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	COMMITTEE/SUBCOMMITTEE ACTION	
	ADOPTED (Y/N)	
	ADOPTED AS AMENDED (Y/N)	
	ADOPTED W/O OBJECTION (Y/N)	
	FAILED TO ADOPT (Y/N)	
	WITHDRAWN (Y/N)	
	OTHER	
1	Committee/Subcommittee hearing bill: Business & Professions	
2	Subcommittee	
3	Representative Rodriguez, A. offered the following:	
4		
5	Amendment (with title amendment)	
6	Remove everything after the enacting clause and insert:	
7	Section 1. Paragraph (d) of subsection (1) of section	
8	34.01, Florida Statutes, is amended to read:	
9	34.01 Jurisdiction of county court	
10	(1) County courts shall have original jurisdiction:	
11	(d) Of disputes occurring in condominium associations as	
12	described in s. 718.1255, in cooperative associations as	
13	described in s. 719.1255 and in the homeowners' associations as	
14	described in s. 720.311(2)(a), which shall be concurrent with	
15	jurisdiction of the circuit courts.	
16		
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17	Section 2. Paragraph (a) of subsection (2) of section	
18	514.0115, Florida Statutes, is amended to read:	
19	514.0115 Exemptions from supervision or regulation;	
20	variances	
21	(2)(a) Pools serving condominium, cooperative, homeowners'	
22	associations, and other property associations, which have no	
23	more than 32 <u>units or parcels and</u> condominium or cooperative	
24	units which are not operated as a public lodging establishments	
25	establishment shall be exempt from supervision under this	
26	chapter, except for water quality.	
27	Section 3. Subsection (4) of section 627.714, Florida	
28	Statutes, is amended to read:	
29	627.714 Residential condominium unit owner coverage; loss	
30	assessment coverage required	
31	(4) Every individual unit owner's residential property	
32	policy must contain a provision stating that the coverage	
33	afforded by such policy is excess coverage over the amount	
34	recoverable under any other policy covering the same property.	
35	An insurance policy issued to an individual unit owner may not	
36	provide rights of subrogation against the condominium	
37	association operating the condominium in which such individual's	
38	unit is located.	
39	Section 4. Paragraphs (a), (b), (c), and (g) of subsection	
40	(12) of section 718.111, Florida Statutes, are amended to read:	
41	718.111 The association	
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42 (12) OFFICIAL RECORDS.-From the inception of the association, the association 43 (a) 44 shall maintain each of the following items, if applicable, which constitutes the official records of the association: 45 46 1. A copy of the plans, permits, warranties, and other 47 items provided by the developer pursuant to s. 718.301(4). 48 2. A photocopy of the recorded declaration of condominium 49 of each condominium operated by the association and each amendment to each declaration. 50 3. A photocopy of the recorded bylaws of the association 51 and each amendment to the bylaws. 52 53 4. A certified copy of the articles of incorporation of 54 the association, or other documents creating the association, 55 and each amendment thereto. 56 5. A copy of the current rules of the association. A book or books that contain the minutes of all 57 6. meetings of the association, the board of administration, and 58 59 the unit owners. 60 7. A current roster of all unit owners and their mailing addresses, unit identifications, voting certifications, and, if 61 62 known, telephone numbers. The association shall also maintain the e-mail addresses and facsimile numbers of unit owners 63 consenting to receive notice by electronic transmission. The e-64 mail addresses and facsimile numbers are not accessible to unit 65 66 owners if consent to receive notice by electronic transmission 988057 - h1075-strike.docx Published On: 3/25/2019 5:54:44 PM

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is not provided in accordance with sub-subparagraph (c)3.e.
However, the association is not liable for an inadvertent
disclosure of the e-mail address or facsimile number for
receiving electronic transmission of notices.

8. All current insurance policies of the association andcondominiums operated by the association.

9. 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.

77 10. Bills of sale or transfer for all property owned by78 the association.

79 11. Accounting records for the association and separate 80 accounting records for each condominium that the association operates. Any person who knowingly or intentionally defaces or 81 82 destroys such records, or who knowingly or intentionally fails to create or maintain such records, with the intent of causing 83 harm to the association or one or more of its members, is 84 85 personally subject to a civil penalty pursuant to s. 86 718.501(1)(d). The accounting records must include, but are not 87 limited to:

a. Accurate, itemized, and detailed records of allreceipts and expenditures.

90 b. A current account and a monthly, bimonthly, or 91 quarterly statement of the account for each unit designating the 988057 - h1075-strike.docx

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92 name of the unit owner, the due date and amount of each 93 assessment, the amount paid on the account, and the balance due. 94 c. All audits, reviews, accounting statements, and 95 financial reports of the association or condominium. 96 d. All contracts for work to be performed. Bids for work 97 to be performed are also considered official records and must be 98 maintained by the association for at least 1 year after receipt 99 of the bid. 12. Ballots, sign-in sheets, voting proxies, and all other 100 papers and electronic records relating to voting by unit owners, 101 102 which must be maintained for 1 year from the date of the 103 election, vote, or meeting to which the document relates, 104 notwithstanding paragraph (b). 13. All rental records if the association is acting as 105 106 agent for the rental of condominium units. 107 14. A copy of the current question and answer sheet as described in s. 718.504. 108 15. All other written records of the association not 109 110 specifically included in the foregoing which are related to the 111 operation of the association. 112 15.16. A copy of the inspection report as described in s. 113 718.301(4)(p). 16.17. Bids for materials, equipment, or services. 114

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115 <u>17. All other records of the association not specifically</u> 116 <u>included in subparagraphs 1.-16. which are related to the</u> 117 <u>operation of the association.</u>

118 The official records specified in subparagraphs (a)1.-(b) 119 6. must be permanently maintained from the inception of the 120 association. Bids for work to be performed or for materials, equipment, or services must be maintained for 1 year after 121 122 receipt of the bid. All other official records must be maintained within the state for at least 7 years, unless 123 124 otherwise provided by general law. The records of the 125 association shall be made available to a unit owner within 45 126 miles of the condominium property or within the county in which 127 the condominium property is located within 10 working days after receipt of a written request by the board or its designee. 128 129 However, such distance requirement does not apply to an 130 association governing a timeshare condominium. This paragraph may be complied with by having a copy of the official records of 131 the association available for inspection or copying on the 132 133 condominium property or association property, or the association 134 may offer the option of making the records available to a unit 135 owner electronically via the Internet or by allowing the records 136 to be viewed in electronic format on a computer screen and printed upon request. The association is not responsible for the 137 use or misuse of the information provided to an association 138 member or his or her authorized representative pursuant to the 139 988057 - h1075-strike.docx

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140 compliance requirements of this chapter unless the association 141 has an affirmative duty not to disclose such information 142 pursuant to this chapter.

143 (c)1. The official records of the association are open to 144 inspection by any association member or the authorized 145 representative of such member at all reasonable times. The right 146 to inspect the records includes the right to make or obtain 147 copies, at the reasonable expense, if any, of the member or authorized representative of such member. A renter of a unit has 148 a right to inspect and copy the association's bylaws and rules. 149 150 The association may adopt reasonable rules regarding the 151 frequency, time, location, notice, and manner of record 152 inspections and copying, but may not require a unit owner to 153 demonstrate any purpose for the inspection or state any reason 154 for the inspection. The failure of an association to provide the 155 records within 10 working days after receipt of a written 156 request creates a rebuttable presumption that the association willfully failed to comply with this paragraph. A unit owner who 157 158 is denied access to official records is entitled to the actual 159 damages or minimum damages for the association's willful failure 160 to comply. Minimum damages are \$50 per calendar day for up to 10 days, beginning on the 11th working day after receipt of the 161 written request. The failure to permit inspection entitles any 162 person prevailing in an enforcement action to recover reasonable 163

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164 attorney fees from the person in control of the records who, 165 directly or indirectly, knowingly denied access to the records.

166 2. Any person who knowingly or intentionally defaces or 167 destroys accounting records that are required by this chapter to 168 be maintained during the period for which such records are 169 required to be maintained, or who knowingly or intentionally 170 fails to create or maintain accounting records that are required 171 to be created or maintained, with the intent of causing harm to the association or one or more of its members, is personally 172 subject to a civil penalty pursuant to s. 718.501(1)(d). 173

174 3. The association shall maintain an adequate number of 175 copies of the declaration, articles of incorporation, bylaws, 176 and rules, and all amendments to each of the foregoing, as well 177 as the question and answer sheet as described in s. 718.504 and 178 year-end financial information required under this section, on 179 the condominium property to ensure their availability to unit 180 owners and prospective purchasers, and may charge its actual costs for preparing and furnishing these documents to those 181 182 requesting the documents. An association shall allow a member or 183 his or her authorized representative to use a portable device, 184 including a smartphone, tablet, portable scanner, or any other 185 technology capable of scanning or taking photographs, to make an electronic copy of the official records in lieu of the 186 association's providing the member or his or her authorized 187 representative with a copy of such records. The association may 188 988057 - h1075-strike.docx

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189 not charge a member or his or her authorized representative for 190 the use of a portable device. Notwithstanding this paragraph, 191 the following records are not accessible to unit owners:

192 Any record protected by the lawyer-client privilege as a. 193 described in s. 90.502 and any record protected by the work-194 product privilege, including a record prepared by an association 195 attorney or prepared at the attorney's express direction, which reflects a mental impression, conclusion, litigation strategy, 196 197 or legal theory of the attorney or the association, and which was prepared exclusively for civil or criminal litigation or for 198 199 adversarial administrative proceedings, or which was prepared in 200 anticipation of such litigation or proceedings until the 201 conclusion of the litigation or proceedings.

202 b. Information obtained by an association in connection 203 with the approval of the lease, sale, or other transfer of a 204 unit.

c. Personnel records of association or management company employees, including, but not limited to, disciplinary, payroll, health, and insurance records. For purposes of this subsubparagraph, the term "personnel records" does not include written employment agreements with an association employee or management company, or budgetary or financial records that indicate the compensation paid to an association employee.

212

d. Medical records of unit owners.

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213 Social security numbers, driver license numbers, credit e. card numbers, e-mail addresses, telephone numbers, facsimile 214 215 numbers, emergency contact information, addresses of a unit 216 owner other than as provided to fulfill the association's notice 217 requirements, and other personal identifying information of any 218 person, excluding the person's name, unit designation, mailing 219 address, property address, and any address, e-mail address, or facsimile number provided to the association to fulfill the 220 221 association's notice requirements. Notwithstanding the restrictions in this sub-subparagraph, an association may print 222 223 and distribute to parcel owners a directory containing the name, 224 parcel address, and all telephone numbers of each parcel owner. 225 However, an owner may exclude his or her telephone numbers from 226 the directory by so requesting in writing to the association. An 227 owner may consent in writing to the disclosure of other contact 228 information described in this sub-subparagraph. The association 229 is not liable for the inadvertent disclosure of information that is protected under this sub-subparagraph if the information is 230 231 included in an official record of the association and is 232 voluntarily provided by an owner and not requested by the 233 association.

f. Electronic security measures that are used by theassociation to safeguard data, including passwords.

g. The software and operating system used by the association which allow the manipulation of data, even if the 988057 - h1075-strike.docx

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238 owner owns a copy of the same software used by the association.
239 The data is part of the official records of the association.

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

a. The association's website <u>or application downloadable</u>
 <u>on mobile devices</u> must be:

(I) An independent website, application downloadable on mobile devices, or web portal wholly owned and operated by the association; or

250 (II) A website, application downloadable on mobile 251 devices, or web portal operated by a third-party provider with 252 whom the association owns, leases, rents, or otherwise obtains 253 the right to operate a web page, subpage, web portal, 254 application downloadable on mobile devices, or collection of 255 subpages or web portals dedicated to the association's 256 activities and on which required notices, records, and documents 257 may be posted by the association.

258 b. The association's website <u>or application downloadable</u> 259 <u>on mobile devices</u> must be accessible through the Internet and 260 must contain a subpage, web portal, or other protected 261 electronic location that is inaccessible to the general public

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262 and accessible only to unit owners and employees of the 263 association. 264 с. Upon a unit owner's written request, the association 265 must provide the unit owner with a username and password and 266 access to the protected sections of the association's website or 267 application downloadable on mobile devices that contain any 268 notices, records, or documents that must be electronically 269 provided. 270 2. A current copy of the following documents must be 271 posted in digital format on the association's website or 272 application downloadable on mobile devices: 273 a. The recorded declaration of condominium of each 274 condominium operated by the association and each amendment to 275 each declaration. 276 b. The recorded bylaws of the association and each 277 amendment to the bylaws. The articles of incorporation of the association, or 278 с. 279 other documents creating the association, and each amendment 280 thereto. The copy posted pursuant to this sub-subparagraph must 281 be a copy of the articles of incorporation filed with the 282 Department of State. 283 d. The rules of the association. A list of all executory contracts or documents to which 284 e. the association is a party or under which the association or the 285 286 unit owners have an obligation or responsibility and, after 988057 - h1075-strike.docx Published On: 3/25/2019 5:54:44 PM Page 12 of 95

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bidding for the related materials, equipment, or services has closed, a list of bids received by the association within the past year. Summaries of bids for materials, equipment, or services which exceed \$500 must be maintained on the website <u>or</u> <u>application downloadable on mobile devices</u> for 1 year. In lieu of summaries, complete copies of the bids may be posted.

293f. The annual budget required by s. 718.112(2)(f) and any294proposed budget to be considered at the annual meeting.

295 g. The financial report required by subsection (13) and 296 any monthly income or expense statement to be considered at a 297 meeting.

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

300 i. All contracts or transactions between the association 301 and any director, officer, corporation, firm, or association 302 that is not an affiliated condominium association or any other 303 entity in which an association director is also a director or 304 officer and financially interested.

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

308 k. The notice of any unit owner meeting and the agenda for 309 the meeting, as required by s. 718.112(2)(d)3., no later than 14 310 days before the meeting. The notice must be posted in plain view 311 on the front page of the website, application downloadable on

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312 mobile devices, or on a separate subpage of the website labeled 313 "Notices" which is conspicuously visible and linked from the 314 front page. The association must also post on its website or 315 application downloadable on mobile devices any document to be 316 considered and voted on by the owners during the meeting or any 317 document listed on the agenda at least 7 days before the meeting at which the document or the information within the document 318 319 will be considered.

