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CHAMBER ACTION

<u>Senate</u>	.	<u>House</u>
Comm: RCS	.	
3/25/2008	.	
	.	
	.	

1 The Committee on Regulated Industries (Dean) recommended the
 2 following **amendment**:

Senate Amendment (with title amendment)

5 Delete everything after the enacting clause
6 and insert:

8 Section 1. Section 468.431, Florida Statutes, is amended to
9 read:

10 468.431 Definitions.--As used in this part:

11 (1) "Board" means the Board of Community Association
12 Managers.

13 (2) ~~(1)~~ "Community association" means a residential
14 homeowners' association in which membership is a condition of
15 ownership of a unit in a planned unit development, or of a lot
16 for a home or a mobile home, or of a townhouse, villa,
17 condominium, cooperative, or other residential unit which is part



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18 of a residential development scheme and which is authorized to
19 impose a fee which may become a lien on the parcel.

20 ~~(3)-(2)~~ "Community association management" means any of the
21 following practices requiring substantial specialized knowledge,
22 judgment, and managerial skill when done for remuneration ~~and~~
23 ~~when the association or associations served contain more than 50~~
24 ~~units or have an annual budget or budgets in excess of \$100,000:~~
25 controlling or disbursing funds of a community association,
26 preparing budgets or other financial documents for a community
27 association, assisting in the noticing or conduct of community
28 association meetings, and coordinating maintenance for the
29 residential development and other day-to-day services involved
30 with the operation of a community association. A person who
31 performs clerical or ministerial functions under the direct
32 supervision and control of a licensed manager or who is charged
33 only with performing the maintenance of a community association
34 and who does not assist in any of the management services
35 described in this subsection is not required to be licensed under
36 this part.

37 (4) "Community association management firm" means a
38 corporation, limited liability company, partnership, trust,
39 association, sole proprietorship, or other similar organization
40 engaging in the business of community association management for
41 the purpose of providing any of the services described in
42 subsection (3).

43 ~~(5)-(3)~~ "Community association manager" means a natural
44 person who is licensed pursuant to this part to perform community
45 association management services.

46 ~~(4) "Council" means the Regulatory Council of Community~~
47 ~~Association Managers.~~



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48 ~~(6)(5)~~ "Department" means the Department of Business and
49 Professional Regulation.

50 (7) "Division" means the Division of Florida Land Sales,
51 Condominiums, and Mobile Homes.

52 Section 2. Section 468.4315, Florida Statutes, is amended
53 to read:

54 468.4315 Board Regulatory Council of Community Association
55 Managers.--

56 (1) The Board Regulatory Council of Community Association
57 Managers is created within the department and shall consist of
58 seven members appointed by the Governor and confirmed by the
59 Senate.

60 (a) Five members of the board council shall be licensed
61 community association managers, one of whom may shall be a
62 community association manager employed by a timeshare managing
63 entity as described in ss. 468.438 and 721.13, who have held an
64 active license for at least 5 years. The remaining two board
65 council members shall be residents of this state, and must not be
66 or ever have been connected with the business of community
67 association management, and are not prohibited from serving
68 because the member is or has been a resident or board member of a
69 community association.

70 (b) The Governor shall appoint members for terms of 4
71 years. Such members shall serve until their successors are
72 appointed. Members' service on the board council shall begin upon
73 appointment and shall continue until their successors are
74 appointed.

75 (2) The board shall council may adopt rules relating to the
76 licensure examination, continuing education requirements,
77 continuing education providers, fees, and professional practice

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78 standards to assist the department in carrying out the duties and
79 authorities conferred upon the department by this part.

80 (3) The board ~~To the extent the council~~ is authorized to
81 exercise functions otherwise exercised by a board pursuant to
82 chapter 455, the provisions of chapter 455 and s. 20.165 relating
83 to regulatory boards ~~shall apply~~, including, but not limited to,
84 provisions relating to board rules and the accountability and
85 liability of board members. All proceedings and actions of the
86 ~~board council~~ are subject to the provisions of chapter 120. In
87 addition, the provisions of chapter 455 and s. 20.165 shall apply
88 to the department in carrying out the duties and authorities
89 conferred upon the department by this part.

90 (4) The board shall establish a public education program
91 relating to professional community association management.

92 (5) Members of the board shall serve without compensation
93 but are entitled to receive per diem and travel expenses pursuant
94 to s. 112.061 while carrying out business approved by the board.

95 (6) The responsibilities of the board include, but are not
96 limited to:

97 (a) Receiving input regarding issues of concern with
98 respect to community association management and recommendations
99 for changes in applicable laws.

100 (b) Reviewing, evaluating, and advising the division
101 concerning revisions and adoption of rules affecting community
102 association management.

103 (c) Recommending improvements, if needed, in the education
104 programs offered by the division.

105 Section 3. Section 468.432, Florida Statutes, is amended to
106 read:



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107 468.432 Licensure of community association managers and
108 community association management firms; exceptions.--

109 (1) A person shall not manage or hold herself or himself
110 out to the public as being able to manage a community association
111 in this state unless she or he is licensed by the department in
112 accordance with the provisions of this part. However, nothing in
113 this part prohibits any person licensed in this state under any
114 other law or court rule from engaging in the profession for which
115 she or he is licensed.

116 (2) As of January 1, 2009, a community association
117 management firm or other similar organization may not engage or
118 hold itself out to the public as being able to engage in the
119 business of community association management in this state unless
120 it is licensed by the department as a community association
121 management firm in accordance with the provisions of this part.

122 (a) A community association management firm or other
123 similar organization desiring to be licensed as a community
124 association management firm shall apply to the department on a
125 form approved by the department and submit the application and
126 licensure fees required by s. 468.435(1)(a) and (c). Each
127 community association management firm applying for licensure
128 under this subsection must be actively registered and authorized
129 to do business in this state.

130 (b) Each applicant shall designate on its application a
131 licensed community association manager who shall respond to all
132 inquires from and investigations by the department or division.

133 (c) Each licensed community association management firm
134 shall notify the department within 30 days after any change of
135 information contained in the application upon which licensure is
136 based.



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137 (d) Community association management firm licenses shall
138 expire on September 30 of odd-numbered years and shall be renewed
139 every 2 years. An application for renewal shall be accompanied by
140 the renewal fee as required by s. 468.435(1)(d).

141 (e) The department shall license each applicant whom the
142 department certifies as meeting the requirements of this
143 subsection.

144 (f) If the license of at least one individual active
145 community association manager member is not in force, the license
146 of the community association management firm or other similar
147 organization is canceled automatically during that time.

148 (g) Any community association management firm or other
149 similar organization agrees by being licensed that it will employ
150 only licensed persons in the direct provision of community
151 association management services as described in s. 468.431(3).

152 ~~(2) Nothing in this part prohibits a corporation,~~
153 ~~partnership, trust, association, or other like organization from~~
154 ~~engaging in the business of community association management~~
155 ~~without being licensed if it employs licensed natural persons in~~
156 ~~the direct provision of community association management~~
157 ~~services. Such corporation, partnership, trust, association, or~~
158 ~~other organization shall also file with the department a~~
159 ~~statement on a form approved by the department that it submits~~
160 ~~itself to the rules of the council and the department and the~~
161 ~~provisions of this part which the department deems applicable.~~

162 Section 4. Section 468.433, Florida Statutes, is amended to
163 read:

164 468.433 Licensure by examination.--

165 (1) A person desiring to be licensed as a community
166 association manager shall apply to the department to take the



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167 licensure examination. Each applicant must file a complete set of
168 fingerprints that have been taken by an authorized law
169 enforcement officer, which set of fingerprints shall be submitted
170 to the Department of Law Enforcement for state processing and to
171 the Federal Bureau of Investigation for federal processing. The
172 cost of processing shall be borne by the applicant.

173 (2) The department shall examine each applicant who is at
174 least 18 years of age, who has successfully completed all
175 prelicensure education requirements, and who the department
176 certifies is of good moral character.

177 (a) Good moral character means a personal history of
178 honesty, fairness, and respect for the rights of others and for
179 the laws of this state and nation.

180 (b) The department may refuse to certify an applicant ~~only~~
181 if:

182 1. There is a substantial connection between the lack of
183 good moral character of the applicant and the professional
184 responsibilities of a community association manager; ~~and~~

185 2. The finding by the department of lack of good moral
186 character is supported by clear and convincing evidence; ~~and~~

187 3. The applicant is found to have provided management
188 services requiring licensure without the requisite license.

189 (c) When an applicant is found to be unqualified for a
190 license because of a lack of good moral character, the department
191 shall furnish the applicant a statement containing its findings,
192 a complete record of the evidence upon which the determination
193 was based, and a notice of the rights of the applicant to a
194 rehearing and appeal.

195 (d) The board ~~council~~ shall establish by rule the required
196 amount of prelicensure education, which shall consist of not more

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197 | than 24 hours of in-person instruction by a department-approved
198 | provider and which shall cover all areas of the examination
199 | specified in subsection (3). Such instruction shall be completed
200 | within 12 months prior to the date of the examination.
201 | Prelicensure education providers shall be considered continuing
202 | education providers for purposes of establishing provider
203 | approval fees. A licensee shall not be required to comply with
204 | the continuing education requirements of s. 468.4337 prior to the
205 | first license renewal. The department shall, by rule, set
206 | standards for exceptions to the requirement of in-person
207 | instruction in cases of hardship or disability.

208 | (3) The board ~~council~~ shall approve an examination for
209 | licensure. The examination must demonstrate that the applicant
210 | has a fundamental knowledge of state and federal laws relating to
211 | the operation of all types of community associations and state
212 | laws relating to corporations and nonprofit corporations, proper
213 | preparation of community association budgets, proper procedures
214 | for noticing and conducting community association meetings,
215 | insurance matters relating to community associations, and
216 | management skills.

217 | (4) The department shall issue a license to practice in
218 | this state as a community association manager to any qualified
219 | applicant who successfully completes the examination in
220 | accordance with this section and pays the appropriate fee.

221 | Section 5. Section 468.4337, Florida Statutes, is amended
222 | to read:

223 | 468.4337 Continuing education.-- The department may not
224 | renew a license until the licensee submits proof that the
225 | licensee has completed the requisite hours of continuing
226 | education. No more than 10 hours of continuing education annually

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227 shall be required for renewal of a license. The number of hours,
228 criteria, and course content shall be approved by the board
229 ~~council~~ by rule.

230 Section 6. Section 468.4338, Florida Statutes, is amended
231 to read:

232 468.4338 Reactivation; continuing education.-- The board
233 ~~council~~ shall prescribe by rule continuing education requirements
234 for reactivating a license. The continuing education requirements
235 for reactivating a license may not exceed 10 classroom hours for
236 each year the license was inactive.

237 Section 7. Section 468.435, Florida Statutes, is amended to
238 read:

239 468.435 Fees; establishment; disposition.--

240 (1) The board ~~council~~ shall, by rule, establish fees for
241 the described purposes and within the ranges specified in this
242 section:

243 (a) Application fee: not less than \$25, or more than \$50.

244 (b) Examination fee: not less than \$25, or more than \$100.

245 (c) Initial license fee: not less than \$25, or more than
246 \$100.

247 (d) Renewal of license fee: not less than \$25, or more than
248 \$100.

249 (e) Delinquent license fee: not less than \$25, or more than
250 \$50.

251 (f) Inactive license fee: not less than \$10, or more than
252 \$25.

253 (2) Until the board ~~council~~ adopts rules establishing fees
254 under subsection (1), the lower amount in each range shall apply.

255 (3) Fees collected under this section shall be deposited to
256 the credit of the Professional Regulation Trust Fund.

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257 (4) The board council shall establish fees that are
258 adequate to fund the cost to implement the provisions of this
259 part. Fees shall be based on the department estimates of the
260 revenue required to implement this part and the provisions of law
261 with respect to the regulation of community association managers.

262 Section 8. Section 468.436, Florida Statutes, is amended to
263 read:

264 468.436 Disciplinary proceedings.--

265 (1) The department shall investigate complaints and
266 allegations of a violation of this part or chapter 455, or any
267 rule adopted thereunder, which is filed against community
268 association managers or firms or forwarded from other divisions
269 of the Department of Business and Professional Regulation. After
270 a complaint is received, the department shall conduct its inquiry
271 with due regard for the interests of the affected parties. Within
272 30 days after receipt of a complaint, the department shall
273 acknowledge the complaint in writing and notify the complainant
274 whether or not the complaint is within the jurisdiction of the
275 department and whether or not additional information is needed by
276 the department from the complainant. The department shall conduct
277 an investigation and shall, within 90 days after receipt of the
278 original complaint or of timely requested additional information,
279 take action upon the complaint. However, failure to complete the
280 investigation within 90 days does not prevent the department from
281 continuing the investigation, accepting or considering evidence
282 obtained or received after 90 days, or taking administrative
283 action if reasonable cause exists to believe that a violation of
284 this part or chapter 455 or a rule of the department has
285 occurred. If an investigation is not completed within the time
286 limits established in this subsection, the department shall, on a



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287 monthly basis, notify the complainant in writing of the status of
288 the investigation. When reporting its action to the complainant,
289 the department shall inform the complainant of any right to a
290 hearing pursuant to ss. 120.569 and 120.57.

