

1 A bill to be entitled

2 An act relating to community associations; amending s.
3 468.431, F.S.; revising a definition; amending s.
4 718.103, F.S.; providing a definition for purposes of
5 the Condominium Act; amending s. 718.111, F.S.;
6 revising records required to be maintained by a
7 condominium association; providing requirements
8 relating to the provision of specified documents on an
9 association's website; revising duties of an outgoing
10 board or committee member; amending s. 718.3026, F.S.;
11 revising applicability of certain provisions relating
12 to association contracts; providing requirements
13 relating to director and officer conflicts of
14 interest; amending s. 720.303, F.S.; revising records
15 required to be maintained by a homeowners'
16 association; providing requirements relating to the
17 provision of specified documents on an association's
18 website; revising reporting requirements; deleting a
19 provision relating the future expiration of the
20 reporting requirements; amending s. 720.3033, F.S.;
21 providing requirements relating to director and
22 officer conflicts of interest; providing requirements
23 for board membership; amending s. 720.305, F.S.;
24 prohibiting an association from enforcing certain
25 traffic and criminal laws; amending s. 720.306, F.S.;
26 providing requirements for amendment of the

27 association declaration; providing meeting notice
 28 requirements; providing election requirements;
 29 providing duties of an outgoing board member; amending
 30 s. 720.307, F.S.; requiring a developer to deliver
 31 certain information to the association; amending s.
 32 720.308, F.S.; providing powers of the association
 33 related to past due assessments owed by a member;
 34 providing requirements for an association transferring
 35 the right to collect past due assessments to a third
 36 party; amending s. 720.3085, F.S.; providing
 37 requirements for an association transferring a lien to
 38 a third party; amending s. 720.311, F.S.; conforming a
 39 cross-reference; providing an effective date.

40
 41 Be It Enacted by the Legislature of the State of Florida:

42
 43 Section 1. Subsection (2) of section 468.431, Florida
 44 Statutes, is amended to read:

45 468.431 Definitions.—As used in this part:

46 (2) "Community association management" or "community
 47 association management services" means any of the following
 48 practices requiring substantial specialized knowledge, judgment,
 49 and managerial skill when done for remuneration and when the
 50 association or associations served contain more than 10 units or
 51 have an annual budget or budgets in excess of \$100,000:
 52 controlling or disbursing funds of a community association,

53 preparing budgets or other financial documents for a community
54 association, assisting in the noticing or conduct of community
55 association meetings, determining the number of days required
56 for statutory notices, determining amounts due to the
57 association, collecting amounts due to the association before
58 the filing of a civil action, calculating the votes required for
59 a quorum or to approve a proposition or amendment, completing
60 forms related to the management of a community association that
61 have been created by statute or by a state agency, drafting
62 meeting notices and agendas, calculating and preparing
63 certificates of assessment and estoppel certificates, responding
64 to requests for certificates of assessment and estoppel
65 certificates, negotiating monetary or performance terms of a
66 contract subject to approval by an association, drafting
67 prearbitration demands, coordinating or performing maintenance
68 for real or personal property and other related routine services
69 involved in the operation of a community association, and
70 complying with the association's governing documents and the
71 requirements of law as necessary to perform such practices. A
72 person who performs clerical or ministerial functions under the
73 direct supervision and control of a licensed manager or who is
74 charged only with performing the maintenance of a community
75 association and who does not assist in any of the management
76 services described in this subsection is not required to be
77 licensed under this part.

78 Section 2. Subsections (11) through (30) of section

79 718.103, Florida Statutes, are renumbered as subsections (12)
 80 through (31), respectively, and a new subsection (11) is added
 81 to that section, to read:

82 718.103 Definitions.—As used in this chapter, the term:

83 (11) "Community association management" or "community
 84 association management services" has the same meaning as
 85 provided in s. 468.431.

86 Section 3. Subsection (12) of section 718.111, Florida
 87 Statutes, is amended to read:

88 718.111 The association.—

89 (12) OFFICIAL RECORDS.—

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

93 1. A copy of the plans, specifications, permits, and
 94 warranties related to improvements to the common areas or other
 95 property that the association is obligated to maintain, repair,
 96 or replace, and other items provided by the developer pursuant
 97 to s. 718.301(4).

98 2. A photocopy of the recorded declaration of condominium
 99 of each condominium operated by the association and each
 100 amendment to each declaration.

101 3. A photocopy of the recorded bylaws of the association
 102 and each amendment to the bylaws.

103 4. A certified copy of the articles of incorporation of
 104 the association, or other documents creating the association,

105 and each amendment thereto.

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

107 6. A book or books that contain the minutes of all
108 meetings of the association, the board of administration, and
109 the unit owners, which minutes must be retained for at least 7
110 years.

111 7. A current roster of all unit owners and their mailing
112 addresses, unit identifications, voting certifications, and, if
113 known, telephone numbers. The association shall also maintain
114 the e-mail ~~electronic mailing~~ addresses and facsimile numbers of
115 unit owners consenting to receive notice by electronic
116 transmission. The e-mail ~~electronic mailing~~ addresses and
117 facsimile numbers are not accessible to unit owners if consent
118 to receive notice by electronic transmission is not provided in
119 accordance with subparagraph (c)5. The e-mail addresses and
120 facsimile numbers provided by unit owners to receive notice by
121 electronic transmission must be removed from any association
122 records if the unit owner revokes his or her consent to receive
123 notice by electronic transmission. However, the association is
124 not liable for an inadvertent disclosure of the electronic mail
125 address or facsimile number for receiving electronic
126 transmission of notices.

127 8. All current insurance policies of the association and
128 condominiums operated by the association.

129 9. A current copy of any management agreement, lease, or
130 other contract to which the association is a party or under

131 which the association or the unit owners have an obligation or
132 responsibility. Bids for materials, equipment, or services are
133 official records and must be maintained by the association for a
134 period of 1 year.

135 10. Bills of sale or transfer for all property owned by
136 the association.

137 11. Financial and accounting records for the association
138 and separate accounting records for each condominium that the
139 association operates. All accounting records must be maintained
140 for at least 7 years. Any person who knowingly or intentionally
141 defaces or destroys such records, or who knowingly or
142 intentionally fails to create or maintain such records, with the
143 intent of causing harm to the association or one or more of its
144 members, is personally subject to a civil penalty pursuant to s.
145 718.501(1)(d). The financial and accounting records must
146 include, but are not limited to:

147 a. Accurate, itemized, and detailed records of all
148 receipts and expenditures.