1. 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).

324 The association shall ensure that the information and 3. 325 records described in paragraph (c), which are not allowed to be 326 accessible to unit owners, are not posted on the association's 327 website or application downloadable on mobile devices. If 328 protected information or information restricted from being accessible to unit owners is included in documents that are 329 330 required to be posted on the association's website or 331 application downloadable on mobile application, the association 332 shall ensure the information is redacted before posting the 333 documents online. Notwithstanding the foregoing, the association or its agent is not liable for disclosing information that is 334 protected or restricted pursuant to this paragraph unless such 335

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disclosure was made with a knowing or intentional disregard of the protected or restricted nature of such information.
4. The failure of the association to post information

339 required under subparagraph 2. is not in and of itself 340 sufficient to invalidate any action or decision of the 341 association's board or its committees.

342 Section 5. Paragraphs (d), (i), (j), (k), and (p) of 343 subsection (2) of section 718.112, Florida Statutes, are amended 344 to read:

345

718.112 Bylaws.-

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

349

(d) Unit owner meetings.-

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

2. Unless the bylaws provide otherwise, a vacancy on the board caused by the expiration of a director's term must be filled by electing a new board member, and the election must be by secret ballot. An election is not required if the number of vacancies equals or exceeds the number of candidates. For

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361 purposes of this paragraph, the term "candidate" means an 362 eligible person who has timely submitted the written notice, as 363 described in sub-subparagraph 4.a., of his or her intention to 364 become a candidate. Except in a timeshare or nonresidential 365 condominium, or if the staggered term of a board member does not expire until a later annual meeting, or if all members' terms 366 367 would otherwise expire but there are no candidates, the terms of 368 all board members expire at the annual meeting, and such members may stand for reelection unless prohibited by the bylaws. Board 369 370 members may serve terms longer than 1 year if permitted by the 371 bylaws or articles of incorporation. A board member may not 372 serve more than 8 consecutive years unless approved by an 373 affirmative vote of unit owners representing two-thirds of all 374 votes cast in the election or unless there are not enough 375 eligible candidates to fill the vacancies on the board at the 376 time of the vacancy. Any board service prior to July 1, 2018 377 will not apply, and this "term limit" provision is intended to apply prospectively from July 1, 2018. If the number of board 378 379 members whose terms expire at the annual meeting equals or 380 exceeds the number of candidates, the candidates become members 381 of the board effective upon the adjournment of the annual 382 meeting. Unless the bylaws provide otherwise, any remaining vacancies shall be filled by the affirmative vote of the 383 majority of the directors making up the newly constituted board 384 even if the directors constitute less than a quorum or there is 385 988057 - h1075-strike.docx

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386 only one director. In a residential condominium association of 387 more than 10 units or in a residential condominium association 388 that does not include timeshare units or timeshare interests, 389 coowners of a unit may not serve as members of the board of 390 directors at the same time unless they own more than one unit or 391 unless there are not enough eligible candidates to fill the 392 vacancies on the board at the time of the vacancy. A unit owner 393 in a residential condominium desiring to be a candidate for board membership must comply with sub-subparagraph 4.a. and must 394 395 be eligible to be a candidate to serve on the board of directors 396 at the time of the deadline for submitting a notice of intent to 397 run in order to have his or her name listed as a proper 398 candidate on the ballot or to serve on the board. A person who 399 has been suspended or removed by the division under this 400 chapter, or who is delinquent in the payment of any monetary 401 obligation due to the association, is not eligible to be a 402 candidate for board membership and may not be listed on the 403 ballot. A person who has been convicted of any felony in this 404 state or in a United States District or Territorial Court, or 405 who has been convicted of any offense in another jurisdiction 406 which would be considered a felony if committed in this state, 407 is not eligible for board membership unless such felon's civil rights have been restored for at least 5 years as of the date 408 such person seeks election to the board. The validity of an 409 action by the board is not affected if it is later determined 410 988057 - h1075-strike.docx

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411 that a board member is ineligible for board membership due to 412 having been convicted of a felony. This subparagraph does not 413 limit the term of a member of the board of a nonresidential or 414 timeshare condominium.

415 3. The bylaws must provide the method of calling meetings 416 of unit owners, including annual meetings. Written notice must 417 include an agenda, must be mailed, hand delivered, or 418 electronically transmitted to each unit owner at least 14 days before the annual meeting, and must be posted in a conspicuous 419 place on the condominium property at least 14 continuous days 420 421 before the annual meeting. Upon notice to the unit owners, the 422 board shall, by duly adopted rule, designate a specific location 423 on the condominium property where all notices of unit owner 424 meetings must be posted. This requirement does not apply if 425 there is no condominium property for posting notices. In lieu 426 of, or in addition to, the physical posting of meeting notices, 427 the association may, by reasonable rule, adopt a procedure for conspicuously posting and repeatedly broadcasting the notice and 428 429 the agenda on a closed-circuit cable television system serving 430 the condominium association. However, if broadcast notice is 431 used in lieu of a notice posted physically on the condominium 432 property, the notice and agenda must be broadcast at least four times every broadcast hour of each day that a posted notice is 433 otherwise required under this section. If broadcast notice is 434 435 provided, the notice and agenda must be broadcast in a manner 988057 - h1075-strike.docx

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436 and for a sufficient continuous length of time so as to allow an 437 average reader to observe the notice and read and comprehend the 438 entire content of the notice and the agenda. In addition to any 439 of the authorized means of providing notice of a meeting of the 440 board, the association may, by rule, adopt a procedure for 441 conspicuously posting the meeting notice and the agenda on a 442 website serving the condominium association for at least the 443 minimum period of time for which a notice of a meeting is also 444 required to be physically posted on the condominium property. 445 Any rule adopted shall, in addition to other matters, include a requirement that the association send an electronic notice in 446 447 the same manner as a notice for a meeting of the members, which 448 must include a hyperlink to the website where the notice is 449 posted, to unit owners whose e-mail addresses are included in 450 the association's official records. Unless a unit owner waives 451 in writing the right to receive notice of the annual meeting, 452 such notice must be hand delivered, mailed, or electronically 453 transmitted to each unit owner. Notice for meetings and notice 454 for all other purposes must be mailed to each unit owner at the 455 address last furnished to the association by the unit owner, or 456 hand delivered to each unit owner. However, if a unit is owned 457 by more than one person, the association must provide notice to the address that the developer identifies for that purpose and 458 thereafter as one or more of the owners of the unit advise the 459 460 association in writing, or if no address is given or the owners 988057 - h1075-strike.docx

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461 of the unit do not agree, to the address provided on the deed of 462 record. An officer of the association, or the manager or other 463 person providing notice of the association meeting, must provide 464 an affidavit or United States Postal Service certificate of 465 mailing, to be included in the official records of the 466 association affirming that the notice was mailed or hand 467 delivered in accordance with this provision.

468 4. The members of the board of a residential condominium 469 shall be elected by written ballot or voting machine. Proxies 470 may not be used in electing the board in general elections or 471 elections to fill vacancies caused by recall, resignation, or 472 otherwise, unless otherwise provided in this chapter. This 473 subparagraph does not apply to an association governing a 474 timeshare condominium.

475 a. At least 60 days before a scheduled election, the 476 association shall mail, deliver, or electronically transmit, by 477 separate association mailing or included in another association mailing, delivery, or transmission, including regularly 478 479 published newsletters, to each unit owner entitled to a vote, a 480 first notice of the date of the election. A unit owner or other 481 eligible person desiring to be a candidate for the board must 482 give written notice of his or her intent to be a candidate to the association at least 40 days before a scheduled election. 483 Together with the written notice and agenda as set forth in 484 485 subparagraph 3., the association shall mail, deliver, or

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486 electronically transmit a second notice of the election to all 487 unit owners entitled to vote, together with a ballot that lists 488 all candidates not less than 14 days or more than 34 days prior to the date of the annual meeting. Upon request of a candidate, 489 490 an information sheet, no larger than 8 1/2 inches by 11 inches, 491 which must be furnished by the candidate at least 35 days before 492 the election, must be included with the mailing, delivery, or 493 transmission of the ballot, with the costs of mailing, delivery, or electronic transmission and copying to be borne by the 494 495 association. The association is not liable for the contents of 496 the information sheets prepared by the candidates. In order to 497 reduce costs, the association may print or duplicate the 498 information sheets on both sides of the paper. The division 499 shall by rule establish voting procedures consistent with this 500 sub-subparagraph, including rules establishing procedures for 501 giving notice by electronic transmission and rules providing for 502 the secrecy of ballots. Elections shall be decided by a 503 plurality of ballots cast. There is no quorum requirement; 504 however, at least 20 percent of the eligible voters must cast a 505 ballot in order to have a valid election. A unit owner may not 506 authorize any other person to vote his or her ballot, and any 507 ballots improperly cast are invalid. A unit owner who violates this provision may be fined by the association in accordance 508 with s. 718.303. A unit owner who needs assistance in casting 509 the ballot for the reasons stated in s. 101.051 may obtain such 510 988057 - h1075-strike.docx

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511 assistance. The regular election must occur on the date of the 512 annual meeting. Notwithstanding this sub-subparagraph, an 513 election is not required unless more candidates file notices of 514 intent to run or are nominated than board vacancies exist.

515 b. Within 90 days after being elected or appointed to the board of an association of a residential condominium, each newly 516 elected or appointed director shall certify in writing to the 517 518 secretary of the association that he or she has read the association's declaration of condominium, articles of 519 incorporation, bylaws, and current written policies; that he or 520 521 she will work to uphold such documents and policies to the best 522 of his or her ability; and that he or she will faithfully 523 discharge his or her fiduciary responsibility to the association's members. In lieu of this written certification, 524 525 within 90 days after being elected or appointed to the board, 526 the newly elected or appointed director may submit a certificate 527 of having satisfactorily completed the educational curriculum administered by a division-approved condominium education 528 529 provider within 1 year before or 90 days after the date of 530 election or appointment. The written certification or 531 educational certificate is valid and does not have to be 532 resubmitted as long as the director serves on the board without interruption. A director of an association of a residential 533 534 condominium who fails to timely file the written certification 535 or educational certificate is suspended from service on the 988057 - h1075-strike.docx

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536 board until he or she complies with this sub-subparagraph. The 537 board may temporarily fill the vacancy during the period of 538 suspension. The secretary shall cause the association to retain a director's written certification or educational certificate 539 540 for inspection by the members for 5 years after a director's election or the duration of the director's uninterrupted tenure, 541 542 whichever is longer. Failure to have such written certification or educational certificate on file does not affect the validity 543 544 of any board action.

545 c. Any challenge to the election process must be commenced 546 within 60 days after the election results are announced.

547 5. Any approval by unit owners called for by this chapter or the applicable declaration or bylaws, including, but not 548 549 limited to, the approval requirement in s. 718.111(8), must be 550 made at a duly noticed meeting of unit owners and is subject to 551 all requirements of this chapter or the applicable condominium 552 documents relating to unit owner decisionmaking, except that 553 unit owners may take action by written agreement, without 554 meetings, on matters for which action by written agreement 555 without meetings is expressly allowed by the applicable bylaws 556 or declaration or any law that provides for such action.

557 6. Unit owners may waive notice of specific meetings if 558 allowed by the applicable bylaws or declaration or any law. 559 Notice of meetings of the board of administration, unit owner 560 meetings, except unit owner meetings called to recall board

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561 members under paragraph (j), and committee meetings may be given 562 by electronic transmission to unit owners who consent to receive 563 notice by electronic transmission. A unit owner who consents to 564 receiving notices by electronic transmission is solely 565 responsible for removing or bypassing filters that block receipt 566 of mass emails sent to members on behalf of the association in 567 the course of giving electronic notices.

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

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

575 9. Unless otherwise provided in the bylaws, any vacancy 576 occurring on the board before the expiration of a term may be filled by the affirmative vote of the majority of the remaining 577 directors, even if the remaining directors constitute less than 578 579 a quorum, or by the sole remaining director. In the alternative, 580 a board may hold an election to fill the vacancy, in which case 581 the election procedures must conform to sub-subparagraph 4.a. 582 unless the association governs 10 units or fewer and has opted out of the statutory election process, in which case the bylaws 583 of the association control. Unless otherwise provided in the 584 bylaws, a board member appointed or elected under this section 585 988057 - h1075-strike.docx

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586 shall fill the vacancy for the unexpired term of the seat being 587 filled. Filling vacancies created by recall is governed by 588 paragraph (j) and rules adopted by the division.

589 10. This chapter does not limit the use of general or 590 limited proxies, require the use of general or limited proxies, 591 or require the use of a written ballot or voting machine for any 592 agenda item or election at any meeting of a timeshare 593 condominium association or nonresidential condominium 594 association.

596 Notwithstanding subparagraph (b)2. and sub-subparagraph 4.a., an 597 association of 10 or fewer units may, by affirmative vote of a 598 majority of the total voting interests, provide for different 599 voting and election procedures in its bylaws, which may be by a 600 proxy specifically delineating the different voting and election 601 procedures. The different voting and election procedures may provide for elections to be conducted by limited or general 602 603 proxy.

604 (i) Transfer fees.-No charge, except the actual costs of 605 any background check or screening performed by the association, shall be made by the association or any body thereof in 606 607 connection with the sale, mortgage, lease, sublease, or other transfer of a unit unless the association is required to approve 608 such transfer and a fee for such approval is provided for in the 609 610 declaration, articles, or bylaws. Except for the actual costs of 988057 - h1075-strike.docx

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611 any background check or screening, any such fee may be preset, 612 but in no event may such fee exceed \$100 per applicant other 613 than husband/wife or parent/dependent child, which are considered one applicant. However, if the lease or sublease is a 614 615 renewal of a lease or sublease with the same lessee or sublessee, no charge shall be made. The foregoing 616 617 notwithstanding, an association may, if the authority to do so appears in the declaration or bylaws, require that a prospective 618 lessee place a security deposit, in an amount not to exceed the 619 equivalent of 1 month's rent, into an escrow account maintained 620 621 by the association. The security deposit shall protect against 622 damages to the common elements or association property. Payment 623 of interest, claims against the deposit, refunds, and disputes 624 under this paragraph shall be handled in the same fashion as 625 provided in part II of chapter 83.