291 (2)~~(1)~~ The following acts constitute grounds for which the
292 disciplinary actions in subsection (4) ~~(3)~~ may be taken:

293 (a) Violation of any provision of s. 455.227(1).

294 (b)1. Violation of any provision of this part.

295 2. Violation of any lawful order or rule rendered or
296 adopted by the department or the board ~~council~~.

297 3. Being convicted of or pleading nolo contendere to a
298 felony in any court in the United States.

299 4. Obtaining a license or certification or any other order,
300 ruling, or authorization by means of fraud, misrepresentation, or
301 concealment of material facts.

302 5. Committing acts of gross misconduct or gross negligence
303 in connection with the profession.

304 6. Contracting, on behalf of an association, with any
305 entity in which the licensee has a financial interest that is not
306 disclosed.

307 (3)~~(2)~~ The board ~~council~~ shall specify by rule the acts or
308 omissions that constitute a violation of subsection (2) ~~(1)~~.

309 (4)~~(3)~~ When the department finds any community association
310 manager or firm guilty of any of the grounds set forth in
311 subsection (2) ~~(1)~~, it may enter an order imposing one or more of
312 the following penalties:

313 (a) Denial of an application for licensure.

314 (b) Revocation or suspension of a license.

315 (c) Imposition of an administrative fine not to exceed
316 \$5,000 for each count or separate offense.



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317 (d) Issuance of a reprimand.

318 (e) Placement of the community association manager on
319 probation for a period of time and subject to such conditions as
320 the department specifies.

321 (f) Restriction of the authorized scope of practice by the
322 community association manager.

323 (5) ~~(4)~~ The department may ~~shall~~ reissue the license of a
324 disciplined community association manager or firm upon
325 certification by the department that the disciplined person or
326 firm has complied with all of the terms and conditions set forth
327 in the final order.

328 Section 9. Paragraph (a) of subsection (1) of section
329 718.110, Florida Statutes, is amended to read:

330 718.110 Amendment of declaration; correction of error or
331 omission in declaration by circuit court.--

332 (1) (a) ~~If the declaration fails to provide a method of~~
333 ~~amendment,~~ The declaration may be amended as to all matters
334 except those described in subsection (4) or subsection (8) if the
335 amendment is approved by the owners of not less than a majority
336 ~~two-thirds~~ of the units. If the declaration provides a method of
337 amendment requiring approval by a majority of the voting
338 interests, or less than a majority of the voting interests, the
339 declaration shall prevail. Except as to those matters described
340 in subsection (4) or subsection (8), no declaration recorded
341 after April 1, 1992, shall require that amendments be approved by
342 more than four-fifths of the voting interests.

343 Section 10. Paragraph (d) is added to subsection (1) of
344 section 718.111, Florida Statutes, and subsections (11), (12),
345 and (13) of that section are amended, to read:

346 718.111 The association.--

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347 (1) CORPORATE ENTITY.--

348 (d) As required by s. 617.0830, an officer, director, or
349 agent shall discharge his or her duties in good faith, with the
350 care an ordinarily prudent person in a like position would
351 exercise under similar circumstances, and in a manner he or she
352 reasonably believes to be in the interests of the association.
353 Regardless of any indemnification provision in the documents or
354 contract, an officer, director, or agent is liable for monetary
355 damages as provided in s. 617.0834 if such officer, director, or
356 agent breached or failed to perform his or her duties and the
357 breach of, or failure to perform, his or her duties constitutes a
358 criminal violation of state law as provided in s. 617.0834, a
359 transaction from which the officer or director derived an
360 improper personal benefit, either directly or indirectly, or
361 recklessness or an act or omission performed or omitted in bad
362 faith, with malicious purpose, or in a manner exhibiting wanton
363 and willful disregard of human rights, safety, or property.

364 (11) INSURANCE.--In order to protect the safety, health,
365 and welfare of the people of the State of Florida and to ensure
366 consistency in the provision of insurance coverage to
367 condominiums and their unit owners, paragraphs (a), (b), and (c)
368 are deemed to apply to every residential condominium in the
369 state, regardless of the date of its declaration of condominium.
370 ~~It is the intent of the Legislature to encourage lower or stable~~
371 ~~insurance premiums for associations described in this section.~~
372 ~~Therefore, the Legislature requires a report to be prepared by~~
373 ~~the Office of Insurance Regulation of the Department of Financial~~
374 ~~Services for publication 18 months from the effective date of~~
375 ~~this act, evaluating premium increases or decreases for~~
376 ~~associations, unit owner premium increases or decreases,~~



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377 ~~recommended changes to better define common areas, or any other~~
378 ~~information the Office of Insurance Regulation deems appropriate.~~

379 (a) A unit-owner controlled association operating a
380 residential condominium shall use its best efforts to obtain and
381 maintain adequate insurance to protect the association, the
382 association property, the common elements, and the condominium
383 property required to be insured by the association pursuant to
384 paragraph (b). If the association is developer controlled, the
385 association shall exercise due diligence to obtain and maintain
386 such insurance. Failure to obtain and maintain adequate insurance
387 during any period of developer control shall constitute a breach
388 of fiduciary responsibility by the developer-appointed members of
389 the board of directors of the association, unless said members
390 can show that despite such failure, they have exercised due
391 diligence. The declaration of condominium as originally recorded,
392 or amended pursuant to procedures provided therein, may require
393 that condominium property consisting of freestanding buildings
394 where there is no more than one building in or on such unit need
395 not be insured by the association if the declaration requires the
396 unit owner to obtain adequate insurance for the condominium
397 property. An association may also obtain and maintain liability
398 insurance for directors and officers, insurance for the benefit
399 of association employees, and flood insurance for common
400 elements, association property, and units. Adequate insurance,
401 regardless of any requirement in the declaration of condominium
402 for coverage by the association for "full insurable value,"
403 "replacement cost," or the like, may include reasonable
404 deductibles as determined by the board based upon available funds
405 or predetermined assessment authority at the time that the
406 insurance is obtained.



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407 | 1. Windstorm insurance coverage for a group of no fewer
408 | than three communities created and operating under this chapter,
409 | chapter 719, chapter 720, or chapter 721 may be obtained and
410 | maintained for the communities if the insurance coverage is
411 | sufficient to cover an amount equal to the probable maximum loss
412 | for the communities for a 250-year windstorm event. Such probable
413 | maximum loss must be determined through the use of a competent
414 | model that has been accepted by the Florida Commission on
415 | Hurricane Loss Projection Methodology, and any policy of
416 | insurance coverage issued or renewed after July 1, 2008, must
417 | receive prior approval by the Office of Insurance Regulation
418 | before coverage is deemed adequate. ~~Such insurance coverage is~~
419 | ~~deemed adequate windstorm insurance for the purposes of this~~
420 | ~~section.~~

421 | 2. An association or group of associations may self-insure
422 | against claims against the association, the association property,
423 | and the condominium property required to be insured by an
424 | association, upon compliance with the applicable provisions of
425 | ss. 624.460-624.488, which shall be considered adequate insurance
426 | for the purposes of this section. A copy of each policy of
427 | insurance in effect shall be made available for inspection by
428 | unit owners at reasonable times.

429 | (b) Every hazard insurance policy issued or renewed on or
430 | after January 1, 2004, to protect the condominium shall provide
431 | primary coverage for:

432 | 1. All portions of the condominium property located outside
433 | the units;

434 | 2. The condominium property located inside the units as
435 | such property was initially installed, or replacements thereof of
436 | like kind and quality and in accordance with the original plans



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437 and specifications or, if the original plans and specifications
438 are not available, as they existed at the time the unit was
439 initially conveyed; and

440 3. All portions of the condominium property for which the
441 declaration of condominium requires coverage by the association.

442

443 Anything to the contrary notwithstanding, the terms "condominium
444 property," "building," "improvements," "insurable improvements,"
445 "common elements," "association property," or any other term
446 found in the declaration of condominium which defines the scope
447 of property or casualty insurance that a condominium association
448 must obtain shall exclude all floor, wall, and ceiling coverings,
449 electrical fixtures, appliances, air conditioner or heating
450 equipment, water heaters, water filters, built-in cabinets and
451 countertops, and window treatments, including curtains, drapes,
452 blinds, hardware, and similar window treatment components, or
453 replacements of any of the foregoing which are located within the
454 boundaries of a unit and serve only one unit and all air
455 conditioning compressors that service only an individual unit,
456 whether or not located within the unit boundaries. The foregoing
457 is intended to establish the property or casualty insuring
458 responsibilities of the association and those of the individual
459 unit owner and do not serve to broaden or extend the perils of
460 coverage afforded by any insurance contract provided to the
461 individual unit owner. Beginning January 1, 2004, the association
462 shall have the authority to amend the declaration of condominium,
463 without regard to any requirement for mortgagee approval of
464 amendments affecting insurance requirements, to conform the
465 declaration of condominium to the coverage requirements of this
466 section.

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467 (c) Every hazard insurance policy issued or renewed on or
468 after January 1, 2004, to an individual unit owner shall provide
469 that the coverage afforded by such policy is excess over the
470 amount recoverable under any other policy covering the same
471 property. Each insurance policy issued to an individual unit
472 owner providing such coverage shall be without rights of
473 subrogation against the condominium association that operates the
474 condominium in which such unit owner's unit is located. All real
475 or personal property located within the boundaries of the unit
476 owner's unit which is excluded from the coverage to be provided
477 by the association as set forth in paragraph (b) shall be insured
478 by the individual unit owner.

479 (d) The association shall obtain and maintain adequate
480 insurance or fidelity bonding of all persons who control or
481 disburse funds of the association. The insurance policy or
482 fidelity bond must cover the maximum funds that will be in the
483 custody of the association or its management agent at any one
484 time. As used in this paragraph, the term "persons who control or
485 disburse funds of the association" includes, but is not limited
486 to, those individuals authorized to sign checks and the
487 president, secretary, and treasurer of the association. The
488 association shall bear the cost of bonding.

489 (e) The association shall pay the deductible for coverage
490 of an element that is the responsibility of the association to
491 repair or replace. The deductible shall be paid by the unit owner
492 if the element is the responsibility of the unit owner to repair
493 or replace. A unit owner policy may not incur another deductible
494 if the deductible has already been exercised on the association
495 policy for the same occurrence.

496 (12) OFFICIAL RECORDS.--



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497 (a) From the inception of the association, the association
498 shall maintain each of the following items, when applicable,
499 which shall constitute the official records of the association:

500 1. A copy of the plans, permits, warranties, and other
501 items provided by the developer pursuant to s. 718.301(4).

502 2. A photocopy of the recorded declaration of condominium
503 of each condominium operated by the association and of each
504 amendment to each declaration.

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

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

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

511 6. A book or books which contain the minutes of all
512 meetings of the association, of the board of administration
513 ~~directors~~, and of unit owners, which minutes shall be retained
514 for a period of not less than 7 years.

515 7. A current roster of all unit owners and their mailing
516 addresses, unit identifications, voting certifications, and, if
517 known, telephone numbers. The association shall also maintain the
518 electronic mailing addresses and the numbers designated by unit
519 owners for receiving notice sent by electronic transmission of
520 those unit owners consenting to receive notice by electronic
521 transmission. The electronic mailing addresses and numbers
522 provided by unit owners to receive notice by electronic
523 transmission shall be removed from association records when
524 consent to receive notice by electronic transmission is revoked.
525 However, the association is not liable for an erroneous



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526 disclosure of the electronic mail address or the number for
527 receiving electronic transmission of notices.

528 8. All current insurance policies of the association and
529 condominiums operated by the association.

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

534 10. Bills of sale or transfer for all property owned by the
535 association.

536 11. Accounting records for the association and separate
537 accounting records for each condominium which the association
538 operates. All accounting records shall be maintained for a period
539 of not less than 7 years. Any person who knowingly or
540 intentionally defaces, destroys, or fails to create or maintain
541 accounting records is personally subject to a civil penalty
542 pursuant to s. 718.501(1)(d). The accounting records shall
543 include, but are not limited to:

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

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

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

552 d. All contracts for work to be performed. Bids for work to
553 be performed shall also be considered official records and shall
554 be maintained for a period of 1 year.



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555 12. Ballots, sign-in sheets, voting proxies, and all other
556 papers relating to voting by unit owners, which shall be
557 maintained for a period of 1 year from the date of the election,
558 vote, or meeting to which the document relates.

559 13. All rental records, when the association is acting as
560 agent for the rental of condominium units.

561 14. A copy of the current question and answer sheet as
562 described by s. 718.504.

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

566 16. A copy of the inspection report as provided in s.
567 718.301(4)(p).

