing, except that the fine may not exceed
1880 \$1,000 in the aggregate unless otherwise provided in the
1881 governing documents. A fine of less than \$1,000 may not become a
1882 lien against a parcel. In any action to recover a fine, the
1883 prevailing party is entitled to reasonable attorney fees and
1884 costs from the nonprevailing party as determined by the court.

1885 (a) An association may suspend, for a reasonable period of
1886 time, the right of a member, or a member's tenant, guest, or
1887 invitee, to use common areas and facilities for the failure of
1888 the owner of the parcel or its occupant, licensee, or invitee to
1889 comply with any provision of the declaration, the association
1890 bylaws, or reasonable rules of the association. This paragraph
1891 does not apply to that portion of common areas used to provide
1892 access or utility services to the parcel. A suspension may not
1893 prohibit ~~impair the right of~~ an owner or tenant of a parcel from
1894 having to have vehicular and pedestrian ingress to and egress
1895 from the parcel, including, but not limited to, the right to
1896 park.

1897 (b) A fine or suspension may not be imposed by the board
1898 of administration without at least 14 days' notice to the person

1899 sought to be fined or suspended and an opportunity for a hearing
 1900 before a committee of at least three members appointed by the
 1901 board who are not officers, directors, or employees of the
 1902 association, or the spouse, parent, child, brother, or sister of
 1903 an officer, director, or employee. If the committee, by majority
 1904 vote, does not approve a proposed fine or suspension, it may not
 1905 be imposed. The role of the committee is limited to determining
 1906 whether to confirm or reject the fine or suspension levied by
 1907 the board. If the board of administration ~~association~~ imposes a
 1908 fine or suspension, the association must provide written notice
 1909 of such fine or suspension by mail or hand delivery to the
 1910 parcel owner and, if applicable, to any tenant, licensee, or
 1911 invitee of the parcel owner.

1912 (3) If a member is more than 90 days delinquent in paying
 1913 any fee, fine, or other ~~a~~ monetary obligation due to the
 1914 association, the association may suspend the rights of the
 1915 member, or the member's tenant, guest, or invitee, to use common
 1916 areas and facilities until the fee, fine, or other monetary
 1917 obligation is paid in full. This subsection does not apply to
 1918 that portion of common areas used to provide access or utility
 1919 services to the parcel. A suspension may ~~does~~ not prohibit
 1920 ~~impair the right of~~ an owner or tenant of a parcel from having
 1921 ~~to have~~ vehicular and pedestrian ingress to and egress from the
 1922 parcel, including, but not limited to, the right to park. The
 1923 notice and hearing requirements under subsection (2) do not
 1924 apply to a suspension imposed under this subsection.

1925 (4) An association may suspend the voting rights of a
 1926 parcel or member for the nonpayment of any fee, fine, or other
 1927 monetary obligation due to the association that is more than 90
 1928 days delinquent. A voting interest or consent right allocated to
 1929 a parcel or member which has been suspended by the association
 1930 shall be subtracted from ~~may not be counted towards~~ the total
 1931 number of voting interests in the association, which shall be
 1932 reduced by the number of suspended voting interests when
 1933 calculating the total percentage or number of all voting
 1934 interests available to take or approve any action, and the
 1935 suspended voting interests shall not be considered for any
 1936 purpose, including, but not limited to, the percentage or number
 1937 of voting interests necessary to constitute a quorum, the
 1938 percentage or number of voting interests required to conduct an
 1939 election, or the percentage or number of voting interests
 1940 required to approve an action under this chapter or pursuant to
 1941 the governing documents. The notice and hearing requirements
 1942 under subsection (2) do not apply to a suspension imposed under
 1943 this subsection. The suspension ends upon full payment of all
 1944 obligations currently due or overdue to the association.

1945 (5) All suspensions imposed pursuant to subsection (3) or
 1946 subsection (4) must be approved at a properly noticed board
 1947 meeting. Upon approval, the association must notify the parcel
 1948 owner and, if applicable, the parcel's occupant, licensee, or
 1949 invitee by mail or hand delivery.

1950 (6) The suspensions permitted by paragraph (2) (a) and

1951 subsections (3) and (4) apply to a member and, when appropriate,
 1952 the member's tenants, guests, or invitees, even if the
 1953 delinquency or failure that resulted in the suspension arose
 1954 from less than all of the multiple parcels owned by a member.

