1	A bill to be entitled
2	An act relating to community associations; amending s.
3	627.714, F.S.; prohibiting insurance policies from
4	providing specified rights of subrogation under
5	certain circumstances; amending s. 718.103, F.S.;
6	revising the definition of the terms
7	"multicondominium," "operation," and "operation of the
8	condominium"; amending s. 718.111, F.S.; requiring
9	that certain records be maintained for a specified
10	time; prohibiting an association from requiring
11	certain actions relating to the inspection of records;
12	limiting which records a renter of a unit may inspect
13	and copy; revising requirements relating to the
14	posting of digital copies of certain documents by
15	certain condominium associations; amending s. 718.112,
16	F.S.; authorizing a condominium association to
17	extinguish discriminatory restrictions; revising the
18	calculation used in determining a board member's term
19	limit; providing requirements for certain notices;
20	revising the fees that an association may charge for
21	transfers; deleting a prohibition against employing or
22	contracting with certain service providers; amending
23	s. 718.113, F.S.; revising legislative findings;
24	defining the terms "natural gas fuel" and "natural gas
25	fuel vehicle"; revising requirements for electric
	Dage 1 of 102

Page 1 of 103

CODING: Words stricken are deletions; words underlined are additions.

26 vehicle charging stations; providing requirements for 27 natural gas fuel stations on property governed by 28 condominium associations; amending s. 718.117, F.S.; 29 conforming provisions to changes made by the act; 30 amending s. 718.121, F.S.; providing that labor and materials associated with the installation of a 31 32 natural gas fuel station may not serve as the basis for filing a lien against an association but may serve 33 as the basis for filing a lien against a unit owner; 34 35 requiring that notices of intent to record a claim of 36 lien specify certain dates; amending s. 718.1255, 37 F.S.; authorizing parties to initiate presuit mediation under certain circumstances; specifying the 38 39 circumstances under which arbitration is binding on the parties; providing requirements for presuit 40 41 mediation; amending s. 718.1265, F.S.; revising the 42 emergency powers of condominium associations; 43 prohibiting condominium associations from taking certain actions during a declared state of emergency; 44 amending s. 718.202, F.S.; revising the allowable uses 45 of certain escrow funds withdrawn by developers; 46 defining the term "actual costs"; amending s. 718.303, 47 48 F.S.; revising requirements for certain actions for failure to comply with specified provisions relating 49 50 to condominium associations; revising requirements for

Page 2 of 103

CODING: Words stricken are deletions; words underlined are additions.

51 certain fines; amending s. 718.405, F.S.; providing 52 clarifying language relating to certain 53 multicondominium declarations; providing 54 applicability; amending s. 718.501, F.S.; conforming 55 provisions to changes made by the act; amending s. 56 718.5014, F.S.; revising a requirement regarding the 57 location of the principal office of the Office of the 58 Condominium Ombudsman; amending s. 719.103, F.S.; 59 revising the definition of the term "unit" to specify 60 that an interest in a cooperative unit is an interest in real property; amending s. 719.104, F.S.; 61 62 prohibiting an association from requiring certain actions relating to the inspection of records; 63 64 amending s. 719.106, F.S.; revising provisions relating to a quorum and voting rights for members 65 remotely participating in meetings; revising the 66 67 procedure to challenge a board member recall; 68 authorizing cooperative associations to extinguish 69 discriminatory restrictions; amending s. 719.128, 70 F.S.; revising emergency powers for cooperative 71 associations; prohibiting cooperative associations 72 from taking certain actions during a declared state of emergency; amending s. 720.301, F.S.; revising the 73 74 definition of the term "governing documents"; amending 75 s. 720.303, F.S.; authorizing an association to adopt

Page 3 of 103

CODING: Words stricken are deletions; words underlined are additions.

76 procedures for electronic meeting notices; revising 77 the documents that constitute the official records of 78 an association; revising the types of records that are 79 not accessible to members or parcel owners; revising 80 the circumstances under which a specified statement must be included in an association's financial report; 81 82 revising requirements for such statement; revising the circumstances under which an association is deemed to 83 have provided for reserve accounts; revising the 84 85 procedure to challenge a board member recall; amending 86 s. 720.305, F.S.; providing requirements for certain 87 fines levied by a board of administration; amending s. 720.306, F.S.; revising requirements for providing 88 89 certain notices; providing limitations on associations 90 when a parcel owner attempts to rent his or her parcel; providing when a change of ownership of a 91 92 parcel does and does not occur; defining the term 93 "affiliated entity"; revising the procedure for 94 election disputes; amending s. 720.307, F.S.; revising the circumstances under which members other than the 95 96 developer are entitled to elect members to the board 97 of directors of the homeowners' association; amending 98 s. 720.3075, F.S.; authorizing homeowners' 99 associations to extinguish discriminatory 100 restrictions; amending s. 720.311, F.S.; revising the

Page 4 of 103

CODING: Words stricken are deletions; words underlined are additions.

FLORIDA HOUSE OF REPRESENTATIV	FΙ	L	0	R		D	А		Н	0	U	S	Е		0	F		R	Е	Р	R	Е	S	Е	Ν	Т	Α	Т		V	Е		S	
--------------------------------	----	---	---	---	--	---	---	--	---	---	---	---	---	--	---	---	--	---	---	---	---	---	---	---	---	---	---	---	--	---	---	--	---	--

101	dispute resolution requirements for election disputes
102	and recall disputes; amending s. 720.316, F.S.;
103	revising emergency powers of homeowners' associations;
104	prohibiting homeowners' associations from taking
105	certain actions during a declared state of emergency;
106	providing an effective date.
107	
108	Be It Enacted by the Legislature of the State of Florida:
109	
110	Section 1. Subsection (4) of section 627.714, Florida
111	Statutes, is amended to read:
112	627.714 Residential condominium unit owner coverage; loss
113	assessment coverage required
114	(4) Every individual unit owner's residential property
115	policy must contain a provision stating that the coverage
116	afforded by such policy is excess coverage over the amount
117	recoverable under any other policy covering the same property.
118	If a condominium association's insurance policy does not provide
119	rights for subrogation against the unit owners in the
120	association, an insurance policy issued to an individual unit
121	owner in the association may not provide rights of subrogation
122	against the condominium association.
123	Section 2. Subsections (20) and (21) of section 718.103,
124	Florida Statutes, are amended to read:
125	718.103 DefinitionsAs used in this chapter, the term:

Page 5 of 103

CODING: Words stricken are deletions; words <u>underlined</u> are additions.

(20) "Multicondominium" means <u>real property</u> a real estate
 development containing two or more condominiums, all of which
 are operated by the same association.

(21) "Operation" or "operation of the condominium"
includes the administration and management of the condominium
property and the association.

Section 3. Paragraphs (a), (b), (c), and (g) of subsection (12) of section 718.111, Florida Statutes, are amended to read: 718.111 The association.-

135

(12) OFFICIAL RECORDS.-

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

A copy of the plans, permits, warranties, and other
 items provided by the developer <u>under pursuant to</u> s. 718.301(4).

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

144 3. A photocopy of the recorded bylaws of the association145 and each amendment to the bylaws.

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

149 5. A copy of the current rules of the association.150 6. A book or books that contain the minutes of all

Page 6 of 103

CODING: Words stricken are deletions; words underlined are additions.

151 meetings of the association, the board of administration, and 152 the unit owners.

153 7. A current roster of all unit owners and their mailing 154 addresses, unit identifications, voting certifications, and, if 155 known, telephone numbers. The association shall also maintain 156 the e-mail addresses and facsimile numbers of unit owners consenting to receive notice by electronic transmission. The e-157 mail addresses and facsimile numbers are not accessible to unit 158 owners if consent to receive notice by electronic transmission 159 160 is not provided in accordance with sub-subparagraph (c)3.e. However, the association is not liable for an inadvertent 161 162 disclosure of the e-mail address or facsimile number for receiving electronic transmission of notices. 163

164 8. All current insurance policies of the association and165 condominiums 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.

170 10. Bills of sale or transfer for all property owned by171 the association.

172 11. Accounting records for the association and separate 173 accounting records for each condominium that the association 174 operates. Any person who knowingly or intentionally defaces or 175 destroys such records, or who knowingly or intentionally fails

Page 7 of 103

CODING: Words stricken are deletions; words underlined are additions.

176 to create or maintain such records, with the intent of causing harm to the association or one or more of its members, is 177 178 personally subject to a civil penalty under pursuant to s. 179 718.501(1)(d). The accounting records must include, but are not 180 limited to: 181 a. Accurate, itemized, and detailed records of all 182 receipts and expenditures. 183 b. A current account and a monthly, bimonthly, or quarterly statement of the account for each unit designating the 184 185 name of the unit owner, the due date and amount of each assessment, the amount paid on the account, and the balance due. 186 187 c. All audits, reviews, accounting statements, and 188 financial reports of the association or condominium. 189 d. All contracts for work to be performed. Bids for work 190 to be performed are also considered official records and must be 191 maintained by the association for at least 1 year after receipt 192 of the bid. 193 12. Ballots, sign-in sheets, voting proxies, and all other 194 papers and electronic records relating to voting by unit owners, 195 which must be maintained for 1 year from the date of the 196 election, vote, or meeting to which the document relates, 197 notwithstanding paragraph (b). All rental records if the association is acting as 198 13. agent for the rental of condominium units. 199 200 14. A copy of the current question and answer sheet as

Page 8 of 103

CODING: Words stricken are deletions; words underlined are additions.

207

201 described in s. 718.504.

202 15. All other written records of the association not 203 specifically included in the foregoing which are related to the 204 operation of the association.

205 16. A copy of the inspection report as described in s.
206 718.301(4)(p).

16.17. Bids for materials, equipment, or services.

208 <u>17. All other written records of the association not</u> 209 <u>specified in subparagraphs 1.-16. which are related to the</u> 210 <u>operation of the association.</u>

211 The official records specified in subparagraphs (a)1.-(b) 212 6. must be permanently maintained from the inception of the association. Bids for work to be performed or for materials, 213 214 equipment, or services must be maintained for at least 1 year 215 after receipt of the bid. All other official records must be 216 maintained within the state for at least 7 years, unless 217 otherwise provided by general law. The records of the 218 association shall be made available to a unit owner within 45 219 miles of the condominium property or within the county in which 220 the condominium property is located within 10 working days after 221 receipt of a written request by the board or its designee. 222 However, such distance requirement does not apply to an association governing a timeshare condominium. This paragraph 223 224 may be complied with by having a copy of the official records of 225 the association available for inspection or copying on the

Page 9 of 103

CODING: Words stricken are deletions; words underlined are additions.

226 condominium property or association property, or the association 227 may offer the option of making the records available to a unit 228 owner electronically via the Internet or by allowing the records 229 to be viewed in electronic format on a computer screen and 230 printed upon request. The association is not responsible for the 231 use or misuse of the information provided to an association 232 member or his or her authorized representative in pursuant to 233 the compliance with requirements of this chapter unless the association has an affirmative duty not to disclose such 234 235 information under pursuant to this chapter.

236 (c)1. The official records of the association are open to 237 inspection by any association member or the authorized representative of such member at all reasonable times. The right 238 239 to inspect the records includes the right to make or obtain 240 copies, at the reasonable expense, if any, of the member or 241 authorized representative of such member. A renter of a unit has 242 a right to inspect and copy only the declaration of condominium and the association's bylaws and rules. The association may 243 244 adopt reasonable rules regarding the frequency, time, location, 245 notice, and manner of record inspections and copying, but may 246 not require a member to demonstrate any purpose or state any reason for the inspection. The failure of an association to 247 provide the records within 10 working days after receipt of a 248 written request creates a rebuttable presumption that the 249 250 association willfully failed to comply with this paragraph. A

Page 10 of 103

CODING: Words stricken are deletions; words underlined are additions.

251 unit owner who is denied access to official records is entitled 252 to the actual damages or minimum damages for the association's 253 willful failure to comply. Minimum damages are \$50 per calendar 254 day for up to 10 days, beginning on the 11th working day after 255 receipt of the written request. The failure to permit inspection 256 entitles any person prevailing in an enforcement action to 257 recover reasonable attorney fees from the person in control of the records who, directly or indirectly, knowingly denied access 258 259 to the records.

260 2. Any person who knowingly or intentionally defaces or destroys accounting records that are required by this chapter to 261 262 be maintained during the period for which such records are required to be maintained, or who knowingly or intentionally 263 264 fails to create or maintain accounting records that are required 265 to be created or maintained, with the intent of causing harm to 266 the association or one or more of its members, is personally 267 subject to a civil penalty under pursuant to s. 718.501(1)(d).

The association shall maintain an adequate number of 268 3. copies of the declaration, articles of incorporation, bylaws, 269 270 and rules, and all amendments to each of the foregoing, as well 271 as the question and answer sheet as described in s. 718.504 and 272 year-end financial information required under this section, on the condominium property to ensure their availability to unit 273 274 owners and prospective purchasers, and may charge its actual costs for preparing and furnishing these documents to those 275

Page 11 of 103

CODING: Words stricken are deletions; words underlined are additions.

276 requesting the documents. An association shall allow a member or 277 his or her authorized representative to use a portable device, 278 including a smartphone, tablet, portable scanner, or any other 279 technology capable of scanning or taking photographs, to make an 280 electronic copy of the official records in lieu of the 281 association's providing the member or his or her authorized 282 representative with a copy of such records. The association may 283 not charge a member or his or her authorized representative for 284 the use of a portable device. Notwithstanding this paragraph, the following records are not accessible to unit owners: 285

Any record protected by the lawyer-client privilege as 286 a. 287 described in s. 90.502 and any record protected by the workproduct privilege, including a record prepared by an association 288 289 attorney or prepared at the attorney's express direction, which 290 reflects a mental impression, conclusion, litigation strategy, 291 or legal theory of the attorney or the association, and which 292 was prepared exclusively for civil or criminal litigation or for 293 adversarial administrative proceedings, or which was prepared in 294 anticipation of such litigation or proceedings until the 295 conclusion of the litigation or proceedings.

296 b. Information obtained by an association in connection 297 with the approval of the lease, sale, or other transfer of a 298 unit.

299 c. Personnel records of association or management company
 300 employees, including, but not limited to, disciplinary, payroll,

Page 12 of 103

CODING: Words stricken are deletions; words underlined are additions.

301 health, and insurance records. For purposes of this sub-302 subparagraph, the term "personnel records" does not include 303 written employment agreements with an association employee or 304 management company, or budgetary or financial records that 305 indicate the compensation paid to an association employee.

306

d. Medical records of unit owners.

307 e. Social security numbers, driver license numbers, credit 308 card numbers, e-mail addresses, telephone numbers, facsimile numbers, emergency contact information, addresses of a unit 309 owner other than as provided to fulfill the association's notice 310 requirements, and other personal identifying information of any 311 312 person, excluding the person's name, unit designation, mailing 313 address, property address, and any address, e-mail address, or 314 facsimile number provided to the association to fulfill the 315 association's notice requirements. Notwithstanding the restrictions in this sub-subparagraph, an association may print 316 317 and distribute to unit parcel owners a directory containing the 318 name, unit parcel address, and all telephone numbers of each 319 unit parcel owner. However, an owner may exclude his or her 320 telephone numbers from the directory by so requesting in writing 321 to the association. An owner may consent in writing to the 322 disclosure of other contact information described in this subsubparagraph. The association is not liable for the inadvertent 323 324 disclosure of information that is protected under this subsubparagraph if the information is included in an official 325

Page 13 of 103

CODING: Words stricken are deletions; words underlined are additions.

326 record of the association and is voluntarily provided by an 327 owner and not requested by the association. 328 f. Electronic security measures that are used by the 329 association to safeguard data, including passwords. 330 The software and operating system used by the α. 331 association which allow the manipulation of data, even if the 332 owner owns a copy of the same software used by the association. 333 The data is part of the official records of the association. 334 (g)1. By January 1, 2019, an association managing a condominium with 150 or more units which does not contain 335 336 timeshare units shall post digital copies of the documents 337 specified in subparagraph 2. on its website or make such documents available through an application that can be 338 339 downloaded on a mobile device. 340 The association's website or application must be: a. 341 (I) An independent website, application, or web portal 342 wholly owned and operated by the association; or 343 A website, application, or web portal operated by a (II)344 third-party provider with whom the association owns, leases, 345 rents, or otherwise obtains the right to operate a web page, 346 subpage, web portal, or collection of subpages or web portals, 347 or an application that is dedicated to the association's activities and on which required notices, records, and documents 348 may be posted or made available by the association. 349 350 The association's website or application must be b.