568 (b) The official records of the association shall be
569 maintained within the state for at least 5 years. The records of
570 the association shall be made available to a unit owner within 45
571 miles of the condominium property within 5 working days after
572 receipt of written request by the board or its designee. This
573 paragraph may be complied with by having a copy of the official
574 records of the association available for inspection or copying on
575 the condominium property or association property. The association
576 may offer the option of making the records of the association
577 available to a unit owner electronically via the Internet or by
578 allowing the records to be viewed in electronic format on a
579 computer screen and printed upon request.

580 (c) The official records of the association are open to
581 inspection by any association member or the authorized
582 representative of such member at all reasonable times. The right
583 to inspect the records includes the right to make or obtain
584 copies, at the reasonable expense, if any, of the association

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585 member. The association may adopt reasonable rules regarding the
586 frequency, time, location, notice, and manner of record
587 inspections and copying. The failure of an association to provide
588 the records within 10 working days after receipt of a written
589 request shall create a rebuttable presumption that the
590 association willfully failed to comply with this paragraph. A
591 unit owner who is denied access to official records is entitled
592 to the actual damages or minimum damages for the association's
593 willful failure to comply with this paragraph. The minimum
594 damages shall be \$50 per calendar day up to 10 days, the
595 calculation to begin on the 11th working day after receipt of the
596 written request. The failure to permit inspection of the
597 association records as provided herein entitles any person
598 prevailing in an enforcement action to recover reasonable
599 attorney's fees from the person in control of the records who,
600 directly or indirectly, knowingly denied access to the records
601 for inspection. Any person who knowingly or intentionally
602 defaces, destroys, or fails to create or maintain accounting
603 records is personally subject to a civil penalty pursuant to s.
604 718.501(1)(d). The association shall maintain an adequate number
605 of copies of the declaration, articles of incorporation, bylaws,
606 and rules, and all amendments to each of the foregoing, as well
607 as the question and answer sheet provided for in s. 718.504 and
608 year-end financial information required in this section on the
609 condominium property to ensure their availability to unit owners
610 and prospective purchasers, and may charge its actual costs for
611 preparing and furnishing these documents to those requesting the
612 same. Notwithstanding the provisions of this paragraph, the
613 following records shall not be accessible to unit owners:



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614 1. Any record protected by the lawyer-client privilege as
615 described in s. 90.502; and any record protected by the work-
616 product privilege, including any record prepared by an
617 association attorney or prepared at the attorney's express
618 direction; which reflects a mental impression, conclusion,
619 litigation strategy, or legal theory of the attorney or the
620 association, and which was prepared exclusively for civil or
621 criminal litigation or for adversarial administrative
622 proceedings, or which was prepared in anticipation of imminent
623 civil or criminal litigation or imminent adversarial
624 administrative proceedings until the conclusion of the litigation
625 or adversarial administrative proceedings.

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

629 3. Medical records of unit owners.

630 4. Social security numbers, driver's license numbers,
631 credit card numbers, and other personal identifying information
632 in possession of the association.

633 (d) The association shall prepare a question and answer
634 sheet as described in s. 718.504, and shall update it annually.

635 (e)1. The association or its authorized agent is not
636 required to provide a prospective purchaser or lienholder with
637 information about the condominium or the association other than
638 information or documents required by this chapter to be made
639 available or disclosed. The association or its authorized agent
640 may charge a reasonable fee to the prospective purchaser,
641 lienholder, or the current unit owner for providing good faith
642 responses to requests for information by or on behalf of a
643 prospective purchaser or lienholder, other than that required by

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644 law, if the fee does not exceed \$150 plus the reasonable cost of
645 photocopying and any attorney's fees incurred by the association
646 in connection with the response.

647 2. An association and its authorized agent are not liable
648 for providing such information in good faith pursuant to a
649 written request if the person providing the information includes
650 a written statement in substantially the following form: "The
651 responses herein are made in good faith and to the best of my
652 ability as to their accuracy."

653 (13) FINANCIAL REPORTING.--Within 90 days after the end of
654 the fiscal year, or annually on a date provided in the bylaws,
655 the association shall prepare and complete, or contract for the
656 preparation and completion of, a financial report for the
657 preceding fiscal year. Within 21 days after the final financial
658 report is completed by the association or received from the third
659 party, but not later than 120 days after the end of the fiscal
660 year or other date as provided in the bylaws, the association
661 shall mail to each unit owner at the address last furnished to
662 the association by the unit owner, or hand deliver to each unit
663 owner, a copy of the financial report or a notice that a copy of
664 the financial report will be mailed or hand delivered to the unit
665 owner, without charge, upon receipt of a written request from the
666 unit owner. The division shall adopt rules setting forth uniform
667 accounting principles and standards to be used by all
668 associations and shall adopt rules addressing financial reporting
669 requirements for multicondominium associations. The rules shall
670 include, but not be limited to, disclosure of at least a summary
671 of the reserves, including the information as to whether such
672 reserves are being funded at a level sufficient to prevent the
673 need for a special assessment to do the deferred maintenance or

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674 replacement as required and, if not, what amount of assessment
675 will be necessary to bring such reserves up to the level that
676 would prevent a special assessment. The person preparing the
677 financial reports may rely on the inspection report as provided
678 for in s. 718.301(4)(p) for verification. The statement shall
679 confirm that the financial operations of the association meet
680 fiscal and fiduciary standards of this chapter. In adopting such
681 rules, the division shall consider the number of members and
682 annual revenues of an association. Financial reports shall be
683 prepared as follows:

684 (a) An association that meets the criteria of this
685 paragraph shall prepare or cause to be prepared a complete set of
686 financial statements in accordance with generally accepted
687 accounting principles. The financial statements shall be based
688 upon the association's total annual revenues, as follows:

689 1. An association with total annual revenues of \$100,000 or
690 more, but less than \$200,000, shall prepare compiled financial
691 statements.

692 2. An association with total annual revenues of at least
693 \$200,000, but less than \$400,000, shall prepare reviewed
694 financial statements.

695 3. An association with total annual revenues of \$400,000 or
696 more shall prepare audited financial statements.

697 (b)1. An association with total annual revenues of less
698 than \$100,000 shall prepare a report of cash receipts and
699 expenditures.

700 2. An association which operates less than 50 units,
701 regardless of the association's annual revenues, shall prepare a
702 report of cash receipts and expenditures in lieu of financial
703 statements required by paragraph (a).



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704 3. A report of cash receipts and disbursements must
705 disclose the amount of receipts by accounts and receipt
706 classifications and the amount of expenses by accounts and
707 expense classifications, including, but not limited to, the
708 following, as applicable: costs for security, professional and
709 management fees and expenses, taxes, costs for recreation
710 facilities, expenses for refuse collection and utility services,
711 expenses for lawn care, costs for building maintenance and
712 repair, insurance costs, administration and salary expenses, and
713 reserves accumulated and expended for capital expenditures,
714 deferred maintenance, and any other category for which the
715 association maintains reserves.

716 (c) An association may prepare or cause to be prepared,
717 without a meeting of or approval by the unit owners:

718 1. Compiled, reviewed, or audited financial statements, if
719 the association is required to prepare a report of cash receipts
720 and expenditures;

721 2. Reviewed or audited financial statements, if the
722 association is required to prepare compiled financial statements;
723 or

724 3. Audited financial statements if the association is
725 required to prepare reviewed financial statements.

726 (d) If approved by a majority of the voting interests
727 present at a properly called meeting of the association, an
728 association may prepare or cause to be prepared:

729 1. A report of cash receipts and expenditures in lieu of a
730 compiled, reviewed, or audited financial statement;

731 2. A report of cash receipts and expenditures or a compiled
732 financial statement in lieu of a reviewed or audited financial
733 statement; or

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734 3. A report of cash receipts and expenditures, a compiled
735 financial statement, or a reviewed financial statement in lieu of
736 an audited financial statement.

737
738 Such meeting and approval must occur prior to the end of the
739 fiscal year and is effective only for the fiscal year in which
740 the vote is taken. With respect to an association to which the
741 developer has not turned over control of the association, all
742 unit owners, including the developer, may vote on issues related
743 to the preparation of financial reports for the first 2 fiscal
744 years of the association's operation, beginning with the fiscal
745 year in which the declaration is recorded. Thereafter, all unit
746 owners except the developer may vote on such issues until control
747 is turned over to the association by the developer. Any audit or
748 review prepared under this section shall be paid by the developer
749 if done prior to turnover of control of the association. An
750 association may not waive the financial reporting requirements of
751 this section for more than 2 consecutive years.

752 Section 11. Subsection (2) of section 718.112, Florida
753 Statutes, is amended to read:

754 718.112 Bylaws.--

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

758 (a) Administration.--

759 1. The form of administration of the association shall be
760 described indicating the title of the officers and board of
761 administration and specifying the powers, duties, manner of
762 selection and removal, and compensation, if any, of officers and
763 boards. In the absence of such a provision, the board of



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764 administration shall be composed of five members, except in the
765 case of a condominium which has five or fewer units, in which
766 case in a not-for-profit corporation the board shall consist of
767 not fewer than three members. In the absence of provisions to the
768 contrary in the bylaws, the board of administration shall have a
769 president, a secretary, and a treasurer, who shall perform the
770 duties of such officers customarily performed by officers of
771 corporations. Unless prohibited in the bylaws, the board of
772 administration may appoint other officers and grant them the
773 duties it deems appropriate. Unless otherwise provided in the
774 bylaws, the officers shall serve without compensation and at the
775 pleasure of the board of administration. Unless otherwise
776 provided in the bylaws, the members of the board shall serve
777 without compensation.

778 2. When a unit owner files a written inquiry by certified
779 mail with the board of administration, the board shall respond in
780 writing to the unit owner within 30 days of receipt of the
781 inquiry. The board's response shall either give a substantive
782 response to the inquirer, notify the inquirer that a legal
783 opinion has been requested, or notify the inquirer that advice
784 has been requested from the division. If the board requests
785 advice from the division, the board shall, within 10 days of its
786 receipt of the advice, provide in writing a substantive response
787 to the inquirer. If a legal opinion is requested, the board
788 shall, within 60 days after the receipt of the inquiry, provide
789 in writing a substantive response to the inquiry. The failure to
790 provide a substantive response to the inquiry as provided herein
791 precludes the board from recovering attorney's fees and costs in
792 any subsequent litigation, administrative proceeding, or
793 arbitration arising out of the inquiry. The association may



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794 through its board of administration adopt reasonable rules and
795 regulations regarding the frequency and manner of responding to
796 unit owner inquiries, one of which may be that the association is
797 only obligated to respond to one written inquiry per unit in any
798 given 30-day period. In such a case, any additional inquiry or
799 inquiries must be responded to in the subsequent 30-day period,
800 or periods, as applicable.

801 (b) Quorum; voting requirements; proxies.--

802 1. Unless a lower number is provided in the bylaws, the
803 percentage of voting interests required to constitute a quorum at
804 a meeting of the members shall be a majority of the voting
805 interests. Unless otherwise provided in this chapter or in the
806 declaration, articles of incorporation, or bylaws, and except as
807 provided in subparagraph (d)3., decisions shall be made by owners
808 of a majority of the voting interests represented at a meeting at
809 which a quorum is present.

810 2. Except as specifically otherwise provided herein, after
811 January 1, 1992, unit owners may not vote by general proxy, but
812 may vote by limited proxies substantially conforming to a limited
813 proxy form adopted by the division. Votes allocated to units
814 owned by the association may not be cast by proxy, ballot, or
815 otherwise for any purpose. However, proxies may be used to
816 establish a quorum. Limited proxies and general proxies may be
817 used to establish a quorum. Limited proxies shall be used for
818 votes taken to waive or reduce reserves in accordance with
819 subparagraph (f)2.; for votes taken to waive the financial
820 reporting requirements of s. 718.111(13); for votes taken to
821 amend the declaration pursuant to s. 718.110; for votes taken to
822 amend the articles of incorporation or bylaws pursuant to this
823 section; and for any other matter for which this chapter requires



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824 or permits a vote of the unit owners. Except as provided in
825 paragraph (d), after January 1, 1992, no proxy, limited or
826 general, shall be used in the election of board members. General
827 proxies may be used for other matters for which limited proxies
828 are not required, and may also be used in voting for
829 nonsubstantive changes to items for which a limited proxy is
830 required and given. Notwithstanding the provisions of this
831 subparagraph, unit owners may vote in person at unit owner
832 meetings. Nothing contained herein shall limit the use of general
833 proxies or require the use of limited proxies for any agenda item
834 or election at any meeting of a timeshare condominium
835 association.

836 3. Any proxy given shall be effective only for the specific
837 meeting for which originally given and any lawfully adjourned
838 meetings thereof. In no event shall any proxy be valid for a
839 period longer than 90 days after the date of the first meeting
840 for which it was given. Every proxy is revocable at any time at
841 the pleasure of the unit owner executing it.