626 Recall of board members.-Subject to s. 718.301, any (j) 627 member of the board of administration may be recalled and removed from office with or without cause by the vote or 628 629 agreement in writing by a majority of all the voting interests. 630 A special meeting of the unit owners to recall a member or 631 members of the board of administration may be called by 10 632 percent of the voting interests giving notice of the meeting as required for a meeting of unit owners, and the notice shall 633 634 state the purpose of the meeting. Electronic transmission may

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not be used as a method of giving notice of a meeting called inwhole or in part for this purpose.

637 1. If the recall is approved by a majority of all voting interests by a vote at a meeting, the recall will be effective 638 639 as provided in this paragraph. The board shall duly notice and 640 hold a board meeting within 5 full business days after the 641 adjournment of the unit owner meeting to recall one or more board members. Such member or members shall be recalled 642 effective immediately upon conclusion of the board meeting, 643 provided that the recall is facially valid. A recalled member 644 645 must turn over to the board, within 10 full business days after 646 the vote, any and all records and property of the association in 647 his or her their possession.

648 2. If the proposed recall is by an agreement in writing by 649 a majority of all voting interests, the agreement in writing or 650 a copy thereof shall be served on the association by certified 651 mail or by personal service in the manner authorized by chapter 652 48 and the Florida Rules of Civil Procedure. The board of 653 administration shall duly notice and hold a meeting of the board 654 within 5 full business days after receipt of the agreement in 655 writing. Such member or members shall be recalled effective 656 immediately upon the conclusion of the board meeting, provided that the recall is facially valid. A recalled member must turn 657 658 over to the board, within 10 full business days, any and all

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659 records and property of the association in <u>his or her</u> their 660 possession.

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

If the board fails to duly notice and hold the required 668 4. 669 meeting or at the conclusion of the meeting determines that the 670 recall is not facially valid, the unit owner representative may 671 file an action a petition pursuant to s. 718.1255 challenging the board's failure to act or challenging the board's 672 673 determination on facial validity. The action petition must be 674 filed within 60 days after the expiration of the applicable 5-675 full-business-day period. The review of an action a petition under this subparagraph is limited to the sufficiency of service 676 677 on the board and the facial validity of the written agreement or 678 ballots filed.

5. If a vacancy occurs on the board as a result of a recall or removal and less than a majority of the board members are removed, the vacancy may be filled by the affirmative vote of a majority of the remaining directors, notwithstanding any provision to the contrary contained in this subsection. If

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684 vacancies occur on the board as a result of a recall and a 685 majority or more of the board members are removed, the vacancies 686 shall be filled in accordance with the bylaws procedural rules 687 to be adopted by the division, which rules need not be 688 consistent with this subsection. The rules must provide procedures governing the conduct of the recall election as well 689 as the operation of the association during the period after a 690 recall but before the recall election. 691

692 6. A board member who has been recalled may file an action 693 a petition pursuant to s. 718.1255 challenging the validity of 694 the recall. The action petition must be filed within 60 days 695 after the recall. The association and the unit owner 696 representative shall be named as the defendants respondents. The 697 action petition may challenge the facial validity of the written 698 agreement or ballots filed or the substantial compliance with 699 the procedural requirements for the recall. If the court 700 arbitrator determines the recall was invalid, the plaintiff 701 petitioning board member shall immediately be reinstated and the 702 recall is null and void. A board member who is successful in 703 challenging a recall is entitled to recover reasonable attorney 704 fees and costs from the defendants respondents. The court shall 705 arbitrator may award reasonable attorney fees and costs to the defendants respondents if they prevail, if the court arbitrator 706 707 makes a finding that the plaintiff's petitioner's claim is 708 frivolous.

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709 7. <u>An action may not be filed regarding The division may</u> 710 not accept for filing a recall <u>action petition</u>, whether filed 711 pursuant to subparagraph 1., subparagraph 2., subparagraph 4., 712 or subparagraph 6. when there are 60 or fewer days until the 713 scheduled reelection of the board member sought to be recalled 714 or when 60 or fewer days have elapsed since the election of the 715 board member sought to be recalled.

(k) <u>Mediation</u> Arbitration.—There shall be a provision for mandatory <u>mediation</u> nonbinding arbitration as provided for in s. 718 718.1255 for any residential condominium.

719 (p) Service providers; conflicts of interest.-An 720 association, which is not a timeshare condominium association, 721 may not employ or contract with any service provider that is 722 owned or operated by a board member or with any person who has a 723 financial relationship with a board member or officer, or a 724 relative within the third degree of consanguinity by blood or 725 marriage of a board member or officer. This paragraph does not 726 apply to a service provider in which a board member or officer, 727 or a relative within the third degree of consanguinity by blood 728 or marriage of a board member or officer, owns less than 1 percent of the equity shares. 729

730 Section 6. Subsection (16) of section 718.117, Florida731 Statutes, is amended to read:

732

718.117 Termination of condominium.-

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733 (16) RIGHT TO CONTEST.-A unit owner or lienor may contest 734 a plan of termination by initiating a summary procedure pursuant 735 to s. 51.011 petition for mandatory nonbinding arbitration 736 pursuant to s. 718.1255 within 90 days after the date the plan 737 is recorded. A unit owner or lienor may only contest the 738 fairness and reasonableness of the apportionment of the proceeds from the sale among the unit owners, that the liens of the first 739 740 mortgages of unit owners other than the bulk owner have not or 741 will not be satisfied to the extent required by subsection (3), 742 or that the required vote to approve the plan was not obtained. 743 A unit owner or lienor who does not contest the plan within the 744 90-day period is barred from asserting or prosecuting a claim against the association, the termination trustee, any unit 745 746 owner, or any successor in interest to the condominium property. 747 In an action contesting a plan of termination, the person 748 contesting the plan has the burden of pleading and proving that 749 the apportionment of the proceeds from the sale among the unit 750 owners was not fair and reasonable or that the required vote was 751 not obtained. The apportionment of sale proceeds is presumed 752 fair and reasonable if it was determined pursuant to the methods 753 prescribed in subsection (12). The court arbitrator shall 754 determine the rights and interests of the parties in the 755 apportionment of the sale proceeds. If the court arbitrator 756 determines that the apportionment of sales proceeds is not fair and reasonable, the court arbitrator may void the plan or may 757 988057 - h1075-strike.docx

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758 modify the plan to apportion the proceeds in a fair and 759 reasonable manner pursuant to this section based upon the 760 proceedings and order the modified plan of termination to be 761 implemented. If the court arbitrator determines that the plan 762 was not properly approved, or that the procedures to adopt the 763 plan were not properly followed, the court arbitrator may void 764 the plan or grant other relief it deems just and proper. The 765 arbitrator shall automatically void the plan Upon a finding that any of the disclosures required in subparagraph (3)(c)5. are 766 767 omitted, misleading, incomplete, or inaccurate the bulk owner 768 shall be liable for any damages caused thereby as determined by 769 the court. Any challenge to a plan, other than a challenge that 770 the required vote was not obtained, does not affect title to the 771 condominium property or the vesting of the condominium property 772 in the trustee, but shall only be a claim against the proceeds 773 of the plan. In any such action, the prevailing party shall 774 recover reasonable attorney fees and costs.

775 Section 7. Section 718.1255, Florida Statutes, is amended 776 to read:

777 718.1255 Alternative dispute resolution; <u>mandatory</u>
 778 voluntary mediation; <u>mandatory nonbinding arbitration;</u>
 779 legislative findings.-

780 (1) DEFINITIONS.—As used in this section, the term
781 "dispute" means any disagreement between two or more parties
782 that involves:

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783 The authority of the board of directors, under this (a) 784 chapter or association document to: 785 1. Require any owner to take any action, or not to take 786 any action, involving that owner's unit or the appurtenances 787 thereto. 2. Alter or add to a common area or element. 788 (b) The failure of a governing body, when required by this 789 790 chapter or an association document, to: 791 1. Maintain common elements, association property, or 792 portions of the unit for which the association is responsible 793 Properly conduct elections. 794 2. Give adequate notice of meetings or other actions. 795 3. Properly conduct meetings of the board and committees appointed by the board and membership meetings, but not any 796 797 election held at a meeting. 798 Allow inspection of books and records. 4. 799 (c) A plan of termination pursuant to s. 718.117. 800 801 "Dispute" does not include any disagreement that primarily 802 involves: title to any unit or common element; the 803 interpretation or enforcement of any warranty; the levy of a fee 804 or assessment, or the collection of an assessment levied against a party; the eviction or other removal of a tenant from a unit; 805 alleged breaches of fiduciary duty by one or more directors; or 806 807 claims for damages to a unit based upon the alleged failure of 988057 - h1075-strike.docx Published On: 3/25/2019 5:54:44 PM Page 33 of 95

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808 the association to maintain the common elements or condominium 809 property.

810 (2) VOLUNTARY MEDIATION.-Voluntary mediation through 811 Citizen Dispute Settlement Centers as provided for in s. 44.201 812 is encouraged.

813

(2) (3) LEGISLATIVE FINDINGS.-

(a) The Legislature finds that alternative dispute 814 resolution has made progress in reducing court dockets and 815 816 trials and in offering a more efficient, cost-effective option 817 to court litigation. However, the Legislature also finds that 818 alternative dispute resolution should not be used as a mechanism to encourage the filing of frivolous or nuisance suits. The 819 820 serving of a demand for presuit mediation as provided for in 821 this section must toll the applicable statute of limitations 822 until 30 days after the mediator declares that the mediation is 823 concluded and no agreement has been reached, until 10 days after 824 the expiration of the time for a party to accept presuit 825 mediation, or until the conclusion of the period, under this 826 section, during which mediation must be conducted. unit owners 827 are frequently at a disadvantage when litigating against an 828 association. Specifically, a condominium association, with its 829 statutory assessment authority, is often more able to bear the 830 costs and expenses of litigation than the unit owner who must rely on his or her own financial resources to satisfy the costs 831 of litigation against the association. 832

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833	(b) The Legislature finds that alternative dispute
834	resolution has been making progress in reducing court dockets
835	and trials and in offering a more efficient, cost-effective
836	option to court litigation. However, the Legislature also finds
837	that alternative dispute resolution should not be used as a
838	mechanism to encourage the filing of frivolous or nuisance
839	suits.
840	(c) There exists a need to develop a flexible means of
841	alternative dispute resolution that directs disputes to the most
842	efficient means of resolution.
843	(d) The high cost and significant delay of circuit court
844	litigation faced by unit owners in the state can be alleviated
845	by requiring nonbinding arbitration and mediation in appropriate
846	cases, thereby reducing delay and attorney's fees while
847	preserving the right of either party to have its case heard by a
848	jury, if applicable, in a court of law.
849	(3)(4)(a)1. As a condition precedent to a suit being filed
850	in court, disputes between an association and a unit owner must
851	be mediated pursuant to this subsection. Presuit mediation
852	proceedings must be conducted in accordance with the applicable
853	rules of the Florida Rules of Civil Procedure and with chapter
854	44. The proceedings under this section are privileged and
855	confidential to the same extent as court-ordered mediation.
856	Disputes subject to the condition precedent of mediation before
857	filing suit include all disputes between an association and a
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858	unit owner except the collection of any assessment, fine, or
859	other financial obligation, including attorney fees and costs,
860	claimed to be due; an action to enforce a prior mediation
861	settlement agreement between the parties; and suits where
862	preliminary injunctive relief is requested. Notwithstanding the
863	ability to file suit for injunctive relief without first
864	conducting mediation, the court hearing the request for
865	injunctive relief shall refer the parties to mediation once the
866	injunctive relief issues are determined, and may refer the
867	parties to a mediation program administered by the courts or may
868	require mediation under this section. Presuit mediation
869	conducted under this section is confidential to the fullest
870	extent provided by law. Except for the parties' counsel, a
871	corporate representative designated by the association, and a
872	representative from the association's insurance carrier, if
873	applicable, an individual who is not a party to the dispute may
874	not attend the presuit mediation conference without the consent
875	of all parties. When mediation is attended by a quorum of the
876	board, the mediation is not a board meeting for purposes of
877	notice and participation as set forth in s. 718.112. An
878	aggrieved party shall serve the responding party with a written
879	demand to participate in presuit mediation which is in
880	substantially the following form:
881	
882	STATUTORY OFFER TO PARTICIPATE
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883	
884	IN PRESUIT MEDIATION
885	
886	The alleged aggrieved party, hereby demands
887	that engage in
888	mandatory presuit mediation in connection with the following
889	disputes, which by statute are of a type that are subject to
890	presuit mediation:
891	
892	(List specific nature of the dispute or disputes to be mediated
893	and the authority supporting a finding of a violation as to each
894	dispute.)
895	
896	Pursuant to section 718.1255, Florida Statutes, this demand to
897	resolve the dispute through presuit mediation is required before
898	a lawsuit can be filed concerning the dispute. Pursuant to the
899	statute, the parties are required to engage in presuit mediation
900	with a neutral third-party mediator in order to attempt to
901	resolve this dispute without court action, and the aggrieved
902	party demands that you likewise agree to this process. If you
903	fail to participate in the mediation process, suit may be
904	brought against you without further warning.
905	
906	The process of mediation involves a supervised negotiation
907	process in which a trained, neutral third-party mediator meets
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908	with both parties and assists them in exploring possible
909	opportunities for resolving part or all of the dispute. By
910	agreeing to participate in presuit mediation, you are not bound
911	in any way to change your position. Furthermore, the mediator
912	has no authority to make any decisions in this matter or to
913	determine who is right or wrong; he or she merely acts as a
914	facilitator to ensure that each party understands the position
915	of the other party and that all options for reasonable
916	settlement are fully explored.
917	
918	If an agreement is reached, it must be reduced to writing and
919	signed, at which time the agreement becomes a binding and
920	enforceable contract between the parties. A resolution of one or
921	more disputes in this fashion avoids the need to litigate those
922	issues in court. The failure of a party to participate in the
923	process or the failure of the parties to reach an agreement
924	during the mediation process results in the aggrieved party
925	being able to proceed to court on all outstanding and unsettled
926	disputes. If you fail or refuse to participate in the entire
927	mediation process, you will not be entitled to recover your
928	attorney fees, even if you prevail during the court process.
929	
930	The aggrieved party has selected and hereby lists five Florida
931	Supreme Court certified circuit court civil mediators who the
932	aggrieved party believes to be qualified to mediate the dispute.
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933	You have the right to select any one of these mediators. The
934	fact that one party may be familiar with one or more of the
935	listed mediators does not mean that the mediator cannot act as a
936	neutral and impartial facilitator. Any mediator who cannot act
937	in this capacity is required ethically to decline to accept the
938	engagement. The mediators that we suggest, and their current
939	hourly rates, are as follows:
940	
941	(List the names, physical addresses, e-mail addresses, telephone
942	numbers, and hourly rates of the mediators. Other pertinent
943	information about the backgrounds of the mediators may be
944	included as an attachment, including whether the mediator is
945	board certified by The Florida Bar in any practice area.)
946	
947	By mutual agreement, and before accepting presuit mediation, we
948	can also select a mediator other than one of the certified
949	circuit court civil mediators named above as an alternate
950	mediator. The alternate mediator is not required to be certified
951	as a mediator by the Florida Supreme Court. The alternate
952	mediators that we suggest, and their hourly rates, are as
953	<u>follows:</u>
954	
955	(List the names, physical addresses, e-mail addresses, telephone
956	numbers, and hourly rates of the alternate mediators. Other
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957	pertinent information about the backgrounds of the alternate
958	mediators may be included as an attachment.)
959	
960	You may contact the offices of these mediators to confirm that
961	the listed mediators will be neutral and will not show any
962	favoritism toward either party. The Florida Supreme Court can
963	provide you a list of mediators who are certified in the area of
964	circuit civil law.
965	
966	Unless otherwise agreed by the parties, section 718.1255(3)(d),
967	Florida Statutes, requires that the parties share equally the
968	costs of presuit mediation, including the fee charged by the
969	mediator. A typical mediation may require 3 to 4 hours of the
970	mediator's time, including preparation time. Parties who choose
971	to hire an attorney will pay their own attorney fees without a
972	guarantee that the court will issue an award for reimbursement
973	of the fees. However, the use of an attorney is not required.
974	The mediator may require an advance payment for some or all of
975	the anticipated fees. The aggrieved party hereby agrees to pay,
976	or prepay if requested by the mediator, one-half of the
977	mediator's estimated fees and to forward this amount or such
978	other reasonable advance deposits as the mediator requires. Any
979	funds you deposit will be returned to you if the deposited funds
980	are in excess of your share of the fees incurred.
981	

