By Senator Torres

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A bill to be entitled

An act relating to homeowners' association recalls; providing a short title; amending s. 720.303, F.S.; revising the process for recalling a director of a homeowners' association; requiring a specified percentage of certain parcel owners to initiate a recall petition or a special meeting to recall a director; requiring the board of directors to duly notice and hold a referendum within a specified time; conforming provisions to changes made by the act; providing an effective date.

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

Section 1. This act may be cited as the "Community Recall Act."

Section 2. Subsection (10) of section 720.303, Florida Statutes, is amended to read:

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

- (10) RECALL OF DIRECTORS. -
- (a)1. Regardless of any provision to the contrary contained in the governing documents, subject to the provisions of s. 720.307 regarding transition of association control, any member of the board of directors may be recalled and removed from office with or without cause as provided in paragraphs (b) and (c) by a majority of the total voting interests.
  - 2. When the governing documents, including the declaration,

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articles of incorporation, or bylaws, provide that only a specific class of members is entitled to elect a board director or directors, only that class of members may vote to recall those board directors so elected.

- (b) 1. A board director directors may be subject to removal from office recalled by a recall petition signed by at least 60 percent of the parcel owners whose parcels are their homesteads an agreement in writing or by written ballot without a membership meeting. A recall petition with a sufficient number of signatures The agreement in writing or the written ballots, or a copy thereof, shall be served on the association by certified mail or by personal service in the manner authorized by chapter 48 and the Florida Rules of Civil Procedure.
- 2. The board shall duly notice and hold a referendum meeting of the board within 30 5 full business days after receipt of the recall petition agreement in writing or written ballots. The board shall give all members notice of the date by which ballots must be returned in accordance with the 14-day notice requirement under subparagraph (2)(c)2. All members with a voting interest may cast a vote in favor of or opposition to the recall petition. If a majority of the votes cast are in favor of the recall petition, the board shall duly notice and hold a meeting of the board within 5 business days after the closing date for submitting ballots in the referendum. At the meeting, the board shall either certify the recall petition written ballots or written agreement to recall a director or directors of the board, in which case such director or directors shall be recalled effective immediately and shall turn over to the board within 5 full business days any and all records and

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property of the association in their possession, or proceed as described in paragraph (d).

- 3. If When it is determined by the department through pursuant to binding arbitration proceedings that a an initial recall effort under this paragraph was defective, the written recall agreements or written ballots used in the first referendum that are recall effort and not found to be defective may be reused in one subsequent referendum recall effort. However, in no event is a written agreement or written ballot valid for more than 120 days after it has been signed by the member.
- 4. Any rescission or revocation of a member's written recall ballot or agreement must be in writing and, in order to be effective, must be delivered to the association before the closing date for submitting ballots in referendum association is served with the written recall agreements or ballots.
- 5. The recall petition must agreement in writing or ballot shall list at least as many possible replacement directors as there are directors subject to removal the recall, when at least a majority of the board is sought to be removed from office. In the duly noticed referendum, all members with a voting interest recalled; the person executing the recall instrument may vote for as many replacement candidates as there are directors subject to removal the recall.
- (c)1. If the declaration, articles of incorporation, or bylaws specifically provide, the members may also recall and remove a board director or directors by a vote taken at a meeting. If so provided in the governing documents, a special meeting of the members to recall a director or directors of the

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board of administration may be called by 10 percent of the parcel owners whose parcels are the homesteads of such owners voting interests giving notice of the meeting as required for a meeting of members, and the notice shall state the purpose of the meeting. Electronic transmission may not be used as a method of giving notice of a meeting called in whole or in part for this purpose.

- 2. The board shall duly notice and hold a board meeting within 5 full business days after the adjournment of the member meeting to recall one or more directors. At the meeting, the board shall certify the recall, in which case such member or members shall be recalled effective immediately and shall turn over to the board within 5 full business days any and all records and property of the association in their possession, or shall proceed as set forth in paragraph (d).
- (d) If the board determines not to certify the recall petition written agreement or written ballots to recall a director or directors 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 meeting, file with the department a petition for binding arbitration under pursuant to the applicable procedures in ss. 718.112(2)(j) and 718.1255 and the rules adopted thereunder. For the purposes of this section, the members who voted at the meeting or who initiated executed the recall petition agreement in writing shall constitute one party under the petition for arbitration. If the arbitrator certifies the recall as to any director or directors of the board, the recall will be effective upon mailing of the final order of arbitration to the association. The director or directors so

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recalled shall deliver to the board any and all records of the association in their possession within 5  $\frac{\text{full}}{\text{business}}$  business days after the effective date of the recall.

- (e) If a vacancy occurs on the board as a result of a recall and less than a majority of the board directors 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 or in the association documents. If vacancies occur on the board as a result of a recall and a majority or more of the board directors are removed, the vacancies shall be filled by members voting in favor of the recall. The removal is at a meeting, any vacancies shall be filled by the members at the meeting. If the recall occurred by a recall petition agreement in writing or by written ballot, members may vote for replacement directors in the same instrument in accordance with procedural rules adopted by the division, which rules need not be consistent with this subsection.
- (f) If the board fails to duly notice and hold a board meeting within 5 full business days after the closing date for submitting ballots in the referendum service of an agreement in writing or within 5 full business days after the adjournment of the member recall meeting, the recall is shall be deemed effective and the board directors so recalled shall immediately turn over to the board all records and property of the association.
- (g) If the board fails to duly notice and hold the required meeting or fails to file the required petition, the <u>parcel</u> unit owner representative may file a petition under <del>pursuant to</del> s.

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718.1255 challenging the board's failure to act. The petition must be filed within 60 days after the expiration of the applicable 5-full-business-day period. The review of a petition under this paragraph is limited to the sufficiency of service on the board and the facial validity of the recall petition 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 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.
- (i) The minutes of the board meeting at which the board decides whether to certify the recall are an official association record. The minutes must record the date and time of the meeting, the decision of the board, and the vote count taken on each board member subject to the recall. In addition, when the board decides not to certify the recall, as to each vote rejected, the minutes must identify the parcel number and the specific reason for each such rejection.
- (j) When the recall of more than one board director is sought, the recall petition written agreement, ballot, or vote at a meeting shall provide for a separate vote for each board director sought to be recalled.
- (k) A board member who has been recalled may file a petition under pursuant to ss. 718.112(2)(j) and 718.1255 and the rules adopted challenging the validity of the recall. The petition must be filed within 60 days after the recall is deemed

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certified or otherwise effective under paragraph (f). The association and the <u>parcel</u> <u>unit</u> owner representative shall be named as respondents.

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

Section 3. This act shall take effect July 1, 2020.