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

848 5. When any of the board or committee members meet by
849 telephone conference, those board or committee members attending
850 by telephone conference may be counted toward obtaining a quorum
851 and may vote by telephone. A telephone speaker must be used so
852 that the conversation of those board or committee members
853 attending by telephone may be heard by the board or committee



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854 members attending in person as well as by any unit owners present
855 at a meeting.

856 (c) Board of administration meetings.--Meetings of the
857 board of administration at which a quorum of the members is
858 present shall be open to all unit owners. Any unit owner may tape
859 record or videotape meetings of the board of administration. The
860 right to attend such meetings includes the right to speak at such
861 meetings with reference to all designated agenda items. The
862 division shall adopt reasonable rules governing the tape
863 recording and videotaping of the meeting. The association may
864 adopt written reasonable rules governing the frequency, duration,
865 and manner of unit owner statements. Adequate notice of all
866 meetings, which notice shall specifically incorporate an
867 identification of agenda items, shall be posted conspicuously on
868 the condominium property at least 48 continuous hours preceding
869 the meeting except in an emergency. If 20 percent of the voting
870 interests petition the board to address an item of business, the
871 board shall at its next regular board meeting or at a special
872 meeting of the board, but not later than 60 days after the
873 receipt of the petition, take up the petitioned item on the
874 agenda. Any item not included on the notice may be taken up on an
875 emergency basis by at least a majority plus one of the members of
876 the board. Such emergency action shall be noticed and ratified at
877 the next regular meeting of the board. However, written notice of
878 any meeting at which nonemergency special assessments, or at
879 which amendment to rules regarding unit use, will be considered
880 shall be mailed, delivered, or electronically transmitted to the
881 unit owners and posted conspicuously on the condominium property
882 not less than 14 days prior to the meeting. Evidence of
883 compliance with this 14-day notice shall be made by an affidavit



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884 | executed by the person providing the notice and filed among the
885 | official records of the association. Upon notice to the unit
886 | owners, the board shall by duly adopted rule designate a specific
887 | location on the condominium property or association property upon
888 | which all notices of board meetings shall be posted. If there is
889 | no condominium property or association property upon which
890 | notices can be posted, notices of board meetings shall be mailed,
891 | delivered, or electronically transmitted at least 14 days before
892 | the meeting to the owner of each unit. In lieu of or in addition
893 | to the physical posting of notice of any meeting of the board of
894 | administration on the condominium property, the association may,
895 | by reasonable rule, adopt a procedure for conspicuously posting
896 | and repeatedly broadcasting the notice and the agenda on a
897 | closed-circuit cable television system serving the condominium
898 | association. However, if broadcast notice is used in lieu of a
899 | notice posted physically on the condominium property, the notice
900 | and agenda must be broadcast at least four times every broadcast
901 | hour of each day that a posted notice is otherwise required under
902 | this section. When broadcast notice is provided, the notice and
903 | agenda must be broadcast in a manner and for a sufficient
904 | continuous length of time so as to allow an average reader to
905 | observe the notice and read and comprehend the entire content of
906 | the notice and the agenda. Notice of any meeting in which regular
907 | or special assessments against unit owners are to be considered
908 | for any reason shall specifically state ~~contain a statement~~ that
909 | assessments will be considered and the nature, estimated cost,
910 | and description of any such assessments. Meetings of a committee
911 | to take final action on behalf of the board or make
912 | recommendations to the board regarding the association budget are
913 | subject to the provisions of this paragraph. Meetings of a



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914 committee that does not take final action on behalf of the board
915 or make recommendations to the board regarding the association
916 budget are subject to the provisions of this section, unless
917 those meetings are exempted from this section by the bylaws of
918 the association. Notwithstanding any other law, the requirement
919 that board meetings and committee meetings be open to the unit
920 owners is inapplicable to meetings between the board or a
921 committee and the association's attorney, with respect to
922 proposed or pending litigation, when the meeting is held for the
923 purpose of seeking or rendering legal advice.

924 (d) Unit owner meetings.--

925 1. There shall be an annual meeting of the unit owners held
926 at the location provided in the association bylaws and, if the
927 bylaws are silent as to the location, the meeting shall be held
928 within 30 miles of the condominium property. Unless the bylaws
929 provide otherwise, a vacancy on the board caused by the
930 expiration of a director's term shall be filled by electing a new
931 board member, and the election shall be by secret ballot;
932 however, if the number of vacancies equals or exceeds the number
933 of candidates, no election is required. ~~If there is no provision~~
934 ~~in the bylaws for terms of the members of the board,~~ The terms of
935 all members of the board shall expire ~~upon the election of their~~
936 ~~successors~~ at the annual meeting and they may stand for
937 reelection. However, if no person is interested in or
938 demonstrates an intention to run for the position of a board
939 member whose term has expired according to the provisions of this
940 subparagraph, such board member whose term has expired shall be
941 automatically reappointed to the board of directors and need not
942 stand for reelection. Coowners of a unit may not serve as members
943 of the board of directors at the same time. Any unit owner



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944 desiring to be a candidate for board membership shall comply with
945 subparagraph 3. A person who has been convicted of any felony by
946 any court of record ~~in the United States and who has not had his~~
947 ~~or her right to vote restored pursuant to law in the jurisdiction~~
948 ~~of his or her residence~~ is not eligible for board membership
949 unless such felon's civil rights have been restored for a period
950 of no less than 5 years as of the date on which such person seeks
951 election to the board. The validity of an action by the board is
952 not affected if it is later determined that a member of the board
953 is ineligible for board membership due to having been convicted
954 of a felony.

955 2. The bylaws shall provide the method of calling meetings
956 of unit owners, including annual meetings. Written notice, which
957 notice must include an agenda, shall be mailed, hand delivered,
958 or electronically transmitted to each unit owner at least 14 days
959 prior to the annual meeting and shall be posted in a conspicuous
960 place on the condominium property at least 14 continuous days
961 preceding the annual meeting. Upon notice to the unit owners, the
962 board shall by duly adopted rule designate a specific location on
963 the condominium property or association property upon which all
964 notices of unit owner meetings shall be posted; however, if there
965 is no condominium property or association property upon which
966 notices can be posted, this requirement does not apply. In lieu
967 of or in addition to the physical posting of notice of any
968 meeting of the unit owners on the condominium property, the
969 association may, by reasonable rule, adopt a procedure for
970 conspicuously posting and repeatedly broadcasting the notice and
971 the agenda on a closed-circuit cable television system serving
972 the condominium association. However, if broadcast notice is used
973 in lieu of a notice posted physically on the condominium



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974 property, the notice and agenda must be broadcast at least four
975 times every broadcast hour of each day that a posted notice is
976 otherwise required under this section. When broadcast notice is
977 provided, the notice and agenda must be broadcast in a manner and
978 for a sufficient continuous length of time so as to allow an
979 average reader to observe the notice and read and comprehend the
980 entire content of the notice and the agenda. Unless a unit owner
981 waives in writing the right to receive notice of the annual
982 meeting, such notice shall be hand delivered, mailed, or
983 electronically transmitted to each unit owner. Notice for
984 meetings and notice for all other purposes shall be mailed to
985 each unit owner at the address last furnished to the association
986 by the unit owner, or hand delivered to each unit owner. However,
987 if a unit is owned by more than one person, the association shall
988 provide notice, for meetings and all other purposes, to that one
989 address which the developer initially identifies for that purpose
990 and thereafter as one or more of the owners of the unit shall so
991 advise the association in writing, or if no address is given or
992 the owners of the unit do not agree, to the address provided on
993 the deed of record. An officer of the association, or the manager
994 or other person providing notice of the association meeting,
995 shall provide an affidavit or United States Postal Service
996 certificate of mailing, to be included in the official records of
997 the association affirming that the notice was mailed or hand
998 delivered, in accordance with this provision.

999 3. The members of the board shall be elected by written
1000 ballot or voting machine. Proxies shall in no event be used in
1001 electing the board, either in general elections or elections to
1002 fill vacancies caused by recall, resignation, or otherwise,
1003 unless otherwise provided in this chapter. Not less than 60 days

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1004 before a scheduled election, the association shall mail, deliver,
1005 or electronically transmit, whether by separate association
1006 mailing or included in another association mailing, delivery, or
1007 transmission, including regularly published newsletters, to each
1008 unit owner entitled to a vote, a first notice of the date of the
1009 election along with a certification form provided by the division
1010 attesting that he or she has read and understands, to the best of
1011 his or her ability, the governing documents of the association
1012 and the provisions of this chapter and any applicable rules. Any
1013 unit owner or other eligible person desiring to be a candidate
1014 for the board must give written notice to the association not
1015 less than 40 days before a scheduled election. Together with the
1016 written notice and agenda as set forth in subparagraph 2., the
1017 association shall mail, deliver, or electronically transmit a
1018 second notice of the election to all unit owners entitled to vote
1019 therein, together with a ballot which shall list all candidates.
1020 Upon request of a candidate, the association shall include an
1021 information sheet, no larger than 8 1/2 inches by 11 inches, which
1022 must be furnished by the candidate not less than 35 days before
1023 the election, along with the signed certification form provided
1024 for in this subparagraph, to be included with the mailing,
1025 delivery, or transmission of the ballot, with the costs of
1026 mailing, delivery, or electronic transmission and copying to be
1027 borne by the association. The association is not liable for the
1028 contents of the information sheets prepared by the candidates. In
1029 order to reduce costs, the association may print or duplicate the
1030 information sheets on both sides of the paper. The division shall
1031 by rule establish voting procedures consistent with the
1032 provisions contained herein, including rules establishing
1033 procedures for giving notice by electronic transmission and rules

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1034 providing for the secrecy of ballots. Elections shall be decided
1035 by a plurality of those ballots cast. There shall be no quorum
1036 requirement; however, at least 20 percent of the eligible voters
1037 must cast a ballot in order to have a valid election of members
1038 of the board. No unit owner shall permit any other person to vote
1039 his or her ballot, and any such ballots improperly cast shall be
1040 deemed invalid, provided any unit owner who violates this
1041 provision may be fined by the association in accordance with s.
1042 718.303. A unit owner who needs assistance in casting the ballot
1043 for the reasons stated in s. 101.051 may obtain assistance in
1044 casting the ballot. The regular election shall occur on the date
1045 of the annual meeting. The provisions of this subparagraph shall
1046 not apply to timeshare condominium associations. Notwithstanding
1047 the provisions of this subparagraph, an election is not required
1048 unless more candidates file notices of intent to run or are
1049 nominated than board vacancies exist.

1050 4. Any approval by unit owners called for by this chapter
1051 or the applicable declaration or bylaws, including, but not
1052 limited to, the approval requirement in s. 718.111(8), shall be
1053 made at a duly noticed meeting of unit owners and shall be
1054 subject to all requirements of this chapter or the applicable
1055 condominium documents relating to unit owner decisionmaking,
1056 except that unit owners may take action by written agreement,
1057 without meetings, on matters for which action by written
1058 agreement without meetings is expressly allowed by the applicable
1059 bylaws or declaration or any statute that provides for such
1060 action.

1061 5. Unit owners may waive notice of specific meetings if
1062 allowed by the applicable bylaws or declaration or any statute.
1063 If authorized by the bylaws, notice of meetings of the board of

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1064 administration, unit owner meetings, except unit owner meetings
1065 called to recall board members under paragraph (j), and committee
1066 meetings may be given by electronic transmission to unit owners
1067 who consent to receive notice by electronic transmission.

1068 6. Unit owners shall have the right to participate in
1069 meetings of unit owners with reference to all designated agenda
1070 items. However, the association may adopt reasonable rules
1071 governing the frequency, duration, and manner of unit owner
1072 participation.

1073 7. Any unit owner may tape record or videotape a meeting of
1074 the unit owners subject to reasonable rules adopted by the
1075 division.

1076 8. Unless otherwise provided in the bylaws, any vacancy
1077 occurring on the board before the expiration of a term may be
1078 filled by the affirmative vote of the majority of the remaining
1079 directors, even if the remaining directors constitute less than a
1080 quorum, or by the sole remaining director. In the alternative, a
1081 board may hold an election to fill the vacancy, in which case the
1082 election procedures must conform to the requirements of
1083 subparagraph 3. ~~unless the association has opted out of the~~
1084 ~~statutory election process, in which case the bylaws of the~~
1085 ~~association control.~~ Unless otherwise provided in the bylaws, a
1086 board member appointed or elected under this section shall fill
1087 the vacancy for the unexpired term of the seat being filled.
1088 Filling vacancies created by recall is governed by paragraph (j)
1089 and rules adopted by the division.

