

1 A bill to be entitled
2 An act relating to condominium and cooperative
3 associations; amending s. 553.73, F.S.; providing
4 requirements for enhanced waterproofing measures for
5 certain elements of community associations; providing
6 a definition; amending ss. 718.112 and 719.106, F.S.;
7 prohibiting a developer or condominium or cooperative
8 association from waiving or reducing the amount of
9 their reserve funds; requiring elected or appointed
10 board members to complete an educational curriculum
11 within a specified time and submit a certificate of
12 completion to the secretary of the association who
13 must maintain the certificate for a certain length of
14 time; requiring the association to maintain a separate
15 reserve account for life safety requirements;
16 prohibiting reserve funds for life safety requirements
17 to be comingled with other reserve funds; deleting an
18 exception; requiring a licensed engineer or
19 engineering firm to conduct an inspection and prepare
20 a reserve study for a specified purpose at certain
21 times; requiring the board of directors to provide a
22 copy of the reserve study and a certain report or
23 financial statement to the local authority having
24 jurisdiction within a specified time; deleting the
25 option for a developer to waive or reduce reserves

26 | under certain conditions; requiring construction and
27 | renovation of a residential condominium building and
28 | residential cooperative building to comply with the
29 | Florida Building Code; requiring an annual inspection
30 | of certain property by a licensed structural engineer;
31 | requiring the local authority having jurisdiction to
32 | issue a specified notice once a residential
33 | condominium building and residential cooperative
34 | building reach a certain age; requiring the board to
35 | hire a licensed architect or engineer to conduct a
36 | structural and electrical recertification inspection
37 | of the condominium or cooperative building within a
38 | specified time after receipt of such notice; requiring
39 | the licensed architect or engineer to analyze certain
40 | parts of the condominium or cooperative building for
41 | the recertification inspection; requiring the licensed
42 | architect or engineer to certify a report explaining
43 | what type of inspection was completed and any remedial
44 | actions needed; requiring the board to provide a copy
45 | of the report to the local authority having
46 | jurisdiction within a specified time; requiring any
47 | repairs or modification noted in the report to be
48 | completed within a specified time; requiring the board
49 | to provide a completion report to the local authority
50 | having jurisdiction within a specified time after any

51 remedial action is completed; authorizing the local
52 authority having jurisdiction to order a mandatory
53 evacuation of the residential condominium or
54 residential cooperative under certain circumstances;
55 providing remedies and penalties; requiring a
56 recertification inspection after a certain amount of
57 time; conforming provisions to changes made by the
58 act; amending ss. 718.503 and 719.503, F.S.; revising
59 the documents that must be delivered to a prospective
60 buyer or lessee of a residential unit; revising the
61 clause that must be included in a contract for the
62 resale of a residential unit; amending s. 718.618,
63 F.S.; conforming provisions to changes made by the
64 act; amending s. 718.706, F.S.; prohibiting a bulk
65 assignee on behalf of an association from waiving or
66 reducing the amount of reserve funds; amending s.
67 719.103, F.S.; revising definitions; providing an
68 effective date.

69
70 Be It Enacted by the Legislature of the State of Florida:

71
72 Section 1. Subsection (20) of section 553.73, Florida
73 Statutes, is renumbered as subsection (21), and a new subsection
74 (20) is added to that section, to read:

75 553.73 Florida Building Code.—

76 (20) The Florida Building Code must require enhanced
 77 waterproofing measures for all construction and renovation of
 78 parking garages and swimming pool decks serving a condominium
 79 association, cooperative association, or homeowners'
 80 association. For purposes of this subsection, the term "enhanced
 81 waterproofing measures" means that all waterproofing measures
 82 taken must last for at least 20 years.

83 Section 2. Paragraphs (b), (d), and (f) of subsection (2)
 84 of section 718.112, Florida Statutes, are amended, and paragraph
 85 (p) is added to that section, to read:

86 718.112 Bylaws.—

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

90 (b) Quorum; voting requirements; proxies.—

91 1. Unless a lower number is provided in the bylaws, the
 92 percentage of voting interests required to constitute a quorum
 93 at a meeting of the members is a majority of the voting
 94 interests. Unless otherwise provided in this chapter or in the
 95 declaration, articles of incorporation, or bylaws, and except as
 96 provided in subparagraph (d)4., decisions must ~~shall~~ be made by
 97 a majority of the voting interests represented at a meeting at
 98 which a quorum is present.

99 2. Except as specifically otherwise provided herein, unit
 100 owners in a residential condominium may not vote by general

HB 1393

2022

101 proxy, but may vote by limited proxies substantially conforming
102 to a limited proxy form adopted by the division. A voting
103 interest or consent right allocated to a unit owned by the
104 association may not be exercised or considered for any purpose,
105 whether for a quorum, an election, or otherwise. Limited proxies
106 and general proxies may be used to establish a quorum. Limited
107 proxies must ~~shall~~ be used for votes taken to waive ~~or reduce~~
108 ~~reserves in accordance with subparagraph (f)2.;~~ for votes taken
109 ~~to waive~~ the financial reporting requirements of s. 718.111(13);
110 for votes taken to amend the declaration pursuant to s. 718.110;
111 for votes taken to amend the articles of incorporation or bylaws
112 pursuant to this section; and for any other matter for which
113 this chapter requires or permits a vote of the unit owners.
114 Except as provided in paragraph (d), a proxy, whether limited or
115 general, may not be used in the election of board members in a
116 residential condominium. General proxies may be used for other
117 matters for which limited proxies are not required, and may be
118 used in voting for nonsubstantive changes to items for which a
119 limited proxy is required and given. Notwithstanding this
120 subparagraph, unit owners may vote in person at unit owner
121 meetings. This subparagraph does not limit the use of general
122 proxies or require the use of limited proxies for any agenda
123 item or election at any meeting of a timeshare condominium
124 association or a nonresidential condominium association.
125 3. A proxy given is effective only for the specific

126 meeting for which originally given and any lawfully adjourned
 127 meetings thereof. A proxy is not valid longer than 90 days after
 128 the date of the first meeting for which it was given. Every ~~Each~~
 129 proxy is revocable at any time at the pleasure of the unit owner
 130 executing it.

131 4. A member of the board of administration or a committee
 132 may submit in writing his or her agreement or disagreement with
 133 any action taken at a meeting that the member did not attend.
 134 This agreement or disagreement may not be used as a vote for or
 135 against the action taken or to create a quorum.

136 5. A board or committee member's participation in a
 137 meeting via telephone, real-time videoconferencing, or similar
 138 real-time electronic or video communication counts toward a
 139 quorum, and such member may vote as if physically present. A
 140 speaker must be used so that the conversation of such members
 141 may be heard by the board or committee members attending in
 142 person as well as by any unit owners present at a meeting.

143 (d) Unit owner meetings.—

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

150 2. Unless the bylaws provide otherwise, a vacancy on the

151 board caused by the expiration of a director's term must be
152 filled by electing a new board member, and the election must be
153 by secret ballot. An election is not required if the number of
154 vacancies equals or exceeds the number of candidates. For
155 purposes of this paragraph, the term "candidate" means an
156 eligible person who has timely submitted the written notice, as
157 described in sub-subparagraph 4.a., of his or her intention to
158 become a candidate. Except in a timeshare or nonresidential
159 condominium, or if the staggered term of a board member does not
160 expire until a later annual meeting, or if all members' terms
161 would otherwise expire but there are no candidates, the terms of
162 all board members expire at the annual meeting, and such members
163 may stand for reelection unless prohibited by the bylaws. Board
164 members may serve terms longer than 1 year if permitted by the
165 bylaws or articles of incorporation. A board member may not
166 serve more than 8 consecutive years unless approved by an
167 affirmative vote of unit owners representing two-thirds of all
168 votes cast in the election or unless there are not enough
169 eligible candidates to fill the vacancies on the board at the
170 time of the vacancy. Only board service that occurs on or after
171 July 1, 2018, may be used when calculating a board member's term
172 limit. If the number of board members whose terms expire at the
173 annual meeting equals or exceeds the number of candidates, the
174 candidates become members of the board effective upon the
175 adjournment of the annual meeting. Unless the bylaws provide

