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COMMITTEE/SUBCOMMITTEE	ACTION
ADOPTED	(Y/N)
ADOPTED AS AMENDED	(Y/N)
ADOPTED W/O OBJECTION	(Y/N)
FAILED TO ADOPT	(Y/N)
WITHDRAWN	(Y/N)
OTHER	

Committee/Subcommittee hearing bill: Appropriations Committee Representative Perez offered the following:

Amendment (with title amendment)

Remove everything after the enacting clause and insert: Section 1. Subsection (1) of section 468.4334, Florida Statutes, is amended to read:

468.4334 Professional practice standards; liability.-

9 (1)(a) A community association manager or a community association management firm is deemed to act as agent on behalf of a community association as principal within the scope of authority authorized by a written contract or under this chapter. A community association manager and a community association management firm shall discharge duties performed on behalf of the association as authorized by this chapter loyally, skillfully, and diligently; dealing honestly and fairly; in good 698067 - h7069-Strike all-Perez1.docx

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faith; with care and full disclosure to the community 17 association; accounting for all funds; and not charging 18 19 unreasonable or excessive fees. 20 (b) If a community association manager or a community 21 association management firm has a contract with a community 22 association with a building on its property that is subject to 23 recertification under s. 718.132 or s. 719.132, the community 24 association manager or community association management firm 25 must comply with such sections. 26 Section 2. Paragraph (b) of subsection (2) of section 27 468.436, Florida Statutes, is amended to read: 28 468.436 Disciplinary proceedings.-29 The following acts constitute grounds for which the (2)30 disciplinary actions in subsection (4) may be taken: 31 (b)1. Violation of any provision of this part. 32 2. Violation of any lawful order or rule rendered or adopted by the department or the council. 33 3. Being convicted of or pleading nolo contendere to a 34 35 felony in any court in the United States. 36 4. Obtaining a license or certification or any other 37 order, ruling, or authorization by means of fraud, misrepresentation, or concealment of material facts. 38 39 5. Committing acts of gross misconduct or gross negligence 40 in connection with the profession. 698067 - h7069-Strike all-Perez1.docx Published On: 2/16/2022 11:21:57 PM Page 2 of 104

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Contracting, on behalf of an association, with any 41 6. 42 entity in which the licensee has a financial interest that is 43 not disclosed. 44 7. Violating any provision of chapter 718, chapter 719, or 45 chapter 720 during the course of performing community 46 association management services pursuant to a contract with a community association as defined in s. 468.431(1). 47 8. Failing to provide a written recertification report to 48 a local building official, if the community association manager 49 50 or the community association management firm receives the report, in accordance with s. 718.132 or s. 719.132 during the 51 52 course of performing community association management services 53 pursuant to a contract with a condominium, as defined in s. 54 718.103, or a cooperative, as defined in s. 719.103. 55 Section 3. Subsection (22) and subsections (25) through 56 (30) of section 718.103, Florida Statutes, are renumbered as 57 subsection (23) and subsections (26) through (32), respectively, and new subsections (22) and (25) are added to that section to 58 59 read: 60 718.103 Definitions. - As used in this chapter, the term: (22) "Primary structural member" has the same meaning as 61 62 in s. 627.706(2). 63 (25) "Structural integrity reserve study" means a study of 64 the reserve funds required for future major repairs and replacement of the common elements based on a visual inspection 65 698067 - h7069-Strike all-Perez1.docx Published On: 2/16/2022 11:21:57 PM

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66	of the common elements. A structural integrity reserve study may
67	be performed by any person or entity qualified to perform such
68	study. However, the visual inspection portion of the structural
69	integrity reserve study must be performed by an engineer
70	licensed under chapter 471 or an architect licensed under
71	chapter 481. At a minimum, a structural integrity reserve study
72	must identify the common elements being visually inspected,
73	state the estimated remaining useful life and the estimated
74	replacement cost or deferred maintenance expense of the common
75	elements being visually inspected, and provide a recommended
76	annual reserve amount that achieves the estimated replacement
77	cost or deferred maintenance expense of each common element
78	being visually inspected by the end of the estimated remaining
79	useful life of each common element.
80	Section 4. Subsection (2) of section 718.104, Florida
81	Statutes, is amended to read:
82	718.104 Creation of condominiums; contents of
83	declarationEvery condominium created in this state shall be
84	created pursuant to this chapter.
85	(2) A condominium is created by recording a declaration in
86	the public records of the county where the land is located,
87	executed and acknowledged with the requirements for a deed. All
88	persons who have record title to the interest in the land being
89	submitted to condominium ownership, or their lawfully authorized
90	agents, must join in the execution of the declaration. Upon the
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91 recording of the declaration, or an amendment adding a phase to the condominium under s. 718.403(6), all units described in the 92 93 declaration or phase amendment as being located in or on the land then being submitted to condominium ownership shall come 94 95 into existence, regardless of the state of completion of planned 96 improvements in which the units may be located or any other 97 requirement or description that a declaration may provide. Upon recording the declaration of condominium pursuant to this 98 99 section, the developer shall file the recording information with 100 the division within 120 calendar days on a form prescribed by the division. If the condominium is subject to s. 718.132 and 101 102 has at least one building on condominium property that is three stories or higher in height, the developer must also provide 103 104 information to the division indicating the number of buildings 105 described in the declaration located on the condominium property 106 that are three stories or higher in height, the total number of 107 units in each building, and the address of each building within 108 120 calendar days after recording the declaration on a form 109 prescribed by the division.

Section 5. Paragraph (b) of subsection (7) and paragraphs (a), (b), (c), and (g) of subsection (12) of section 718.111, Florida Statutes, are amended to read:

113

718.111 The association.-

114 (7) TITLE TO PROPERTY.-

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(b) Subject to <u>s. 718.112(2)(n)</u> the provisions of <u>s.</u>
116 718.112(2)(m), the association, through its board, has the
117 limited power to convey a portion of the common elements to a
118 condemning authority for the purposes of providing utility
119 easements, right-of-way expansion, or other public purposes,
120 whether negotiated or as a result of eminent domain proceedings.
121 (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 under s. 718.301(4).

127 2. A photocopy of the recorded declaration of condominium
128 of each condominium operated by the association and each
129 amendment to each declaration.

130 3. A photocopy of the recorded bylaws of the association131 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.

135

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

6. A book or books that contain the minutes of all
meetings of the association, the board of administration, and
the unit owners.

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1.39 A current roster of all unit owners and their mailing 7. 140 addresses, unit identifications, voting certifications, and, if 141 known, telephone numbers. The association shall also maintain 142 the e-mail addresses and facsimile numbers of unit owners 143 consenting to receive notice by electronic transmission. The e-144 mail addresses and facsimile numbers are not accessible to unit 145 owners if consent to receive notice by electronic transmission is not provided in accordance with sub-subparagraph (c)3.e. 146 147 However, the association is not liable for an inadvertent 148 disclosure of the e-mail address or facsimile number for 149 receiving electronic transmission of notices.

150 8. All current insurance policies of the association and151 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.

156 10. Bills of sale or transfer for all property owned by 157 the association.

158 11. Accounting records for the association and separate 159 accounting records for each condominium that the association 160 operates. Any person who knowingly or intentionally defaces or 161 destroys such records, or who knowingly or intentionally fails 162 to create or maintain such records, with the intent of causing 163 harm to the association or one or more of its members, is

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164 personally subject to a civil penalty pursuant to s. 165 718.501(1)(d). The accounting records must include, but are not 166 limited to:

167 a. Accurate, itemized, and detailed records of all168 receipts and expenditures.

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

c. All audits, reviews, accounting statements, <u>structural</u>
 <u>integrity reserve studies</u>, and financial reports of the
 association or condominium.

d. All contracts for work to be performed. Bids for work
to be performed are also considered official records and must be
maintained by the association for at least 1 year after receipt
of the bid.

180 12. Ballots, sign-in sheets, voting proxies, and all other 181 papers and electronic records relating to voting by unit owners, 182 which must be maintained for 1 year from the date of the 183 election, vote, or meeting to which the document relates, 184 notwithstanding paragraph (b).

185 13. All rental records if the association is acting as186 agent for the rental of condominium units.

187 14. A copy of the current question and answer sheet as188 described in s. 718.504.

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189 15. A copy of the inspection report as described in s.190 718.301(4)(p).

16. Bids for materials, equipment, or services.

192 17. All affirmative acknowledgments made pursuant to s.193 718.121(4)(c).

194 <u>18. All written recertification reports and written phase</u>
195 <u>2 inspection reports if required under s. 718.132.</u>

196 <u>19.18.</u> All other written records of the association not 197 specifically included in the foregoing which are related to the 198 operation of the association.

199 The official records specified in subparagraphs (a)1.-(b) 200 6. and 18. must be permanently maintained from the inception of 201 the association. Bids for work to be performed or for materials, 202 equipment, or services must be maintained for at least 1 year 203 after receipt of the bid. Structural integrity reserve studies 204 must be maintained for at least 15 years after the study is 205 completed. All other official records must be maintained within 206 the state for at least 7 years, unless otherwise provided by 207 general law. The records of the association shall be made available to a unit owner within 45 miles of the condominium 208 209 property or within the county in which the condominium property 210 is located within 10 working days after receipt of a written 211 request by the board or its designee. However, such distance 212 requirement does not apply to an association governing a 213 timeshare condominium. This paragraph may be complied with by 698067 - h7069-Strike all-Perez1.docx

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214 having a copy of the official records of the association 215 available for inspection or copying on the condominium property 216 or association property, or the association may offer the option 217 of making the records available to a unit owner electronically 218 via the Internet or by allowing the records to be viewed in 219 electronic format on a computer screen and printed upon request. 220 The association is not responsible for the use or misuse of the 221 information provided to an association member or his or her 222 authorized representative in compliance with this chapter unless 223 the association has an affirmative duty not to disclose such 224 information under this chapter.

225 (c)1. The official records of the association are open to 226 inspection by any association member or the authorized representative of such member at all reasonable times. The right 227 228 to inspect the records includes the right to make or obtain 229 copies, at the reasonable expense, if any, of the member or 230 authorized representative of such member. A renter of a unit has 231 a right to inspect and copy only the declaration of condominium, 232 and the association's bylaws and rules, and, if applicable, the association's written recertification reports and written phase 233 2 inspection reports as described in s. 718.132. The association 234 235 may adopt reasonable rules regarding the frequency, time, 236 location, notice, and manner of record inspections and copying 237 but may not require a member to demonstrate any purpose or state any reason for the inspection. The failure of an association to 238 698067 - h7069-Strike all-Perez1.docx

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provide the records within 10 working days after receipt of a 239 written request creates a rebuttable presumption that the 240 241 association willfully failed to comply with this paragraph. A 242 unit owner who is denied access to official records is entitled 243 to the actual damages or minimum damages for the association's 244 willful failure to comply. Minimum damages are \$50 per calendar 245 day for up to 10 days, beginning on the 11th working day after 246 receipt of the written request. The failure to permit inspection 247 entitles any person prevailing in an enforcement action to 248 recover reasonable attorney fees from the person in control of 249 the records who, directly or indirectly, knowingly denied access 250 to the records.

251 2. Any person who knowingly or intentionally defaces or 252 destroys accounting records that are required by this chapter to 253 be maintained during the period for which such records are 254 required to be maintained, or who knowingly or intentionally 255 fails to create or maintain accounting records that are required 256 to be created or maintained, with the intent of causing harm to 257 the association or one or more of its members, is personally 258 subject to a civil penalty under pursuant to s. 718.501(1)(d).

3. The association <u>must</u> shall maintain an adequate number of copies of the declaration, articles of incorporation, bylaws, and rules, and all amendments to each of the foregoing, as well as the question and answer sheet as described in s. 718.504 and year-end financial information required under this section, on

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2.64 the condominium property to ensure their availability to unit 265 owners and prospective purchasers, and may charge its actual 266 costs for preparing and furnishing these documents to those 267 requesting the documents. An association must shall allow a 268 member or his or her authorized representative to use a portable 269 device, including a smartphone, tablet, portable scanner, or any 270 other technology capable of scanning or taking photographs, to 271 make an electronic copy of the official records in lieu of the 272 association's providing the member or his or her authorized 273 representative with a copy of such records. The association may 274 not charge a member or his or her authorized representative for 275 the use of a portable device. Notwithstanding this paragraph, 276 the following records are not accessible to unit owners:

277 a. Any record protected by the lawyer-client privilege as 278 described in s. 90.502 and any record protected by the work-279 product privilege, including a record prepared by an association 280 attorney or prepared at the attorney's express direction, which 281 reflects a mental impression, conclusion, litigation strategy, 282 or legal theory of the attorney or the association, and which 283 was prepared exclusively for civil or criminal litigation or for adversarial administrative proceedings, or which was prepared in 284 285 anticipation of such litigation or proceedings until the 286 conclusion of the litigation or proceedings.

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

290 c. Personnel records of association or management company 291 employees, including, but not limited to, disciplinary, payroll, 292 health, and insurance records. For purposes of this sub-293 subparagraph, the term "personnel records" does not include 294 written employment agreements with an association employee or 295 management company, or budgetary or financial records that 296 indicate the compensation paid to an association employee.

297

d. Medical records of unit owners.

298 Social security numbers, driver license numbers, credit e. 299 card numbers, e-mail addresses, telephone numbers, facsimile numbers, emergency contact information, addresses of a unit 300 301 owner other than as provided to fulfill the association's notice 302 requirements, and other personal identifying information of any 303 person, excluding the person's name, unit designation, mailing 304 address, property address, and any address, e-mail address, or 305 facsimile number provided to the association to fulfill the association's notice requirements. Notwithstanding the 306 307 restrictions in this sub-subparagraph, an association may print 308 and distribute to unit owners a directory containing the name, 309 unit address, and all telephone numbers of each unit owner. 310 However, an owner may exclude his or her telephone numbers from the directory by so requesting in writing to the association. An 311 698067 - h7069-Strike all-Perez1.docx

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312 owner may consent in writing to the disclosure of other contact 313 information described in this sub-subparagraph. The association 314 is not liable for the inadvertent disclosure of information that 315 is protected under this sub-subparagraph if the information is 316 included in an official record of the association and is 317 voluntarily provided by an owner and not requested by the 318 association.

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

321 g. The software and operating system used by the 322 association which allow the manipulation of data, even if the 323 owner owns a copy of the same software used by the association. 324 The data is part of the official records of the association.

h. All affirmative acknowledgments made pursuant to s.718.121(4)(c).

(g)1. By January 1, 2019, An association managing a condominium with 150 or more units which does not contain timeshare units <u>must</u> shall post digital copies of the documents specified in subparagraph 2. on its website or make such documents available through an application that can be downloaded on a mobile device.

333

a. The association's website or application must be:

(I) An independent website, application, or web portalwholly owned and operated by the association; or

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

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

348 c. Upon a unit owner's written request, the association 349 must provide the unit owner with a username and password and 350 access to the protected sections of the association's website or 351 application which contain any notices, records, or documents 352 that must be electronically provided.

353 2. A current copy of the following documents must be 354 posted in digital format on the association's website or 355 application:

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

359 b. The recorded bylaws of the association and each360 amendment to the bylaws.