1090
1091 ~~Notwithstanding subparagraphs (b)2. and (d)3., an association~~
1092 ~~may, by the affirmative vote of a majority of the total voting~~
1093 ~~interests, provide for different voting and election procedures~~



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1094 | ~~in its bylaws, which vote may be by a proxy specifically~~
1095 | ~~delineating the different voting and election procedures. The~~
1096 | ~~different voting and election procedures may provide for~~
1097 | ~~elections to be conducted by limited or general proxy.~~

1098 | (e) Budget meeting.--

1099 | 1. Any meeting at which a proposed annual budget of an
1100 | association will be considered by the board or unit owners shall
1101 | be open to all unit owners. At least 14 days prior to such a
1102 | meeting, the board shall hand deliver to each unit owner, mail to
1103 | each unit owner at the address last furnished to the association
1104 | by the unit owner, or electronically transmit to the location
1105 | furnished by the unit owner for that purpose a notice of such
1106 | meeting and a copy of the proposed annual budget. An officer or
1107 | manager of the association, or other person providing notice of
1108 | such meeting, shall execute an affidavit evidencing compliance
1109 | with such notice requirement, and such affidavit shall be filed
1110 | among the official records of the association.

1111 | 2.a. If a board adopts in any fiscal year an annual budget
1112 | which requires assessments against unit owners which exceed 115
1113 | percent of assessments for the preceding fiscal year, the board
1114 | shall conduct a special meeting of the unit owners to consider a
1115 | substitute budget if the board receives, within 21 days after
1116 | adoption of the annual budget, a written request for a special
1117 | meeting from at least 10 percent of all voting interests. The
1118 | special meeting shall be conducted within 60 days after adoption
1119 | of the annual budget. At least 14 days prior to such special
1120 | meeting, the board shall hand deliver to each unit owner, or mail
1121 | to each unit owner at the address last furnished to the
1122 | association, a notice of the meeting. An officer or manager of
1123 | the association, or other person providing notice of such meeting



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1124 shall execute an affidavit evidencing compliance with this notice
1125 requirement, and such affidavit shall be filed among the official
1126 records of the association. Unit owners may consider and adopt a
1127 substitute budget at the special meeting. A substitute budget is
1128 adopted if approved by a majority of all voting interests unless
1129 the bylaws require adoption by a greater percentage of voting
1130 interests. If there is not a quorum at the special meeting or a
1131 substitute budget is not adopted, the annual budget previously
1132 adopted by the board shall take effect as scheduled.

1133 b. Any determination of whether assessments exceed 115
1134 percent of assessments for the prior fiscal year shall exclude
1135 any authorized provision for reasonable reserves for repair or
1136 replacement of the condominium property, anticipated expenses of
1137 the association which the board does not expect to be incurred on
1138 a regular or annual basis, or assessments for betterments to the
1139 condominium property.

1140 c. If the developer controls the board, assessments shall
1141 not exceed 115 percent of assessments for the prior fiscal year
1142 unless approved by a majority of all voting interests.

1143 (f) Annual budget.--

1144 1. The proposed annual budget of estimated revenues and
1145 ~~common~~ expenses shall be detailed and shall show the amounts
1146 budgeted by accounts and expense classifications, including, if
1147 applicable, but not limited to, those expenses listed in s.
1148 718.504(21). A multicondominium association shall adopt a
1149 separate budget of common expenses for each condominium the
1150 association operates and shall adopt a separate budget of common
1151 expenses for the association. In addition, if the association
1152 maintains limited common elements with the cost to be shared only
1153 by those entitled to use the limited common elements as provided



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1154 for in s. 718.113(1), the budget or a schedule attached thereto
1155 shall show amounts budgeted therefor. If, after turnover of
1156 control of the association to the unit owners, any of the
1157 expenses listed in s. 718.504(21) are not applicable, they need
1158 not be listed.

1159 2. In addition to annual operating expenses, the budget
1160 shall include reserve accounts for capital expenditures and
1161 deferred maintenance. These accounts shall include, but are not
1162 limited to, roof replacement, building painting, and pavement
1163 resurfacing, regardless of the amount of deferred maintenance
1164 expense or replacement cost, and for any other item for which the
1165 deferred maintenance expense or replacement cost exceeds \$10,000.
1166 The amount to be reserved shall be computed by means of a formula
1167 which is based upon estimated remaining useful life and estimated
1168 replacement cost or deferred maintenance expense of each reserve
1169 item. The association may adjust replacement reserve assessments
1170 annually to take into account any changes in estimates or
1171 extension of the useful life of a reserve item caused by deferred
1172 maintenance. This subsection does not apply to an adopted budget
1173 in which the members of an association have determined, by a
1174 majority vote at a duly called meeting of the association, to
1175 provide no reserves or less reserves than required by this
1176 subsection. However, prior to turnover of control of an
1177 association by a developer to unit owners other than a developer
1178 pursuant to s. 718.301, the developer may vote to waive the
1179 reserves or reduce the funding of reserves for the first 2 fiscal
1180 years of the association's operation, beginning with the fiscal
1181 year in which the initial declaration is recorded, after which
1182 time reserves may be waived or reduced only upon the vote of a
1183 majority of all nondeveloper voting interests voting in person or

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1184 by limited proxy at a duly called meeting of the association. If
1185 a meeting of the unit owners has been called to determine whether
1186 to waive or reduce the funding of reserves, and no such result is
1187 achieved or a quorum is not attained, the reserves as included in
1188 the budget shall go into effect. After the turnover, the
1189 developer may vote its voting interest to waive or reduce the
1190 funding of reserves.

1191 3. Reserve funds and any interest accruing thereon shall
1192 remain in the reserve account or accounts, and shall be used only
1193 for authorized reserve expenditures unless their use for other
1194 purposes is approved in advance by a majority vote at a duly
1195 called meeting of the association. Prior to turnover of control
1196 of an association by a developer to unit owners other than the
1197 developer pursuant to s. 718.301, the developer-controlled
1198 association shall not vote to use reserves for purposes other
1199 than that for which they were intended without the approval of a
1200 majority of all nondeveloper voting interests, voting in person
1201 or by limited proxy at a duly called meeting of the association.

1202 4. The only voting interests which are eligible to vote on
1203 questions that involve waiving or reducing the funding of
1204 reserves, or using existing reserve funds for purposes other than
1205 purposes for which the reserves were intended, are the voting
1206 interests of the units subject to assessment to fund the reserves
1207 in question. Proxy questions relating to waiving or reducing the
1208 funding of reserves or using existing reserve funds for purposes
1209 other than purposes for which the reserves were intended shall
1210 contain the following statement in capitalized, bold letters in a
1211 font size larger than any other used on the face of the proxy
1212 ballot: Waiving of reserves, in whole or in part, or allowing
1213 alternate uses of existing reserves may result in unit owner



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1214 liability for payment of unanticipated special assessments
1215 regarding those reserve items.

1216 5. Notwithstanding subparagraph 3., the association, after
1217 turnover of control of the association may, in case of a
1218 catastrophic event, use reserve funds for nonscheduled purposes
1219 to mitigate damages or to make the condominium accessible for
1220 repairs.

1221 (g) Assessments.--The manner of collecting from the unit
1222 owners their shares of the common expenses shall be stated in the
1223 bylaws. Assessments shall be made against units not less
1224 frequently than quarterly in an amount which is not less than
1225 that required to provide funds in advance for payment of all of
1226 the anticipated current operating expenses and for all of the
1227 unpaid operating expenses previously incurred. Nothing in this
1228 paragraph shall preclude the right of an association to
1229 accelerate assessments of an owner delinquent in payment of
1230 common expenses. Accelerated assessments shall be due and payable
1231 on the date the claim of lien is filed. Such accelerated
1232 assessments shall include the amounts due for the remainder of
1233 the budget year in which the claim of lien was filed.

1234 (h) Amendment of bylaws.--

1235 1. The method by which the bylaws may be amended consistent
1236 with the provisions of this chapter shall be stated. If the
1237 bylaws fail to provide a method of amendment, the bylaws may be
1238 amended if the amendment is approved by the owners of not less
1239 than a majority of the voting interests present in person or by
1240 proxy at a duly called meeting ~~two-thirds of the voting~~
1241 interests. If the bylaws provide a method of amendment requiring
1242 approval by a majority of the voting interests, or less than a
1243 majority of the voting interests, the bylaws shall prevail.



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1244 2. No bylaw shall be revised or amended by reference to its
1245 title or number only. Proposals to amend existing bylaws shall
1246 contain the full text of the bylaws to be amended; new words
1247 shall be inserted in the text underlined, and words to be deleted
1248 shall be lined through with hyphens. However, if the proposed
1249 change is so extensive that this procedure would hinder, rather
1250 than assist, the understanding of the proposed amendment, it is
1251 not necessary to use underlining and hyphens as indicators of
1252 words added or deleted, but, instead, a notation must be inserted
1253 immediately preceding the proposed amendment in substantially the
1254 following language: "Substantial rewording of bylaw. See bylaw
1255 _____ for present text."

1256 3. Nonmaterial errors or omissions in the bylaw process
1257 will not invalidate an otherwise properly promulgated amendment.

1258 (i) Transfer fees.--No charge shall be made by the
1259 association or any body thereof in connection with the sale,
1260 mortgage, lease, sublease, or other transfer of a unit unless the
1261 association is required to approve such transfer and a fee for
1262 such approval is provided for in the declaration, articles, or
1263 bylaws. Any such fee may be preset, but in no event may such fee
1264 exceed \$100 per applicant other than husband/wife or
1265 parent/dependent child, which are considered one applicant.
1266 However, if the lease or sublease is a renewal of a lease or
1267 sublease with the same lessee or sublessee, no charge shall be
1268 made. The foregoing notwithstanding, an association may, if the
1269 authority to do so appears in the declaration or bylaws, require
1270 that a prospective lessee place a security deposit, in an amount
1271 not to exceed the equivalent of 1 month's rent, into an escrow
1272 account maintained by the association. The security deposit shall
1273 protect against damages to the common elements or association



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1274 property. Payment of interest, claims against the deposit,
1275 refunds, and disputes under this paragraph shall be handled in
1276 the same fashion as provided in part II of chapter 83.

1277 (j) Recall of board members.--Subject to the provisions of
1278 s. 718.301, any member of the board of administration may be
1279 recalled and removed from office with or without cause by the
1280 vote or agreement in writing by a majority of all the voting
1281 interests. If provided in the bylaws, a board member may also be
1282 removed from the board for cause in the manner provided in the
1283 bylaws. A special meeting of the unit owners to recall a member
1284 or members of the board of administration may be called by 10
1285 percent of the voting interests giving notice of the meeting as
1286 required for a meeting of unit owners, and the notice shall state
1287 the purpose of the meeting. Electronic transmission may not be
1288 used as a method of giving notice of a meeting called in whole or
1289 in part for this purpose.

1290 1. If the recall is approved by a majority of all voting
1291 interests by a vote at a meeting, the recall will be effective as
1292 provided herein. The board shall duly notice and hold a board
1293 meeting within 5 full business days of the adjournment of the
1294 unit owner meeting to recall one or more board members. At the
1295 meeting, the board shall either certify the recall, in which case
1296 such member or members shall be recalled effective immediately
1297 and shall turn over to the board within 5 full business days any
1298 and all records and property of the association in their
1299 possession, or shall proceed as set forth in subparagraph 3.

1300 2. If the proposed recall is by an agreement in writing by
1301 a majority of all voting interests, the agreement in writing or a
1302 copy thereof shall be served on the association by certified mail
1303 or by personal service in the manner authorized by chapter 48 and



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1304 the Florida Rules of Civil Procedure. The board of administration
1305 shall duly notice and hold a meeting of the board within 5 full
1306 business days after receipt of the agreement in writing. At the
1307 meeting, the board shall either certify the written agreement to
1308 recall a member or members of the board, in which case such
1309 member or members shall be recalled effective immediately and
1310 shall turn over to the board within 5 full business days any and
1311 all records and property of the association in their possession,
1312 or proceed as described in subparagraph 3.

1313 3. If the board determines not to certify the written
1314 agreement to recall a member or members of the board, or does not
1315 certify the recall by a vote at a meeting, the board shall,
1316 within 5 full business days after the meeting, file with the
1317 division a petition for arbitration pursuant to the procedures in
1318 s. 718.1255. For the purposes of this section, the unit owners
1319 who voted at the meeting or who executed the agreement in writing
1320 shall constitute one party under the petition for arbitration. If
1321 the arbitrator certifies the recall as to any member or members
1322 of the board, the recall will be effective upon mailing of the
1323 final order of arbitration to the association. If the association
1324 fails to comply with the order of the arbitrator, the division
1325 may take action pursuant to s. 718.501. Any member or members so
1326 recalled shall deliver to the board any and all records of the
1327 association in their possession within 5 full business days of
1328 the effective date of the recall.

1329 4. If the board fails to duly notice and hold a board
1330 meeting within 5 full business days of service of an agreement in
1331 writing or within 5 full business days of the adjournment of the
1332 unit owner recall meeting, the recall shall be deemed effective



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1333 and the board members so recalled shall immediately turn over to
1334 the board any and all records and property of the association.