176 otherwise, any remaining vacancies shall be filled by the
177 affirmative vote of the majority of the directors making up the
178 newly constituted board even if the directors constitute less
179 than a quorum or there is only one director. In a residential
180 condominium association of more than 10 units or in a
181 residential condominium association that does not include
182 timeshare units or timeshare interests, co-owners of a unit may
183 not serve as members of the board of directors at the same time
184 unless they own more than one unit or unless there are not
185 enough eligible candidates to fill the vacancies on the board at
186 the time of the vacancy. A unit owner in a residential
187 condominium desiring to be a candidate for board membership must
188 comply with sub-subparagraph 4.a. and must be eligible to be a
189 candidate to serve on the board of directors at the time of the
190 deadline for submitting a notice of intent to run in order to
191 have his or her name listed as a proper candidate on the ballot
192 or to serve on the board. A person who has been suspended or
193 removed by the division under this chapter, or who is delinquent
194 in the payment of any assessment due to the association, is not
195 eligible to be a candidate for board membership and may not be
196 listed on the ballot. For purposes of this paragraph, a person
197 is delinquent if a payment is not made by the due date as
198 specifically identified in the declaration of condominium,
199 bylaws, or articles of incorporation. If a due date is not
200 specifically identified in the declaration of condominium,

201 bylaws, or articles of incorporation, the due date is the first
202 day of the assessment period. A person who has been convicted of
203 any felony in this state or in a United States District or
204 Territorial Court, or who has been convicted of any offense in
205 another jurisdiction which would be considered a felony if
206 committed in this state, is not eligible for board membership
207 unless such felon's civil rights have been restored for at least
208 5 years before ~~as of~~ the date such person seeks election to the
209 board. The validity of an action by the board is not affected if
210 it is later determined that a board member is ineligible for
211 board membership due to having been convicted of a felony. This
212 subparagraph does not limit the term of a member of the board of
213 a nonresidential or timeshare condominium.

214 3. The bylaws must provide the method of calling meetings
215 of unit owners, including annual meetings. Written notice of an
216 annual meeting must include an agenda; be mailed, hand
217 delivered, or electronically transmitted to each unit owner at
218 least 14 days before the annual meeting; and be posted in a
219 conspicuous place on the condominium property or association
220 property at least 14 continuous days before the annual meeting.
221 Written notice of a meeting other than an annual meeting must
222 include an agenda; be mailed, hand delivered, or electronically
223 transmitted to each unit owner; and be posted in a conspicuous
224 place on the condominium property or association property within
225 the timeframe specified in the bylaws. If the bylaws do not

226 specify a timeframe for written notice of a meeting other than
227 an annual meeting, notice must be provided at least 14
228 continuous days before the meeting. Upon notice to the unit
229 owners, the board shall, by duly adopted rule, designate a
230 specific location on the condominium property or association
231 property where all notices of unit owner meetings must be
232 posted. This requirement does not apply if there is no
233 condominium property for posting notices. In lieu of, or in
234 addition to, the physical posting of meeting notices, the
235 association may, by reasonable rule, adopt a procedure for
236 conspicuously posting and repeatedly broadcasting the notice and
237 the agenda on a closed-circuit cable television system serving
238 the condominium association. However, if broadcast notice is
239 used in lieu of a notice posted physically on the condominium
240 property, the notice and agenda must be broadcast at least four
241 times every broadcast hour of each day that a posted notice is
242 otherwise required under this section. If broadcast notice is
243 provided, the notice and agenda must be broadcast in a manner
244 and for a sufficient continuous length of time so as to allow an
245 average reader to observe the notice and read and comprehend the
246 entire content of the notice and the agenda. In addition to any
247 of the authorized means of providing notice of a meeting of the
248 board, the association may, by rule, adopt a procedure for
249 conspicuously posting the meeting notice and the agenda on a
250 website serving the condominium association for at least the

251 minimum period of time for which a notice of a meeting is also
252 required to be physically posted on the condominium property.
253 Any rule adopted shall, in addition to other matters, include a
254 requirement that the association send an electronic notice in
255 the same manner as a notice for a meeting of the members, which
256 must include a hyperlink to the website where the notice is
257 posted, to unit owners whose e-mail addresses are included in
258 the association's official records. Unless a unit owner waives
259 in writing the right to receive notice of the annual meeting,
260 such notice must be hand delivered, mailed, or electronically
261 transmitted to each unit owner. Notice for meetings and notice
262 for all other purposes must be mailed to each unit owner at the
263 address last furnished to the association by the unit owner, or
264 hand delivered to each unit owner. However, if a unit is owned
265 by more than one person, the association must provide notice to
266 the address that the developer identifies for that purpose and
267 thereafter as one or more of the owners of the unit advise the
268 association in writing, or if no address is given or the owners
269 of the unit do not agree, to the address provided on the deed of
270 record. An officer of the association, or the manager or other
271 person providing notice of the association meeting, must provide
272 an affidavit or United States Postal Service certificate of
273 mailing, to be included in the official records of the
274 association affirming that the notice was mailed or hand
275 delivered in accordance with this provision.

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

283 a. At least 60 days before a scheduled election, the
284 association shall mail, deliver, or electronically transmit, by
285 separate association mailing or included in another association
286 mailing, delivery, or transmission, including regularly
287 published newsletters, to each unit owner entitled to a vote, a
288 first notice of the date of the election. A unit owner or other
289 eligible person desiring to be a candidate for the board must
290 give written notice of his or her intent to be a candidate to
291 the association at least 40 days before a scheduled election.
292 Together with the written notice and agenda as set forth in
293 subparagraph 3., the association shall mail, deliver, or
294 electronically transmit a second notice of the election to all
295 unit owners entitled to vote, together with a ballot that lists
296 all candidates not less than 14 days or more than 34 days before
297 the date of the election. Upon request of a candidate, an
298 information sheet, no larger than 8 1/2 inches by 11 inches,
299 which must be furnished by the candidate at least 35 days before
300 the election, must be included with the mailing, delivery, or

301 transmission of the ballot, with the costs of mailing, delivery,
302 or electronic transmission and copying to be borne by the
303 association. The association is not liable for the contents of
304 the information sheets prepared by the candidates. In order to
305 reduce costs, the association may print or duplicate the
306 information sheets on both sides of the paper. The division
307 shall by rule establish voting procedures consistent with this
308 sub-subparagraph, including rules establishing procedures for
309 giving notice by electronic transmission and rules providing for
310 the secrecy of ballots. Elections shall be decided by a
311 plurality of ballots cast. There is no quorum requirement;
312 however, at least 20 percent of the eligible voters must cast a
313 ballot in order to have a valid election. A unit owner may not
314 authorize any other person to vote his or her ballot, and any
315 ballots improperly cast are invalid. A unit owner who violates
316 this provision may be fined by the association in accordance
317 with s. 718.303. A unit owner who needs assistance in casting
318 the ballot for the reasons stated in s. 101.051 may obtain such
319 assistance. The regular election must occur on the date of the
320 annual meeting. Notwithstanding this sub-subparagraph, an
321 election is not required unless more candidates file notices of
322 intent to run or are nominated than board vacancies exist.

323 b. Within 90 days after being elected or appointed to the
324 board of an association of a residential condominium, a ~~each~~
325 newly elected or appointed director shall certify in writing to

326 | the secretary of the association that he or she has read the
327 | association's declaration of condominium, articles of
328 | incorporation, bylaws, and current written policies; that he or
329 | she will work to uphold such documents and policies to the best
330 | of his or her ability; and that he or she will faithfully
331 | discharge his or her fiduciary responsibility to the
332 | association's members. In addition to ~~lieu of~~ this written
333 | certification, within 90 days after being elected or appointed
334 | to the board, the newly elected or appointed director must ~~may~~
335 | submit a certificate of having satisfactorily completed the
336 | educational curriculum administered by a division-approved
337 | condominium education provider within 1 year before or 90 days
338 | after the date of election or appointment. The written
339 | certification and ~~or~~ educational certificate is valid and does
340 | not have to be resubmitted as long as the director serves on the
341 | board without interruption. A director of an association of a
342 | residential condominium who fails to timely file the written
343 | certification and ~~or~~ educational certificate is suspended from
344 | service on the board until he or she complies with this sub-
345 | subparagraph. The board may temporarily fill the vacancy during
346 | the period of suspension. The secretary of ~~shall cause~~ the
347 | association shall ~~to~~ retain a director's written certification
348 | and ~~or~~ educational certificate for inspection by the members for
349 | 5 years after a director's election or the duration of the
350 | director's uninterrupted tenure, whichever is longer. Failure to

351 have such written certification and ~~or~~ educational certificate
352 on file does not affect the validity of any board action.

