

By Senator Hutson

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1 A bill to be entitled
2 An act relating to community associations; amending s.
3 468.431, F.S.; revising the definition of the term
4 "community association management" to include the term
5 "community association management services"; amending
6 s. 718.103, F.S.; defining a term; amending s.
7 718.111, F.S.; revising the documents that constitute
8 the official records of an association; requiring the
9 removal of specified information from an association's
10 records when certain consent is revoked; requiring
11 certain official records to be maintained for a
12 specified period; requiring certain associations to
13 provide digital copies of specified documents on their
14 websites; providing ownership, operation, and
15 accessibility requirements for an association's
16 website; requiring certain documents and notices to be
17 posted on the website; prohibiting certain information
18 and records from being posted on the association's
19 website; clarifying that physical copies of certain
20 official records must be open to a member or an
21 authorized representative; specifying that certain
22 records and property must be relinquished by an
23 outgoing board or committee member under certain
24 circumstances; amending s. 718.3026, F.S.; revising
25 applicability of certain provisions relating to
26 association contracts; providing requirements relating
27 to director and officer conflicts of interest;
28 amending s. 720.303, F.S.; revising the documents that
29 constitute the official records of an association;
30 requiring certain documents to be maintained for a
31 specific period of time; requiring certain
32 associations to provide digital copies of specified

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33 documents on their websites; providing ownership,
34 operation, and accessibility requirements for an
35 association's website; requiring that certain
36 documents and notices be posted on the website;
37 prohibiting certain information and records from being
38 posted on the association's website; revising the date
39 the community association manager or management firm
40 is required to report to the division; requiring an
41 annual report; revising the information that must be
42 included in the annual report; requiring changes in
43 certain information to be updated on the registration
44 system; deleting an obsolete date; deleting an
45 expiration date; amending s. 720.3033, F.S.; providing
46 requirements relating to director and officer
47 conflicts of interest; providing requirements for
48 board membership; amending s. 720.305, F.S.;

49 prohibiting an association from enforcing certain laws
50 and related penalties; amending s. 720.306, F.S.;

51 revising procedures for amending existing provisions
52 of a declaration; specifying efficacy of any recorded
53 government document; providing that certain binding
54 agreements may not prohibit a homeowner from renting
55 his or her home, may not alter certain rental terms,
56 or limit the number of occupants unless the current
57 homeowner consents; requiring certain associations to
58 post meeting notices on their websites; providing
59 voting requirements for the election of directors for
60 certain associations; requiring an outgoing board or
61 committee member to relinquish specified records and

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62 property within a specified time; amending s. 720.307,
63 F.S.; requiring a developer to deliver administrator
64 rights or controls of the association's website or
65 other digital asset to the board of directors within a
66 specified time; amending s. 720.308, F.S.; providing
67 options for an association that is owed past due
68 assessments by a member; providing that an association
69 may not proceed against a member for past due
70 assessments under certain circumstances; requiring an
71 association to provide payment plans before
72 transferring certain collection rights or a lien to a
73 third party or before filing a complaint; specifying
74 requirements for the payment plan; authorizing certain
75 service charges for the payment plan; providing
76 certain notice requirements before collection rights
77 are transferred to a third party; amending s.
78 720.3085, F.S.; providing certain notice requirements
79 before collection rights are transferred to a third
80 party; amending s. 720.311, F.S.; conforming a cross-
81 reference; providing an effective date.

82
83 Be It Enacted by the Legislature of the State of Florida:

84
85 Section 1. Subsection (2) of section 468.431, Florida
86 Statutes, is amended to read:

87 468.431 Definitions.—As used in this part:

88 (2) "Community association management" or "community
89 association management services" means any of the following
90 practices requiring substantial specialized knowledge, judgment,

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91 and managerial skill when done for remuneration and when the
92 association or associations served contain more than 10 units or
93 have an annual budget or budgets in excess of \$100,000:
94 controlling or disbursing funds of a community association,
95 preparing budgets or other financial documents for a community
96 association, assisting in the noticing or conduct of community
97 association meetings, determining the number of days required
98 for statutory notices, determining amounts due to the
99 association, collecting amounts due to the association before
100 the filing of a civil action, calculating the votes required for
101 a quorum or to approve a proposition or amendment, completing
102 forms related to the management of a community association that
103 have been created by statute or by a state agency, drafting
104 meeting notices and agendas, calculating and preparing
105 certificates of assessment and estoppel certificates, responding
106 to requests for certificates of assessment and estoppel
107 certificates, negotiating monetary or performance terms of a
108 contract subject to approval by an association, drafting
109 prearbitration demands, coordinating or performing maintenance
110 for real or personal property and other related routine services
111 involved in the operation of a community association, and
112 complying with the association's governing documents and the
113 requirements of law as necessary to perform such practices. A
114 person who performs clerical or ministerial functions under the
115 direct supervision and control of a licensed manager or who is
116 charged only with performing the maintenance of a community
117 association and who does not assist in any of the management
118 services described in this subsection is not required to be
119 licensed under this part.

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120 Section 2. Present subsections (11) through (30) of section
121 718.103, Florida Statutes, are redesignated as subsections (12)
122 through (31), respectively, and a new subsection (11) is added
123 to that section, to read:

124 718.103 Definitions.—As used in this chapter, the term:
125 (11) "Community association management" or "community
126 association management services" has the same meaning as
127 provided in s. 468.431.

128 Section 3. Subsection (12) of section 718.111, Florida
129 Statutes, is amended to read:

130 718.111 The association.—

131 (12) OFFICIAL RECORDS.—

132 (a) From the inception of the association, the association
133 shall maintain each of the following items, if applicable, which
134 constitutes the official records of the association:

135 1. A copy of the plans, specifications, permits, and
136 warranties related to improvements to the common areas or other
137 property that the association is obligated to maintain, repair,
138 or replace, and other items provided by the developer pursuant
139 to s. 718.301(4).

140 2. A photocopy of the recorded declaration of condominium
141 of each condominium operated by the association and each
142 amendment to each declaration.

143 3. A photocopy of the recorded bylaws of the association
144 and each amendment to the bylaws.

145 4. A certified copy of the articles of incorporation of the
146 association, or other documents creating the association, and
147 each amendment thereto.

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

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

152 7. A current roster of all unit owners and their mailing
153 addresses, unit identifications, voting certifications, and, if
154 known, telephone numbers. The association shall also maintain
155 the e-mail ~~electronic mailing~~ addresses and facsimile numbers of
156 unit owners consenting to receive notice by electronic
157 transmission. The e-mail ~~electronic mailing~~ addresses and
158 facsimile numbers are not accessible to unit owners if consent
159 to receive notice by electronic transmission is not provided in
160 accordance with subparagraph (d)5 ~~(e)5~~. The e-mail addresses and
161 facsimile numbers provided by unit owners to receive notice by
162 electronic transmission must be removed from any association
163 records if the unit owner revokes his or her consent to receive
164 notice by electronic transmission. However, the association is
165 not liable for an inadvertent disclosure of the e-mail
166 ~~electronic mail~~ address or facsimile number for receiving
167 electronic transmission of notices.

