House



LEGISLATIVE ACTION

Senate

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10 11 Senator Passidomo moved the following:

Senate Amendment (with title amendment)

Delete everything after the enacting clause and insert:

Section 1. Paragraph (e) of subsection (3) of section 194.011, Florida Statutes, is amended to read:

194.011 Assessment notice; objections to assessments.-

(3) A petition to the value adjustment board must be in substantially the form prescribed by the department.Notwithstanding s. 195.022, a county officer may not refuse to accept a form provided by the department for this purpose if the

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12 taxpayer chooses to use it. A petition to the value adjustment 13 board must be signed by the taxpayer or be accompanied at the 14 time of filing by the taxpayer's written authorization or power 15 of attorney, unless the person filing the petition is listed in s. 194.034(1)(a). A person listed in s. 194.034(1)(a) may file a 16 17 petition with a value adjustment board without the taxpayer's 18 signature or written authorization by certifying under penalty 19 of perjury that he or she has authorization to file the petition 20 on behalf of the taxpayer. If a taxpayer notifies the value 21 adjustment board that a petition has been filed for the taxpayer's property without his or her consent, the value 22 23 adjustment board may require the person filing the petition to 24 provide written authorization from the taxpayer authorizing the 25 person to proceed with the appeal before a hearing is held. If the value adjustment board finds that a person listed in s. 26 27 194.034(1)(a) willfully and knowingly filed a petition that was 28 not authorized by the taxpayer, the value adjustment board shall 29 require such person to provide the taxpayer's written 30 authorization for representation to the value adjustment board clerk before any petition filed by that person is heard, for 1 31 32 year after imposition of such requirement by the value 33 adjustment board. A power of attorney or written authorization 34 is valid for 1 assessment year, and a new power of attorney or 35 written authorization by the taxpayer is required for each 36 subsequent assessment year. A petition shall also describe the 37 property by parcel number and shall be filed as follows: 38

38 (e)<u>1.</u> A condominium association <u>as defined in s. 718.103</u>, <u>a</u> 39 cooperative association <u>as defined in s. 719.103</u>, or any 40 homeowners' association as defined in s. 723.075, with approval

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41 of its board of administration or directors, may file with the 42 value adjustment board a single joint petition on behalf of any 43 association members who own units or parcels of property which 44 the property appraiser determines are substantially similar with respect to location, proximity to amenities, number of rooms, 45 46 living area, and condition. The condominium association, 47 cooperative association, or homeowners' association as defined in s. 723.075 shall provide the unit or parcel owners with 48 49 notice of its intent to petition the value adjustment board and 50 shall provide at least 20 days for a unit or parcel owner to 51 elect, in writing, that his or her unit or parcel not be 52 included in the petition.

53 2. An association that has filed a single joint petition 54 may continue to represent the unit or parcel owners through any 55 related subsequent proceeding, including judicial review under 56 part II of this chapter and any appeal thereof. This 57 subparagraph is intended to clarify existing law and applies to 58 any pending action. The condominium association, cooperative 59 association, or homeowners' association shall provide the unit 60 or parcel owners with notice of the property appraiser's appeal 61 of a value adjustment board decision to circuit court and 62 provide the unit or parcel owner at least 7 days to elect, in 63 writing, that his or her unit or parcel not be included in the 64 association's defense. 65 Section 2. Subsection (2) of section 194.181, Florida 66 Statutes, is amended to read:

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194.181 Parties to a tax suit.-

68 (2) In any case brought by the taxpayer, or brought by a
69 condominium or cooperative or association on behalf of some or

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All owners, contesting the assessment of any property, the county property appraiser shall be party defendant. In any case brought by the property appraiser pursuant to s. 194.036(1)(a) or (b), the taxpayer, condominium association, or cooperative association shall be party defendant. In any case brought by the property appraiser pursuant to s. 194.036(1)(c), the value adjustment board shall be party defendant.

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

718.111 The association.-

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(3) POWER TO MANAGE CONDOMINIUM PROPERTY AND TO CONTRACT, SUE, AND BE SUED<del>; CONFLICT OF INTEREST</del>.-

(a) The association may contract, sue, or be sued with respect to the exercise or nonexercise of its powers. For these purposes, the powers of the association include, but are not limited to, the maintenance, management, and operation of the condominium property.

(b) After control of the association is obtained by unit owners other than the developer, the association may:

90 1. Institute, maintain, settle, or appeal actions or 91 hearings in its name on behalf of all unit owners concerning 92 matters of common interest to most or all unit owners, including, but not limited to, the common elements; the roof and 93 94 structural components of a building or other improvements; 95 mechanical, electrical, and plumbing elements serving an 96 improvement or a building; representations of the developer 97 pertaining to any existing or proposed commonly used facilities; 98 2. Protest and protesting ad valorem taxes on commonly used

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99 facilities and on units; and may 100 <u>3.</u> Defend actions <u>pertaining to ad valorem taxation of</u> 101 <u>commonly used facilities or units, or related to</u> in eminent 102 domain; or

4. Bring inverse condemnation actions.

(c) If the association has the authority to maintain a class action, the association may be joined in an action as representative of that class with reference to litigation and disputes involving the matters for which the association could bring a class action.

(d) The association, in its own name, or on behalf of some or all unit owners, may institute, file, protest, maintain, or defend any administrative challenge, lawsuit, appeal, or other challenge to ad valorem taxes assessed on units or that values commonly used facilities or common elements. The affected association members are not necessary or indispensable parties to any such action. This paragraph is intended to clarify existing law and applies to any pending action.

(e) Nothing herein limits any statutory or common-law right of any individual unit owner or class of unit owners to bring any action without participation by the association which may otherwise be available.

(b) An association may not hire an attorney who represents the management company of the association.

(12) OFFICIAL RECORDS.-

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

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1. A copy of the plans, permits, warranties, and other

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128 items provided by the developer pursuant to s. 718.301(4).
129 2. A photocopy of the recorded declaration of condominium
130 of each condominium operated by the association and each
131 amendment to each declaration.

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

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

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139 140 5. A copy of the current rules of the association.

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

141 7. A current roster of all unit owners and their mailing 142 addresses, unit identifications, voting certifications, and, if 143 known, telephone numbers. The association shall also maintain 144 the e-mail electronic mailing addresses and facsimile numbers of 145 unit owners consenting to receive notice by electronic 146 transmission. The e-mail electronic mailing addresses and 147 facsimile numbers are not accessible to unit owners if consent 148 to receive notice by electronic transmission is not provided in accordance with sub-subparagraph (c)3.e. However, the 149 150 association is not liable for an inadvertent disclosure of the 151 e-mail electronic mail address or facsimile number for receiving 152 electronic transmission of notices.

153 8. All current insurance policies of the association and154 condominiums operated by the association.

9. A current copy of any management agreement, lease, orother contract to which the association is a party or under

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157 which the association or the unit owners have an obligation or 158 responsibility.

159 10. Bills of sale or transfer for all property owned by the160 association.

161 11. Accounting records for the association and separate 162 accounting records for each condominium that the association operates. All accounting records must be maintained for at least 163 164 7 years. Any person who knowingly or intentionally defaces or 165 destroys such records, or who knowingly or intentionally fails 166 to create or maintain such records, with the intent of causing 167 harm to the association or one or more of its members, is 168 personally subject to a civil penalty pursuant to s. 169 718.501(1)(d). The accounting records must include, but are not 170 limited to:

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

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

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

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

182 12. Ballots, sign-in sheets, voting proxies, and all other 183 papers <u>and electronic records</u> relating to voting by unit owners, 184 which must be maintained for 1 year from the date of the 185 election, vote, or meeting to which the document relates,

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186 notwithstanding paragraph (b).

187 13. All rental records if the association is acting as188 agent for the rental of condominium units.

189 14. A copy of the current question and answer sheet as190 described in s. 718.504.

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

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

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17. Bids for materials, equipment, or services.

197 (b) The official records specified in subparagraphs (a)1.-198 6. must be permanently maintained from the inception of the 199 association. All other official records of the association must 200 be maintained within the state for at least 7 years, unless 201 otherwise provided by general law. The records of the 202 association shall be made available to a unit owner within 45 203 miles of the condominium property or within the county in which 204 the condominium property is located within 10 5 working days 205 after receipt of a written request by the board or its designee. 206 However, such distance requirement does not apply to an 207 association governing a timeshare condominium. This paragraph 208 may be complied with by having a copy of the official records of 209 the association available for inspection or copying on the 210 condominium property or association property, or the association 211 may offer the option of making the records available to a unit 212 owner electronically via the Internet or by allowing the records 213 to be viewed in electronic format on a computer screen and printed upon request. The association is not responsible for the 214

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215 use or misuse of the information provided to an association 216 member or his or her authorized representative pursuant to the 217 compliance requirements of this chapter unless the association 218 has an affirmative duty not to disclose such information 219 pursuant to this chapter.

(g)1. By <u>January</u> July 1, <u>2019</u> <del>2018,</del> an association <u>managing</u>
 <u>a condominium</u> with 150 or more units which does not <u>contain</u>
 manage timeshare units shall post digital copies of the
 documents specified in subparagraph 2. on its website.

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a. The association's website must be:

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

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

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

238 c. Upon a unit owner's written request, the association 239 must provide the unit owner with a username and password and 240 access to the protected sections of the association's website 241 that contain any notices, records, or documents that must be 242 electronically provided.

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2. A current copy of the following documents must be posted

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244 in digital format on the association's website: 245 a. The recorded declaration of condominium of each 246 condominium operated by the association and each amendment to 247 each declaration. 248 b. The recorded bylaws of the association and each 249 amendment to the bylaws. 250 c. The articles of incorporation of the association, or 251 other documents creating the association, and each amendment 2.52 thereto. The copy posted pursuant to this sub-subparagraph must 253 be a copy of the articles of incorporation filed with the 254 Department of State. 255 d. The rules of the association. 256 e. A list of all executory contracts or documents Any 257 management agreement, lease, or other contract to which the 258 association is a party or under which the association or the unit owners have an obligation or responsibility and, after 259 260 bidding for the related materials, equipment, or services has 261 closed, a list of bids received by the association within the 262 past year. Summaries of bids for materials, equipment, or 263 services which exceed \$500 must be maintained on the website for 264 1 year. In lieu of summaries, complete copies of the bids may be 265 posted.

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

g. The financial report required by subsection (13) and any monthly income or expense statement proposed financial report to be considered at a meeting.