353 c. Any challenge to the election process must be commenced
354 within 60 days after the election results are announced.

355 5. Any approval by unit owners called for by this chapter
356 or the applicable declaration or bylaws, including, but not
357 limited to, the approval requirement in s. 718.111(8), must be
358 made at a duly noticed meeting of unit owners and is subject to
359 all requirements of this chapter or the applicable condominium
360 documents relating to unit owner decisionmaking, except that
361 unit owners may take action by written agreement, without
362 meetings, on matters for which action by written agreement
363 without meetings is expressly allowed by the applicable bylaws
364 or declaration or any law that provides for such action.

365 6. Unit owners may waive notice of specific meetings if
366 allowed by the applicable bylaws or declaration or any law.
367 Notice of meetings of the board of administration, unit owner
368 meetings, except unit owner meetings called to recall board
369 members under paragraph (j), and committee meetings may be given
370 by electronic transmission to unit owners who consent to receive
371 notice by electronic transmission. A unit owner who consents to
372 receiving notices by electronic transmission is solely
373 responsible for removing or bypassing filters that block receipt
374 of mass e-mails sent to members on behalf of the association in
375 the course of giving electronic notices.

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

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

383 9. Unless otherwise provided in the bylaws, any vacancy
384 occurring on the board before the expiration of a term may be
385 filled by the affirmative vote of the majority of the remaining
386 directors, even if the remaining directors constitute less than
387 a quorum, or by the sole remaining director. In the alternative,
388 a board may hold an election to fill the vacancy, in which case
389 the election procedures must conform to sub-subparagraph 4.a.
390 unless the association governs 10 units or fewer and has opted
391 out of the statutory election process, in which case the bylaws
392 of the association control. Unless otherwise provided in the
393 bylaws, a board member appointed or elected under this section
394 shall fill the vacancy for the unexpired term of the seat being
395 filled. Filling vacancies created by recall is governed by
396 paragraph (j) and rules adopted by the division.

397 10. This chapter does not limit the use of general or
398 limited proxies, require the use of general or limited proxies,
399 or require the use of a written ballot or voting machine for any
400 agenda item or election at any meeting of a timeshare

401 condominium association or nonresidential condominium
 402 association.

403
 404 Notwithstanding subparagraph (b)2. and sub-subparagraph 4.a., an
 405 association of 10 or fewer units may, by affirmative vote of a
 406 majority of the total voting interests, provide for different
 407 voting and election procedures in its bylaws, which may be by a
 408 proxy specifically delineating the different voting and election
 409 procedures. The different voting and election procedures may
 410 provide for elections to be conducted by limited or general
 411 proxy.

412 (f) Annual budget.—

413 1. The proposed annual budget of estimated revenues and
 414 expenses must be detailed and must show the amounts budgeted by
 415 accounts and expense classifications, including, at a minimum,
 416 any applicable expenses listed in s. 718.504(21). The board must
 417 ~~shall~~ adopt the annual budget at least 14 days before ~~prior to~~
 418 the start of the association's fiscal year. If ~~In the event that~~
 419 the board fails to timely adopt the annual budget a second time,
 420 it is ~~shall be~~ deemed a minor violation and the prior year's
 421 budget shall continue in effect until a new budget is adopted. A
 422 multicondominium association must ~~shall~~ adopt a separate budget
 423 of common expenses for each condominium the association operates
 424 and must ~~shall~~ adopt a separate budget of common expenses for
 425 the association. In addition, if the association maintains

426 limited common elements with the cost to be shared only by those
427 entitled to use the limited common elements as provided for in
428 s. 718.113(1), the budget or a schedule attached to it must show
429 the amount budgeted for this maintenance. If, after turnover of
430 control of the association to the unit owners, any of the
431 expenses listed in s. 718.504(21) are not applicable, they need
432 not be listed.

433 2.a. In addition to annual operating expenses, the budget
434 must include reserve accounts for capital expenditures and
435 deferred maintenance. These accounts must include, but are not
436 limited to, roof replacement, building painting, and pavement
437 resurfacing, regardless of the amount of deferred maintenance
438 expense or replacement cost, and any other item that has a
439 deferred maintenance expense or replacement cost that exceeds
440 \$10,000. The amount to be reserved must be computed using a
441 formula based upon estimated remaining useful life and estimated
442 replacement cost or deferred maintenance expense of each reserve
443 item. The association may adjust replacement reserve assessments
444 annually to take into account any changes in estimates or
445 extension of the useful life of a reserve item caused by
446 deferred maintenance. The association must maintain a separate
447 reserve account exclusively for the maintenance and replacement
448 of items recognized in the Life Safety Code. Life safety
449 requirements include, but are not limited to, waterproofing
450 measures; roof and balcony railing maintenance; and fire,

451 mechanical, electrical, and structural standards. Reserve funds
452 for other capital expenditures and deferred maintenance may not
453 be comingled with the reserve funds for life safety expenditures
454 and maintenance. This subsection does not apply to an adopted
455 budget in which the members of an association have determined,
456 by a majority vote at a duly called meeting of the association,
457 to provide no reserves or less reserves than required by this
458 subsection.

459 b. Every 2 years, the board must hire a licensed engineer
460 or engineering firm qualified to do business in the state to
461 conduct a reserve study of the property in order to ensure
462 adequate funding of the association's reserve accounts. The
463 engineer or engineering firm must conduct a reasonably competent
464 and diligent visual inspection of the assessable areas of the
465 major components that the association is obligated to repair,
466 replace, restore, or maintain and provide an estimate of the
467 components' remaining useful life. The board must provide a copy
468 of the reserve study, along with a report or financial statement
469 indicating the amount of money that is currently in the
470 reserves, to the local authority having jurisdiction within 7
471 days after the board receives the completed report from the
472 engineer or engineering firm. Before turnover of control of an
473 association by a developer to unit owners other than a developer
474 pursuant to s. 718.301, the developer may vote the voting
475 interests allocated to its units to waive the reserves or reduce

476 ~~the funding of reserves through the period expiring at the end~~
477 ~~of the second fiscal year after the fiscal year in which the~~
478 ~~certificate of a surveyor and mapper is recorded pursuant to s.~~
479 ~~718.104(4)(c) or an instrument that transfers title to a unit in~~
480 ~~the condominium which is not accompanied by a recorded~~
481 ~~assignment of developer rights in favor of the grantee of such~~
482 ~~unit is recorded, whichever occurs first, after which time~~
483 ~~reserves may be waived or reduced only upon the vote of a~~
484 ~~majority of all nondeveloper voting interests voting in person~~
485 ~~or by limited proxy at a duly called meeting of the association.~~
486 ~~If a meeting of the unit owners has been called to determine~~
487 ~~whether to waive or reduce the funding of reserves and no such~~
488 ~~result is achieved or a quorum is not attained, the reserves~~
489 ~~included in the budget shall go into effect. After the turnover,~~
490 ~~the developer may vote its voting interest to waive or reduce~~
491 ~~the funding of reserves.~~

492 3. Reserve funds and any interest accruing thereon must
493 ~~shall~~ remain in the reserve account or accounts, and may be used
494 only for authorized reserve expenditures unless their use for
495 other purposes is approved in advance by a majority vote at a
496 duly called meeting of the association. Before turnover of
497 control of an association by a developer to unit owners other
498 than the developer pursuant to s. 718.301, the developer-
499 controlled association may not vote to use reserves for purposes
500 other than those for which they were intended without the

501 approval of a majority of all nondeveloper voting interests,
 502 voting in person or by limited proxy at a duly called meeting of
 503 the association.