Page 14 of 103

CODING: Words stricken are deletions; words underlined are additions.

351 accessible through the Internet and must contain a subpage, web 352 portal, or other protected electronic location that is 353 inaccessible to the general public and accessible only to unit 354 owners and employees of the association.

355 Upon a unit owner's written request, the association с. 356 must provide the unit owner with a username and password and 357 access to the protected sections of the association's website or 358 application that contain any notices, records, or documents that 359 must be electronically provided.

360 2. A current copy of the following documents must be 361 posted in digital format on the association's website or 362 application:

The recorded declaration of condominium of each 363 a. 364 condominium operated by the association and each amendment to 365 each declaration.

366 The recorded bylaws of the association and each b. 367 amendment to the bylaws.

368 The articles of incorporation of the association, or с. 369 other documents creating the association, and each amendment to 370 the articles of incorporation or other documents thereto. The 371 copy posted pursuant to this sub-subparagraph must be a copy of 372 the articles of incorporation filed with the Department of 373 State.

- d. The rules of the association. 374
- 375

A list of all executory contracts or documents to which e.

Page 15 of 103

CODING: Words stricken are deletions; words underlined are additions.

376 the association is a party or under which the association or the 377 unit owners have an obligation or responsibility and, after 378 bidding for the related materials, equipment, or services has 379 closed, a list of bids received by the association within the 380 past year. Summaries of bids for materials, equipment, or 381 services which exceed \$500 must be maintained on the website or 382 application for 1 year. In lieu of summaries, complete copies of 383 the bids may be posted.

384 f. The annual budget required by s. 718.112(2)(f) and any 385 proposed budget to be considered at the annual meeting.

386 g. The financial report required by subsection (13) and 387 any monthly income or expense statement to be considered at a 388 meeting.

389 h. The certification of each director required by s.390 718.112(2)(d)4.b.

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

396 j. Any contract or document regarding a conflict of 397 interest or possible conflict of interest as provided in ss. 398 468.436(2)(b)6. and 718.3027(3).

k. The notice of any unit owner meeting and the agenda forthe meeting, as required by s. 718.112(2)(d)3., no later than 14

Page 16 of 103

CODING: Words stricken are deletions; words underlined are additions.

401 days before the meeting. The notice must be posted in plain view 402 on the front page of the website or application, or on a 403 separate subpage of the website or application labeled "Notices" 404 which is conspicuously visible and linked from the front page. 405 The association must also post on its website or application any 406 document to be considered and voted on by the owners during the 407 meeting or any document listed on the agenda at least 7 days 408 before the meeting at which the document or the information within the document will be considered. 409

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 <u>under pursuant to</u> s. 718.112(2)(c).

414 3. The association shall ensure that the information and 415 records described in paragraph (c), which are not allowed to be accessible to unit owners, are not posted on the association's 416 417 website or application. If protected information or information 418 restricted from being accessible to unit owners is included in 419 documents that are required to be posted on the association's 420 website or application, the association shall ensure the information is redacted before posting the documents online. 421 422 Notwithstanding the foregoing, the association or its agent is not liable for disclosing information that is protected or 423 424 restricted under pursuant to this paragraph unless such 425 disclosure was made with a knowing or intentional disregard of

Page 17 of 103

CODING: Words stricken are deletions; words underlined are additions.

FLORIDA HOUSE OF REPRESENTATIVE	FL	O R	RIDA	ΗΟΙ	JSE	ΟF	REP	RES	ΕΝΤ	ΑΤΙΥΕ
---------------------------------	----	-----	------	-----	-----	----	-----	-----	-----	-------

426	the protected or restricted nature of such information.
427	4. The failure of the association to post information
428	required under subparagraph 2. is not in and of itself
429	sufficient to invalidate any action or decision of the
430	association's board or its committees.
431	Section 4. Paragraphs (d), (i), (j), (k), and (p) of
432	subsection (2) of section 718.112, Florida Statutes, are
433	amended, and paragraph (c) is added to subsection (1) of that
434	section, to read:
435	718.112 Bylaws
436	(1) GENERALLY
437	(c) The association may extinguish a discriminatory
438	restriction as provided in s. 712.065.
439	(2) REQUIRED PROVISIONSThe bylaws shall provide for the
440	following and, if they do not do so, shall be deemed to include
441	the following:
442	(d) Unit owner meetings
443	1. An annual meeting of the unit owners must be held at
444	the location provided in the association bylaws and, if the
445	bylaws are silent as to the location, the meeting must be held
446	within 45 miles of the condominium property. However, such
447	distance requirement does not apply to an association governing
448	a timeshare condominium.
449	2. Unless the bylaws provide otherwise, a vacancy on the
450	board caused by the expiration of a director's term must be
	Page 18 of 103

CODING: Words stricken are deletions; words <u>underlined</u> are additions.

451 filled by electing a new board member, and the election must be 452 by secret ballot. An election is not required if the number of 453 vacancies equals or exceeds the number of candidates. For 454 purposes of this paragraph, the term "candidate" means an 455 eligible person who has timely submitted the written notice, as 456 described in sub-subparagraph 4.a., of his or her intention to 457 become a candidate. Except in a timeshare or nonresidential 458 condominium, or if the staggered term of a board member does not 459 expire until a later annual meeting, or if all members' terms 460 would otherwise expire but there are no candidates, the terms of 461 all board members expire at the annual meeting, and such members 462 may stand for reelection unless prohibited by the bylaws. Board 463 members may serve terms longer than 1 year if permitted by the 464 bylaws or articles of incorporation. A board member may not 465 serve more than 8 consecutive years unless approved by an 466 affirmative vote of unit owners representing two-thirds of all 467 votes cast in the election or unless there are not enough 468 eligible candidates to fill the vacancies on the board at the 469 time of the vacancy. Only board service that occurs on or after 470 July 1, 2018, may be used when calculating a board member's term 471 limit. If the number of board members whose terms expire at the 472 annual meeting equals or exceeds the number of candidates, the candidates become members of the board effective upon the 473 474 adjournment of the annual meeting. Unless the bylaws provide 475 otherwise, any remaining vacancies shall be filled by the

Page 19 of 103

CODING: Words stricken are deletions; words underlined are additions.

476 affirmative vote of the majority of the directors making up the 477 newly constituted board even if the directors constitute less 478 than a quorum or there is only one director. In a residential 479 condominium association of more than 10 units or in a 480 residential condominium association that does not include 481 timeshare units or timeshare interests, co-owners of a unit may 482 not serve as members of the board of directors at the same time 483 unless they own more than one unit or unless there are not 484 enough eligible candidates to fill the vacancies on the board at 485 the time of the vacancy. A unit owner in a residential 486 condominium desiring to be a candidate for board membership must 487 comply with sub-subparagraph 4.a. and must be eligible to be a candidate to serve on the board of directors at the time of the 488 489 deadline for submitting a notice of intent to run in order to 490 have his or her name listed as a proper candidate on the ballot 491 or to serve on the board. A person who has been suspended or 492 removed by the division under this chapter, or who is delinquent 493 in the payment of any monetary obligation due to the 494 association, is not eligible to be a candidate for board 495 membership and may not be listed on the ballot. A person who has 496 been convicted of any felony in this state or in a United States 497 District or Territorial Court, or who has been convicted of any offense in another jurisdiction which would be considered a 498 felony if committed in this state, is not eligible for board 499 500 membership unless such felon's civil rights have been restored

Page 20 of 103

CODING: Words stricken are deletions; words underlined are additions.

501 for at least 5 years as of the date such person seeks election 502 to the board. The validity of an action by the board is not 503 affected if it is later determined that a board member is 504 ineligible for board membership due to having been convicted of 505 a felony. This subparagraph does not limit the term of a member 506 of the board of a nonresidential or timeshare condominium.

507 3. The bylaws must provide the method of calling meetings 508 of unit owners, including annual meetings. Written notice of an annual meeting must include an agenda;, must be mailed, hand 509 delivered, or electronically transmitted to each unit owner at 510 511 least 14 days before the annual meeting; τ and must be posted in a conspicuous place on the condominium property or association 512 513 property at least 14 continuous days before the annual meeting. 514 Written notice of a meeting other than an annual meeting must 515 include an agenda; be mailed, hand delivered, or electronically 516 transmitted to each unit owner; and be posted in a conspicuous 517 place on the condominium property or association property within the timeframe specified in the bylaws. If the bylaws do not 518 519 specify a timeframe for written notice of a meeting other than 520 an annual meeting, notice must be provided at least 14 521 continuous days before the meeting. Upon notice to the unit 522 owners, the board shall, by duly adopted rule, designate a specific location on the condominium property or association 523 524 property where all notices of unit owner meetings must be 525 posted. This requirement does not apply if there is no

Page 21 of 103

CODING: Words stricken are deletions; words underlined are additions.

526 condominium property for posting notices. In lieu of, or in 527 addition to, the physical posting of meeting notices, the 528 association may, by reasonable rule, adopt a procedure for 529 conspicuously posting and repeatedly broadcasting the notice and 530 the agenda on a closed-circuit cable television system serving 531 the condominium association. However, if broadcast notice is 532 used in lieu of a notice posted physically on the condominium 533 property, the notice and agenda must be broadcast at least four times every broadcast hour of each day that a posted notice is 534 otherwise required under this section. If broadcast notice is 535 536 provided, the notice and agenda must be broadcast in a manner 537 and for a sufficient continuous length of time so as to allow an 538 average reader to observe the notice and read and comprehend the 539 entire content of the notice and the agenda. In addition to any 540 of the authorized means of providing notice of a meeting of the board, the association may, by rule, adopt a procedure for 541 542 conspicuously posting the meeting notice and the agenda on a 543 website serving the condominium association for at least the 544 minimum period of time for which a notice of a meeting is also 545 required to be physically posted on the condominium property. 546 Any rule adopted shall, in addition to other matters, include a requirement that the association send an electronic notice in 547 the same manner as a notice for a meeting of the members, which 548 must include a hyperlink to the website where the notice is 549 550 posted, to unit owners whose e-mail addresses are included in

Page 22 of 103

CODING: Words stricken are deletions; words underlined are additions.

551 the association's official records. Unless a unit owner waives 552 in writing the right to receive notice of the annual meeting, 553 such notice must be hand delivered, mailed, or electronically 554 transmitted to each unit owner. Notice for meetings and notice 555 for all other purposes must be mailed to each unit owner at the 556 address last furnished to the association by the unit owner, or 557 hand delivered to each unit owner. However, if a unit is owned 558 by more than one person, the association must provide notice to the address that the developer identifies for that purpose and 559 thereafter as one or more of the owners of the unit advise the 560 561 association in writing, or if no address is given or the owners 562 of the unit do not agree, to the address provided on the deed of 563 record. An officer of the association, or the manager or other 564 person providing notice of the association meeting, must provide 565 an affidavit or United States Postal Service certificate of 566 mailing, to be included in the official records of the 567 association affirming that the notice was mailed or hand delivered in accordance with this provision. 568

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

Page 23 of 103

CODING: Words stricken are deletions; words underlined are additions.

576 At least 60 days before a scheduled election, the a. association shall mail, deliver, or electronically transmit, by 577 578 separate association mailing or included in another association 579 mailing, delivery, or transmission, including regularly 580 published newsletters, to each unit owner entitled to a vote, a 581 first notice of the date of the election. A unit owner or other 582 eligible person desiring to be a candidate for the board must 583 give written notice of his or her intent to be a candidate to the association at least 40 days before a scheduled election. 584 585 Together with the written notice and agenda as set forth in 586 subparagraph 3., the association shall mail, deliver, or 587 electronically transmit a second notice of the election to all unit owners entitled to vote, together with a ballot that lists 588 589 all candidates not less than 14 days or more than 34 days before 590 the date of the election. Upon request of a candidate, an 591 information sheet, no larger than 8 1/2 inches by 11 inches, 592 which must be furnished by the candidate at least 35 days before 593 the election, must be included with the mailing, delivery, or 594 transmission of the ballot, with the costs of mailing, delivery, 595 or electronic transmission and copying to be borne by the 596 association. The association is not liable for the contents of 597 the information sheets prepared by the candidates. In order to reduce costs, the association may print or duplicate the 598 information sheets on both sides of the paper. The division 599 600 shall by rule establish voting procedures consistent with this

Page 24 of 103

CODING: Words stricken are deletions; words underlined are additions.

601 sub-subparagraph, including rules establishing procedures for 602 giving notice by electronic transmission and rules providing for 603 the secrecy of ballots. Elections shall be decided by a 604 plurality of ballots cast. There is no quorum requirement; 605 however, at least 20 percent of the eligible voters must cast a 606 ballot in order to have a valid election. A unit owner may not 607 authorize any other person to vote his or her ballot, and any 608 ballots improperly cast are invalid. A unit owner who violates 609 this provision may be fined by the association in accordance 610 with s. 718.303. A unit owner who needs assistance in casting the ballot for the reasons stated in s. 101.051 may obtain such 611 612 assistance. The regular election must occur on the date of the annual meeting. Notwithstanding this sub-subparagraph, an 613 614 election is not required unless more candidates file notices of 615 intent to run or are nominated than board vacancies exist.

Within 90 days after being elected or appointed to the 616 b. 617 board of an association of a residential condominium, each newly 618 elected or appointed director shall certify in writing to the 619 secretary of the association that he or she has read the 620 association's declaration of condominium, articles of 621 incorporation, bylaws, and current written policies; that he or 622 she will work to uphold such documents and policies to the best of his or her ability; and that he or she will faithfully 623 discharge his or her fiduciary responsibility to the 624 625 association's members. In lieu of this written certification,

Page 25 of 103

CODING: Words stricken are deletions; words underlined are additions.

626 within 90 days after being elected or appointed to the board, 627 the newly elected or appointed director may submit a certificate 628 of having satisfactorily completed the educational curriculum 629 administered by a division-approved condominium education 630 provider within 1 year before or 90 days after the date of 631 election or appointment. The written certification or 632 educational certificate is valid and does not have to be 633 resubmitted as long as the director serves on the board without 634 interruption. A director of an association of a residential 635 condominium who fails to timely file the written certification 636 or educational certificate is suspended from service on the 637 board until he or she complies with this sub-subparagraph. The board may temporarily fill the vacancy during the period of 638 639 suspension. The secretary shall cause the association to retain 640 a director's written certification or educational certificate 641 for inspection by the members for 5 years after a director's 642 election or the duration of the director's uninterrupted tenure, 643 whichever is longer. Failure to have such written certification 644 or educational certificate on file does not affect the validity 645 of any board action.

646 c. Any challenge to the election process must be commenced647 within 60 days after the election results are announced.

648 5. Any approval by unit owners called for by this chapter
649 or the applicable declaration or bylaws, including, but not
650 limited to, the approval requirement in s. 718.111(8), must be

Page 26 of 103

CODING: Words stricken are deletions; words underlined are additions.

651 made at a duly noticed meeting of unit owners and is subject to 652 all requirements of this chapter or the applicable condominium 653 documents relating to unit owner decisionmaking, except that 654 unit owners may take action by written agreement, without 655 meetings, on matters for which action by written agreement 656 without meetings is expressly allowed by the applicable bylaws 657 or declaration or any law that provides for such action.

658 Unit owners may waive notice of specific meetings if 6. allowed by the applicable bylaws or declaration or any law. 659 Notice of meetings of the board of administration, unit owner 660 661 meetings, except unit owner meetings called to recall board 662 members under paragraph (j), and committee meetings may be given 663 by electronic transmission to unit owners who consent to receive 664 notice by electronic transmission. A unit owner who consents to 665 receiving notices by electronic transmission is solely 666 responsible for removing or bypassing filters that block receipt 667 of mass e-mails emails sent to members on behalf of the association in the course of giving electronic notices. 668

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

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

Page 27 of 103

CODING: Words stricken are deletions; words underlined are additions.