168 8. All current insurance policies of the association and
169 condominiums operated by the association.

170 9. A current copy of any management agreement, lease, or
171 other contract to which the association is a party or under
172 which the association or the unit owners have an obligation or
173 responsibility. Bids for materials, equipment, or services are
174 official records and must be maintained by the association for a
175 period of 1 year.

176 10. Bills of sale or transfer for all property owned by the
177 association.

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178 11. Financial and accounting records for the association
179 and separate accounting records for each condominium that the
180 association operates. All accounting records must be maintained
181 for at least 7 years. Any person who knowingly or intentionally
182 defaces or destroys such records, or who knowingly or
183 intentionally fails to create or maintain such records, with the
184 intent of causing harm to the association or one or more of its
185 members, is personally subject to a civil penalty pursuant to s.
186 718.501(1)(d). The financial and accounting records must
187 include, but are not limited to:

188 a. Accurate, itemized, and detailed records of all receipts
189 and expenditures.

190 b. A current account and a monthly, bimonthly, or quarterly
191 statement of the account for each unit designating the name of
192 the unit owner, the due date and amount of each assessment, the
193 amount paid on the account, and the balance due.

194 c. All tax returns, audits, reviews, accounting statements,
195 and financial reports of the association or condominium.

196 d. Any records that identify, measure, record, or
197 communicate financial information ~~All contracts for work to be~~
198 ~~performed. Bids for work to be performed are also considered~~
199 ~~official records and must be maintained by the association.~~

200 12. Ballots, sign-in sheets, voting proxies, and all other
201 papers relating to voting by unit owners, which must be
202 maintained for 1 year from the date of the election, vote, or
203 meeting to which the document relates, notwithstanding paragraph
204 (b).

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

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

209 15. All other written records of the association not
210 specifically included in the foregoing which are related to the
211 operation of the association.

212 16. A copy of the inspection report as described in s.
213 718.301(4) (p).

214 (b) The official records of the association must be
215 maintained within the state for at least 7 years. The records of
216 the association shall be made available to a unit owner within
217 45 miles of the condominium property or within the county in
218 which the condominium property is located within 5 working days
219 after receipt of a written request by the board or its designee.
220 However, such distance requirement does not apply to an
221 association governing a timeshare condominium. This paragraph
222 may be complied with by having a copy of the official records of
223 the association available for inspection or copying on the
224 condominium property or association property, or the association
225 may offer the option of making the records available to a unit
226 owner electronically via the Internet or by allowing the records
227 to be viewed in electronic format on a computer screen and
228 printed upon request. The association is not responsible for the
229 use or misuse of the information provided to an association
230 member or his or her authorized representative pursuant to the
231 compliance requirements of this chapter unless the association
232 has an affirmative duty not to disclose such information
233 pursuant to this chapter.

234 (c)1. In addition to any other provision of law, an
235 association having 7,500 or more units must provide a digital

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236 copy of specified documents on its website.

237 a. An association's website must be:

238 (I) An independent website or web portal, wholly owned and
239 operated by the association; or

240 (II) A website or web portal operated by a third-party
241 provider with whom the association owns, leases, rents, or
242 otherwise obtains the right to operate a web page, subpage, web
243 portal, or collection of subpages or web portals dedicated to
244 the association's activities and where required notices,
245 records, and documents may be posted by the association.

246 b. The association's website must be accessible through the
247 Internet and must contain a subpage, web portal, or other
248 protected electronic location that is inaccessible to the
249 general public and that is accessible only to unit owners and
250 employees of the association.

251 c. The association must provide each unit owner access to
252 the protected sections of the association's website that contain
253 any notices, records, or documents that must be electronically
254 provided.

255 2. The following documents must be placed in digital format
256 on the website:

257 a. Copies of the official records described in paragraph
258 (a). However, the current roster of all unit owners with their
259 mailing addresses and parcel identifications may not be placed
260 in digital format on the website. The website must include the
261 following statement: "A current roster of all unit owners and
262 their mailing addresses and parcel identifications is available
263 at the request of any unit owner or unit owner representative."
264 The notice shall include the e-mail address of the person to

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265 contact for a copy of the roster.

266 b. The annual budget required by s. 718.112(2) (f) and any
267 proposed budget to be considered at the annual meeting.

268 c. The financial report required by subsection (13) and any
269 proposed financial report to be considered at a meeting.

270 d. Any document created by the association or a board
271 member relating to the recall of a director, pursuant to s.
272 718.112(2) (j), or any document created for or filed by the
273 association in an arbitration proceeding conducted by the
274 division regarding the recall of a director.

275 e. The certification of each director required by s.
276 718.112(2) (d) 4.b.

277 f. A list of all contracts or transactions between the
278 association and any director, officer, corporation, firm, or
279 association that is not an affiliated condominium association,
280 or other entity in which an association director is also a
281 director or officer and financially interested.

282 g. Any fidelity bond entered into by the association.

283 h. Any contract or document regarding a conflict of
284 interest or possible conflict of interest as provided in ss.
285 468.436(2) and 718.3026(3).

286 i. Notice of any board meeting and the agenda for the
287 meeting, as required by s. 718.112(2) (d) 3., placed online no
288 later than 14 days before the meeting and posted in plain view
289 on the front page, or on a separate subpage labeled "Notices"
290 which is conspicuously visible and linked from the front page of
291 the association's website. The association must post on its
292 website any documents to be considered during the meeting or
293 listed on the agenda at least 7 days before the meeting at which

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294 the document or the information within the document will be
295 considered, unless otherwise stated, including the following
296 documents:

297 (I) The proposed annual budget required by s.
298 718.112(2)(e), which must be provided at least 14 days before
299 the meeting.

300 (II) The proposed financial report required by subsection
301 (13).

302 (III) A list of persons seeking to be elected to the board.

303 3. The association shall ensure that the information and
304 records described in paragraph (d) which are not permitted to be
305 accessible to unit owners are not placed on the association's
306 website. If protected information, or information restricted
307 from being accessible to unit owners, is included in documents
308 that must be placed on the association's website, the
309 association shall ensure the information is redacted before
310 placing the documents online.