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

153 c. All tax returns, audits, reviews, accounting
154 statements, and financial reports of the association or
155 condominium.

156 d. Any records that identify, measure, record, or

157 communicate financial information ~~All contracts for work to be~~
158 ~~performed. Bids for work to be performed are also considered~~
159 ~~official records and must be maintained by the association.~~

160 12. Ballots, sign-in sheets, voting proxies, and all other
161 papers relating to voting by unit owners, which must be
162 maintained for 1 year from the date of the election, vote, or
163 meeting to which the document relates, notwithstanding paragraph
164 (b).

165 13. All rental records if the association is acting as
166 agent for the rental of condominium units.

167 14. A copy of the current question and answer sheet as
168 described in s. 718.504.

169 15. All other written records of the association not
170 specifically included in the foregoing which are related to the
171 operation of the association.

172 16. A copy of the inspection report as described in s.
173 718.301(4)(p).

174 (b) The official records of the association must be
175 maintained within the state for at least 7 years. The records of
176 the association shall be made available to a unit owner within
177 45 miles of the condominium property or within the county in
178 which the condominium property is located within 5 working days
179 after receipt of a written request by the board or its designee.
180 However, such distance requirement does not apply to an
181 association governing a timeshare condominium. This paragraph
182 may be complied with by having a copy of the official records of

183 the association available for inspection or copying on the
184 condominium property or association property, or the association
185 may offer the option of making the records available to a unit
186 owner electronically via the Internet or by allowing the records
187 to be viewed in electronic format on a computer screen and
188 printed upon request. The association is not responsible for the
189 use or misuse of the information provided to an association
190 member or his or her authorized representative pursuant to the
191 compliance requirements of this chapter unless the association
192 has an affirmative duty not to disclose such information
193 pursuant to this chapter.

194 (c)1. In addition to any other provision of law,
195 associations with 7,500 or more units must provide a digital
196 copy of specified documents on the association's website.

197 a. An association's website must be:

198 (I) An independent website or web portal, wholly owned and
199 operated by the association; or

200 (II) A website or web portal operated by a third party
201 provider with whom the association owns, leases, rents, or
202 otherwise obtains the right to operate a web page, subpage, web
203 portal, or collection of subpages or web portals dedicated to
204 the association's activities and where required notices,
205 records, and documents may be posted by the association.

206 b. The association's website must be accessible through
207 the Internet and must contain a subpage, web portal, or other
208 protected electronic location that is inaccessible to the

209 general public and that is accessible only to unit owners and
210 employees of the association.

211 c. The association must provide access to each unit owner
212 to the protected sections of the association's website that
213 contain any notices, records, or documents that must be
214 electronically provided.

215 2. The following documents must be placed in digital
216 format on the website:

217 a. Copies of the official records described in paragraph
218 (a). However, the current roster of all unit owners with their
219 mailing addresses and parcel identifications may not be placed
220 in digital format on the website. The website must include the
221 following statement: "A current roster of all unit owners and
222 their mailing addresses and parcel identifications is available
223 at the request of any unit owner or unit owner representative,
224 including the e-mail addresses of the unit owners who have
225 consented to receive notice by electronic transmission." The
226 notice shall include the e-mail address of the person to contact
227 for a copy of the roster.

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

230 c. The financial report required by subsection (13) and
231 any proposed financial report to be considered at a meeting.

232 d. Any document created by the association or a board
233 member relating to the recall of a director, pursuant to s.
234 718.112(2)(j), or any document created for or filed by the

235 association in an arbitration proceeding conducted by the
 236 division regarding the recall of a director.

237 e. The certification of each director required by s.
 238 718.112(2)(d)4.b.

239 f. A list of all contracts or transactions between the
 240 association and any director, officer, corporation, firm, or
 241 association that is not an affiliated condominium association,
 242 or other entity in which an association director is also a
 243 director or officer and financially interested.

244 g. Any fidelity bond entered into by the association.

245 h. Any contract or document regarding a conflict of
 246 interest or possible conflict of interest as provided in ss.
 247 468.436(2) and 718.3026(3).

248 i. Notice of any board meeting and the agenda for the
 249 meeting, as required by s. 718.112(2)(d)3., placed online no
 250 later than 14 days before the meeting posted in plain view on
 251 the front page, or on a separate subpage labeled "Notices" which
 252 is conspicuously visible and linked from the front page of the
 253 association's website. The association must post on the
 254 association's website any documents to be considered during the
 255 meeting or listed on the agenda at least 7 days before the
 256 meeting at which the document or the information within the
 257 document will be considered, unless otherwise stated, including
 258 the following documents:

259 (I) The proposed annual budget required by s.
 260 718.112(2)(e), which must be provided at least 14 days before

261 the meeting.

262 (II) The proposed financial report required by subsection
263 (13).

264 (III) A list of persons seeking to be elected to the
265 board.

266 3. The association shall ensure that the information and
267 records described in paragraph (d), which are not permitted to
268 be accessible to unit owners, are not placed on the
269 association's website. If protected information, or information
270 restricted from being accessible to unit owners, is included in
271 documents that are required to be placed on the association's
272 website, the association shall ensure the information is
273 redacted before placing the documents online.

274 (d)(e) Physical copies of the official records of the
275 association are open to inspection by any association member or
276 the authorized representative of such member at all reasonable
277 times. The right to inspect the records includes the right to
278 make or obtain copies, at the reasonable expense, if any, of the
279 member. The association may adopt reasonable rules regarding the
280 frequency, time, location, notice, and manner of record
281 inspections and copying. The failure of an association to
282 provide the records within 10 working days after receipt of a
283 written request creates a rebuttable presumption that the
284 association willfully failed to comply with this paragraph. A
285 unit owner who is denied access to official records is entitled
286 to the actual damages or minimum damages for the association's

287 willful failure to comply. Minimum damages are \$50 per calendar
288 day for up to 10 days, beginning on the 11th working day after
289 receipt of the written request. The failure to permit inspection
290 entitles any person prevailing in an enforcement action to
291 recover reasonable attorney fees from the person in control of
292 the records who, directly or indirectly, knowingly denied access
293 to the records. Any person who knowingly or intentionally
294 defaces or destroys accounting records that are required by this
295 chapter to be maintained during the period for which such
296 records are required to be maintained, or who knowingly or
297 intentionally fails to create or maintain accounting records
298 that are required to be created or maintained, with the intent
299 of causing harm to the association or one or more of its
300 members, is personally subject to a civil penalty pursuant to s.
301 718.501(1)(d). The association shall maintain an adequate number
302 of copies of the declaration, articles of incorporation, bylaws,
303 and rules, and all amendments to each of the foregoing, as well
304 as the question and answer sheet as described in s. 718.504 and
305 year-end financial information required under this section, on
306 the condominium property to ensure their availability to unit
307 owners and prospective purchasers, and may charge its actual
308 costs for preparing and furnishing these documents to those
309 requesting the documents. An association shall allow a member or
310 his or her authorized representative to use a portable device,
311 including a smartphone, tablet, portable scanner, or any other
312 technology capable of scanning or taking photographs, to make an