676 9. Unless otherwise provided in the bylaws, any vacancy 677 occurring on the board before the expiration of a term may be 678 filled by the affirmative vote of the majority of the remaining 679 directors, even if the remaining directors constitute less than 680 a quorum, or by the sole remaining director. In the alternative, 681 a board may hold an election to fill the vacancy, in which case 682 the election procedures must conform to sub-subparagraph 4.a. 683 unless the association governs 10 units or fewer and has opted out of the statutory election process, in which case the bylaws 684 of the association control. Unless otherwise provided in the 685 686 bylaws, a board member appointed or elected under this section 687 shall fill the vacancy for the unexpired term of the seat being 688 filled. Filling vacancies created by recall is governed by 689 paragraph (j) and rules adopted by the division.

690 10. This chapter does not limit the use of general or
691 limited proxies, require the use of general or limited proxies,
692 or require the use of a written ballot or voting machine for any
693 agenda item or election at any meeting of a timeshare
694 condominium association or nonresidential condominium
695 association.

696

Notwithstanding subparagraph (b)2. and sub-subparagraph 4.a., an association of 10 or fewer units may, by affirmative vote of a majority of the total voting interests, provide for different voting and election procedures in its bylaws, which may be by a

Page 28 of 103

CODING: Words stricken are deletions; words underlined are additions.

701 proxy specifically delineating the different voting and election 702 procedures. The different voting and election procedures may 703 provide for elections to be conducted by limited or general 704 proxy.

705 (i) Transfer fees.-An association may not no charge a fee 706 shall be made by the association or any body thereof in 707 connection with the sale, mortgage, lease, sublease, or other 708 transfer of a unit unless the association is required to approve 709 such transfer and a fee for such approval is provided for in the 710 declaration, articles, or bylaws. Any such fee may be preset, 711 but may not in no event may such fee exceed \$150 \$100 per 712 applicant. For the purpose of calculating the fee, spouses or a 713 parent or parents and any dependent children other than 714 husband/wife or parent/dependent child, which are considered one 715 applicant. However, if the lease or sublease is a renewal of a 716 lease or sublease with the same lessee or sublessee, a charge 717 may not no charge shall be made. Such fees must be adjusted 718 every 5 years in an amount equal to the total of the annual 719 increases occurring in the Consumer Price Index for All Urban 720 Consumers, U.S. City Average, All Items during that 5-year 721 period. The Department of Business and Professional Regulation 722 shall periodically calculate the fees, rounded to the nearest 723 dollar, and publish the amounts, as adjusted, on its website. 724 The foregoing notwithstanding, an association may, if the 725 authority to do so appears in the declaration, articles, or

Page 29 of 103

CODING: Words stricken are deletions; words underlined are additions.

726 bylaws, an association may require that a prospective lessee 727 place a security deposit, in an amount not to exceed the 728 equivalent of 1 month's rent, into an escrow account maintained 729 by the association. The security deposit shall protect against 730 damages to the common elements or association property. Payment 731 of interest, claims against the deposit, refunds, and disputes 732 under this paragraph shall be handled in the same fashion as 733 provided in part II of chapter 83.

734 Recall of board members.-Subject to s. 718.301, any (i) 735 member of the board of administration may be recalled and 736 removed from office with or without cause by the vote or 737 agreement in writing by a majority of all the voting interests. 738 A special meeting of the unit owners to recall a member or 739 members of the board of administration may be called by 10 740 percent of the voting interests giving notice of the meeting as 741 required for a meeting of unit owners, and the notice shall 742 state the purpose of the meeting. Electronic transmission may 743 not be used as a method of giving notice of a meeting called in 744 whole or in part for this purpose.

1. If the recall is approved by a majority of all voting interests by a vote at a meeting, the recall will be effective as provided in this paragraph. The board shall duly notice and hold a board meeting within 5 full business days after the adjournment of the unit owner meeting to recall one or more board members. Such member or members shall be recalled

Page 30 of 103

CODING: Words stricken are deletions; words underlined are additions.

effective immediately upon conclusion of the board meeting, provided that the recall is facially valid. A recalled member must turn over to the board, within 10 full business days after the vote, any and all records and property of the association in their possession.

756 2. If the proposed recall is by an agreement in writing by 757 a majority of all voting interests, the agreement in writing or 758 a copy thereof shall be served on the association by certified 759 mail or by personal service in the manner authorized by chapter 760 48 and the Florida Rules of Civil Procedure. The board of 761 administration shall duly notice and hold a meeting of the board 762 within 5 full business days after receipt of the agreement in 763 writing. Such member or members shall be recalled effective 764 immediately upon the conclusion of the board meeting, provided 765 that the recall is facially valid. A recalled member must turn 766 over to the board, within 10 full business days, any and all 767 records and property of the association in their possession.

If the board fails to duly notice and hold a board 768 3. 769 meeting within 5 full business days after service of an 770 agreement in writing or within 5 full business days after the 771 adjournment of the unit owner recall meeting, the recall is 772 shall be deemed effective and the board members so recalled shall turn over to the board within 10 full business days after 773 774 the vote any and all records and property of the association. 775 If the board fails to duly notice and hold the required 4.

Page 31 of 103

CODING: Words stricken are deletions; words underlined are additions.

776 meeting or at the conclusion of the meeting determines that the 777 recall is not facially valid, the unit owner representative may 778 file a petition or court action under pursuant to s. 718.1255 779 challenging the board's failure to act or challenging the 780 board's determination on facial validity. The petition or action 781 must be filed within 60 days after the expiration of the 782 applicable 5-full-business-day period. The review of a petition 783 or action under this subparagraph is limited to the sufficiency of service on the board and the facial validity of the written 784 785 agreement or ballots filed.

786 5. If a vacancy occurs on the board as a result of a 787 recall or removal and less than a majority of the board members 788 are removed, the vacancy may be filled by the affirmative vote 789 of a majority of the remaining directors, notwithstanding any 790 provision to the contrary contained in this subsection. If 791 vacancies occur on the board as a result of a recall and a 792 majority or more of the board members are removed, the vacancies 793 shall be filled in accordance with procedural rules to be 794 adopted by the division, which rules need not be consistent with 795 this subsection. The rules must provide procedures governing the 796 conduct of the recall election as well as the operation of the 797 association during the period after a recall but before the recall election. 798

799 6. A board member who has been recalled may file a
800 petition <u>or court action under pursuant to</u> s. 718.1255

Page 32 of 103

CODING: Words stricken are deletions; words underlined are additions.

801 challenging the validity of the recall. The petition or action 802 must be filed within 60 days after the recall. The association 803 and the unit owner representative shall be named as the 804 respondents. The petition or action may challenge the facial 805 validity of the written agreement or ballots filed or the 806 substantial compliance with the procedural requirements for the 807 recall. If the arbitrator or court determines the recall was 808 invalid, the petitioning board member shall immediately be reinstated and the recall is null and void. A board member who 809 is successful in challenging a recall is entitled to recover 810 reasonable attorney fees and costs from the respondents. The 811 812 arbitrator or court may award reasonable attorney fees and costs to the respondents if they prevail, if the arbitrator or court 813 814 makes a finding that the petitioner's claim is frivolous.

7. The division <u>or a court of competent jurisdiction</u> may not accept for filing a recall petition <u>or court action</u>, whether filed <u>under pursuant to</u> subparagraph 1., subparagraph 2., subparagraph 4., or subparagraph 6., 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 elapsed since the election of the board member sought to be recalled.

(k) <u>Alternative dispute resolution</u> Arbitration.-There <u>must</u>
 shall be a provision for <u>alternative dispute resolution</u>
 mandatory nonbinding arbitration as provided for in s. 718.1255
 for any residential condominium.

Page 33 of 103

CODING: Words stricken are deletions; words underlined are additions.

826	(p) Service providers; conflicts of interest.— An
827	association, which is not a timeshare condominium association,
828	may not employ or contract with any service provider that is
829	owned or operated by a board member or with any person who has a
830	financial relationship with a board member or officer, or a
831	relative within the third degree of consanguinity by blood or
832	marriage of a board member or officer. This paragraph does not
833	apply to a service provider in which a board member or officer,
834	or a relative within the third degree of consanguinity by blood
835	or marriage of a board member or officer, owns less than 1
836	percent of the equity shares.
837	Section 5. Subsection (8) of section 718.113, Florida
838	Statutes, is amended to read:
839	718.113 Maintenance; limitation upon improvement; display
840	of flag; hurricane shutters and protection; display of religious
841	decorations
842	(8) The Legislature finds that the use of electric <u>and</u>
843	natural gas fuel vehicles conserves and protects the state's
844	environmental resources, provides significant economic savings
845	to drivers, and serves an important public interest. The
846	participation of condominium associations is essential to the
847	state's efforts to conserve and protect the state's
848	environmental resources and provide economic savings to drivers.
849	For purposes of this subsection, the term "natural gas fuel" has
850	the same meaning as in s. 206.9951, and the term "natural gas
	Dago 34 of 103

Page 34 of 103

CODING: Words stricken are deletions; words underlined are additions.

851 <u>fuel vehicle" means any motor vehicle, as defined in s. 320.01,</u> 852 <u>that is powered by natural gas fuel.</u> Therefore, the installation 853 of an electric vehicle charging station <u>or a natural gas fuel</u> 854 station shall be governed as follows:

855 (a) A declaration of condominium or restrictive covenant 856 may not prohibit or be enforced so as to prohibit any unit owner 857 from installing an electric vehicle charging station or a 858 natural gas fuel station within the boundaries of the unit owner's limited common element or exclusively designated parking 859 area. The board of administration of a condominium association 860 861 may not prohibit a unit owner from installing an electric 862 vehicle charging station for an electric vehicle, as defined in 863 s. 320.01, or a natural gas fuel station for a natural gas fuel 864 vehicle within the boundaries of his or her limited common 865 element or exclusively designated parking area. The installation 866 of such charging or fuel stations are subject to the provisions 867 of this subsection.

868 (b) The installation may not cause irreparable damage to869 the condominium property.

(c) The electricity for the electric vehicle charging station <u>or natural gas fuel station</u> must be separately metered <u>or metered by an embedded meter</u> and payable by the unit owner installing such charging <u>or fuel</u> station <u>or by his or her</u> successor.

875

(d) The cost for supply and storage of the natural gas

Page 35 of 103

CODING: Words stricken are deletions; words underlined are additions.

hb0867-02-c2

fuel must be paid by the unit owner installing the natural gas 876 877 fuel station or by his or her successor. 878 (e) (d) The unit owner who is installing an electric 879 vehicle charging station or a natural gas fuel station is 880 responsible for the costs of installation, operation, 881 maintenance, and repair, including, but not limited to, hazard 882 and liability insurance. The association may enforce payment of 883 such costs under pursuant to s. 718.116. 884 (f) (e) If the unit owner or his or her successor decides 885 there is no longer a need for the electric electronic vehicle 886 charging station or natural gas fuel station, such person is 887 responsible for the cost of removal of such the electronic 888 vehicle charging or fuel station. The association may enforce 889 payment of such costs under pursuant to s. 718.116. 890 The unit owner installing, maintaining, or removing (q) 891 the electric vehicle charging station or natural gas fuel 892 station is responsible for complying with all federal, state, or 893 local laws and regulations applicable to such installation, 894 maintenance, or removal. 895 (h) (f) The association may require the unit owner to: 896 Comply with bona fide safety requirements, consistent 1. 897 with applicable building codes or recognized safety standards, for the protection of persons and property. 898 899 Comply with reasonable architectural standards adopted 2. 900 by the association that govern the dimensions, placement, or Page 36 of 103

CODING: Words stricken are deletions; words underlined are additions.
901 external appearance of the electric vehicle charging station <u>or</u> 902 <u>natural gas fuel station</u>, provided that such standards may not 903 prohibit the installation of such charging <u>or fuel</u> station or 904 substantially increase the cost thereof.

905 3. Engage the services of a licensed and registered <u>firm</u> 906 electrical contractor or engineer familiar with the installation 907 <u>or removal</u> and core requirements of an electric vehicle charging 908 station <u>or a natural gas fuel station</u>.

909 4. Provide a certificate of insurance naming the 910 association as an additional insured on the owner's insurance 911 policy for any claim related to the installation, maintenance, 912 or use of the electric vehicle charging station <u>or natural gas</u> 913 <u>fuel station</u> within 14 days after receiving the association's 914 approval to install such charging <u>or fuel</u> station <u>or notice to</u> 915 provide such a certificate.

916 5. Reimburse the association for the actual cost of any 917 increased insurance premium amount attributable to the electric 918 vehicle charging station <u>or natural gas fuel station</u> within 14 919 days after receiving the association's insurance premium 920 invoice.

921 <u>(i)(g)</u> The association provides an implied easement across 922 the common elements of the condominium property to the unit 923 owner for purposes of the installation of the electric vehicle 924 charging station <u>or natural gas fuel station installation</u>, and 925 the furnishing of electrical power or natural gas fuel supply,

Page 37 of 103

CODING: Words stricken are deletions; words underlined are additions.

926 including any necessary equipment, to such charging <u>or fuel</u> 927 station, subject to the requirements of this subsection. 928 Section 6. Subsection (16) of section 718.117, Florida 929 Statutes, is amended to read:

930

718.117 Termination of condominium.-

(16) RIGHT TO CONTEST.-A unit owner or lienor may contest 931 932 a plan of termination by initiating a petition in accordance 933 with for mandatory nonbinding arbitration pursuant to s. 718.1255 within 90 days after the date the plan is recorded. A 934 935 unit owner or lienor may only contest the fairness and 936 reasonableness of the apportionment of the proceeds from the 937 sale among the unit owners, that the liens of the first 938 mortgages of unit owners other than the bulk owner have not or 939 will not be satisfied to the extent required by subsection (3), 940 or that the required vote to approve the plan was not obtained. 941 A unit owner or lienor who does not contest the plan within the 942 90-day period is barred from asserting or prosecuting a claim 943 against the association, the termination trustee, any unit 944 owner, or any successor in interest to the condominium property. 945 In an action contesting a plan of termination, the person 946 contesting the plan has the burden of pleading and proving that 947 the apportionment of the proceeds from the sale among the unit owners was not fair and reasonable or that the required vote was 948 not obtained. The apportionment of sale proceeds is presumed 949 950 fair and reasonable if it was determined pursuant to the methods

Page 38 of 103

CODING: Words stricken are deletions; words underlined are additions.

2021

951 prescribed in subsection (12). If the petition is filed with the 952 division for arbitration, the arbitrator shall determine the 953 rights and interests of the parties in the apportionment of the 954 sale proceeds. If the arbitrator determines that the 955 apportionment of sales proceeds is not fair and reasonable, the 956 arbitrator may void the plan or may modify the plan to apportion 957 the proceeds in a fair and reasonable manner pursuant to this 958 section based upon the proceedings and order the modified plan 959 of termination to be implemented. If the arbitrator determines 960 that the plan was not properly approved, or that the procedures 961 to adopt the plan were not properly followed, the arbitrator may 962 void the plan or grant other relief it deems just and proper. 963 The arbitrator shall automatically void the plan upon a finding 964 that any of the disclosures required in subparagraph (3)(c)5. 965 are omitted, misleading, incomplete, or inaccurate. Any 966 challenge to a plan, other than a challenge that the required 967 vote was not obtained, does not affect title to the condominium 968 property or the vesting of the condominium property in the 969 trustee, but shall only be a claim against the proceeds of the 970 plan. In any such action, the prevailing party shall recover reasonable attorney fees and costs. 971

972 Section 7. Subsections (2) and (4) of section 718.121, 973 Florida Statutes, are amended to read:

- 974 718.121 Liens.-
- 975

(2) Labor performed on or materials furnished to a unit

Page 39 of 103

CODING: Words stricken are deletions; words underlined are additions.

976 may shall not be the basis for the filing of a lien under 977 pursuant to part I of chapter 713, the Construction Lien Law, 978 against the unit or condominium parcel of any unit owner not 979 expressly consenting to or requesting the labor or materials. 980 Labor performed on or materials furnished for the installation 981 of a natural gas fuel station or an electric electronic vehicle 982 charging station under pursuant to s. 718.113(8) may not be the 983 basis for filing a lien under part I of chapter 713 against the 984 association, but such a lien may be filed against the unit 985 owner. Labor performed on or materials furnished to the common 986 elements are not the basis for a lien on the common elements, 987 but if authorized by the association, the labor or materials are 988 deemed to be performed or furnished with the express consent of 989 each unit owner and may be the basis for the filing of a lien 990 against all condominium parcels in the proportions for which the 991 owners are liable for common expenses.