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361 c. The articles of incorporation of the association, or 362 other documents creating the association, and each amendment to 363 the articles of incorporation or other documents. The copy 364 posted pursuant to this sub-subparagraph must be a copy of the 365 articles of incorporation filed with the Department of State.

366

d. The rules of the association.

367 e. A list of all executory contracts or documents to which 368 the association is a party or under which the association or the 369 unit owners have an obligation or responsibility and, after 370 bidding for the related materials, equipment, or services has 371 closed, a list of bids received by the association within the 372 past year. Summaries of bids for materials, equipment, or 373 services which exceed \$500 must be maintained on the website or 374 application for 1 year. In lieu of summaries, complete copies of 375 the bids may be posted.

376 f. The annual budget required by s. 718.112(2)(f) and any 377 proposed budget to be considered at the annual meeting.

378 g. The financial report required by subsection (13) and 379 any monthly income or expense statement to be considered at a 380 meeting.

381 h. The certification of each director required by s.382 718.112(2)(d)4.b.

383 i. All contracts or transactions between the association 384 and any director, officer, corporation, firm, or association 385 that is not an affiliated condominium association or any other 698067 - h7069-Strike all-Perez1.docx

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386 entity in which an association director is also a director or 387 officer and financially interested.

388 j. Any contract or document regarding a conflict of 389 interest or possible conflict of interest as provided in ss. 390 468.436(2)(b)6. and 718.3027(3).

391 k. The notice of any unit owner meeting and the agenda for 392 the meeting, as required by s. 718.112(2)(d)3., no later than 14 393 days before the meeting. The notice must be posted in plain view 394 on the front page of the website or application, or on a 395 separate subpage of the website or application labeled "Notices" 396 which is conspicuously visible and linked from the front page. 397 The association must also post on its website or application any 398 document to be considered and voted on by the owners during the 399 meeting or any document listed on the agenda at least 7 days 400 before the meeting at which the document or the information 401 within the document will be considered.

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

406 <u>m. The association's most recent structural integrity</u> 407 reserve study, if applicable.

<u>n. The association's most recent written recertification</u>
 <u>report and written phase 2 inspection report as described in s.</u>
 718.132, if applicable.

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411 The association shall ensure that the information and 3. 412 records described in paragraph (c), which are not allowed to be 413 accessible to unit owners, are not posted on the association's website or application. If protected information or information 414 415 restricted from being accessible to unit owners is included in documents that are required to be posted on the association's 416 417 website or application, the association must shall ensure the 418 information is redacted before posting the documents. 419 Notwithstanding the foregoing, the association or its agent is 420 not liable for disclosing information that is protected or restricted under this paragraph unless such disclosure was made 421 422 with a knowing or intentional disregard of the protected or 423 restricted nature of such information.

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

Section 6. Paragraphs (g) through (o) of subsection (2) of section 718.112, Florida Statutes, are redesignated as paragraphs (h) through (p), respectively, paragraphs (d) and (f) of that subsection are amended, and a new paragraph (g) is added to that subsection, to read:

433

718.112 Bylaws.-

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

437

(d) Unit owner meetings.-

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

444 2. Unless the bylaws provide otherwise, a vacancy on the 445 board caused by the expiration of a director's term must be 446 filled by electing a new board member, and the election must be 447 by secret ballot. An election is not required if the number of 448 vacancies equals or exceeds the number of candidates. For 449 purposes of this paragraph, the term "candidate" means an 450 eligible person who has timely submitted the written notice, as 451 described in sub-subparagraph 4.a., of his or her intention to 452 become a candidate. Except in a timeshare or nonresidential 453 condominium, or if the staggered term of a board member does not expire until a later annual meeting, or if all members' terms 454 455 would otherwise expire but there are no candidates, the terms of 456 all board members expire at the annual meeting, and such members 457 may stand for reelection unless prohibited by the bylaws. Board 458 members may serve terms longer than 1 year if permitted by the 698067 - h7069-Strike all-Perez1.docx

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459 bylaws or articles of incorporation. A board member may not 460 serve more than 8 consecutive years unless approved by an 461 affirmative vote of unit owners representing two-thirds of all 462 votes cast in the election or unless there are not enough 463 eligible candidates to fill the vacancies on the board at the 464 time of the vacancy. Only board service that occurs on or after 465 July 1, 2018, may be used when calculating a board member's term 466 limit. If the number of board members whose terms expire at the 467 annual meeting equals or exceeds the number of candidates, the 468 candidates become members of the board effective upon the 469 adjournment of the annual meeting. Unless the bylaws provide 470 otherwise, any remaining vacancies shall be filled by the 471 affirmative vote of the majority of the directors making up the newly constituted board even if the directors constitute less 472 473 than a quorum or there is only one director. In a residential 474 condominium association of more than 10 units or in a 475 residential condominium association that does not include 476 timeshare units or timeshare interests, co-owners of a unit may 477 not serve as members of the board of directors at the same time 478 unless they own more than one unit or unless there are not 479 enough eligible candidates to fill the vacancies on the board at 480 the time of the vacancy. A unit owner in a residential 481 condominium desiring to be a candidate for board membership must 482 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 483 698067 - h7069-Strike all-Perez1.docx Published On: 2/16/2022 11:21:57 PM

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484 deadline for submitting a notice of intent to run in order to 485 have his or her name listed as a proper candidate on the ballot 486 or to serve on the board. A person who has been suspended or 487 removed by the division under this chapter, or who is delinquent 488 in the payment of any assessment due to the association, is not 489 eligible to be a candidate for board membership and may not be 490 listed on the ballot. For purposes of this paragraph, a person 491 is delinquent if a payment is not made by the due date as 492 specifically identified in the declaration of condominium, 493 bylaws, or articles of incorporation. If a due date is not 494 specifically identified in the declaration of condominium, 495 bylaws, or articles of incorporation, the due date is the first 496 day of the assessment period. A person who has been convicted of 497 any felony in this state or in a United States District or 498 Territorial Court, or who has been convicted of any offense in 499 another jurisdiction which would be considered a felony if 500 committed in this state, is not eligible for board membership 501 unless such felon's civil rights have been restored for at least 502 5 years as of the date such person seeks election to the board. 503 The validity of an action by the board is not affected if it is 504 later determined that a board member is ineligible for board 505 membership due to having been convicted of a felony. This 506 subparagraph does not limit the term of a member of the board of 507 a nonresidential or timeshare condominium.

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508 3. The bylaws must provide the method of calling meetings 509 of unit owners, including annual meetings. Written notice of an 510 annual meeting must include an agenda; be mailed, hand 511 delivered, or electronically transmitted to each unit owner at 512 least 14 days before the annual meeting; and be posted in a 513 conspicuous place on the condominium property or association 514 property at least 14 continuous days before the annual meeting. 515 Written notice of a meeting other than an annual meeting must 516 include an agenda; be mailed, hand delivered, or electronically transmitted to each unit owner; and be posted in a conspicuous 517 place on the condominium property or association property within 518 519 the timeframe specified in the bylaws. If the bylaws do not 520 specify a timeframe for written notice of a meeting other than 521 an annual meeting, notice must be provided at least 14 522 continuous days before the meeting. Upon notice to the unit 523 owners, the board shall, by duly adopted rule, designate a 524 specific location on the condominium property or association 525 property where all notices of unit owner meetings must be 526 posted. This requirement does not apply if there is no condominium property for posting notices. In lieu of, or in 527 addition to, the physical posting of meeting notices, the 528 529 association may, by reasonable rule, adopt a procedure for 530 conspicuously posting and repeatedly broadcasting the notice and 531 the agenda on a closed-circuit cable television system serving the condominium association. However, if broadcast notice is 532 698067 - h7069-Strike all-Perez1.docx

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533 used in lieu of a notice posted physically on the condominium 534 property, the notice and agenda must be broadcast at least four 535 times every broadcast hour of each day that a posted notice is 536 otherwise required under this section. If broadcast notice is 537 provided, the notice and agenda must be broadcast in a manner 538 and for a sufficient continuous length of time so as to allow an 539 average reader to observe the notice and read and comprehend the 540 entire content of the notice and the agenda. In addition to any 541 of the authorized means of providing notice of a meeting of the 542 board, the association may, by rule, adopt a procedure for 543 conspicuously posting the meeting notice and the agenda on a 544 website serving the condominium association for at least the 545 minimum period of time for which a notice of a meeting is also 546 required to be physically posted on the condominium property. 547 Any rule adopted shall, in addition to other matters, include a 548 requirement that the association send an electronic notice in 549 the same manner as a notice for a meeting of the members, which 550 must include a hyperlink to the website where the notice is 551 posted, to unit owners whose e-mail addresses are included in the association's official records. Unless a unit owner waives 552 553 in writing the right to receive notice of the annual meeting, 554 such notice must be hand delivered, mailed, or electronically 555 transmitted to each unit owner. Notice for meetings and notice 556 for all other purposes must be mailed to each unit owner at the address last furnished to the association by the unit owner, or 557 698067 - h7069-Strike all-Perez1.docx

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558 hand delivered to each unit owner. However, if a unit is owned 559 by more than one person, the association must provide notice to 560 the address that the developer identifies for that purpose and 561 thereafter as one or more of the owners of the unit advise the 562 association in writing, or if no address is given or the owners 563 of the unit do not agree, to the address provided on the deed of 564 record. An officer of the association, or the manager or other 565 person providing notice of the association meeting, must provide 566 an affidavit or United States Postal Service certificate of 567 mailing, to be included in the official records of the 568 association affirming that the notice was mailed or hand 569 delivered in accordance with this provision.

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.

577 a. At least 60 days before a scheduled election, the 578 association shall mail, deliver, or electronically transmit, by 579 separate association mailing or included in another association 580 mailing, delivery, or transmission, including regularly 581 published newsletters, to each unit owner entitled to a vote, a 582 first notice of the date of the election. A unit owner or other 698067 - h7069-Strike all-Perez1.docx

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583 eligible person desiring to be a candidate for the board must give written notice of his or her intent to be a candidate to 584 585 the association at least 40 days before a scheduled election. 586 Together with the written notice and agenda as set forth in 587 subparagraph 3., the association shall mail, deliver, or 588 electronically transmit a second notice of the election to all 589 unit owners entitled to vote, together with a ballot that lists 590 all candidates not less than 14 days or more than 34 days before 591 the date of the election. Upon request of a candidate, an 592 information sheet, no larger than $8 \ 1/2$ inches by 11 inches, 593 which must be furnished by the candidate at least 35 days before 594 the election, must be included with the mailing, delivery, or 595 transmission of the ballot, with the costs of mailing, delivery, 596 or electronic transmission and copying to be borne by the 597 association. The association is not liable for the contents of 598 the information sheets prepared by the candidates. In order to 599 reduce costs, the association may print or duplicate the 600 information sheets on both sides of the paper. The division 601 shall by rule establish voting procedures consistent with this 602 sub-subparagraph, including rules establishing procedures for 603 giving notice by electronic transmission and rules providing for the secrecy of ballots. Elections shall be decided by a 604 605 plurality of ballots cast. There is no quorum requirement; 606 however, at least 20 percent of the eligible voters must cast a ballot in order to have a valid election. A unit owner may not 607 698067 - h7069-Strike all-Perez1.docx Published On: 2/16/2022 11:21:57 PM

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608 authorize any other person to vote his or her ballot, and any 609 ballots improperly cast are invalid. A unit owner who violates 610 this provision may be fined by the association in accordance with s. 718.303. A unit owner who needs assistance in casting 611 612 the ballot for the reasons stated in s. 101.051 may obtain such 613 assistance. The regular election must occur on the date of the 614 annual meeting. Notwithstanding this sub-subparagraph, an 615 election is not required unless more candidates file notices of 616 intent to run or are nominated than board vacancies exist.

617 b. Within 90 days after being elected or appointed to the board of an association of a residential condominium, each newly 618 619 elected or appointed director shall certify in writing to the 620 secretary of the association that he or she has read the 621 association's declaration of condominium, articles of 622 incorporation, bylaws, and current written policies; that he or 623 she will work to uphold such documents and policies to the best 624 of his or her ability; and that he or she will faithfully 625 discharge his or her fiduciary responsibility to the 626 association's members. In lieu of this written certification, 627 within 90 days after being elected or appointed to the board, 628 the newly elected or appointed director may submit a certificate 629 of having satisfactorily completed the educational curriculum 630 administered by a division-approved condominium education 631 provider within 1 year before or 90 days after the date of election or appointment. The written certification or 632 698067 - h7069-Strike all-Perez1.docx

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educational certificate is valid and does not have to be 633 634 resubmitted as long as the director serves on the board without 635 interruption. A director of an association of a residential 636 condominium who fails to timely file the written certification 637 or educational certificate is suspended from service on the 638 board until he or she complies with this sub-subparagraph. The 639 board may temporarily fill the vacancy during the period of 640 suspension. The secretary shall cause the association to retain 641 a director's written certification or educational certificate 642 for inspection by the members for 5 years after a director's election or the duration of the director's uninterrupted tenure, 643 644 whichever is longer. Failure to have such written certification or educational certificate on file does not affect the validity 645 646 of any board action.

647 c. Any challenge to the election process must be commenced648 within 60 days after the election results are announced.

649 Any approval by unit owners called for by this chapter 5. 650 or the applicable declaration or bylaws, including, but not 651 limited to, the approval requirement in s. 718.111(8), must be 652 made at a duly noticed meeting of unit owners and is subject to 653 all requirements of this chapter or the applicable condominium 654 documents relating to unit owner decisionmaking, except that 655 unit owners may take action by written agreement, without 656 meetings, on matters for which action by written agreement

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657 without meetings is expressly allowed by the applicable bylaws 658 or declaration or any law that provides for such action.

659 6. Unit owners may waive notice of specific meetings if allowed by the applicable bylaws or declaration or any law. 660 661 Notice of meetings of the board of administration, unit owner 662 meetings, except unit owner meetings called to recall board 663 members under paragraph (k) $\frac{(j)}{(j)}$, and committee meetings may be 664 given by electronic transmission to unit owners who consent to 665 receive notice by electronic transmission. A unit owner who 666 consents to receiving notices by electronic transmission is solely responsible for removing or bypassing filters that block 667 668 receipt of mass e-mails sent to members on behalf of the 669 association in the course of giving electronic notices.

670 7. Unit owners have the right to participate in meetings
671 of unit owners with reference to all designated agenda items.
672 However, the association may adopt reasonable rules governing
673 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.

9. Unless otherwise provided in the bylaws, any vacancy
occurring on the board before the expiration of a term may be
filled by the affirmative vote of the majority of the remaining
directors, even if the remaining directors constitute less than
a quorum, or by the sole remaining director. In the alternative,
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682 a board may hold an election to fill the vacancy, in which case 683 the election procedures must conform to sub-subparagraph 4.a. 684 unless the association governs 10 units or fewer and has opted 685 out of the statutory election process, in which case the bylaws 686 of the association control. Unless otherwise provided in the 687 bylaws, a board member appointed or elected under this section 688 shall fill the vacancy for the unexpired term of the seat being 689 filled. Filling vacancies created by recall is governed by 690 paragraph (k) (i) and rules adopted by the division.