313 | electronic copy of the official records in lieu of the
314 | association's providing the member or his or her authorized
315 | representative with a copy of such records. The association may
316 | not charge a member or his or her authorized representative for
317 | the use of a portable device. Notwithstanding this paragraph,
318 | the following records are not accessible to unit owners:

319 | 1. Any record protected by the lawyer-client privilege as
320 | described in s. 90.502 and any record protected by the work-
321 | product privilege, including a record prepared by an association
322 | attorney or prepared at the attorney's express direction, which
323 | reflects a mental impression, conclusion, litigation strategy,
324 | or legal theory of the attorney or the association, and which
325 | was prepared exclusively for civil or criminal litigation or for
326 | adversarial administrative proceedings, or which was prepared in
327 | anticipation of such litigation or proceedings until the
328 | conclusion of the litigation or proceedings.

329 | 2. Information obtained by an association in connection
330 | with the approval of the lease, sale, or other transfer of a
331 | unit.

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

339 4. Medical records of unit owners.

340 5. Social security numbers, driver license numbers, credit
341 card numbers, e-mail addresses, telephone numbers, facsimile
342 numbers, emergency contact information, addresses of a unit
343 owner other than as provided to fulfill the association's notice
344 requirements, and other personal identifying information of any
345 person, excluding the person's name, unit designation, mailing
346 address, property address, and any address, e-mail address, or
347 facsimile number provided to the association to fulfill the
348 association's notice requirements. Notwithstanding the
349 restrictions in this subparagraph, an association may print and
350 distribute to parcel owners a directory containing the name,
351 parcel address, and all telephone numbers of each parcel owner.
352 However, an owner may exclude his or her telephone numbers from
353 the directory by so requesting in writing to the association. An
354 owner may consent in writing to the disclosure of other contact
355 information described in this subparagraph. The association is
356 not liable for the inadvertent disclosure of information that is
357 protected under this subparagraph if the information is included
358 in an official record of the association and is voluntarily
359 provided by an owner and not requested by the association.

360 6. Electronic security measures that are used by the
361 association to safeguard data, including passwords.

362 7. The software and operating system used by the
363 association which allow the manipulation of data, even if the
364 owner owns a copy of the same software used by the association.

365 The data is part of the official records of the association.

366 ~~(e)-(d)~~ The association shall prepare a question and answer
367 sheet as described in s. 718.504, and shall update it annually.

368 ~~(f)-(e)~~1. The association or its authorized agent is not
369 required to provide a prospective purchaser or lienholder with
370 information about the condominium or the association other than
371 information or documents required by this chapter to be made
372 available or disclosed. The association or its authorized agent
373 may charge a reasonable fee to the prospective purchaser,
374 lienholder, or the current unit owner for providing good faith
375 responses to requests for information by or on behalf of a
376 prospective purchaser or lienholder, other than that required by
377 law, if the fee does not exceed \$150 plus the reasonable cost of
378 photocopying and any attorney's fees incurred by the association
379 in connection with the response.

380 2. An association and its authorized agent are not liable
381 for providing such information in good faith pursuant to a
382 written request if the person providing the information includes
383 a written statement in substantially the following form: "The
384 responses herein are made in good faith and to the best of my
385 ability as to their accuracy."

386 ~~(g)-(f)~~ An outgoing board or committee member must
387 relinquish all official records and property of the association
388 in his or her possession or under his or her control, including
389 administrative rights or controls of an association's website or
390 other digital or electronic asset of the association, to the

391 incoming board within 5 days after the election. The division
 392 shall impose a civil penalty as set forth in s. 718.501(1)(d)6.
 393 against an outgoing board or committee member who willfully and
 394 knowingly fails to relinquish such records and property.

395 Section 4. Subsection (3) of section 718.3026, Florida
 396 Statutes, is renumbered as subsection (4), subsection (2) is
 397 amended, and a new subsection (3) is added to that section, to
 398 read:

399 718.3026 Contracts for products and services; in writing;
 400 bids; exceptions.—Associations with 10 or fewer units may opt
 401 out of the provisions of this section if two-thirds of the unit
 402 owners vote to do so, which opt-out may be accomplished by a
 403 proxy specifically setting forth the exception from this
 404 section.

405 ~~(2)(a) Notwithstanding the foregoing, contracts with~~
 406 ~~employees of the association, and contracts for attorney,~~
 407 ~~accountant, architect, community association manager, timeshare~~
 408 ~~management firm, engineering, and landscape architect services~~
 409 ~~are not subject to the provisions of this section.~~

410 (a) ~~(b)~~ Nothing contained herein is intended to limit the
 411 ability of an association to obtain needed products and services
 412 in an emergency.

413 (b) ~~(e)~~ This section does ~~shall~~ not apply if the business
 414 entity with which the association desires to enter into a
 415 contract is the only source of supply within the county serving
 416 the association.

417 (c)~~(d)~~ Nothing contained herein shall excuse a party
418 contracting to provide maintenance or management services from
419 compliance with s. 718.3025.

420 (3) (a) Directors and officers of the board must disclose
421 to the board any activity that may reasonably be construed as a
422 conflict of interest. A rebuttable presumption of a conflict of
423 interest exists if any of the following occurs without prior
424 notice, as required in paragraph (b), or board approval taken at
425 a properly noticed meeting of the unit owners:

426 1. The director or officer, or a relative residing in the
427 same household as the director or officer, has entered into a
428 contract for goods or services with the association.

429 2. The director or officer, or a relative residing in the
430 same household as the director or officer, holds an interest of
431 35 percent or more in any corporation, limited liability
432 corporation, partnership, limited liability partnership, or
433 other business entity that conducts business with the
434 association or proposes to enter into a contract or other
435 transaction with the association.

436 (b) If a director or officer intends to engage in an
437 activity that may reasonably be construed as a conflict of
438 interest, as described in paragraph (a), the director or officer
439 must place the issue on a meeting agenda, including any proposed
440 contract or transactional documents, and submit the issue to the
441 board to be considered and voted upon. If the board votes
442 against the action, the director or officer shall notify the

443 board in writing of his or her intention not to pursue the
444 action or to withdraw from the position as director or officer.
445 If the board finds that an officer or director has violated this
446 subsection, the board shall immediately remove the officer or
447 director from office. The vacancy shall be filled according to
448 general law until expiration of the director's term of office.