311 (d)(e) Physical copies of the official records of the
312 association are open to inspection by any association member or
313 the authorized representative of such member at all reasonable
314 times. The right to inspect the records includes the right to
315 make or obtain copies, at the reasonable expense, if any, of the
316 member. The association may adopt reasonable rules regarding the
317 frequency, time, location, notice, and manner of record
318 inspections and copying. The failure of an association to
319 provide the records within 10 working days after receipt of a
320 written request creates a rebuttable presumption that the
321 association willfully failed to comply with this paragraph. A
322 unit owner who is denied access to official records is entitled

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323 to the actual damages or minimum damages for the association's
324 willful failure to comply. Minimum damages are \$50 per calendar
325 day for up to 10 days, beginning on the 11th working day after
326 receipt of the written request. The failure to permit inspection
327 entitles any person prevailing in an enforcement action to
328 recover reasonable attorney fees from the person in control of
329 the records who, directly or indirectly, knowingly denied access
330 to the records. Any person who knowingly or intentionally
331 defaces or destroys accounting records that are required by this
332 chapter to be maintained during the period for which such
333 records are required to be maintained, or who knowingly or
334 intentionally fails to create or maintain accounting records
335 that are required to be created or maintained, with the intent
336 of causing harm to the association or one or more of its
337 members, is personally subject to a civil penalty pursuant to s.
338 718.501(1)(d). The association shall maintain an adequate number
339 of copies of the declaration, articles of incorporation, bylaws,
340 and rules, and all amendments to each of the foregoing, as well
341 as the question and answer sheet as described in s. 718.504 and
342 year-end financial information required under this section, on
343 the condominium property to ensure their availability to unit
344 owners and prospective purchasers, and may charge its actual
345 costs for preparing and furnishing these documents to those
346 requesting the documents. An association shall allow a member or
347 his or her authorized representative to use a portable device,
348 including a smartphone, tablet, portable scanner, or any other
349 technology capable of scanning or taking photographs, to make an
350 electronic copy of the official records in lieu of the
351 association's providing the member or his or her authorized

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352 representative with a copy of such records. The association may
353 not charge a member or his or her authorized representative for
354 the use of a portable device. Notwithstanding this paragraph,
355 the following records are not accessible to unit owners:

356 1. Any record protected by the lawyer-client privilege as
357 described in s. 90.502 and any record protected by the work-
358 product privilege, including a record prepared by an association
359 attorney or prepared at the attorney's express direction, which
360 reflects a mental impression, conclusion, litigation strategy,
361 or legal theory of the attorney or the association, and which
362 was prepared exclusively for civil or criminal litigation or for
363 adversarial administrative proceedings, or which was prepared in
364 anticipation of such litigation or proceedings until the
365 conclusion of the litigation or proceedings.

366 2. Information obtained by an association in connection
367 with the approval of the lease, sale, or other transfer of a
368 unit.

369 3. Personnel records of association or management company
370 employees, including, but not limited to, disciplinary, payroll,
371 health, and insurance records. For purposes of this
372 subparagraph, the term "personnel records" does not include
373 written employment agreements with an association employee or
374 management company, or budgetary or financial records that
375 indicate the compensation paid to an association employee.

376 4. Medical records of unit owners.

377 5. Social security numbers, driver license numbers, credit
378 card numbers, e-mail addresses, telephone numbers, facsimile
379 numbers, emergency contact information, addresses of a unit
380 owner other than as provided to fulfill the association's notice

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381 requirements, and other personal identifying information of any
382 person, excluding the person's name, unit designation, mailing
383 address, property address, and any address, e-mail address, or
384 facsimile number provided to the association to fulfill the
385 association's notice requirements. Notwithstanding the
386 restrictions in this subparagraph, an association may print and
387 distribute to parcel owners a directory containing the name,
388 parcel address, and all telephone numbers of each parcel owner.
389 However, an owner may exclude his or her telephone numbers from
390 the directory by so requesting in writing to the association. An
391 owner may consent in writing to the disclosure of other contact
392 information described in this subparagraph. The association is
393 not liable for the inadvertent disclosure of information that is
394 protected under this subparagraph if the information is included
395 in an official record of the association and is voluntarily
396 provided by an owner and not requested by the association.

397 6. Electronic security measures that are used by the
398 association to safeguard data, including passwords.

399 7. The software and operating system used by the
400 association which allow the manipulation of data, even if the
401 owner owns a copy of the same software used by the association.
402 The data is part of the official records of the association.

403 (e)~~(d)~~ The association shall prepare a question and answer
404 sheet as described in s. 718.504, and shall update it annually.

405 (f)~~(e)~~1. The association or its authorized agent is not
406 required to provide a prospective purchaser or lienholder with
407 information about the condominium or the association other than
408 information or documents required by this chapter to be made
409 available or disclosed. The association or its authorized agent

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410 may charge a reasonable fee to the prospective purchaser,
411 lienholder, or the current unit owner for providing good faith
412 responses to requests for information by or on behalf of a
413 prospective purchaser or lienholder, other than that required by
414 law, if the fee does not exceed \$150 plus the reasonable cost of
415 photocopying and any attorney ~~attorney's~~ fees incurred by the
416 association in connection with the response.

417 2. An association and its authorized agent are not liable
418 for providing such information in good faith pursuant to a
419 written request if the person providing the information includes
420 a written statement in substantially the following form: "The
421 responses herein are made in good faith and to the best of my
422 ability as to their accuracy."

423 (g) ~~(f)~~ An outgoing board or committee member must
424 relinquish all official records and property of the association
425 in his or her possession or under his or her control, including
426 administrative rights or controls of an association's website or
427 other digital or electronic asset of the association, to the
428 incoming board within 5 days after the election. The division
429 shall impose a civil penalty as set forth in s. 718.501(1)(d)6.
430 against an outgoing board or committee member who willfully and
431 knowingly fails to relinquish such records and property.

432 Section 4. Present subsection (3) of section 718.3026,
433 Florida Statutes, is redesignated as subsection (4), subsection
434 (2) is amended, and a new subsection (3) is added to that
435 section, to read:

436 718.3026 Contracts for products and services; in writing;
437 bids; exceptions.—Associations with 10 or fewer units may opt
438 out of the provisions of this section if two-thirds of the unit

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439 owners vote to do so, which opt-out may be accomplished by a
440 proxy specifically setting forth the exception from this
441 section.

442 ~~(2) (a) Notwithstanding the foregoing, contracts with~~
443 ~~employees of the association, and contracts for attorney,~~
444 ~~accountant, architect, community association manager, timeshare~~
445 ~~management firm, engineering, and landscape architect services~~
446 ~~are not subject to the provisions of this section.~~

447 (a) ~~(b)~~ Nothing contained herein is intended to limit the
448 ability of an association to obtain needed products and services
449 in an emergency.

450 (b) ~~(e)~~ This section does ~~shall~~ not apply if the business
451 entity with which the association desires to enter into a
452 contract is the only source of supply within the county serving
453 the association.

454 (c) ~~(d)~~ Nothing contained herein shall excuse a party
455 contracting to provide maintenance or management services from
456 compliance with s. 718.3025.