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

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i. All contracts or transactions between the association
and any director, officer, corporation, firm, or association
that is not an affiliated condominium association or any other
entity in which an association director is also a director or
officer and financially interested.

j. Any contract or document regarding a conflict of interest or possible conflict of interest as provided in <u>ss.</u> 468.436(2)(b)6. and 718.3027(3) <del>ss. 468.436(2) and 718.3026(3)</del>.

k. The notice of any unit owner meeting and the agenda for the meeting, as required by s. 718.112(2)(d)3., no later than 14 days before the meeting. The notice must be posted in plain view on the front page of the website, or on a separate subpage of the website labeled "Notices" which is conspicuously visible and linked from the front page. The association must also post on its website any document to be considered and voted on by the owners during the meeting or any document listed on the agenda at least 7 days before the meeting at which the document or the information within the document will be considered.

l. Notice of any board meeting, the agenda, and any other document required for the meeting as required by s. 718.112(2)(c), which must be posted no later than the date required for notice pursuant to s. 718.112(2)(c).

3. The association shall ensure that the information and records described in paragraph (c), which are not <u>allowed</u> <del>permitted</del> to be accessible to unit owners, are not posted on the association's website. If protected information or information restricted from being accessible to unit owners is included in documents that are required to be posted on the association's website, the association shall ensure the information is

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302 redacted before posting the documents online. <u>Notwithstanding</u> 303 <u>the foregoing, the association or its agent is not liable for</u> 304 <u>disclosing information that is protected or restricted pursuant</u> 305 <u>to this paragraph unless such disclosure was made with a knowing</u> 306 <u>or intentional disregard of the protected or restricted nature</u> 307 of such information.

4. The failure of the association to post information required under subparagraph 2. is not in and of itself sufficient to invalidate any action or decision of the association's board or its committees.

312 (13) FINANCIAL REPORTING.-Within 90 days after the end of the fiscal year, or annually on a date provided in the bylaws, 313 314 the association shall prepare and complete, or contract for the 315 preparation and completion of, a financial report for the 316 preceding fiscal year. Within 21 days after the final financial 317 report is completed by the association or received from the 318 third party, but not later than 120 days after the end of the 319 fiscal year or other date as provided in the bylaws, the 320 association shall mail to each unit owner at the address last 321 furnished to the association by the unit owner, or hand deliver 322 to each unit owner, a copy of the most recent financial report 323 or a notice that a copy of the most recent financial report will 324 be mailed or hand delivered to the unit owner, without charge, 325 within 5 business days after receipt of a written request from 326 the unit owner. The division shall adopt rules setting forth 327 uniform accounting principles and standards to be used by all 328 associations and addressing the financial reporting requirements 329 for multicondominium associations. The rules must include, but 330 not be limited to, standards for presenting a summary of

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331 association reserves, including a good faith estimate disclosing 332 the annual amount of reserve funds that would be necessary for the association to fully fund reserves for each reserve item 333 334 based on the straight-line accounting method. This disclosure is 335 not applicable to reserves funded via the pooling method. In 336 adopting such rules, the division shall consider the number of 337 members and annual revenues of an association. Financial reports 338 shall be prepared as follows:

339 (e) A unit owner may provide written notice to the division 340 of the association's failure to mail or hand deliver him or her 341 a copy of the most recent financial report within 5 business 342 days after he or she submitted a written request to the 343 association for a copy of such report. If the division 344 determines that the association failed to mail or hand deliver a 345 copy of the most recent financial report to the unit owner, the 346 division shall provide written notice to the association that 347 the association must mail or hand deliver a copy of the most 348 recent financial report to the unit owner and the division 349 within 5 business days after it receives such notice from the 350 division. An association that fails to comply with the 351 division's request may not waive the financial reporting 352 requirement provided in paragraph (d) for the fiscal year in 353 which the unit owner's request was made and the following fiscal 354 year. A financial report received by the division pursuant to 355 this paragraph shall be maintained, and the division shall 356 provide a copy of such report to an association member upon his 357 or her request.

358 Section 4. Paragraphs (a), (c), (d), and (j) of subsection 359 (2) of section 718.112, Florida Statutes, are amended to read:

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718.112 Bylaws.-

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

(a) Administration.-

365 1. The form of administration of the association shall be 366 described indicating the title of the officers and board of 367 administration and specifying the powers, duties, manner of selection and removal, and compensation, if any, of officers and 368 369 boards. In the absence of such a provision, the board of administration shall be composed of five members, unless the 370 371 except in the case of a condominium which has five or fewer 372 units. The board shall consist of not fewer than three members 373 in condominiums with five or fewer units that are not-for-profit 374 corporations, in which case in a not-for-profit corporation the 375 board shall consist of not fewer than three members. In the 376 absence of provisions to the contrary in the bylaws, the board 377 of administration shall have a president, a secretary, and a 378 treasurer, who shall perform the duties of such officers 379 customarily performed by officers of corporations. Unless 380 prohibited in the bylaws, the board of administration may 381 appoint other officers and grant them the duties it deems 382 appropriate. Unless otherwise provided in the bylaws, the 383 officers shall serve without compensation and at the pleasure of 384 the board of administration. Unless otherwise provided in the 385 bylaws, the members of the board shall serve without 386 compensation.

387 2. When a unit owner of a residential condominium files a388 written inquiry by certified mail with the board of

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389 administration, the board shall respond in writing to the unit 390 owner within 30 days after receipt of the inquiry. The board's 391 response shall either give a substantive response to the 392 inquirer, notify the inquirer that a legal opinion has been 393 requested, or notify the inquirer that advice has been requested 394 from the division. If the board requests advice from the 395 division, the board shall, within 10 days after its receipt of 396 the advice, provide in writing a substantive response to the 397 inquirer. If a legal opinion is requested, the board shall, within 60 days after the receipt of the inquiry, provide in 398 399 writing a substantive response to the inquiry. The failure to 400 provide a substantive response to the inquiry as provided herein 401 precludes the board from recovering attorney fees and costs in 402 any subsequent litigation, administrative proceeding, or 403 arbitration arising out of the inquiry. The association may 404 through its board of administration adopt reasonable rules and 405 regulations regarding the frequency and manner of responding to 406 unit owner inquiries, one of which may be that the association 407 is only obligated to respond to one written inquiry per unit in 408 any given 30-day period. In such a case, any additional inquiry 409 or inquiries must be responded to in the subsequent 30-day 410 period, or periods, as applicable.

(c) Board of administration meetings.-Meetings of the board of administration at which a quorum of the members is present are open to all unit owners. Members of the board of administration may use e-mail as a means of communication but may not cast a vote on an association matter via e-mail. A unit owner may tape record or videotape the meetings. The right to attend such meetings includes the right to speak at such

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418 meetings with reference to all designated agenda items. The 419 division shall adopt reasonable rules governing the tape 420 recording and videotaping of the meeting. The association may 421 adopt written reasonable rules governing the frequency, 422 duration, and manner of unit owner statements.

423 1. Adequate notice of all board meetings, which must 424 specifically identify all agenda items, must be posted 425 conspicuously on the condominium property at least 48 continuous 42.6 hours before the meeting except in an emergency. If 20 percent 427 of the voting interests petition the board to address an item of 428 business, the board, within 60 days after receipt of the 429 petition, shall place the item on the agenda at its next regular 430 board meeting or at a special meeting called for that purpose. 431 An item not included on the notice may be taken up on an 432 emergency basis by a vote of at least a majority plus one of the 433 board members. Such emergency action must be noticed and 434 ratified at the next regular board meeting. However, Written 435 notice of a meeting at which a nonemergency special assessment 436 or an amendment to rules regarding unit use will be considered 437 must be mailed, delivered, or electronically transmitted to the 438 unit owners and posted conspicuously on the condominium property 439 at least 14 days before the meeting. Evidence of compliance with 440 this 14-day notice requirement must be made by an affidavit executed by the person providing the notice and filed with the 441 442 official records of the association. Notice of any meeting in 443 which regular or special assessments against unit owners are to 444 be considered must specifically state that assessments will be 445 considered and provide the estimated cost and description of the purposes for such assessments. Upon notice to the unit owners, 446

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447 the board shall, by duly adopted rule, designate a specific location on the condominium or association property where all 448 449 notices of board meetings must be posted. If there is no 450 condominium property or association property where notices can 451 be posted, notices shall be mailed, delivered, or electronically 452 transmitted to each unit owner at least 14 days before the 453 meeting. In lieu of or in addition to the physical posting of 454 the notice on the condominium property, the association may, by 455 reasonable rule, adopt a procedure for conspicuously posting and 456 repeatedly broadcasting the notice and the agenda on a closed-457 circuit cable television system serving the condominium 458 association. However, if broadcast notice is used in lieu of a 459 notice physically posted on condominium property, the notice and 460 agenda must be broadcast at least four times every broadcast 461 hour of each day that a posted notice is otherwise required 462 under this section. If broadcast notice is provided, the notice 463 and agenda must be broadcast in a manner and for a sufficient 464 continuous length of time so as to allow an average reader to 465 observe the notice and read and comprehend the entire content of 466 the notice and the agenda. In addition to any of the authorized 467 means of providing notice of a meeting of the board, the 468 association may, by rule, adopt a procedure for conspicuously 469 posting the meeting notice and the agenda on a website serving 470 the condominium association for at least the minimum period of 471 time for which a notice of a meeting is also required to be 472 physically posted on the condominium property. Any rule adopted 473 shall, in addition to other matters, include a requirement that 474 the association send an electronic notice in the same manner as 475 a notice for a meeting of the members, which must include a

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476 <u>hyperlink to the website where the notice is posted, to unit</u> 477 <u>owners whose e-mail addresses are included in the association's</u> 478 <u>official records.</u> Notice of any meeting in which regular or 479 <del>special assessments against unit owners are to be considered</del> 480 <del>must specifically state that assessments will be considered and</del> 481 <del>provide the nature, estimated cost, and description of the</del> 482 <del>purposes for such assessments.</del>

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

3. Notwithstanding any other law, the requirement that board meetings and committee meetings be open to the unit owners does not apply to:

a. Meetings between the board or a committee and the association's attorney, with respect to proposed or pending litigation, if the meeting is held for the purpose of seeking or rendering legal advice; or

497 b. Board meetings held for the purpose of discussing498 personnel matters.

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(d) Unit owner meetings.-

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

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505 a timeshare condominium.