504 4. The only voting interests that are eligible to vote on
 505 questions that involve ~~waiving or reducing the funding of~~
 506 ~~reserves, or~~ using existing reserve funds for purposes other
 507 than purposes for which the reserves were intended, are the
 508 voting interests of the units subject to assessment to fund the
 509 reserves in question. Proxy questions relating to ~~waiving or~~
 510 ~~reducing the funding of reserves or~~ using existing reserve funds
 511 for purposes other than purposes for which the reserves were
 512 intended must contain the following statement in capitalized,
 513 bold letters in a font size larger than any other used on the
 514 face of the proxy ballot: ~~WAIVING OF RESERVES, IN WHOLE OR IN~~
 515 ~~PART, OR ALLOWING ALTERNATIVE USES OF EXISTING RESERVES MAY~~
 516 RESULT IN UNIT OWNER LIABILITY FOR PAYMENT OF UNANTICIPATED
 517 SPECIAL ASSESSMENTS REGARDING THOSE ITEMS.

518 (p) Building construction, renovations, and inspections.-
 519 The requirements for the construction and renovation of a
 520 residential condominium building must comply with chapter 553
 521 which pertains to building construction standards, including
 522 plumbing, electrical code, glass, manufactured buildings,
 523 accessibility for persons with disabilities, and the state
 524 minimum building code. An association must ensure compliance
 525 with the Florida Building Code.

526 1. The board must hire a licensed structural engineer
527 authorized to practice in the state to conduct an annual
528 inspection of the association property and its buildings to
529 ensure the structural stability of the property and buildings.

530 2. Upon a determination by the local authority having
531 jurisdiction that a residential condominium building is 20 years
532 of age or older, the local authority having jurisdiction shall
533 issue a notice of required recertification inspection to the
534 association.

535 3. The board must hire a licensed architect or engineer
536 authorized to practice in the state within 90 days after receipt
537 of the notice of required recertification inspection to conduct
538 an inspection to ensure the building's structural and electrical
539 systems are still safe and to provide a recertification report
540 to the local authority having jurisdiction. A licensed architect
541 or engineer may only undertake assignments in which he or she is
542 qualified by training and experience in the specific technical
543 field involved in the inspection.

544 4. A licensed architect or engineer shall conduct a
545 structural recertification inspection of the building by
546 analyzing, at a minimum, the:

- 547 a. Foundation.
548 b. Floor and roofing systems.
549 c. Masonry bearing walls.
550 d. Steel framing systems.

- 551 e. Concrete framing systems.
- 552 f. Windows.
- 553 g. Wood framing.
- 554 h. Loading.
- 555 5. A licensed architect or engineer shall conduct an
- 556 electrical recertification inspection of the building by
- 557 analyzing, at a minimum, the:
- 558 a. Electric services.
- 559 b. Branch circuits.
- 560 c. Conduit raceways.
- 561 d. Gutters.
- 562 e. Electrical panels.
- 563 f. Grounding of equipment.
- 564 g. Service conductor and cables.
- 565 h. Types of wiring methods.
- 566 i. Feeder conductors.
- 567 j. Parking illumination.
- 568 6. The licensed architect or engineer must indicate the
- 569 manner and type of inspection conducted that forms the basis of
- 570 the recertification report and must describe any matters
- 571 identified as needing remedial action. The report must bear the
- 572 seal and signature of the certifying architect or engineer. The
- 573 board must provide a copy of the report to the local authority
- 574 having jurisdiction within 7 days after the board receives the
- 575 completed report.

576 7.a. If the recertification report indicates that repairs
 577 or modifications are necessary, the board has 6 months after
 578 receipt of the recertification report in which to complete the
 579 indicated repairs or modifications, which must be executed in
 580 conformance with the Florida Building Code. Within 7 days after
 581 completion of the repairs or modifications, the board shall
 582 provide a completion report, under seal and signature of a
 583 licensed architect or engineer, to the local authority having
 584 jurisdiction affirming that the remedial action has been
 585 completed.

586 b. If the local authority having jurisdiction has reason
 587 to believe that the matters indicated in the recertification
 588 report as needing remedial action present a serious threat to
 589 the public health, safety, or welfare, or are irreparable or
 590 irreversible, it may order a mandatory evacuation of the
 591 residential condominium.

592 8. The local authority having jurisdiction shall issue a
 593 notice of violation if the board does not timely submit the
 594 completion report required under sub-subparagraph 7.a. and must
 595 establish a reasonable time period within which the board must
 596 correct the violation. If the board does not comply with the
 597 notice of violation within the timeframe specified, the local
 598 authority having jurisdiction shall issue the association a
 599 citation resulting in a fine not to exceed \$500. However, the
 600 local authority having jurisdiction may specify by ordinance a

601 fine in an amount exceeding \$500, but not exceeding \$2,000 a
 602 day. The local authority having jurisdiction may issue a
 603 citation for each day that the association is in violation of
 604 this paragraph.

605 9. Subsequent recertification inspections must be
 606 completed every 5 years thereafter.

607 Section 3. Paragraph (b) of subsection (1) and paragraphs
 608 (a) and (c) of subsection (2) of section 718.503, Florida
 609 Statutes, are amended to read:

610 718.503 Developer disclosure prior to sale; nondeveloper
 611 unit owner disclosure prior to sale; voidability.—

612 (1) DEVELOPER DISCLOSURE.—

613 (b) Copies of documents to be furnished to prospective
 614 buyer or lessee.—Until such time as the developer has furnished
 615 the documents listed below to a person who has entered into a
 616 contract to purchase a residential unit or lease it for more
 617 than 5 years, the contract may be voided by that person,
 618 entitling the person to a refund of any deposit together with
 619 interest thereon as provided in s. 718.202. The contract may be
 620 terminated by written notice from the proposed buyer or lessee
 621 delivered to the developer within 15 days after the buyer or
 622 lessee receives all of the documents required by this section.
 623 The developer may not close for 15 days after ~~following~~ the
 624 execution of the agreement and delivery of the documents to the
 625 buyer as evidenced by a signed receipt for documents unless the

626 buyer is informed in the 15-day voidability period and agrees to
627 close before ~~prior to~~ the expiration of the 15 days. The
628 developer shall retain in his or her records a separate
629 agreement signed by the buyer as proof of the buyer's agreement
630 to close before ~~prior to~~ the expiration of the ~~said~~ voidability
631 period. The developer must retain such ~~Said~~ proof ~~shall be~~
632 ~~retained~~ for a period of 5 years after the date of the closing
633 of the transaction. The documents to be delivered to the
634 prospective buyer are the prospectus or disclosure statement
635 with all exhibits, if the development is subject to ~~the~~
636 ~~provisions of~~ s. 718.504, or, if not, then copies of the
637 following which are applicable:

638 1. The question and answer sheet described in s. 718.504,
639 and declaration of condominium, or the proposed declaration if
640 the declaration has not been recorded, which shall include the
641 certificate of a surveyor approximately representing the
642 locations required by s. 718.104.

643 2. The documents creating the association.

644 3. The bylaws.

645 4. The ground lease or other underlying lease of the
646 condominium.

647 5. The management contract, maintenance contract, and
648 other contracts for management of the association and operation
649 of the condominium and facilities used by the unit owners having
650 a service term in excess of 1 year, and any management contracts

651 that are renewable.

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

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

659 8. The lease of recreational and other common facilities
 660 that will be used by unit owners in common with unit owners of
 661 other condominiums.

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

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

666 11. If the development is to be built in phases or if the
 667 association is to manage more than one condominium, a
 668 description of the plan of phase development or the arrangements
 669 for the association to manage two or more condominiums.

670 12. If the condominium is a conversion of existing
 671 improvements, the statements and disclosure required by s.
 672 718.616.

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

674 14. A copy of the floor plan of the unit and the plot plan
 675 showing the location of the residential buildings and the

HB 1393

2022

676 recreation and other common areas.

677 15. A copy of all covenants and restrictions that ~~which~~
678 will affect the use of the property and ~~which~~ are not contained
679 in the foregoing.