1335 5. If a vacancy occurs on the board as a result of a recall
1336 or removal and less than a majority of the board members are
1337 removed, the vacancy may be filled by the affirmative vote of a
1338 majority of the remaining directors, notwithstanding any
1339 provision to the contrary contained in this subsection. If
1340 vacancies occur on the board as a result of a recall and a
1341 majority or more of the board members are removed, the vacancies
1342 shall be filled in accordance with procedural rules to be adopted
1343 by the division, which rules need not be consistent with this
1344 subsection. The rules must provide procedures governing the
1345 conduct of the recall election as well as the operation of the
1346 association during the period after a recall but prior to the
1347 recall election.

1348 (k) Arbitration.--There shall be a provision for mandatory
1349 nonbinding arbitration as provided for in s. 718.1255.

1350 (l) Certificate of compliance.--There shall be a provision
1351 that a certificate of compliance from a licensed electrical
1352 contractor or electrician may be accepted by the association's
1353 board as evidence of compliance of the condominium units with the
1354 applicable fire and life safety code. Notwithstanding the
1355 provisions of chapter 633 or of any other code, statute,
1356 ordinance, administrative rule, or regulation, or any
1357 interpretation of the foregoing, an association, condominium, or
1358 unit owner is not obligated to retrofit the common elements or
1359 units of a residential condominium with a fire sprinkler system
1360 or other engineered lifesafety system in a building that has been
1361 certified for occupancy by the applicable governmental entity, if
1362 the unit owners have voted to forego such retrofitting and



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1363 engineered lifesafety system by the affirmative vote of two-
1364 thirds of all voting interests in the affected condominium.
1365 However, a condominium association may not vote to forego the
1366 retrofitting with a fire sprinkler system of common areas in a
1367 high-rise building. For purposes of this subsection, the term
1368 "high-rise building" means a building that is greater than 75
1369 feet in height where the building height is measured from the
1370 lowest level of fire department access to the floor of the
1371 highest occupiable story. For purposes of this subsection, the
1372 term "common areas" means any enclosed hallway, corridor, lobby,
1373 stairwell, or entryway. In no event shall the local authority
1374 having jurisdiction require completion of retrofitting of common
1375 areas with a sprinkler system before the end of 2014.

1376 1. A vote to forego retrofitting may be obtained by limited
1377 proxy or by a ballot personally cast at a duly called membership
1378 meeting, or by execution of a written consent by the member, and
1379 shall be effective upon the recording of a certificate attesting
1380 to such vote in the public records of the county where the
1381 condominium is located. The association shall mail, hand deliver,
1382 or electronically transmit to each unit owner written notice at
1383 least 14 days prior to such membership meeting in which the vote
1384 to forego retrofitting of the required fire sprinkler system is
1385 to take place. Within 30 days after the association's opt-out
1386 vote, notice of the results of the opt-out vote shall be mailed,
1387 hand delivered, or electronically transmitted to all unit owners.
1388 Evidence of compliance with this 30-day notice shall be made by
1389 an affidavit executed by the person providing the notice and
1390 filed among the official records of the association. After such
1391 notice is provided to each owner, a copy of such notice shall be
1392 provided by the current owner to a new owner prior to closing and

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1393 shall be provided by a unit owner to a renter prior to signing a
1394 lease.

1395 2. As part of the information collected annually from
1396 condominiums, the division shall require condominium associations
1397 to report the membership vote and recording of a certificate
1398 under this subsection and, if retrofitting has been undertaken,
1399 the per-unit cost of such work. The division shall annually
1400 report to the Division of State Fire Marshal of the Department of
1401 Financial Services the number of condominiums that have elected
1402 to forego retrofitting.

1403 (m) Common elements; limited power to convey.--

1404 1. With respect to condominiums created on or after October
1405 1, 1994, the bylaws shall include a provision granting the
1406 association a limited power to convey a portion of the common
1407 elements to a condemning authority for the purpose of providing
1408 utility easements, right-of-way expansion, or other public
1409 purposes, whether negotiated or as a result of eminent domain
1410 proceedings.

1411 2. In any case where the bylaws are silent as to the
1412 association's power to convey common elements as described in
1413 subparagraph 1., the bylaws shall be deemed to include the
1414 provision described in subparagraph 1.

1415 (n) Director delinquencies.--A director more than 90 days
1416 delinquent in the payment of any fee or assessment shall be
1417 deemed to have abandoned the office, creating a vacancy in the
1418 office to be filled according to state law.

1419 (o) Director offenses.--A director charged with a felony
1420 theft or embezzlement offense involving the association's funds
1421 or property shall be suspended from office pending the resolution
1422 of the charge. At the next board meeting, the board shall appoint



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1423 an interim board member, who shall serve in place of the
1424 suspended member until such charges are resolved or the suspended
1425 member resigns.

1426 Section 12. Section 718.113, Florida Statutes, is amended
1427 to read:

1428 718.113 Maintenance; limitation upon improvement; display
1429 of flag; hurricane shutters; display of religious decorations.--

1430 (1) Maintenance of the common elements is the
1431 responsibility of the association. The declaration may provide
1432 that certain limited common elements shall be maintained by those
1433 entitled to use the limited common elements or that the
1434 association shall provide the maintenance, either as a common
1435 expense or with the cost shared only by those entitled to use the
1436 limited common elements. If the maintenance is to be by the
1437 association at the expense of only those entitled to use the
1438 limited common elements, the declaration shall describe in detail
1439 the method of apportioning such costs among those entitled to use
1440 the limited common elements, and the association may use the
1441 provisions of s. 718.116 to enforce payment of the shares of such
1442 costs by the unit owners entitled to use the limited common
1443 elements.

1444 (2) (a) Except as otherwise provided in this section, there
1445 shall be no material alteration or substantial additions to the
1446 common elements or to real property which is association
1447 property, except in a manner provided in the declaration as
1448 originally recorded or as amended under the procedures provided
1449 therein. If the declaration as originally recorded or as amended
1450 under the procedures provided therein does not specify the
1451 procedure for approval of material alterations or substantial



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1452 additions, 75 percent of the total voting interests of the
1453 association must approve the alterations or additions.

1454 (b) There shall not be any material alteration of, or
1455 substantial addition to, the common elements of any condominium
1456 operated by a multicondominium association unless approved in the
1457 manner provided in the declaration of the affected condominium or
1458 condominiums as originally recorded or as amended under the
1459 procedures provided therein. If a declaration as originally
1460 recorded or as amended under the procedures provided therein does
1461 not specify a procedure for approving such an alteration or
1462 addition, the approval of 75 percent of the total voting
1463 interests of each affected condominium is required. This
1464 subsection does not prohibit a provision in any declaration,
1465 articles of incorporation, or bylaws as originally recorded or as
1466 amended under the procedures provided therein requiring the
1467 approval of unit owners in any condominium operated by the same
1468 association or requiring board approval before a material
1469 alteration or substantial addition to the common elements is
1470 permitted. This paragraph is intended to clarify existing law and
1471 applies to associations existing on the effective date of this
1472 act.

1473 (c) There shall not be any material alteration or
1474 substantial addition made to association real property operated
1475 by a multicondominium association, except as provided in the
1476 declaration, articles of incorporation, or bylaws as originally
1477 recorded or as amended under the procedures provided therein. If
1478 the declaration, articles of incorporation, or bylaws as
1479 originally recorded or as amended under the procedures provided
1480 therein do not specify the procedure for approving an alteration
1481 or addition to association real property, the approval of 75

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1482 percent of the total voting interests of the association is
1483 required. This paragraph is intended to clarify existing law and
1484 applies to associations existing on the effective date of this
1485 act.

1486 (3) A unit owner shall not do anything within his or her
1487 unit or on the common elements which would adversely affect the
1488 safety or soundness of the common elements or any portion of the
1489 association property or condominium property which is to be
1490 maintained by the association.

1491 (4) Any unit owner may display one portable, removable
1492 United States flag in a respectful way and, on Armed Forces Day,
1493 Memorial Day, Flag Day, Independence Day, and Veterans Day, may
1494 display in a respectful way portable, removable official flags,
1495 not larger than 4 1/2 feet by 6 feet, that represent the United
1496 States Army, Navy, Air Force, Marine Corps, or Coast Guard,
1497 regardless of any declaration rules or requirements dealing with
1498 flags or decorations.

1499 (5) Each board of administration shall adopt hurricane
1500 shutter specifications for each building within each condominium
1501 operated by the association which shall include color, style, and
1502 other factors deemed relevant by the board. All specifications
1503 adopted by the board shall comply with the applicable building
1504 code. Notwithstanding any provision to the contrary in the
1505 condominium documents, if approval is required by the documents,
1506 a board shall not refuse to approve the installation or
1507 replacement of hurricane shutters conforming to the
1508 specifications adopted by the board. The board may, subject to
1509 the provisions of s. 718.3026, and the approval of a majority of
1510 voting interests of the condominium, install hurricane shutters
1511 or hurricane protection that complies with or exceeds the

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1512 applicable building code and may maintain, repair, or replace
1513 such approved hurricane shutters, whether on or within common
1514 elements, limited common elements, units, or association
1515 property. However, where hurricane protection that complies with
1516 or exceeds the applicable building code or laminated glass or
1517 window film architecturally designed to function as hurricane
1518 protection which complies with the applicable building code has
1519 been installed, the board may not install hurricane shutters. The
1520 board may operate shutters installed pursuant to this subsection
1521 without permission of the unit owners ~~when only where~~ such
1522 operation is necessary to preserve and protect the condominium
1523 property and association property. This subsection does not
1524 create an obligation on behalf of the board or association to
1525 close or cause to be closed any shutters when such protection may
1526 be required. Restriction may not be placed on the closing of
1527 hurricane shutters unless the board and association assume the
1528 responsibility of closing the hurricane shutters when
1529 appropriate. The installation, replacement, operation, repair,
1530 and maintenance of such shutters in accordance with the
1531 procedures set forth herein shall not be deemed a material
1532 alteration to the common elements or association property within
1533 the meaning of this section.

1534 (6) At least every 5 years, and within 5 years if not
1535 available for inspection on July 1, 2008, the board shall have
1536 the condominium buildings inspected to provide an update to the
1537 turnover inspection report under seal of an architect or engineer
1538 authorized to practice in this state attesting to required
1539 maintenance, useful life, and replacement costs of the elements
1540 provided in s. 718.301(4)(p).

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1541 (7) The board may not adopt any rule or regulation
1542 impairing any rights guaranteed by the First Amendment to the
1543 Constitution of the United States or s. 3, Art. I of the State
1544 Constitution, including, but not limited to, the free exercise of
1545 religion, or any rules or regulations that conflict with the
1546 provisions of this chapter or the condominium instruments. A rule
1547 or regulation may not prohibit any reasonable accommodation for
1548 religious practices, including the attachment of religiously
1549 mandated objects to the front-door area of a condominium unit.

1550 Section 13. Section 718.1224, Florida Statutes, is created
1551 to read:

1552 718.1224 Prohibition against SLAPP suits.--

1553 (1) It is the intent of the Legislature to protect the
1554 right of condominium unit owners to exercise their rights to
1555 instruct their representatives and petition for redress of
1556 grievances before the various governmental entities of this state
1557 as protected by the First Amendment to the United States
1558 Constitution and s. 5, Art. I of the State Constitution. The
1559 Legislature recognizes that strategic lawsuits against public
1560 participation, or "SLAPP suits" as they are typically referred
1561 to, have occurred when association members are sued by
1562 individuals, business entities, or governmental entities arising
1563 out of a condominium unit owner's appearance and presentation
1564 before a governmental entity on matters related to the
1565 condominium association. However, it is the public policy of this
1566 state that governmental entities, business organizations, and
1567 individuals not engage in SLAPP suits because such actions are
1568 inconsistent with the right of condominium unit owners to
1569 participate in the state's institutions of government. Therefore,
1570 the Legislature finds and declares that prohibiting such lawsuits

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1571 by governmental entities, business entities, and individuals
1572 against condominium unit owners who address matters concerning
1573 their condominium association will preserve this fundamental
1574 state policy, preserve the constitutional rights of condominium
1575 unit owners, and ensure the continuation of representative
1576 government in this state. It is the intent of the Legislature
1577 that such lawsuits be expeditiously disposed of by the courts. As
1578 used in this subsection, the term "governmental entity" means the
1579 state, including the executive, legislative, and judicial
1580 branches of government; the independent establishments of the
1581 state, counties, municipalities, districts, authorities, boards,
1582 or commissions; or any agencies of these branches that are
1583 subject to chapter 286.

1584 (2) A governmental entity, business organization, or
1585 individual in this state may not file or cause to be filed
1586 through its employees or agents any lawsuit, cause of action,
1587 claim, cross-claim, or counterclaim against a condominium unit
1588 owner without merit and solely because such condominium unit
1589 owner has exercised the right to instruct his or her
1590 representatives or the right to petition for redress of
1591 grievances before the various governmental entities of this
1592 state, as protected by the First Amendment to the United States
1593 Constitution and s. 5, Art. I of the State Constitution.