992 (4) Except as otherwise provided in this chapter, no lien 993 may be filed by the association against a condominium unit until 994 30 days after the date on which a notice of intent to file a 995 lien has been delivered to the owner by registered or certified 996 mail, return receipt requested, and by first-class United States 997 mail to the owner at his or her last address as reflected in the records of the association, if the address is within the United 998 States, and delivered to the owner at the address of the unit if 999 the owner's address as reflected in the records of the 1000

Page 40 of 103

CODING: Words stricken are deletions; words underlined are additions.

FLORIDA HOUSE OF REPRESENTATIVE

1001	association is not the unit address. If the address reflected in
1002	the records is outside the United States, sending the notice to
1003	that address and to the unit address by first-class United
1004	States mail is sufficient. Delivery of the Notice <u>is</u> shall be
1005	deemed <u>to have been delivered</u> given upon mailing as required by
1006	this subsection, provided that it is. The notice must be in
1007	substantially the following form:
1008	
1009	NOTICE OF INTENT
1010	TO RECORD A CLAIM OF LIEN
1011	
1012	RE: Unit of(name of association)
1013	
1014	The following amounts are currently due on your
1015	account to(name of association), and must be
1016	paid within 30 days after your receipt of this letter.
1017	This letter shall serve as the association's notice of
1018	intent to record a Claim of Lien against your property
1019	no sooner than 30 days after your receipt of this
1020	letter, unless you pay in full the amounts set forth
1021	below:
1022	
1023	Maintenance due(dates) \$
1024	Late fee, if applicable \$
1025	Interest through (dates)* \$
	Dage /1 of 102

Page 41 of 103

CODING: Words stricken are deletions; words <u>underlined</u> are additions.

1026	Certified mail charges(dates) \$
1027	Other costs \$
1028	TOTAL OUTSTANDING \$
1029	
1030	*Interest accrues at the rate of percent per annum.
1031	Section 8. Section 718.1255, Florida Statutes, is amended
1032	to read:
1033	718.1255 Alternative dispute resolution; voluntary
1034	mediation; mandatory nonbinding arbitration; legislative
1035	findings
1036	(1) DEFINITIONSAs used in this section, the term
1037	"dispute" means any disagreement between two or more parties
1038	that involves:
1039	(a) The authority of the board of directors, under this
1040	chapter or association document <u>,</u> to:
1041	1. Require any owner to take any action, or not to take
1042	any action, involving that owner's unit or the appurtenances
1043	thereto.
1044	2. Alter or add to a common area or element.
1045	(b) The failure of a governing body, when required by this
1046	chapter or an association document, to:
1047	1. Properly conduct elections.
1048	2. Give adequate notice of meetings or other actions.
1049	3. Properly conduct meetings.
1050	4. Allow inspection of books and records.
	Page 42 of 103

CODING: Words stricken are deletions; words underlined are additions.

1051 A plan of termination pursuant to s. 718.117. (C) 1052 1053 "Dispute" does not include any disagreement that primarily 1054 involves: title to any unit or common element; the 1055 interpretation or enforcement of any warranty; the levy of a fee 1056 or assessment, or the collection of an assessment levied against 1057 a party; the eviction or other removal of a tenant from a unit; 1058 alleged breaches of fiduciary duty by one or more directors; or 1059 claims for damages to a unit based upon the alleged failure of 1060 the association to maintain the common elements or condominium 1061 property. 1062 (2) **VOLUNTARY** MEDIATION.-Voluntary Mediation through 1063 Citizen Dispute Settlement Centers as provided for in s. 44.201 1064 is encouraged. (3) LEGISLATIVE FINDINGS.-1065 1066 (a) The Legislature finds that unit owners are frequently 1067 at a disadvantage when litigating against an association. 1068 Specifically, a condominium association, with its statutory 1069 assessment authority, is often more able to bear the costs and 1070 expenses of litigation than the unit owner who must rely on his 1071 or her own financial resources to satisfy the costs of 1072 litigation against the association. 1073 (b) The Legislature finds that alternative dispute 1074 resolution has been making progress in reducing court dockets 1075 and trials and in offering a more efficient, cost-effective

Page 43 of 103

CODING: Words stricken are deletions; words underlined are additions.

1076 option to court litigation. However, the Legislature also finds 1077 that alternative dispute resolution should not be used as a 1078 mechanism to encourage the filing of frivolous or nuisance 1079 suits.

1080 (c) There exists a need to develop a flexible means of 1081 alternative dispute resolution that directs disputes to the most 1082 efficient means of resolution.

(d) The high cost and significant delay of circuit court litigation faced by unit owners in the state can be alleviated by requiring nonbinding arbitration and mediation in appropriate cases, thereby reducing delay and <u>attorney</u> attorney's fees while preserving the right of either party to have its case heard by a jury, if applicable, in a court of law.

1089 (4)MANDATORY NONBINDING ARBITRATION AND MEDIATION OF 1090 DISPUTES.-The Division of Florida Condominiums, Timeshares, and 1091 Mobile Homes of the Department of Business and Professional 1092 Regulation may employ full-time attorneys to act as arbitrators 1093 to conduct the arbitration hearings provided by this chapter. 1094 The division may also certify attorneys who are not employed by 1095 the division to act as arbitrators to conduct the arbitration 1096 hearings provided by this chapter. A No person may not be employed by the department as a full-time arbitrator unless he 1097 or she is a member in good standing of The Florida Bar. A person 1098 may only be certified by the division to act as an arbitrator if 1099 1100 he or she has been a member in good standing of The Florida Bar

Page 44 of 103

CODING: Words stricken are deletions; words underlined are additions.

1101 for at least 5 years and has mediated or arbitrated at least 10 1102 disputes involving condominiums in this state during the 3 years 1103 immediately preceding the date of application, mediated or 1104 arbitrated at least 30 disputes in any subject area in this 1105 state during the 3 years immediately preceding the date of 1106 application, or attained board certification in real estate law 1107 or condominium and planned development law from The Florida Bar. 1108 Arbitrator certification is valid for 1 year. An arbitrator who 1109 does not maintain the minimum qualifications for initial 1110 certification may not have his or her certification renewed. The 1111 department may not enter into a legal services contract for an 1112 arbitration hearing under this chapter with an attorney who is 1113 not a certified arbitrator unless a certified arbitrator is not 1114 available within 50 miles of the dispute. The department shall adopt rules of procedure to govern such arbitration hearings 1115 1116 including mediation incident thereto. The decision of an 1117 arbitrator is shall be final; however, a decision is shall not 1118 be deemed final agency action. Nothing in this provision shall 1119 be construed to foreclose parties from proceeding in a trial de novo unless the parties have agreed that the arbitration is 1120 1121 binding. If judicial proceedings are initiated, the final 1122 decision of the arbitrator is shall be admissible in evidence in 1123 the trial de novo.

(a) <u>Before</u> Prior to the institution of court litigation, a
party to a dispute, other than an election or recall dispute,

Page 45 of 103

CODING: Words stricken are deletions; words underlined are additions.

2021

1126	shall <u>either</u> petition the division for nonbinding arbitration <u>or</u>
1127	initiate presuit mediation as provided in subsection (5).
1128	Arbitration is binding on the parties if all parties in
1129	arbitration agree to be bound in a writing filed in arbitration.
1130	The petition must be accompanied by a filing fee in the amount
1131	of \$50. Filing fees collected under this section must be used to
1132	defray the expenses of the alternative dispute resolution
1133	program.
1134	(b) The petition must recite, and have attached thereto,
1135	supporting proof that the petitioner gave the respondents:
1136	1. Advance written notice of the specific nature of the
1137	dispute;
1138	2. A demand for relief, and a reasonable opportunity to
1139	comply or to provide the relief; and
1140	3. Notice of the intention to file an arbitration petition
1141	or other legal action in the absence of a resolution of the
1142	dispute.
1143	
1144	Failure to include the allegations or proof of compliance with
1145	these prerequisites requires dismissal of the petition without
1146	prejudice.
1147	(c) Upon receipt, the petition shall be promptly reviewed
1148	by the division to determine the existence of a dispute and
1149	compliance with the requirements of paragraphs (a) and (b). If
1150	emergency relief is required and is not available through
	Page 46 of 103

Page 46 of 103

CODING: Words stricken are deletions; words underlined are additions.

arbitration, a motion to stay the arbitration may be filed. The motion must be accompanied by a verified petition alleging facts that, if proven, would support entry of a temporary injunction, and if an appropriate motion and supporting papers are filed, the division may abate the arbitration pending a court hearing and disposition of a motion for temporary injunction.

1157 (d) Upon determination by the division that a dispute 1158 exists and that the petition substantially meets the 1159 requirements of paragraphs (a) and (b) and any other applicable 1160 rules, the division shall assign or enter into a contract with an arbitrator and serve a copy of the petition upon all 1161 1162 respondents. The arbitrator shall conduct a hearing within 30 1163 days after being assigned or entering into a contract unless the 1164 petition is withdrawn or a continuance is granted for good cause 1165 shown.

Before or after the filing of the respondents' answer 1166 (e) 1167 to the petition, any party may request that the arbitrator refer 1168 the case to mediation under this section and any rules adopted 1169 by the division. Upon receipt of a request for mediation, the division shall promptly contact the parties to determine if 1170 1171 there is agreement that mediation would be appropriate. If all parties agree, the dispute must be referred to mediation. 1172 Notwithstanding a lack of an agreement by all parties, the 1173 arbitrator may refer a dispute to mediation at any time. 1174 1175 Upon referral of a case to mediation, the parties must (f)

Page 47 of 103

CODING: Words stricken are deletions; words underlined are additions.

1176 select a mutually acceptable mediator. To assist in the 1177 selection, the arbitrator shall provide the parties with a list 1178 of both volunteer and paid mediators that have been certified by 1179 the division under s. 718.501. If the parties are unable to 1180 agree on a mediator within the time allowed by the arbitrator, 1181 the arbitrator shall appoint a mediator from the list of 1182 certified mediators. If a case is referred to mediation, the 1183 parties shall attend a mediation conference, as scheduled by the 1184 parties and the mediator. If any party fails to attend a duly 1185 noticed mediation conference, without the permission or approval of the arbitrator or mediator, the arbitrator must impose 1186 1187 sanctions against the party, including the striking of any 1188 pleadings filed, the entry of an order of dismissal or default 1189 if appropriate, and the award of costs and attorney fees 1190 incurred by the other parties. Unless otherwise agreed to by the parties or as provided by order of the arbitrator, a party is 1191 1192 deemed to have appeared at a mediation conference by the 1193 physical presence of the party or its representative having full 1194 authority to settle without further consultation, provided that an association may comply by having one or more representatives 1195 1196 present with full authority to negotiate a settlement and 1197 recommend that the board of administration ratify and approve such a settlement within 5 days from the date of the mediation 1198 conference. The parties shall share equally the expense of 1199 1200 mediation, unless they agree otherwise.

Page 48 of 103

CODING: Words stricken are deletions; words underlined are additions.

(g) The purpose of mediation as provided for by this section is to present the parties with an opportunity to resolve the underlying dispute in good faith, and with a minimum expenditure of time and resources.

1205 (h) Mediation proceedings must generally be conducted in 1206 accordance with the Florida Rules of Civil Procedure, and these 1207 proceedings are privileged and confidential to the same extent 1208 as court-ordered mediation. Persons who are not parties to the 1209 dispute are not allowed to attend the mediation conference 1210 without the consent of all parties, with the exception of 1211 counsel for the parties and corporate representatives designated 1212 to appear for a party. If the mediator declares an impasse after 1213 a mediation conference has been held, the arbitration proceeding 1214 terminates, unless all parties agree in writing to continue the 1215 arbitration proceeding, in which case the arbitrator's decision 1216 shall be binding or nonbinding, as agreed upon by the parties; 1217 in the arbitration proceeding, the arbitrator shall not consider 1218 any evidence relating to the unsuccessful mediation except in a 1219 proceeding to impose sanctions for failure to appear at the 1220 mediation conference. If the parties do not agree to continue 1221 arbitration, the arbitrator shall enter an order of dismissal, 1222 and either party may institute a suit in a court of competent 1223 jurisdiction. The parties may seek to recover any costs and attorney fees incurred in connection with arbitration and 1224 1225 mediation proceedings under this section as part of the costs

Page 49 of 103

CODING: Words stricken are deletions; words underlined are additions.

1226 and fees that may be recovered by the prevailing party in any 1227 subsequent litigation.

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

1231 (j) At the request of any party to the arbitration, the 1232 arbitrator shall issue subpoenas for the attendance of witnesses 1233 and the production of books, records, documents, and other 1234 evidence and any party on whose behalf a subpoena is issued may 1235 apply to the court for orders compelling such attendance and 1236 production. Subpoenas shall be served and shall be enforceable 1237 in the manner provided by the Florida Rules of Civil Procedure. 1238 Discovery may, in the discretion of the arbitrator, be permitted 1239 in the manner provided by the Florida Rules of Civil Procedure. 1240 Rules adopted by the division may authorize any reasonable 1241 sanctions except contempt for a violation of the arbitration 1242 procedural rules of the division or for the failure of a party 1243 to comply with a reasonable nonfinal order issued by an 1244 arbitrator which is not under judicial review.

(k) The arbitration decision shall be rendered within 30 days after the hearing and presented to the parties in writing. An arbitration decision is final in those disputes in which the parties have agreed to be bound. An arbitration decision is also final if a complaint for a trial de novo is not filed in a court of competent jurisdiction in which the condominium is located

Page 50 of 103

CODING: Words stricken are deletions; words underlined are additions.

1251 within 30 days. The right to file for a trial de novo entitles 1252 the parties to file a complaint in the appropriate trial court 1253 for a judicial resolution of the dispute. The prevailing party 1254 in an arbitration proceeding shall be awarded the costs of the 1255 arbitration and reasonable attorney fees in an amount determined 1256 by the arbitrator. Such an award shall include the costs and 1257 reasonable attorney fees incurred in the arbitration proceeding 1258 as well as the costs and reasonable attorney fees incurred in 1259 preparing for and attending any scheduled mediation. An 1260 arbitrator's failure to render a written decision within 30 days 1261 after the hearing may result in the cancellation of his or her 1262 arbitration certification.

1263 The party who files a complaint for a trial de novo (1)1264 shall be assessed the other party's arbitration costs, court costs, and other reasonable costs, including attorney fees, 1265 1266 investigation expenses, and expenses for expert or other 1267 testimony or evidence incurred after the arbitration hearing if 1268 the judgment upon the trial de novo is not more favorable than 1269 the arbitration decision. If the judgment is more favorable, the 1270 party who filed a complaint for trial de novo shall be awarded 1271 reasonable court costs and attorney fees.

(m) Any party to an arbitration proceeding may enforce an arbitration award by filing a petition in a court of competent jurisdiction in which the condominium is located. A petition may not be granted unless the time for appeal by the filing of a

Page 51 of 103

CODING: Words stricken are deletions; words underlined are additions.

1276 complaint for trial de novo has expired. If a complaint for a 1277 trial de novo has been filed, a petition may not be granted with 1278 respect to an arbitration award that has been stayed. If the 1279 petition for enforcement is granted, the petitioner shall 1280 recover reasonable attorney fees and costs incurred in enforcing the arbitration award. A mediation settlement may also be 1281 1282 enforced through the county or circuit court, as applicable, and 1283 any costs and fees incurred in the enforcement of a settlement 1284 agreement reached at mediation must be awarded to the prevailing 1285 party in any enforcement action.

(5) <u>PRESUIT MEDIATION.-In lieu of the initiation of</u>
nonbinding arbitration as provided in subsections (1)-(4), a
party may submit a dispute to presuit mediation in accordance
with s. 720.311; however, election and recall disputes are not
eligible for mediation and such disputes must be arbitrated by
the division or filed in a court of competent jurisdiction.

1292 (6) DISPUTES INVOLVING ELECTION IRREGULARITIES.-Every 1293 arbitration petition received by the division and required to be 1294 filed under this section challenging the legality of the 1295 election of any director of the board of administration must be 1296 handled on an expedited basis in the manner provided by the 1297 division's rules for recall arbitration disputes.

1298 <u>(7)</u>(6) APPLICABILITY.—This section does not apply to a 1299 nonresidential condominium unless otherwise specifically 1300 provided for in the declaration of the nonresidential

Page 52 of 103

CODING: Words stricken are deletions; words underlined are additions.