691 10. This chapter does not limit the use of general or 692 limited proxies, require the use of general or limited proxies, 693 or require the use of a written ballot or voting machine for any 694 agenda item or election at any meeting of a timeshare 695 condominium association or nonresidential condominium 696 association.

698 Notwithstanding subparagraph (b)2. and sub-subparagraph 4.a., an 699 association of 10 or fewer units may, by affirmative vote of a 700 majority of the total voting interests, provide for different 701 voting and election procedures in its bylaws, which may be by a 702 proxy specifically delineating the different voting and election 703 procedures. The different voting and election procedures may 704 provide for elections to be conducted by limited or general 705 proxy.

706 (f) Annual budget.-

697

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707 1. The proposed annual budget of estimated revenues and expenses must be detailed and must show the amounts budgeted by 708 709 accounts and expense classifications, including, at a minimum, 710 any applicable expenses listed in s. 718.504(21). The board 711 shall adopt the annual budget at least 14 days before prior to 712 the start of the association's fiscal year. In the event that 713 the board fails to timely adopt the annual budget a second time, 714 it is shall be deemed a minor violation and the prior year's 715 budget shall continue in effect until a new budget is adopted. A 716 multicondominium association must shall adopt a separate budget 717 of common expenses for each condominium the association operates 718 and must shall adopt a separate budget of common expenses for the association. In addition, if the association maintains 719 limited common elements with the cost to be shared only by those 720 721 entitled to use the limited common elements as provided for in 722 s. 718.113(1), the budget or a schedule attached to it must show 723 the amount budgeted for this maintenance. If, after turnover of control of the association to the unit owners, any of the 724 725 expenses listed in s. 718.504(21) are not applicable, they do 726 need not need to be listed.

727 2.a. In addition to annual operating expenses, the budget 728 must include reserve accounts for capital expenditures and 729 deferred maintenance. These accounts must include, but are not 1 limited to, roof replacement, building painting, and pavement 731 resurfacing, regardless of the amount of deferred maintenance 698067 - h7069-Strike all-Perez1.docx

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732 expense or replacement cost, and any other item that has a 733 deferred maintenance expense or replacement cost that exceeds 734 \$10,000. The amount to be reserved for an item is determined by 735 the association's most recent structural integrity reserve study. If the amount to be reserved for an item is not in the 736 737 association's most recent structural integrity reserve study or 738 the association has not completed a structural integrity reserve 739 study, the amount must be computed using a formula based upon 740 estimated remaining useful life and estimated replacement cost or deferred maintenance expense of the each reserve item. The 741 742 association may adjust replacement reserve assessments annually 743 to take into account any changes in estimates or extension of 744 the useful life of a reserve item caused by deferred maintenance. This subsection does not apply to an adopted budget 745 746 in which The members of a unit-owner controlled an association 747 may determine have determined, by a majority vote at a duly 748 called meeting of the association, to provide no reserves or 749 less reserves than required by this subsection. Effective July 750 1, 2024, the members of a unit-owner controlled association may 751 not determine to provide no reserves or less reserves than 752 required by this subsection for items listed in paragraph (g).

b. Before turnover of control of an association by a developer to unit owners other than a developer <u>under</u> pursuant to s. 718.301, the <u>developer-controlled association</u> developer may <u>not</u> vote the voting interests allocated to its units to 698067 - h7069-Strike all-Perez1.docx

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757 waive the reserves or reduce the funding of the reserves through the period expiring at the end of the second fiscal year after 758 759 the fiscal year in which the certificate of a surveyor and 760 mapper is recorded pursuant to s. 718.104(4)(e) or an instrument 761 that transfers title to a unit in the condominium which is not 762 accompanied by a recorded assignment of developer rights in 763 favor of the grantee of such unit is recorded, whichever occurs 764 first, after which time reserves may be waived or reduced only upon the vote of a majority of all nondeveloper voting interests 765 766 voting in person or by limited proxy at a duly called meeting of 767 the association. If a meeting of the unit owners has been called 768 to determine whether to waive or reduce the funding of reserves 769 and no such result is achieved or a quorum is not attained, the 770 reserves included in the budget shall go into effect. After the 771 turnover, the developer may vote its voting interest to waive or 772 reduce the funding of reserves.

3. Reserve funds and any interest accruing thereon shall 773 774 remain in the reserve account or accounts, and may be used only 775 for authorized reserve expenditures unless their use for other 776 purposes is approved in advance by a majority vote at a duly 777 called meeting of the association. Before turnover of control of 778 an association by a developer to unit owners other than the 779 developer pursuant to s. 718.301, the developer-controlled 780 association may not vote to use reserves for purposes other than 781 those for which they were intended. Effective July 1, 2024, 698067 - h7069-Strike all-Perez1.docx

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782 <u>members of a unit-owner controlled association may not vote to</u> 783 <u>use reserve funds, or any interest accruing thereon, that are</u> 784 <u>reserved for items listed in paragraph (g) for any other purpose</u> 785 <u>other than their intended purpose</u> without the approval of a 786 <u>majority of all nondeveloper voting interests, voting in person</u> 787 or by limited proxy at a duly called meeting of the association.

788 4. The only voting interests that are eligible to vote on 789 questions that involve waiving or reducing the funding of 790 reserves, or using existing reserve funds for purposes other 791 than purposes for which the reserves were intended, are the 792 voting interests of the units subject to assessment to fund the 793 reserves in question. Proxy questions relating to waiving or 794 reducing the funding of reserves or using existing reserve funds 795 for purposes other than purposes for which the reserves were 796 intended must contain the following statement in capitalized, 797 bold letters in a font size larger than any other used on the 798 face of the proxy ballot: WAIVING OF RESERVES, IN WHOLE OR IN 799 PART, OR ALLOWING ALTERNATIVE USES OF EXISTING RESERVES MAY 800 RESULT IN UNIT OWNER LIABILITY FOR PAYMENT OF UNANTICIPATED 801 SPECIAL ASSESSMENTS REGARDING THOSE ITEMS.

802

(g) Structural integrity reserve study.-

803 <u>1. An association must have a structural integrity reserve</u> 804 <u>study completed at least every 10 years after the condominium's</u> 805 <u>creation for each building on the condominium property that is</u> 806 <u>three stories or higher in height which includes, at a minimum,</u>

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807 a study of the following items as related to the structural 808 integrity and safety of the building: 809 a. Roof. 810 b. Load-bearing walls or other primary structural members. 811 c. Floor. 812 d. Foundation. 813 e. Fireproofing and fire protection systems. 814 f. Plumbing. 815 q. Electrical systems. 816 h. Waterproofing and exterior painting. 817 i. Windows. 818 j. Any other item that has a deferred maintenance expense 819 or replacement cost that exceeds \$10,000 and the failure to 820 replace or maintain such item negatively affects the items listed in subparagraphs a.-i., as determined by the licensed 821 822 engineer or architect performing the visual inspection portion 823 of the structural integrity reserve study. 824 2. Before a developer turns over control of an association 825 to unit owners other than the developer, the developer must have a structural integrity reserve study completed for each building 826 827 on the condominium property that is three stories or higher in 828 height. 829 3. Associations existing on or before July 1, 2022, which 830 are controlled by unit owners other than the developer, must have a structural integrity reserve study completed by July 1, 831 698067 - h7069-Strike all-Perez1.docx Published On: 2/16/2022 11:21:57 PM

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832	2024, for each building on the condominium property that is	
833	three stories or higher in height.	
834	4. If an association fails to complete a structural	
835	integrity reserve study pursuant to this paragraph, such failure	
836	is a breach of an officer and director's fiduciary relationship	
837	to the unit owners as provided under s. 718.111(1).	
838	Section 7. Paragraph (f) of subsection (8) of section	
839	718.116, Florida Statutes, is amended to read:	
840	718.116 Assessments; liability; lien and priority;	
841	interest; collection	
842	(8) Within 10 business days after receiving a written or	
843	electronic request therefor from a unit owner or the unit	
844	owner's designee, or a unit mortgagee or the unit mortgagee's	
845	designee, the association shall issue the estoppel certificate.	
846	Each association shall designate on its website a person or	
847	entity with a street or e-mail address for receipt of a request	
848	for an estoppel certificate issued pursuant to this section. The	
849	estoppel certificate must be provided by hand delivery, regular	
850	mail, or e-mail to the requestor on the date of issuance of the	
851	estoppel certificate.	
852	(f) Notwithstanding any limitation on transfer fees	
853	contained in <u>s. 718.112(2)(j)</u> s. 718.112(2)(i) , an association	
854	or its authorized agent may charge a reasonable fee for the	
855	preparation and delivery of an estoppel certificate, which may	
856	not exceed \$250, if, on the date the certificate is issued, no	
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857 delinquent amounts are owed to the association for the 858 applicable unit. If an estoppel certificate is requested on an 859 expedited basis and delivered within 3 business days after the 860 request, the association may charge an additional fee of \$100. 861 If a delinquent amount is owed to the association for the 862 applicable unit, an additional fee for the estoppel certificate 863 may not exceed \$150. 864 Section 8. Paragraph (c) of subsection (2) of section 865 718.117, Florida Statutes, is redesignated as paragraph (d), 866 paragraph (b) of subsection (8) is amended, and a new paragraph 867 (c) is added to subsection (2) of that section, to read: 868 718.117 Termination of condominium.-

869 (2) TERMINATION BECAUSE OF ECONOMIC WASTE OR870 IMPOSSIBILITY.-

871 (c)1. Notwithstanding paragraph (a), a condominium that 872 has a building that has received a phase 2 inspection under s. 873 718.132 with recommended repairs for substantial structural 874 deterioration that exceed 65 percent of the combined fair market 875 value of the units in the condominium after completion of the construction or repairs may be terminated pursuant to a plan of 876 termination approved by a majority of the total voting interests 877 878 of the condominium. Such termination must be approved at a 879 properly called meeting of the association with the voting 880 interests voting in person or by limited proxy. A bulk owner has 881 the same number of voting interests as a single unit owner under 698067 - h7069-Strike all-Perez1.docx Published On: 2/16/2022 11:21:57 PM

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882	this paragraph. For purposes of this paragraph, the term "bulk
883	owner" has the same meaning as in paragraph (3)(c).
884	2. Written notice of the meeting must include an agenda
885	that conspicuously states a plan of termination of the
886	condominium will be considered. The written notice must be
887	mailed, hand delivered, or electronically transmitted to each
888	unit owner at least 14 days before the meeting; and be posted in
889	a conspicuous place on the condominium property or association
890	property at least 14 continuous days before the meeting.
891	3. The fair market value of the units in the condominium
892	must be determined by an independent appraiser selected by the
893	termination trustee no earlier than 90 days before the date on
894	which the plan of termination is recorded.
895	(8) REPORTS AND REPLACEMENT OF RECEIVER
896	(b) The unit owners of an association in termination may
897	recall or remove members of the board of administration with or
898	without cause at any time as provided in <u>s. 718.112(2)(k)</u> s.
899	718.112(2)(j) .
900	Section 9. Section 718.132, Florida Statutes, is created
901	to read:
902	718.132 Building recertification
903	(1) As used in this section, the term:
904	(a) "Coastline" has the same meaning as in the Submerged
905	Lands Act, 43 U.S.C. s. 1301(c).
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906	(b) "Phase 2 inspection" means an inspection that includes
907	destructive and nondestructive testing at the discretion of the
908	person performing the inspection and a written report of such
909	inspection. A phase 2 inspection must be performed by an
910	engineer licensed under chapter 471 or an architect licensed
911	under chapter 481.
912	(c) "Recertification" or "recertify" means a visual
913	inspection of a building's general structural condition and the
914	general condition of its electrical system, including a written
915	report of such inspection, performed by an engineer licensed
916	under chapter 471 or an architect licensed under chapter 481.
917	(d) "Substantial structural deterioration" means
918	substantial structural distress that negatively affects a
919	building's general structural condition and integrity. Surface
920	imperfections such as cracks, distortion, sagging, deflections,
921	misalignment, signs of leakage, or peeling of finishes are not
922	considered substantial structural deterioration unless the
923	licensed engineer or architect performing the recertification or
924	phase 2 inspection determines that such surface imperfections
925	are a sign of substantial structural distress.
926	(e) "Visual inspection" means a visual examination of the
927	items listed s. 718.112(2)(g).
928	(2)(a) An association must have any building on
929	condominium property that is three stories or higher in height
930	and that has been occupied for at least 30 years, or 25 years if
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931	the building is within 3 miles of the coastline of the state,
932	recertified as determined by the local building official.
933	(b) An association must have any building on condominium
934	property that is required to be recertified under paragraph (a)
935	recertified at least every 10 years after its first
936	recertification.
937	(3) Upon determining that a building on condominium
938	property must be recertified, the local building official must
939	provide written notice of such required recertification to the
940	association by certified mail, return receipt requested.
941	(4)(a) Within 90 days after receiving the written notice
942	under subsection (3), or within 180 days if the association
943	receives the written notice before July 1, 2023, the association
944	or the association's manager must provide the written
945	recertification report by e-mail, United States Postal Service,
946	or commercial delivery service to the local building official
947	and state the date on which the association received such report
948	from the licensed engineer or architect who performed the
949	recertification.
950	(b) Within 14 days after receiving the written
951	recertification report from the licensed engineer or architect
952	who performed the recertification, the association must provide
953	the written recertification report by e-mail, United States
954	Postal Service, or commercial delivery service to each unit
955	owner.
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956	(5) Upon completing a recertification, the licensed
957	engineer or architect who performed the recertification must
958	provide a written recertification report by e-mail, United
959	States Postal Service, or commercial delivery service to the
960	association. The written recertification report must, at a
961	minimum:
962	(a) Bear the seal and signature or electronic signature of
963	the licensed engineer or architect who performed the inspection.
964	(b) Indicate the manner and type of inspection forming the
965	basis for the written recertification report and a description
966	of any items identified as requiring further inspection or
967	remedial action.
968	(c) Indicate whether there is damage to the items listed
969	in s. 718.112(2)(g), within a reasonable professional
970	probability based on the scope of the inspection, and list any
971	recommended repairs for such damage.
972	(d) Indicate whether there is substantial structural
973	deterioration within a reasonable professional probability based
974	on the scope of the inspection.
975	(e) State whether unsafe or dangerous conditions, as those
976	terms are defined in the Florida Building Code, were observed.
977	(6)(a) If a written recertification report indicates that
978	there is substantial structural deterioration within a
979	reasonable professional probability based on the scope of the
980	inspection, the local building official must provide written
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981	notice to the association by certified mail, return receipt
982	requested, that the association must have a phase 2 inspection
983	performed.
984	(b) Within 60 days after receiving the written notice
985	under paragraph (a), the association must provide written notice
986	to the local building official by e-mail, United States Postal
987	Service, or commercial delivery service that includes the start
988	date of the phase 2 inspection and the name and contact
989	information of the licensed engineer or architect who will
990	perform the phase 2 inspection.
991	(c) The written phase 2 inspection report must, at a
992	minimum:
993	1. Bear the seal and signature or electronic signature of
994	the licensed engineer or architect who performed the inspection.
995	2. Indicate the manner and type of inspection forming the
996	basis for the written report.
997	3. State whether there is substantial structural
998	deterioration, within a reasonable professional probability
999	based on the scope of the inspection, and the extent of such
1000	damage and list any recommended repairs for such damage.
1001	4. State whether unsafe or dangerous conditions, as those
1002	terms are defined in the Florida Building Code, were observed.
1003	(d) The licensed engineer or architect performing the
1004	phase 2 inspection must provide the written phase 2 inspection
1005	report by e-mail, United States Postal Service, or commercial
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1006	delivery service to the local building official and the
1007	association upon completion.
1008	(e) Within 14 days after receiving the written phase 2
1009	inspection report from the licensed engineer or architect who
1010	performed the phase 2 inspection, the association must provide
1011	the written phase 2 inspection report by e-mail, United States
1012	Postal Service, or commercial delivery service to each unit
1013	owner.
1014	(7)(a) A local building official may prescribe penalties,
1015	which must be posted on the building department's website, for
1016	failure to comply with this section.
1017	(b) If an association fails to schedule or begin repairs
1018	that are identified in the written phase 2 inspection report
1019	within a time period to be determined by the county
1020	commissioners of the county where the building is located, which
1021	time period may not exceed 365 days after the local building
1022	official receives the written phase 2 inspection report, the
1023	local building official must determine that the building is
1024	unsafe for human occupancy until such repairs are scheduled or
1025	begin.
1026	(8) If an association fails to complete a recertification
1027	or phase 2 inspection pursuant to this section, such failure is
1028	a breach of an officer and director's fiduciary relationship to
1029	the unit owners as provided under s. 718.111(1).