1955 Section 19. Paragraph (b) of subsection (1) and subsection
 1956 (9) of section 720.306, Florida Statutes, are amended to read:

1957 720.306 Meetings of members; voting and election
 1958 procedures; amendments.—

1959 (1) QUORUM; AMENDMENTS.—

1960 (b) Unless otherwise provided in the governing documents
 1961 or required by law, and other than those matters set forth in
 1962 paragraph (c), any governing document of an association may be
 1963 amended by the affirmative vote of two-thirds of the voting
 1964 interests of the association. Within 30 days after recording an
 1965 amendment to the governing documents, the association shall
 1966 provide copies of the amendment to the members. However, if a
 1967 copy of the proposed amendment is provided to the members before
 1968 they vote on the amendment and the proposed amendment is not
 1969 changed before the vote, the association, in lieu of providing a
 1970 copy of the amendment, may provide notice to the members that
 1971 the amendment was adopted, identifying the official book and
 1972 page number or instrument number of the recorded amendment and
 1973 that a copy of the amendment is available at no charge to the
 1974 member upon written request to the association. The copies and
 1975 notice described in this paragraph may be provided
 1976 electronically to those owners who previously consented to

1977 receive notice electronically. The failure to timely provide
 1978 notice of the recording of the amendment does not affect the
 1979 validity or enforceability of the amendment.

1980 (9) ELECTIONS AND BOARD VACANCIES.—

1981 (a) Elections of directors must be conducted in accordance
 1982 with the procedures set forth in the governing documents of the
 1983 association. Except as provided in paragraph (b), all members of
 1984 the association are eligible to serve on the board of directors,
 1985 and a member may nominate himself or herself as a candidate for
 1986 the board at a meeting where the election is to be held;
 1987 provided, however, that if the election process allows
 1988 candidates to be nominated in advance of the meeting, the
 1989 association is not required to allow nominations at the meeting.
 1990 An election is not required unless more candidates are nominated
 1991 than vacancies exist. Except as otherwise provided in the
 1992 governing documents, boards of directors must be elected by a
 1993 plurality of the votes cast by eligible voters. Any challenge to
 1994 the election process must be commenced within 60 days after the
 1995 election results are announced.

1996 (b) A person who is delinquent in the payment of any fee,
 1997 fine, or other monetary obligation to the association on the day
 1998 that he or she could last nominate himself or herself or be
 1999 nominated for the board may not seek election to the board, and
 2000 his or her name shall not be listed on the ballot. A person
 2001 -serving as a board member who becomes more than 90 days
 2002 delinquent in the payment of any fee, fine, or other monetary

2003 obligation to the association shall be deemed to have abandoned
 2004 his or her seat on the board, creating a vacancy on the board to
 2005 be filled according to law. For purposes of this paragraph, the
 2006 term "any fee, fine, or other monetary obligation" means any
 2007 delinquency to the association with respect to any parcel ~~for~~
 2008 ~~more than 90 days is not eligible for board membership.~~ A person
 2009 who has been convicted of any felony in this state or in a
 2010 United States District or Territorial Court, or has been
 2011 convicted of any offense in another jurisdiction which would be
 2012 considered a felony if committed in this state, may not seek
 2013 election to the board and is not eligible for board membership
 2014 unless such felon's civil rights have been restored for at least
 2015 5 years as of the date on which such person seeks election to
 2016 the board. The validity of any action by the board is not
 2017 affected if it is later determined that a person was ineligible
 2018 to seek election to the board or that a member of the board is
 2019 ineligible for board membership.

2020 (c) Any election dispute between a member and an
 2021 association must be submitted to mandatory binding arbitration
 2022 with the division. Such proceedings must be conducted in the
 2023 manner provided by s. 718.1255 and the procedural rules adopted
 2024 by the division. Unless otherwise provided in the bylaws, any
 2025 vacancy occurring on the board before the expiration of a term
 2026 may be filled by an affirmative vote of the majority of the
 2027 remaining directors, even if the remaining directors constitute
 2028 less than a quorum, or by the sole remaining director. In the

CS/HB 791

2015

2029 alternative, a board may hold an election to fill the vacancy,
2030 in which case the election procedures must conform to the
2031 requirements of the governing documents. Unless otherwise
2032 provided in the bylaws, a board member appointed or elected
2033 under this section is appointed for the unexpired term of the
2034 seat being filled. Filling vacancies created by recall is
2035 governed by s. 720.303(10) and rules adopted by the division.

2036 Section 20. This act shall take effect July 1, 2015.