1301 condominium.

1302 Section 9. Section 718.1265, Florida Statutes, is amended 1303 to read:

1304

718.1265 Association emergency powers.-

1305 To the extent allowed by law, and unless specifically (1)1306 prohibited by the declaration of condominium, the articles, or 1307 the bylaws of an association, and consistent with the provisions 1308 of s. 617.0830, the board of administration, in response to 1309 damage or injury caused by or anticipated in connection with an emergency, as defined in s. 252.34(4), event for which a state 1310 of emergency is declared pursuant to s. 252.36 in the locale in 1311 1312 which the condominium is located, may, but is not required to, 1313 exercise the following powers:

1314 Conduct board meetings, committee meetings, elections, (a) 1315 and membership meetings, in whole or in part, by telephone, real-time videoconferencing, or similar real-time electronic or 1316 1317 video communication with notice given as is practicable. Such 1318 notice may be given in any practicable manner, including 1319 publication, radio, United States mail, the Internet, electronic 1320 transmission, public service announcements, and conspicuous 1321 posting on the condominium property or association property or 1322 any other means the board deems reasonable under the 1323 circumstances. Notice of board decisions also may be communicated as provided in this paragraph. 1324

1325

(b) Cancel and reschedule any association meeting.

Page 53 of 103

CODING: Words stricken are deletions; words underlined are additions.

(c) Name as assistant officers persons who are not
directors, which assistant officers shall have the same
authority as the executive officers to whom they are assistants
during the state of emergency to accommodate the incapacity or
unavailability of any officer of the association.

1331 (d) Relocate the association's principal office or1332 designate alternative principal offices.

(e) Enter into agreements with local counties and municipalities to assist counties and municipalities with debris removal.

(f) Implement a disaster <u>plan or an emergency</u> plan before, <u>during</u>, or immediately following the event for which a state of emergency is declared which may include, but is not limited to, shutting down or off elevators; electricity; water, sewer, or security systems; or air conditioners.

(g) Based upon advice of emergency management officials <u>or</u> <u>public health officials</u>, or upon the advice of licensed professionals retained by <u>or otherwise available to</u> the board, determine any portion of the condominium property <u>or association</u> <u>property</u> unavailable for entry or occupancy by unit owners, family members, tenants, guests, agents, or invitees to protect the health, safety, or welfare of such persons.

(h) Require the evacuation of the condominium property in
the event of a mandatory evacuation order in the locale in which
the condominium is located. Should any unit owner or other

Page 54 of 103

CODING: Words stricken are deletions; words underlined are additions.

1351 occupant of a condominium fail or refuse to evacuate the 1352 condominium property <u>or association property</u> where the board has 1353 required evacuation, the association shall be immune from 1354 liability or injury to persons or property arising from such 1355 failure or refusal.

1356 (i) Based upon advice of emergency management officials or 1357 public health officials, or upon the advice of licensed 1358 professionals retained by or otherwise available to the board, 1359 determine whether the condominium property, association 1360 property, or any portion thereof can be safely inhabited, accessed, or occupied. However, such determination is not 1361 1362 conclusive as to any determination of habitability pursuant to 1363 the declaration.

1364 (j) Mitigate further damage, injury, or contagion, 1365 including taking action to contract for the removal of debris and to prevent or mitigate the spread of fungus or contagion, 1366 1367 including, but not limited to, mold or mildew, by removing and 1368 disposing of wet drywall, insulation, carpet, cabinetry, or 1369 other fixtures on or within the condominium property, even if 1370 the unit owner is obligated by the declaration or law to insure 1371 or replace those fixtures and to remove personal property from a 1372 unit.

(k) Contract, on behalf of any unit owner or owners, for items or services for which the owners are otherwise individually responsible, but which are necessary to prevent

Page 55 of 103

CODING: Words stricken are deletions; words underlined are additions.

1376 further injury, contagion, or damage to the condominium property 1377 or association property. In such event, the unit owner or owners 1378 on whose behalf the board has contracted are responsible for 1379 reimbursing the association for the actual costs of the items or 1380 services, and the association may use its lien authority 1381 provided by s. 718.116 to enforce collection of the charges. 1382 Without limitation, such items or services may include the 1383 drying of units, the boarding of broken windows or doors, and 1384 the replacement of damaged air conditioners or air handlers to 1385 provide climate control in the units or other portions of the property, and the sanitizing of the condominium property or 1386 1387 association property, as applicable.

(1) Regardless of any provision to the contrary and even if such authority does not specifically appear in the declaration of condominium, articles, or bylaws of the association, levy special assessments without a vote of the owners.

(m) Without unit owners' approval, borrow money and pledge association assets as collateral to fund emergency repairs and carry out the duties of the association when operating funds are insufficient. This paragraph does not limit the general authority of the association to borrow money, subject to such restrictions as are contained in the declaration of condominium, articles, or bylaws of the association.

1400

(2) The special powers authorized under subsection (1)

Page 56 of 103

CODING: Words stricken are deletions; words underlined are additions.

1401 shall be limited to that time reasonably necessary to protect 1402 the health, safety, and welfare of the association and the unit 1403 owners and the unit owners' family members, tenants, guests, 1404 agents, or invitees and shall be reasonably necessary to 1405 mitigate further damage, injury, or contagion and make emergency 1406 repairs. 1407 (3) Notwithstanding paragraphs (1)(f)-(i), during a state 1408 of emergency declared by executive order or proclamation of the 1409 Governor pursuant to s. 252.36, an association may not prohibit 1410 unit owners, tenants, guests, agents, or invitees of a unit owner from accessing the unit and the common elements and 1411 1412 limited common elements appurtenant thereto for the purposes of 1413 ingress to and egress from the unit and when access is necessary 1414 in connection with: 1415 The sale, lease, or other transfer of title of a unit; (a) 1416 or 1417 The habitability of the unit or for the health and (b) 1418 safety of such person unless a governmental order or 1419 determination, or a public health directive from the Centers for 1420 Disease Control and Prevention, has been issued prohibiting such 1421 access to the unit. Any such access is subject to reasonable 1422 restrictions adopted by the association. 1423 Section 10. Subsection (3) of section 718.202, Florida Statutes, is amended to read: 1424 718.202 Sales or reservation deposits prior to closing.-1425

Page 57 of 103

CODING: Words stricken are deletions; words underlined are additions.

1426 (3)If the contract for sale of the condominium unit so 1427 provides, the developer may withdraw escrow funds in excess of 1428 10 percent of the purchase price from the special account 1429 required by subsection (2) when the construction of improvements 1430 has begun. He or she may use the funds for the actual costs 1431 incurred by the developer in the actual construction and 1432 development of the condominium property in which the unit to be 1433 sold is located. For purposes of this subsection, the term "actual costs" includes, but is not limited to, expenditures for 1434 1435 demolition, site clearing, permit fees, impact fees, and utility 1436 reservation fees, as well as architectural, engineering, and 1437 surveying fees that directly relate to construction and 1438 development of the condominium property. However, no part of 1439 these funds may be used for salaries, commissions, or expenses of salespersons; or for advertising, marketing, or promotional 1440 1441 purposes; or for loan fees and costs, principal and interest on 1442 loans, attorney fees, accounting fees, or insurance costs. A 1443 contract which permits use of the advance payments for these 1444 purposes shall include the following legend conspicuously 1445 printed or stamped in boldfaced type on the first page of the 1446 contract and immediately above the place for the signature of the buyer: ANY PAYMENT IN EXCESS OF 10 PERCENT OF THE PURCHASE 1447 PRICE MADE TO DEVELOPER PRIOR TO CLOSING PURSUANT TO THIS 1448 CONTRACT MAY BE USED FOR CONSTRUCTION PURPOSES BY THE DEVELOPER. 1449 1450 Section 11. Subsection (1) and paragraph (b) of subsection

Page 58 of 103

CODING: Words stricken are deletions; words underlined are additions.

1451 (3) of section 718.303, Florida Statutes, are amended to read: 1452 718.303 Obligations of owners and occupants; remedies.-1453 Each unit owner, each tenant and other invitee, and (1)1454 each association is governed by, and must comply with the 1455 provisions of, this chapter, the declaration, the documents 1456 creating the association, and the association bylaws which are 1457 shall be deemed expressly incorporated into any lease of a unit. 1458 Actions at law or in equity for damages or for injunctive 1459 relief, or both, for failure to comply with these provisions may 1460 be brought by the association or by a unit owner against:

1461 1462

1470

(a) The association.

(b) A unit owner.

(c) Directors designated by the developer, for actions taken by them before control of the association is assumed by unit owners other than the developer.

(d) Any director who willfully and knowingly fails tocomply with these provisions.

1468 (e) Any tenant leasing a unit, and any other invitee1469 occupying a unit.

1471 The prevailing party in any such action or in any action in 1472 which the purchaser claims a right of voidability based upon 1473 contractual provisions as required in s. 718.503(1)(a) is 1474 entitled to recover reasonable <u>attorney attorney's</u> fees. A unit 1475 owner prevailing in an action between the association and the

Page 59 of 103

CODING: Words stricken are deletions; words underlined are additions.

1476 unit owner under this subsection section, in addition to 1477 recovering his or her reasonable attorney attorney's fees, may 1478 recover additional amounts as determined by the court to be 1479 necessary to reimburse the unit owner for his or her share of 1480 assessments levied by the association to fund its expenses of 1481 the litigation. This relief does not exclude other remedies 1482 provided by law. Actions arising under this subsection are not 1483 considered may not be deemed to be actions for specific 1484 performance.

1485 (3) The association may levy reasonable fines for the 1486 failure of the owner of the unit or its tenant occupant, 1487 licensee, or invitee to comply with any provision of the declaration, the association bylaws, or reasonable rules of the 1488 1489 association. A fine may not become a lien against a unit. A fine 1490 may be levied by the board on the basis of each day of a continuing violation, with a single notice and opportunity for 1491 1492 hearing before a committee as provided in paragraph (b). 1493 However, the fine may not exceed \$100 per violation, or \$1,000 1494 in the aggregate.

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

Page 60 of 103

CODING: Words stricken are deletions; words underlined are additions.

appointed by the board who are not officers, directors, or 1501 1502 employees of the association, or the spouse, parent, child, 1503 brother, or sister of an officer, director, or employee. The 1504 role of the committee is limited to determining whether to 1505 confirm or reject the fine or suspension levied by the board. If 1506 the committee does not approve the proposed fine or suspension 1507 by majority vote, the fine or suspension may not be imposed. If 1508 the proposed fine or suspension is approved by the committee, 1509 the fine payment is due 5 days after notice of the approved fine 1510 is provided to the unit owner and, if applicable, to any tenant, 1511 licensee, or invitee of the unit owner the date of the committee 1512 meeting at which the fine is approved. The association must 1513 provide written notice of such fine or suspension by mail or 1514 hand delivery to the unit owner and, if applicable, to any 1515 tenant, licensee, or invitee of the unit owner. Section 12. 1516 Subsection (5) is added to section 718.405, 1517 Florida Statutes, to read: 1518 718.405 Multicondominiums; multicondominium associations.-1519 This section does not prevent or restrict a (5) 1520 multicondominium association from adopting a consolidated or

1521 combined declaration of condominium if such declaration complies 1522 with s. 718.104 and does not serve to merge the condominiums or 1523 change the legal descriptions of the condominium parcels as set 1524 forth in s. 718.109, unless accomplished in accordance with law. 1525 This subsection is intended to clarify existing law and applies

Page 61 of 103

CODING: Words stricken are deletions; words underlined are additions.

1526 to associations existing on July 1, 2021. 1527 Section 13. Paragraph (1) of subsection (1) of section 1528 718.501, Florida Statutes, is amended to read: 1529 718.501 Authority, responsibility, and duties of Division 1530 of Florida Condominiums, Timeshares, and Mobile Homes.-1531 The division may enforce and ensure compliance with (1)1532 the provisions of this chapter and rules relating to the 1533 development, construction, sale, lease, ownership, operation, 1534 and management of residential condominium units. In performing 1535 its duties, the division has complete jurisdiction to 1536 investigate complaints and enforce compliance with respect to 1537 associations that are still under developer control or the 1538 control of a bulk assignee or bulk buyer pursuant to part VII of 1539 this chapter and complaints against developers, bulk assignees, 1540 or bulk buyers involving improper turnover or failure to turnover, pursuant to s. 718.301. However, after turnover has 1541 1542 occurred, the division has jurisdiction to investigate 1543 complaints related only to financial issues, elections, and the 1544 maintenance of and unit owner access to association records 1545 under pursuant to s. 718.111(12). 1546 The division shall develop a program to certify both (1)

volunteer and paid mediators to provide mediation of condominium disputes. The division shall provide, upon request, a list of such mediators to any association, unit owner, or other participant in alternative dispute resolution arbitration

Page 62 of 103

CODING: Words stricken are deletions; words underlined are additions.

1551 proceedings under s. 718.1255 requesting a copy of the list. The 1552 division shall include on the list of volunteer mediators only 1553 the names of persons who have received at least 20 hours of 1554 training in mediation techniques or who have mediated at least 1555 20 disputes. In order to become initially certified by the 1556 division, paid mediators must be certified by the Supreme Court 1557 to mediate court cases in county or circuit courts. However, the 1558 division may adopt, by rule, additional factors for the 1559 certification of paid mediators, which must be related to 1560 experience, education, or background. Any person initially certified as a paid mediator by the division must, in order to 1561 1562 continue to be certified, comply with the factors or 1563 requirements adopted by rule.

1564 Section 14. Section 718.5014, Florida Statutes, is amended 1565 to read:

718.5014 Ombudsman location.-The ombudsman shall maintain 1566 1567 his or her principal office in a Leon County on the premises of 1568 the division or, if suitable space cannot be provided there, at 1569 another place convenient to the offices of the division which 1570 will enable the ombudsman to expeditiously carry out the duties 1571 and functions of his or her office. The ombudsman may establish 1572 branch offices elsewhere in the state upon the concurrence of 1573 the Governor.

1574 Section 15. Subsection (25) of section 719.103, Florida 1575 Statutes, is amended to read:

Page 63 of 103

CODING: Words stricken are deletions; words underlined are additions.

1576 719.103 Definitions.-As used in this chapter: 1577 "Unit" means a part of the cooperative property which (25)1578 is subject to exclusive use and possession. A unit may be 1579 improvements, land, or land and improvements together, as specified in the cooperative documents. An interest in a unit is 1580 1581 an interest in real property. 1582 Section 16. Paragraph (c) of subsection (2) of section 1583 719.104, Florida Statutes, is amended to read: 1584 719.104 Cooperatives; access to units; records; financial 1585 reports; assessments; purchase of leases.-1586 OFFICIAL RECORDS.-(2) 1587 (C) The official records of the association are open to 1588 inspection by any association member or the authorized 1589 representative of such member at all reasonable times. The right 1590 to inspect the records includes the right to make or obtain 1591 copies, at the reasonable expense, if any, of the association 1592 member. The association may adopt reasonable rules regarding the 1593 frequency, time, location, notice, and manner of record 1594 inspections and copying, but may not require a member to 1595 demonstrate any purpose or state any reason for the inspection. 1596 The failure of an association to provide the records within 10 1597 working days after receipt of a written request creates a rebuttable presumption that the association willfully failed to 1598 1599 comply with this paragraph. A member unit owner who is denied 1600 access to official records is entitled to the actual damages or

Page 64 of 103

CODING: Words stricken are deletions; words underlined are additions.

1601 minimum damages for the association's willful failure to comply. 1602 The minimum damages are \$50 per calendar day for up to 10 days, 1603 beginning on the 11th working day after receipt of the written 1604 request. The failure to permit inspection entitles any person 1605 prevailing in an enforcement action to recover reasonable 1606 attorney fees from the person in control of the records who, 1607 directly or indirectly, knowingly denied access to the records. 1608 Any person who knowingly or intentionally defaces or destroys 1609 accounting records that are required by this chapter to be 1610 maintained during the period for which such records are required to be maintained, or who knowingly or intentionally fails to 1611 1612 create or maintain accounting records that are required to be 1613 created or maintained, with the intent of causing harm to the 1614 association or one or more of its members, is personally subject to a civil penalty under pursuant to s. 719.501(1)(d). The 1615 1616 association shall maintain an adequate number of copies of the 1617 declaration, articles of incorporation, bylaws, and rules, and 1618 all amendments to each of the foregoing, as well as the question 1619 and answer sheet as described in s. 719.504 and year-end financial information required by the department, on the 1620 1621 cooperative property to ensure their availability to members 1622 unit owners and prospective purchasers, and may charge its 1623 actual costs for preparing and furnishing these documents to those requesting the same. An association shall allow a member 1624 1625 or his or her authorized representative to use a portable

Page 65 of 103

CODING: Words stricken are deletions; words underlined are additions.