680 16. If the developer is required by state or local
681 authorities to obtain acceptance or approval of any dock or
682 marina facilities intended to serve the condominium, a copy of
683 any such acceptance or approval acquired by the time of filing
684 with the division under s. 718.502(1), or a statement that such
685 acceptance or approval has not been acquired or received.

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

689 18. A copy of the reserve study required under s.
690 718.112(2)(f), along with a report or financial statement
691 indicating the status of the reserves.

692 19. A copy of the recertification report required under s.
693 718.112(2)(p).

694 (2) NONDEVELOPER DISCLOSURE.—

695 (a) Each unit owner who is not a developer as defined by
696 this chapter must ~~shall~~ comply with ~~the provisions of this~~
697 subsection before ~~prior to~~ the sale of his or her unit. Each
698 prospective purchaser who has entered into a contract for the
699 purchase of a condominium unit is entitled, at the seller's
700 expense, to a current copy of the declaration of condominium,

701 articles of incorporation of the association, bylaws and rules
 702 of the association, financial information required by s.
 703 718.111, the reserve study and current status of the reserves
 704 required by s. 718.112(2)(f), the recertification report
 705 required by s. 718.112(2)(p), and the document entitled
 706 "Frequently Asked Questions and Answers" required by s. 718.504.
 707 ~~On and after January 1, 2009,~~ The prospective purchaser is ~~shall~~
 708 also ~~be~~ entitled to receive from the seller a copy of a
 709 governance form. Such form shall be provided by the division
 710 summarizing governance of condominium associations. In addition
 711 to such other information as the division considers helpful to a
 712 prospective purchaser in understanding association governance,
 713 the governance form shall address the following subjects:

- 714 1. The role of the board in conducting the day-to-day
 715 affairs of the association on behalf of, and in the best
 716 interests of, the owners.
- 717 2. The board's responsibility to provide advance notice of
 718 board and membership meetings.
- 719 3. The rights of owners to attend and speak at board and
 720 membership meetings.
- 721 4. The responsibility of the board and of owners with
 722 respect to maintenance of the condominium property.
- 723 5. The responsibility of the board and owners to abide by
 724 the condominium documents, this chapter, rules adopted by the
 725 division, and reasonable rules adopted by the board.

726 6. Owners' rights to inspect and copy association records
727 and the limitations on such rights.

728 7. Remedies available to owners with respect to actions by
729 the board which may be abusive or beyond the board's power and
730 authority.

731 8. The right of the board to hire a property management
732 firm, subject to its own primary responsibility for such
733 management.

734 9. The responsibility of owners with regard to payment of
735 regular or special assessments necessary for the operation of
736 the property and the potential consequences of failure to pay
737 such assessments.

738 10. The voting rights of owners.

739 11. Rights and obligations of the board in enforcement of
740 rules in the condominium documents and rules adopted by the
741 board.

742
743 The governance form must ~~shall also~~ include the following
744 statement in conspicuous type: "This publication is intended as
745 an informal educational overview of condominium governance. In
746 the event of a conflict, the provisions of chapter 718, Florida
747 Statutes, rules adopted by the Division of Florida Condominiums,
748 Timeshares, and Mobile Homes of the Department of Business and
749 Professional Regulation, the provisions of the condominium
750 documents, and reasonable rules adopted by the condominium

751 association's board of administration prevail over the contents
 752 of this publication."

753 (c) Each contract ~~entered into after July 1, 1992,~~ for the
 754 resale of a residential unit must ~~shall~~ contain in conspicuous
 755 type either:

756 1. A clause which states: THE BUYER HEREBY ACKNOWLEDGES
 757 THAT HE OR SHE ~~BUYER~~ HAS BEEN PROVIDED A CURRENT COPY OF THE
 758 DECLARATION OF CONDOMINIUM, ARTICLES OF INCORPORATION OF THE
 759 ASSOCIATION, BYLAWS AND RULES OF THE ASSOCIATION, ~~AND~~ A COPY OF
 760 THE MOST RECENT YEAR-END FINANCIAL INFORMATION, INCLUDING THE
 761 RESERVE STUDY AND STATUS OF THE RESERVES, A COPY OF THE
 762 RECERTIFICATION REPORT, AND THE FREQUENTLY ASKED QUESTIONS AND
 763 ANSWERS DOCUMENT MORE THAN 3 DAYS, EXCLUDING SATURDAYS, SUNDAYS,
 764 AND LEGAL HOLIDAYS, BEFORE THE ~~PRIOR TO~~ EXECUTION OF THIS
 765 CONTRACT; or

766 2. A clause which states: THIS AGREEMENT IS VOIDABLE BY
 767 BUYER BY DELIVERING WRITTEN NOTICE OF THE BUYER'S INTENTION TO
 768 CANCEL WITHIN 3 DAYS, EXCLUDING SATURDAYS, SUNDAYS, AND LEGAL
 769 HOLIDAYS, AFTER THE DATE OF EXECUTION OF THIS AGREEMENT BY THE
 770 BUYER AND RECEIPT BY BUYER OF A CURRENT COPY OF THE DECLARATION
 771 OF CONDOMINIUM, ARTICLES OF INCORPORATION, BYLAWS AND RULES OF
 772 THE ASSOCIATION, ~~AND~~ A COPY OF THE MOST RECENT YEAR-END
 773 FINANCIAL INFORMATION, INCLUDING THE RESERVE STUDY AND STATUS OF
 774 THE RESERVES, A COPY OF THE RECERTIFICATION REPORT, AND THE
 775 FREQUENTLY ASKED QUESTIONS AND ANSWERS DOCUMENT IF SO REQUESTED

776 IN WRITING. ANY PURPORTED WAIVER OF THESE VOIDABILITY RIGHTS
 777 SHALL BE OF NO EFFECT. BUYER MAY EXTEND THE TIME FOR CLOSING FOR
 778 A PERIOD OF NOT MORE THAN 3 DAYS, EXCLUDING SATURDAYS, SUNDAYS,
 779 AND LEGAL HOLIDAYS, AFTER THE BUYER RECEIVES THE DOCUMENTS
 780 LISTED ABOVE ~~DECLARATION, ARTICLES OF INCORPORATION, BYLAWS AND~~
 781 ~~RULES OF THE ASSOCIATION, AND A COPY OF THE MOST RECENT YEAR-END~~
 782 ~~FINANCIAL INFORMATION AND FREQUENTLY ASKED QUESTIONS AND ANSWERS~~
 783 ~~DOCUMENT~~ IF REQUESTED IN WRITING. BUYER'S RIGHT TO VOID THIS
 784 AGREEMENT SHALL TERMINATE AT CLOSING.

785
 786 A contract that does not conform to the requirements of this
 787 paragraph is voidable at the option of the purchaser before
 788 ~~prior to~~ closing.

789 Section 4. Paragraph (d) of subsection (1) of section
 790 718.618, Florida Statutes, is amended to read:

791 718.618 Converter reserve accounts; warranties.—

792 (1) When existing improvements are converted to ownership
 793 as a residential condominium, the developer shall establish
 794 converter reserve accounts for capital expenditures and deferred
 795 maintenance, or give warranties as provided by subsection (6),
 796 or post a surety bond as provided by subsection (7). The
 797 developer shall fund the converter reserve accounts in amounts
 798 calculated as follows:

799 (d) In addition to establishing the reserve accounts
 800 specified above, the developer shall establish those other

801 reserve accounts required by s. 718.112(2)(f), and shall fund
 802 those accounts in accordance with the formula provided therein.
 803 ~~The vote to waive or reduce the funding or reserves required by~~
 804 ~~s. 718.112(2)(f) does not affect or negate the obligations~~
 805 ~~arising under this section.~~

806 Section 5. Subsection (3) of section 718.706, Florida
 807 Statutes, is amended to read:

808 718.706 Specific provisions pertaining to offering of
 809 units by a bulk assignee or bulk buyer.—

810 (3) A bulk assignee, while in control of the board of
 811 administration of the association, may not authorize, on behalf
 812 of the association:

813 (a) The waiver of reserves or the reduction of funding of
 814 the reserves ~~pursuant to s. 718.112(2)(f)2., unless approved by~~
 815 ~~a majority of the voting interests not controlled by the~~
 816 ~~developer, bulk assignee, and bulk buyer; or~~

817 (b) The use of reserve expenditures for other purposes
 818 pursuant to s. 718.112(2)(f)3., unless approved by a majority of
 819 the voting interests not controlled by the developer, bulk
 820 assignee, and bulk buyer.