457 (3) (a) Directors and officers of the board must disclose to
458 the board any activity that may reasonably be construed as a
459 conflict of interest. A rebuttable presumption of a conflict of
460 interest exists if any of the following occurs without prior
461 notice, as required in paragraph (b), or board approval taken at
462 a properly noticed meeting of the unit owners:

463 1. The director or officer, or a relative residing in the
464 same household as the director or officer, has entered into a
465 contract for goods or services with the association.

466 2. The director or officer, or a relative residing in the
467 same household as the director or officer, holds an interest of

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468 35 percent or more in any corporation, limited liability
469 corporation, partnership, limited liability partnership, or
470 other business entity that conducts business with the
471 association or proposes to enter into a contract or other
472 transaction with the association.

473 (b) If a director or officer intends to engage in an
474 activity that may reasonably be construed as a conflict of
475 interest, as described in paragraph (a), the director or officer
476 must place the issue on a meeting agenda, including any proposed
477 contract or transactional documents, and submit the issue to the
478 board to be considered and voted on. If the board votes against
479 the action, the director or officer shall notify the board in
480 writing of his or her intention not to pursue the action or to
481 withdraw from the position as director or officer. If the board
482 finds that an officer or director has violated this subsection,
483 the board shall immediately remove the officer or director from
484 office. The vacancy shall be filled according to general law
485 until expiration of the director's term of office.

486 (c) A director or officer who is party to, or has an
487 interest in, the transaction or arrangement involving the
488 possible conflict of interest may attend the meeting at which
489 the transaction or arrangement is considered by the board. The
490 director or officer who is party to, or has an interest in, the
491 transaction or arrangement shall be allowed to make a
492 presentation to the board or committee regarding the transaction
493 or arrangement. After the presentation, the director or officer
494 must leave the meeting during the discussion of, and the vote
495 on, the transaction or arrangement involving the possible
496 conflict of interest. Any director or officer who is party to or

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497 has an interest in such transaction or arrangement shall recuse
498 himself or herself from the vote.

499 (d)1. The board must provide notice to unit owners of any
500 possible conflict of interest described in paragraph (a). Any
501 proposed contracts or transactional documents related to the
502 conflict must be attached to the meeting agenda and made
503 available with the agenda. The notice and related proposed
504 contracts or transactional documents must be provided to unit
505 owners at least 7 days before the meeting at which the possible
506 conflict of interest will be considered or voted on by the
507 board.

508 2. A board with 7,500 or more units must place the notice
509 required in subparagraph 1. on the front page of the
510 association's website. Any related proposed contracts or
511 transactional documents must be attached to the agenda provided
512 on the association's website. The notice and related proposed
513 contracts or transactional documents related to the conflict
514 must be posted on the association's website at least 7 days
515 before the meeting at which the possible conflict of interest
516 will be considered or voted on by the board.

517 Section 5. Present subsections (6) through (13) of section
518 720.303, Florida Statutes, are redesignated as subsections (7)
519 through (14), respectively, subsection (4) and present
520 subsection (13) of that section are amended, and a new
521 subsection (6) is added to that section, to read:

522 720.303 Association powers and duties; meetings of board;
523 official records; budgets; financial reporting; association
524 funds; recalls.—

525 (4) OFFICIAL RECORDS.—The association shall maintain each

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526 of the following items, when applicable, which constitute the
527 official records of the association:

528 (a) Copies of any plans, specifications, permits, and
529 warranties related to improvements constructed on the common
530 areas or other property that the association is obligated to
531 maintain, repair, or replace, and other items provided by the
532 developer pursuant to s. 720.307(4).

533 (b) A copy of the bylaws of the association and of each
534 amendment to the bylaws.

535 (c) A certified copy of the articles of incorporation of
536 the association and of each amendment thereto.

537 (d) A copy of the declaration of covenants and a copy of
538 each amendment thereto.

539 (e) A copy of the current rules of the homeowners'
540 association.

541 (f) The minutes of all meetings of the board of directors
542 and of the members, which minutes must be retained for at least
543 7 years.

544 (g) A current roster of all members and their mailing
545 addresses and parcel identifications. The association shall also
546 maintain the electronic mailing addresses and the numbers
547 designated by members for receiving notice sent by electronic
548 transmission of those members consenting to receive notice by
549 electronic transmission. The electronic mailing addresses and
550 numbers provided by members ~~unit owners~~ to receive notice by
551 electronic transmission shall be removed from association
552 records when consent to receive notice by electronic
553 transmission is revoked. However, the association is not liable
554 for an erroneous disclosure of the electronic mail address or

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555 the number for receiving electronic transmission of notices.

556 (h) All of the association's insurance policies or a copy
557 thereof, which policies must be retained for at least 7 years.

558 (i) A current copy of all contracts to which the
559 association is a party, including, without limitation, any
560 management agreement, lease, or other contract under which the
561 association has any obligation or responsibility. Bids received
562 by the association for materials, equipment, or services ~~work to~~
563 ~~be performed~~ must also be considered official records and must
564 be maintained ~~kept~~ for a period of 1 year.

565 (j) The financial and accounting records of the
566 association, kept according to good accounting practices. All
567 financial and accounting records must be maintained for a period
568 of at least 7 years. The financial and accounting records must
569 include:

570 1. Accurate, itemized, and detailed records of all receipts
571 and expenditures.

572 2. A current account and a periodic statement of the
573 account for each member, designating the name and current
574 address of each member who is obligated to pay assessments, the
575 due date and amount of each assessment or other charge against
576 the member, the date and amount of each payment on the account,
577 and the balance due.

578 3. All tax returns, audits, reviews, financial statements,
579 and financial reports of the association.

580 4. Any other records that identify, measure, record, or
581 communicate financial information.

582 (k) A copy of the disclosure summary described in s.
583 720.401(1).

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584 (l) Ballots, sign-in sheets, voting proxies, and all other
585 papers relating to voting by members, which must be maintained
586 for 1 year after the date of the election, vote, or meeting to
587 which the document relates.

588 (m) ~~(l)~~ All other written records of the association not
589 specifically included in the foregoing which are related to the
590 operation of the association.

591 (6) ACCESS TO ASSOCIATION DOCUMENTS AND RECORDS ON AN
592 ASSOCIATION WEBSITE.—

593 (a) In addition to any other provision of general law, an
594 association having 7,500 or more parcels must provide a digital
595 copy of specified documents on its website. An association with
596 fewer than 7,500 parcels located within the physical boundaries
597 of an affiliated association that has more than 7,500 or more
598 parcels must provide digital copies of specified documents on
599 the larger affiliated association's website. An association with
600 fewer than 7,500 parcels located within the physical boundaries
601 of an association with more than 7,500 or more parcels, but that
602 is not affiliated with the larger association, may provide
603 digital copies of certain documents on its website if the
604 association chooses to do so.