2. Unless the bylaws provide otherwise, a vacancy on the 506 507 board caused by the expiration of a director's term must shall 508 be filled by electing a new board member, and the election must 509 be by secret ballot. An election is not required if the number 510 of vacancies equals or exceeds the number of candidates. For 511 purposes of this paragraph, the term "candidate" means an 512 eligible person who has timely submitted the written notice, as 513 described in sub-subparagraph 4.a., of his or her intention to 514 become a candidate. Except in a timeshare or nonresidential 515 condominium, or if the staggered term of a board member does not 516 expire until a later annual meeting, or if all members' terms 517 would otherwise expire but there are no candidates, the terms of 518 all board members expire at the annual meeting, and such members 519 may stand for reelection unless prohibited by the bylaws. Board members may serve 2-year terms longer than 1 year if permitted 520 521 by the bylaws or articles of incorporation. A board member may 522 not serve more than 8 consecutive years four consecutive 2-year 523 terms, unless approved by an affirmative vote of unit owners 524 representing two-thirds of all votes cast in the election the 525 total voting interests of the association or unless there are 526 not enough eligible candidates to fill the vacancies on the 527 board at the time of the vacancy. If the number of board members 528 whose terms expire at the annual meeting equals or exceeds the 529 number of candidates, the candidates become members of the board 530 effective upon the adjournment of the annual meeting. Unless the bylaws provide otherwise, any remaining vacancies shall be 531 532 filled by the affirmative vote of the majority of the directors 533 making up the newly constituted board even if the directors

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534 constitute less than a quorum or there is only one director. In 535 a residential condominium association of more than 10 units or 536 in a residential condominium association that does not include 537 timeshare units or timeshare interests, coowners of a unit may not serve as members of the board of directors at the same time 538 539 unless they own more than one unit or unless there are not enough eligible candidates to fill the vacancies on the board at 540 541 the time of the vacancy. A unit owner in a residential 542 condominium desiring to be a candidate for board membership must 543 comply with sub-subparagraph 4.a. and must be eligible to be a 544 candidate to serve on the board of directors at the time of the 545 deadline for submitting a notice of intent to run in order to 546 have his or her name listed as a proper candidate on the ballot 547 or to serve on the board. A person who has been suspended or 548 removed by the division under this chapter, or who is delinquent 549 in the payment of any monetary obligation due to the 550 association, is not eligible to be a candidate for board 551 membership and may not be listed on the ballot. A person who has 552 been convicted of any felony in this state or in a United States District or Territorial Court, or who has been convicted of any 553 554 offense in another jurisdiction which would be considered a 555 felony if committed in this state, is not eligible for board 556 membership unless such felon's civil rights have been restored 557 for at least 5 years as of the date such person seeks election 558 to the board. The validity of an action by the board is not 559 affected if it is later determined that a board member is 560 ineligible for board membership due to having been convicted of 561 a felony. This subparagraph does not limit the term of a member of the board of a nonresidential or timeshare condominium. 562

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3. The bylaws must provide the method of calling meetings of unit owners, including annual meetings. Written notice must include an agenda, must be mailed, hand delivered, or electronically transmitted to each unit owner at least 14 days before the annual meeting, and must be posted in a conspicuous place on the condominium property at least 14 continuous days before the annual meeting. Upon notice to the unit owners, the board shall, by duly adopted rule, designate a specific location on the condominium property or association property where all notices of unit owner meetings must shall be posted. This requirement does not apply if there is no condominium property or association property for posting notices. In lieu of, or in addition to, the physical posting of meeting notices, the association may, by reasonable rule, adopt a procedure for conspicuously posting and repeatedly broadcasting the notice and the agenda on a closed-circuit cable television system serving the condominium association. However, if broadcast notice is used in lieu of a notice posted physically on the condominium property, the notice and agenda must be broadcast at least four times every broadcast hour of each day that a posted notice is otherwise required under this section. If broadcast notice is provided, the notice and agenda must be broadcast in a manner and for a sufficient continuous length of time so as to allow an average reader to observe the notice and read and comprehend the entire content of the notice and the agenda. In addition to any of the authorized means of providing notice of a meeting of the board, the association may, by rule, adopt a procedure for conspicuously posting the meeting notice and the agenda on a website serving the condominium association for at least the

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592 minimum period of time for which a notice of a meeting is also 593 required to be physically posted on the condominium property. Any rule adopted shall, in addition to other matters, include a 594 595 requirement that the association send an electronic notice in 596 the same manner as a notice for a meeting of the members, which 597 must include a hyperlink to the website where the notice is 598 posted, to unit owners whose e-mail addresses are included in 599 the association's official records. Unless a unit owner waives 600 in writing the right to receive notice of the annual meeting, 601 such notice must be hand delivered, mailed, or electronically 602 transmitted to each unit owner. Notice for meetings and notice 603 for all other purposes must be mailed to each unit owner at the 604 address last furnished to the association by the unit owner, or 605 hand delivered to each unit owner. However, if a unit is owned 606 by more than one person, the association must provide notice to 607 the address that the developer identifies for that purpose and thereafter as one or more of the owners of the unit advise the 608 609 association in writing, or if no address is given or the owners 610 of the unit do not agree, to the address provided on the deed of 611 record. An officer of the association, or the manager or other 612 person providing notice of the association meeting, must provide 613 an affidavit or United States Postal Service certificate of 614 mailing, to be included in the official records of the 615 association affirming that the notice was mailed or hand 616 delivered in accordance with this provision.

617 4. The members of the board of a residential condominium
618 shall be elected by written ballot or voting machine. Proxies
619 may not be used in electing the board in general elections or
620 elections to fill vacancies caused by recall, resignation, or



621 otherwise, unless otherwise provided in this chapter. This
622 subparagraph does not apply to an association governing a
623 timeshare condominium.

624 a. At least 60 days before a scheduled election, the 625 association shall mail, deliver, or electronically transmit, by 626 separate association mailing or included in another association 627 mailing, delivery, or transmission, including regularly 628 published newsletters, to each unit owner entitled to a vote, a 62.9 first notice of the date of the election. A unit owner or other 630 eligible person desiring to be a candidate for the board must 631 give written notice of his or her intent to be a candidate to 632 the association at least 40 days before a scheduled election. 633 Together with the written notice and agenda as set forth in 634 subparagraph 3., the association shall mail, deliver, or 635 electronically transmit a second notice of the election to all 636 unit owners entitled to vote, together with a ballot that lists 637 all candidates. Upon request of a candidate, an information 638 sheet, no larger than 8 1/2 inches by 11 inches, which must be 639 furnished by the candidate at least 35 days before the election, 640 must be included with the mailing, delivery, or transmission of 641 the ballot, with the costs of mailing, delivery, or electronic 642 transmission and copying to be borne by the association. The 643 association is not liable for the contents of the information sheets prepared by the candidates. In order to reduce costs, the 644 645 association may print or duplicate the information sheets on 646 both sides of the paper. The division shall by rule establish 647 voting procedures consistent with this sub-subparagraph, 648 including rules establishing procedures for giving notice by electronic transmission and rules providing for the secrecy of 649

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650 ballots. Elections shall be decided by a plurality of ballots 651 cast. There is no quorum requirement; however, at least 20 652 percent of the eligible voters must cast a ballot in order to 653 have a valid election. A unit owner may not authorize permit any 654 other person to vote his or her ballot, and any ballots 655 improperly cast are invalid. A unit owner who violates this provision may be fined by the association in accordance with s. 656 657 718.303. A unit owner who needs assistance in casting the ballot 658 for the reasons stated in s. 101.051 may obtain such assistance. 659 The regular election must occur on the date of the annual 660 meeting. Notwithstanding this sub-subparagraph, an election is 661 not required unless more candidates file notices of intent to 662 run or are nominated than board vacancies exist.

663 b. Within 90 days after being elected or appointed to the 664 board of an association of a residential condominium, each newly 665 elected or appointed director shall certify in writing to the 666 secretary of the association that he or she has read the 667 association's declaration of condominium, articles of 668 incorporation, bylaws, and current written policies; that he or 669 she will work to uphold such documents and policies to the best 670 of his or her ability; and that he or she will faithfully 671 discharge his or her fiduciary responsibility to the 672 association's members. In lieu of this written certification, 673 within 90 days after being elected or appointed to the board, 674 the newly elected or appointed director may submit a certificate 675 of having satisfactorily completed the educational curriculum 676 administered by a division-approved condominium education 677 provider within 1 year before or 90 days after the date of election or appointment. The written certification or 678

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679 educational certificate is valid and does not have to be 680 resubmitted as long as the director serves on the board without 681 interruption. A director of an association of a residential 682 condominium who fails to timely file the written certification 683 or educational certificate is suspended from service on the 684 board until he or she complies with this sub-subparagraph. The 685 board may temporarily fill the vacancy during the period of 686 suspension. The secretary shall cause the association to retain a director's written certification or educational certificate 687 688 for inspection by the members for 5 years after a director's 689 election or the duration of the director's uninterrupted tenure, 690 whichever is longer. Failure to have such written certification 691 or educational certificate on file does not affect the validity 692 of any board action.

c. Any challenge to the election process must be commenced within 60 days after the election results are announced.

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

705 6. Unit owners may waive notice of specific meetings if
706 allowed by the applicable bylaws or declaration or any law.
707 Notice of meetings of the board of administration, unit owner

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708 meetings, except unit owner meetings called to recall board 709 members under paragraph (j), and committee meetings may be given 710 by electronic transmission to unit owners who consent to receive 711 notice by electronic transmission. A unit owner who consents to 712 receiving notices by electronic transmission is solely 713 responsible for removing or bypassing filters that block receipt 714 of mass emails sent to members on behalf of the association in 715 the course of giving electronic notices.

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

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

723 9. Unless otherwise provided in the bylaws, any vacancy 724 occurring on the board before the expiration of a term may be 725 filled by the affirmative vote of the majority of the remaining 726 directors, even if the remaining directors constitute less than 727 a quorum, or by the sole remaining director. In the alternative, 728 a board may hold an election to fill the vacancy, in which case 729 the election procedures must conform to sub-subparagraph 4.a. 730 unless the association governs 10 units or fewer and has opted 7.31 out of the statutory election process, in which case the bylaws 732 of the association control. Unless otherwise provided in the 733 bylaws, a board member appointed or elected under this section 734 shall fill the vacancy for the unexpired term of the seat being 735 filled. Filling vacancies created by recall is governed by 736 paragraph (j) and rules adopted by the division.

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737 10. This chapter does not limit the use of general or 738 limited proxies, require the use of general or limited proxies, 739 or require the use of a written ballot or voting machine for any 740 agenda item or election at any meeting of a timeshare 741 condominium association or nonresidential condominium 742 association. 743 744 Notwithstanding subparagraph (b)2. and sub-subparagraph 4.a., an 745 association of 10 or fewer units may, by affirmative vote of a 746 majority of the total voting interests, provide for different 747 voting and election procedures in its bylaws, which may be by a 748 proxy specifically delineating the different voting and election 749 procedures. The different voting and election procedures may 750 provide for elections to be conducted by limited or general 751 proxy. 752 (j) Recall of board members.-Subject to s. 718.301, any 753 member of the board of administration may be recalled and 754 removed from office with or without cause by the vote or 755 agreement in writing by a majority of all the voting interests. 756 A special meeting of the unit owners to recall a member or 757 members of the board of administration may be called by 10 758 percent of the voting interests giving notice of the meeting as 759 required for a meeting of unit owners, and the notice shall 760 state the purpose of the meeting. Electronic transmission may 761 not be used as a method of giving notice of a meeting called in 762 whole or in part for this purpose.