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982	To begin your participation in presuit mediation to try to
983	resolve the dispute and avoid further legal action, please sign
984	below and clearly indicate which mediator is acceptable to you.
985	We will then ask the mediator to schedule a mutually convenient
986	time and place for the mediation conference to be held. The
987	mediation conference must be held within 90 days after the date
988	of acceptance of presuit mediation, unless extended by mutual
989	written agreement. In the event that you fail to respond within
990	30 days after the date of this letter, or if you fail to agree
991	to at least one of the mediators that we have suggested or fail
992	to pay or prepay to the mediator one-half of the fees involved,
993	the aggrieved party is authorized to proceed with the filing of
994	a lawsuit against you without further notice and may then seek
995	an award of attorney fees or costs incurred in attempting to
996	mediate this dispute.
997	
998	Therefore, please give this matter your immediate attention. By
999	law, your response must be mailed by certified mail, return
1000	receipt requested, and by first-class mail to the address shown
1001	on this demand.
1002	
1003	<u></u>
1004	<u></u>
1005	
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1006	RESPONDING PARTY: YOUR SIGNATURE INDICATES YOUR AGREEMENT TO
1007	THAT CHOICE.
1008	
1009	AGREEMENT TO MEDIATE
1010	
1011	The undersigned hereby agrees to participate in presuit
1012	mediation and agrees to attend a mediation conducted by the
1013	following mediator or mediators who are listed above as
1014	individuals who would be acceptable to mediate this dispute:
1015	
1016	(List acceptable mediator or mediators.)
1017	
1018	I/we further agree to pay or prepay one-half of the mediator's
1019	fees and to forward such advance deposits as the mediator may
1020	require for this purpose.
1021	
1022	<u></u>
1023	Signature of responding party #1
1024	
1025	<u></u>
1026	Telephone contact information
1027	
1028	<u></u>
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1029	Signature and telephone contact information of responding party
1030	#2, if applicable. (If property is owned by more than one
1031	person, all owners must sign.)
1032	
1033	2. The statutory demand must also contain the following
1034	statement in capitalized, bold letters in a font size larger
1035	than any other used in the statutory demand: A PERSON WHO FAILS
1036	OR REFUSES TO PARTICIPATE IN THE ENTIRE MEDIATION PROCESS IS
1037	PROHIBITED FROM RECOVERING ATTORNEY FEES AND COSTS IN SUBSEQUENT
1038	LITIGATION RELATING TO THE DISPUTE.
1039	(b) Service of the statutory demand to participate in
1040	presuit mediation shall be effected by sending a letter in
1041	substantially the above form by certified mail, return receipt
1042	requested, with an additional copy being sent by regular first-
1043	class mail, to the address of the responding party as it last
1044	appears on the books and records of the association. The
1045	responding party shall serve a written response to the aggrieved
1046	party within 30 days after the date of the mailing of the
1047	statutory demand. The response must be sent by certified mail,
1048	return receipt requested, with an additional copy being sent by
1049	regular first-class mail, to the address shown on the statutory
1050	demand.
1051	(c) Once the parties have selected a mediator, the mediator
1052	shall schedule the mediation for a date and time mutually
1053	convenient to the parties. Each proposed mediator must be
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1054 available to hold the mediation in the county in which the 1055 condominium is located or within 40 miles of the condominium 1056 without charging extra for travel-related costs. If a presuit mediation session cannot be scheduled and concluded within 90 1057 1058 days after the date of acceptance of presuit mediation and there is no agreement between the parties to extend the 90-day 1059 1060 deadline, the condition precedent of conducting mediation before 1061 filing suit is satisfied and the aggrieved party may file suit. 1062 (d) The parties shall share equally the costs of presuit 1063 mediation, including any fee charged by the mediator, unless the parties agree otherwise. The mediator may require advance 1064 1065 payment of his or her reasonable fees and costs, which must also 1066 be shared equally. The failure of any party to respond to a demand or response, to agree upon a mediator, to pay fees and 1067 1068 costs within the time established by the mediator, or to fail to 1069 appear for a scheduled mediation session without the approval of 1070 the mediator constitutes the failure or refusal to participate 1071 in the mediation process and waives the condition precedent of presuit mediation, thereby entitling the other party to proceed 1072 1073 in court and to seek an award of the costs and fees associated with the mediation. Additionally, and notwithstanding any other 1074 law, document, or contractual provision, any person who fails or 1075 1076 refuses to participate in the entire mediation process may not 1077 recover attorney fees and costs in subsequent litigation 1078 relating to the dispute.

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1079	(e) If presuit mediation as described in paragraph (a) is
1080	not successful in resolving all issues between the parties, any
1081	party may file suit regarding the unresolved dispute in a court
1082	of competent jurisdiction. As to any issue or dispute that is
1083	not resolved at presuit mediation, and as to any issue that is
1084	settled at presuit mediation but is thereafter subject to an
1085	action seeking enforcement of the mediation settlement, the
1086	prevailing party in any subsequent litigation or proceeding
1087	shall be entitled to an award of all costs and attorney fees
1088	incurred in the presuit mediation process.
1089	(f) The parties may agree to a mediator who is not
1090	certified by the Florida Supreme Court. Unless such mediator is
1091	agreed upon, a mediator may not conduct mediation under this
1092	section unless he or she has been certified as a circuit court
1093	civil mediator pursuant to the requirements established by the
1094	Florida Supreme Court. Settlement agreements resulting from
1095	mediation do not have precedential value in proceedings
1096	involving parties other than those participating in the
1097	mediation to support either a claim or defense in other
1098	disputes. MANDATORY NONBINDING ARBITRATION AND MEDIATION OF
1099	DISPUTES.—The Division of Florida Condominiums, Timeshares, and
1100	Mobile Homes of the Department of Business and Professional
1101	Regulation may employ full-time attorneys to act as arbitrators
1102	to conduct the arbitration hearings provided by this chapter.
1103	The division may also certify attorneys who are not employed by
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1104 the division to act as arbitrators to conduct the arbitration 1105 hearings provided by this chapter. No person may be employed by the department as a full-time arbitrator unless he or she is a 1106 member in good standing of The Florida Bar. A person may only be 1107 1108 certified by the division to act as an arbitrator if he or she 1109 has been a member in good standing of The Florida Bar for at least 5 years and has mediated or arbitrated at least 10 1110 disputes involving condominiums in this state during the 3 years 1111 immediately preceding the date of application, mediated or 1112 1113 arbitrated at least 30 disputes in any subject area in this 1114 state during the 3 years immediately preceding the date of 1115 application, or attained board certification in real estate law 1116 or condominium and planned development law from The Florida Bar. Arbitrator certification is valid for 1 year. An arbitrator who 1117 1118 does not maintain the minimum qualifications for initial 1119 certification may not have his or her certification renewed. The 1120 department may not enter into a legal services contract for an arbitration hearing under this chapter with an attorney who is 1121 1122 not a certified arbitrator unless a certified arbitrator is not 1123 available within 50 miles of the dispute. The department shall 1124 adopt rules of procedure to govern such arbitration hearings 1125 including mediation incident thereto. The decision of an 1126 arbitrator shall be final; however, a decision shall not be deemed final agency action. Nothing in this provision shall be 1127 1128 construed to foreclose parties from proceeding in a trial de 988057 - h1075-strike.docx

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1129	novo unless the parties have agreed that the arbitration is
1130	binding. If judicial proceedings are initiated, the final
1131	decision of the arbitrator shall be admissible in evidence in
1132	the trial de novo.
1133	(a) Prior to the institution of court litigation, a party
1134	to a dispute shall petition the division for nonbinding
1135	arbitration. The petition must be accompanied by a filing fee in
1136	the amount of \$50. Filing fees collected under this section must
1137	be used to defray the expenses of the alternative dispute
1138	resolution program.
1139	(b) The petition must recite, and have attached thereto,
1140	supporting proof that the petitioner gave the respondents:
1141	1. Advance written notice of the specific nature of the
1142	dispute;
1143	2. A demand for relief, and a reasonable opportunity to
1144	comply or to provide the relief; and
1145	3. Notice of the intention to file an arbitration petition
1146	or other legal action in the absence of a resolution of the
1147	dispute.
1148	
1149	Failure to include the allegations or proof of compliance with
1150	these prerequisites requires dismissal of the petition without
1151	prejudice.
1152	(c) Upon receipt, the petition shall be promptly reviewed
1153	by the division to determine the existence of a dispute and
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1154 compliance with the requirements of paragraphs (a) and (b). If 1155 emergency relief is required and is not available through 1156 arbitration, a motion to stay the arbitration may be filed. The motion must be accompanied by a verified petition alleging facts 1157 1158 that, if proven, would support entry of a temporary injunction, 1159 and if an appropriate motion and supporting papers are filed, the division may abate the arbitration pending a court hearing 1160 and disposition of a motion for temporary injunction. 1161 (d) Upon determination by the division that a dispute 1162 1163 exists and that the petition substantially meets the 1164 requirements of paragraphs (a) and (b) and any other applicable 1165 rules, the division shall assign or enter into a contract with 1166 an arbitrator and serve a copy of the petition upon all respondents. The arbitrator shall conduct a hearing within 30 1167 1168 days after being assigned or entering into a contract unless the petition is withdrawn or a continuance is granted for good cause 1169 1170 shown. 1171 (e) Before or after the filing of the respondents' answer 1172 to the petition, any party may request that the arbitrator refer 1173 the case to mediation under this section and any rules adopted 1174 by the division. Upon receipt of a request for mediation, the

1175 division shall promptly contact the parties to determine if 1176 there is agreement that mediation would be appropriate. If all 1177 parties agree, the dispute must be referred to mediation.

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1178	Notwithstanding a lack of an agreement by all parties, the
1179	arbitrator may refer a dispute to mediation at any time.
1180	(f) Upon referral of a case to mediation, the parties must
1181	select a mutually acceptable mediator. To assist in the
1182	selection, the arbitrator shall provide the parties with a list
1183	of both volunteer and paid mediators that have been certified by
1184	the division under s. 718.501. If the parties are unable to
1185	agree on a mediator within the time allowed by the arbitrator,
1186	the arbitrator shall appoint a mediator from the list of
1187	certified mediators. If a case is referred to mediation, the
1188	parties shall attend a mediation conference, as scheduled by the
1189	parties and the mediator. If any party fails to attend a duly
1190	noticed mediation conference, without the permission or approval
1191	of the arbitrator or mediator, the arbitrator must impose
1192	sanctions against the party, including the striking of any
1193	pleadings filed, the entry of an order of dismissal or default
1194	if appropriate, and the award of costs and attorney fees
1195	incurred by the other parties. Unless otherwise agreed to by the
1196	parties or as provided by order of the arbitrator, a party is
1197	deemed to have appeared at a mediation conference by the
1198	physical presence of the party or its representative having full
1199	authority to settle without further consultation, provided that
1200	an association may comply by having one or more representatives
1201	present with full authority to negotiate a settlement and
1202	recommend that the board of administration ratify and approve
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1203	such a settlement within 5 days from the date of the mediation
1204	conference. The parties shall share equally the expense of
1205	mediation, unless they agree otherwise.
1206	(g) The purpose of mediation as provided for by this
1207	section is to present the parties with an opportunity to resolve
1208	the underlying dispute in good faith, and with a minimum
1209	expenditure of time and resources.
1210	(h) Mediation proceedings must generally be conducted in
1211	accordance with the Florida Rules of Civil Procedure, and these
1212	proceedings are privileged and confidential to the same extent
1213	as court-ordered mediation. Persons who are not parties to the
1214	dispute are not allowed to attend the mediation conference
1215	without the consent of all parties, with the exception of
1216	counsel for the parties and corporate representatives designated
1217	to appear for a party. If the mediator declares an impasse after
1218	a mediation conference has been held, the arbitration proceeding
1219	terminates, unless all parties agree in writing to continue the
1220	arbitration proceeding, in which case the arbitrator's decision
1221	shall be binding or nonbinding, as agreed upon by the parties;
1222	in the arbitration proceeding, the arbitrator shall not consider
1223	any evidence relating to the unsuccessful mediation except in a
1224	proceeding to impose sanctions for failure to appear at the
1225	mediation conference. If the parties do not agree to continue
1226	arbitration, the arbitrator shall enter an order of dismissal,
1227	and either party may institute a suit in a court of competent
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1228 jurisdiction. The parties may seek to recover any costs and 1229 attorney fees incurred in connection with arbitration and 1230 mediation proceedings under this section as part of the costs 1231 and fees that may be recovered by the prevailing party in any 1232 subsequent litigation.