821 Section 6. Subsections (9) through (28) of section
 822 719.103, Florida Statutes, are renumbered as subsections (8)
 823 through (27), respectively, and subsections (3), (7), and (8) of
 824 that section are amended to read:

825 719.103 Definitions.—As used in this chapter:

826 (3) "Board of administration" or "board" means the board
 827 of directors or other representative body responsible for
 828 administration of the association.

829 (7) "Common areas" means the portions of the cooperative
 830 property not included in the units. The term

831 ~~(8) "Common areas" includes within its meaning the~~
 832 ~~following:~~

833 ~~(a) The cooperative property which is not included within~~
 834 ~~the units.~~

835 (a)(b) Easements through units for conduits, ducts,
 836 plumbing, wiring, and other facilities for the furnishing of
 837 utility services to units and the common areas.

838 (b)(c) An easement of support in every portion of a unit
 839 which contributes to the support of a building.

840 (c)(d) The property and installations required for the
 841 furnishing of utilities and other services to more than one unit
 842 or to the common areas.

843 (d)(e) Any other part of the cooperative property
 844 designated in the cooperative documents as common areas.

845 Section 7. Paragraphs (b), (d), and (j) of subsection (1)
 846 of section 719.106, Florida Statutes, are amended, and paragraph
 847 (n) is added to that section, to read:

848 719.106 Bylaws; cooperative ownership.—

849 (1) MANDATORY PROVISIONS.—The bylaws or other cooperative
 850 documents shall provide for the following, and if they do not,

851 they shall be deemed to include the following:

852 (b) Quorum; voting requirements; proxies.—

853 1. Unless otherwise provided in the bylaws, the percentage
 854 of voting interests required to constitute a quorum at a meeting
 855 of the members is ~~shall be~~ a majority of voting interests, and
 856 decisions must ~~shall~~ be made by owners of a majority of the
 857 voting interests. Unless otherwise provided in this chapter, or
 858 in the articles of incorporation, bylaws, or other cooperative
 859 documents, and except as provided in subparagraph (d)1.,
 860 decisions must ~~shall~~ be made by owners of a majority of the
 861 voting interests represented at a meeting at which a quorum is
 862 present.

863 2. Except as specifically otherwise provided herein, after
 864 January 1, 1992, unit owners may not vote by general proxy, but
 865 may vote by limited proxies substantially conforming to a
 866 limited proxy form adopted by the division. Limited proxies and
 867 general proxies may be used to establish a quorum. Limited
 868 proxies must ~~shall~~ be used for votes taken to waive ~~or reduce~~
 869 ~~reserves in accordance with subparagraph (j)2., for votes taken~~
 870 ~~to waive~~ the financial reporting requirements of s.
 871 719.104(4)(b); and for votes taken to amend the articles of
 872 incorporation or bylaws pursuant to this section; and for any
 873 other matter for which this chapter requires or permits a vote
 874 of the unit owners. Except as provided in paragraph (d), ~~after~~
 875 ~~January 1, 1992,~~ a ~~no~~ proxy, whether limited or general, may not

876 ~~shall~~ be used in the election of board members. General proxies
877 may be used for other matters for which limited proxies are not
878 required, and may also be used in voting for nonsubstantive
879 changes to items for which a limited proxy is required and
880 given. Notwithstanding ~~the provisions of~~ this section, unit
881 owners may vote in person at unit owner meetings. Nothing
882 contained herein limits ~~shall limit~~ the use of general proxies,
883 ~~or requires~~ require the use of limited proxies, or requires
884 ~~require~~ the use of limited proxies for any agenda item or
885 election at any meeting of a timeshare cooperative.

886 3. Any proxy given is ~~shall be~~ effective only for the
887 specific meeting for which originally given and any lawfully
888 adjourned meetings thereof. In no event shall any proxy be valid
889 for a period longer than 90 days after the date of the first
890 meeting for which it was given. Every proxy is ~~shall be~~
891 revocable at any time at the pleasure of the unit owner
892 executing it.

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

899 5. A board member or committee member participating in a
900 meeting via telephone, real-time videoconferencing, or similar

901 real-time electronic or video communication counts toward a
902 quorum, and such member may vote as if physically present. A
903 speaker must be used so that the conversation of such members
904 may be heard by the board or committee members attending in
905 person, as well as by any unit owners present at a meeting.

906 (d) Shareholder meetings.—There shall be an annual meeting
907 of the shareholders. All members of the board of administration
908 shall be elected at the annual meeting unless the bylaws provide
909 for staggered election terms or for their election at another
910 meeting. Any unit owner desiring to be a candidate for board
911 membership must comply with subparagraph 1. The bylaws must
912 provide the method for calling meetings, including annual
913 meetings. Written notice, which must incorporate an
914 identification of agenda items, must ~~shall~~ be given to each unit
915 owner at least 14 days before the annual meeting and posted in a
916 conspicuous place on the cooperative property at least 14
917 continuous days before ~~preceding~~ the annual meeting. Upon notice
918 to the unit owners, the board must by duly adopted rule
919 designate a specific location on the cooperative property upon
920 which all notice of unit owner meetings are posted. In lieu of
921 or in addition to the physical posting of the meeting notice,
922 the association may, by reasonable rule, adopt a procedure for
923 conspicuously posting and repeatedly broadcasting the notice and
924 the agenda on a closed-circuit cable television system serving
925 the cooperative association. However, if broadcast notice is

926 used in lieu of a posted notice, the notice and agenda must be
927 broadcast at least four times every broadcast hour of each day
928 that a posted notice is otherwise required under this section.
929 If broadcast notice is provided, the notice and agenda must be
930 broadcast in a manner and for a sufficient continuous length of
931 time to allow an average reader to observe the notice and read
932 and comprehend the entire content of the notice and the agenda.
933 In addition to any of the authorized means of providing notice
934 of a meeting of the shareholders, the association may, by rule,
935 adopt a procedure for conspicuously posting the meeting notice
936 and the agenda on a website serving the cooperative association
937 for at least the minimum period of time for which a notice of a
938 meeting is also required to be physically posted on the
939 cooperative property. Any rule adopted must ~~shall~~, in addition
940 to other matters, include a requirement that the association
941 send an electronic notice in the same manner as a notice for a
942 meeting of the members, which must include a hyperlink to the
943 website where the notice is posted, to unit owners whose e-mail
944 addresses are included in the association's official records.
945 Unless a unit owner waives in writing the right to receive
946 notice of the annual meeting, the notice of the annual meeting
947 must be sent by mail, hand delivered, or electronically
948 transmitted to each unit owner. An officer of the association
949 must provide an affidavit or United States Postal Service
950 certificate of mailing, to be included in the official records

951 of the association, affirming that notices of the association
952 meeting were mailed, hand delivered, or electronically
953 transmitted, in accordance with this provision, to each unit
954 owner at the address last furnished to the association.

955 1. The board of administration shall be elected by written
956 ballot or voting machine. A proxy may not be used in electing
957 the board of administration in general elections or elections to
958 fill vacancies caused by recall, resignation, or otherwise
959 unless otherwise provided in this chapter.