763 1. If the recall is approved by a majority of all voting 764 interests by a vote at a meeting, the recall will be effective 765 as provided in this paragraph. The board shall duly notice and

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766 hold a board meeting within 5 full business days after the 767 adjournment of the unit owner meeting to recall one or more board members. Such member or members shall be recalled 768 769 effective immediately upon conclusion of the board meeting provided that the recall is facially valid. A recalled member 770 must and shall turn over to the board, within 10 full business 771 772 days after the vote, any and all records and property of the 773 association in their possession.

774 2. If the proposed recall is by an agreement in writing by 775 a majority of all voting interests, the agreement in writing or 776 a copy thereof shall be served on the association by certified 777 mail or by personal service in the manner authorized by chapter 778 48 and the Florida Rules of Civil Procedure. The board of 779 administration shall duly notice and hold a meeting of the board 780 within 5 full business days after receipt of the agreement in 781 writing. Such member or members shall be recalled effective 782 immediately upon the conclusion of the board meeting provided 783 that the recall is facially valid. A recalled member must and 784 shall turn over to the board, within 10 full business days, any 785 and all records and property of the association in their 786 possession.

787 3. If the board fails to duly notice and hold a board 788 meeting within 5 full business days after service of an 789 agreement in writing or within 5 full business days after the 790 adjournment of the unit owner recall meeting, the recall shall 791 be deemed effective and the board members so recalled shall turn 792 over to the board within 10 full business days after the vote 793 any and all records and property of the association.

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4. If the board fails to duly notice and hold the required

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795 meeting or at the conclusion of the meeting determines that the 796 recall is not facially valid fails to file the required 797 petition, the unit owner representative may file a petition 798 pursuant to s. 718.1255 challenging the board's failure to act 799 or challenging the board's determination on facial validity. The 800 petition must be filed within 60 days after the expiration of 801 the applicable 5-full-business-day period. The review of a 802 petition under this subparagraph is limited to the sufficiency 803 of service on the board and the facial validity of the written 804 agreement or ballots filed.

805 5. If a vacancy occurs on the board as a result of a recall 806 or removal and less than a majority of the board members are 807 removed, the vacancy may be filled by the affirmative vote of a 808 majority of the remaining directors, notwithstanding any 809 provision to the contrary contained in this subsection. If 810 vacancies occur on the board as a result of a recall and a 811 majority or more of the board members are removed, the vacancies 812 shall be filled in accordance with procedural rules to be 813 adopted by the division, which rules need not be consistent with 814 this subsection. The rules must provide procedures governing the 815 conduct of the recall election as well as the operation of the 816 association during the period after a recall but before the 817 recall election.

6. A board member who has been recalled may file a petition
pursuant to s. 718.1255 challenging the validity of the recall.
The petition must be filed within 60 days after the recall. The
association and the unit owner representative shall be named as
the respondents. <u>The petition may challenge the facial validity</u>
of the written agreement or ballots filed or the substantial

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824 compliance with the procedural requirements for the recall. If 825 the arbitrator determines the recall was invalid, the 826 petitioning board member shall immediately be reinstated and the 827 recall is null and void. A board member who is successful in 828 challenging a recall is entitled to recover reasonable attorney 829 fees and costs from the respondents. The arbitrator may award 830 reasonable attorney fees and costs to the respondents if they 831 prevail, if the arbitrator makes a finding that the petitioner's 832 claim is frivolous. 833 7. The division may not accept for filing a recall 834 petition, whether filed pursuant to subparagraph 1., 835 subparagraph 2., subparagraph 4., or subparagraph 6. when there 836 are 60 or fewer days until the scheduled reelection of the board 837 member sought to be recalled or when 60 or fewer days have 838 elapsed since the election of the board member sought to be 839 recalled. Section 5. Subsection (2) of section 718.113, Florida 840 841 Statutes, is amended, and a new subsection (8) is added to that 842 section, to read: 843 718.113 Maintenance; limitation upon improvement; display 844 of flag; hurricane shutters and protection; display of religious 845 decorations.-846 (2) (a) Except as otherwise provided in this section, there shall be no material alteration or substantial additions to the 847 848 common elements or to real property which is association 849 property, except in a manner provided in the declaration as 850 originally recorded or as amended under the procedures provided 851 therein. If the declaration as originally recorded or as amended 852 under the procedures provided therein does not specify the

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853 procedure for approval of material alterations or substantial 854 additions, 75 percent of the total voting interests of the 855 association must approve the alterations or additions <u>before the</u> 856 <u>material alterations or substantial additions are commenced</u>. 857 This paragraph is intended to clarify existing law and applies 858 to associations existing on <u>July 1, 2018</u> October 1, 2008.

859 (b) There shall not be any material alteration of, or 860 substantial addition to, the common elements of any condominium operated by a multicondominium association unless approved in 861 the manner provided in the declaration of the affected 862 863 condominium or condominiums as originally recorded or as amended 864 under the procedures provided therein. If a declaration as 865 originally recorded or as amended under the procedures provided therein does not specify a procedure for approving such an 866 867 alteration or addition, the approval of 75 percent of the total 868 voting interests of each affected condominium is required before 869 the material alterations or substantial additions are commenced. 870 This subsection does not prohibit a provision in any 871 declaration, articles of incorporation, or bylaws as originally 872 recorded or as amended under the procedures provided therein 873 requiring the approval of unit owners in any condominium 874 operated by the same association or requiring board approval 875 before a material alteration or substantial addition to the common elements is permitted. This paragraph is intended to 876 877 clarify existing law and applies to associations existing on 878 July 1, 2018 the effective date of this act.

879 (c) There shall not be any material alteration or
880 substantial addition made to association real property operated
881 by a multicondominium association, except as provided in the

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882 declaration, articles of incorporation, or bylaws as originally 883 recorded or as amended under the procedures provided therein. If 884 the declaration, articles of incorporation, or bylaws as 885 originally recorded or as amended under the procedures provided 886 therein do not specify the procedure for approving an alteration 887 or addition to association real property, the approval of 75 888 percent of the total voting interests of the association is 889 required before the material alterations or substantial 890 additions are commenced. This paragraph is intended to clarify 891 existing law and applies to associations existing on July 1, 892 2018 the effective date of this act.

(8) The Legislature finds that the use of electric vehicles conserves and protects the state's environmental resources, provides significant economic savings to drivers, and serves an important public interest. The participation of condominium associations is essential to the state's efforts to conserve and protect the state's environmental resources and provide economic savings to drivers. Therefore, the installation of an electric vehicle charging station shall be governed as follows:

901 (a) A declaration of condominium or restrictive covenant 902 may not prohibit or be enforced so as to prohibit any unit owner 903 from installing an electric vehicle charging station within the 904 boundaries of the unit owner's limited common element parking 905 area. The board of administration of a condominium association 906 may not prohibit a unit owner from installing an electric 907 vehicle charging station for an electric vehicle, as defined in 908 s. 320.01, within the boundaries of his or her limited common 909 element parking area. The installation of such charging stations 910 are subject to the provisions of this subsection.

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911	(b) The installation may not cause irreparable damage to
912	the condominium property.
913	(c) The electricity for the electric vehicle charging
914	station must be separately metered and payable by the unit owner
915	installing such charging station.
916	(d) The unit owner who is installing an electric vehicle
917	charging station is responsible for the costs of installation,
918	operation, maintenance, and repair, including, but not limited
919	to, hazard and liability insurance. The association may enforce
920	payment of such costs pursuant to s. 718.116.
921	(e) If the unit owner or his or her successor decides there
922	is no longer a need for the electronic vehicle charging station,
923	such person is responsible for the cost of removal of the
924	electronic vehicle charging station. The association may enforce
925	payment of such costs pursuant to s. 718.116.
926	(f) The association may require the unit owner to:
927	1. Comply with bona fide safety requirements, consistent
928	with applicable building codes or recognized safety standards,
929	for the protection of persons and property.
930	2. Comply with reasonable architectural standards adopted
931	by the association that govern the dimensions, placement, or
932	external appearance of the electric vehicle charging station,
933	provided that such standards may not prohibit the installation
934	of such charging station or substantially increase the cost
935	thereof.
936	3. Engage the services of a licensed and registered
937	electrical contractor or engineer familiar with the installation
938	and core requirements of an electric vehicle charging station.
939	4. Provide a certificate of insurance naming the

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940	association as an additional insured on the owner's insurance
941	policy for any claim related to the installation, maintenance,
942	or use of the electric vehicle charging station within 14 days
943	after receiving the association's approval to install such
944	charging station.
945	5. Reimburse the association for the actual cost of any
946	increased insurance premium amount attributable to the electric
947	vehicle charging station within 14 days after receiving the
948	association's insurance premium invoice.
949	(g) The association provides an implied easement across the
950	common elements of the condominium property to the unit owner
951	for purposes of the installation of the electric vehicle
952	charging station and the furnishing of electrical power,
953	including any necessary equipment, to such charging station,
954	subject to the requirements of this subsection.
955	Section 6. Subsection (2) of section 718.121, Florida
956	Statutes, is amended to read:
957	718.121 Liens
958	(2) Labor performed on or materials furnished to a unit
959	shall not be the basis for the filing of a lien pursuant to part
960	I of chapter 713, the Construction Lien Law, against the unit or
961	condominium parcel of any unit owner not expressly consenting to
962	or requesting the labor or materials. Labor performed on or
963	materials furnished for the installation of an electronic
964	vehicle charging station pursuant to s. 718.113(8) may not be
965	the basis for filing a lien under part I of chapter 713 against
966	the association, but such a lien may filed against the unit
967	owner. Labor performed on or materials furnished to the common
968	elements are not the basis for a lien on the common elements,

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969	but if authorized by the association, the labor or materials are
970	deemed to be performed or furnished with the express consent of
971	each unit owner and may be the basis for the filing of a lien
972	against all condominium parcels in the proportions for which the
973	owners are liable for common expenses.
974	Section 7. Subsection (3) of section 718.3026, Florida
975	Statutes, is amended to read:
976	718.3026 Contracts for products and services; in writing;
977	bids; exceptionsAssociations with 10 or fewer units may opt
978	out of the provisions of this section if two-thirds of the unit
979	owners vote to do so, which opt-out may be accomplished by a
980	proxy specifically setting forth the exception from this
981	section.
982	(3) As to any contract or other transaction between an
983	association and one or more of its directors or any other
984	corporation, firm, association, or entity in which one or more
985	of its directors are directors or officers or are financially
986	interested:
987	(a) The association shall comply with the requirements of
988	<del>s. 617.0832.</del>
989	(b) The disclosures required by s. 617.0832 shall be
990	entered into the written minutes of the meeting.
991	(c) Approval of the contract or other transaction shall
992	require an affirmative vote of two-thirds of the directors
993	present.
994	(d) At the next regular or special meeting of the members,
995	the existence of the contract or other transaction shall be
996	disclosed to the members. Upon motion of any member, the
997	contract or transaction shall be brought up for a vote and may

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998 be canceled by a majority vote of the members present. Should 999 the members cancel the contract, the association shall only be 1000 liable for the reasonable value of goods and services provided 001 up to the time of cancellation and shall not be liable for any 002 termination fee, liquidated damages, or other form of penalty 003 for such cancellation.