1233 (i) Arbitration shall be conducted according to rules
 1234 adopted by the division. The filing of a petition for
 1235 arbitration shall toll the applicable statute of limitations.

1236 (j) At the request of any party to the arbitration, the 1237 arbitrator shall issue subpoenas for the attendance of witnesses 1238 and the production of books, records, documents, and other 1239 evidence and any party on whose behalf a subpoena is issued may 1240 apply to the court for orders compelling such attendance and production. Subpoenas shall be served and shall be enforceable 1241 1242 in the manner provided by the Florida Rules of Civil Procedure. 1243 Discovery may, in the discretion of the arbitrator, be permitted 1244 in the manner provided by the Florida Rules of Civil Procedure. 1245 Rules adopted by the division may authorize any reasonable 1246 sanctions except contempt for a violation of the arbitration 1247 procedural rules of the division or for the failure of a party 1248 to comply with a reasonable nonfinal order issued by an 1249 arbitrator which is not under judicial review.

1250 (k) The arbitration decision shall be rendered within 30 1251 days after the hearing and presented to the parties in writing. 1252 An arbitration decision is final in those disputes in which the 988057 - h1075-strike.docx

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1253 parties have agreed to be bound. An arbitration decision is also 1254 final if a complaint for a trial de novo is not filed in a court 1255 of competent jurisdiction in which the condominium is located within 30 days. The right to file for a trial de novo entitles 1256 1257 the parties to file a complaint in the appropriate trial court 1258 for a judicial resolution of the dispute. The prevailing party 1259 in an arbitration proceeding shall be awarded the costs of the arbitration and reasonable attorney fees in an amount determined 1260 by the arbitrator. Such an award shall include the costs and 1261 1262 reasonable attorney fees incurred in the arbitration proceeding 1263 as well as the costs and reasonable attorney fees incurred in 1264 preparing for and attending any scheduled mediation. An 1265 arbitrator's failure to render a written decision within 30 days 1266 after the hearing may result in the cancellation of his or her 1267 arbitration certification.

1268 (1) The party who files a complaint for a trial de novo 1269 shall be assessed the other party's arbitration costs, court 1270 costs, and other reasonable costs, including attorney fees, 1271 investigation expenses, and expenses for expert or other testimony or evidence incurred after the arbitration hearing if 1272 1273 the judgment upon the trial de novo is not more favorable than 1274 the arbitration decision. If the judgment is more favorable, the 1275 party who filed a complaint for trial de novo shall be awarded 1276 reasonable court costs and attorney fees.

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1277 (m) Any party to an arbitration proceeding may enforce an 1278 arbitration award by filing a petition in a court of competent 1279 jurisdiction in which the condominium is located. A petition may not be granted unless the time for appeal by the filing of a 1280 1281 complaint for trial de novo has expired. If a complaint for a 1282 trial de novo has been filed, a petition may not be granted with 1283 respect to an arbitration award that has been stayed. If the petition for enforcement is granted, the petitioner shall 1284 1285 recover reasonable attorney fees and costs incurred in enforcing 1286 the arbitration award. A mediation settlement may also be 1287 enforced through the county or circuit court, as applicable, and 1288 any costs and fees incurred in the enforcement of a settlement 1289 agreement reached at mediation must be awarded to the prevailing 1290 party in any enforcement action.

1291 (5) DISPUTES INVOLVING ELECTION IRREGULARITIES.-Every
1292 arbitration petition received by the division and required to be
1293 filed under this section challenging the legality of the
1294 election of any director of the board of administration must be
1295 handled on an expedited basis in the manner provided by the
1296 division's rules for recall arbitration disputes.

1297 <u>(4)(6)</u> APPLICABILITY.—This section does not apply to a 1298 nonresidential condominium unless otherwise specifically 1299 provided for in the declaration of the nonresidential 1300 condominium.

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Section 8. Paragraph (b) of subsection (3) of section 1302 718.303, Florida Statutes, is amended to read:

1303 1304 718.303 Obligations of owners and occupants; remedies.-

1304 The association may levy reasonable fines for the (3) 1305 failure of the owner of the unit or its occupant, licensee, or 1306 invitee to comply with any provision of the declaration, the 1307 association bylaws, or reasonable rules of the association. A 1308 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, 1309 with a single notice and opportunity for hearing before a 1310 committee as provided in paragraph (b). However, the fine may 1311 1312 not exceed \$100 per violation, or \$1,000 in the aggregate.

A fine or suspension levied by the board of 1313 (b) 1314 administration may not be imposed unless the board first 1315 provides at least 14 days' written notice to the unit owner and, if applicable, any occupant, licensee, or invitee of the unit 1316 1317 owner sought to be fined or suspended, and an opportunity for a hearing before a committee of at least three members appointed 1318 1319 by the board who are not officers, directors, or employees of 1320 the association, or the spouse, parent, child, brother, or sister of an officer, director, or employee. The role of the 1321 1322 committee is limited to determining whether to confirm or reject the fine or suspension levied by the board. If the committee 1323 does not approve the proposed fine or suspension by majority 1324 vote, the fine or suspension may not be imposed. If the proposed 1325 988057 - h1075-strike.docx

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1326 fine or suspension is approved by the committee, the fine payment is due 5 days after notice of the approved fine is 1327 1328 provided to the unit owner and, if applicable, to any tenant, licensee, or invitee of the unit owner the date of the committee 1329 1330 meeting at which the fine is approved. The association must 1331 provide written notice of such fine or suspension by mail or 1332 hand delivery to the unit owner and, if applicable, to any 1333 tenant, licensee, or invitee of the unit owner.

Section 9. Paragraphs (m) through (s) are relettered as paragraphs (l) through (r), and paragraph (l) of subsection (1) of section 718.501, Florida Statutes, is amended to read:

1337718.501Authority, responsibility, and duties of Division1338of Florida Condominiums, Timeshares, and Mobile Homes.-

1339 (1)The division may enforce and ensure compliance with 1340 the provisions of this chapter and rules relating to the development, construction, sale, lease, ownership, operation, 1341 and management of residential condominium units. In performing 1342 its duties, the division has complete jurisdiction to 1343 1344 investigate complaints and enforce compliance with respect to 1345 associations that are still under developer control or the 1346 control of a bulk assignee or bulk buyer pursuant to part VII of 1347 this chapter and complaints against developers, bulk assignees, or bulk buyers involving improper turnover or failure to 1348 turnover, pursuant to s. 718.301. However, after turnover has 1349 1350 occurred, the division has jurisdiction to investigate

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1351 complaints related only to financial issues, elections, and unit 1352 owner access to association records pursuant to s. 718.111(12). 1353 (1) The division shall develop a program to certify both volunteer and paid mediators to provide mediation of condominium 1354 1355 disputes. The division shall provide, upon request, a list of 1356 such mediators to any association, unit owner, or other 1357 participant in arbitration proceedings under s. 718.1255 requesting a copy of the list. The division shall include on the 1358 list of volunteer mediators only the names of persons who have 1359 1360 received at least 20 hours of training in mediation techniques 1361 or who have mediated at least 20 disputes. In order to become initially certified by the division, paid mediators must be 1362 certified by the Supreme Court to mediate court cases in county 1363 or circuit courts. However, the division may adopt, by rule, 1364 1365 additional factors for the certification of paid mediators, 1366 which must be related to experience, education, or background. 1367 Any person initially certified as a paid mediator by the division must, in order to continue to be certified, comply with 1368 1369 the factors or requirements adopted by rule. Section 10. Section 718.5014, Florida Statutes, is amended 1370

1370 Section 10. Section 718.5014, Florida Statutes, 15 amended 1371 to read:

1372718.5014 Ombudsman location.—The ombudsman shall maintain1373his or her principal office in Leon County on the premises of1374the division or, if suitable space cannot be provided there, at1375any another place convenient to the offices of the division

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1376 which will enable the ombudsman to expeditiously carry out the 1377 duties and functions of his or her office. The ombudsman may 1378 establish branch offices elsewhere in the state upon the 1379 concurrence of the Governor.

Section 11. Subsection (25) of section 719.103, Florida Statutes, is amended to read:

1382

719.103 Definitions.-As used in this chapter:

(25) "Unit" means a part of the cooperative property which is subject to exclusive use and possession. A unit may be improvements, land, or land and improvements together, as specified in the cooperative documents. <u>An interest in a unit is</u> an interest in real property.

Section 12. Paragraph (c) of subsection (2) of section 1389 719.104, Florida Statutes, is amended to read:

1390 719.104 Cooperatives; access to units; records; financial 1391 reports; assessments; purchase of leases.-

1392

(2) OFFICIAL RECORDS.-

The official records of the association are open to 1393 (C) 1394 inspection by any association member or the authorized 1395 representative of such member at all reasonable times. The right 1396 to inspect the records includes the right to make or obtain 1397 copies, at the reasonable expense, if any, of the association member. The association may adopt reasonable rules regarding the 1398 frequency, time, location, notice, and manner of record 1399 inspections and copying, but may not require a member to 1400

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1401 demonstrate any purpose for the inspection or state any reason 1402 for the inspection. The failure of an association to provide the 1403 records within 10 working days after receipt of a written 1404 request creates a rebuttable presumption that the association 1405 willfully failed to comply with this paragraph. A unit owner who is denied access to official records is entitled to the actual 1406 1407 damages or minimum damages for the association's willful failure 1408 to comply. The minimum damages are \$50 per calendar day for up to 10 days, beginning on the 11th working day after receipt of 1409 the written request. The failure to permit inspection entitles 1410 any person prevailing in an enforcement action to recover 1411 1412 reasonable attorney fees from the person in control of the records who, directly or indirectly, knowingly denied access to 1413 1414 the records. Any person who knowingly or intentionally defaces 1415 or destroys accounting records that are required by this chapter to be maintained during the period for which such records are 1416 1417 required to be maintained, or who knowingly or intentionally fails to create or maintain accounting records that are required 1418 1419 to be created or maintained, with the intent of causing harm to 1420 the association or one or more of its members, is personally subject to a civil penalty pursuant to s. 719.501(1)(d). The 1421 1422 association shall maintain an adequate number of copies of the declaration, articles of incorporation, bylaws, and rules, and 1423 all amendments to each of the foregoing, as well as the question 1424 and answer sheet as described in s. 719.504 and year-end 1425

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1426 financial information required by the department, on the cooperative property to ensure their availability to unit owners 1427 1428 and prospective purchasers, and may charge its actual costs for 1429 preparing and furnishing these documents to those requesting the 1430 same. An association shall allow a member or his or her 1431 authorized representative to use a portable device, including a 1432 smartphone, tablet, portable scanner, or any other technology 1433 capable of scanning or taking photographs, to make an electronic copy of the official records in lieu of the association 1434 providing the member or his or her authorized representative 1435 1436 with a copy of such records. The association may not charge a 1437 member or his or her authorized representative for the use of a portable device. Notwithstanding this paragraph, the following 1438 1439 records shall not be accessible to unit owners:

1440 1. Any record protected by the lawyer-client privilege as described in s. 90.502 and any record protected by the work-1441 1442 product privilege, including any record prepared by an 1443 association attorney or prepared at the attorney's express 1444 direction which reflects a mental impression, conclusion, 1445 litigation strategy, or legal theory of the attorney or the 1446 association, and which was prepared exclusively for civil or criminal litigation or for adversarial administrative 1447 1448 proceedings, or which was prepared in anticipation of such litigation or proceedings until the conclusion of the litigation 1449 or proceedings. 1450

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1451 2. Information obtained by an association in connection 1452 with the approval of the lease, sale, or other transfer of a 1453 unit.

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

1461

4. Medical records of unit owners.

1462 5. Social security numbers, driver license numbers, credit card numbers, e-mail addresses, telephone numbers, facsimile 1463 1464 numbers, emergency contact information, addresses of a unit 1465 owner other than as provided to fulfill the association's notice requirements, and other personal identifying information of any 1466 1467 person, excluding the person's name, unit designation, mailing 1468 address, property address, and any address, e-mail address, or 1469 facsimile number provided to the association to fulfill the 1470 association's notice requirements. Notwithstanding the 1471 restrictions in this subparagraph, an association may print and 1472 distribute to parcel owners a directory containing the name, parcel address, and all telephone numbers of each parcel owner. 1473 1474 However, an owner may exclude his or her telephone numbers from the directory by so requesting in writing to the association. An 1475 988057 - h1075-strike.docx

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1476 owner may consent in writing to the disclosure of other contact 1477 information described in this subparagraph. The association is 1478 not liable for the inadvertent disclosure of information that is 1479 protected under this subparagraph if the information is included 1480 in an official record of the association and is voluntarily 1481 provided by an owner and not requested by the association.

14826. Electronic security measures that are used by the1483association to safeguard data, including passwords.

1484 7. The software and operating system used by the 1485 association which allow the manipulation of data, even if the 1486 owner owns a copy of the same software used by the association. 1487 The data is part of the official records of the association.