1626 device, including a smartphone, tablet, portable scanner, or any 1627 other technology capable of scanning or taking photographs, to 1628 make an electronic copy of the official records in lieu of the 1629 association providing the member or his or her authorized 1630 representative with a copy of such records. The association may 1631 not charge a member or his or her authorized representative for 1632 the use of a portable device. Notwithstanding this paragraph, 1633 the following records shall not be accessible to members unit 1634 owners:

1635 Any record protected by the lawyer-client privilege as 1. 1636 described in s. 90.502 and any record protected by the work-1637 product privilege, including any record prepared by an 1638 association attorney or prepared at the attorney's express 1639 direction which reflects a mental impression, conclusion, litigation strategy, or legal theory of the attorney or the 1640 association, and which was prepared exclusively for civil or 1641 1642 criminal litigation or for adversarial administrative 1643 proceedings, or which was prepared in anticipation of such 1644 litigation or proceedings until the conclusion of the litigation 1645 or proceedings.

1646 2. Information obtained by an association in connection 1647 with the approval of the lease, sale, or other transfer of a 1648 unit.

1649 3. Personnel records of association or management company 1650 employees, including, but not limited to, disciplinary, payroll,

Page 66 of 103

CODING: Words stricken are deletions; words underlined are additions.

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.

1656

4. Medical records of unit owners.

1657 5. Social security numbers, driver license numbers, credit 1658 card numbers, e-mail addresses, telephone numbers, facsimile numbers, emergency contact information, addresses of a unit 1659 1660 owner other than as provided to fulfill the association's notice 1661 requirements, and other personal identifying information of any 1662 person, excluding the person's name, unit designation, mailing 1663 address, property address, and any address, e-mail address, or 1664 facsimile number provided to the association to fulfill the 1665 association's notice requirements. Notwithstanding the 1666 restrictions in this subparagraph, an association may print and 1667 distribute to unit parcel owners a directory containing the 1668 name, unit parcel address, and all telephone numbers of each 1669 unit parcel owner. However, an owner may exclude his or her 1670 telephone numbers from the directory by so requesting in writing 1671 to the association. An owner may consent in writing to the 1672 disclosure of other contact information described in this 1673 subparagraph. The association is not liable for the inadvertent 1674 disclosure of information that is protected under this 1675 subparagraph if the information is included in an official

Page 67 of 103

CODING: Words stricken are deletions; words underlined are additions.

1676 record of the association and is voluntarily provided by an 1677 owner and not requested by the association. 1678 Electronic security measures that are used by the 6. 1679 association to safeguard data, including passwords. 1680 7. The software and operating system used by the 1681 association which allow the manipulation of data, even if the 1682 owner owns a copy of the same software used by the association. 1683 The data is part of the official records of the association. 1684 Section 17. Paragraphs (b), (f), and (l) of subsection (1) 1685 of section 719.106, Florida Statutes, are amended, and subsection (3) is added to that section, to read: 1686 1687 719.106 Bylaws; cooperative ownership.-1688 MANDATORY PROVISIONS. - The bylaws or other cooperative (1)1689 documents shall provide for the following, and if they do not, 1690 they shall be deemed to include the following: 1691 Quorum; voting requirements; proxies.-(b) 1692 1. Unless otherwise provided in the bylaws, the percentage 1693 of voting interests required to constitute a quorum at a meeting 1694 of the members shall be a majority of voting interests, and 1695 decisions shall be made by owners of a majority of the voting 1696 interests. Unless otherwise provided in this chapter, or in the 1697 articles of incorporation, bylaws, or other cooperative documents, and except as provided in subparagraph (d)1., 1698 decisions shall be made by owners of a majority of the voting 1699 1700 interests represented at a meeting at which a quorum is present.

Page 68 of 103

CODING: Words stricken are deletions; words underlined are additions.

1701 2. Except as specifically otherwise provided herein, after January 1, 1992, unit owners may not vote by general proxy, but 1702 1703 may vote by limited proxies substantially conforming to a 1704 limited proxy form adopted by the division. Limited proxies and 1705 general proxies may be used to establish a quorum. Limited 1706 proxies shall be used for votes taken to waive or reduce 1707 reserves in accordance with subparagraph (j)2., for votes taken 1708 to waive the financial reporting requirements of s. 1709 719.104(4)(b), for votes taken to amend the articles of 1710 incorporation or bylaws pursuant to this section, and for any other matter for which this chapter requires or permits a vote 1711 1712 of the unit owners. Except as provided in paragraph (d), after January 1, 1992, no proxy, limited or general, shall be used in 1713 1714 the election of board members. General proxies may be used for other matters for which limited proxies are not required, and 1715 may also be used in voting for nonsubstantive changes to items 1716 1717 for which a limited proxy is required and given. Notwithstanding 1718 the provisions of this section, unit owners may vote in person 1719 at unit owner meetings. Nothing contained herein shall limit the 1720 use of general proxies or require the use of limited proxies or 1721 require the use of limited proxies for any agenda item or 1722 election at any meeting of a timeshare cooperative.

3. Any proxy given shall be effective only for the
specific meeting for which originally given and any lawfully
adjourned meetings thereof. In no event shall any proxy be valid

Page 69 of 103

CODING: Words stricken are deletions; words underlined are additions.

1726 for a period longer than 90 days after the date of the first 1727 meeting for which it was given. Every proxy shall be revocable 1728 at any time at the pleasure of the unit owner executing it.

4. A member of the board of administration or a committee may submit in writing his or her agreement or disagreement with any action taken at a meeting that the member did not attend. This agreement or disagreement may not be used as a vote for or against the action taken and may not be used for the purposes of creating a quorum.

1735 5. A board member or committee member participating in a meeting via telephone, real-time videoconferencing, or similar 1736 real-time electronic or video communication counts toward a 1737 1738 quorum, and such member may vote as if physically present When 1739 some or all of the board or committee members meet by telephone 1740 conference, those board or committee members attending by 1741 telephone conference may be counted toward obtaining a quorum 1742 and may vote by telephone. A telephone speaker must shall be 1743 used utilized so that the conversation of such those board or 1744 committee members attending by telephone may be heard by the 1745 board or committee members attending in person, as well as by 1746 any unit owners present at a meeting.

(f) Recall of board members.—Subject to s. 719.301, any member of the board of administration may be recalled and removed from office with or without cause by the vote or agreement in writing by a majority of all the voting interests.

Page 70 of 103

CODING: Words stricken are deletions; words underlined are additions.

A special meeting of the voting interests to recall any member of the board of administration may be called by 10 percent of the unit owners giving notice of the meeting as required for a meeting of unit owners, 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.

1758 If the recall is approved by a majority of all voting 1. 1759 interests by a vote at a meeting, the recall shall be effective 1760 as provided in this paragraph. The board shall duly notice and hold a board meeting within 5 full business days after the 1761 1762 adjournment of the unit owner meeting to recall one or more 1763 board members. At the meeting, the board shall either certify 1764 the recall, in which case such member or members shall be recalled effective immediately and shall turn over to the board 1765 within 5 full business days any and all records and property of 1766 1767 the association in their possession, or shall proceed as set 1768 forth in subparagraph 3.

1769 2. If the proposed recall is by an agreement in writing by 1770 a majority of all voting interests, the agreement in writing or 1771 a copy thereof shall be served on the association by certified 1772 mail or by personal service in the manner authorized by chapter 1773 48 and the Florida Rules of Civil Procedure. The board of 1774 administration shall duly notice and hold a meeting of the board 1775 within 5 full business days after receipt of the agreement in

Page 71 of 103

CODING: Words stricken are deletions; words underlined are additions.

1776 writing. At the meeting, the board shall either certify the 1777 written agreement to recall members of the board, in which case 1778 such members shall be recalled effective immediately and shall 1779 turn over to the board, within 5 full business days, any and all 1780 records and property of the association in their possession, or 1781 proceed as described in subparagraph 3.

1782 3. If the board determines not to certify the written 1783 agreement to recall members of the board, or does not certify 1784 the recall by a vote at a meeting, the board shall, within 5 1785 full business days after the board meeting, file with the division a petition for binding arbitration under pursuant to 1786 1787 the procedures of s. 719.1255 or file an action with a court of 1788 competent jurisdiction. For purposes of this paragraph, the unit 1789 owners who voted at the meeting or who executed the agreement in 1790 writing shall constitute one party under the petition for arbitration or in a court action. If the arbitrator or court 1791 1792 certifies the recall as to any member of the board, the recall 1793 is shall be effective upon the mailing of the final order of 1794 arbitration to the association or the final order of the court. 1795 If the association fails to comply with the order of the court 1796 or the arbitrator, the division may take action under pursuant 1797 to s. 719.501. Any member so recalled shall deliver to the board any and all records and property of the association in the 1798 member's possession within 5 full business days after the 1799 effective date of the recall. 1800

Page 72 of 103

CODING: Words stricken are deletions; words underlined are additions.
1801 4. If the board fails to duly notice and hold a board
1802 meeting within 5 full business days after service of an
1803 agreement in writing or within 5 full business days after the
1804 adjournment of the unit owner recall meeting, the recall <u>is</u>
1805 shall be deemed effective and the board members so recalled
1806 shall immediately turn over to the board any and all records and
1807 property of the association.

1808 If the board fails to duly notice and hold the required 5. 1809 meeting or fails to file the required petition or action, the unit owner representative may file a petition under pursuant to 1810 s. 719.1255 or file an action in a court of competent 1811 1812 jurisdiction challenging the board's failure to act. The 1813 petition or action must be filed within 60 days after the 1814 expiration of the applicable 5-full-business-day period. The 1815 review of a petition or action under this subparagraph is 1816 limited to the sufficiency of service on the board and the 1817 facial validity of the written agreement or ballots filed.

1818 If a vacancy occurs on the board as a result of a 6. 1819 recall and less than a majority of the board members are 1820 removed, the vacancy may be filled by the affirmative vote of a 1821 majority of the remaining directors, notwithstanding any 1822 provision to the contrary contained in this chapter. If vacancies occur on the board as a result of a recall and a 1823 majority or more of the board members are removed, the vacancies 1824 1825 shall be filled in accordance with procedural rules to be

Page 73 of 103

CODING: Words stricken are deletions; words underlined are additions.

1826 adopted by the division, which rules need not be consistent with 1827 this chapter. The rules must provide procedures governing the 1828 conduct of the recall election as well as the operation of the 1829 association during the period after a recall but before the 1830 recall election.

1831 7. A board member who has been recalled may file a 1832 petition <u>under pursuant to</u> s. 719.1255 <u>or file an action in a</u> 1833 <u>court of competent jurisdiction</u> challenging the validity of the 1834 recall. The petition <u>or action</u> must be filed within 60 days 1835 after the recall is deemed certified. The association and the 1836 unit owner representative shall be named as the respondents.

1837 The division or court may not accept for filing a 8. recall petition or action, whether filed under pursuant to 1838 1839 subparagraph 1., subparagraph 2., subparagraph 5., or 1840 subparagraph 7. and regardless of whether the recall was certified, when there are 60 or fewer days until the scheduled 1841 1842 reelection of the board member sought to be recalled or when 60 1843 or fewer days have not elapsed since the election of the board 1844 member sought to be recalled.

(1) <u>Alternative dispute resolution</u> Arbitration.-There shall be a provision for <u>alternative dispute resolution</u> mandatory nonbinding arbitration of internal disputes arising from the operation of the cooperative in accordance with s. 1849 719.1255.

1850

(3) GENERALLY.-The association may extinguish a

Page 74 of 103

CODING: Words stricken are deletions; words underlined are additions.

hb0867-02-c2

2021

1851	discriminatory restriction as provided under s. 712.065.
1852	Section 18. Section 719.128, Florida Statutes, is amended
1853	to read:
1854	719.128 Association emergency powers
1855	(1) To the extent allowed by law, unless specifically
1856	prohibited by the cooperative documents, and consistent with s.
1857	617.0830, the board of administration, in response to damage $\underline{\mathrm{or}}$
1858	injury caused by or anticipated in connection with an emergency,
1859	as defined in s. 252.34(4), event for which a state of emergency
1860	is declared pursuant to s. 252.36 in the area encompassed by the
1861	cooperative, may exercise the following powers:
1862	(a) Conduct board meetings, committee meetings, elections,
1863	or membership meetings, in whole or in part, by telephone, real-
1864	time videoconferencing, or similar real-time electronic or video
1865	communication after notice of the meetings and board decisions
1866	is provided in as practicable a manner as possible, including
1867	via publication, radio, United States mail, the Internet,
1868	electronic transmission, public service announcements,
1869	conspicuous posting on the cooperative property, or any other
1870	means the board deems appropriate under the circumstances.
1871	Notice of decisions may also be communicated as provided in this
1872	paragraph.
1873	(b) Cancel and reschedule an association meeting.
1874	(c) Designate assistant officers who are not directors. If
1875	the executive officer is incapacitated or unavailable, the
	Page 75 of 103

1876 assistant officer has the same authority during the state of 1877 emergency as the executive officer he or she assists.

1878 (d) Relocate the association's principal office or1879 designate an alternative principal office.

1880 (e) Enter into agreements with counties and municipalities1881 to assist counties and municipalities with debris removal.

(f) Implement a disaster <u>or an emergency</u> plan before, <u>during</u>, or immediately following the event for which a state of emergency is declared, which may include turning on or shutting off elevators; electricity; water, sewer, or security systems; or air conditioners for association buildings.

(g) Based upon the advice of emergency management officials <u>or public health officials</u>, or upon the advice of licensed professionals retained by <u>or otherwise available to</u> the board of administration, determine any portion of the cooperative property unavailable for entry or occupancy by unit owners or their family members, tenants, guests, agents, or invitees to protect their health, safety, or welfare.

(h) Based upon the advice of emergency management
officials or public health officials, or upon the advice of
licensed professionals retained by or otherwise available to the
board of administration, determine whether the cooperative
property or any portion thereof can be safely inhabited or
occupied. However, such determination is not conclusive as to
any determination of habitability pursuant to the cooperative

Page 76 of 103

CODING: Words stricken are deletions; words underlined are additions.

2021

1901	documents declaration.
1902	(i) Require the evacuation of the cooperative property in
1903	the event of a mandatory evacuation order in the area where the
1904	cooperative is located <u>or prohibit or restrict access to the</u>
1905	cooperative property in the event of a public health threat. If
1906	a unit owner or other occupant of a cooperative fails to
1907	evacuate the cooperative property for which the board has
1908	required evacuation, the association is immune from liability
1909	for injury to persons or property arising from such failure.
1910	(j) Mitigate further damage, <u>injury, or contagion,</u>
1911	including taking action to contract for the removal of debris
1912	and to prevent or mitigate the spread of fungus, including mold
1913	or mildew, by removing and disposing of wet drywall, insulation,
1914	carpet, cabinetry, or other fixtures on or within the
1915	cooperative property, regardless of whether the unit owner is
1916	obligated by the <u>cooperative documents</u> declaration or law to
1917	insure or replace those fixtures and to remove personal property
1918	from a unit or to sanitize the cooperative property.
1919	(k) Contract, on behalf of a unit owner, for items or
1920	services for which the owner is otherwise individually
1921	responsible, but which are necessary to prevent further <u>injury,</u>
1922	contagion, or damage to the cooperative property. In such event,
1923	the unit owner on whose behalf the board has contracted is
1924	responsible for reimbursing the association for the actual costs
1925	of the items or services, and the association may use its lien
	Dago 77 of 102

Page 77 of 103

authority provided by s. 719.108 to enforce collection of the charges. Such items or services may include the drying of the unit, the boarding of broken windows or doors, and the replacement of a damaged air conditioner or air handler to provide climate control in the unit or other portions of the property, and the sanitizing of the cooperative property.

(1) Notwithstanding a provision to the contrary, and regardless of whether such authority does not specifically appear in the cooperative documents, levy special assessments without a vote of the owners.