605 1. An association's website must be:

606 a. An independent website or web portal, wholly owned and
607 operated by the association; or

608 b. A website or web portal that is operated by a third-
609 party provider with whom the association owns, leases, rents, or
610 otherwise obtains the right to operate a web page, subpage, web
611 portal, or collection of subpages or web portals dedicated to
612 the association's activities and where required notices,

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613 records, and documents may be posted by the association.

614 2. The association's website must be accessible through the
615 Internet, and must contain a subpage, web portal, or other
616 protected electronic location that is accessible only to the
617 unit owners and employees of the association.

618 3. The association must provide each member access to the
619 protected sections of the association's website that contain any
620 notices, records, or documents that must be electronically
621 provided.

622 (b) The following documents must be placed in digital
623 format on the website:

624 1. Copies of the official records listed in subsection (4).
625 The current roster of all members with their mailing addresses
626 and parcel identifications may not be placed in digital format
627 on the website. The website must include the following
628 statement: "A current roster of all members and their mailing
629 addresses and parcel identifications is available at the request
630 of any association member, including the e-mail addresses of
631 those members who have consented to receive notice by electronic
632 transmission." The notice shall include the e-mail address of
633 the person to contact for a copy of the roster.

634 2. The annual budget required by subsection (7) and any
635 proposed budget to be considered at the annual meeting.

636 3. The financial report required by subsection (8) and any
637 proposed financial report to be considered at a meeting.

638 4. Any document created by the association or a board
639 member relating to the recall of a director, pursuant to
640 subsection (11), or any document created for or filed by the
641 association in an arbitration proceeding conducted by the

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642 division regarding the recall of a director.

643 5. Documentation reporting the compensation of directors,
644 officers, or members authorized under subsection (13).

645 6. A copy of the information submitted to the division to
646 comply with the reporting requirement in subsection (14).

647 7. The certification of each director required by s.
648 720.3033(1).

649 8. A list of all contracts or transactions between the
650 association and any director, officer, corporation, firm, or
651 association that is not an affiliated homeowners' association,
652 or other entity in which an association director is also a
653 director or officer and has a financial interest.

654 9. Any fidelity bond entered into by the association.

655 10. A map of the association, including association
656 boundaries.

657 11. Any contract or document regarding a conflict of
658 interest or possible conflict of interest as provided in ss.
659 468.436(2) and 720.3033.

660 12. Notice of any board meeting and the agenda for the
661 meeting, as required by subsection (2), placed online no later
662 than 14 days before the meeting and posted in plain view on the
663 front page, or on a separate subpage labeled "Notices" which is
664 conspicuously visible and linked from the front page of the
665 association's website. The association must post on its website
666 any documents to be considered during the meeting or listed on
667 the agenda no later than 7 days before the meeting at which the
668 document or the information within the document will be
669 considered, including the following documents:

670 a. The proposed annual budget required by subsection (7).

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671 b. The proposed financial report required by subsection
672 (8).

673 c. A list of persons seeking to be elected to the board.

674 d. A copy of contracts or transactions listed in
675 subparagraph 8.

676 e. Any competitive bids for materials, equipment, or
677 services.

678 f. Any proposed contracts or transactional documents
679 related to any possible conflict of interest set forth in ss.
680 468.436(2) and 720.3033.

681 (c) The association shall ensure that the information and
682 records described in subparagraph (5) (c) which are not permitted
683 to be accessible to members or parcel owners are not placed on
684 the association's website. If protected information, or
685 information restricted from being accessible to members or
686 parcel owners, is included in documents that must be placed on
687 the association's website, the association shall ensure the
688 information is redacted before placing the documents online.

689 (14) ~~(13)~~ REPORTING REQUIREMENT.—The community association
690 manager or management firm, or the association when there is no
691 community association manager or management firm, shall report
692 to the division annually by October 1 by ~~November 22, 2013,~~ in a
693 manner and form prescribed by the division.

694 (a) The report shall include the association's:

695 1. Legal name.

696 2. Federal employer identification number.

697 3. Mailing and physical addresses.

698 4. Total number of parcels.

699 5. Total amount of revenues and expenses from the

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700 association's annual budget.

701 6. Community association management firm or community
702 association manager, if the association has contracted for such
703 services.

704 (b) For associations in which control of the association
705 has not been transitioned to nondeveloper members, as set forth
706 in s. 720.307, the report shall also include the developer's:

707 1. Legal name.

708 2. Mailing address.

709 3. Total number of parcels owned on the date of reporting.

710 (c) The reporting requirement provided in this subsection
711 shall be a continuing obligation on each association until the
712 required information is reported to the division. Any change in
713 the reported information must be updated on the registration
714 system provided for in paragraph (d).

715 (d) ~~By October 1, 2013,~~ The department shall use ~~establish~~
716 ~~and implement~~ a registration system through a ~~an Internet~~
717 website that provides for the reporting requirements of
718 paragraphs (a) and (b).

719 (e) The department shall prepare an annual report of the
720 data reported pursuant to this subsection and present it to the
721 Governor, the President of the Senate, and the Speaker of the
722 House of Representatives by December 1, 2013, and each year
723 thereafter.

724 (f) The division shall adopt rules pursuant to ss.
725 120.536(1) and 120.54 to implement ~~the provisions of this~~
726 subsection.

727 ~~(g) This subsection shall expire on July 1, 2016, unless~~
728 ~~reenacted by the Legislature.~~

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729 Section 6. Present subsections (2) through (5) of section
730 720.3033, Florida Statutes, are redesignated as subsections (3)
731 through (6), respectively, and new subsections (2) and (7) are
732 added to that section, to read:

733 720.3033 Officers and directors.—

734 (2) (a) Directors and officers of the board must disclose to
735 the board any activity that may reasonably be construed as a
736 conflict of interest. A rebuttable presumption of a conflict of
737 interest exists if any of the following occurs without prior
738 notice, as required in paragraph (b), or board approval taken at
739 a properly noticed meeting of the members:

740 1. The director or officer, or a relative residing in the
741 same household as the director or officer, enters into a
742 contract for goods or services with the association.

743 2. The director or officer, or a relative residing in the
744 same household as the director or officer, holds an interest of
745 more than 35 percent in any corporation, limited liability
746 corporation, partnership, limited liability partnership, or
747 other business entity that conducts business with the
748 association or proposes to enter into a contract or other
749 transaction with the association.

750 3. A corporation, limited liability corporation,
751 partnership, limited liability partnership, or other business
752 entity that, directly or indirectly, controls the director or
753 officer, or otherwise influences any decisions made by the
754 director or officer, intends to conduct business with the
755 association or proposes to enter into a contract or other
756 transaction with the association.