960 a. At least 60 days before a scheduled election, the
961 association shall mail, deliver, or transmit, whether by
962 separate association mailing, delivery, or electronic
963 transmission or included in another association mailing,
964 delivery, or electronic transmission, including regularly
965 published newsletters, to each unit owner entitled to vote, a
966 first notice of the date of the election. Any unit owner or
967 other eligible person desiring to be a candidate for the board
968 of administration must give written notice to the association at
969 least 40 days before a scheduled election. Together with the
970 written notice and agenda as set forth in this section, the
971 association shall mail, deliver, or electronically transmit a
972 second notice of election to all unit owners entitled to vote,
973 together with a ballot that lists all candidates. Upon request
974 of a candidate, the association must ~~shall~~ include an
975 information sheet, no larger than 8 1/2 inches by 11 inches,

976 | which must be furnished by the candidate at least 35 days before
977 | the election, to be included with the mailing, delivery, or
978 | electronic transmission of the ballot, with the costs of
979 | mailing, delivery, or transmission and copying to be borne by
980 | the association. The association is not liable for the contents
981 | of the information sheets provided by the candidates. In order
982 | to reduce costs, the association may print or duplicate the
983 | information sheets on both sides of the paper. The division
984 | shall by rule establish voting procedures consistent with this
985 | subparagraph, including rules establishing procedures for giving
986 | notice by electronic transmission and rules providing for the
987 | secrecy of ballots. Elections must ~~shall~~ be decided by a
988 | plurality of those ballots cast. There is no quorum requirement.
989 | However, at least 20 percent of the eligible voters must cast a
990 | ballot in order to have a valid election. A unit owner may not
991 | permit any other person to vote his or her ballot, and any such
992 | ballots improperly cast are invalid. A unit owner who needs
993 | assistance in casting the ballot for the reasons stated in s.
994 | 101.051 may obtain assistance in casting the ballot. Any unit
995 | owner violating this provision may be fined by the association
996 | in accordance with s. 719.303. The regular election must occur
997 | on the date of the annual meeting. This subparagraph does not
998 | apply to timeshare cooperatives. Notwithstanding this
999 | subparagraph, an election and balloting are not required unless
1000 | more candidates file a notice of intent to run or are nominated

1001 than vacancies exist on the board. Any challenge to the election
1002 process must be commenced within 60 days after the election
1003 results are announced.

1004 b. Within 90 days after being elected or appointed to the
1005 board, a each new director shall certify in writing to the
1006 secretary of the association that he or she has read the
1007 association's bylaws, articles of incorporation, proprietary
1008 lease, and current written policies; that he or she will work to
1009 uphold such documents and policies to the best of his or her
1010 ability; and that he or she will faithfully discharge his or her
1011 fiduciary responsibility to the association's members. Within 90
1012 days after being elected or appointed to the board, in addition
1013 to lieu of this written certification, the newly elected or
1014 appointed director must ~~may~~ submit a certificate of having
1015 satisfactorily completed the educational curriculum administered
1016 by an education provider as approved by the division pursuant to
1017 the requirements established in chapter 718 within 1 year before
1018 or 90 days after the date of election or appointment. The
1019 written certification and educational certificate is valid and
1020 does not have to be resubmitted as long as the director serves
1021 on the board without interruption. A director who fails to
1022 timely file the written certification and ~~or~~ educational
1023 certificate is suspended from service on the board until he or
1024 she complies with this sub-subparagraph. The board may
1025 temporarily fill the vacancy during the period of suspension.

1026 The secretary of the association shall ~~cause the association to~~
1027 retain a director's written certification and ~~or~~ educational
1028 certificate for inspection by the members for 5 years after a
1029 director's election or the duration of the director's
1030 uninterrupted tenure, whichever is longer. Failure to have such
1031 written certification and ~~or~~ educational certificate on file
1032 does not affect the validity of any board action.

1033 2. Any approval by unit owners called for by this chapter,
1034 or the applicable cooperative documents, must be made at a duly
1035 noticed meeting of unit owners and is subject to this chapter or
1036 the applicable cooperative documents relating to unit owner
1037 decisionmaking, except that unit owners may take action by
1038 written agreement, without meetings, on matters for which action
1039 by written agreement without meetings is expressly allowed by
1040 the applicable cooperative documents or law which provides for
1041 the unit owner action.

1042 3. Unit owners may waive notice of specific meetings if
1043 allowed by the applicable cooperative documents or law. Notice
1044 of meetings of the board of administration, shareholder
1045 meetings, except shareholder meetings called to recall board
1046 members under paragraph (f), and committee meetings may be given
1047 by electronic transmission to unit owners who consent to receive
1048 notice by electronic transmission. A unit owner who consents to
1049 receiving notices by electronic transmission is solely
1050 responsible for removing or bypassing filters that may block

HB 1393

2022

1051 receipt of mass emails sent to members on behalf of the
1052 association in the course of giving electronic notices.

1053 4. Unit owners have the right to participate in meetings
1054 of unit owners with reference to all designated agenda items.
1055 However, the association may adopt reasonable rules governing
1056 the frequency, duration, and manner of unit owner participation.

1057 5. Any unit owner may tape record or videotape meetings of
1058 the unit owners subject to reasonable rules adopted by the
1059 division.

1060 6. Unless otherwise provided in the bylaws, a vacancy
1061 occurring on the board before the expiration of a term may be
1062 filled by the affirmative vote of the majority of the remaining
1063 directors, even if the remaining directors constitute less than
1064 a quorum, or by the sole remaining director. In the alternative,
1065 a board may hold an election to fill the vacancy, in which case
1066 the election procedures must conform to the requirements of
1067 subparagraph 1. unless the association has opted out of the
1068 statutory election process, in which case the bylaws of the
1069 association control. Unless otherwise provided in the bylaws, a
1070 board member appointed or elected under this subparagraph shall
1071 fill the vacancy for the unexpired term of the seat being
1072 filled. Filling vacancies created by recall is governed by
1073 paragraph (f) and rules adopted by the division.

1074
1075 Notwithstanding subparagraphs (b)2. and (d)1., an association

1076 | may, by the affirmative vote of a majority of the total voting
 1077 | interests, provide for a different voting and election procedure
 1078 | in its bylaws, which vote may be by a proxy specifically
 1079 | delineating the different voting and election procedures. The
 1080 | different voting and election procedures may provide for
 1081 | elections to be conducted by limited or general proxy.

1082 | (j) Annual budget.—

1083 | 1. The proposed annual budget of common expenses must
 1084 | ~~shall~~ be detailed and must ~~shall~~ show the amounts budgeted by
 1085 | accounts and expense classifications, including, if applicable,
 1086 | but not limited to, those expenses listed in s. 719.504(20). The
 1087 | board of administration must ~~shall~~ adopt the annual budget at
 1088 | least 14 days before ~~prior to~~ the start of the association's
 1089 | fiscal year. If ~~In the event that~~ the board fails to timely
 1090 | adopt the annual budget a second time, it is ~~shall be~~ deemed a
 1091 | minor violation and the prior year's budget shall continue in
 1092 | effect until a new budget is adopted.

1093 | 2. In addition to annual operating expenses, the budget
 1094 | must ~~shall~~ include reserve accounts for capital expenditures and
 1095 | deferred maintenance. These accounts must ~~shall~~ include, but not
 1096 | be limited to, roof replacement, building painting, and pavement
 1097 | resurfacing, regardless of the amount of deferred maintenance
 1098 | expense or replacement cost, and ~~for~~ any other items for which
 1099 | the deferred maintenance expense or replacement cost exceeds
 1100 | \$10,000. The amount to be reserved must ~~shall~~ be computed by

1101 means of a formula which is based upon estimated remaining
1102 useful life and estimated replacement cost or deferred
1103 maintenance expense of each reserve item. The association may
1104 adjust replacement reserve assessments annually to take into
1105 account any changes in estimates or extension of the useful life
1106 of a reserve item caused by deferred maintenance. The
1107 association must maintain a separate reserve account exclusively
1108 for the maintenance and replacement of items recognized in the
1109 Life Safety Code. Life safety requirements include, but are not
1110 limited to, waterproofing measures; roof and balcony railing
1111 maintenance; and fire, mechanical, electrical, and structural
1112 standards. Reserve funds for other capital expenditures and
1113 deferred maintenance may not be comingled with the reserve funds
1114 for life safety expenditures and maintenance. Every 2 years, the
1115 board must hire a licensed engineer or engineering firm
1116 qualified to do business in the state to conduct a reserve study
1117 of the property in order to ensure adequate funding of the
1118 association's reserve accounts. The engineer or engineering firm
1119 must conduct a reasonably competent and diligent visual
1120 inspection of the assessable areas of the major components that
1121 the association is obligated to repair, replace, restore, or
1122 maintain and provide an estimate of the components' remaining
1123 useful life. The board must provide a copy of the reserve study,
1124 along with a report or financial statement indicating the amount
1125 of money that is currently in the reserves, to the local