Section 8. Section 718.3027, Florida Statutes, is amended to read:

718.3027 Conflicts of interest.-

(1) Directors and officers of a board of an association that is not a timeshare condominium association, and the relatives of such directors and officers, must disclose to the board any activity that may reasonably be construed to be a conflict of interest. A rebuttable presumption of a conflict of interest exists if any of the following occurs without prior notice, as required in subsection (5)-(4):

(a) A director or an officer, or a relative of a director or an officer, enters into a contract for goods or services with the association.

(b) A director or an officer, or a relative of a director or an officer, holds an interest in a corporation, limited liability corporation, partnership, limited liability partnership, or other business entity that conducts business with the association or proposes to enter into a contract or other transaction with the association.

(2) If a director or an officer, or a relative of a
director or an officer, proposes to engage in an activity that
is a conflict of interest, as described in subsection (1), the
proposed activity must be listed on, and all contracts and



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1027 transactional documents related to the proposed activity must be 1028 attached to, the meeting agenda. The association shall comply 1029 with the requirements of s. 617.0832, and the disclosures 1030 required by s. 617.0832 shall be entered into the written 1031 minutes of the meeting. Approval of the contract or other 1032 transaction requires an affirmative vote of two-thirds of all other directors present. At the next regular or special meeting 1033 1034 of the members, the existence of the contract or other 1035 transaction shall be disclosed to the members. Upon motion of 1036 any member, the contract or transaction shall be brought up for 1037 a vote and may be canceled by a majority vote of the members 1038 present. If the contract is canceled, the association is only 1039 liable for the reasonable value of the goods and services 1040 provided up to the time of cancellation and is not liable for 1041 any termination fee, liquidated damages, or other form of penalty for such cancellation. 1042

(3) If the board votes against the proposed activity, the director or officer, or the relative of the director or officer, must notify the board in writing of his or her intention not to pursue the proposed activity or to withdraw from office. If the board finds that an officer or a director has violated this subsection, the officer or director shall be deemed removed from office. The vacancy shall be filled according to general law.

1050 <u>(4) (3)</u> A director or an officer, or a relative of a 1051 director or an officer, who is a party to, or has an interest 1052 in, an activity that is a possible conflict of interest, as 1053 described in subsection (1), may attend the meeting at which the 1054 activity is considered by the board and is authorized to make a 1055 presentation to the board regarding the activity. After the

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1056 presentation, the director or officer, or the relative of the 1057 director or officer, must leave the meeting during the 1058 discussion of, and the vote on, the activity. A director or an 1059 officer who is a party to, or has an interest in, the activity 1060 must recuse himself or herself from the vote.

(5)(4) A contract entered into between a director or an officer, or a relative of a director or an officer, and the association, which is not a timeshare condominium association, that has not been properly disclosed as a conflict of interest or potential conflict of interest as required by s. 718.111(12)(g) is voidable and terminates upon the filing of a written notice terminating the contract with the board of directors which contains the consent of at least 20 percent of the voting interests of the association.

(6) (5) As used in this section, the term "relative" means a relative within the third degree of consanguinity by blood or marriage.

Section 9. Paragraph (b) of subsection (3) of section 718.303, Florida Statutes, is amended to read:

718.303 Obligations of owners and occupants; remedies.-

1076 (3) The association may levy reasonable fines for the 1077 failure of the owner of the unit or its occupant, licensee, or 1078 invitee to comply with any provision of the declaration, the 1079 association bylaws, or reasonable rules of the association. A 1080 fine may not become a lien against a unit. A fine may be levied 1081 by the board on the basis of each day of a continuing violation, 1082 with a single notice and opportunity for hearing before a committee as provided in paragraph (b). However, the fine may 1083 not exceed \$100 per violation, or \$1,000 in the aggregate. 1084

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(b) A fine or suspension levied by the board of administration may not be imposed unless the board first provides at least 14 days' written notice and an opportunity for a hearing to the unit owner and, if applicable, any its occupant, licensee, or invitee of the unit owner sought to be fined or suspended and an opportunity for a hearing. The hearing must be held before a committee of at least three members appointed by the board who are not officers, directors, or employees of the association, or the spouse, parent, child, brother, or sister of an officer, director, or employee <del>other</del> unit owners who are neither board members nor persons residing in a board member's household. The role of the committee is limited to determining whether to confirm or reject the fine or suspension levied by the board. If the committee does not approve agree, the proposed fine or suspension by majority vote, the fine or suspension may not be imposed. If the proposed fine or suspension is approved by the committee, the fine payment is due 5 days after the date of the committee meeting at which the fine is approved. The association must provide written notice of such fine or suspension by mail or hand delivery to the unit owner and, if applicable, to any tenant, licensee, or invitee of the unit owner. Section 10. Section 718.707, Florida Statutes, is amended to read:

718.707 Time limitation for classification as bulk assignee
or bulk buyer.—A person acquiring condominium parcels may not be
classified as a bulk assignee or bulk buyer unless the
condominium parcels were acquired on or after July 1, 2010, but
before July 1, 2018. The date of such acquisition shall be

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1114 determined by the date of recording a deed or other instrument 1115 of conveyance for such parcels in the public records of the 1116 county in which the condominium is located, or by the date of 1117 issuing a certificate of title in a foreclosure proceeding with 1118 respect to such condominium parcels. 1119 Section 11. Paragraphs (a) and (b) of subsection (2) of section 719.104, Florida Statutes, are amended to read: 1120 1121 719.104 Cooperatives; access to units; records; financial 1122 reports; assessments; purchase of leases.-1123 (2) OFFICIAL RECORDS.-1124 (a) From the inception of the association, the association 1125 shall maintain a copy of each of the following, where 1126 applicable, which shall constitute the official records of the 1127 association: 1128 1. The plans, permits, warranties, and other items provided 1129 by the developer pursuant to s. 719.301(4). 1130 2. A photocopy of the cooperative documents. 1131 3. A copy of the current rules of the association. 1132 4. A book or books containing the minutes of all meetings of the association, of the board of directors, and of the unit 1133 1134 owners, which minutes shall be retained for a period of not less 1135 than 7 years. 5. A current roster of all unit owners and their mailing 1136 11.37 addresses, unit identifications, voting certifications, and, if known, telephone numbers. The association shall also maintain 1138 1139 the e-mail electronic mailing addresses and the numbers 1140 designated by unit owners for receiving notice sent by electronic transmission of those unit owners consenting to 1141 receive notice by electronic transmission. The e-mail electronic 1142

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1143 mailing addresses and numbers provided by unit owners to receive 1144 notice by electronic transmission shall be removed from 1145 association records when consent to receive notice by electronic 1146 transmission is revoked. However, the association is not liable 1147 for an erroneous disclosure of the <u>e-mail electronic mail</u> 1148 address or the number for receiving electronic transmission of 1149 notices.

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6. All current insurance policies of the association.

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

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

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

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

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

1168 c. All audits, reviews, accounting statements, and 1169 financial reports of the association.

1170 d. All contracts for work to be performed. Bids for work to 1171 be performed shall also be considered official records and shall

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1172 be maintained for a period of 1 year.

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10. Ballots, sign-in sheets, voting proxies, and all other papers <u>and electronic records</u> relating to voting by unit owners, which shall be maintained for a period of 1 year after the date of the election, vote, or meeting to which the document relates.

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

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

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

1184 (b) The official records of the association must be 1185 maintained within the state for at least 7 years. The records of 1186 the association shall be made available to a unit owner within 1187 45 miles of the cooperative property or within the county in 1188 which the cooperative property is located within 10  $\frac{1}{2}$  working 1189 days after receipt of written request by the board or its 1190 designee. This paragraph may be complied with by having a copy of the official records of the association available for 1191 1192 inspection or copying on the cooperative property or the 1193 association may offer the option of making the records available 1194 to a unit owner electronically via the Internet or by allowing 1195 the records to be viewed in an electronic format on a computer 1196 screen and printed upon request. The association is not 1197 responsible for the use or misuse of the information provided to 1198 an association member or his or her authorized representative pursuant to the compliance requirements of this chapter unless 1199 1200 the association has an affirmative duty not to disclose such

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1201 information pursuant to this chapter.

> Section 12. Paragraphs (a), (c), and (d) of subsection (1) of section 719.106, Florida Statutes, are amended, and paragraph (m) is added to that subsection, to read:

719.106 Bylaws; cooperative ownership.-

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

(a) Administration.-

1. The form of administration of the association shall be described, indicating the titles of the officers and board of administration and specifying the powers, duties, manner of selection and removal, and compensation, if any, of officers and board members. In the absence of such a provision, the board of administration shall be composed of five members, unless the cooperative except in the case of cooperatives has having five or fewer units., in which case in not-for-profit corporations, The board shall consist of not fewer than three members in cooperatives with five or fewer units that are not-for-profit corporations. In a residential cooperative association of more than 10 units, co-owners of a unit may not serve as members of the board of directors at the same time unless the co-owners own more than one unit or unless there are not enough eligible candidates to fill the vacancies on the board at the time of the vacancy. In the absence of provisions to the contrary, the board of administration shall have a president, a secretary, and a treasurer, who shall perform the duties of those offices customarily performed by officers of corporations. Unless 1229 prohibited in the bylaws, the board of administration may

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1230 appoint other officers and grant them those duties it deems 1231 appropriate. Unless otherwise provided in the bylaws, the 1232 officers shall serve without compensation and at the pleasure of 1233 the board. Unless otherwise provided in the bylaws, the members 1234 of the board shall serve without compensation.