449 (c) A director or officer who is party to, or has an
450 interest in, the transaction or arrangement involving the
451 possible conflict of interest may attend the meeting at which
452 the transaction or arrangement is considered by the board. The
453 director or officer who is party to, or has an interest in, the
454 transaction or arrangement shall be allowed to make a
455 presentation to the board or committee regarding the transaction
456 or arrangement. After the presentation, the director or officer
457 must leave the meeting during the discussion of, and the vote
458 upon, the transaction or arrangement involving the possible
459 conflict of interest. Any director or officer who is party to or
460 has an interest in such transaction or arrangement shall recuse
461 himself or herself from the vote.

462 (d)1. The board must provide notice to unit owners of any
463 possible conflict of interest described in paragraph (a). Any
464 related proposed contracts or proposed transactional documents
465 related to the conflict must be attached to the agenda and made
466 available with the meeting agenda. The notice and related
467 proposed contracts or proposed transactional documents must be
468 provided to unit owners at least 7 days before the meeting at

469 which the possible conflict of interest will be considered or
470 voted upon by the board.

471 2. A board with 7,500 or more units must place the notice
472 required in subparagraph 1. on the front page of the
473 association's website. Any related proposed contracts or
474 proposed transactional documents must be attached to the agenda
475 provided on the association's website. The notice and related
476 proposed contracts or proposed transactional documents related
477 to the conflict must be posted on the association's website at
478 least 7 days before the meeting at which the possible conflict
479 of interest will be considered or voted upon by the board.

480 Section 5. Subsections (6) through (13) of section
481 720.303, Florida Statutes, are renumbered as subsections (7)
482 through (14), respectively, subsection (4) and present
483 subsection (13) of that section are amended, and a new
484 subsection (6) is added to that section, to read:

485 720.303 Association powers and duties; meetings of board;
486 official records; budgets; financial reporting; association
487 funds; recalls.—

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

491 (a) Copies of any plans, specifications, permits, and
492 warranties related to improvements constructed on the common
493 areas or other property that the association is obligated to
494 maintain, repair, or replace, and other items provided by the

495 developer pursuant to s. 720.307(4).

496 (b) A copy of the bylaws of the association and of each
497 amendment to the bylaws.

498 (c) A certified copy of the articles of incorporation of
499 the association and of each amendment thereto.

500 (d) A copy of the declaration of covenants and a copy of
501 each amendment thereto.

502 (e) A copy of the current rules of the homeowners'
503 association.

504 (f) The minutes of all meetings of the board of directors
505 and of the members, which minutes must be retained for at least
506 7 years.

507 (g) A current roster of all members and their mailing
508 addresses and parcel identifications. The association shall also
509 maintain the electronic mailing addresses and the numbers
510 designated by members for receiving notice sent by electronic
511 transmission of those members consenting to receive notice by
512 electronic transmission. The electronic mailing addresses and
513 numbers provided by members ~~unit owners~~ to receive notice by
514 electronic transmission shall be removed from association
515 records when consent to receive notice by electronic
516 transmission is revoked. However, the association is not liable
517 for an erroneous disclosure of the electronic mail address or
518 the number for receiving electronic transmission of notices.

519 (h) All of the association's insurance policies or a copy
520 thereof, which policies must be retained for at least 7 years.

521 (i) A current copy of all contracts to which the
 522 association is a party, including, without limitation, any
 523 management agreement, lease, or other contract under which the
 524 association has any obligation or responsibility. Bids received
 525 by the association for materials, equipment, or services, ~~work~~
 526 ~~to be performed~~ must also be considered official records and
 527 must be maintained ~~kept~~ for a period of 1 year.

528 (j) The financial and accounting records of the
 529 association, kept according to good accounting practices. All
 530 financial and accounting records must be maintained for a period
 531 of at least 7 years. The financial and accounting records must
 532 include:

533 1. Accurate, itemized, and detailed records of all
 534 receipts and expenditures.

535 2. A current account and a periodic statement of the
 536 account for each member, designating the name and current
 537 address of each member who is obligated to pay assessments, the
 538 due date and amount of each assessment or other charge against
 539 the member, the date and amount of each payment on the account,
 540 and the balance due.

541 3. All tax returns, audits, reviews, financial statements,
 542 and financial reports of the association.

543 4. Any other records that identify, measure, record, or
 544 communicate financial information.

545 (k) A copy of the disclosure summary described in s.
 546 720.401(1).

547 (l) Ballots, sign-in sheets, voting proxies, and all other
548 papers relating to voting by members, which must be maintained
549 for 1 year after the date of the election, vote, or meeting to
550 which the document relates.

551 (m)~~(l)~~ All other written records of the association not
552 specifically included in the foregoing which are related to the
553 operation of the association.

554 (6) ACCESS TO ASSOCIATION DOCUMENTS AND RECORDS ON AN
555 ASSOCIATION WEBSITE.—

556 (a) In addition to any other provision of general law,
557 associations with 7,500 or more parcels must provide a digital
558 copy of specified documents on the association's website. An
559 association with fewer than 7,500 parcels located within the
560 physical boundaries of an affiliated association that has more
561 than 7,500 or more parcels must provide digital copies of
562 specified documents on the larger affiliated association's
563 website. An association with fewer than 7,500 parcels located
564 within the physical boundaries of an association with more than
565 7,500 or more parcels, but that is not affiliated with the
566 larger association, may provide digital copies of certain
567 documents on its website if the association chooses to do so.

568 1. An association's website must be:

569 a. An independent website or web portal, wholly owned and
570 operated by the association; or

571 b. A website or web portal that is operated by a third-
572 party provider with whom the association owns, leases, rents, or

573 otherwise obtains the right to operate a web page, subpage, web
574 portal, or collection of subpages or web portals dedicated to
575 the association's activities and where required notices,
576 records, and documents may be posted by the association.

577 2. The association's website must be accessible through
578 the Internet, and must contain a subpage, web portal, or other
579 protected electronic location that is accessible only to the
580 unit owners and employees of the association.

581 3. The association must provide access to each member to
582 the protected sections of the association's website that contain
583 any notices, records, or documents that must be electronically
584 provided.