1488Section 13. Paragraphs (b), (f), and (l) of subsection (1)1489of section 719.106, Florida Statutes, are amended to read:

1490

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:

1494

(b) Quorum; voting requirements; proxies.-

1495 1. Unless otherwise provided in the bylaws, the percentage 1496 of voting interests required to constitute a quorum at a meeting 1497 of the members shall be a majority of voting interests, and 1498 decisions shall be made by owners of a majority of the voting 1499 interests. Unless otherwise provided in this chapter, or in the 1500 articles of incorporation, bylaws, or other cooperative

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1501 documents, and except as provided in subparagraph (d)1., decisions shall be made by owners of a majority of the voting 1502 1503 interests represented at a meeting at which a quorum is present. 1504 2. Except as specifically otherwise provided herein, after 1505 January 1, 1992, unit owners may not vote by general proxy, but 1506 may vote by limited proxies substantially conforming to a 1507 limited proxy form adopted by the division. Limited proxies and 1508 general proxies may be used to establish a quorum. Limited 1509 proxies shall be used for votes taken to waive or reduce 1510 reserves in accordance with subparagraph (j)2., for votes taken to waive the financial reporting requirements of s. 1511 1512 719.104(4)(b), for votes taken to amend the articles of incorporation or bylaws pursuant to this section, and for any 1513 1514 other matter for which this chapter requires or permits a vote 1515 of the unit owners. Except as provided in paragraph (d), after January 1, 1992, no proxy, limited or general, shall be used in 1516 1517 the election of board members. General proxies may be used for 1518 other matters for which limited proxies are not required, and 1519 may also be used in voting for nonsubstantive changes to items 1520 for which a limited proxy is required and given. Notwithstanding 1521 the provisions of this section, unit owners may vote in person 1522 at unit owner meetings. Nothing contained herein shall limit the use of general proxies or require the use of limited proxies or 1523 require the use of limited proxies for any agenda item or 1524 1525 election at any meeting of a timeshare cooperative.

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1526 Any proxy given shall be effective only for the 3. 1527 specific meeting for which originally given and any lawfully 1528 adjourned meetings thereof. In no event shall any proxy be valid for a period longer than 90 days after the date of the first 1529 1530 meeting for which it was given. Every proxy shall be revocable at any time at the pleasure of the unit owner executing it. 1531 4. A member of the board of administration or a committee 1532 may submit in writing his or her agreement or disagreement with 1533 any action taken at a meeting that the member did not attend. 1534 1535 This agreement or disagreement may not be used as a vote for or 1536 against the action taken and may not be used for the purposes of 1537 creating a quorum. 5. A board or committee member's participation in a 1538 meeting via telephone, real-time video conferencing, or similar 1539 1540 real-time electronic or video communication counts toward a 1541 quorum, and such member may vote as if physically present. A 1542 speaker must be used so that the conversation of such members 1543 may be heard by the board or committee members attending in 1544 person as well as by any unit owners present at a meeting When 1545 some or all of the board or committee members meet by telephone 1546 conference, those board or committee members attending by 1547 telephone conference may be counted toward obtaining a quorum and may vote by telephone. A telephone speaker shall be utilized 1548 so that the conversation of those board or committee members 1549 attending by telephone may be heard by the board or committee 1550

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1551 members attending in person, as well as by unit owners present 1552 at a meeting.

1553 (f) Recall of board members.-Subject to s. 719.301, any 1554 member of the board of administration may be recalled and 1555 removed from office with or without cause by the vote or 1556 agreement in writing by a majority of all the voting interests. A special meeting of the voting interests to recall any member 1557 1558 of the board of administration may be called by 10 percent of the unit owners giving notice of the meeting as required for a 1559 1560 meeting of unit owners, and the notice shall state the purpose 1561 of the meeting. Electronic transmission may not be used as a 1562 method of giving notice of a meeting called in whole or in part 1563 for this purpose.

If the recall is approved by a majority of all voting 1564 1. 1565 interests by a vote at a meeting, the recall shall be effective 1566 as provided in this paragraph. The board shall duly notice and 1567 hold a board meeting within 5 full business days after the 1568 adjournment of the unit owner meeting to recall one or more 1569 board members. At the meeting, the board shall either certify 1570 the recall, in which case such member or members shall be 1571 recalled effective immediately and shall turn over to the board 1572 within 5 full business days any and all records and property of the association in their possession, or shall proceed as set 1573 1574 forth in subparagraph 3.

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1575 If the proposed recall is by an agreement in writing by 2. 1576 a majority of all voting interests, the agreement in writing or 1577 a copy thereof shall be served on the association by certified 1578 mail or by personal service in the manner authorized by chapter 48 and the Florida Rules of Civil Procedure. The board of 1579 1580 administration shall duly notice and hold a meeting of the board 1581 within 5 full business days after receipt of the agreement in 1582 writing. Such member or members must be recalled effective 1583 immediately upon the conclusion of the board meeting, provided 1584 that the recall is facially valid. A recalled member shall turn 1585 over to the board, within 10 full business days after the date 1586 of the recall, any and all records and property of the association in his or her possession At the meeting, the board 1587 1588 shall either certify the written agreement to recall members of 1589 the board, in which case such members shall be recalled 1590 effective immediately and shall turn over to the board, within 5 1591 full business days, any and all records and property of the 1592 association in their possession, or proceed as described in 1593 subparagraph 3.

1594 3. If the board determines not to certify the written agreement to recall members of the board, or does not certify the recall by a vote at a meeting, the board shall, within 5 full business days after the board meeting, file with the division a petition for binding arbitration pursuant to the procedures of s. 719.1255. For purposes of this paragraph, the 988057 - h1075-strike.docx

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1600 unit owners who voted at the meeting or who executed the 1601 agreement in writing shall constitute one party under the 1602 petition for arbitration. If the arbitrator certifies the recall as to any member of the board, the recall shall be effective 1603 1604 upon mailing of the final order of arbitration to the association. If the association fails to comply with the order 1605 1606 of the arbitrator, the division may take action pursuant to s. 719.501. Any member so recalled shall deliver to the board any 1607 and all records and property of the association in the member's 1608 1609 possession within 5 full business days after the effective date 1610 of the recall.

1611 <u>3.4.</u> If the board fails to duly notice and hold a board 1612 meeting within 5 full business days after service of an 1613 agreement in writing or within 5 full business days after the 1614 adjournment of the unit owner recall meeting, the recall shall 1615 be deemed effective and the board members so recalled shall 1616 immediately turn over to the board any and all records and 1617 property of the association.

1618 <u>4.5.</u> If the board fails to duly notice and hold the
1619 required meeting or <u>at the conclusion of the meeting determines</u>
1620 <u>that the recall is not facially valid, the unit owner</u>
1621 <u>representative may file an action pursuant to s. 718.1255</u>
1622 <u>challenging the board's failure to act or challenging the</u>
1623 <u>board's determination on facial validity. The action must be</u>
1624 <u>filed within 60 days after the expiration of the applicable 5-</u>
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1625 full-business-day period. The review of an action under this 1626 subparagraph is limited to the sufficiency of service on the 1627 board and the facial validity of the written agreement or ballots filed fails to file the required petition, the unit 1628 1629 owner representative may file a petition pursuant to s. 719.1255 1630 challenging the board's failure to act. The petition must be filed within 60 days after the expiration of the applicable 5-1631 full-business-day period. The review of a petition under this 1632 subparagraph is limited to the sufficiency of service on the 1633 1634 board and the facial validity of the written agreement or 1635 ballots filed.

1636 5.6. If a vacancy occurs on the board as a result of a 1637 recall or removal and less than a majority of the board members are removed, the vacancy may be filled by the affirmative vote 1638 1639 of a majority of the remaining directors, notwithstanding any 1640 provision to the contrary contained in this subsection chapter. 1641 If vacancies occur on the board as a result of a recall and a 1642 majority or more of the board members are removed, the vacancies 1643 must shall be filled in accordance with the bylaws procedural 1644 rules to be adopted by the division, which rules need not be 1645 consistent with this chapter. The rules must provide procedures 1646 governing the conduct of the recall election as well as the 1647 operation of the association during the period after a recall but before the recall election. 1648

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1649 <u>6.7.</u> A board member who has been recalled may file <u>an</u>
1650 <u>action</u> a petition pursuant to s. 719.1255 challenging the
1651 validity of the recall. The <u>action</u> petition must be filed within
1652 60 days after the recall is deemed certified. The association
1653 and the unit owner representative shall be named as the
1654 <u>defendants</u> respondents.

1655 7.8. An action may not be filed regarding The division may 1656 not accept for filing a recall petition, whether filed pursuant to subparagraph 1., subparagraph 2., subparagraph 5., or 1657 subparagraph 7. and regardless of whether the recall was 1658 1659 certified, when there are 60 or fewer days until the scheduled 1660 reelection of the board member sought to be recalled or when 60 1661 or fewer days have not elapsed since the election of the board 1662 member sought to be recalled.

(1) <u>Mediation</u> Arbitration.—There shall be a provision for mandatory nonbinding <u>mediation</u> arbitration of internal disputes arising from the operation of the cooperative in accordance with s. 719.1255.

1667 Section 14. Section 719.1255, Florida Statutes, is amended 1668 to read:

1669 719.1255 Alternative resolution of disputes.—The Division 1670 of Florida Condominiums, Timeshares, and Mobile Homes of the 1671 Department of Business and Professional Regulation shall provide 1672 for Alternative dispute resolution in accordance with s. 1673 718.1255.

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1674 Section 15. Paragraph (n) of subsection (1) of section 1675 719.501, Florida Statutes, is amended to read: 1676 719.501 Powers and duties of Division of Florida Condominiums, Timeshares, and Mobile Homes.-1677 1678 (1)The Division of Florida Condominiums, Timeshares, and 1679 Mobile Homes of the Department of Business and Professional 1680 Regulation, referred to as the "division" in this part, in 1681 addition to other powers and duties prescribed by chapter 718, 1682 has the power to enforce and ensure compliance with this chapter and adopted rules relating to the development, construction, 1683 1684 sale, lease, ownership, operation, and management of residential 1685 cooperative units. In performing its duties, the division shall 1686 have the following powers and duties: (n) The division shall develop a program to certify both 1687 1688 volunteer and paid mediators to provide mediation of cooperative disputes. The division shall provide, upon request, a list of 1689 1690 such mediators to any association, unit owner, or other 1691 participant in arbitration proceedings under s. 718.1255 1692 requesting a copy of the list. The division shall include on the 1693 list of voluntary mediators only persons who have received at 1694 least 20 hours of training in mediation techniques or have 1695 mediated at least 20 disputes. In order to become initially certified by the division, paid mediators must be certified by 1696

1697 the Supreme Court to mediate court cases in county or circuit

1698 courts. However, the division may adopt, by rule, additional

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1699 factors for the certification of paid mediators, which factors
1700 must be related to experience, education, or background. Any
1701 person initially certified as a paid mediator by the division
1702 must, in order to continue to be certified, comply with the
1703 factors or requirements imposed by rules adopted by the
1704 division.

Section 16. Paragraph (c) of subsection (2), paragraph (l) of subsection (4), and paragraphs (d), (g), (h), (k), and (l) of subsection (10) of section 720.303, Florida Statutes, are amended, and paragraph (m) is added to subsection (4), to read:

1709 720.303 Association powers and duties; meetings of board; 1710 official records; budgets; financial reporting; association 1711 funds; recalls.-

1712

(2) BOARD MEETINGS.-

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

Notices of all board meetings must be posted in a 1716 1. 1717 conspicuous place in the community at least 48 hours in advance 1718 of a meeting, except in an emergency. In the alternative, if 1719 notice is not posted in a conspicuous place in the community, 1720 notice of each board meeting must be mailed or delivered to each member at least 7 days before the meeting, except in an 1721 emergency. Notwithstanding this general notice requirement, for 1722 communities with more than 100 members, the association bylaws 1723

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1724 may provide for a reasonable alternative to posting or mailing of notice for each board meeting, including publication of 1725 1726 notice, provision of a schedule of board meetings, or the 1727 conspicuous posting and repeated broadcasting of the notice on a 1728 closed-circuit cable television system serving the homeowners' 1729 association. However, if broadcast notice is used in lieu of a 1730 notice posted physically in the community, the notice must be 1731 broadcast at least four times every broadcast hour of each day that a posted notice is otherwise required. When broadcast 1732 notice is provided, the notice and agenda must be broadcast in a 1733 1734 manner and for a sufficient continuous length of time so as to allow an average reader to observe the notice and read and 1735 comprehend the entire content of the notice and the agenda. In 1736 1737 addition to any of the authorized means of providing notice of a 1738 meeting of the board, the association may, by rule, adopt a 1739 procedure for conspicuously posting the meeting notice and the 1740 agenda on a website serving the association for at least the 1741 minimum period of time for which a notice of a meeting is also 1742 required to be physically posted on the association property. Any rule adopted shall, in addition to other matters, include a 1743 1744 requirement that the association send an electronic notice in 1745 the same manner as a notice for a meeting of the members, which 1746 must include a hyperlink to the website where the notice is 1747 posted, to members whose e-mail addresses are included in the association's official records. The association may provide 1748 988057 - h1075-strike.docx

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1749 notice by electronic transmission in a manner authorized by law 1750 for meetings of the board of directors, committee meetings 1751 requiring notice under this section, and annual and special 1752 meetings of the members to any member who has provided a 1753 facsimile number or e-mail address to the association to be used 1754 for such purposes; however, a member must consent in writing to 1755 receiving notice by electronic transmission.

1756 2. An assessment may not be levied at a board meeting 1757 unless the notice of the meeting includes a statement that assessments will be considered and the nature of the 1758 1759 assessments. Written notice of any meeting at which special 1760 assessments will be considered or at which amendments to rules 1761 regarding parcel use will be considered must be mailed, 1762 delivered, or electronically transmitted to the members and 1763 parcel owners and posted conspicuously on the property or 1764 broadcast on closed-circuit cable television not less than 14 1765 days before the meeting.

3. Directors may not vote by proxy or by secret ballot at board meetings, except that secret ballots may be used in the election of officers. This subsection also applies to the meetings of any committee or other similar body, when a final decision will be made regarding the expenditure of association funds, and to any body vested with the power to approve or disapprove architectural decisions with respect to a specific

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1773 parcel of residential property owned by a member of the 1774 community.