(m) Without unit owners' approval, borrow money and pledge association assets as collateral to fund emergency repairs and carry out the duties of the association if operating funds are insufficient. This paragraph does not limit the general authority of the association to borrow money, subject to such restrictions contained in the cooperative documents.

(2) The authority granted under subsection (1) is limited to that time reasonably necessary to protect the health, safety, and welfare of the association and the unit owners and their family members, tenants, guests, agents, or invitees, and to mitigate further damage, injury, or contagion and make emergency repairs.

1948(3) Notwithstanding paragraphs (1) (f) - (i), during a state1949of emergency declared by executive order or proclamation of the1950Governor pursuant to s. 252.36, an association may not prohibit

Page 78 of 103

CODING: Words stricken are deletions; words underlined are additions.

1951 unit owners, tenants, guests, agents, or invitees of a unit 1952 owner from accessing the common elements and limited common 1953 elements appurtenant thereto for the purposes of ingress to and 1954 egress from the unit when access is necessary in connection 1955 with: 1956 The sale, lease, or other transfer of title of a unit; (a) 1957 or 1958 The habitability of the unit or for the health and (b) 1959 safety of such person unless a governmental order or 1960 determination, or a public health directive from the Centers for 1961 Disease Control and Prevention, has been issued prohibiting such 1962 access to the unit. Any such access is subject to reasonable 1963 restrictions adopted by the association. 1964 Section 19. Subsection (8) of section 720.301, Florida 1965 Statutes, is amended to read: 1966 720.301 Definitions.-As used in this chapter, the term: 1967 (8) "Governing documents" means: 1968 The recorded declaration of covenants for a community (a) 1969 and all duly adopted and recorded amendments, supplements, and 1970 recorded exhibits thereto.+ 1971 The articles of incorporation and bylaws of the (b) 1972 homeowners' association and any duly adopted amendments 1973 thereto.; and 1974 (c) Rules and regulations adopted under the authority of 1975 the recorded declaration, articles of incorporation, or bylaws Page 79 of 103

CODING: Words stricken are deletions; words underlined are additions.

2021

1976 and duly adopted amendments thereto. 1977 Section 20. Paragraph (1) of subsection (4) of section 1978 720.303, Florida Statutes, is redesignated as paragraph (m) and 1979 amended, paragraph (c) of subsection (2), paragraph (c) of subsection (5), paragraphs (c) and (d) of subsection (6), and 1980 1981 paragraphs (b), (d), (g), (k), and (l) of subsection (10) are 1982 amended, and a new paragraph (1) is added to subsection (4) of 1983 that section, to read: 1984 720.303 Association powers and duties; meetings of board; 1985 official records; budgets; financial reporting; association 1986 funds; recalls.-1987 (2) BOARD MEETINGS.-The bylaws shall provide the following for giving 1988 (C) 1989 notice to parcel owners and members of all board meetings and, 1990 if they do not do so, shall be deemed to include the following: Notices of all board meetings must be posted in a 1991 1. 1992 conspicuous place in the community at least 48 hours in advance 1993 of a meeting, except in an emergency. In the alternative, if 1994 notice is not posted in a conspicuous place in the community, 1995 notice of each board meeting must be mailed or delivered to each 1996 member at least 7 days before the meeting, except in an 1997 emergency. Notwithstanding this general notice requirement, for communities with more than 100 members, the association bylaws 1998 may provide for a reasonable alternative to posting or mailing 1999 of notice for each board meeting, including publication of 2000

Page 80 of 103

2001 notice, provision of a schedule of board meetings, or the conspicuous posting and repeated broadcasting of the notice on a 2002 2003 closed-circuit cable television system serving the homeowners' 2004 association. However, if broadcast notice is used in lieu of a 2005 notice posted physically in the community, the notice must be 2006 broadcast at least four times every broadcast hour of each day 2007 that a posted notice is otherwise required. When broadcast 2008 notice is provided, the notice and agenda must be broadcast in a 2009 manner and for a sufficient continuous length of time so as to 2010 allow an average reader to observe the notice and read and 2011 comprehend the entire content of the notice and the agenda. In 2012 addition to any of the authorized means of providing notice of a 2013 meeting of the board, the association may, by rule, adopt a 2014 procedure for conspicuously posting the meeting notice and the 2015 agenda on the association's website or an application that can 2016 be downloaded on a mobile device for at least the minimum period 2017 of time for which a notice of a meeting is also required to be 2018 physically posted on the association property. Any rule adopted 2019 must, in addition to other matters, include a requirement that 2020 the association send an electronic notice to members whose e-2021 mail addresses are included in the association's official 2022 records in the same manner as is required for a notice of a 2023 meeting of the members. Such notice must include a hyperlink to the website or such mobile application on which the meeting 2024 2025 notice is posted. The association may provide notice by

Page 81 of 103

CODING: Words stricken are deletions; words underlined are additions.

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

2033 An assessment may not be levied at a board meeting 2. 2034 unless the notice of the meeting includes a statement that 2035 assessments will be considered and the nature of the 2036 assessments. Written notice of any meeting at which special 2037 assessments will be considered or at which amendments to rules 2038 regarding parcel use will be considered must be mailed, 2039 delivered, or electronically transmitted to the members and 2040 parcel owners and posted conspicuously on the property or 2041 broadcast on closed-circuit cable television not less than 14 2042 days before the meeting.

2043 Directors may not vote by proxy or by secret ballot at 3. 2044 board meetings, except that secret ballots may be used in the 2045 election of officers. This subsection also applies to the 2046 meetings of any committee or other similar body, when a final 2047 decision will be made regarding the expenditure of association 2048 funds, and to any body vested with the power to approve or disapprove architectural decisions with respect to a specific 2049 parcel of residential property owned by a member of the 2050

Page 82 of 103

CODING: Words stricken are deletions; words underlined are additions.

2051 community.

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

2055 (1) Ballots, sign-in sheets, voting proxies, and all other 2056 papers and electronic records relating to voting by parcel 2057 owners, which must be maintained for at least 1 year after the 2058 date of the election, vote, or meeting.

 $\frac{(m)}{(1)}$ All other written records of the association not specifically included in <u>this subsection</u> the foregoing which are related to the operation of the association.

2062 (5)INSPECTION AND COPYING OF RECORDS.-The official 2063 records shall be maintained within the state for at least 7 2064 years and shall be made available to a parcel owner for 2065 inspection or photocopying within 45 miles of the community or 2066 within the county in which the association is located within 10 2067 business days after receipt by the board or its designee of a 2068 written request. This subsection may be complied with by having 2069 a copy of the official records available for inspection or 2070 copying in the community or, at the option of the association, by making the records available to a parcel owner electronically 2071 2072 via the Internet or by allowing the records to be viewed in electronic format on a computer screen and printed upon request. 2073 2074 If the association has a photocopy machine available where the 2075 records are maintained, it must provide parcel owners with

Page 83 of 103

CODING: Words stricken are deletions; words underlined are additions.

2076 copies on request during the inspection if the entire request is limited to no more than 25 pages. An association shall allow a 2077 2078 member or his or her authorized representative to use a portable 2079 device, including a smartphone, tablet, portable scanner, or any 2080 other technology capable of scanning or taking photographs, to 2081 make an electronic copy of the official records in lieu of the 2082 association's providing the member or his or her authorized 2083 representative with a copy of such records. The association may 2084 not charge a fee to a member or his or her authorized 2085 representative for the use of a portable device.

2086 The association may adopt reasonable written rules (C)2087 governing the frequency, time, location, notice, records to be inspected, and manner of inspections, but may not require a 2088 2089 parcel owner to demonstrate any proper purpose for the 2090 inspection, state any reason for the inspection, or limit a 2091 parcel owner's right to inspect records to less than one 8-hour 2092 business day per month. The association may impose fees to cover 2093 the costs of providing copies of the official records, including 2094 the costs of copying and the costs required for personnel to 2095 retrieve and copy the records if the time spent retrieving and 2096 copying the records exceeds one-half hour and if the personnel 2097 costs do not exceed \$20 per hour. Personnel costs may not be charged for records requests that result in the copying of 25 or 2098 fewer pages. The association may charge up to 25 cents per page 2099 2100 for copies made on the association's photocopier. If the

Page 84 of 103

CODING: Words stricken are deletions; words underlined are additions.

2101 association does not have a photocopy machine available where 2102 the records are kept, or if the records requested to be copied 2103 exceed 25 pages in length, the association may have copies made 2104 by an outside duplicating service and may charge the actual cost 2105 of copying, as supported by the vendor invoice. The association 2106 shall maintain an adequate number of copies of the recorded 2107 governing documents, to ensure their availability to members and 2108 prospective members. Notwithstanding this paragraph, the 2109 following records are not accessible to members or parcel 2110 owners:

Any record protected by the lawyer-client privilege as 2111 1. 2112 described in s. 90.502 and any record protected by the work-2113 product privilege, including, but not limited to, a record 2114 prepared by an association attorney or prepared at the 2115 attorney's express direction which reflects a mental impression, conclusion, litigation strategy, or legal theory of the attorney 2116 2117 or the association and which was prepared exclusively for civil 2118 or criminal litigation or for adversarial administrative 2119 proceedings or which was prepared in anticipation of such 2120 litigation or proceedings until the conclusion of the litigation 2121 or proceedings.

2122 2. Information obtained by an association in connection 2123 with the approval of the lease, sale, or other transfer of a 2124 parcel.

2125

3. Information an association obtains in a gated community

Page 85 of 103

CODING: Words stricken are deletions; words underlined are additions.

2021

2126 in connection with guests' visits to parcel owners or community 2127 residents.

2128 4.3. Personnel records of association or management 2129 company employees, including, but not limited to, disciplinary, 2130 payroll, health, and insurance records. For purposes of this 2131 subparagraph, the term "personnel records" does not include 2132 written employment agreements with an association or management 2133 company employee or budgetary or financial records that indicate 2134 the compensation paid to an association or management company 2135 employee.

2136 <u>5.4.</u> Medical records of parcel owners or community 2137 residents.

6.5. Social security numbers, driver license numbers, 2138 2139 credit card numbers, electronic mailing addresses, telephone 2140 numbers, facsimile numbers, emergency contact information, any addresses for a parcel owner other than as provided for 2141 2142 association notice requirements, and other personal identifying 2143 information of any person, excluding the person's name, parcel 2144 designation, mailing address, and property address. 2145 Notwithstanding the restrictions in this subparagraph, an 2146 association may print and distribute to parcel owners a directory containing the name, parcel address, and all telephone 2147 2148 numbers of each parcel owner. However, an owner may exclude his or her telephone numbers from the directory by so requesting in 2149 writing to the association. An owner may consent in writing to 2150

Page 86 of 103

2151 the disclosure of other contact information described in this 2152 subparagraph. The association is not liable for the disclosure 2153 of information that is protected under this subparagraph if the 2154 information is included in an official record of the association 2155 and is voluntarily provided by an owner and not requested by the 2156 association.

2157 <u>7.6.</u> Any electronic security measure that is used by the 2158 association to safeguard data, including passwords.

2159 <u>8.7.</u> The software and operating system used by the 2160 association which allows the manipulation of data, even if the 2161 owner owns a copy of the same software used by the association. 2162 The data is part of the official records of the association.

(6) BUDGETS.-

2163

2173

2164 (c)1. If the budget of the association does not provide 2165 for reserve accounts under pursuant to paragraph (d), or the declaration of covenants, articles, or bylaws do not obligate 2166 2167 the developer to create reserves, and the association is 2168 responsible for the repair and maintenance of capital 2169 improvements that may result in a special assessment if reserves 2170 are not provided or not fully funded, each financial report for 2171 the preceding fiscal year required by subsection (7) must 2172 contain the following statement in conspicuous type:

2174 THE BUDGET OF THE ASSOCIATION DOES NOT PROVIDE FOR <u>FULLY FUNDED</u> 2175 RESERVE ACCOUNTS FOR CAPITAL EXPENDITURES AND DEFERRED

Page 87 of 103

CODING: Words stricken are deletions; words underlined are additions.

2176 MAINTENANCE THAT MAY RESULT IN SPECIAL ASSESSMENTS <u>REGARDING</u>
2177 <u>THOSE ITEMS</u>. OWNERS MAY ELECT TO PROVIDE FOR <u>FULLY FUNDED</u>
2178 RESERVE ACCOUNTS <u>UNDER</u> PURSUANT TO SECTION 720.303(6), FLORIDA
2179 STATUTES, UPON OBTAINING THE APPROVAL OF A MAJORITY OF THE TOTAL
2180 VOTING INTERESTS OF THE ASSOCIATION BY VOTE OF THE MEMBERS AT A
2181 MEETING OR BY WRITTEN CONSENT.

2182 2. If the budget of the association does provide for 2183 funding accounts for deferred expenditures, including, but not 2184 limited to, funds for capital expenditures and deferred 2185 maintenance, but such accounts are not created or established 2186 under pursuant to paragraph (d), each financial report for the 2187 preceding fiscal year required under subsection (7) must also 2188 contain the following statement in conspicuous type: 2189 THE BUDGET OF THE ASSOCIATION PROVIDES FOR LIMITED VOLUNTARY 2190 DEFERRED EXPENDITURE ACCOUNTS, INCLUDING CAPITAL EXPENDITURES AND DEFERRED MAINTENANCE, SUBJECT TO LIMITS ON FUNDING CONTAINED 2191 2192 IN OUR GOVERNING DOCUMENTS. BECAUSE THE OWNERS HAVE NOT ELECTED 2193 TO PROVIDE FOR RESERVE ACCOUNTS UNDER PURSUANT TO SECTION 2194 720.303(6), FLORIDA STATUTES, THESE FUNDS ARE NOT SUBJECT TO THE 2195 RESTRICTIONS ON USE OF SUCH FUNDS SET FORTH IN THAT STATUTE, NOR 2196 ARE RESERVES CALCULATED IN ACCORDANCE WITH THAT STATUTE.

(d) An association is deemed to have provided for reserve accounts if reserve accounts have been initially established by the developer or if the membership of the association affirmatively elects to provide for reserves. If reserve

Page 88 of 103

CODING: Words stricken are deletions; words underlined are additions.

2201 accounts are established by the developer, the budget must 2202 designate the components for which the reserve accounts may be 2203 used. If reserve accounts are not initially provided by the 2204 developer, the membership of the association may elect to do so 2205 upon the affirmative approval of a majority of the total voting 2206 interests of the association. Such approval may be obtained by 2207 vote of the members at a duly called meeting of the membership 2208 or by the written consent of a majority of the total voting 2209 interests of the association. The approval action of the 2210 membership must state that reserve accounts shall be provided 2211 for in the budget and must designate the components for which 2212 the reserve accounts are to be established. Upon approval by the 2213 membership, the board of directors shall include the required 2214 reserve accounts in the budget in the next fiscal year following 2215 the approval and each year thereafter. Once established as 2216 provided in this subsection, the reserve accounts must be funded 2217 or maintained or have their funding waived in the manner 2218 provided in paragraph (f).

2219

(10) RECALL OF DIRECTORS.-

(b)1. Board directors may be recalled by an agreement in writing or by written ballot without a membership meeting. 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.

Page 89 of 103

CODING: Words stricken are deletions; words underlined are additions.

2226 2. The board shall duly notice and hold a meeting of the 2227 board within 5 full business days after receipt of the agreement 2228 in writing or written ballots. At the meeting, the board shall 2229 either certify the written ballots or written agreement to recall a director or directors of the board, in which case such 2230 2231 director or directors shall be recalled effective immediately 2232 and shall turn over to the board within 5 full business days any 2233 and all records and property of the association in their 2234 possession, or proceed as described in paragraph (d).

2235 3. When it is determined by the department pursuant to 2236 binding arbitration proceedings or the court in an action filed 2237 in a court of competent jurisdiction that an initial recall effort was defective, written recall agreements or written 2238 2239 ballots used in the first recall effort and not found to be 2240 defective may be reused in one subsequent recall effort. 2241 However, in no event is a written agreement or written ballot 2242 valid for more than 120 days after it has been signed by the 2243 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 association is served with the written recall agreements or ballots.

5. The agreement in writing or ballot shall list at least as many possible replacement directors as there are directors

Page 90 of 103

CODING: Words stricken are deletions; words underlined are additions.

subject to the recall, when at least a majority of the board is sought to be recalled; the person executing the recall instrument may vote for as many replacement candidates as there are directors subject to the recall.