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1030 Section 10. Paragraphs (r), (s), and (t) are added to subsection (4) of section 718.301, Florida Statutes, to read: 1031 1032 718.301 Transfer of association control; claims of defect 1033 by association.-1034 At the time that unit owners other than the developer (4) 1035 elect a majority of the members of the board of administration of an association, the developer shall relinquish control of the 1036 1037 association, and the unit owners shall accept control. 1038 Simultaneously, or for the purposes of paragraph (c) not more 1039 than 90 days thereafter, the developer shall deliver to the 1040 association, at the developer's expense, all property of the 1041 unit owners and of the association which is held or controlled by the developer, including, but not limited to, the following 1042 1043 items, if applicable, as to each condominium operated by the 1044 association: 1045 (r) A copy of the association's most recent structural 1046 integrity reserve study. 1047 (s) If a building on the condominium property must be 1048 recertified under s. 718.132, a copy of the association's most 1049 recent written recertification report. 1050 (t) If a building on the condominium property must have a 1051 phase 2 inspection performed under s. 718.132, a copy of the 1052 association's most recent written phase 2 inspection report.

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1053 Section 11. Subsection (1) of section 718.501, Florida 1054 Statutes, is amended, and subsection (3) is added to that 1055 section, to read: 1056 718.501 Authority, responsibility, and duties of Division 1057 of Florida Condominiums, Timeshares, and Mobile Homes.-1058 The division may enforce and ensure compliance with (1)1059 this chapter and rules relating to the development, 1060 construction, sale, lease, ownership, operation, and management 1061 of residential condominium units. In performing its duties, the 1062 division has complete jurisdiction to investigate complaints and 1063 enforce compliance with respect to associations that are still 1064 under developer control or the control of a bulk assignee or 1065 bulk buyer pursuant to part VII of this chapter and complaints 1066 against developers, bulk assignees, or bulk buyers involving 1067 improper turnover or failure to turnover, pursuant to s. 1068 718.301. However, after turnover has occurred, the division has 1069 jurisdiction to investigate complaints related only to financial 1070 issues, elections, and the maintenance of and unit owner access 1071 to association records under s. 718.111(12), and complaints 1072 related to the procedural completion of structural integrity reserve studies under s. 718.112(2)(g) and recertification and 1073 1074 phase 2 inspections under s. 718.132. 1075 (a)1. The division may make necessary public or private

1075 (a)1. The division may make necessary public or private 1076 investigations within or outside this state to determine whether 1077 any person has violated this chapter or any rule or order 698067 - h7069-Strike all-Perez1.docx

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1078 hereunder, to aid in the enforcement of this chapter, or to aid 1079 in the adoption of rules or forms.

1080 2. The division may submit any official written report, 1081 worksheet, or other related paper, or a duly certified copy 1082 thereof, compiled, prepared, drafted, or otherwise made by and 1083 duly authenticated by a financial examiner or analyst to be 1084 admitted as competent evidence in any hearing in which the 1085 financial examiner or analyst is available for cross-examination 1086 and attests under oath that such documents were prepared as a 1087 result of an examination or inspection conducted pursuant to 1088 this chapter.

(b) The division may require or permit any person to file a statement in writing, under oath or otherwise, as the division determines, as to the facts and circumstances concerning a matter to be investigated.

1093 (C) For the purpose of any investigation under this 1094 chapter, the division director or any officer or employee 1095 designated by the division director may administer oaths or 1096 affirmations, subpoena witnesses and compel their attendance, 1097 take evidence, and require the production of any matter which is relevant to the investigation, including the existence, 1098 1099 description, nature, custody, condition, and location of any 1100 books, documents, or other tangible things and the identity and 1101 location of persons having knowledge of relevant facts or any other matter reasonably calculated to lead to the discovery of 1102 698067 - h7069-Strike all-Perez1.docx

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1103 material evidence. Upon the failure by a person to obey a 1104 subpoena or to answer questions propounded by the investigating 1105 officer and upon reasonable notice to all affected persons, the 1106 division may apply to the circuit court for an order compelling 1107 compliance.

1108 Notwithstanding any remedies available to unit owners (d) 1109 and associations, if the division has reasonable cause to believe that a violation of any provision of this chapter or 1110 1111 related rule has occurred, the division may institute enforcement proceedings in its own name against any developer, 1112 bulk assignee, bulk buyer, association, officer, or member of 1113 the board of administration, or its assignees or agents, as 1114 1115 follows:

1116 1. The division may permit a person whose conduct or 1117 actions may be under investigation to waive formal proceedings 1118 and enter into a consent proceeding whereby orders, rules, or 1119 letters of censure or warning, whether formal or informal, may 1120 be entered against the person.

The division may issue an order requiring the 1121 2. 1122 developer, bulk assignee, bulk buyer, association, developerdesignated officer, or developer-designated member of the board 1123 of administration, developer-designated assignees or agents, 1124 1125 bulk assignee-designated assignees or agents, bulk buyer-1126 designated assignees or agents, community association manager, or community association management firm to cease and desist 1127 698067 - h7069-Strike all-Perez1.docx

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1128 from the unlawful practice and take such affirmative action as 1129 in the judgment of the division carry out the purposes of this 1130 chapter. If the division finds that a developer, bulk assignee, bulk buyer, association, officer, or member of the board of 1131 administration, or its assignees or agents, is violating or is 1132 1133 about to violate any provision of this chapter, any rule adopted 1134 or order issued by the division, or any written agreement entered into with the division, and presents an immediate danger 1135 1136 to the public requiring an immediate final order, it may issue an emergency cease and desist order reciting with particularity 1137 1138 the facts underlying such findings. The emergency cease and 1139 desist order is effective for 90 days. If the division begins nonemergency cease and desist proceedings, the emergency cease 1140 1141 and desist order remains effective until the conclusion of the proceedings under ss. 120.569 and 120.57. 1142

1143 3. If a developer, bulk assignee, or bulk buyer fails to pay any restitution determined by the division to be owed, plus 1144 1145 any accrued interest at the highest rate permitted by law, within 30 days after expiration of any appellate time period of 1146 1147 a final order requiring payment of restitution or the conclusion 1148 of any appeal thereof, whichever is later, the division must 1149 bring an action in circuit or county court on behalf of any 1150 association, class of unit owners, lessees, or purchasers for 1151 restitution, declaratory relief, injunctive relief, or any other available remedy. The division may also temporarily revoke its 1152 698067 - h7069-Strike all-Perez1.docx

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1153 acceptance of the filing for the developer to which the 1154 restitution relates until payment of restitution is made.

1155 4. The division may petition the court for appointment of a receiver or conservator. If appointed, the receiver or 1156 1157 conservator may take action to implement the court order to 1158 ensure the performance of the order and to remedy any breach 1159 thereof. In addition to all other means provided by law for the enforcement of an injunction or temporary restraining order, the 1160 1161 circuit court may impound or sequester the property of a party 1162 defendant, including books, papers, documents, and related records, and allow the examination and use of the property by 1163 1164 the division and a court-appointed receiver or conservator.

The division may apply to the circuit court for an 1165 5. 1166 order of restitution whereby the defendant in an action brought 1167 under subparagraph 4. is ordered to make restitution of those 1168 sums shown by the division to have been obtained by the 1169 defendant in violation of this chapter. At the option of the 1170 court, such restitution is payable to the conservator or receiver appointed under subparagraph 4. or directly to the 1171 1172 persons whose funds or assets were obtained in violation of this 1173 chapter.

6. The division may impose a civil penalty against a developer, bulk assignee, or bulk buyer, or association, or its assignee or agent, for any violation of this chapter or related rule. The division may impose a civil penalty individually

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1178 against an officer or board member who willfully and knowingly 1179 violates this chapter, an adopted rule, or a final order of the 1180 division; may order the removal of such individual as an officer or from the board of administration or as an officer of the 1181 1182 association; and may prohibit such individual from serving as an 1183 officer or on the board of a community association for a period 1184 of time. The term "willfully and knowingly" means that the 1185 division informed the officer or board member that his or her 1186 action or intended action violates this chapter, a rule adopted 1187 under this chapter, or a final order of the division and that the officer or board member refused to comply with the 1188 1189 requirements of this chapter, a rule adopted under this chapter, or a final order of the division. The division, before 1190 1191 initiating formal agency action under chapter 120, must afford 1192 the officer or board member an opportunity to voluntarily 1193 comply, and an officer or board member who complies within 10 days is not subject to a civil penalty. A penalty may be imposed 1194 on the basis of each day of continuing violation, but the 1195 1196 penalty for any offense may not exceed \$5,000. The division 1197 shall adopt, by rule, penalty guidelines applicable to possible violations or to categories of violations of this chapter or 1198 1199 rules adopted by the division. The guidelines must specify a 1200 meaningful range of civil penalties for each such violation of 1201 the statute and rules and must be based upon the harm caused by 1202 the violation, the repetition of the violation, and upon such 698067 - h7069-Strike all-Perez1.docx

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1203 other factors deemed relevant by the division. For example, the 1204 division may consider whether the violations were committed by a 1205 developer, bulk assignee, or bulk buyer, or owner-controlled 1206 association, the size of the association, and other factors. The 1207 quidelines must designate the possible mitigating or aggravating 1208 circumstances that justify a departure from the range of 1209 penalties provided by the rules. It is the legislative intent that minor violations be distinguished from those which endanger 1210 1211 the health, safety, or welfare of the condominium residents or 1212 other persons and that such quidelines provide reasonable and meaningful notice to the public of likely penalties that may be 1213 1214 imposed for proscribed conduct. This subsection does not limit the ability of the division to informally dispose of 1215 1216 administrative actions or complaints by stipulation, agreed 1217 settlement, or consent order. All amounts collected shall be 1218 deposited with the Chief Financial Officer to the credit of the 1219 Division of Florida Condominiums, Timeshares, and Mobile Homes 1220 Trust Fund. If a developer, bulk assignee, or bulk buyer fails 1221 to pay the civil penalty and the amount deemed to be owed to the 1222 association, the division shall issue an order directing that 1223 such developer, bulk assignee, or bulk buyer cease and desist 1224 from further operation until such time as the civil penalty is 1225 paid or may pursue enforcement of the penalty in a court of 1226 competent jurisdiction. If an association fails to pay the civil 1227 penalty, the division shall pursue enforcement in a court of 698067 - h7069-Strike all-Perez1.docx

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1228 competent jurisdiction, and the order imposing the civil penalty 1229 or the cease and desist order is not effective until 20 days 1230 after the date of such order. Any action commenced by the 1231 division shall be brought in the county in which the division 1232 has its executive offices or in the county where the violation 1233 occurred.

1234 7. If a unit owner presents the division with proof that 1235 the unit owner has requested access to official records in 1236 writing by certified mail, and that after 10 days the unit owner 1237 again made the same request for access to official records in 1238 writing by certified mail, and that more than 10 days has 1239 elapsed since the second request and the association has still failed or refused to provide access to official records as 1240 1241 required by this chapter, the division shall issue a subpoena 1242 requiring production of the requested records where the records 1243 are kept pursuant to s. 718.112.

1244 In addition to subparagraph 6., the division may seek 8. 1245 the imposition of a civil penalty through the circuit court for 1246 any violation for which the division may issue a notice to show 1247 cause under paragraph (r). The civil penalty shall be at least \$500 but no more than \$5,000 for each violation. The court may 1248 1249 also award to the prevailing party court costs and reasonable 1250 attorney fees and, if the division prevails, may also award 1251 reasonable costs of investigation.

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(e) The division may prepare and disseminate a prospectus
and other information to assist prospective owners, purchasers,
lessees, and developers of residential condominiums in assessing
the rights, privileges, and duties pertaining thereto.

(f) The division may adopt rules to administer and enforce this chapter.

(g) The division shall establish procedures for providing notice to an association and the developer, bulk assignee, or bulk buyer during the period in which the developer, bulk assignee, or bulk buyer controls the association if the division is considering the issuance of a declaratory statement with respect to the declaration of condominium or any related document governing such condominium community.

(h) The division shall furnish each association that pays the fees required by paragraph (2)(a) a copy of this chapter, as amended, and the rules adopted thereto on an annual basis.

(i) The division shall annually provide each association
with a summary of declaratory statements and formal legal
opinions relating to the operations of condominiums which were
rendered by the division during the previous year.

(j) The division shall provide training and educational programs for condominium association board members and unit owners. The training may, in the division's discretion, include web-based electronic media, and live training and seminars in various locations throughout the state. The division may review 698067 - h7069-Strike all-Perez1.docx

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1277 and approve education and training programs for board members 1278 and unit owners offered by providers and shall maintain a 1279 current list of approved programs and providers and make such 1280 list available to board members and unit owners in a reasonable 1281 and cost-effective manner.

1282 (k) The division shall maintain a toll-free telephone1283 number accessible to condominium unit owners.

1284 The division shall develop a program to certify both (1) 1285 volunteer and paid mediators to provide mediation of condominium 1286 disputes. The division shall provide, upon request, a list of 1287 such mediators to any association, unit owner, or other 1288 participant in alternative dispute resolution proceedings under 1289 s. 718.1255 requesting a copy of the list. The division shall 1290 include on the list of volunteer mediators only the names of 1291 persons who have received at least 20 hours of training in 1292 mediation techniques or who have mediated at least 20 disputes. 1293 In order to become initially certified by the division, paid 1294 mediators must be certified by the Supreme Court to mediate 1295 court cases in county or circuit courts. However, the division 1296 may adopt, by rule, additional factors for the certification of 1297 paid mediators, which must be related to experience, education, or background. Any person initially certified as a paid mediator 1298 1299 by the division must, in order to continue to be certified, 1300 comply with the factors or requirements adopted by rule.