585 (b) The following documents must be placed in digital
586 format on the website:

587 1. Copies of the official records in subsection (4). The
588 current roster of all members with their mailing addresses and
589 parcel identifications may not be placed in digital format on
590 the website. The website must include the following statement:
591 "A current roster of all members and their mailing addresses and
592 parcel identifications is available at the request of any
593 association member." The notice shall include the e-mail address
594 of the person to contact for a copy of the roster.

595 2. The annual budget required by subsection (7) and any
596 proposed budget to be considered at the annual meeting.

597 3. The financial report required by subsection (8) and any
598 proposed financial report to be considered at a meeting.

599 4. Any document created by the association or a board
600 member relating to the recall of a director, pursuant to
601 subsection (11), or any document created for or filed by the
602 association in an arbitration proceeding conducted by the
603 division regarding the recall of a director.

604 5. A copy of the information submitted to the division to
605 comply with the reporting requirement in subsection (14).

606 6. Documentation reporting the compensation of directors,
607 officers, or members authorized under subsection (13).

608 7. The certification of each director required by s.
609 720.3033(1).

610 8. A list of all contracts or transactions between the
611 association and any director, officer, corporation, firm, or
612 association that is not an affiliated homeowners' association,
613 or other entity in which an association director is also a
614 director or officer is financially interested.

615 9. Any fidelity bond entered into by the association.

616 10. A map of the association, including association
617 boundaries.

618 11. Any contract or document regarding a conflict of
619 interest or possible conflict of interest as provided in ss.
620 468.436(2) and 720.3033.

621 12. Notice of any board meeting and the agenda for the
622 meeting, as required by subsection (2), placed online no later
623 than 14 days before the meeting posted in plain view on the
624 front page, or on a separate subpage labeled "Notices" which is

625 conspicuously visible and linked from the front page of the
626 association's website. The association must post on the
627 association's website any documents to be considered during the
628 meeting or listed on the agenda no later than 7 days before the
629 meeting at which the document or the information within the
630 document will be considered, including the following documents:
631 a. The proposed annual budget required by subsection (7);
632 b. The proposed financial report required by subsection
633 (8).
634 c. A list of persons seeking to be elected to the board.
635 d. A copy of contracts or transactions listed in
636 subparagraph 8.
637 e. Any competitive bids for materials, equipment, or
638 services.
639 f. Any proposed contracts or proposed transactional
640 documents related to any possible conflict of interest set forth
641 in ss. 468.436(2) and 720.3033.
642 (c) The association shall ensure that the information and
643 records described in subparagraph (5)(c), which are not
644 permitted to be accessible to members or parcel owners, are not
645 placed on the association's website. If protected information,
646 or information restricted from being accessible to members or
647 parcel owners, is included in documents that are required to be
648 placed on the association's website, the association shall
649 ensure the information is redacted before placing the documents
650 online.

651 (14)~~(13)~~ REPORTING REQUIREMENT.—The community association
 652 manager or management firm,~~or the association when there is no~~
 653 ~~community association manager or management firm,~~ shall report
 654 to the division on October 1, annually ~~by November 22, 2013,~~ in
 655 a manner and form prescribed by the division.

656 (a) The report shall include the association's:

- 657 1. Legal name.
- 658 2. Federal employer identification number.
- 659 3. Mailing and physical addresses.
- 660 4. Total number of parcels.
- 661 5. Total amount of revenues and expenses from the
 662 association's annual budget.

663 6. Community association management firm or community
 664 association manager, if the association has contracted for such
 665 services.

666 (b) For associations in which control of the association
 667 has not been transitioned to nondeveloper members, as set forth
 668 in s. 720.307, the report shall also include the developer's:

- 669 1. Legal name.
- 670 2. Mailing address.
- 671 3. Total number of parcels owned on the date of reporting.

672 (c) The reporting requirement provided in this subsection
 673 shall be a continuing obligation on each association until the
 674 required information is reported to the division. Any change in
 675 the reported information must be updated on the registration
 676 system provided for in paragraph (d).

677 (d) ~~By October 1, 2013,~~ The department shall use ~~establish~~
 678 ~~and implement~~ a registration system through an Internet website
 679 that provides for the reporting requirements of paragraphs (a)
 680 and (b).

681 (e) The department shall prepare an annual report of the
 682 data reported pursuant to this subsection and present it to the
 683 Governor, the President of the Senate, and the Speaker of the
 684 House of Representatives by December 1, 2013, and each year
 685 thereafter.

686 (f) The division shall adopt rules pursuant to ss.
 687 120.536(1) and 120.54 to implement the provisions of this
 688 subsection.

689 ~~(g) This subsection shall expire on July 1, 2016, unless~~
 690 ~~re-enacted by the Legislature.~~

691 Section 6. Subsections (2) through (5) of section
 692 720.3033, Florida Statutes, are renumbered as subsections (3)
 693 through (6), respectively, and subsections (2) and (7) are added
 694 to that section, to read:

695 720.3033 Officers and directors.—

696 (2) (a) Directors and officers of the board must disclose
 697 to the board any activity that may reasonably be construed as a
 698 conflict of interest. A rebuttable presumption of a conflict of
 699 interest exists if any of the following occurs without prior
 700 notice, as required in paragraph (b), or board approval taken at
 701 a properly noticed meeting of the members:

702 1. The director or officer, or a relative residing in the

703 same household as the director or officer, enters into a
704 contract for goods or services with the association.

705 2. The director or officer, or a relative residing in the
706 same household as the director or officer, holds an interest of
707 more than 35 percent in any corporation, limited liability
708 corporation, partnership, limited liability partnership, or
709 other business entity that conducts business with the
710 association or proposes to enter into a contract or other
711 transaction with the association.

712 3. A corporation, limited liability corporation,
713 partnership, limited liability partnership, or other business
714 entity that, directly or indirectly, owns or controls the
715 director or officer, or otherwise influences any decisions made
716 by the director or officer, intends to conduct business with the
717 association or proposes to enter into a contract or other
718 transaction with the association.

719 (b) If a director or officer intends to engage in an
720 activity that may reasonably be construed as a conflict of
721 interest, as described in paragraph (a), the director or officer
722 must place the issue on a meeting agenda, including any proposed
723 contract or transactional documents, and submit the issue to the
724 board to be considered and voted upon. If the board votes
725 against the action, the director or officer shall notify the
726 board in writing of his or her intention not to pursue the
727 action or withdraw from the position as director or officer. If
728 the board finds that an officer or director has violated this

729 subsection, the board shall immediately remove the officer or
730 director from office. The vacancy shall be filled according to
731 general law until expiration of the director's term of office.