2255 If the board determines not to certify the written (d) 2256 agreement or written ballots to recall a director or directors 2257 of the board or does not certify the recall by a vote at a 2258 meeting, the board shall, within 5 full business days after the 2259 meeting, file an action with a court of competent jurisdiction or file with the department a petition for binding arbitration 2260 2261 under pursuant to the applicable procedures in ss. 718.112(2)(j) 2262 and 718.1255 and the rules adopted thereunder. For the purposes 2263 of this section, the members who voted at the meeting or who 2264 executed the agreement in writing shall constitute one party 2265 under the petition for arbitration or in a court action. If the 2266 arbitrator or court certifies the recall as to any director or 2267 directors of the board, the recall will be effective upon the 2268 final order of the court or the mailing of the final order of 2269 arbitration to the association. The director or directors so 2270 recalled shall deliver to the board any and all records of the 2271 association in their possession within 5 full business days 2272 after the effective date of the recall.

(g) If the board fails to duly notice and hold the required meeting or fails to file the required petition <u>or</u> action, the parcel unit owner representative may file a petition

Page 91 of 103

2276 <u>or a court action under pursuant to</u> s. 718.1255 challenging the 2277 board's failure to act. The petition <u>or action</u> must be filed 2278 within 60 days after the expiration of the applicable 5-full-2279 business-day period. The review of a petition <u>or action</u> under 2280 this paragraph is limited to the sufficiency of service on the 2281 board and the facial validity of the written agreement or 2282 ballots filed.

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

2290 The division or a court of competent jurisdiction may (1)2291 not accept for filing a recall petition or action, whether filed 2292 under pursuant to paragraph (b), paragraph (c), paragraph (g), 2293 or paragraph (k) and regardless of whether the recall was 2294 certified, when there are 60 or fewer days until the scheduled 2295 reelection of the board member sought to be recalled or when 60 2296 or fewer days have not elapsed since the election of the board 2297 member sought to be recalled.

2298 Section 21. Subsection (2) of section 720.305, Florida 2299 Statutes, is amended to read:

2300

720.305 Obligations of members; remedies at law or in

Page 92 of 103

CODING: Words stricken are deletions; words underlined are additions.

2301 equity; levy of fines and suspension of use rights.-

An The association may levy reasonable fines. A fine 2302 (2)2303 may not exceed \$100 per violation against any member or any 2304 member's tenant, guest, or invitee for the failure of the owner 2305 of the parcel or its occupant, licensee, or invitee to comply 2306 with any provision of the declaration, the association bylaws, 2307 or reasonable rules of the association unless otherwise provided 2308 in the governing documents. A fine may be levied by the board 2309 for each day of a continuing violation, with a single notice and 2310 opportunity for hearing, except that the fine may not exceed 2311 \$1,000 in the aggregate unless otherwise provided in the 2312 governing documents. A fine of less than \$1,000 may not become a lien against a parcel. In any action to recover a fine, the 2313 2314 prevailing party is entitled to reasonable attorney fees and 2315 costs from the nonprevailing party as determined by the court.

2316 (a) An association may suspend, for a reasonable period of 2317 time, the right of a member, or a member's tenant, guest, or 2318 invitee, to use common areas and facilities for the failure of 2319 the owner of the parcel or its occupant, licensee, or invitee to 2320 comply with any provision of the declaration, the association 2321 bylaws, or reasonable rules of the association. This paragraph 2322 does not apply to that portion of common areas used to provide 2323 access or utility services to the parcel. A suspension may not prohibit an owner or tenant of a parcel from having vehicular 2324 2325 and pedestrian ingress to and egress from the parcel, including,

Page 93 of 103

CODING: Words stricken are deletions; words underlined are additions.

2326 but not limited to, the right to park.

2327 A fine or suspension levied by the board of (b) 2328 administration may not be imposed unless the board first 2329 provides at least 14 days' notice to the parcel owner and, if 2330 applicable, any occupant, licensee, or invitee of the parcel 2331 owner, sought to be fined or suspended and an opportunity for a 2332 hearing before a committee of at least three members appointed 2333 by the board who are not officers, directors, or employees of 2334 the association, or the spouse, parent, child, brother, or 2335 sister of an officer, director, or employee. If the committee, 2336 by majority vote, does not approve a proposed fine or 2337 suspension, the proposed fine or suspension may not be imposed. 2338 The role of the committee is limited to determining whether to 2339 confirm or reject the fine or suspension levied by the board. If 2340 the proposed fine or suspension levied by the board is approved 2341 by the committee, the fine payment is due 5 days after notice of 2342 the approved fine is provided to the parcel owner and, if applicable, to any occupant, licensee, or invitee of the parcel 2343 2344 owner the date of the committee meeting at which the fine is 2345 approved. The association must provide written notice of such 2346 fine or suspension by mail or hand delivery to the parcel owner 2347 and, if applicable, to any occupant tenant, licensee, or invitee 2348 of the parcel owner. Paragraph (g) of subsection (1) and paragraph 2349 Section 22.

2350

Page 94 of 103

(c) of subsection (9) of section 720.306, Florida Statutes, are

CODING: Words stricken are deletions; words <u>underlined</u> are additions.

amended, and paragraph (h) is added to subsection (1) of that section, to read:

2353 720.306 Meetings of members; voting and election 2354 procedures; amendments.-

2355

(1) QUORUM; AMENDMENTS.-

2356 A notice required under this section must be mailed or (q) 2357 delivered to the address identified as the parcel owner's 2358 mailing address in the official records of the association as 2359 required under s. 720.303(4) on the property appraiser's website 2360 for the county in which the parcel is located, or electronically 2361 transmitted in a manner authorized by the association if the 2362 parcel owner has consented, in writing, to receive notice by 2363 electronic transmission.

2364 (h)1. Except as otherwise provided in this paragraph, any 2365 governing document, or amendment to a governing document, that 2366 is enacted after July 1, 2021, and that prohibits or regulates 2367 rental agreements applies only to a parcel owner who acquires 2368 title to the parcel after the effective date of the governing 2369 document or amendment, or to a parcel owner who consents, 2370 individually or through a representative, to the governing 2371 document or amendment. 2372 2. Notwithstanding subparagraph 1., an association may 2373 amend its governing documents to prohibit or regulate rental 2374 agreements for a term of less than 6 months and may prohibit the 2375 rental of a parcel for more than three times in a calendar year,

Page 95 of 103

CODING: Words stricken are deletions; words underlined are additions.

2376 and such amendments shall apply to all parcel owners. 2377 This paragraph does not affect the amendment 3. 2378 restrictions for associations of 15 or fewer parcel owners under 2379 s. 720.303(1). 2380 4. For purposes of this paragraph, a change of ownership 2381 does not occur when a parcel owner conveys the parcel to an 2382 affiliated entity, when beneficial ownership of the parcel does 2383 not change, or when an heir becomes the parcel owner. For 2384 purposes of this subparagraph, the term "affiliated entity" 2385 means an entity that controls, is controlled by, or is under common control with the parcel owner or that becomes a parent or 2386 2387 successor entity by reason of transfer, merger, consolidation, public offering, reorganization, dissolution or sale of stock, 2388 2389 or transfer of membership partnership interests. For a 2390 conveyance to be recognized as one made to an affiliated entity, 2391 the entity must furnish to the association a document certifying 2392 that this subparagraph applies and provide any organizational 2393 documents for the parcel owner and the affiliated entity which 2394 support the representations in the certificate, as requested by 2395 the association. 2396 5. For purposes of this paragraph, a change of ownership 2397 does occur when, with respect to a parcel owner that is a 2398 business entity, every person that owned an interest in the real 2399 property at the time of the enactment of the amendment or rule

Page 96 of 103

CODING: Words stricken are deletions; words underlined are additions.

2021

2400 conveys their interest in the real property to an unaffiliated 2401 entity. 2402 (9) ELECTIONS AND BOARD VACANCIES.-2403 Any election dispute between a member and an (C) 2404 association must be submitted to mandatory binding arbitration 2405 with the division or filed with a court of competent 2406 jurisdiction. Such proceedings that are submitted to binding 2407 arbitration with the division must be conducted in the manner 2408 provided by s. 718.1255 and the procedural rules adopted by the 2409 division. Unless otherwise provided in the bylaws, any vacancy 2410 occurring on the board before the expiration of a term may be 2411 filled by an affirmative vote of the majority of the remaining 2412 directors, even if the remaining directors constitute less than 2413 a quorum, or by the sole remaining director. In the alternative, 2414 a board may hold an election to fill the vacancy, in which case the election procedures must conform to the requirements of the 2415 2416 governing documents. Unless otherwise provided in the bylaws, a 2417 board member appointed or elected under this section is 2418 appointed for the unexpired term of the seat being filled. 2419 Filling vacancies created by recall is governed by s. 2420 720.303(10) and rules adopted by the division. 2421 Section 23. Paragraph (a) of subsection (1) and subsection (2) of section 720.307, Florida Statutes, are amended to read: 2422 2423 720.307 Transition of association control in a community.-2424 With respect to homeowners' associations:

Page 97 of 103

2433

(1) Members other than the developer are entitled to elect at least a majority of the members of the board of directors of the homeowners' association when the earlier of the following events occurs:

(a) Three months after 90 percent of the parcels in all phases of the community that will ultimately be operated by the homeowners' association have been conveyed to members <u>other than</u> <u>the developer</u>;

For purposes of this section, the term "members other than the developer" shall not include builders, contractors, or others who purchase a parcel for the purpose of constructing improvements thereon for resale.

(2) Members other than the developer are entitled to elect at least one member of the board of directors of the homeowners' association if 50 percent of the parcels in all phases of the community which will ultimately be operated by the association have been conveyed to members other than the developer.

2443 Section 24. Subsection (6) is added to section 720.3075, 2444 Florida Statutes, to read:

2445 720.3075 Prohibited clauses in association documents.2446 (6) An association may extinguish a discriminatory
2447 restriction as provided in s. 712.065.
2448 Section 25. Subsection (1) of section 720.311, Florida
2449 Statutes, is amended to read:

Page 98 of 103

CODING: Words stricken are deletions; words underlined are additions.

2021

2450

720.311 Dispute resolution.-

2451 The Legislature finds that alternative dispute (1)2452 resolution has made progress in reducing court dockets and 2453 trials and in offering a more efficient, cost-effective option 2454 to litigation. The filing of any petition for arbitration or the 2455 serving of a demand for presuit mediation as provided for in 2456 this section shall toll the applicable statute of limitations. 2457 Any recall dispute filed with the department under pursuant to 2458 s. 720.303(10) shall be conducted by the department in 2459 accordance with the provisions of ss. 718.112(2)(j) and 718.1255 2460 and the rules adopted by the division. In addition, the 2461 department shall conduct mandatory binding arbitration of 2462 election disputes between a member and an association in 2463 accordance with pursuant to s. 718.1255 and rules adopted by the 2464 division. Neither Election disputes and nor recall disputes are 2465 not eligible for presuit mediation; these disputes must shall be 2466 arbitrated by the department or filed in a court of competent 2467 jurisdiction. At the conclusion of an arbitration the 2468 proceeding, the department shall charge the parties a fee in an 2469 amount adequate to cover all costs and expenses incurred by the 2470 department in conducting the proceeding. Initially, the 2471 petitioner shall remit a filing fee of at least \$200 to the 2472 department. The fees paid to the department shall become a 2473 recoverable cost in the arbitration proceeding, and the 2474 prevailing party in an arbitration proceeding shall recover its

Page 99 of 103

2475 reasonable costs and <u>attorney</u> attorney's fees in an amount found 2476 reasonable by the arbitrator. The department shall adopt rules 2477 to effectuate the purposes of this section.

2478 Section 26. Section 720.316, Florida Statutes, is amended 2479 to read:

2480

720.316 Association emergency powers.-

2481 (1)To the extent allowed by law, unless specifically 2482 prohibited by the declaration or other recorded governing 2483 documents, and consistent with s. 617.0830, the board of 2484 directors, in response to damage or injury caused by or 2485 anticipated in connection with an emergency, as defined in s. 2486 252.34(4), event for which a state of emergency is declared 2487 pursuant to s. 252.36 in the area encompassed by the 2488 association, may exercise the following powers:

2489 Conduct board meetings, committee meetings, elections, (a) 2490 or membership meetings, in whole or in part, by telephone, real-2491 time videoconferencing, or similar real-time electronic or video 2492 communication after notice of the meetings and board decisions 2493 is provided in as practicable a manner as possible, including 2494 via publication, radio, United States mail, the Internet, electronic transmission, public service announcements, 2495 2496 conspicuous posting on the common area association property, or 2497 any other means the board deems appropriate under the circumstances. Notice of decisions may also be communicated as 2498 2499 provided in this paragraph.

Page 100 of 103

CODING: Words stricken are deletions; words underlined are additions.

2500 (b) Cancel and reschedule an association meeting. 2501 Designate assistant officers who are not directors. If (C) 2502 the executive officer is incapacitated or unavailable, the 2503 assistant officer has the same authority during the state of 2504 emergency as the executive officer he or she assists. 2505 Relocate the association's principal office or (d) 2506 designate an alternative principal office. 2507 Enter into agreements with counties and municipalities (e) 2508 to assist counties and municipalities with debris removal. 2509 (f) Implement a disaster or an emergency plan before, during, or immediately following the event for which a state of 2510 2511 emergency is declared, which may include, but is not limited to, 2512 turning on or shutting off elevators; electricity; water, sewer, 2513 or security systems; or air conditioners for association buildings. 2514 2515 (q) Based upon the advice of emergency management 2516 officials or public health officials, or upon the advice of 2517 licensed professionals retained by or otherwise available to the 2518 board, determine any portion of the common areas or facilities 2519 association property unavailable for entry or occupancy by 2520 owners or their family members, tenants, guests, agents, or 2521 invitees to protect their health, safety, or welfare. Based upon the advice of emergency management 2522 (h) officials or public health officials or upon the advice of 2523 2524 licensed professionals retained by or otherwise available to the

Page 101 of 103

CODING: Words stricken are deletions; words underlined are additions.

2525 board, determine whether the <u>common areas or facilities</u> 2526 association property can be safely inhabited, <u>accessed</u>, or 2527 occupied. However, such determination is not conclusive as to 2528 any determination of habitability pursuant to the declaration.

(i) Mitigate further damage, <u>injury, or contagion,</u>
including taking action to contract for the removal of debris
and to prevent or mitigate the spread of fungus, including mold
or mildew, by removing and disposing of wet drywall, insulation,
carpet, cabinetry, or other fixtures on or within the <u>common</u>
<u>areas or facilities or sanitizing the common areas or facilities</u>
association property.

(j) Notwithstanding a provision to the contrary, and regardless of whether such authority does not specifically appear in the declaration or other recorded governing documents, levy special assessments without a vote of the owners.

(k) Without owners' approval, borrow money and pledge association assets as collateral to fund emergency repairs and carry out the duties of the association if operating funds are insufficient. This paragraph does not limit the general authority of the association to borrow money, subject to such restrictions contained in the declaration or other recorded governing documents.

(2) The authority granted under subsection (1) is limited
to that time reasonably necessary to protect the health, safety,
and welfare of the association and the parcel owners and their

Page 102 of 103

CODING: Words stricken are deletions; words underlined are additions.

2550 family members, tenants, guests, agents, or invitees, and to 2551 mitigate further damage, injury, or contagion and make emergency 2552 repairs. 2553 Notwithstanding paragraphs (1)(f)-(i), during a state (3) 2554 of emergency declared by executive order or proclamation of the Governor pursuant to s. 252.36, an association may not prohibit 2555 parcel owners, tenants, guests, agents, or invitees of a parcel 2556 2557 owner from accessing the common areas and facilities for the 2558 purposes of ingress to and egress from the parcel when access is 2559 necessary in connection with: 2560 The sale, lease, or other transfer of title of a (a) 2561 parcel; or 2562 The habitability of the parcel or for the health and (b) 2563 safety of such person unless a governmental order or 2564 determination, or a public health directive from the Centers for 2565 Disease Control and Prevention, has been issued prohibiting such 2566 access to the parcel. Any such access is subject to reasonable 2567 restrictions adopted by the association. 2568 Section 27. This act shall take effect July 1, 2021.

Page 103 of 103

CODING: Words stricken are deletions; words underlined are additions.