757 (b) If a director or officer intends to engage in an

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758 activity that may reasonably be construed as a conflict of
759 interest, as described in paragraph (a), the director or officer
760 must place the issue on a meeting agenda, including any proposed
761 contract or transactional documents, and submit the issue to the
762 board to be considered and voted on. If the board votes against
763 the action, the director or officer shall notify the board in
764 writing of his or her intention not to pursue the action or
765 withdraw from the position as director or officer. If the board
766 finds that an officer or director has violated this subsection,
767 the board shall immediately remove the officer or director from
768 office. The vacancy shall be filled according to general law
769 until expiration of the director's term of office.

770 (c) A director or officer who is party to or has an
771 interest in the transaction or arrangement involving the
772 possible conflict of interest may attend the meeting at which
773 the transaction or arrangement is considered by the board. The
774 director or officer who is party to or has an interest in the
775 transaction or arrangement shall be allowed to make a
776 presentation to the board or committee regarding the transaction
777 or arrangement. After the presentation, the director or officer
778 must leave the meeting during the discussion of, and the vote
779 on, the transaction or arrangement involving the possible
780 conflict of interest. Any director or officer who is party to or
781 has an interest in such transaction or arrangement shall recuse
782 himself or herself from the vote.

783 (d)1. The board must provide notice to members of any
784 possible conflict of interest described in paragraph (a). Any
785 related proposed contracts or transactional documents related to
786 the conflict must be attached to the meeting agenda and made

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787 available with the agenda. The notice and related proposed
788 contracts or transactional documents must be provided to members
789 at least 7 days before the meeting at which the possible
790 conflict of interest will be considered or voted on by the
791 board.

792 2. A board with 7,500 or more parcels must place the notice
793 required in subparagraph 1. on the front page of the
794 association's website. Any related proposed contracts or
795 transactional documents related to the conflict must be attached
796 to the agenda provided on the association's website. The notice
797 and related proposed contracts or transactional documents must
798 be posted on the association's website at least 7 days before
799 the meeting at which the possible conflict of interest will be
800 considered or voted on by the board.

801 (7) If an association consists of 7,500 or more parcels,
802 the board of administration must consist of at least five
803 members appointed by the board who are not officers, directors,
804 or employees of the association or the spouse, parent, child,
805 brother, or sister of an officer, director, or employee of the
806 association.

807 Section 7. Paragraphs (c) and (d) are added to subsection
808 (2) of section 720.305, Florida Statutes, to read:

809 720.305 Obligations of members; remedies at law or in
810 equity; levy of fines and suspension of use rights.—

811 (2) The association may levy reasonable fines. A fine may
812 not exceed \$100 per violation against any member or any member's
813 tenant, guest, or invitee for the failure of the owner of the
814 parcel or its occupant, licensee, or invitee to comply with any
815 provision of the declaration, the association bylaws, or

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816 reasonable rules of the association unless otherwise provided in
817 the governing documents. A fine may be levied by the board for
818 each day of a continuing violation, with a single notice and
819 opportunity for hearing, except that the fine may not exceed
820 \$1,000 in the aggregate unless otherwise provided in the
821 governing documents. A fine of less than \$1,000 may not become a
822 lien against a parcel. In any action to recover a fine, the
823 prevailing party is entitled to reasonable attorney fees and
824 costs from the nonprevailing party as determined by the court.

825 (c) An association may not enforce traffic laws provided in
826 chapter 316. An association may not place requirements in the
827 governing documents regarding compliance with traffic laws in
828 chapter 316. An association may not levy fines or assessments
829 for violations of traffic laws enforced under s. 316.640. An
830 association may not suspend the right of a member, or a member's
831 tenant, guest, or invitee, to use common areas and facilities
832 for failure to comply with traffic laws.

833 (d) An association may not enforce criminal laws provided
834 in chapters 775-896 or relevant federal law. An association may
835 not place requirements in the governing documents regarding
836 compliance with criminal laws in chapters 775-896 or relevant
837 federal law. An association may not levy fines or assessments
838 for violations of criminal laws provided in chapters 775-896 or
839 relevant federal law. An association may not suspend the right
840 of a member, or a member's tenant, guest, or invitee, to use
841 common areas and facilities for failure to comply with such
842 criminal laws.

843 Section 8. Present paragraph (d) of subsection (1) of
844 section 720.306, Florida Statutes, is redesignated as paragraph

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845 (h), a new paragraph (d) and paragraphs (e), (f), and (g) are
846 added to that subsection, and subsections (5) and (9) of that
847 section are amended, to read:

848 720.306 Meetings of members; voting and election
849 procedures; amendments.—

850 (1) QUORUM; AMENDMENTS.—

851 (d) A proposal to amend an existing provision of the
852 declaration must contain the full text of the provision to be
853 amended and may not be revised or amended by reference only to
854 the declaration title or number. Words to be added must be
855 inserted in the text and underlined, and words to be deleted
856 must be stricken with hyphens. However, if the proposed change
857 is so extensive that this procedure would hinder, rather than
858 assist, the understanding of the proposed amendment, it is not
859 necessary to use underlined and stricken text as indicators of
860 words added or deleted, respectively. Instead, a notation must
861 be inserted immediately preceding the proposed amendment in
862 substantially the following language: "Substantial rewording of
863 declaration. See provision for present text." An amendment to a
864 declaration is effective when properly recorded in the public
865 records of the county where the declaration is recorded.

866 (e) Nonmaterial errors or omissions in the amendment
867 process do not invalidate an otherwise properly adopted
868 amendment.

869 (f) An amendment to any recorded governing document is
870 effective when properly recorded in the public records of the
871 county where the governing document is recorded.

872 (g) A deed restriction, covenant, declaration, or similar
873 binding agreement may not prohibit a homeowner from renting his

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874 or her home, alter the duration of the rental term, specify or
875 limit the number of times a homeowner is entitled to rent his or
876 her home during a specified period, or limit the number of
877 occupants unless the current homeowner consents.

878 (5) NOTICE OF MEETINGS.—The bylaws shall provide for giving
879 notice to members of all member meetings, and if they do not do
880 so shall be deemed to provide the following: The association
881 shall give all parcel owners and members actual notice of all
882 membership meetings, which shall be mailed, delivered, or
883 electronically transmitted to the members not less than 14 days
884 before ~~prior to~~ the meeting. Evidence of compliance with this
885 14-day notice shall be made by an affidavit executed by the
886 person providing the notice and filed upon execution among the
887 official records of the association. In addition to mailing,
888 delivering, or electronically transmitting the notice of any
889 meeting, the association may, by reasonable rule, adopt a
890 procedure for conspicuously posting and repeatedly broadcasting
891 the notice and the agenda on a closed-circuit cable television
892 system serving the association. When broadcast notice is
893 provided, the notice and agenda must be broadcast in a manner
894 and for a sufficient continuous length of time so as to allow an
895 average reader to observe the notice and read and comprehend the
896 entire content of the notice and the agenda. Pursuant to s.
897 720.303, an association having 7,500 parcels or more must place
898 a copy of all notices of meetings on its website at least 14
899 days before the hearing.