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1301 If a complaint is made, the division must conduct its (m) 1302 inquiry with due regard for the interests of the affected 1303 parties. Within 30 days after receipt of a complaint, the 1304 division shall acknowledge the complaint in writing and notify 1305 the complainant whether the complaint is within the jurisdiction 1306 of the division and whether additional information is needed by 1307 the division from the complainant. The division shall conduct 1308 its investigation and, within 90 days after receipt of the 1309 original complaint or of timely requested additional 1310 information, take action upon the complaint. However, the failure to complete the investigation within 90 days does not 1311 1312 prevent the division from continuing the investigation, accepting or considering evidence obtained or received after 90 1313 1314 days, or taking administrative action if reasonable cause exists 1315 to believe that a violation of this chapter or a rule has 1316 occurred. If an investigation is not completed within the time 1317 limits established in this paragraph, the division shall, on a 1318 monthly basis, notify the complainant in writing of the status 1319 of the investigation. When reporting its action to the 1320 complainant, the division shall inform the complainant of any right to a hearing under ss. 120.569 and 120.57. The division 1321 1322 may adopt rules regarding the submission of a complaint against 1323 an association.

1324 (n) Condominium association directors, officers, and 1325 employees; condominium developers; bulk assignees, bulk buyers, 698067 - h7069-Strike all-Perez1.docx

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1326 and community association managers; and community association 1327 management firms have an ongoing duty to reasonably cooperate 1328 with the division in any investigation under this section. The division shall refer to local law enforcement authorities any 1329 1330 person whom the division believes has altered, destroyed, 1331 concealed, or removed any record, document, or thing required to 1332 be kept or maintained by this chapter with the purpose to impair 1333 its verity or availability in the department's investigation.

1334

(o) The division may:

13351. Contract with agencies in this state or other1336jurisdictions to perform investigative functions; or

1337

2. Accept grants-in-aid from any source.

(p) The division shall cooperate with similar agencies in other jurisdictions to establish uniform filing procedures and forms, public offering statements, advertising standards, and rules and common administrative practices.

(q) The division shall consider notice to a developer, bulk assignee, or bulk buyer to be complete when it is delivered to the address of the developer, bulk assignee, or bulk buyer currently on file with the division.

(r) In addition to its enforcement authority, the division
may issue a notice to show cause, which must provide for a
hearing, upon written request, in accordance with chapter 120.

1349(s) The division shall submit to the Governor, the1350President of the Senate, the Speaker of the House of

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1351 Representatives, and the chairs of the legislative 1352 appropriations committees an annual report that includes, but 1353 need not be limited to, the number of training programs provided 1354 for condominium association board members and unit owners, the 1355 number of complaints received by type, the number and percent of 1356 complaints acknowledged in writing within 30 days and the number 1357 and percent of investigations acted upon within 90 days in 1358 accordance with paragraph (m), and the number of investigations 1359 exceeding the 90-day requirement. The annual report must also include an evaluation of the division's core business processes 1360 1361 and make recommendations for improvements, including statutory 1362 changes. The report shall be submitted by September 30 following 1363 the end of the fiscal year.

1364 (3) (a) On or before January 1, 2023, condominium 1365 associations that existed on or before July 1, 2022, must 1366 provide the following information to the division in writing by 1367 e-mail, United States Postal Service, commercial delivery 1368 service, or hand delivery, at a physical address or e-mail 1369 address provided by the division and on a form posted on the 1370 division's website: 1. The number of buildings on the condominium property 1371 1372 that are three stories or higher in height

1373 1374 2. The total number of units in all such buildings.

- 3. The addresses of all such buildings.
- 1375 <u>4. The county in which such buildings are located.</u>

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1376	(b) The division must compile a list of the number of
1377	buildings on condominium property that are three stories or
1378	higher in height, which is searchable by county, and must post
1379	the list on the division's website. This list must include all
1380	of the following information:
1381	1. The name of each association with buildings on the
1382	condominium property that are three stories or higher in height.
1383	2. The number of such buildings in each association.
1384	3. The addresses of all such buildings.
1385	4. The county in which such buildings are located.
1386	(c) An association must provide an the update in writing
1387	if there are any changes to the information in the list in
1388	paragraph (b) to the division within 6 months after the change.
1389	Section 12. Paragraphs (b) and (c) of subsection (2) of
1390	section 718.503, Florida Statutes, are redesignated as
1391	paragraphs (c) and (d), respectively, and paragraph (b) of
1392	subsection (1) and paragraph (a) of subsection (2) are amended
1393	to read:
1394	718.503 Developer disclosure <u>before</u> prior to sale;
1395	nondeveloper unit owner disclosure <u>before</u> prior to sale;
1396	voidability
1397	(1) DEVELOPER DISCLOSURE
1398	(b) Copies of documents to be furnished to prospective
1399	buyer or lessee.—Until such time as the developer has furnished
1400	the documents listed below to a person who has entered into a
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1401 contract to purchase a residential unit or lease it for more 1402 than 5 years, the contract may be voided by that person, 1403 entitling the person to a refund of any deposit together with 1404 interest thereon as provided in s. 718.202. The contract may be 1405 terminated by written notice from the proposed buyer or lessee 1406 delivered to the developer within 15 days after the buyer or 1407 lessee receives all of the documents required by this section. 1408 The developer may not close for 15 days after following the 1409 execution of the agreement and delivery of the documents to the 1410 buyer as evidenced by a signed receipt for documents unless the buyer is informed in the 15-day voidability period and agrees to 1411 1412 close before prior to the expiration of the 15 days. The developer shall retain in his or her records a separate 1413 1414 agreement signed by the buyer as proof of the buyer's agreement 1415 to close before prior to the expiration of the said voidability 1416 period. Such Said proof must shall be retained for a period of 5 1417 years after the date of the closing of the transaction. The 1418 documents to be delivered to the prospective buyer are the 1419 prospectus or disclosure statement with all exhibits, if the 1420 development is subject to the provisions of s. 718.504, or, if 1421 not, then copies of the following which are applicable:

1422 1. The question and answer sheet described in s. 718.504, 1423 and declaration of condominium, or the proposed declaration if 1424 the declaration has not been recorded, which shall include the

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1425 certificate of a surveyor approximately representing the locations required by s. 718.104. 1426 1427 2. The documents creating the association. 1428 3. The bylaws. 1429 4. The ground lease or other underlying lease of the 1430 condominium. 1431 5. The management contract, maintenance contract, and other contracts for management of the association and operation 1432 1433 of the condominium and facilities used by the unit owners having

1434 a service term in excess of 1 year, and any management contracts 1435 that are renewable.

6. The estimated operating budget for the condominium and a schedule of expenses for each type of unit, including fees assessed <u>under</u> pursuant to s. 718.113(1) for the maintenance of limited common elements where such costs are shared only by those entitled to use the limited common elements.

1441 7. The lease of recreational and other facilities that 1442 will be used only by unit owners of the subject condominium.

1443 8. The lease of recreational and other common facilities 1444 that will be used by unit owners in common with unit owners of 1445 other condominiums.

1446

9. The form of unit lease if the offer is of a leasehold.

1447 10. Any declaration of servitude of properties serving the 1448 condominium but not owned by unit owners or leased to them or 1449 the association.

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1450 11. If the development is to be built in phases or if the 1451 association is to manage more than one condominium, a 1452 description of the plan of phase development or the arrangements 1453 for the association to manage two or more condominiums.

1454 12. If the condominium is a conversion of existing
1455 improvements, the statements and disclosure required by s.
1456 718.616.

1457

13. The form of agreement for sale or lease of units.

1458 14. A copy of the floor plan of the unit and the plot plan 1459 showing the location of the residential buildings and the 1460 recreation and other common areas.

1461 15. A copy of all covenants and restrictions <u>that</u> which 1462 will affect the use of the property and which are not contained 1463 in the foregoing.

1464 16. If the developer is required by state or local 1465 authorities to obtain acceptance or approval of any dock or 1466 marina facilities intended to serve the condominium, a copy of 1467 any such acceptance or approval acquired by the time of filing 1468 with the division under s. 718.502(1), or a statement that such 1469 acceptance or approval has not been acquired or received.

1470 17. Evidence demonstrating that the developer has an 1471 ownership, leasehold, or contractual interest in the land upon 1472 which the condominium is to be developed.

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1473	18. A copy of the association's most recent structural
1474 <u>int</u>	egrity reserve study or a statement that the association has
1475 <u>not</u>	completed a structural integrity reserve study.
1476	19. If the unit is located in a building on the
1477 <u>conc</u>	dominium property that must be recertified under s. 718.132,
1478 <u>a co</u>	opy of the association's most recent written recertification
1479 <u>rep</u>	ort or a statement that the association has not completed the
1480 <u>req</u>	aired recertification.
1481	20. If the unit is located in a building on the
1482 <u>conc</u>	dominium property that must have a phase 2 inspection
1483 <u>per</u> t	formed under s. 718.132, a copy of the association's most
1484 <u>rece</u>	ent written phase 2 inspection report or a statement that the
1485 <u>ass</u>	ociation has not completed the required phase 2 inspection.
1486	(2) NONDEVELOPER DISCLOSURE
1487	(a) Each unit owner who is not a developer as defined by
1488 this	s chapter <u>must</u> shall comply with the provisions of this
1489 subs	section <u>before</u> prior to the sale of his or her unit. Each
1490 pros	spective purchaser who has entered into a contract for the
1491 purc	chase of a condominium unit is entitled, at the seller's
1492 expe	ense, to a current copy of <u>all of the following:</u>
1493	<u>1.</u> The declaration of condominium <u>.</u> τ
1494	<u>2.</u> Articles of incorporation of the association $\underline{\cdot au}$
1495	<u>3.</u> Bylaws and rules of the association <u>.</u> $ au$
1496	<u>4.</u> Financial information required by s. 718.111 $_{\cdot \tau}$
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1497	5. The association's most recent structural integrity
1498	reserve study or a statement that the association has not
1499	completed a structural integrity reserve study.
1500	6. If the unit is located in a building on the condominium
1501	property that must be recertified under s. 718.132, the
1502	association's most recent written recertification report or a
1503	statement that the association has not completed the required
1504	recertification.
1505	7. If the unit is located in a building on the condominium
1506	property that must have a phase 2 inspection performed under s.
1507	718.132, the association's most recent written phase 2
1508	inspection report or a statement that the association has not
1509	completed the required phase 2 inspection. and
1510	8. The document entitled "Frequently Asked Questions and
1511	Answers" required by s. 718.504.
1512	(b) On and after January 1, 2009, The prospective
1513	purchaser <u>is</u> shall also be entitled to receive from the seller a
1514	copy of a governance form. Such form shall be provided by the
1515	division summarizing governance of condominium associations. In
1516	addition to such other information as the division considers
1517	helpful to a prospective purchaser in understanding association
1518	governance, the governance form shall address the following
1519	subjects:

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1520 The role of the board in conducting the day-to-day 1. affairs of the association on behalf of, and in the best 1521 1522 interests of, the owners. 1523 2. The board's responsibility to provide advance notice of 1524 board and membership meetings. 1525 3. The rights of owners to attend and speak at board and 1526 membership meetings. 1527 The responsibility of the board and of owners with 4. 1528 respect to maintenance of the condominium property. 1529 The responsibility of the board and owners to abide by 5. 1530 the condominium documents, this chapter, rules adopted by the 1531 division, and reasonable rules adopted by the board. 1532 6. Owners' rights to inspect and copy association records 1533 and the limitations on such rights. 1534 7. Remedies available to owners with respect to actions by 1535 the board which may be abusive or beyond the board's power and 1536 authority. The right of the board to hire a property management 1537 8. 1538 firm, subject to its own primary responsibility for such 1539 management. 1540 The responsibility of owners with regard to payment of 9. 1541 regular or special assessments necessary for the operation of 1542 the property and the potential consequences of failure to pay 1543 such assessments. 1544 The voting rights of owners. 10.

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1545 11. Rights and obligations of the board in enforcement of 1546 rules in the condominium documents and rules adopted by the 1547 board.

1549 The governance form must shall also include the following 1550 statement in conspicuous type: "This publication is intended as 1551 an informal educational overview of condominium governance. In 1552 the event of a conflict, the provisions of chapter 718, Florida 1553 Statutes, rules adopted by the Division of Florida Condominiums, 1554 Timeshares, and Mobile Homes of the Department of Business and 1555 Professional Regulation, the provisions of the condominium 1556 documents, and reasonable rules adopted by the condominium 1557 association's board of administration prevail over the contents 1558 of this publication."

Section 13. Paragraph (f) of subsection (24) of section 1560 718.504, Florida Statutes, is amended, and paragraphs (q) and 1561 (r) are added to that subsection, to read:

1562 718.504 Prospectus or offering circular.-Every developer 1563 of a residential condominium which contains more than 20 1564 residential units, or which is part of a group of residential 1565 condominiums which will be served by property to be used in 1566 common by unit owners of more than 20 residential units, shall 1567 prepare a prospectus or offering circular and file it with the 1568 Division of Florida Condominiums, Timeshares, and Mobile Homes 1569 prior to entering into an enforceable contract of purchase and 698067 - h7069-Strike all-Perez1.docx

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1570 sale of any unit or lease of a unit for more than 5 years and 1571 shall furnish a copy of the prospectus or offering circular to 1572 each buyer. In addition to the prospectus or offering circular, each buyer shall be furnished a separate page entitled 1573 1574 "Frequently Asked Questions and Answers," which shall be in 1575 accordance with a format approved by the division and a copy of 1576 the financial information required by s. 718.111. This page 1577 shall, in readable language, inform prospective purchasers 1578 regarding their voting rights and unit use restrictions, 1579 including restrictions on the leasing of a unit; shall indicate whether and in what amount the unit owners or the association is 1580 1581 obligated to pay rent or land use fees for recreational or other commonly used facilities; shall contain a statement identifying 1582 1583 that amount of assessment which, pursuant to the budget, would 1584 be levied upon each unit type, exclusive of any special 1585 assessments, and which shall further identify the basis upon 1586 which assessments are levied, whether monthly, quarterly, or 1587 otherwise; shall state and identify any court cases in which the 1588 association is currently a party of record in which the 1589 association may face liability in excess of \$100,000; and which 1590 shall further state whether membership in a recreational 1591 facilities association is mandatory, and if so, shall identify 1592 the fees currently charged per unit type. The division shall by 1593 rule require such other disclosure as in its judgment will 1594 assist prospective purchasers. The prospectus or offering 698067 - h7069-Strike all-Perez1.docx

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1595 circular may include more than one condominium, although not all 1596 such units are being offered for sale as of the date of the 1597 prospectus or offering circular. The prospectus or offering 1598 circular must contain the following information:

1599 (24) Copies of the following, to the extent they are1600 applicable, shall be included as exhibits:

(f) The estimated operating budget for the condominium, and the required schedule of unit owners' expenses, and the association's most recent structural integrity reserve study or a statement that the association has not completed a structural integrity reserve study.