1775 (4) OFFICIAL RECORDS.—The association shall maintain each 1776 of the following items, when applicable, which constitute the 1777 official records of the association:

1778 (1) <u>Ballots, sign-in sheets, voting proxies, and all other</u>
1779 <u>papers and electronic records relating to voting by parcel</u>
1780 <u>owners, which shall be maintained for at least 1 year after the</u>
1781 <u>date of the election, vote, or meeting to which the document</u>
1782 <u>relates All other written records of the association not</u>
1783 specifically included in the foregoing which are related to the
1784 operation of the association.

1785 (m) All other records of the association not specifically 1786 included in the foregoing which are related to the operation of 1787 the association.

1788

(10) RECALL OF DIRECTORS.-

1789 (d) If the board determines not to certify the written agreement or written ballots to recall a director or directors 1790 1791 of the board or does not certify the recall by a vote at a 1792 meeting, the board shall, within 5 full business days after the meeting, file suit with the department a petition for binding 1793 1794 arbitration pursuant to the applicable procedures in ss. 1795 718.112(2)(j) and 718.1255 and the rules adopted thereunder. For the purposes of this section, the members who voted at the 1796 1797 meeting or who executed the agreement in writing shall 988057 - h1075-strike.docx

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1798 constitute one party under the action petition for arbitration. 1799 If the court arbitrator certifies the recall as to any director 1800 or directors of the board, the recall will be effective upon 1801 entry mailing of the final order of arbitration to the 1802 association. The director or directors so recalled shall deliver 1803 to the board any and all records of the association in their possession within 5 full business days after the effective date 1804 1805 of the recall.

If the board fails to duly notice and hold the 1806 (q) 1807 required meeting or fails to file the required action petition, the unit owner representative may file an action a petition 1808 1809 pursuant to s. 718.1255 challenging the board's failure to act. The action petition must be filed within 60 days after the 1810 1811 expiration of the applicable 5-full-business-day period. The 1812 review of an action a petition under this paragraph is limited to the sufficiency of service on the board and the facial 1813 1814 validity of the written agreement or ballots filed.

(h) If a director who is removed fails to relinquish his or her office or turn over records as required under this section, the <u>county</u> circuit court in the county where the association maintains its principal office may, upon the petition of the association, summarily order the director to relinquish his or her office and turn over all association records upon application of the association.

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(k) A board member who has been recalled may file <u>an</u> action a petition pursuant to ss. 718.112(2)(j) and 718.1255 and the rules adopted challenging the validity of the recall. The action petition must be filed within 60 days after the recall is deemed certified. The association and the unit owner representative shall be named as <u>defendants</u> respondents.

1828 (1) An action may not be filed regarding The division may 1829 not accept for filing a recall action petition, whether filed 1830 pursuant to paragraph (b), paragraph (c), paragraph (g), or paragraph (k) and regardless of whether the recall was 1831 1832 certified, when there are 60 or fewer days until the scheduled 1833 reelection of the board member sought to be recalled or when 60 or fewer days have not elapsed since the election of the board 1834 1835 member sought to be recalled.

Section 17. Subsections (1) and (2) of section 720.305, Florida Statutes, are amended to read:

1838 720.305 Obligations of members; remedies at law or in 1839 equity; levy of fines and suspension of use rights.-

(1) Each member and the member's tenants, guests, and invitees, and each association, are governed by, and must comply with, this chapter <u>and</u>, the governing documents of the community, and the rules of the association. Actions at law or in equity, or both, to redress alleged failure or refusal to comply with these provisions may be brought by the association or by any member against:

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1847	(a) The association;
1848	(b) A member;
1849	(c) Any director or officer of an association who
1850	willfully and knowingly fails to comply with these provisions;
1851	and
1852	(d) Any tenants, guests, or invitees occupying a parcel or
1853	using the common areas.
1854	
1855	The prevailing party in any such litigation is entitled to
1856	recover reasonable attorney fees and costs. A member prevailing
1857	in an action between the association and the member under this
1858	section, in addition to recovering his or her reasonable
1859	attorney fees, may recover additional amounts as determined by
1860	the court to be necessary to reimburse the member for his or her
1861	share of assessments levied by the association to fund its
1862	expenses of the litigation. This relief does not exclude other
1863	remedies provided by law. This section does not deprive any
1864	person of any other available right or remedy.
1865	(2) <u>An</u> The association may levy reasonable fines. A fine
1866	may not exceed \$100 per violation against any member or any
1867	member's tenant, guest, or invitee for the failure of the owner
1868	of the parcel or its occupant, licensee, or invitee to comply
1869	with any provision of the governing documents declaration, the
1870	association bylaws, or reasonable rules of the association
1871	unless otherwise provided in the governing documents. A fine may
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be levied by the board for each day of a continuing violation, 1872 with a single notice and opportunity for hearing, except that 1873 1874 the fine may not exceed \$1,000 in the aggregate unless otherwise provided in the governing documents. A fine of less than \$1,000 1875 1876 may not become a lien against a parcel. In any action to recover 1877 a fine, the prevailing party is entitled to reasonable attorney 1878 fees and costs from the nonprevailing party as determined by the 1879 court.

An association may suspend, for a reasonable period of 1880 (a) time, the right of a member, or a member's tenant, quest, or 1881 invitee, to use common areas and facilities for the failure of 1882 1883 the owner of the parcel or its occupant, licensee, or invitee to 1884 comply with any provision of the declaration, or the association 1885 bylaws, or reasonable rules of the association. This paragraph 1886 does not apply to that portion of common areas used to provide access or utility services to the parcel. A suspension may not 1887 1888 prohibit an owner or tenant of a parcel from having vehicular 1889 and pedestrian ingress to and egress from the parcel, including, 1890 but not limited to, the right to park.

(b) A fine or suspension levied by the board of administration may not be imposed unless the board first provides at least 14 days' notice to the parcel owner and, if applicable, any occupant, licensee, or invitee of the parcel owner, sought to be fined or suspended and an opportunity for a hearing before a committee of at least three members appointed

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by the board who are not officers, directors, or employees of 1897 1898 the association, or the spouse, parent, child, brother, or 1899 sister of an officer, director, or employee. If the committee, 1900 by majority vote, does not approve a proposed fine or 1901 suspension, the proposed fine or suspension may not be imposed. 1902 The role of the committee is limited to determining whether to 1903 confirm or reject the fine or suspension levied by the board. If 1904 the proposed fine or suspension levied by the board is approved by the committee, the fine payment is due 5 days after notice of 1905 1906 the approved fine is provided to the parcel owner and, if 1907 applicable, to any occupant, license, or invitee of the parcel 1908 owner the date of the committee meeting at which the fine is 1909 approved. The association must provide written notice of such 1910 fine or suspension by mail or hand delivery to the parcel owner 1911 and, if applicable, to any tenant, licensee, or invitee of the parcel owner. 1912

1913 Section 18. Paragraph (g) of subsection (1) and paragraph 1914 (c) of subsection (9) of section 720.306, Florida Statutes, are 1915 amended to read:

1916 720.306 Meetings of members; voting and election
1917 procedures; amendments.-

1918

(1) QUORUM; AMENDMENTS.-

(g) A notice required under this section must be mailed or delivered to the address identified as the parcel owner's mailing address <u>in the official records of the association as</u>

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1922 required under s. 720.303(4) on the property appraiser's website 1923 for the county in which the parcel is located, or electronically 1924 transmitted in a manner authorized by the association if the 1925 parcel owner has consented, in writing, to receive notice by 1926 electronic transmission.

1927

(9) ELECTIONS AND BOARD VACANCIES.-

1928 (C) Any election dispute between a member and an 1929 association must be filed with the county court in the county 1930 where the association maintains its principal office submitted 1931 to mandatory binding arbitration with the division. Such 1932 proceedings must be conducted in the manner provided by s. 1933 718.1255 and the procedural rules adopted by the division. 1934 Unless otherwise provided in the bylaws, any vacancy occurring 1935 on the board before the expiration of a term may be filled by an 1936 affirmative vote of the majority of the remaining directors, 1937 even if the remaining directors constitute less than a quorum, 1938 or by the sole remaining director. In the alternative, a board may hold an election to fill the vacancy, in which case the 1939 1940 election procedures must conform to the requirements of the 1941 governing documents. Unless otherwise provided in the bylaws, a 1942 board member appointed or elected under this section is 1943 appointed for the unexpired term of the seat being filled. Filling vacancies created by recall is governed by s. 1944 720.303(10) and rules adopted by the division. 1945

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1946	Section 19. Section 720.311, Florida Statutes, is amended
1947	to read:
1948	720.311 Dispute resolution
1949	(1) (a) As used in this section, the term "dispute" means
1950	any disagreement between two or more parties which involves:
1951	1. The authority of the board of directors, under this
1952	chapter or an association document, to:
1953	a. Require any owner to take any action, or not to take any
1954	action, involving that owner's parcel.
1955	b. Alter or add to a common area.
1956	2. The failure of a governing body, when required by this
1957	chapter or an association document, to:
1958	a. Properly enforce the governing documents.
1959	b. Give adequate notice of meetings or other actions.
1960	c. Properly conduct meetings of the board and committees
1961	appointed by the board and membership meetings, not including
1962	election meetings.
1963	d. To maintain a common area.
1964	(b) "Dispute" does not include any disagreement that
1965	primarily involves title to any unit or common area; the
1966	interpretation or enforcement of any warranty; the levy of a fee
1967	or assessment, or the collection of an assessment levied against
1968	a party; the eviction or removal of a tenant or occupier from a
1969	parcel; an alleged breach of fiduciary duty by one or more
1970	directors; or claims for damages to a parcel based upon the
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1971 alleged failure of the association to maintain the common area 1972 or association property. 1973 The Legislature finds that alternative dispute (2) 1974 resolution has made progress in reducing court dockets and 1975 trials and in offering a more efficient, cost-effective option 1976 to litigation. The filing of any petition for arbitration or the 1977 serving of a demand for presuit mediation as provided for in 1978 this section shall toll the applicable statute of limitations 1979 until 30 days after the mediator declares that the mediation is 1980 concluded and no agreement has been reached, until 10 days after 1981 the expiration of the time for a party to accept presuit 1982 mediation, or until the conclusion of the period, under this 1983 section, during which mediation must be conducted. Any recall 1984 action must be in accordance with ss. 718.112(2)(j) and 1985 718.1255. Election disputes and recall disputes are not eligible 1986 for presuit mediation dispute filed with the department pursuant 1987 to s. 720.303(10) shall be conducted by the department in accordance with the provisions of ss. 718.112(2)(j) and 718.1255 1988 1989 and the rules adopted by the division. In addition, the 1990 department shall conduct mandatory binding arbitration of 1991 election disputes between a member and an association pursuant 1992 to s. 718.1255 and rules adopted by the division. Neither 1993 election disputes nor recall disputes are eligible for presuit mediation; these disputes shall be arbitrated by the department. 1994 At the conclusion of the proceeding, the department shall charge 1995 988057 - h1075-strike.docx Published On: 3/25/2019 5:54:44 PM

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1996 the parties a fee in an amount adequate to cover all costs and 1997 expenses incurred by the department in conducting the 1998 proceeding. Initially, the petitioner shall remit a filing fee of at least \$200 to the department. The fees paid to the 1999 2000 department shall become a recoverable cost in the arbitration 2001 proceeding, and the prevailing party in an arbitration proceeding shall recover its reasonable costs and attorney's 2002 fees in an amount found reasonable by the arbitrator. The 2003 2004 department shall adopt rules to effectuate the purposes of this 2005 section.

2006 (3) (2) (a) 1. Disputes between an association and a parcel 2007 owner regarding use of or changes to the parcel or the common 2008 areas and other covenant enforcement disputes, disputes 2009 regarding amendments to the association documents, disputes 2010 regarding meetings of the board and committees appointed by the 2011 board, membership meetings not including election meetings, and access to the official records of the association shall be the 2012 2013 subject of a demand for presuit mediation served by an aggrieved 2014 party before the dispute is filed in court. Presuit mediation 2015 proceedings must be conducted in accordance with the applicable 2016 rules of the Florida Rules of Civil Procedure and with chapter 2017 44, and these proceedings are privileged and confidential to the same extent as court-ordered mediation. Disputes subject to 2018 presuit mediation under this section may shall not include the 2019 collection of any assessment, fine, or other financial 2020

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2021 obligation, including attorney attorney's fees and costs, claimed to be due or any action to enforce a prior mediation 2022 2023 settlement agreement between the parties. Also, In any dispute 2024 subject to presuit mediation under this section when preliminary 2025 injunctive where emergency relief is required, a motion for temporary injunctive relief may be filed with the court without 2026 2027 first complying with the presuit mediation requirements of this 2028 section. After any issues regarding preliminary injunctive emergency or temporary relief are resolved, the court may either 2029 refer the parties to a mediation program administered by the 2030 2031 courts or require mediation under this section. An arbitrator or 2032 judge may not consider any information or evidence arising from 2033 the presuit mediation proceeding except in a proceeding to 2034 impose sanctions for failure to attend a presuit mediation 2035 session or to enforce a mediated settlement agreement. Persons 2036 who are not parties to the dispute may not attend the presuit 2037 mediation conference without the consent of all parties, except 2038 for counsel for the parties, and a corporate representative 2039 designated by the association, and a representative from the 2040 association's insurance carrier, if applicable. When mediation 2041 is attended by a quorum of the board, such mediation is not a 2042 board meeting for purposes of notice and participation set forth in s. 720.303. An aggrieved party shall serve on the responding 2043 party a written demand to participate in presuit mediation in 2044 substantially the following form: 2045

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2046 STATUTORY OFFER TO PARTICIPATE 2047 2048 IN PRESUIT MEDIATION 2049 The alleged aggrieved party,, hereby demands 2050 that, as the responding party, engage in 2051 mandatory presuit mediation in connection with the following 2052 disputes, which by statute are of a type that are subject to 2053 presuit mediation: 2054 (List specific nature of the dispute or disputes to be mediated 2055 and the authority supporting a finding of a violation as to each 2056 dispute.) 2057 Pursuant to section 720.311, Florida Statutes, this demand to 2058 resolve the dispute through presuit mediation is required before 2059 a lawsuit can be filed concerning the dispute. Pursuant to the 2060 statute, the parties are required to engage in presuit mediation with a neutral third-party mediator in order to attempt to 2061 2062 resolve this dispute without court action, and the aggrieved 2063 party demands that you likewise agree to this process. If you 2064 fail to participate in the mediation process, suit may be brought against you without further warning. 2065 2066 The process of mediation involves a supervised negotiation 2067 process in which a trained, neutral third-party mediator meets 2068 with both parties and assists them in exploring possible 988057 - h1075-strike.docx

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2069 opportunities for resolving part or all of the dispute. By 2070 agreeing to participate in presuit mediation, you are not bound 2071 in any way to change your position. Furthermore, the mediator 2072 has no authority to make any decisions in this matter or to 2073 determine who is right or wrong and merely acts as a facilitator 2074 to ensure that each party understands the position of the other 2075 party and that all options for reasonable settlement are fully 2076 explored.