1594 (3) A condominium unit owner sued by a governmental entity,
1595 business organization, or individual in violation of this section
1596 has a right to an expeditious resolution of a claim that the suit
1597 is in violation of this section. A condominium unit owner may
1598 petition the court for an order dismissing the action or granting
1599 final judgment in favor of that condominium unit owner. The
1600 petitioner may file a motion for summary judgment, together with

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1601 supplemental affidavits, seeking a determination that the
1602 governmental entity's, business organization's, or individual's
1603 lawsuit has been brought in violation of this section. The
1604 governmental entity, business organization, or individual shall
1605 thereafter file its response and any supplemental affidavits. As
1606 soon as practicable, the court shall set a hearing on the
1607 petitioner's motion, which shall be held at the earliest possible
1608 time after the filing of the governmental entity's, business
1609 organization's, or individual's response. The court may award the
1610 condominium unit owner sued by the governmental entity, business
1611 organization, or individual actual damages arising from the
1612 governmental entity's, individual's, or business organization's
1613 violation of this section. A court may treble the damages awarded
1614 to a prevailing condominium unit owner and shall state the basis
1615 for the treble damages award in its judgment. The court shall
1616 award the prevailing party reasonable attorney's fees and costs
1617 incurred in connection with a claim that an action was filed in
1618 violation of this section.

1619 (4) Condominium associations may not expend association
1620 funds in prosecuting a SLAPP suit against a condominium unit
1621 owner.

1622 Section 14. Paragraph (b) of subsection (3) of section
1623 718.1255, Florida Statutes, is amended to read:

1624 718.1255 Alternative dispute resolution; voluntary
1625 mediation; mandatory nonbinding arbitration; legislative
1626 findings.--

1627 (3) LEGISLATIVE FINDINGS.--

1628 (b) The Legislature finds that ~~the courts are becoming~~
1629 ~~overcrowded with condominium and other disputes, and further~~
1630 ~~finds that~~ alternative dispute resolution has been making

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1631 progress in reducing court dockets and trials and in offering a
1632 more efficient, cost-effective option to court litigation.
1633 However, the Legislature also finds that alternative dispute
1634 resolution should not be used as a mechanism to encourage the
1635 filing of frivolous or nuisance suits.

1636 Section 15. Paragraph (p) is added to subsection (4) of
1637 section 718.301, Florida Statutes, to read:

1638 718.301 Transfer of association control; claims of defect
1639 by association.--

1640 (4) At the time that unit owners other than the developer
1641 elect a majority of the members of the board of administration of
1642 an association, the developer shall relinquish control of the
1643 association, and the unit owners shall accept control.
1644 Simultaneously, or for the purposes of paragraph (c) not more
1645 than 90 days thereafter, the developer shall deliver to the
1646 association, at the developer's expense, all property of the unit
1647 owners and of the association which is held or controlled by the
1648 developer, including, but not limited to, the following items, if
1649 applicable, as to each condominium operated by the association:

1650 (p) A report included in the official records, under seal
1651 of an architect or engineer authorized to practice in this state,
1652 attesting to required maintenance, useful life, and replacement
1653 costs of the following elements comprising a turnover inspection
1654 report:

- 1655 1. Roof.
- 1656 2. Structure.
- 1657 3. Fireproofing and fire-protection systems.
- 1658 4. Elevators.
- 1659 5. Heating and cooling systems.
- 1660 6. Plumbing.

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- 1661 | 7. Electrical systems.
- 1662 | 8. Swimming pool or spa and equipment.
- 1663 | 9. Seawalls.
- 1664 | 10. Pavement and parking areas.
- 1665 | 11. Drainage systems.
- 1666 | 12. Painting.
- 1667 | 13. Irrigation systems.

1668 | Section 16. Paragraph (f) is added to subsection (1) of
1669 | section 718.3025, Florida Statutes, to read:

1670 | 718.3025 Agreements for operation, maintenance, or
1671 | management of condominiums; specific requirements.--

1672 | (1) No written contract between a party contracting to
1673 | provide maintenance or management services and an association
1674 | which contract provides for operation, maintenance, or management
1675 | of a condominium association or property serving the unit owners
1676 | of a condominium shall be valid or enforceable unless the
1677 | contract:

1678 | (f) Discloses any financial or ownership interest a board
1679 | member or any party providing maintenance or management services
1680 | to the association holds with the contracting party.

1681 | Section 17. Section 718.3026, Florida Statutes, is amended
1682 | to read:

1683 | 718.3026 Contracts for products and services; in writing;
1684 | bids; exceptions.--~~Associations with less than 100 units may opt~~
1685 | ~~out of the provisions of this section if two thirds of the unit~~
1686 | ~~owners vote to do so, which opt-out may be accomplished by a~~
1687 | ~~proxy specifically setting forth the exception from this section.~~

1688 | (1) All contracts as further described herein or any
1689 | contract that is not to be fully performed within 1 year after
1690 | the making thereof, for the purchase, lease, or renting of



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1691 materials or equipment to be used by the association in
1692 accomplishing its purposes under this chapter, and all contracts
1693 for the provision of services, shall be in writing. If a contract
1694 for the purchase, lease, or renting of materials or equipment, or
1695 for the provision of services, requires payment by the
1696 association on behalf of any condominium operated by the
1697 association in the aggregate that exceeds 5 percent of the total
1698 annual budget of the association, including reserves, the
1699 association shall obtain competitive bids for the materials,
1700 equipment, or services. Nothing contained herein shall be
1701 construed to require the association to accept the lowest bid.

1702 (2) (a) ~~1.~~ Notwithstanding the foregoing, contracts with
1703 employees of the association, and contracts for attorney,
1704 accountant, architect, community association manager, timeshare
1705 management firm, engineering, and landscape architect services
1706 are not subject to the provisions of this section.

1707 ~~2. A contract executed before January 1, 1992, and any~~
1708 ~~renewal thereof, is not subject to the competitive bid~~
1709 ~~requirements of this section. If a contract was awarded under the~~
1710 ~~competitive bid procedures of this section, any renewal of that~~
1711 ~~contract is not subject to such competitive bid requirements if~~
1712 ~~the contract contains a provision that allows the board to cancel~~
1713 ~~the contract on 30 days' notice. Materials, equipment, or~~
1714 ~~services provided to a condominium under a local government~~
1715 ~~franchise agreement by a franchise holder are not subject to the~~
1716 ~~competitive bid requirements of this section. A contract with a~~
1717 ~~manager, if made by a competitive bid, may be made for up to 3~~
1718 ~~years. A condominium whose declaration or bylaws provides for~~
1719 ~~competitive bidding for services may operate under the provisions~~
1720 ~~of that declaration or bylaws in lieu of this section if those~~

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1721 ~~provisions are not less stringent than the requirements of this~~
1722 ~~section.~~

1723 (b) Nothing contained herein is intended to limit the
1724 ability of an association to obtain needed products and services
1725 in an emergency.

1726 (c) This section shall not apply if the business entity
1727 with which the association desires to enter into a contract is
1728 the only source of supply within the county serving the
1729 association.

1730 (d) Nothing contained herein shall excuse a party
1731 contracting to provide maintenance or management services from
1732 compliance with s. 718.3025.

1733 Section 18. Section 718.501, Florida Statutes, is amended
1734 to read:

1735 718.501 Authority, responsibility, ~~Powers~~ and duties of
1736 Division of Florida Land Sales, Condominiums, and Mobile Homes.--

1737 (1) The Division of Florida Land Sales, Condominiums, and
1738 Mobile Homes of the Department of Business and Professional
1739 Regulation, referred to as the "division" in this part, in
1740 addition to other authority, responsibility, ~~powers~~ and duties
1741 prescribed by chapter 498, has the power to enforce and ensure
1742 compliance with the provisions of this chapter and rules
1743 promulgated pursuant hereto relating to the development,
1744 construction, sale, lease, ownership, operation, and management
1745 of residential condominium units. In performing its duties, the
1746 division has the following authority, responsibility, ~~powers~~ and
1747 duties:

1748 (a) The division may make necessary public or private
1749 investigations within or outside this state to determine whether
1750 any person has violated this chapter or any rule or order



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1751 hereunder, to aid in the enforcement of this chapter, or to aid
1752 in the adoption of rules or forms hereunder.

1753 (b) The division may require or permit any person to file a
1754 statement in writing, under oath or otherwise, as the division
1755 determines, as to the facts and circumstances concerning a matter
1756 to be investigated.

1757 (c) For the purpose of any investigation under this
1758 chapter, the division director or any officer or employee
1759 designated by the division director may administer oaths or
1760 affirmations, subpoena witnesses and compel their attendance,
1761 take evidence, and require the production of any matter which is
1762 relevant to the investigation, including the existence,
1763 description, nature, custody, condition, and location of any
1764 books, documents, or other tangible things and the identity and
1765 location of persons having knowledge of relevant facts or any
1766 other matter reasonably calculated to lead to the discovery of
1767 material evidence. Upon the failure by a person to obey a
1768 subpoena or to answer questions propounded by the investigating
1769 officer and upon reasonable notice to all persons affected
1770 thereby, the division may apply to the circuit court for an order
1771 compelling compliance.

1772 (d) Notwithstanding any remedies available to unit owners
1773 and associations, if the division has reasonable cause to believe
1774 that a violation of any provision of this chapter or rule
1775 promulgated pursuant hereto has occurred, the division may
1776 institute enforcement proceedings in its own name against any
1777 developer, association, officer, or member of the board of
1778 administration, or its assignees or agents, as follows:

1779 1. The division may permit a person whose conduct or
1780 actions may be under investigation to waive formal proceedings



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1781 and enter into a consent proceeding whereby orders, rules, or
1782 letters of censure or warning, whether formal or informal, may be
1783 entered against the person.

1784 2. The division may issue an order requiring the developer,
1785 association, officer, or member of the board of administration,
1786 or its assignees or agents, to cease and desist from the unlawful
1787 practice and take such affirmative action as in the judgment of
1788 the division will carry out the purposes of this chapter. Agents
1789 shall include community association managers or other licensed
1790 professionals acting as agents of the association. Such
1791 affirmative action may include, but is not limited to, an order
1792 requiring a developer to pay moneys determined to be owed to a
1793 condominium association.

1794 3. If a developer fails to promptly pay any restitution
1795 determined by the division to be owed, plus any accrued interest
1796 at the highest rate permitted by law, the division shall bring an
1797 action in circuit or county court on behalf of any association,
1798 class of unit owners, lessees, or purchasers for restitution,
1799 declaratory relief, injunctive relief, or any other available
1800 remedy. The division may also temporarily revoke its acceptance
1801 of any other condominium filing by the same developer until
1802 payment is made. ~~The division may bring an action in circuit~~
1803 ~~court on behalf of a class of unit owners, lessees, or purchasers~~
1804 ~~for declaratory relief, injunctive relief, or restitution.~~

1805 4. The division may impose a civil penalty against a
1806 developer or association, or its assignee or agent, for any
1807 violation of this chapter or a rule promulgated pursuant hereto.
1808 The division may impose a civil penalty individually against any
1809 officer or board member who willfully and knowingly violates a
1810 provision of this chapter, a rule adopted pursuant hereto, or a



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1811 | final order of the division, order the removal of such individual
1812 | from the board of directors, and prohibit such individual from
1813 | serving on the board of a community association for a period of
1814 | time. The term "willfully and knowingly" means that the division
1815 | informed the officer or board member that his or her action or
1816 | intended action violates this chapter, a rule adopted under this
1817 | chapter, or a final order of the division and that the officer or
1818 | board member refused to comply with the requirements of this
1819 | chapter, a rule adopted under this chapter, or a final order of
1820 | the division. The division, prior to initiating formal agency
1821 | action under chapter 120, shall afford the officer or board
1822 | member an opportunity to voluntarily comply with this chapter, a
1823 | rule adopted under this chapter, or a final order of the
1824 | division. An officer or board member who complies within 10 days
1825 | is not subject to a civil penalty. A penalty may be imposed on
1826 | the basis of each day of continuing violation, but in no event
1827 | shall the penalty for any offense exceed \$5,000. By January 1,
1828 | 1998, the division shall adopt, by rule, penalty guidelines
1829 | applicable to possible violations or to categories of violations
1830 | of this chapter or rules adopted by the division. The guidelines
1831 | must specify a meaningful range of civil penalties for each such
1832 | violation of the statute and rules and must be based upon the
1833 | harm caused by the violation, the repetition of the violation,
1834 | and upon such other factors deemed relevant by the division. For
1835 | example, the division may consider whether the violations were
1836 | committed by a developer or owner-controlled association, the
1837 | size of the association, and other factors. The guidelines must
1838 | designate the possible mitigating or aggravating circumstances
1839 | that justify a departure from the range of penalties provided by
1840 | the rules. It is the legislative intent that minor violations be

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1841 distinguished from those which endanger the health, safety, or
1842 welfare of the condominium residents or other persons and that
1843 such guidelines provide reasonable and meaningful notice to the
1844 public of likely penalties that may be imposed for proscribed
1845 conduct. This subsection does not limit the ability of the
1846 division to informally dispose of administrative actions or
1847 complaints by stipulation, agreed settlement, or consent order.
1848 All amounts collected shall be deposited with the Chief Financial
1849 Officer to the credit of the Division of Florida Land Sales,
1850 Condominiums, and Mobile Homes Trust Fund. If a developer fails
1851 to pay the civil penalty and the amount deemed to be owed to the
1852 association, the division shall thereupon issue an order
1853 directing that such developer cease and desist from further
1854 operation until such time as the civil penalty is paid or may
1855 pursue enforcement of the penalty in a court of competent
1856 jurisdiction. If an association fails to pay the civil penalty,
1857 the division shall thereupon pursue enforcement in a court of
1858 competent jurisdiction, and the order imposing the civil penalty
1859 or the cease and desist order will not become effective until 20
1860 days after the date of such order. Any action commenced by the
1861 division shall be brought in the county in which the division has
1862 its executive offices or in the county where the violation
1863 occurred.