1606 (q) If the unit is located in a building on the 1607 condominium property that must be recertified under s. 718.132, 1608 the association's most recent written recertification report or 1609 a statement that the association has not completed the required 1610 recertification.

1611 (r) If the unit is located in a building on the 1612 condominium property that must have a phase 2 inspection 1613 performed under s. 718.132, the association's most recent written phase 2 inspection report or a statement that the 1614 association has not completed the required phase 2 inspection. 1615 1616 Section 14. Subsection (21) and subsections (24) through 1617 (28) of section 719.103, Florida Statutes, are renumbered as 1618 subsection (22) and subsections (25) through (30), respectively,

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1619	and new subsections (21) and (24) are added to that section to
1620	read:
1621	719.103 DefinitionsAs used in this chapter:
1622	(21) "Primary structural member" has the same meaning as
1623	<u>in s. 627.706(2).</u>
1624	(24) "Structural integrity reserve study" means a study of
1625	the reserve funds required for future major repairs and
1626	replacement of the common areas based on a visual inspection of
1627	the common areas. A structural integrity reserve study may be
1628	performed by any person qualified to perform such study.
1629	However, the visual inspection portion of the structural
1630	integrity reserve study must be performed by an engineer
1631	licensed under chapter 471 or an architect licensed under
1632	chapter 481. At a minimum, a structural integrity reserve study
1633	must identify the common areas being visually inspected, state
1634	the estimated remaining useful life and the estimated
1635	replacement cost or deferred maintenance expense of the common
1636	areas being visually inspected, and provide a recommended annual
1637	reserve amount that achieves the estimated replacement cost or
1638	deferred maintenance expense of each common area being visually
1639	inspected by the end of the estimated remaining useful life of
1640	each common area.
1641	Section 15. Subsection (1) of section 719.1035, Florida
1642	Statutes, is amended to read:
1643	719.1035 Creation of cooperatives
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1644 (1)The date when cooperative existence shall commence is 1645 upon commencement of corporate existence of the cooperative 1646 association as provided in s. 607.0203. The cooperative 1647 documents must be recorded in the county in which the 1648 cooperative is located before property may be conveyed or 1649 transferred to the cooperative. All persons who have any record 1650 interest in any mortgage encumbering the interest in the land 1651 being submitted to cooperative ownership must either join in the 1652 execution of the cooperative documents or execute, with the requirements for deed, and record, a consent to the cooperative 1653 1654 documents or an agreement subordinating their mortgage interest 1655 to the cooperative documents. Upon creation of a cooperative, 1656 the developer or association shall file the recording 1657 information with the division within 30 working days on a form 1658 prescribed by the division. If the cooperative is subject to s. 1659 719.132 and has at least one building on the cooperative 1660 property that is three stories or higher in height, the 1661 developer or association must also provide information to the 1662 division indicating the number of buildings described in the recording information located on the cooperative property that 1663 1664 are three stories or higher in height, the total number of units 1665 in each building, and the address of each building within 30 1666 working days of creation of the cooperative on a form prescribed 1667 by the division.

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1668 Section 16. Paragraph (a) of subsection (2) of section 1669 719.104, Florida Statutes, is amended to read: 1670 719.104 Cooperatives; access to units; records; financial reports; assessments; purchase of leases.-1671 OFFICIAL RECORDS.-1672 (2)1673 From the inception of the association, the association (a) 1674 shall maintain a copy of each of the following, if where 1675 applicable, which shall constitute the official records of the 1676 association: 1677 The plans, permits, warranties, and other items 1. 1678 provided by the developer pursuant to s. 719.301(4). 1679 A photocopy of the cooperative documents. 2. A copy of the current rules of the association. 1680 3. 1681 A book or books containing the minutes of all meetings 4. 1682 of the association, of the board of directors, and of the unit 1683 owners. 1684 5. A current roster of all unit owners and their mailing 1685 addresses, unit identifications, voting certifications, and, if 1686 known, telephone numbers. The association shall also maintain 1687 the e-mail addresses and the numbers designated by unit owners 1688 for receiving notice sent by electronic transmission of those 1689 unit owners consenting to receive notice by electronic 1690 transmission. The e-mail addresses and numbers provided by unit 1691 owners to receive notice by electronic transmission shall be 1692 removed from association records when consent to receive notice 698067 - h7069-Strike all-Perez1.docx Published On: 2/16/2022 11:21:57 PM

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by electronic transmission is revoked. However, the association is not liable for an erroneous disclosure of the e-mail address or the number for receiving electronic transmission of notices.

6. All current insurance policies of the association.

1697 7. A current copy of any management agreement, lease, or 1698 other contract to which the association is a party or under 1699 which the association or the unit owners have an obligation or 1700 responsibility.

1701 8. Bills of sale or transfer for all property owned by the1702 association.

9. Accounting records for the association and separate accounting records for each unit it operates, according to good accounting practices. The accounting records shall include, but not be limited to:

1707 a. Accurate, itemized, and detailed records of all1708 receipts and expenditures.

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

c. All audits, reviews, accounting statements, <u>structural</u>
 <u>integrity reserve studies</u>, and financial reports of the
 association. <u>Structural integrity reserve studies must be</u>
 maintained for at least 15 years after the study is completed.

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1718	d. All contracts for work to be performed. Bids for work
1719	to be performed shall also be considered official records and
1720	shall be maintained for a period of 1 year.
1721	10. Ballots, sign-in sheets, voting proxies, and all other
1722	papers and electronic records relating to voting by unit owners,
1723	which shall be maintained for a period of 1 year after the date
1724	of the election, vote, or meeting to which the document relates.
1725	11. All rental records where the association is acting as
1726	agent for the rental of units.
1727	12. A copy of the current question and answer sheet as
1728	described in s. 719.504.
1729	13. All affirmative acknowledgments made pursuant to s.
1730	719.108(3)(b)3.
1731	14. All written recertification reports and written phase
1732	2 inspection reports as described in s. 719.132, if applicable,
1733	which must be permanently maintained.
1734	<u>15.14.</u> All other written records of the association not
1735	specifically included in the foregoing which are related to the
1736	operation of the association.
1737	Section 17. Paragraphs (k) through (m) of subsection (1)
1738	of section 719.106, Florida Statutes, are redesignated as
1739	paragraphs (l) through (n), respectively, paragraph (j) of
1740	subsection (1) is amended, and a new paragraph (k) is added to
1741	subsection (1) of that section, to read:
1742	719.106 Bylaws; cooperative ownership
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(1) MANDATORY PROVISIONS.—The bylaws or other cooperative
documents shall provide for the following, and if they do not,
they shall be deemed to include the following:

1746

(j) Annual budget.-

1747 The proposed annual budget of common expenses must 1. 1748 shall be detailed and must shall show the amounts budgeted by 1749 accounts and expense classifications, including, if applicable, 1750 but not limited to, those expenses listed in s. 719.504(20). The 1751 board of administration shall adopt the annual budget at least 1752 14 days before prior to the start of the association's fiscal year. In the event that the board fails to timely adopt the 1753 1754 annual budget a second time, it is shall be deemed a minor 1755 violation and the prior year's budget shall continue in effect 1756 until a new budget is adopted.

1757 In addition to annual operating expenses, the budget 2. 1758 must shall include reserve accounts for capital expenditures and 1759 deferred maintenance. These accounts must shall include, but not 1760 be limited to, roof replacement, building painting, and pavement 1761 resurfacing, regardless of the amount of deferred maintenance 1762 expense or replacement cost, and for any other items for which 1763 the deferred maintenance expense or replacement cost exceeds 1764 \$10,000. The amount to be reserved for an item is determined by 1765 the association's most recent structural integrity reserve 1766 study. If the amount to be reserved for an item is not in the 1767 association's most recent structural integrity reserve study or 698067 - h7069-Strike all-Perez1.docx

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1768 the association has not completed a structural integrity reserve study, the amount must shall be computed by means of a formula 1769 1770 which is based upon estimated remaining useful life and estimated replacement cost or deferred maintenance expense of 1771 1772 the each reserve item. The association may adjust replacement 1773 reserve assessments annually to take into account any changes in 1774 estimates or extension of the useful life of a reserve item 1775 caused by deferred maintenance. This paragraph shall not apply 1776 to any budget in which The members of unit-owner controlled an 1777 association may determine have, at a duly called meeting of the association, determined for a fiscal year to provide no reserves 1778 1779 or reserves less adequate than required by this subsection. 1780 Before turnover of control of an association by a developer to 1781 unit owners other than a developer under s. 719.301, the 1782 developer-controlled association may not vote to waive the 1783 reserves or reduce funding of the reserves. Effective July 1, 1784 2024, a unit-owner controlled association may not determine to 1785 provide no reserves or reserves less adequate than required by 1786 this paragraph for items listed in paragraph (k). However, prior 1787 to turnover of control of an association by a developer to unit 1788 owners other than a developer pursuant to s. 719.301, the 1789 developer may vote to waive the reserves or reduce the funding 1790 of reserves for the first 2 years of the operation of the association after which time reserves may only be waived or 1791 1792 reduced upon the vote of a majority of all nondeveloper voting 698067 - h7069-Strike all-Perez1.docx Published On: 2/16/2022 11:21:57 PM

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1793 interests voting in person or by limited proxy at a duly called 1794 meeting of the association. If a meeting of the unit owners has 1795 been called to determine to provide no reserves, or reserves 1796 less adequate than required, and such result is not attained or 1797 a quorum is not attained, the reserves as included in the budget 1798 shall go into effect.

1799 3. Reserve funds and any interest accruing thereon shall 1800 remain in the reserve account or accounts, and shall be used 1801 only for authorized reserve expenditures unless their use for 1802 other purposes is approved in advance by a vote of the majority 1803 of the voting interests, voting in person or by limited proxy at 1804 a duly called meeting of the association. Prior to turnover of 1805 control of an association by a developer to unit owners other 1806 than the developer under s. 719.301, the developer may not vote 1807 to use reserves for purposes other than that for which they were 1808 intended without the approval of a majority of all nondeveloper 1809 voting interests, voting in person or by limited proxy at a duly 1810 called meeting of the association. Effective July 1, 2024, a 1811 unit-owner controlled association may not vote to use reserve funds, or any interest thereon, which are reserved for items 1812 listed in paragraph (k) for purposes other than their intended 1813 1814 purpose. 1815 (k) Structural integrity reserve study.-1816 1. An association must have a structural integrity reserve study completed at least every 10 years for each building on the 1817

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1818	cooperative property that is three stories or higher in height
1819	that includes, at a minimum, a study of the following items as
1820	related to the structural integrity and safety of the building:
1821	a. Roof.
1822	b. Load-bearing walls or other primary structural members.
1823	<u>c. Floor.</u>
1824	d. Foundation.
1825	e. Fireproofing and fire protection systems.
1826	f. Plumbing.
1827	g. Electrical systems.
1828	h. Waterproofing and exterior painting.
1829	i. Windows.
1830	j. Any other item that has a deferred maintenance expense
1831	or replacement cost that exceeds \$10,000 and the failure to
1832	replace or maintain such item negatively affects the items
1833	listed in subparagraphs ai., as determined by the licensed
1834	engineer or architect performing the visual inspection portion
1835	of the structural integrity reserve study.
1836	2. Before a developer turns over control of an association
1837	to unit owners other than the developer, the developer must have
1838	a structural integrity reserve study completed for each building
1839	on the cooperative property that is three stories or higher in
1840	height.
1841	3. Associations existing on or before July 1, 2022, which
1842	are controlled by unit owners other than the developer, must
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1843	have a structural integrity reserve study completed by July 1,
1844	2024, for each building on the cooperative property that is
1845	three stories or higher in height.
1846	4. If an association fails to complete a structural
1847	integrity reserve study pursuant to this paragraph, such failure
1848	is a breach of an officer and director's fiduciary relationship
1849	to the unit owners as provided under s. 719.104(8).
1850	Section 18. Section 719.132, Florida Statutes, is created
1851	to read:
1852	719.132 Building recertification
1853	(1) As used in this section, the term:
1854	(a) "Coastline" has the same meaning as in the Submerged
1855	Lands Act, 43 U.S.C. s. 1301(c).
1856	(b) "Phase 2 inspection" means an inspection that includes
1857	destructive and nondestructive testing at the discretion of the
1858	person performing the inspection and a written report of such
1859	inspection. A phase 2 inspection must be performed by an
1860	engineer licensed under chapter 471 or an architect licensed
1861	under chapter 481.
1862	(c) "Recertification" or "recertify" means a visual
1863	inspection of a building's general structural condition and
1864	general condition of its electrical system, including a written
1865	report of such inspection, performed by an engineer licensed
1866	under chapter 471 or an architect licensed under chapter 481.
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1867	(d) "Substantial structural deterioration" means
1868	substantial structural distress that negatively affects a
1869	building's general structural condition and integrity. Surface
1870	imperfections, such as cracks, distortion, sagging, deflections,
1871	misalignment, signs of leakage, or peeling of finishes are not
1872	considered substantial structural deterioration unless the
1873	licensed engineer or architect performing the recertification or
1874	phase 2 inspection determines that such surface imperfections
1875	are a sign of structural distress.
1876	(e) "Visual inspection" means a visual examination of the
1877	items listed s. 719.106(1)(k).
1878	(2)(a) An association must have any building on the
1879	cooperative property that is three stories or higher in height
1880	and that has been occupied for at least 30 years, or 25 years if
1881	the building is within 3 miles of the coastline of the state,
1882	recertified as determined by the local building official.
1883	(b) An association must have any building on the
1884	cooperative property that is required to be recertified under
1885	paragraph (a) recertified at least every 10 years after its
1886	first recertification.
1887	(3) Upon determining that a building on the cooperative
1888	property must be recertified, the local building official must
1889	provide written notice of such required recertification to the
1890	association by certified mail, return receipt requested.