1235 2. A person who has been suspended or removed by the 1236 division under this chapter, or who is delinquent in the payment 1237 of any monetary obligation due to the association, is not 1238 eligible to be a candidate for board membership and may not be 1239 listed on the ballot. A director or officer charged by 1240 information or indictment with a felony theft or embezzlement 1241 offense involving the association's funds or property is 1242 suspended from office. The board shall fill the vacancy 1243 according to general law until the end of the period of the 1244 suspension or the end of the director's term of office, 1245 whichever occurs first. However, if the charges are resolved 1246 without a finding of guilt or without acceptance of a plea of 1247 guilty or nolo contendere, the director or officer shall be 1248 reinstated for any remainder of his or her term of office. A 1249 member who has such criminal charges pending may not be 1250 appointed or elected to a position as a director or officer. A 1251 person who has been convicted of any felony in this state or in 1252 any United States District Court, or who has been convicted of 1253 any offense in another jurisdiction which would be considered a 1254 felony if committed in this state, is not eligible for board 1255 membership unless such felon's civil rights have been restored 1256 for at least 5 years as of the date such person seeks election 1257 to the board. The validity of an action by the board is not 1258 affected if it is later determined that a board member is

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1259 ineligible for board membership due to having been convicted of 1260 a felony.

3. When a unit owner files a written inquiry by certified 1261 1262 mail with the board of administration, the board shall respond 1263 in writing to the unit owner within 30 days of receipt of the 1264 inquiry. The board's response shall either give a substantive 1265 response to the inquirer, notify the inquirer that a legal 1266 opinion has been requested, or notify the inquirer that advice 1267 has been requested from the division. If the board requests 1268 advice from the division, the board shall, within 10 days of its 1269 receipt of the advice, provide in writing a substantive response 1270 to the inquirer. If a legal opinion is requested, the board 1271 shall, within 60 days after the receipt of the inquiry, provide 1272 in writing a substantive response to the inquirer. The failure 1273 to provide a substantive response to the inquirer as provided 1274 herein precludes the board from recovering attorney's fees and 1275 costs in any subsequent litigation, administrative proceeding, 1276 or arbitration arising out of the inquiry. The association may, 1277 through its board of administration, adopt reasonable rules and 1278 regulations regarding the frequency and manner of responding to 1279 the unit owners' inquiries, one of which may be that the 1280 association is obligated to respond to only one written inquiry 1281 per unit in any given 30-day period. In such case, any 1282 additional inquiry or inquiries must be responded to in the 1283 subsequent 30-day period, or periods, as applicable.

1284 (c) Board of administration meetings.-<u>Members of the board</u>
 1285 <u>of administration may use e-mail as a means of communication but</u>
 1286 <u>may not cast a vote on an association matter via e-mail.</u>
 1287 Meetings of the board of administration at which a quorum of the

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1288 members is present shall be open to all unit owners. Any unit 1289 owner may tape record or videotape meetings of the board of administration. The right to attend such meetings includes the 1290 1291 right to speak at such meetings with reference to all designated agenda items. The division shall adopt reasonable rules 1292 governing the tape recording and videotaping of the meeting. The 1293 1294 association may adopt reasonable written rules governing the 1295 frequency, duration, and manner of unit owner statements. 1296 Adequate notice of all meetings shall be posted in a conspicuous 1297 place upon the cooperative property at least 48 continuous hours 1298 preceding the meeting, except in an emergency. Any item not 1299 included on the notice may be taken up on an emergency basis by 1300 at least a majority plus one of the members of the board. Such 1301 emergency action shall be noticed and ratified at the next 1302 regular meeting of the board. Notice of any meeting in which 1303 regular or special assessments against unit owners are to be 1304 considered must specifically state that assessments will be 1305 considered and provide the estimated cost and description of the 1306 purpose for such assessments. However, Written notice of any 1307 meeting at which nonemergency special assessments, or at which 1308 amendment to rules regarding unit use, will be considered shall 1309 be mailed, delivered, or electronically transmitted to the unit 1310 owners and posted conspicuously on the cooperative property not 1311 less than 14 days before the meeting. Evidence of compliance 1312 with this 14-day notice shall be made by an affidavit executed 1313 by the person providing the notice and filed among the official 1314 records of the association. Upon notice to the unit owners, the board shall by duly adopted rule designate a specific location 1315 1316 on the cooperative property upon which all notices of board

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1317 meetings shall be posted. In lieu of or in addition to the 1318 physical posting of notice of any meeting of the board of 1319 administration on the cooperative property, the association may, 1320 by reasonable rule, adopt a procedure for conspicuously posting 1321 and repeatedly broadcasting the notice and the agenda on a 1322 closed-circuit cable television system serving the cooperative 1323 association. However, if broadcast notice is used in lieu of a 1324 notice posted physically on the cooperative property, the notice 1325 and agenda must be broadcast at least four times every broadcast 1326 hour of each day that a posted notice is otherwise required 1327 under this section. When broadcast notice is provided, the 1328 notice and agenda must be broadcast in a manner and for a 1329 sufficient continuous length of time so as to allow an average 1330 reader to observe the notice and read and comprehend the entire 1331 content of the notice and the agenda. In addition to any of the 1332 authorized means of providing notice of a meeting of the board, 1333 the association may, by rule, adopt a procedure for 1334 conspicuously posting the meeting notice and the agenda on a 1335 website serving the cooperative association for at least the 1336 minimum period of time for which a notice of a meeting is also 1337 required to be physically posted on the cooperative property. 1338 Any rule adopted shall, in addition to other matters, include a 1339 requirement that the association send an electronic notice in 1340 the same manner as a notice for a meeting of the members, which 1341 must include a hyperlink to the website where the notice is 1342 posted, to unit owners whose e-mail addresses are included in 1343 the association's official records. Notice of any meeting in 1344 which regular assessments against unit owners are to be 1345 considered for any reason shall specifically contain a statement

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1346 assessments will be considered and the nature of any such that assessments. Meetings of a committee to take final action on 1347 1348 behalf of the board or to make recommendations to the board 1349 regarding the association budget are subject to the provisions 1350 of this paragraph. Meetings of a committee that does not take 1351 final action on behalf of the board or make recommendations to 1352 the board regarding the association budget are subject to the 1353 provisions of this section, unless those meetings are exempted 1354 from this section by the bylaws of the association. 1355 Notwithstanding any other law to the contrary, the requirement 1356 that board meetings and committee meetings be open to the unit 1357 owners does not apply to board or committee meetings held for 1358 the purpose of discussing personnel matters or meetings between 1359 the board or a committee and the association's attorney, with 1360 respect to proposed or pending litigation, if the meeting is 1361 held for the purpose of seeking or rendering legal advice. 1362 (d) Shareholder meetings.-There shall be an annual meeting 1363 of the shareholders. All members of the board of administration 1364 shall be elected at the annual meeting unless the bylaws provide 1365 for staggered election terms or for their election at another 1366 meeting. Any unit owner desiring to be a candidate for board 1367 membership must comply with subparagraph 1. The bylaws must 1368 provide the method for calling meetings, including annual 1369 meetings. Written notice, which must incorporate an

1370 identification of agenda items, shall be given to each unit 1371 owner at least 14 days before the annual meeting and posted in a 1372 conspicuous place on the cooperative property at least 14 1373 continuous days preceding the annual meeting. Upon notice to the 1374 unit owners, the board must by duly adopted rule designate a



1375 specific location on the cooperative property upon which all 1376 notice of unit owner meetings are posted. In lieu of or in 1377 addition to the physical posting of the meeting notice, the 1378 association may, by reasonable rule, adopt a procedure for 1379 conspicuously posting and repeatedly broadcasting the notice and 1380 the agenda on a closed-circuit cable television system serving the cooperative association. However, if broadcast notice is 1381 1382 used in lieu of a posted notice, the notice and agenda must be 1383 broadcast at least four times every broadcast hour of each day 1384 that a posted notice is otherwise required under this section. 1385 If broadcast notice is provided, the notice and agenda must be 1386 broadcast in a manner and for a sufficient continuous length of 1387 time to allow an average reader to observe the notice and read 1388 and comprehend the entire content of the notice and the agenda. 1389 In addition to any of the authorized means of providing notice 1390 of a meeting of the shareholders, the association may, by rule, 1391 adopt a procedure for conspicuously posting the meeting notice 1392 and the agenda on a website serving the cooperative association 1393 for at least the minimum period of time for which a notice of a 1394 meeting is also required to be physically posted on the 1395 cooperative property. Any rule adopted shall, in addition to 1396 other matters, include a requirement that the association send 1397 an electronic notice in the same manner as a notice for a meeting of the members, which must include a hyperlink to the 1398 1399 website where the notice is posted, to unit owners whose e-mail 1400 addresses are included in the association's official records. 1401 Unless a unit owner waives in writing the right to receive notice of the annual meeting, the notice of the annual meeting 1402 must be sent by mail, hand delivered, or electronically 1403



1404 transmitted to each unit owner. An officer of the association 1405 must provide an affidavit or United States Postal Service 1406 certificate of mailing, to be included in the official records 1407 of the association, affirming that notices of the association 1408 meeting were mailed, hand delivered, or electronically 1409 transmitted, in accordance with this provision, to each unit 1410 owner at the address last furnished to the association.

1411 1. The board of administration shall be elected by written 1412 ballot or voting machine. A proxy may not be used in electing 1413 the board of administration in general elections or elections to 1414 fill vacancies caused by recall, resignation, or otherwise 1415 unless otherwise provided in this chapter.

1416 a. At least 60 days before a scheduled election, the 1417 association shall mail, deliver, or transmit, whether by 1418 separate association mailing, delivery, or electronic transmission or included in another association mailing, 1419 delivery, or electronic transmission, including regularly 1420 1421 published newsletters, to each unit owner entitled to vote, a 1422 first notice of the date of the election. Any unit owner or 1423 other eligible person desiring to be a candidate for the board 1424 of administration must give written notice to the association at least 40 days before a scheduled election. Together with the 1425 1426 written notice and agenda as set forth in this section, the 1427 association shall mail, deliver, or electronically transmit a 1428 second notice of election to all unit owners entitled to vote, 1429 together with a ballot that lists all candidates. Upon request 1430 of a candidate, the association shall include an information sheet, no larger than 8 1/2 inches by 11 inches, which must be 1431 furnished by the candidate at least 35 days before the election, 1432

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1433 to be included with the mailing, delivery, or electronic transmission of the ballot, with the costs of mailing, delivery, 1434 1435 or transmission and copying to be borne by the association. The 1436 association is not liable for the contents of the information 1437 sheets provided by the candidates. In order to reduce costs, the 1438 association may print or duplicate the information sheets on 1439 both sides of the paper. The division shall by rule establish 1440 voting procedures consistent with this subparagraph, including 1441 rules establishing procedures for giving notice by electronic 1442 transmission and rules providing for the secrecy of ballots. 1443 Elections shall be decided by a plurality of those ballots cast. 1444 There is no quorum requirement. However, at least 20 percent of 1445 the eligible voters must cast a ballot in order to have a valid 1446 election. A unit owner may not permit any other person to vote 1447 his or her ballot, and any such ballots improperly cast are 1448 invalid. A unit owner who needs assistance in casting the ballot 1449 for the reasons stated in s. 101.051 may obtain assistance in 1450 casting the ballot. Any unit owner violating this provision may 1451 be fined by the association in accordance with s. 719.303. The 1452 regular election must occur on the date of the annual meeting. 1453 This subparagraph does not apply to timeshare cooperatives. 1454 Notwithstanding this subparagraph, an election and balloting are 1455 not required unless more candidates file a notice of intent to 1456 run or are nominated than vacancies exist on the board. Any 1457 challenge to the election process must be commenced within 60 1458 days after the election results are announced.