732 (c) A director or officer who is party to or has an
733 interest in the transaction or arrangement involving the
734 possible conflict of interest may attend the meeting at which
735 the transaction or arrangement is considered by the board. The
736 director or officer who is party to or has an interest in the
737 transaction or arrangement shall be allowed to make a
738 presentation to the board or committee regarding the transaction
739 or arrangement. After the presentation, the director or officer
740 must leave the meeting during the discussion of, and the vote
741 upon, the transaction or arrangement involving the possible
742 conflict of interest. Any director or officer who is party to or
743 has an interest in such transaction or arrangement shall recuse
744 him or herself from the vote.

745 (d)1. The board must provide notice to members of any
746 possible conflict of interest described in paragraph (a). Any
747 related proposed contracts or proposed transactional documents
748 related to the conflict must be attached to the agenda and made
749 available with the meeting agenda. The notice and related
750 proposed contracts or proposed transactional documents must be
751 provided to members at least 7 days before the meeting at which
752 the possible conflict of interest will be considered or voted
753 upon by the board.

754 2. A board with 7,500 or more parcels must place the

755 notice required in subparagraph 1. on the front page of the
756 association's website. Any related proposed contracts or
757 proposed transactional documents related to the conflict must be
758 attached to the agenda provided on the association's website.
759 The notice and related proposed contracts or proposed
760 transactional documents must be posted on the association's
761 website at least 7 days before the meeting at which the possible
762 conflict of interest will be considered or voted upon by the
763 board.

764 (7) If an association consists of 7,500 or more parcels,
765 the board of administration must consist of at least five
766 members appointed by the board who are not officers, directors,
767 or employees of the association, or the spouse, parent, child,
768 brother, or sister of an officer, director, or employee of the
769 association.

770 Section 7. Paragraphs (c) and (d) are added to subsection
771 (2) of section 720.305, Florida Statutes, to read:

772 720.305 Obligations of members; remedies at law or in
773 equity; levy of fines and suspension of use rights.—

774 (2) The association may levy reasonable fines. A fine may
775 not exceed \$100 per violation against any member or any member's
776 tenant, guest, or invitee for the failure of the owner of the
777 parcel or its occupant, licensee, or invitee to comply with any
778 provision of the declaration, the association bylaws, or
779 reasonable rules of the association unless otherwise provided in
780 the governing documents. A fine may be levied by the board for

781 each day of a continuing violation, with a single notice and
782 opportunity for hearing, except that the fine may not exceed
783 \$1,000 in the aggregate unless otherwise provided in the
784 governing documents. A fine of less than \$1,000 may not become a
785 lien against a parcel. In any action to recover a fine, the
786 prevailing party is entitled to reasonable attorney fees and
787 costs from the nonprevailing party as determined by the court.

788 (c) An association may not enforce traffic laws provided
789 in chapter 316. An association may not place requirements in the
790 governing documents regarding compliance with traffic laws in
791 chapter 316. An association may not levy fines or assessments
792 for violations of traffic laws enforced under s. 316.640. An
793 association may not suspend the right of a member, or a member's
794 tenant, guest, or invitee, to use common areas and facilities
795 for failure to comply with traffic laws.

796 (d) An association may not enforce criminal laws provided
797 in chapters 775-896 or relevant federal law. An association may
798 not place requirements in the governing documents regarding
799 compliance with criminal laws in chapters 775-896 or relevant
800 federal law. An association may not levy fines or assessments
801 for violations of criminal laws provided in chapters 775-896 or
802 relevant federal law. An association may not suspend the right
803 of a member, or a member's tenant, guest, or invitee, to use
804 common areas and facilities for failure to comply with such
805 criminal laws.

806 Section 8. Paragraph (d) of subsection (1) of section

807 720.306, Florida Statutes, is redesignated as paragraph (h),
 808 paragraphs (d) through (g) are added to that subsection, and
 809 subsections (5) and (9) of that section are amended, to read:

810 720.306 Meetings of members; voting and election
 811 procedures; amendments.—

812 (1) QUORUM; AMENDMENTS.—

813 (d) A proposal to amend an existing provision of the
 814 declaration must contain the full text of the provision to be
 815 amended and may not be revised or amended by reference only to
 816 the declaration title or number. Words to be added must be
 817 inserted in the text and underlined, and words to be deleted
 818 must be stricken with hyphens. However, if the proposed change
 819 is so extensive that this procedure would hinder, rather than
 820 assist, the understanding of the proposed amendment, it is not
 821 necessary to use underlined and stricken text as indicators of
 822 words added or deleted. Instead, a notation must be inserted
 823 immediately preceding the proposed amendment in substantially
 824 the following language: "Substantial rewording of declaration.
 825 See provision for present text." An amendment to a declaration
 826 is effective when properly recorded in the public records of the
 827 county where the declaration is recorded.

828 (e) Nonmaterial errors or omissions in the amendment
 829 process do not invalidate an otherwise properly adopted
 830 amendment.

831 (f) An amendment to any recorded governing document is
 832 effective when properly recorded in the public records of the

833 county where the governing document is recorded.

834 (g) A deed restriction, covenant, declaration, or similar
835 binding agreement may not prohibit a homeowner from renting his
836 or her home, alter the duration of a rental term, limit the
837 number of times a homeowner may rent his or her home during a
838 specified period, or limit the number of occupants in a home,
839 without the consent of the current homeowner.

840 (5) NOTICE OF MEETINGS.—The bylaws shall provide for
841 giving notice to members of all member meetings, and if they do
842 not do so shall be deemed to provide the following: The
843 association shall give all parcel owners and members actual
844 notice of all membership meetings, which shall be mailed,
845 delivered, or electronically transmitted to the members not less
846 than 14 days prior to the meeting. Evidence of compliance with
847 this 14-day notice shall be made by an affidavit executed by the
848 person providing the notice and filed upon execution among the
849 official records of the association. In addition to mailing,
850 delivering, or electronically transmitting the notice of any
851 meeting, the association may, by reasonable rule, adopt a
852 procedure for conspicuously posting and repeatedly broadcasting
853 the notice and the agenda on a closed-circuit cable television
854 system serving the association. When broadcast notice is
855 provided, the notice and agenda must be broadcast in a manner
856 and for a sufficient continuous length of time so as to allow an
857 average reader to observe the notice and read and comprehend the
858 entire content of the notice and the agenda. Pursuant to s.

859 720.303, associations with 7,500 parcels or more must place a
860 copy of all notices of meetings on the association's website at
861 least 14 days before the hearing.