1864 5. Upon a finding of failure to provide access to official
1865 records after two written requests by certified mail by unit
1866 owners, the division shall issue a subpoena requiring production
1867 of the requested records.

1868 (e) The division shall ~~is authorized to~~ prepare and
1869 disseminate a prospectus and other information to assist
1870 prospective owners, purchasers, lessees, and developers of



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1871 residential condominiums in assessing the rights, privileges, and
1872 duties pertaining thereto.

1873 (f) The division has authority to adopt rules pursuant to
1874 ss. 120.536(1) and 120.54 to implement and enforce the provisions
1875 of this chapter.

1876 (g) The division shall establish procedures for providing
1877 notice to an association when the division is considering the
1878 issuance of a declaratory statement with respect to the
1879 declaration of condominium or any related document governing in
1880 such condominium community.

1881 (h) The division shall furnish each association which pays
1882 the fees required by paragraph (2) (a) a copy of this act,
1883 subsequent changes to this act on an annual basis, an amended
1884 version of this act as it becomes available from the Secretary of
1885 State's office on a biennial basis, and the rules promulgated
1886 pursuant thereto on an annual basis.

1887 (i) The division shall annually provide each association
1888 with a summary of declaratory statements and formal legal
1889 opinions relating to the operations of condominiums which were
1890 rendered by the division during the previous year.

1891 (j) The division shall provide training programs for
1892 condominium association board members and unit owners. The
1893 division shall maintain a current list of programs and program
1894 providers and shall make such list available to board members and
1895 unit owners.

1896 (k) The division shall maintain a toll-free telephone
1897 number accessible to condominium unit owners.

1898 (l) The division shall develop a program to certify both
1899 volunteer and paid mediators to provide mediation of condominium
1900 disputes. The division shall provide, upon request, a list of

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1901 | such mediators to any association, unit owner, or other
1902 | participant in arbitration proceedings under s. 718.1255
1903 | requesting a copy of the list. The division shall include on the
1904 | list of volunteer mediators only the names of persons who have
1905 | received at least 20 hours of training in mediation techniques or
1906 | who have mediated at least 20 disputes. In order to become
1907 | initially certified by the division, paid mediators must be
1908 | certified by the Supreme Court to mediate court cases in either
1909 | county or circuit courts. However, the division may adopt, by
1910 | rule, additional factors for the certification of paid mediators,
1911 | which factors must be related to experience, education, or
1912 | background. Any person initially certified as a paid mediator by
1913 | the division must, in order to continue to be certified, comply
1914 | with the factors or requirements imposed by rules adopted by the
1915 | division.

1916 | (m) When a complaint is made, the division shall conduct
1917 | its inquiry with due regard to the interests of the affected
1918 | parties. Within 30 days after receipt of a complaint, the
1919 | division shall acknowledge the complaint in writing and notify
1920 | the complainant whether the complaint is within the jurisdiction
1921 | of the division and whether additional information is needed by
1922 | the division from the complainant. The division shall conduct its
1923 | investigation and shall, within 90 days after receipt of the
1924 | original complaint or of timely requested additional information,
1925 | take action upon the complaint. However, the failure to complete
1926 | the investigation within 90 days does not prevent the division
1927 | from continuing the investigation, accepting or considering
1928 | evidence obtained or received after 90 days, or taking
1929 | administrative action if reasonable cause exists to believe that
1930 | a violation of this chapter or a rule of the division has

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1931 occurred. If an investigation is not completed within the time
1932 limits established in this paragraph, the division shall, on a
1933 monthly basis, notify the complainant in writing of the status of
1934 the investigation. When reporting its action to the complainant,
1935 the division shall inform the complainant of any right to a
1936 hearing pursuant to ss. 120.569 and 120.57.

1937 (2) (a) ~~Effective January 1, 1992,~~ Each condominium
1938 association which operates more than two units shall pay to the
1939 division an annual fee in the amount of \$4 for each residential
1940 unit in condominiums operated by the association. If the fee is
1941 not paid by March 1, then the association shall be assessed a
1942 penalty of 10 percent of the amount due, and the association will
1943 not have standing to maintain or defend any action in the courts
1944 of this state until the amount due, plus any penalty, is paid.

1945 (b) All fees shall be deposited in the Division of Florida
1946 Land Sales, Condominiums, and Mobile Homes Trust Fund as provided
1947 by law.

1948 Section 19. Subsection (1) of section 718.50151, Florida
1949 Statutes, is amended to read:

1950 718.50151 Advisory council; membership functions.--

1951 (1) There is created the Advisory Council on Condominiums.
1952 The council shall consist of seven appointed members. Two members
1953 shall be appointed by the President of the Senate, two members
1954 shall be appointed by the Speaker of the House of
1955 Representatives, and three members shall be appointed by the
1956 Governor. ~~At least~~ One member that is appointed by the Governor
1957 ~~may shall~~ represent timeshare condominiums. Members shall be
1958 appointed to 2-year terms; however, one of the persons initially
1959 appointed by the Governor, by the President of the Senate, and by
1960 the Speaker of the House of Representatives shall be appointed to



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1961 a 1-year term. The director of the division shall appoint ~~serve~~
 1962 ~~as~~ an ex officio nonvoting member. The Legislature intends that
 1963 the persons appointed represent a cross-section of persons
 1964 interested in condominium issues. The council shall be located
 1965 within the division for administrative purposes. Members of the
 1966 council shall serve without compensation but are entitled to
 1967 receive per diem and travel expenses pursuant to s. 112.061 while
 1968 on official business.

1969 Section 20. This act shall take effect July 1, 2008.

1970
 1971 ===== T I T L E A M E N D M E N T =====

1972 And the title is amended as follows:

1973 Delete everything before the enacting clause
 1974 and insert:

1975 A bill to be entitled
 1976 An act relating to community associations; amending s.
 1977 468.431, F.S.; revising and providing definitions;
 1978 amending s. 468.4315, F.S.; redesignating the
 1979 Regulatory Council of Community Association Managers as
 1980 the Board of Community Association Managers; revising
 1981 membership criteria for members of the board; requiring
 1982 the board to establish a public education program;
 1983 providing that board members shall serve without
 1984 compensation but are entitled to per diem and travel
 1985 expenses; providing responsibilities of the board;
 1986 amending s. 468.432, F.S.; providing for licensure of
 1987 community association management firms; providing
 1988 application, licensure, and fee requirements; amending
 1989 s. 468.433, F.S.; providing for the refusal of
 1990 applicant certification under certain circumstances;

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1991 conforming terminology; amending ss. 468.4337 and
1992 468.4338, F.S.; conforming terminology to changes made
1993 by the act; amending s. 468.435, F.S.; conforming
1994 terminology to changes made by the act; removing
1995 statutory fee ranges; authorizing the board to
1996 establish specified fees; requiring the board to adopt
1997 rules establishing such fees; amending s. 468.436,
1998 F.S.; requiring that the Department of Business and
1999 Professional Regulation investigate certain complaints
2000 and allegations; providing complaint and investigation
2001 procedures; conforming cross-references and
2002 terminology; providing grounds for which disciplinary
2003 actions may be taken; authorizing the department to
2004 impose specified penalties on a community association
2005 management firm; authorizing the department to reissue
2006 the license of a disciplined community association
2007 manager or firm under certain circumstances; amending
2008 s. 718.110, F.S.; revising instances under which a
2009 declaration may be amended; requiring a majority vote
2010 of owners for approval of an amendment to a
2011 declaration; deleting a provision requiring amendments
2012 to declarations recorded after a specified date to be
2013 approved by more than four-fifths of the voting
2014 interests; amending s. 718.111, F.S.; providing duties
2015 of officers, directors, and agents of a condominium
2016 association and liability for monetary damages under
2017 certain circumstances; deleting legislative intent
2018 relating to insurance premiums for associations;
2019 providing policy requirements for windstorm insurance
2020 for condominium associations; providing deductible

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2021 requirements; providing that a copy of the inspection
2022 report shall be maintained as an official record of the
2023 association; requiring official records of the
2024 association to be maintained for at least 5 years and
2025 to be made available at certain locations and in
2026 specified formats; providing civil and criminal
2027 sanctions, including sanctions against any person who
2028 knowingly or intentionally defaces, destroys, or fails
2029 to create or maintain accounting records; requiring the
2030 association to maintain certain documents; prohibiting
2031 accessibility to certain personal identifying
2032 information of unit owners by fellow unit owners;
2033 requiring the Division of Florida Land Sales,
2034 Condominiums, and Mobile Homes to adopt certain rules;
2035 requiring certain audits and reports to be paid for by
2036 the developer if done prior to turnover of control of
2037 the association; restricting a condominium association
2038 from waiving a financial report for more than 2
2039 consecutive years; amending s. 718.112, F.S.;

2040 prohibiting votes allocated to units owned by the
2041 association from being cast by proxy, ballot, or
2042 otherwise, for any purpose; providing an exception that
2043 proxies may be used to establish a quorum; requiring
2044 the board to address certain agenda items proposed by a
2045 petition of a specified percentage of the unit owners;
2046 revising notice requirements for meetings to consider
2047 assessments; providing requirements for the location of
2048 annual unit owner meetings; revising terms of service
2049 for board members; prohibiting certain persons from
2050 serving on the board; providing exceptions; requiring

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2051 the association to provide a certification form to unit
2052 owners for specified purposes; removing a provision
2053 allowing an association to provide for different voting
2054 and election procedures in its bylaws; revising annual
2055 budget requirements; requiring proxy questions relating
2056 to reserves to contain a certain statement; authorizing
2057 the association to use reserve funds for nonscheduled
2058 purposes under certain conditions; revising methods by
2059 which the bylaws may be amended; providing for the
2060 removal of board members under certain circumstances;
2061 providing that directors delinquent in certain payments
2062 owed in excess of certain periods of time be suspended
2063 from office or deemed to have abandoned their offices;
2064 providing that directors charged with certain offenses
2065 involving an association's funds or property be
2066 suspended from office pending resolution of the charge;
2067 amending s. 718.113, F.S.; authorizing the board to
2068 install specified hurricane protection; providing that
2069 no obligation of the board to close or cause to be
2070 closed any hurricane shutters is created; prohibiting
2071 any restrictions from being placed on the closing of
2072 hurricane shutters unless the board and association
2073 assume such responsibility when appropriate; requiring
2074 the board to have condominium buildings periodically
2075 inspected for specified purposes; prohibiting the board
2076 from adopting rules or regulations impairing certain
2077 rights or prohibiting reasonable accommodation for
2078 religious practices; creating s. 718.1224, F.S.;

2079 prohibiting certain lawsuits arising from unit owners'
2080 appearances and presentations before a governmental

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2081 entity; providing a definition; providing for award of
2082 damages and attorney fees; prohibiting associations
2083 from expending association funds in prosecuting such a
2084 suit against a unit owner; amending s. 718.1255, F.S.;
2085 revising legislative intent concerning alternative
2086 dispute resolution; amending s. 718.301, F.S.;
2087 requiring developers to provide certain documents to
2088 the association within a specified time after turnover
2089 of control of the association; amending s. 718.3025,
2090 F.S.; providing maintenance and management services
2091 contract disclosure requirements; amending s. 718.3026,
2092 F.S.; removing a provision authorizing associations to
2093 opt out of certain provisions relating to contracts for
2094 products and services; removing provisions relating to
2095 competitive bid requirements for contracts executed
2096 before a specified date; amending s. 718.501, F.S.;
2097 providing authority and responsibilities of the
2098 division; revising who constitutes an agent for
2099 purposes of cease and desist orders issued by the
2100 division; requiring the division to bring an action
2101 against a developer under certain circumstances;
2102 providing the division with certain powers; requiring
2103 the division to issue a subpoena under certain
2104 circumstances; requiring the division to maintain a
2105 list of condominium association board member and unit
2106 owner training programs and program providers; deleting
2107 obsolete language; amending s. 718.50151, F.S.;
2108 revising membership requirements for the Advisory
2109 Council on Condominiums; providing an effective date.