b. Within 90 days after being elected or appointed to the
board, each new director shall certify in writing to the
secretary of the association that he or she has read the

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1462 association's bylaws, articles of incorporation, proprietary 1463 lease, and current written policies; that he or she will work to uphold such documents and policies to the best of his or her 1464 1465 ability; and that he or she will faithfully discharge his or her 1466 fiduciary responsibility to the association's members. Within 90 1467 days after being elected or appointed to the board, in lieu of this written certification, the newly elected or appointed 1468 1469 director may submit a certificate of having satisfactorily 1470 completed the educational curriculum administered by an 1471 education provider as approved by the division pursuant to the 1472 requirements established in chapter 718 within 1 year before or 1473 90 days after the date of election or appointment. The 1474 educational certificate is valid and does not have to be 1475 resubmitted as long as the director serves on the board without 1476 interruption. A director who fails to timely file the written 1477 certification or educational certificate is suspended from 1478 service on the board until he or she complies with this sub-1479 subparagraph. The board may temporarily fill the vacancy during 1480 the period of suspension. The secretary of the association shall 1481 cause the association to retain a director's written certification or educational certificate for inspection by the 1482 1483 members for 5 years after a director's election or the duration 1484 of the director's uninterrupted tenure, whichever is longer. Failure to have such written certification or educational 1485 1486 certificate on file does not affect the validity of any board 1487 action.

1488 2. Any approval by unit owners called for by this chapter, 1489 or the applicable cooperative documents, must be made at a duly 1490 noticed meeting of unit owners and is subject to this chapter or



1491 the applicable cooperative documents relating to unit owner 1492 decisionmaking, except that unit owners may take action by 1493 written agreement, without meetings, on matters for which action 1494 by written agreement without meetings is expressly allowed by 1495 the applicable cooperative documents or law which provides for 1496 the unit owner action.

1497 3. Unit owners may waive notice of specific meetings if 1498 allowed by the applicable cooperative documents or law. Notice 1499 of meetings of the board of administration, shareholder 1500 meetings, except shareholder meetings called to recall board 1501 members under paragraph (f), and committee meetings may be given 1502 by electronic transmission to unit owners who consent to receive 1503 notice by electronic transmission. A unit owner who consents to 1504 receiving notices by electronic transmission is solely 1505 responsible for removing or bypassing filters that may block 1506 receipt of mass emails sent to members on behalf of the 1507 association in the course of giving electronic notices.

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

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

1515 6. Unless otherwise provided in the bylaws, a vacancy 1516 occurring on the board before the expiration of a term may be 1517 filled by the affirmative vote of the majority of the remaining 1518 directors, even if the remaining directors constitute less than 1519 a quorum, or by the sole remaining director. In the alternative,

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1520 a board may hold an election to fill the vacancy, in which case 1521 the election procedures must conform to the requirements of 1522 subparagraph 1. unless the association has opted out of the 1523 statutory election process, in which case the bylaws of the 1524 association control. Unless otherwise provided in the bylaws, a 1525 board member appointed or elected under this subparagraph shall 1526 fill the vacancy for the unexpired term of the seat being 1527 filled. Filling vacancies created by recall is governed by 1528 paragraph (f) and rules adopted by the division. 1529 1530 Notwithstanding subparagraphs (b)2. and (d)1., an association 1531 may, by the affirmative vote of a majority of the total voting 1532 interests, provide for a different voting and election procedure 1533 in its bylaws, which vote may be by a proxy specifically 1534 delineating the different voting and election procedures. The 1535 different voting and election procedures may provide for 1536 elections to be conducted by limited or general proxy. 1537 (m) Director or officer delinquencies.-A director or 1538 officer more than 90 days delinquent in the payment of any 1539 monetary obligation due the association shall be deemed to have 1540 abandoned the office, creating a vacancy in the office to be 1541 filled according to law. 1542 Section 13. Paragraph (b) of subsection (1) of section 1543 719.107, Florida Statutes, is amended to read:

719.107 Common expenses; assessment.-

1544 1545 (1)1546 (b) If so provided in the bylaws, the cost of 1547 communications services as defined in chapter 202, information 1548 services or Internet services a master antenna television system

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1549 or duly franchised cable television service obtained pursuant to 1550 a bulk contract shall be deemed a common expense, and if not 1551 obtained pursuant to a bulk contract, such cost shall be 1552 considered common expense if it is designated as such in a 1553 written contract between the board of administration and the 1554 company providing the communications services as defined in 1555 chapter 202, information services or Internet services master 1556 television antenna system or the cable television service. The 1557 contract shall be for a term of not less than 2 years.

1558 1. Any contract made by the board after April 2, 1992, for 1559 a community antenna system or duly franchised cable television 1560 service, communications services as defined in chapter 202, 1561 information services or Internet services may be canceled by a 1562 majority of the voting interests present at the next regular or 1563 special meeting of the association. Any member may make a motion 1564 to cancel the contract, but if no motion is made or if such 1565 motion fails to obtain the required majority at the next regular 1566 or special meeting, whichever is sooner, following the making of 1567 the contract, then such contract shall be deemed ratified for 1568 the term therein expressed.

1569 2. Any such contract shall provide, and shall be deemed to provide if not expressly set forth, that any hearing impaired or 1570 1571 legally blind unit owner who does not occupy the unit with a 1572nonhearing impaired or sighted person may discontinue the service without incurring disconnect fees, penalties, or 1573 subsequent service charges, and as to such units, the owners 1574 1575 shall not be required to pay any common expenses charge related 1576 to such service. If less than all members of an association share the expenses of cable television, the expense shall be 1577

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1578 shared equally by all participating unit owners. The association 1579 may use the provisions of s. 719.108 to enforce payment of the 1580 shares of such costs by the unit owners receiving cable 1581 television.

Section 14. Paragraph (b) of subsection (3) of section 719.303, Florida Statutes, is amended to read:

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719.303 Obligations of owners.-

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

1594 (b) A fine or suspension levied by the board of 1595 administration may not be imposed unless the board first 1596 provides at least 14 days' written notice and an opportunity for 1597 a hearing to the unit owner and, if applicable, any its 1598 occupant, licensee, or invitee of the unit owner sought to be 1599 fined or suspended and an opportunity for a hearing. The hearing 1600 must be held before a committee of at least three members 1601 appointed by the board who are not officers, directors, or 1602 employees of the association, or the spouse, parent, child, 1603 brother, or sister of an officer, director, or employee other 1604 unit owners who are neither board members nor persons residing 1605 in a board member's household. The role of the committee is limited to determining whether to confirm or reject the fine or 1606

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1607 suspension levied by the board. If the committee does not 1608 approve agree with the proposed fine or suspension by majority 1609 vote, the fine or suspension it may not be imposed. If the 1610 proposed fine or suspension is approved by the committee, the 1611 fine payment is due 5 days after the date of the committee 1612 meeting at which the fine is approved. The association must 1613 provide written notice of such fine or suspension by mail or 1614 hand delivery to the unit owner and, if applicable, to any 1615 tenant, licensee, or invitee of the unit owner.

Section 15. Paragraphs (a) and (c) of subsection (2) of section 720.303, Florida Statutes, are amended, to read:

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

(2) BOARD MEETINGS.-

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1622 (a) Members of the board of administration may use e-mail as a means of communication, but may not cast a vote on an 1623 association matter via e-mail. A meeting of the board of 1624 1625 directors of an association occurs whenever a quorum of the 1626 board gathers to conduct association business. Meetings of the 1627 board must be open to all members, except for meetings between 1628 the board and its attorney with respect to proposed or pending 1629 litigation where the contents of the discussion would otherwise 1630 be governed by the attorney-client privilege. A meeting of the 1631 board must be held at a location that is accessible to a 1632 physically handicapped person if requested by a physically 1633 handicapped person who has a right to attend the meeting. The provisions of this subsection shall also apply to the meetings 1634 of any committee or other similar body when a final decision 1635

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1636 will be made regarding the expenditure of association funds and 1637 to meetings of any body vested with the power to approve or 1638 disapprove architectural decisions with respect to a specific 1639 parcel of residential property owned by a member of the 1640 community.

(c) The bylaws shall provide <u>the following</u> for giving notice to parcel owners and members of all board meetings and, if they do not do so, shall be deemed to <u>include</u> <del>provide</del> the following:

1645 1. Notices of all board meetings must be posted in a 1646 conspicuous place in the community at least 48 hours in advance 1647 of a meeting, except in an emergency. In the alternative, if 1648 notice is not posted in a conspicuous place in the community, 1649 notice of each board meeting must be mailed or delivered to each 1650 member at least 7 days before the meeting, except in an 1651 emergency. Notwithstanding this general notice requirement, for 1652 communities with more than 100 members, the association bylaws 1653 may provide for a reasonable alternative to posting or mailing 1654 of notice for each board meeting, including publication of 1655 notice, provision of a schedule of board meetings, or the 1656 conspicuous posting and repeated broadcasting of the notice on a closed-circuit cable television system serving the homeowners' 1657 1658 association. However, if broadcast notice is used in lieu of a 1659 notice posted physically in the community, the notice must be 1660 broadcast at least four times every broadcast hour of each day that a posted notice is otherwise required. When broadcast 1661 1662 notice is provided, the notice and agenda must be broadcast in a 1663 manner and for a sufficient continuous length of time so as to 1664 allow an average reader to observe the notice and read and

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1665 comprehend the entire content of the notice and the agenda. The 1666 association may provide notice by electronic transmission in a 1667 manner authorized by law for meetings of the board of directors, 1668 committee meetings requiring notice under this section, and 1669 annual and special meetings of the members to any member who has 1670 provided a facsimile number or e-mail address to the association to be used for such purposes; however, a member must consent in 1671 1672 writing to receiving notice by electronic transmission.

1673 2. An assessment may not be levied at a board meeting 1674 unless the notice of the meeting includes a statement that 1675 assessments will be considered and the nature of the 1676 assessments. Written notice of any meeting at which special 1677 assessments will be considered or at which amendments to rules 1678 regarding parcel use will be considered must be mailed, 1679 delivered, or electronically transmitted to the members and 1680 parcel owners and posted conspicuously on the property or broadcast on closed-circuit cable television not less than 14 1681 1682 days before the meeting.