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1891	(4)(a) Within 90 days after receiving the written notice
1892	under subsection (3), or within 180 days if the association
1893	receives the written notice before July 1, 2023, the association
1894	or the association's manager must provide the written
1895	recertification report by e-mail, United States Postal Service,
1896	or commercial delivery service to the local building official
1897	and state the date on which the association received such report
1898	from the licensed engineer or architect who performed the
1899	recertification.
1900	(b) Within 14 days after receiving the written
1901	recertification report from the licensed engineer or architect
1902	who performed the recertification, the association must provide
1903	the written recertification report by e-mail, United States
1904	Postal Service, or commercial delivery service to each unit
1905	owner.
1906	(5) Upon completing a recertification, the licensed
1907	engineer or architect who performed the recertification must
1908	provide a written recertification report by e-mail, United
1909	States Postal Service, or commercial delivery service to the
1910	association. The written recertification report must, at a
1911	minimum:
1912	(a) Bear the seal and signature, or electronic signature,
1913	of the licensed engineer or architect who performed the
1914	inspection.
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1915(b) Indicate the manner and type of inspection forming the1916basis for the written recertification report and a description1917of any items identified as requiring further inspection or1918remedial action.1919(c) Indicate whether there is damage to the items listed
1917 <u>of any items identified as requiring further inspection or</u> 1918 <u>remedial action.</u>
1918 <u>remedial action.</u>
(c) Indicate whether there is damage to the items listed
1920 in s. 719.106(1)(k), within a reasonable professional
1921 probability based on the scope of the inspection, and list any
1922 <u>recommended repairs for such damage.</u>
1923 (d) Indicate whether there is substantial structural
1924 deterioration within a reasonable professional probability based
1925 on the scope of the inspection.
1926 (e) State whether unsafe or dangerous conditions, as those
1927 terms are defined in the Florida Building Code, were observed.
1928 (6)(a) If a written recertification report indicates that
1929 there is substantial structural deterioration, within a
1930 reasonable professional probability based on the scope of the
1931 inspection, the local building official must provide written
1932 notice to the association by certified mail, return receipt
1933 requested, that the association must have a phase 2 inspection
1934 performed.
1935 (b) Within 60 days after receiving the written notice
1936 under paragraph (a), the association must provide written notice
1937 to the local building official by e-mail, United States Postal
1938 Service, or commercial delivery service that includes the start
1939 date of the phase 2 inspection and the name and contact
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1940	information of the licensed engineer or architect who will
1941	perform the phase 2 inspection.
1942	(c) The written phase 2 inspection report must, at a
1943	<u>minimum:</u>
1944	1. Bear the seal and signature, or the electronic
1945	signature, of the licensed engineer or architect who performed
1946	the inspection.
1947	2. State the manner and type of inspection forming the
1948	basis for the written report.
1949	3. State whether there is substantial structural
1950	deterioration, within a reasonable professional probability
1951	based on the scope of the inspection, and the extent of such
1952	damage and list any recommended repairs for such damage.
1953	4. State whether the unsafe or dangerous conditions, as
1954	those terms are defined in the Florida Building Code, were
1955	observed.
1956	(d) The licensed engineer or architect performing the
1957	phase 2 inspection must provide the written phase 2 inspection
1958	report by e-mail, United States Postal Service, or commercial
1959	delivery service to the local building official and the
1960	association upon completion.
1961	(e) Within 14 days after receiving the written phase 2
1962	inspection report from the licensed engineer or architect who
1963	performed the phase 2 inspection, the association must provide
1964	the written phase 2 inspection report by e-mail, United States
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1965	Postal Service, or commercial delivery service to each unit
1966	owner.
1967	(7)(a) A local building official may prescribe penalties,
1968	which must be posted on the building department's website, for
1969	failure to comply with this section.
1970	(b) If an association fails to schedule or begin repairs
1971	that are identified in the written phase 2 inspection report
1972	within a time period to be determined by the county
1973	commissioners of the county where the building is located, which
1974	time period may not exceed 365 days after the local building
1975	official receives the written phase 2 inspection report, the
1976	local building official must determine that the building is
1977	unsafe for human occupancy until such repairs are scheduled or
1978	begin.
1979	(8) If an association fails to complete a recertification
1980	or phase 2 inspection pursuant to this section, such failure is
1981	a breach of an officer and director's fiduciary relationship to
1982	the unit owners as provided under s. 719.104(8).
1983	Section 19. Paragraphs (p), (q), and (r) are added to
1984	subsection (4) of section 719.301, Florida Statutes, to read:
1985	719.301 Transfer of association control
1986	(4) When unit owners other than the developer elect a
1987	majority of the members of the board of administration of an
1988	association, the developer shall relinquish control of the
1989	association, and the unit owners shall accept control.
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1990 Simultaneously, or for the purpose of paragraph (c) not more 1991 than 90 days thereafter, the developer shall deliver to the 1992 association, at the developer's expense, all property of the 1993 unit owners and of the association held or controlled by the 1994 developer, including, but not limited to, the following items, 1995 if applicable, as to each cooperative operated by the 1996 association:

1997 (p) A copy of the association's most recent structural 1998 integrity reserve study.

1999(q) If a building on the cooperative property must be2000recertified under s. 719.132, a copy of the association's most2001recent written recertification report or a statement that the2002association has not completed the required recertification.

(r) If a building on the cooperative property must have a phase 2 inspection performed under s. 719.132, a copy of the association's most recent written phase 2 inspection report or a statement that the association has not completed the required phase 2 inspection.

2008 Section 20. Subsection (1) of section 719.501, Florida 2009 Statutes, is amended, and subsection (3) is added to that 2010 section, to read:

2011719.501Powers and duties of Division of Florida2012Condominiums, Timeshares, and Mobile Homes.-

(1) The Division of Florida Condominiums, Timeshares, and Mobile Homes of the Department of Business and Professional 698067 - h7069-Strike all-Perez1.docx

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Regulation, referred to as the "division" in this part, in 20152016 addition to other powers and duties prescribed by chapter 718, 2017 has the power to enforce and ensure compliance with this chapter and adopted rules relating to the development, construction, 2018 2019 sale, lease, ownership, operation, complaints related to the 2020 procedural completion of the structural integrity reserve 2021 studies required under s. 719.106(1)(k) or recertifications and phase 2 inspections required under s. 719.132, and management of 2022 2023 residential cooperative units. In performing its duties, the 2024 division shall have the following powers and duties:

(a) The division may make necessary public or private investigations within or outside this state to determine whether any person has violated this chapter or any rule or order hereunder, to aid in the enforcement of this chapter, or to aid in the adoption of rules or forms hereunder.

(b) The division may require or permit any person to file a statement in writing, under oath or otherwise, as the division determines, as to the facts and circumstances concerning a matter to be investigated.

(c) For the purpose of any investigation under this chapter, the division director or any officer or employee designated by the division director may administer oaths or affirmations, subpoena witnesses and compel their attendance, take evidence, and require the production of any matter which is relevant to the investigation, including the existence,

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2040 description, nature, custody, condition, and location of any 2041 books, documents, or other tangible things and the identity and 2042 location of persons having knowledge of relevant facts or any other matter reasonably calculated to lead to the discovery of 2043 2044 material evidence. Upon failure by a person to obey a subpoena 2045 or to answer questions propounded by the investigating officer 2046 and upon reasonable notice to all persons affected thereby, the 2047 division may apply to the circuit court for an order compelling 2048 compliance.

(d) Notwithstanding any remedies available to unit owners and associations, if the division has reasonable cause to believe that a violation of any provision of this chapter or related rule has occurred, the division may institute enforcement proceedings in its own name against a developer, association, officer, or member of the board, or its assignees or agents, as follows:

2056 1. The division may permit a person whose conduct or 2057 actions may be under investigation to waive formal proceedings 2058 and enter into a consent proceeding whereby orders, rules, or 2059 letters of censure or warning, whether formal or informal, may 2060 be entered against the person.

2061 2. The division may issue an order requiring the 2062 developer, association, officer, or member of the board, or its 2063 assignees or agents, to cease and desist from the unlawful 2064 practice and take such affirmative action as in the judgment of 698067 - h7069-Strike all-Perez1.docx

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2065 the division will carry out the purposes of this chapter. Such 2066 affirmative action may include, but is not limited to, an order 2067 requiring a developer to pay moneys determined to be owed to a 2068 condominium association.

2069 3. The division may bring an action in circuit court on 2070 behalf of a class of unit owners, lessees, or purchasers for 2071 declaratory relief, injunctive relief, or restitution.

2072 The division may impose a civil penalty against a 4. 2073 developer or association, or its assignees or agents, for any 2074 violation of this chapter or related rule. The division may 2075 impose a civil penalty individually against any officer or board 2076 member who willfully and knowingly violates a provision of this 2077 chapter, a rule adopted pursuant to this chapter, or a final 2078 order of the division. The term "willfully and knowingly" means 2079 that the division informed the officer or board member that his 2080 or her action or intended action violates this chapter, a rule 2081 adopted under this chapter, or a final order of the division, 2082 and that the officer or board member refused to comply with the 2083 requirements of this chapter, a rule adopted under this chapter, 2084 or a final order of the division. The division, prior to 2085 initiating formal agency action under chapter 120, shall afford 2086 the officer or board member an opportunity to voluntarily comply 2087 with this chapter, a rule adopted under this chapter, or a final order of the division. An officer or board member who complies 2088 2089 within 10 days is not subject to a civil penalty. A penalty may 698067 - h7069-Strike all-Perez1.docx

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be imposed on the basis of each day of continuing violation, but 2090 in no event shall the penalty for any offense exceed \$5,000. By 2091 2092 January 1, 1998, the division shall adopt, by rule, penalty quidelines applicable to possible violations or to categories of 2093 2094 violations of this chapter or rules adopted by the division. The 2095 quidelines must specify a meaningful range of civil penalties 2096 for each such violation of the statute and rules and must be 2097 based upon the harm caused by the violation, the repetition of 2098 the violation, and upon such other factors deemed relevant by 2099 the division. For example, the division may consider whether the 2100 violations were committed by a developer or owner-controlled 2101 association, the size of the association, and other factors. The guidelines must designate the possible mitigating or aggravating 2102 2103 circumstances that justify a departure from the range of 2104 penalties provided by the rules. It is the legislative intent 2105 that minor violations be distinguished from those which endanger 2106 the health, safety, or welfare of the cooperative residents or other persons and that such guidelines provide reasonable and 2107 2108 meaningful notice to the public of likely penalties that may be 2109 imposed for proscribed conduct. This subsection does not limit 2110 the ability of the division to informally dispose of 2111 administrative actions or complaints by stipulation, agreed 2112 settlement, or consent order. All amounts collected shall be 2113 deposited with the Chief Financial Officer to the credit of the Division of Florida Condominiums, Timeshares, and Mobile Homes 2114 698067 - h7069-Strike all-Perez1.docx

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2115 Trust Fund. If a developer fails to pay the civil penalty, the 2116 division shall thereupon issue an order directing that such 2117 developer cease and desist from further operation until such time as the civil penalty is paid or may pursue enforcement of 2118 2119 the penalty in a court of competent jurisdiction. If an 2120 association fails to pay the civil penalty, the division shall 2121 thereupon pursue enforcement in a court of competent 2122 jurisdiction, and the order imposing the civil penalty or the 2123 cease and desist order shall not become effective until 20 days 2124 after the date of such order. Any action commenced by the 2125 division shall be brought in the county in which the division 2126 has its executive offices or in the county where the violation 2127 occurred.

(e) The division may prepare and disseminate a prospectus
and other information to assist prospective owners, purchasers,
lessees, and developers of residential cooperatives in assessing
the rights, privileges, and duties pertaining thereto.

(f) The division has authority to adopt rules pursuant to ss. 120.536(1) and 120.54 to implement and enforce the provisions of this chapter.

(g) The division shall establish procedures for providing notice to an association when the division is considering the issuance of a declaratory statement with respect to the cooperative documents governing such cooperative community.

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(h) The division shall furnish each association which pays the fees required by paragraph (2)(a) a copy of this act, subsequent changes to this act on an annual basis, an amended version of this act as it becomes available from the Secretary of State's office on a biennial basis, and the rules adopted thereto on an annual basis.

(i) The division shall annually provide each association with a summary of declaratory statements and formal legal opinions relating to the operations of cooperatives which were rendered by the division during the previous year.

(j) The division shall adopt uniform accounting principles, policies, and standards to be used by all associations in the preparation and presentation of all financial statements required by this chapter. The principles, policies, and standards shall take into consideration the size of the association and the total revenue collected by the association.

The division shall provide training and educational 2156 (k) 2157 programs for cooperative association board members and unit 2158 owners. The training may, in the division's discretion, include 2159 web-based electronic media, and live training and seminars in 2160 various locations throughout the state. The division may review 2161 and approve education and training programs for board members 2162 and unit owners offered by providers and shall maintain a current list of approved programs and providers and make such 2163 698067 - h7069-Strike all-Perez1.docx

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2164 list available to board members and unit owners in a reasonable 2165 and cost-effective manner.

(1) The division shall maintain a toll-free telephonenumber accessible to cooperative unit owners.

2168 When a complaint is made to the division, the division (m) 2169 shall conduct its inquiry with reasonable dispatch and with due 2170 regard to the interests of the affected parties. Within 30 days 2171 after receipt of a complaint, the division shall acknowledge the 2172 complaint in writing and notify the complainant whether the 2173 complaint is within the jurisdiction of the division and whether 2174 additional information is needed by the division from the 2175 complainant. The division shall conduct its investigation and 2176 shall, within 90 days after receipt of the original complaint or 2177 timely requested additional information, take action upon the 2178 complaint. However, the failure to complete the investigation 2179 within 90 days does not prevent the division from continuing the 2180 investigation, accepting or considering evidence obtained or 2181 received after 90 days, or taking administrative action if 2182 reasonable cause exists to believe that a violation of this 2183 chapter or a rule of the division has occurred. If an 2184 investigation is not completed within the time limits established in this paragraph, the division shall, on a monthly 2185 2186 basis, notify the complainant in writing of the status of the investigation. When reporting its action to the complainant, the 2187

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2188 division shall inform the complainant of any right to a hearing 2189 pursuant to ss. 120.569 and 120.57.

2190 (n) The division shall develop a program to certify both 2191 volunteer and paid mediators to provide mediation of cooperative 2192 disputes. The division shall provide, upon request, a list of 2193 such mediators to any association, unit owner, or other 2194 participant in arbitration proceedings under s. 718.1255 2195 requesting a copy of the list. The division shall include on the 2196 list of voluntary mediators only persons who have received at 2197 least 20 hours of training in mediation techniques or have 2198 mediated at least 20 disputes. In order to become initially 2199 certified by the division, paid mediators must be certified by 2200 the Supreme Court to mediate court cases in county or circuit 2201 courts. However, the division may adopt, by rule, additional 2202 factors for the certification of paid mediators, which factors 2203 must be related to experience, education, or background. Any 2204 person initially certified as a paid mediator by the division 2205 must, in order to continue to be certified, comply with the 2206 factors or requirements imposed by rules adopted by the 2207 division.