900 (9) ELECTIONS AND BOARD VACANCIES.—

901 (a) Elections of directors must be conducted in accordance
902 with the procedures set forth in the governing documents of the

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903 association. An association with 7,500 parcels or more must
904 allow association members to vote in the election of directors
905 at a designated location from 7 a.m. to 7 p.m. on the day of the
906 election.

907 (b) Except as provided in paragraph (c) ~~(b)~~, all members of
908 the association are eligible to serve on the board of directors,
909 and a member may nominate himself or herself as a candidate for
910 the board at a meeting where the election is to be held;
911 provided, however, that if the election process allows
912 candidates to be nominated in advance of the meeting, the
913 association is not required to allow nominations at the meeting.
914 An election is not required unless more candidates are nominated
915 than vacancies exist. Except as otherwise provided in the
916 governing documents, boards of directors must be elected by a
917 plurality of the votes cast by eligible voters. Any challenge to
918 the election process must be commenced within 60 days after the
919 election results are announced.

920 (c) ~~(b)~~ A person who is delinquent in the payment of any
921 fee, fine, or other monetary obligation to the association on
922 the day that he or she could last nominate himself or herself or
923 be nominated for the board may not seek election to the board,
924 and his or her name shall not be listed on the ballot. A person
925 serving as a board member who becomes more than 90 days
926 delinquent in the payment of any fee, fine, or other monetary
927 obligation to the association shall be deemed to have abandoned
928 his or her seat on the board, creating a vacancy on the board to
929 be filled according to law. For purposes of this paragraph, the
930 term "any fee, fine, or other monetary obligation" means any
931 delinquency to the association with respect to any parcel. A

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932 person who has been convicted of any felony in this state or in
933 a United States District or Territorial Court, or has been
934 convicted of any offense in another jurisdiction which would be
935 considered a felony if committed in this state, may not seek
936 election to the board and is not eligible for board membership
937 unless such felon's civil rights have been restored for at least
938 5 years as of the date on which such person seeks election to
939 the board. The validity of any action by the board is not
940 affected if it is later determined that a person was ineligible
941 to seek election to the board or that a member of the board is
942 ineligible for board membership.

943 (d)~~(e)~~ Any election dispute between a member and an
944 association must be submitted to mandatory binding arbitration
945 with the division. Such proceedings must be conducted in the
946 manner provided by s. 718.1255 and the procedural rules adopted
947 by the division. Unless otherwise provided in the bylaws, any
948 vacancy occurring on the board before the expiration of a term
949 may be filled by an affirmative vote of the majority of the
950 remaining directors, even if the remaining directors constitute
951 less than a quorum, or by the sole remaining director. In the
952 alternative, a board may hold an election to fill the vacancy,
953 in which case the election procedures must conform to the
954 requirements of the governing documents. Unless otherwise
955 provided in the bylaws, a board member appointed or elected
956 under this section is appointed for the unexpired term of the
957 seat being filled. Filling vacancies created by recall is
958 governed by s. 720.303(11) ~~s. 720.303(10)~~ and rules adopted by
959 the division.

960 (e) An outgoing board member must relinquish all official

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961 records and property of the association in his or her possession
962 or under his or her control, including administrative rights or
963 controls of an association's website or other digital or
964 electronic asset of the association, to the incoming board at
965 least 5 days after the election.

966 Section 9. Paragraph (u) is added to subsection (4) of
967 section 720.307, Florida Statutes, to read:

968 720.307 Transition of association control in a community.-
969 With respect to homeowners' associations:

970 (4) At the time the members are entitled to elect at least
971 a majority of the board of directors of the homeowners'
972 association, the developer shall, at the developer's expense,
973 within no more than 90 days deliver the following items
974 ~~documents~~ to the board:

975 (a) All deeds to common property owned by the association.

976 (b) The original of the association's declarations of
977 covenants and restrictions.

978 (c) A certified copy of the articles of incorporation of
979 the association.

980 (d) A copy of the bylaws.

981 (e) The minute books, including all minutes.

982 (f) The books and records of the association.

983 (g) Policies, rules, and regulations, if any, which have
984 been adopted.

985 (h) Resignations of directors who are required to resign
986 because the developer is required to relinquish control of the
987 association.

988 (i) The financial records of the association from the date
989 of incorporation through the date of turnover.

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- 990 (j) All association funds and control thereof.
- 991 (k) All tangible property of the association.
- 992 (l) A copy of all contracts which may be in force with the
993 association as one of the parties.
- 994 (m) A list of the names and addresses and telephone numbers
995 of all contractors, subcontractors, or others in the current
996 employ of the association.
- 997 (n) Any and all insurance policies in effect.
- 998 (o) Any permits issued to the association by governmental
999 entities.
- 1000 (p) Any and all warranties in effect.
- 1001 (q) A roster of current homeowners and their addresses and
1002 telephone numbers and section and lot numbers.
- 1003 (r) Employment and service contracts in effect.
- 1004 (s) All other contracts in effect to which the association
1005 is a party.
- 1006 (t) The financial records, including financial statements
1007 of the association, and source documents from the incorporation
1008 of the association through the date of turnover. The records
1009 shall be audited by an independent certified public accountant
1010 for the period from the incorporation of the association or from
1011 the period covered by the last audit, if an audit has been
1012 performed for each fiscal year since incorporation. All
1013 financial statements shall be prepared in accordance with
1014 generally accepted accounting principles and shall be audited in
1015 accordance with generally accepted auditing standards, as
1016 prescribed by the Board of Accountancy, pursuant to chapter 473.
1017 The certified public accountant performing the audit shall
1018 examine to the extent necessary supporting documents and

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1019 records, including the cash disbursements and related paid
1020 invoices to determine if expenditures were for association
1021 purposes and the billings, cash receipts, and related records of
1022 the association to determine that the developer was charged and
1023 paid the proper amounts of assessments. This paragraph applies
1024 to associations with a date of incorporation after December 31,
1025 2007.

1026 (u) Administrative rights or controls of the association's
1027 website or other digital or electronic asset of the association.

1028 Section 10. Paragraphs (e), (f), and (g) are added to
1029 subsection (1) of section 720.308, Florida Statutes, present
1030 subsections (2) through (6) are redesignated as subsections (3)
1031 through (7), respectively, and a new subsection (2) is added to
1032 that section, to read:

1033 720.308 Assessments and charges.—

1034 (1) ASSESSMENTS.—For any community created after October 1,
1035 1995, the governing documents must describe the manner in which
1036 expenses are shared and specify the member's proportional share
1037 thereof.