862 (9) ELECTIONS AND BOARD VACANCIES.—

863 (a) Elections of directors must be conducted in accordance
864 with the procedures set forth in the governing documents of the
865 association. An association with 7,500 parcels or more must
866 allow association members to vote in the election of directors
867 at a designated location from 7 a.m. to 7 p.m. on the day of the
868 election.

869 (b) Except as provided in paragraph (c) ~~(b)~~, all members
870 of the association are eligible to serve on the board of
871 directors, and a member may nominate himself or herself as a
872 candidate for the board at a meeting where the election is to be
873 held; provided, however, that if the election process allows
874 candidates to be nominated in advance of the meeting, the
875 association is not required to allow nominations at the meeting.
876 An election is not required unless more candidates are nominated
877 than vacancies exist. Except as otherwise provided in the
878 governing documents, boards of directors must be elected by a
879 plurality of the votes cast by eligible voters. Any challenge to
880 the election process must be commenced within 60 days after the
881 election results are announced.

882 (c) ~~(b)~~ A person who is delinquent in the payment of any
883 fee, fine, or other monetary obligation to the association on
884 the day that he or she could last nominate himself or herself or

885 be nominated for the board may not seek election to the board,
886 and his or her name shall not be listed on the ballot. A person
887 serving as a board member who becomes more than 90 days
888 delinquent in the payment of any fee, fine, or other monetary
889 obligation to the association shall be deemed to have abandoned
890 his or her seat on the board, creating a vacancy on the board to
891 be filled according to law. For purposes of this paragraph, the
892 term "any fee, fine, or other monetary obligation" means any
893 delinquency to the association with respect to any parcel. A
894 person who has been convicted of any felony in this state or in
895 a United States District or Territorial Court, or has been
896 convicted of any offense in another jurisdiction which would be
897 considered a felony if committed in this state, may not seek
898 election to the board and is not eligible for board membership
899 unless such felon's civil rights have been restored for at least
900 5 years as of the date on which such person seeks election to
901 the board. The validity of any action by the board is not
902 affected if it is later determined that a person was ineligible
903 to seek election to the board or that a member of the board is
904 ineligible for board membership.

905 (d)~~(e)~~ Any election dispute between a member and an
906 association must be submitted to mandatory binding arbitration
907 with the division. Such proceedings must be conducted in the
908 manner provided by s. 718.1255 and the procedural rules adopted
909 by the division. Unless otherwise provided in the bylaws, any
910 vacancy occurring on the board before the expiration of a term

911 may be filled by an affirmative vote of the majority of the
912 remaining directors, even if the remaining directors constitute
913 less than a quorum, or by the sole remaining director. In the
914 alternative, a board may hold an election to fill the vacancy,
915 in which case the election procedures must conform to the
916 requirements of the governing documents. Unless otherwise
917 provided in the bylaws, a board member appointed or elected
918 under this section is appointed for the unexpired term of the
919 seat being filled. Filling vacancies created by recall is
920 governed by s. 720.303(11) ~~720.303(10)~~ and rules adopted by the
921 division.

922 (e) An outgoing board member must relinquish all official
923 records and property of the association in his or her possession
924 or under his or her control, including administrative rights or
925 controls of an association's website or other digital or
926 electronic asset of the association, to the incoming board at
927 least 5 days after the election.

928 Section 9. Paragraph (u) is added to subsection (4) of
929 section 720.307, Florida Statutes, to read:

930 720.307 Transition of association control in a community.—
931 With respect to homeowners' associations:

932 (4) At the time the members are entitled to elect at least
933 a majority of the board of directors of the homeowners'
934 association, the developer shall, at the developer's expense,
935 within no more than 90 days deliver the following items
936 ~~documents~~ to the board:

- 937 (a) All deeds to common property owned by the association.
- 938 (b) The original of the association's declarations of
- 939 covenants and restrictions.
- 940 (c) A certified copy of the articles of incorporation of
- 941 the association.
- 942 (d) A copy of the bylaws.
- 943 (e) The minute books, including all minutes.
- 944 (f) The books and records of the association.
- 945 (g) Policies, rules, and regulations, if any, which have
- 946 been adopted.
- 947 (h) Resignations of directors who are required to resign
- 948 because the developer is required to relinquish control of the
- 949 association.
- 950 (i) The financial records of the association from the date
- 951 of incorporation through the date of turnover.
- 952 (j) All association funds and control thereof.
- 953 (k) All tangible property of the association.
- 954 (l) A copy of all contracts which may be in force with the
- 955 association as one of the parties.
- 956 (m) A list of the names and addresses and telephone
- 957 numbers of all contractors, subcontractors, or others in the
- 958 current employ of the association.
- 959 (n) Any and all insurance policies in effect.
- 960 (o) Any permits issued to the association by governmental
- 961 entities.
- 962 (p) Any and all warranties in effect.

963 (q) A roster of current homeowners and their addresses and
964 telephone numbers and section and lot numbers.

965 (r) Employment and service contracts in effect.

966 (s) All other contracts in effect to which the association
967 is a party.

968 (t) The financial records, including financial statements
969 of the association, and source documents from the incorporation
970 of the association through the date of turnover. The records
971 shall be audited by an independent certified public accountant
972 for the period from the incorporation of the association or from
973 the period covered by the last audit, if an audit has been
974 performed for each fiscal year since incorporation. All
975 financial statements shall be prepared in accordance with
976 generally accepted accounting principles and shall be audited in
977 accordance with generally accepted auditing standards, as
978 prescribed by the Board of Accountancy, pursuant to chapter 473.
979 The certified public accountant performing the audit shall
980 examine to the extent necessary supporting documents and
981 records, including the cash disbursements and related paid
982 invoices to determine if expenditures were for association
983 purposes and the billings, cash receipts, and related records of
984 the association to determine that the developer was charged and
985 paid the proper amounts of assessments. This paragraph applies
986 to associations with a date of incorporation after December 31,
987 2007.

988 (u) Administrative rights or controls of the association's

989 website or other digital or electronic asset of the association.

990 Section 10. Paragraphs (e) through (g) are added to
991 subsection (1) of section 720.308, Florida Statutes, subsections
992 (2) through (6) are renumbered as subsections (3) through (7),
993 respectively, and a new subsection (2) is added to that section,
994 to read:

995 720.308 Assessments and charges.—

996 (1) ASSESSMENTS.—For any community created after October
997 1, 1995, the governing documents must describe the manner in
998 which expenses are shared and specify the member's proportional
999 share thereof.

1000 (e) If an association is owed past due assessments by a
1001 member, the association may:

- 1002 1. Seek collection of the past due assessments;
1003 2. File a claim for a lien on the property;
1004 3. Proceed to foreclosure; or
1005 4. Waive the assessments and not proceed in any action
1006 against the member.