2208 (3) (a) On or before January 1, 2023, cooperative 2209 associations existing on or before July 1, 2022, must provide 2210 the following information to the division in writing, by e-mail, 2211 United States Postal Service, commercial delivery service, or

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2212	hand delivery, at a physical address or e-mail address provided
2213	by the division and on a form posted on the division's website:
2214	1. The number of buildings on the cooperative property
2215	that are three stories or higher in height
2216	2. The total number of units in all such buildings.
2217	3. The addresses of all such buildings.
2218	4. The county in which such buildings are located.
2219	(b) The division must compile a list of the number of
2220	buildings on cooperative property that are three stories or
2221	higher in height, which is searchable by county, and must post
2222	the list on the division's website. This list must include all
2223	of the following information:
2224	1. The name of each association with buildings on the
2225	cooperative property that are three stories or higher in height
2226	2. The number of such buildings in each association.
2227	3. The addresses of all such buildings.
2228	4. The county in which such buildings are located.
2229	(c) An association must provide an the update in writing
2230	if there are any changes to the information in the list in
2231	paragraph (b) to the division within 6 months after the change.
2232	Section 21. Paragraph (b) of subsection (1) and paragraph
2233	(a) of subsection (2) of section 719.503, Florida Statutes, are
2234	amended to read:
2235	719.503 Disclosure <u>before</u> prior to sale
2236	(1) DEVELOPER DISCLOSURE
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2237 Copies of documents to be furnished to prospective (b) 2238 buyer or lessee.-Until such time as the developer has furnished 2239 the documents listed below to a person who has entered into a contract to purchase a unit or lease it for more than 5 years, 2240 2241 the contract may be voided by that person, entitling the person 2242 to a refund of any deposit together with interest thereon as 2243 provided in s. 719.202. The contract may be terminated by 2244 written notice from the proposed buyer or lessee delivered to 2245 the developer within 15 days after the buyer or lessee receives 2246 all of the documents required by this section. The developer may 2247 shall not close for 15 days after following the execution of the 2248 agreement and delivery of the documents to the buyer as 2249 evidenced by a receipt for documents signed by the buyer unless 2250 the buyer is informed in the 15-day voidability period and 2251 agrees to close before prior to the expiration of the 15 days. 2252 The developer must shall retain in his or her records a separate 2253 signed agreement as proof of the buyer's agreement to close 2254 before prior to the expiration of the said voidability period. 2255 Such Said proof must shall be retained for a period of 5 years 2256 after the date of the closing transaction. The documents to be 2257 delivered to the prospective buyer are the prospectus or 2258 disclosure statement with all exhibits, if the development is 2259 subject to the provisions of s. 719.504, or, if not, then copies 2260 of the following which are applicable:

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1. The question and answer sheet described in s. 719.504, and cooperative documents, or the proposed cooperative documents if the documents have not been recorded, which <u>must shall</u> include the certificate of a surveyor approximately representing the locations required by s. 719.104.

2. The documents creating the association.

3. The bylaws.

2268 4. The ground lease or other underlying lease of the2269 cooperative.

5. The management contract, maintenance contract, and other contracts for management of the association and operation of the cooperative and facilities used by the unit owners having a service term in excess of 1 year, and any management contracts that are renewable.

6. The estimated operating budget for the cooperative and a schedule of expenses for each type of unit, including fees assessed to a shareholder who has exclusive use of limited common areas, where such costs are shared only by those entitled to use such limited common areas.

2280 7. The lease of recreational and other facilities that 2281 will be used only by unit owners of the subject cooperative.

2282 8. The lease of recreational and other common areas that 2283 will be used by unit owners in common with unit owners of other 2284 cooperatives.

2285 9. The form of unit lease if the offer is of a leasehold. 698067 - h7069-Strike all-Perez1.docx

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10. Any declaration of servitude of properties serving the cooperative but not owned by unit owners or leased to them or the association.

11. If the development is to be built in phases or if the association is to manage more than one cooperative, a description of the plan of phase development or the arrangements for the association to manage two or more cooperatives.

2293 12. If the cooperative is a conversion of existing 2294 improvements, the statements and disclosure required by s. 2295 719.616.

2296

13. The form of agreement for sale or lease of units.

14. A copy of the floor plan of the unit and the plot plan showing the location of the residential buildings and the recreation and other common areas.

2300 15. A copy of all covenants and restrictions <u>that</u> which
2301 will affect the use of the property and which are not contained
2302 in the foregoing.

16. If the developer is required by state or local authorities to obtain acceptance or approval of any dock or marina facilities intended to serve the cooperative, a copy of any such acceptance or approval acquired by the time of filing with the division <u>under pursuant to</u> s. 719.502(1) or a statement that such acceptance or approval has not been acquired or received.

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Evidence demonstrating that the developer has an 2310 17. ownership, leasehold, or contractual interest in the land upon 2311 2312 which the cooperative is to be developed. 2313 18. A copy of the association's most recent structural 2314 integrity reserve study or a statement that the association has 2315 not completed a structural integrity reserve study. 2316 19. If the unit is located in a building on the 2317 cooperative property that must be recertified under s. 719.132, 2318 a copy of the association's most recent written recertification 2319 report or a statement that the association has not completed the 2320 required recertification. 2321 20. If the unit is located in a building on the 2322 cooperative property that must have a phase 2 inspection 2323 performed under s. 719.132, a copy of the association's most 2324 recent written phase 2 inspection report or a statement that the 2325 association has not completed the required phase 2 inspection. 2326 NONDEVELOPER DISCLOSURE.-(2) Each unit owner who is not a developer as defined by 2327 (a) 2328 this chapter must comply with the provisions of this subsection 2329 before prior to the sale of his or her interest in the 2330 association. Each prospective purchaser who has entered into a 2331 contract for the purchase of an interest in a cooperative is 2332 entitled, at the seller's expense, to a current copy of the 2333 articles of incorporation of the association, the bylaws, and 2334 rules of the association, as well as a copy of the question and 698067 - h7069-Strike all-Perez1.docx

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2335 answer sheet as provided in s. 719.504, a copy of the 2336 association's most recent structural integrity reserve study or 2337 a statement that the association has not completed a structural integrity reserve study, and, if applicable, a copy of the 2338 2339 association's most recent written recertification report or most 2340 recent written phase 2 inspection report or a statement that the 2341 association has not completed the required recertification or 2342 required phase 2 inspection.

2343 Section 22. Paragraphs (q), (r), and (s) are added to 2344 subsection (23) of section 719.504, Florida Statutes, to read:

2345 719.504 Prospectus or offering circular.-Every developer 2346 of a residential cooperative which contains more than 20 2347 residential units, or which is part of a group of residential 2348 cooperatives which will be served by property to be used in 2349 common by unit owners of more than 20 residential units, shall 2350 prepare a prospectus or offering circular and file it with the 2351 Division of Florida Condominiums, Timeshares, and Mobile Homes prior to entering into an enforceable contract of purchase and 2352 2353 sale of any unit or lease of a unit for more than 5 years and 2354 shall furnish a copy of the prospectus or offering circular to 2355 each buyer. In addition to the prospectus or offering circular, 2356 each buyer shall be furnished a separate page entitled 2357 "Frequently Asked Questions and Answers," which must be in 2358 accordance with a format approved by the division. This page 2359 must, in readable language: inform prospective purchasers 698067 - h7069-Strike all-Perez1.docx

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2360 regarding their voting rights and unit use restrictions, 2361 including restrictions on the leasing of a unit; indicate 2362 whether and in what amount the unit owners or the association is obligated to pay rent or land use fees for recreational or other 2363 2364 commonly used facilities; contain a statement identifying that 2365 amount of assessment which, pursuant to the budget, would be 2366 levied upon each unit type, exclusive of any special 2367 assessments, and which identifies the basis upon which 2368 assessments are levied, whether monthly, quarterly, or 2369 otherwise; state and identify any court cases in which the 2370 association is currently a party of record in which the 2371 association may face liability in excess of \$100,000; and state 2372 whether membership in a recreational facilities association is 2373 mandatory and, if so, identify the fees currently charged per 2374 unit type. The division shall by rule require such other 2375 disclosure as in its judgment will assist prospective 2376 purchasers. The prospectus or offering circular may include more 2377 than one cooperative, although not all such units are being 2378 offered for sale as of the date of the prospectus or offering 2379 circular. The prospectus or offering circular must contain the 2380 following information:

2381 (23) Copies of the following, to the extent they are 2382 applicable, shall be included as exhibits:

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2383	(q) The association's most recent structural integrity
2384	reserve study or a statement that the association has not
2385	completed a structural integrity reserve study.
2386	(r) If the unit is located in a building on the
2387	cooperative property that must be recertified under s. 719.132,
2388	the association's most recent written recertification report or
2389	a statement that the association has not completed the required
2390	recertification.
2391	(s) If the unit is located in a building on the
2392	cooperative property that must have a phase 2 inspection
2393	performed under s. 719.132, the association's most recent
2394	written phase 2 inspection report or a statement that the
2395	association has not completed the required phase 2 inspection.
2396	Section 23. Paragraphs (d) and (k) of subsection (10) of
2397	section 720.303, Florida Statutes, are amended to read:
2398	720.303 Association powers and duties; meetings of board;
2399	official records; budgets; financial reporting; association
2400	funds; recalls
2401	(10) RECALL OF DIRECTORS
2402	(d) If the board determines not to certify the written
2403	agreement or written ballots to recall a director or directors
2404	of the board or does not certify the recall by a vote at a
2405	meeting, the board shall, within 5 full business days after the
2406	meeting, file an action with a court of competent jurisdiction
2407	or file with the department a petition for binding arbitration
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2408 under the applicable procedures in ss. 718.112(2)(k) ss. 2409 718.112(2)(j) and 718.1255 and the rules adopted thereunder. For 2410 the purposes of this section, the members who voted at the 2411 meeting or who executed the agreement in writing shall 2412 constitute one party under the petition for arbitration or in a 2413 court action. If the arbitrator or court certifies the recall as 2414 to any director or directors of the board, the recall will be 2415 effective upon the final order of the court or the mailing of 2416 the final order of arbitration to the association. The director 2417 or directors so recalled shall deliver to the board any and all 2418 records of the association in their possession within 5 full 2419 business days after the effective date of the recall.

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

2427 Section 24. Subsection (1) of section 720.311, Florida 2428 Statutes, is amended to read:

2429

720.311 Dispute resolution.-

(1) The Legislature finds that alternative dispute resolution has made progress in reducing court dockets and trials and in offering a more efficient, cost-effective option 698067 - h7069-Strike all-Perez1.docx

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to litigation. The filing of any petition for arbitration or the 2433 2434 serving of a demand for presuit mediation as provided for in 2435 this section shall toll the applicable statute of limitations. 2436 Any recall dispute filed with the department under s. 2437 720.303(10) shall be conducted by the department in accordance with the provisions of ss. 718.112(2)(k) ss. 718.112(2)(j) and 2438 2439 718.1255 and the rules adopted by the division. In addition, the 2440 department shall conduct binding arbitration of election 2441 disputes between a member and an association in accordance with 2442 s. 718.1255 and rules adopted by the division. Election disputes 2443 and recall disputes are not eligible for presuit mediation; 2444 these disputes must be arbitrated by the department or filed in 2445 a court of competent jurisdiction. At the conclusion of an 2446 arbitration proceeding, the department shall charge the parties 2447 a fee in an amount adequate to cover all costs and expenses 2448 incurred by the department in conducting the proceeding. 2449 Initially, the petitioner shall remit a filing fee of at least 2450 \$200 to the department. The fees paid to the department shall 2451 become a recoverable cost in the arbitration proceeding, and the 2452 prevailing party in an arbitration proceeding shall recover its 2453 reasonable costs and attorney fees in an amount found reasonable 2454 by the arbitrator. The department shall adopt rules to 2455 effectuate the purposes of this section.

2456 Section 25. Subsection (6) of section 721.15, Florida 2457 Statutes, is amended to read:

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2458	721.15 Assessments for common expenses
2459	(6) Notwithstanding any contrary requirements of <u>s.</u>
2460	<u>718.112(2)(h)</u> s. 718.112(2)(g) or s. 719.106(1)(g), for
2461	timeshare plans subject to this chapter, assessments against
2462	purchasers need not be made more frequently than annually.
2463	Section 26. For the 2022-2023 fiscal year, the sums of
2464	\$333,380 in recurring funds and \$167,564 in nonrecurring funds
2465	are appropriated from the Division of Florida Condominiums,
2466	Timeshares, and Mobile Homes Trust Fund to the Department of
2467	Business and Professional Regulation, and four full-time
2468	equivalent positions with associated salary rate of 197,500 are
2469	authorized, for the purpose of implementing the provisions
2470	related to this act.
2471	Section 27. This act shall take effect July 1, 2022.
2472	
2473	
2474	TITLE AMENDMENT
2475	Remove everything before the enacting clause and insert:
2476	A bill to be entitled
2477	An act relating to condominium and cooperative
2478	associations; amending s. 468.4334, F.S.; providing
2479	certain duties for community association managers or
2480	
2400	community association management firms under certain
2480	community association management firms under certain circumstances; amending s. 468.436, F.S.; providing
2481 2482	circumstances; amending s. 468.436, F.S.; providing
2481 2482	circumstances; amending s. 468.436, F.S.; providing grounds for disciplinary action; amending ss. 718.103

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2483 and 719.103, F.S.; providing definitions; amending ss. 2484 718.104 and 719.1035, F.S.; requiring certain 2485 associations to provide certain information to the 2486 Division of Florida Condominiums, Timeshares, and 2487 Mobile Homes within a specified time and by a 2488 specified date; amending s. 718.111, F.S.; revising documents that constitute official records; requiring 2489 2490 certain official records to be maintained for a 2491 specified period of time; providing that a renter of a 2492 unit has a right to copy and inspect certain written 2493 reports; revising documents that must be included 2494 online; conforming a cross-reference; amending ss. 2495 718.112 and 719.106, F.S.; specifying the method for 2496 determining reserve amounts; prohibiting members and 2497 certain associations from waiving or reducing reserves 2498 for certain items after a specified date; requiring 2499 certain associations to receive approval before 2500 waiving or reducing reserves for certain items; 2501 prohibiting certain associations from using reserve 2502 funds, or interest thereon, for certain purposes after 2503 a specified date; requiring certain associations to 2504 have a structural integrity reserve study completed at 2505 specified intervals; providing requirements for the 2506 structural integrity reserve study; specifying that 2507 certain associations must have a structural integrity 698067 - h7069-Strike all-Perez1.docx

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Amendment No. 1

2508 reserve study completed for certain buildings by a 2509 specified date; conforming provisions to changes made 2510 by the act; amending s. 718.116, F.S.; conforming a 2511 cross-reference; amending s. 718.117, F.S.; providing 2512 that certain condominiums may be terminated by a 2513 majority vote under certain circumstances; specifying 2514 the method for determining a condominium's fair market 2515 value; conforming a cross-reference; creating ss. 2516 718.132 and 719.132, F.S.; providing definitions; 2517 requiring the recertification of specified buildings; 2518 requiring phase 2 inspections under certain 2519 circumstances; providing requirements for such 2520 recertifications and inspections; providing notice 2521 requirements; providing requirements for certain 2522 associations and local building officials; authorizing 2523 local building officials to prescribe penalties, which 2524 must be posted on the building department's website; 2525 amending ss. 718.301 and 719.301, F.S.; requiring 2526 developers to deliver certain information to certain 2527 associations when transferring control; amending ss. 2528 718.501 and 719.501, F.S.; revising matters that the 2529 division has jurisdiction to investigate; requiring 2530 certain associations to provide certain information and updates to the division within a specified time 2531 2532 and by a specified date; requiring the division to 698067 - h7069-Strike all-Perez1.docx

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2533	create a report with certain information and post it
2534	on its website; amending ss. 718.503 and 719.503,
2535	F.S.; requiring a developer or unit owner, as
2536	applicable, to deliver certain documents to a buyer or
2537	lessee of a unit; amending ss. 718.504 and 719.504,
2538	F.S.; requiring certain information to be included in
2539	a prospectus or an offering circular; amending s.
2540	719.104, F.S.; revising documents that constitute
2541	official records; amending ss. 720.303, 720.311, and
2542	721.15, F.S.; conforming cross-references; providing
2543	an appropriation; providing an effective date.
2544	

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