1038 (e) If an association is owed past due assessments by a
1039 member, the association may:

1040 1. Seek collection of the past due assessments;
1041 2. File a claim for a lien on the property;
1042 3. Proceed to foreclosure; or
1043 4. Waive the assessments and not proceed in any action
1044 against the member.

1045 (f) If an association does not file a claim for a lien or a
1046 complaint to obtain a judgment in foreclosure, and the past due
1047 assessment remains outstanding 24 months after the date the

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1048 assessment becomes due, the association may not proceed against
1049 any member of the association for past due assessments or
1050 related fees due that are more than 24 months delinquent.

1051 (g)1. Before an association transfers the rights to collect
1052 past due assessments to a third party, transfer a lien to a
1053 third party, or file a complaint to obtain a judgment in
1054 foreclosure, the association must offer payment plans for
1055 members to pay any past due assessments and related fees. The
1056 payment plans must allow a member to pay past due assessments
1057 and any related fees levied by the association within the past
1058 24 months. In addition to payments made pursuant to the payment
1059 plan, members are responsible for paying any current assessments
1060 that arise during the payment plan at the time the assessments
1061 become due. A service charge may be assessed and included in the
1062 fees collected in the payment plan if additional fees are not
1063 charged in addition to the original total of the past due
1064 assessments.

1065 2. If a member agrees to participate in the payment plan,
1066 the time limit in paragraph (f) is tolled until the past due
1067 assessments, related fees, and any assessments that arise during
1068 the payment plan are paid. If the member does not comply with
1069 the terms of the payment plan, the association is no longer
1070 subject to the time limit in paragraph (f).

1071 3. The payment plan must:

1072 a. Consist of at least 12 monthly payments, if the past due
1073 assessments and related fines total \$500 or less.

1074 b. Consist of at least 18 monthly payments, if the past due
1075 assessments and related fines total more than \$500.

1076 c. Require the member to pay current assessments that arise

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1077 during the payment plan in full at the time the assessments
1078 become due.

1079 d. Divide the total past due assessments and related fees
1080 into equal payments to be paid on a monthly basis.

1081 e. Impose no additional terms or requirements other than
1082 the member must comply with the existing governing documents of
1083 the association.

1084 (2) TRANSFER OF PAST DUE ASSESSMENTS TO THIRD PARTY.-

1085 (a) If an association transfers the right to collect past
1086 due assessments to a third party, the association must provide
1087 notice to the member at least 30 days before transfer of the
1088 debt. The notice must state that the transfer includes the right
1089 to place a lien. The notice must be served on the member by
1090 registered or certified mail, return receipt requested, by
1091 personal service or electronic delivery with evidence of
1092 delivery in the form of a receipt or other paper or electronic
1093 acknowledgment by the member or his or her representative.

1094 (b) If the service does not provide the association with
1095 acknowledgment by the member or his or her representative, the
1096 association may obtain notice to the member by posting notice on
1097 a subpage or web portal, or other protected electronic location
1098 through the association's website, which is inaccessible to the
1099 general public and may be accessed only by members or employees
1100 of the association. If the association does not have a website,
1101 it shall send notice by e-mail to the member, delivery receipt
1102 requested.

1103 Section 11. Present paragraphs (d), (e), and (f) of
1104 subsection (1) of section 720.3085, Florida Statutes, are
1105 redesignated as paragraphs (e), (f), and (g), respectively, and

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1106 a new paragraph (d) is added to that subsection, to read:

1107 720.3085 Payment for assessments; lien claims.—

1108 (1) When authorized by the governing documents, the
1109 association has a lien on each parcel to secure the payment of
1110 assessments and other amounts provided for by this section.
1111 Except as otherwise set forth in this section, the lien is
1112 effective from and shall relate back to the date on which the
1113 original declaration of the community was recorded. However, as
1114 to first mortgages of record, the lien is effective from and
1115 after recording of a claim of lien in the public records of the
1116 county in which the parcel is located. This subsection does not
1117 bestow upon any lien, mortgage, or certified judgment of record
1118 on July 1, 2008, including the lien for unpaid assessments
1119 created in this section, a priority that, by law, the lien,
1120 mortgage, or judgment did not have before July 1, 2008.

1121 (d)1. If an association transfers a lien to a third party,
1122 the association must provide notice to the member at least 30
1123 days before transfer of the lien. The notice must state that the
1124 transfer includes the right to foreclose on the property. The
1125 notice must be served on the member by registered or certified
1126 mail, return receipt requested, or by personal service or
1127 electronic delivery with evidence of delivery in the form of a
1128 receipt or other paper or electronic acknowledgment by the
1129 member or his or her representative.

1130 2. If the service does not provide the association with
1131 acknowledgment by the member or his or her representative, the
1132 association may obtain notice to the member by posting notice on
1133 a subpage or web portal, or other protected electronic location
1134 through the association's website, which may be accessed only by

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1135 association members and employees. If the association does not
1136 have a website, it shall send notice by e-mail to the member,
1137 delivery receipt requested.

1138 Section 12. Subsection (1) of section 720.311, Florida
1139 Statutes, is amended to read:

1140 720.311 Dispute resolution.—

1141 (1) The Legislature finds that alternative dispute
1142 resolution has made progress in reducing court dockets and
1143 trials and in offering a more efficient, cost-effective option
1144 to litigation. The filing of any petition for arbitration or the
1145 serving of a demand for presuit mediation as provided for in
1146 this section shall toll the applicable statute of limitations.
1147 Any recall dispute filed with the department pursuant to s.
1148 720.303(11) ~~s. 720.303(10)~~ shall be conducted by the department
1149 in accordance with ~~the provisions of~~ ss. 718.112(2)(j) and
1150 718.1255 and the rules adopted by the division. In addition, the
1151 department shall conduct mandatory binding arbitration of
1152 election disputes between a member and an association pursuant
1153 to s. 718.1255 and rules adopted by the division. Neither
1154 election disputes nor recall disputes are eligible for presuit
1155 mediation; these disputes shall be arbitrated by the department.
1156 At the conclusion of the proceeding, the department shall charge
1157 the parties a fee in an amount adequate to cover all costs and
1158 expenses incurred by the department in conducting the
1159 proceeding. Initially, the petitioner shall remit a filing fee
1160 of at least \$200 to the department. The fees paid to the
1161 department shall become a recoverable cost in the arbitration
1162 proceeding, and the prevailing party in an arbitration
1163 proceeding shall recover its reasonable costs and attorney

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1164 ~~attorney's~~ fees in an amount found reasonable by the arbitrator.

1165 The department shall adopt rules to effectuate the purposes of
1166 this section.

1167 Section 13. This act shall take effect July 1, 2016.