2077 If an agreement is reached, it must shall be reduced to writing and signed, at which time the agreement becomes a binding and 2078 2079 enforceable contract between commitment of the parties. A 2080 resolution of one or more disputes in this fashion avoids the need to litigate those these issues in court. The failure to 2081 2082 reach an agreement, or the failure of a party to participate in the process or the failure of the parties to reach an agreement 2083 2084 during the mediation process τ results in the aggrieved party 2085 being able to mediator declaring an impasse in the mediation, 2086 after which the aggrieved party may proceed to court on all 2087 outstanding, and unsettled disputes. If you fail or refuse have 2088 failed or refused to participate in the entire mediation 2089 process, you will not be entitled to recover attorney attorney's 2090 fees, even if you prevail.

2091 The aggrieved party has selected and hereby lists five <u>Florida</u> 2092 <u>Supreme Court certified circuit court civil</u> certified mediators 988057 - h1075-strike.docx Published On: 3/25/2019 5:54:44 PM

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2093 who the aggrieved party believes we believe to be neutral and qualified to mediate the dispute. You have the right to select 2094 2095 any one of these mediators. The fact that one party may be familiar with one or more of the listed mediators does not mean 2096 2097 that the mediator cannot act as a neutral and impartial 2098 facilitator. Any mediator who cannot act in this capacity is 2099 required ethically to decline to accept engagement. The 2100 mediators that we suggest, and their current hourly rates, are as follows: 2101

(List the names, <u>physical</u> addresses, <u>email addresses</u>, telephone numbers, and hourly rates of the mediators. Other pertinent information about the <u>backgrounds</u> background of the mediators may be included as an attachment, including whether the mediator is board certified by The Florida Bar in any practice area.)

- 2107 By mutual agreement, and before accepting presuit mediation, we 2108 <u>can also select a mediator other than one of the Supreme Court</u> 2109 <u>certified circuit court civil mediators named above as an</u> 2110 <u>alternative to the above-named mediators. The alternate mediator</u> 2111 <u>is not required to be a Florida Supreme Court certified circuit</u> 2112 <u>court civil mediator. The alternate mediators that we suggest,</u> 2113 <u>and their hourly rates, are as follows:</u>
- 2114 (List the names, physical addresses, e-mail addresses, telephone
- 2115 <u>numbers and hourly rates of the alternate mediators. Other</u>

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2116 pertinent information about the backgrounds of the alternate 2117 mediators may be included as an attachment.)

You may contact the offices of these mediators to confirm that the listed mediators will be neutral and will not show any favoritism toward either party. The Florida Supreme Court can provide you a list of <u>Florida Supreme Court certified circuit</u> <u>court civil certified mediators.</u>

2123 Unless otherwise agreed by the parties, section 720.311(2)(b), 2124 Florida Statutes, requires that the parties share equally the 2125 costs of presuit mediation equally, including the fee charged by 2126 the mediator. A typical An average mediation may require three 2127 to four hours of the mediator's time, including some preparation 2128 time, and the parties would need to share equally the mediator's 2129 fees as well as pay their own attorney attorney's fees if they choose to employ an attorney in connection with the mediation. 2130 2131 However, use of an attorney is not required and is at the option 2132 of each party. The mediators may require the advance payment of 2133 some or all of the anticipated fees. The aggrieved party hereby 2134 agrees to pay or prepay one-half of the mediator's estimated 2135 fees and to forward this amount or such other reasonable advance 2136 deposits as the mediator requires for this purpose. Any funds deposited will be returned to you if these are in excess of your 2137 2138 share of the fees incurred.

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2139 To begin your participation in presuit mediation to try to resolve the dispute and avoid further legal action, please sign 2140 2141 below and clearly indicate which mediator is acceptable to you. 2142 We will then ask the mediator to schedule a mutually convenient 2143 time and place for the mediation conference to be held. The 2144 mediation conference must be held within ninety (90) days after 2145 the date of acceptance of presuit mediation of this date, unless 2146 extended by mutual written agreement. In the event that you fail 2147 to respond within 30 days after 20 days from the date of this 2148 letter, or if you fail to agree to at least one of the mediators 2149 that we have suggested or to pay or prepay to the mediator one-2150 half of the costs involved, the aggrieved party will be authorized to proceed with the filing of a lawsuit against you 2151 2152 without further notice and may seek an award of attorney 2153 attorney's fees or costs incurred in attempting to obtain 2154 mediation.

2155 Therefore, please give this matter your immediate attention. By 2156 law, your response must be mailed by certified mail, return 2157 receipt requested, and by first-class mail to the address shown 2158 on this demand.

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2161	RESPONDING PARTY: YOUR SIGNATURE INDICATES YOUR AGREEMENT TO	
2162	THAT CHOICE.	
2163	AGREEMENT TO MEDIATE	
2164	The undersigned hereby agrees to participate in presuit	
2165	mediation and agrees to attend a mediation conducted by the	
2166	following mediator or mediators who are listed above as	
2167	individuals someone who would be acceptable to mediate this	
2168	dispute:	
2169	(List acceptable mediator or mediators.)	
2170	I/we further agree to pay or prepay one-half of the mediator's	
2171	fees and to forward such advance deposits as the mediator may	
2172	require for this purpose.	
2173	••••••••••••••••••••••	
2174	Signature of responding party #1	
2175		
2176	Telephone contact information	
2177	•••••••••••••••••••••••••	
2178	Signature and telephone contact information of responding party	
2179	#2 (if applicable)(if property is owned by more than one person,	
2180	all owners must sign)	
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2181 <u>2. The statutory demand must also contain the following</u>
2182 <u>statement in capitalized, bold letters in a font size larger</u>
2183 <u>than any other used in the statutory demand: A PERSON WHO FAILS</u>
2184 <u>OR REFUSES TO PARTICIPATE IN THE ENTIRE MEDIATION PROCESS IS</u>
2185 <u>PROHIBITED FROM RECOVERING ATTORNEY FEES AND COSTS IN SUBSEQUENT</u>
2186 <u>LITIGATION RELATING TO THE DISPUTE.</u>

2187 (b) Service of the statutory demand to participate in 2188 presuit mediation shall be effected by sending a letter in substantial conformity with the above form by certified mail, 2189 2190 return receipt requested, with an additional copy being sent by 2191 regular first-class mail, to the address of the responding party 2192 as it last appears on the books and records of the association. The responding party has 30 20 days from the date of the mailing 2193 2194 of the statutory demand to serve a response to the aggrieved 2195 party in writing. The response must be sent shall be served by 2196 certified mail, return receipt requested, with an additional 2197 copy being sent by regular first-class mail, to the address shown on the statutory demand. Notwithstanding the foregoing, 2198 2199 once the parties have agreed on a mediator, the mediator may 2200 schedule reschedule the mediation for a date and time mutually 2201 convenient to the parties. Each proposed mediator must be 2202 available to hold the mediation in the county in which the 2203 condominium is located or within 40 miles of the condominium 2204 without charging extra for travel-related costs. If a presuit mediation session cannot be scheduled and concluded within 90 2205

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2206 days after the date of acceptance of presuit mediation and there 2207 is no agreement between the parties to extend the 90-day 2208 deadline, the condition precedent of conducting mediation before 2209 filing suit is satisfied and the aggrieved party may file suit. 2210 The parties shall share equally the costs of presuit mediation 2211 equally, including the fee charged by the mediator, if any, 2212 unless the parties agree otherwise, and the mediator may require 2213 advance payment of its reasonable fees and costs. The failure of 2214 any party to respond to a demand or response, to agree upon a mediator, to make payment of fees and costs within the time 2215 2216 established by the mediator, or to appear for a scheduled 2217 mediation session without the approval of the mediator, constitutes shall constitute the failure or refusal to 2218 2219 participate in the mediation process and operates shall operate 2220 as an impasse in the presuit mediation by such party, entitling 2221 the other party to proceed in court and to seek an award of the 2222 costs and fees associated with the mediation. Additionally, 2223 notwithstanding the provisions of any other law or document, 2224 persons who fail or refuse to participate in the entire 2225 mediation process may not recover attorney attorney's fees and 2226 costs in subsequent litigation relating to the dispute. If any 2227 presuit mediation session cannot be scheduled and conducted 2228 within 90 days after the offer to participate in mediation was filed, an impasse shall be deemed to have occurred unless both 2229 parties agree to extend this deadline. 2230 988057 - h1075-strike.docx

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2231 If presuit mediation as described in paragraph (a) is (C) not successful in resolving all issues between the parties, any 2232 2233 party the parties may file suit regarding the unresolved dispute in a court of competent jurisdiction or elect to enter into 2234 2235 binding or nonbinding arbitration pursuant to the procedures set forth in s. 718.1255 and rules adopted by the division, with the 2236 2237 arbitration proceeding to be conducted by a department arbitrator or by a private arbitrator certified by the 2238 department. If all parties do not agree to arbitration 2239 2240 proceedings following an unsuccessful presuit mediation, any 2241 party may file the dispute in court. A final order resulting 2242 from nonbinding arbitration is final and enforceable in the 2243 courts if a complaint for trial de novo is not filed in a court of competent jurisdiction within 30 days after entry of the 2244 2245 order. As to any issue or dispute that is not resolved at 2246 presuit mediation, and as to any issue that is settled at 2247 presuit mediation but is thereafter subject to an action seeking enforcement of the mediation settlement, the prevailing party in 2248 2249 any subsequent arbitration or litigation proceeding shall be 2250 entitled to seek recovery of all costs and attorney's fees 2251 incurred in the presuit mediation process.

(d) <u>The parties may agree to a mediator who is not</u>
<u>certified by the Florida Supreme Court. Unless such mediator is</u>
<u>agreed upon</u>, a mediator <u>may not</u> or arbitrator shall be
authorized to conduct mediation or arbitration under this

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section <u>unless</u> only if he or she has been certified as a circuit court civil mediator or arbitrator, respectively, pursuant to the requirements established by the Florida Supreme Court. Settlement agreements resulting from mediation <u>may</u> shall not have precedential value in proceedings involving parties other than those participating in the mediation to support either a claim or defense in other disputes.

(e) The presuit mediation procedures provided by this subsection may be used by a Florida corporation responsible for the operation of a community in which the voting members are parcel owners or their representatives, in which membership in the corporation is not a mandatory condition of parcel ownership, or which is not authorized to impose an assessment that may become a lien on the parcel.

2270 (4) Any dispute challenging the legality of the election of 2271 any member of the board of directors or the recall of any member 2272 of a board of directors must be filed as a summary proceeding 2273 pursuant to s. 51.011, and in any such action the prevailing 2274 party is entitled to recover reasonable attorney fees and costs. 2275 Any action filed pursuant to this paragraph must be tried 2276 without a jury. 2277 Section 20. This act shall take effect July 1, 2019. 2278 2279 2280 988057 - h1075-strike.docx Published On: 3/25/2019 5:54:44 PM

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2281	TITLE AMENDMENT	
2282	Remove everything before the enacting clause and insert:	
2283	An act relating to community associations; amending s.	
2284	34.01, F.S.; amending the disputes that county courts	
2285	have original jurisdiction over; amending 514.0115,	
2286	F.S.; providing that certain property association	
2287	pools are exempt from DOH regulations; amending s.	
2288	627.714, F.S.; prohibiting subrogation rights against	
2289	a condominium association under certain circumstances;	
2290	amending s. 718.111, F.S.; requiring certain records	
2291	be maintained for a specified time; prohibiting	
2292	certain rules related to inspection of records;	
2293	providing that certain documents may be placed on an	
2294	application downloadable on mobile devices; amending	
2295	s. 718.112, F.S.; providing that certain service does	
2296	not apply to term limits; providing requirements for	
2297	certain notices; authorizing an association to charge	
2298	certain costs; amending the requirements for	
2299	challenging the recall of board members; removing a	
2300	prohibition against employing or contracting with	
2301	certain service providers; amending s. 718.117, F.S.,	
2302	amending the requirements for challenging a	
2303	termination of a condominium; providing liability for	
2304	certain owners; amending s. 718.1255, F.S.; providing	
2305	that certain disputes must go to mediation; amending	
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2306 s. 718.303, F.S.; providing dates for when a fine 2307 becomes due; amending s. 718.5014, F.S.; providing a location for the condominium ombudsman; amending s. 2308 2309 719.103, F.S.; providing that an interest in a 2310 cooperative unit is an interest in real property; amending s. 719.104, F.S.; prohibiting certain rules 2311 2312 related to inspection of records; amending s. 719.106, 2313 F.S.; providing requirements for participating in a meeting by telecommunications; amending the 2314 requirements for challenging the recall of board 2315 2316 members; amending s. 719.1255, F.S., amending the 2317 requirements for alternative resolution of disputes; amending s. 719.501, F.S.; removing the requirement 2318 2319 that the Division certify mediators; amending s. 2320 720.303, F.S.; authorizing an association to adopt 2321 procedures for electronic meeting notices; requiring 2322 certain records be maintained for a specified time; amending the requirements for challenging the recall 2323 2324 of board members; amending s. 720.305, F.S.; 2325 providing requirements for collecting certain fines; 2326 amending s. 720.306, F.S.; amending the requirements 2327 for providing certain notices; amending the 2328 requirements for challenging certain elections; amending s. 720.311, F.S.; amending the requirements 2329 2330 for dispute resolution; providing an effective date. 988057 - h1075-strike.docx

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