1007 (f) If an association does not file a claim for a lien or
1008 a complaint to obtain a judgment in foreclosure, and the past
1009 due assessment remains outstanding 24 months after the date the
1010 assessment becomes due, the association may not proceed against
1011 any member of the association for past due assessments or
1012 related fees due that are more than 24 months delinquent.

1013 (g)1. Before an association transfers the rights to
1014 collect past due assessments to a third party, transfer a lien

1015 to a third party, or file a complaint to obtain a judgment in
1016 foreclosure, the association must offer payment plans for
1017 members to pay any past due assessments and related fees. The
1018 payment plans must allow a member to pay past due assessments
1019 and any related fees levied by the association within the past
1020 24 months. In addition to payments made pursuant to the payment
1021 plan, members are responsible for paying any current assessments
1022 that arise during the payment plan at the time the assessments
1023 become due. A service charge may be assessed and included in the
1024 fees collected in the payment plan if additional fees are not
1025 charged in addition to the original total of the past due
1026 assessments.

1027 2. If a member agrees to participate in the payment plan,
1028 the time limit in paragraph (f) is tolled until the past due
1029 assessments, related fees, and any assessments that arise during
1030 the payment plan are paid. If the member does not comply with
1031 the terms of the payment plan, the association is no longer
1032 subject to the time limit in paragraph (f).

1033 3. The payment plan must:

1034 a. Consist of at least 12 monthly payments, if the past
1035 due assessments and related fines total \$500 or less.

1036 b. Consist of at least 18 monthly payments, if the past
1037 due assessments and related fines total more than \$500.

1038 c. Requiring the member to pay current assessments that
1039 arise during the payment plan in full at the time the
1040 assessments become due.

1041 d. Divide the total past due assessments and related fees
1042 into equal payments to be paid on a monthly basis.

1043 e. Not provide any additional terms or requirements other
1044 than to comply with the existing governing documents of the
1045 association.

1046 (2) TRANSFER OF PAST DUE ASSESSMENTS TO THIRD PARTY.-

1047 (a) If an association transfers the right to collect past
1048 due assessments to a third party, the association must provide
1049 notice to the member at least 30 days before transfer of the
1050 debt. The notice must state that the transfer includes the right
1051 to place a lien. The notice must be served on the member by
1052 registered or certified mail, return receipt requested, by
1053 personal service or electronic delivery with evidence of
1054 delivery in the form of a receipt or other paper or electronic
1055 acknowledgment by the member or his or her representative.

1056 (b) If the service does not provide the association with
1057 acknowledgment by the member or his or her representative, the
1058 association may obtain notice to the member by posting notice on
1059 a subpage or web portal, or other protected electronic location
1060 through the association's website, which is inaccessible to the
1061 general public and may be accessed only by members or employees
1062 of the association. If the association does not have a website,
1063 it shall send notice by e-mail to the member, delivery receipt
1064 requested.

1065 Section 11. Paragraphs (d) through (f) of subsection (1)
1066 of section 720.3085, Florida Statutes, are redesignated as

1067 paragraphs (e) through (g), respectively, and a new paragraph
 1068 (d) is added to that subsection, to read:

1069 720.3085 Payment for assessments; lien claims.—

1070 (1) When authorized by the governing documents, the
 1071 association has a lien on each parcel to secure the payment of
 1072 assessments and other amounts provided for by this section.
 1073 Except as otherwise set forth in this section, the lien is
 1074 effective from and shall relate back to the date on which the
 1075 original declaration of the community was recorded. However, as
 1076 to first mortgages of record, the lien is effective from and
 1077 after recording of a claim of lien in the public records of the
 1078 county in which the parcel is located. This subsection does not
 1079 bestow upon any lien, mortgage, or certified judgment of record
 1080 on July 1, 2008, including the lien for unpaid assessments
 1081 created in this section, a priority that, by law, the lien,
 1082 mortgage, or judgment did not have before July 1, 2008.

1083 (d)1. If an association transfers a lien to a third party,
 1084 the association must provide notice to the member at least 30
 1085 days before transfer of the lien. The notice must state that the
 1086 transfer includes the right to foreclose on the property. The
 1087 notice must be served on the member by registered or certified
 1088 mail, return receipt requested, by personal service or
 1089 electronic delivery with evidence of delivery in the form of a
 1090 receipt or other paper or electronic acknowledgment by the
 1091 member or his or her representative.

1092 2. If the service does not provide the association with

1093 acknowledgment by the member or his or her representative, the
1094 association may obtain notice to the member by posting notice on
1095 a subpage or web portal, or other protected electronic location
1096 through the association's website, which may be accessed only by
1097 association members and employees. If the association does not
1098 have a website, it shall send notice by e-mail to the member,
1099 delivery receipt requested.

1100 Section 12. Subsection (1) of section 720.311, Florida
1101 Statutes, is amended to read:

1102 720.311 Dispute resolution.—

1103 (1) The Legislature finds that alternative dispute
1104 resolution has made progress in reducing court dockets and
1105 trials and in offering a more efficient, cost-effective option
1106 to litigation. The filing of any petition for arbitration or the
1107 serving of a demand for presuit mediation as provided for in
1108 this section shall toll the applicable statute of limitations.
1109 Any recall dispute filed with the department pursuant to s.
1110 720.303(11) ~~720.303(10)~~ shall be conducted by the department in
1111 accordance with the provisions of ss. 718.112(2)(j) and 718.1255
1112 and the rules adopted by the division. In addition, the
1113 department shall conduct mandatory binding arbitration of
1114 election disputes between a member and an association pursuant
1115 to s. 718.1255 and rules adopted by the division. Neither
1116 election disputes nor recall disputes are eligible for presuit
1117 mediation; these disputes shall be arbitrated by the department.
1118 At the conclusion of the proceeding, the department shall charge

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1119 | the parties a fee in an amount adequate to cover all costs and
1120 | expenses incurred by the department in conducting the
1121 | proceeding. Initially, the petitioner shall remit a filing fee
1122 | of at least \$200 to the department. The fees paid to the
1123 | department shall become a recoverable cost in the arbitration
1124 | proceeding, and the prevailing party in an arbitration
1125 | proceeding shall recover its reasonable costs and attorney's
1126 | fees in an amount found reasonable by the arbitrator. The
1127 | department shall adopt rules to effectuate the purposes of this
1128 | section.

1129 | Section 13. This act shall take effect July 1, 2016.