1683 3. Directors may not vote by proxy or by secret ballot at 1684 board meetings, except that secret ballots may be used in the 1685 election of officers. This subsection also applies to the 1686 meetings of any committee or other similar body, when a final 1687 decision will be made regarding the expenditure of association 1688 funds, and to any body vested with the power to approve or 1689 disapprove architectural decisions with respect to a specific 1690 parcel of residential property owned by a member of the 1691 community.

1692 Section 16. Paragraph (b) of subsection (2) of section 1693 720.305, Florida Statutes, is amended to read:

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

(2) The association may levy reasonable fines. A fine may not exceed \$100 per violation against any member or any member's tenant, guest, or invitee for the failure of the owner of the parcel or its occupant, licensee, or invitee to comply with any provision of the declaration, the association bylaws, or reasonable rules of the association unless otherwise provided in the governing documents. A fine may be levied by the board for each day of a continuing violation, with a single notice and opportunity for hearing, except that the fine may not exceed \$1,000 in the aggregate unless otherwise provided in the governing documents. A fine of less than \$1,000 may not become a lien against a parcel. In any action to recover a fine, the prevailing party is entitled to reasonable attorney fees and costs from the nonprevailing party as determined by the court.

(b) A fine or suspension <u>levied may not be imposed</u> by the board of administration <u>may not be imposed unless the board</u> <u>first provides without</u> at least 14 days' notice to the <u>parcel</u> owner and, if applicable, any occupant, licensee, or invitee of the parcel owner, <u>person</u> sought to be fined or suspended and an opportunity for a hearing before a committee of at least three members appointed by the board who are not officers, directors, or employees of the association, or the spouse, parent, child, brother, or sister of an officer, director, or employee. If the committee, by majority vote, does not approve a proposed fine or suspension, <u>the proposed fine or suspension</u> <del>it</del> may not be imposed. The role of the committee is limited to determining whether to confirm or reject the fine or suspension levied by

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1723	the board. If the proposed board of administration imposes a
1724	fine or suspension levied by the board is approved by the
1725	committee, the fine payment is due 5 days after the date of the
1726	committee meeting at which the fine is approved. The association
1727	must provide written notice of such fine or suspension by mail
1728	or hand delivery to the parcel owner and, if applicable, to any
1729	tenant, licensee, or invitee of the parcel owner.
1730	Section 17. Paragraph (a) of subsection (9) of section
1731	720.306, Florida Statutes, is amended, and paragraphs (e)
1732	through (h) are added to subsection (1) of that section, to
1733	read:
1734	720.306 Meetings of members; voting and election
1735	procedures; amendments
1736	(1) QUORUM; AMENDMENTS
1737	(e) A proposal to amend the governing documents must
1738	contain the full text of the provision to be amended and may not
1739	be revised or amended by reference solely to the title or
1740	number. Proposed new language must be underlined and proposed
1741	deleted language must be stricken. If the proposed change is so
1742	extensive that underlining and striking through language would
1743	hinder, rather than assist, the understanding of the proposed
1744	amendment, a notation must be inserted immediately preceding the
1745	proposed amendment in substantially the following form:
1746	"Substantial rewording. See governing documents for current
1747	text." An amendment to a governing document is effective when
1748	recorded in the public records of the county in which the
1749	community is located.
1750	(f) An immaterial error or omission in the amendment
1751	process does not invalidate an otherwise properly adopted

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## 1752 amendment.

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(g) Except as provided in this paragraph, an amendment to any governing document enacted after July 1, 2018, that prohibits a parcel owner from renting the parcel, altering the authorized duration of a rental term, or specifying or limiting the number of times that a parcel owner may rent his or her parcel during a specified term, applies only to a parcel owner who acquires title to the parcel after the effective date of the amendment, or to a parcel owner who consents, individually or through a representative, to the amendment.

1. Except as provided in this paragraph, an association may amend its governing documents to prohibit or regulate rentals for terms of less than 6 months and may amend its governing documents to prohibit rentals more than three times in a calendar year, and such amendments shall apply to all parcel owners.

2. Nothing in this paragraph shall affect the amendment restrictions for associations of 15 or fewer parcel owners as provided in s. 720.303(1).

3. For purposes of this paragraph, a change of ownership 1772 does not occur when a parcel owner conveys the parcel to an affiliated entity or when beneficial ownership of the parcel does not change. For purposes of this paragraph, the term "affiliated entity" means an entity which controls, is controlled by, or is under common control with the parcel owner or that becomes a parent or successor entity by reason of transfer, merger, consolidation, public offering, 1779 reorganization, dissolution or sale of stock, or transfer of membership partnership interests. For a conveyance to be 1780

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1781	recognized as one made to an affiliated entity, the entity must
1782	furnish the association a document certifying that this
1783	paragraph applies, as well as providing any organizational
1784	documents for the parcel owner and the affiliated entity that
1785	support the representations in the certificate, as requested by
1786	the association.
1787	(h) A notice required under this section must be mailed or
1788	delivered to the address identified as the parcel owner's
1789	mailing address on the property appraiser's website for the
1790	county in which the parcel is located, or electronically
1791	transmitted in a manner authorized by the association if the
1792	parcel owner has consented, in writing, to receive notice by
1793	electronic transmission.
1794	(9) ELECTIONS AND BOARD VACANCIES
1795	(a) Elections of directors must be conducted in accordance
1796	with the procedures set forth in the governing documents of the
1797	association. Except as provided in paragraph (b), all members of
1798	the association are eligible to serve on the board of directors,
1799	and a member may nominate himself or herself as a candidate for
1800	the board at a meeting where the election is to be held;
1801	provided, however, that if the election process allows
1802	candidates to be nominated in advance of the meeting, the
1803	association is not required to allow nominations at the meeting.
1804	An election is not required unless more candidates are nominated
1805	than vacancies exist. If an election is not required because
1806	there are either an equal number or fewer qualified candidates
1807	than vacancies exist, and if nominations from the floor are not
1808	required pursuant to this section or the bylaws, write-in
1809	nominations are not permitted and such qualified candidates

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1810 shall commence service on the board of directors, regardless of 1811 whether a quorum is attained at the annual meeting. Except as 1812 otherwise provided in the governing documents, boards of 1813 directors must be elected by a plurality of the votes cast by 1814 eligible voters. Any challenge to the election process must be 1815 commenced within 60 days after the election results are 1816 announced.

Section 18. Paragraph (b) of subsection (3) of section 720.3085, Florida Statutes, is amended to read:

720.3085 Payment for assessments; lien claims.-

(3) Assessments and installments on assessments that are not paid when due bear interest from the due date until paid at the rate provided in the declaration of covenants or the bylaws of the association, which rate may not exceed the rate allowed by law. If no rate is provided in the declaration or bylaws, interest accrues at the rate of 18 percent per year.

1826 (b) Any payment received by an association and accepted 1827 shall be applied first to any interest accrued, then to any 1828 administrative late fee, then to any costs and reasonable 1829 attorney fees incurred in collection, and then to the delinquent 1830 assessment. This paragraph applies notwithstanding any 1831 restrictive endorsement, designation, or instruction placed on 1832 or accompanying a payment. A late fee is not subject to the 1833 provisions of chapter 687 and is not a fine. The foregoing is 1834 applicable notwithstanding s. 673.3111, any purported accord and 1835 satisfaction, or any restrictive endorsement, designation, or 1836 instruction placed on or accompanying a payment. The preceding 1837 sentence is intended to clarify existing law. 1838

Section 19. This act shall take effect July 1, 2018.

## 166454

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1841	And the title is amended as follows:
1842	Delete everything before the enacting clause
1843	and insert:
1844	A bill to be entitled
1845	An act relating to community associations; amending s.
1846	194.011, F.S.; specifying that a condominium,
1847	cooperative, or homeowners' association may represent
1848	unit or parcel owners in certain proceedings;
1849	requiring notice to unit or parcel owners of such
1850	proceedings; amending s. 194.181, F.S.; specifying
1851	that a condominium, cooperative, or homeowners'
1852	association may be a party to an action contesting the
1853	assessment of ad valorem taxes; amending s. 718.111,
1854	F.S.; revising condominium association recordkeeping
1855	and financial reporting requirements; revising record
1856	retention policies; revising the list of documents
1857	that the association is required to post online;
1858	limiting an association's liability for inadvertent
1859	disclosure of protected or restricted information;
1860	amending s. 718.112, F.S.; revising provisions
1861	relating to required association bylaws; revising
1862	board term limits; authorizing an association to adopt
1863	rules for posting certain notices on a website;
1864	providing responsibilities for unit owners who receive
1865	electronic notices; revising and providing board
1866	member recall and challenge requirements; authorizing
1867	the recovery of attorney fees and costs in an action



1868 to challenge the validity of a board member recall; 1869 amending s. 718.113, F.S.; revising voting requirements relating to alterations and additions to 1870 1871 certain common elements or association property; 1872 providing legislative findings; providing that an 1873 association may not prohibit a unit owner from 1874 installing an electronic vehicle charging station; 1875 providing requirements for installing such charging 1876 station; amending s. 718.121, F.S.; providing when the 1877 installation of an electronic vehicle charging station 1878 may be the basis of a lien; amending s. 718.3026, 1879 F.S.; removing a provision relating to certain 1880 contracts or transactions regarding conflicts of 1881 interest; amending s. 718.3027, F.S.; providing 1882 requirements for proposed activity that is identified 1883 as a conflict of interest; amending s. 718.303, F.S.; 1884 revising fine and suspension requirements; amending s. 1885 718.707, F.S.; revising the time period for 1886 classification as a bulk assignee or bulk buyer; 1887 amending s. 719.104, F.S.; revising cooperative 1888 association recordkeeping requirements; amending s. 1889 719.106, F.S.; revising requirements to serve as a 1890 board member; prohibiting a board member from voting 1891 via e-mail; authorizing an association to adopt rules 1892 for posting certain notices on a website; providing 1893 responsibilities for unit owners who receive 1894 electronic notices; providing that directors or 1895 officers who are delinquent in certain payments owed 1896 in excess of certain periods of time be deemed to have

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1897 abandoned their offices; amending s. 719.107, F.S.; 1898 specifying that certain services which are obtained pursuant to a bulk contract are deemed a common 1899 expense; amending s. 719.303, F.S.; revising fine and 1900 1901 suspension requirements; amending s. 720.303, F.S.; 1902 prohibiting a board member from voting via e-mail; 1903 amending s. 720.305, F.S.; revising fine and 1904 suspension requirements; amending s. 720.306, F.S.; 1905 requiring an association to follow certain procedures 1906 when amending a governing document; providing 1907 limitations on and exceptions for associations when a 1908 parcel owner attempts to rent or lease his or her 1909 home; requiring certain notices to parcel owners be 1910 delivered in specified ways; revising election 1911 requirements; amending s. 720.3085, F.S.; providing 1912 applicability; providing an effective date.