1126 authority having jurisdiction within 7 days after the board
1127 receives the completed report from the engineer or engineering
1128 firm. This paragraph shall not apply to any budget in which the
1129 members of an association have, at a duly called meeting of the
1130 association, determined for a fiscal year to provide no reserves
1131 or reserves less adequate than required by this subsection.
1132 However, prior to turnover of control of an association by a
1133 developer to unit owners other than a developer pursuant to s.
1134 719.301, the developer may vote to waive the reserves or reduce
1135 the funding of reserves for the first 2 years of the operation
1136 of the association after which time reserves may only be waived
1137 or reduced upon the vote of a majority of all nondeveloper
1138 voting interests voting in person or by limited proxy at a duly
1139 called meeting of the association. If a meeting of the unit
1140 owners has been called to determine to provide no reserves, or
1141 reserves less adequate than required, and such result is not
1142 attained or a quorum is not attained, the reserves as included
1143 in the budget shall go into effect.

1144 3. Reserve funds and any interest accruing thereon must
1145 shall remain in the reserve account or accounts, and may shall
1146 be used only for authorized reserve expenditures unless their
1147 use for other purposes is approved in advance by a vote of the
1148 majority of the voting interests, voting in person or by limited
1149 proxy at a duly called meeting of the association. Before Prior
1150 ~~to~~ turnover of control of an association by a developer to unit

1151 owners other than the developer under s. 719.301, the developer
1152 may not vote to use reserves for purposes other than that for
1153 which they were intended without the approval of a majority of
1154 all nondeveloper voting interests, voting in person or by
1155 limited proxy at a duly called meeting of the association.

1156 (n) Building construction, renovations, and inspections.-
1157 The requirements for the construction and renovation of a
1158 residential cooperative building must comply with chapter 553
1159 which pertains to building construction standards, including
1160 plumbing, electrical code, glass, manufactured buildings,
1161 accessibility for persons with disabilities, and the state
1162 minimum building code. An association must ensure compliance
1163 with the Florida Building Code.

1164 1. The board must hire a licensed structural engineer
1165 authorized to practice in the state to conduct an annual
1166 inspection of the association property and its buildings to
1167 ensure the structural stability of the property and buildings.

1168 2. Upon a determination by the local authority having
1169 jurisdiction that a residential cooperative building is 20 years
1170 of age or older, the local authority having jurisdiction shall
1171 issue a notice of required recertification inspection to the
1172 association.

1173 3. The board must hire a licensed architect or engineer
1174 authorized to practice in the state within 90 days after receipt
1175 of the notice of required recertification inspection to conduct

1176 an inspection to ensure the building's structural and electrical
1177 systems are still safe and to provide a recertification report
1178 to the local authority having jurisdiction. A licensed architect
1179 or engineer may only undertake assignments in which he or she is
1180 qualified by training and experience in the specific technical
1181 field involved in the inspection.

1182 4. A licensed architect or engineer shall conduct a
1183 structural recertification inspection of the building by
1184 analyzing, at a minimum, the:

- 1185 a. Foundation.
- 1186 b. Floor and roofing systems.
- 1187 c. Masonry bearing walls.
- 1188 d. Steel framing systems.
- 1189 e. Concrete framing systems.
- 1190 f. Windows.
- 1191 g. Wood framing.
- 1192 h. Loading.

1193 5. A licensed architect or engineer shall conduct an
1194 electrical recertification inspection of the building by
1195 analyzing, at a minimum, the:

- 1196 a. Electric services.
- 1197 b. Branch circuits.
- 1198 c. Conduit raceways.
- 1199 d. Gutters.
- 1200 e. Electrical panels.

- 1201 f. Grounding of equipment.
- 1202 g. Service conductor and cables.
- 1203 h. Types of wiring methods.
- 1204 i. Feeder conductors.
- 1205 j. Parking illumination.
- 1206 6. The licensed architect or engineer must indicate the
- 1207 manner and type of inspection conducted that forms the basis of
- 1208 the recertification report and must describe any matters
- 1209 identified as needing remedial action. The report must bear the
- 1210 seal and signature of the certifying architect or engineer. The
- 1211 board must provide a copy of the report to the local authority
- 1212 having jurisdiction within 7 days after the board receives the
- 1213 completed report.
- 1214 7.a. If the recertification report indicates that repairs
- 1215 or modifications are necessary, the board has 6 months after
- 1216 receipt of the recertification report in which to complete the
- 1217 indicated repairs or modifications, which must be executed in
- 1218 conformance with the Florida Building Code. Within 7 days after
- 1219 completion of the repairs or modifications, the board shall
- 1220 provide a completion report, under seal and signature of a
- 1221 licensed architect or engineer, to the local authority having
- 1222 jurisdiction affirming that the remedial action has been
- 1223 completed.
- 1224 b. If the local authority having jurisdiction has reason
- 1225 to believe that the matters indicated in the recertification

1226 report as needing remedial action present a serious threat to
 1227 the public health, safety, or welfare, or are irreparable or
 1228 irreversible, it may order a mandatory evacuation of the
 1229 residential cooperative.

1230 8. The local authority having jurisdiction shall issue a
 1231 notice of violation if the board does not timely submit the
 1232 completion report required under sub-subparagraph 7.a. and must
 1233 establish a reasonable time period within which the board must
 1234 correct the violation. If the board does not comply with the
 1235 notice of violation within the timeframe specified, the local
 1236 authority having jurisdiction shall issue the association a
 1237 citation resulting in a fine not to exceed \$500. However, the
 1238 local authority having jurisdiction may specify by ordinance a
 1239 fine in an amount exceeding \$500, but not exceeding \$2,000 a
 1240 day. The local authority having jurisdiction may issue a
 1241 citation for each day that the association is in violation of
 1242 this paragraph.

1243 9. Subsequent recertification inspections must be
 1244 completed every 5 years thereafter.

1245 Section 8. Paragraph (b) of subsection (1) and paragraphs
 1246 (a) and (c) of subsection (2) of section 719.503, Florida
 1247 Statutes, are amended to read:

1248 719.503 Disclosure prior to sale.—

1249 (1) DEVELOPER DISCLOSURE.—

1250 (b) Copies of documents to be furnished to prospective

HB 1393

2022

1251 buyer or lessee.—Until such time as the developer has furnished
1252 the documents listed below to a person who has entered into a
1253 contract to purchase a unit or lease it for more than 5 years,
1254 the contract may be voided by that person, entitling the person
1255 to a refund of any deposit together with interest thereon as
1256 provided in s. 719.202. The contract may be terminated by
1257 written notice from the proposed buyer or lessee delivered to
1258 the developer within 15 days after the buyer or lessee receives
1259 all of the documents required by this section. The developer may
1260 ~~shall~~ not close for 15 days after ~~following~~ the execution of the
1261 agreement and delivery of the documents to the buyer as
1262 evidenced by a receipt for documents signed by the buyer unless
1263 the buyer is informed in the 15-day voidability period and
1264 agrees to close before ~~prior to~~ the expiration of the 15 days.
1265 The developer shall retain in his or her records a separate
1266 signed agreement as proof of the buyer's agreement to close
1267 before ~~prior to~~ the expiration of the ~~said~~ voidability period.
1268 The developer must retain such ~~Said~~ proof ~~shall be retained~~ for
1269 a period of 5 years after the date of the closing transaction.
1270 The documents to be delivered to the prospective buyer are the
1271 prospectus or disclosure statement with all exhibits, if the
1272 development is subject to ~~the provisions of~~ s. 719.504, or, if
1273 not, then copies of the following which are applicable:
1274 1. The question and answer sheet described in s. 719.504,
1275 and cooperative documents, or the proposed cooperative documents

1276 | if the documents have not been recorded, which shall include the
 1277 | certificate of a surveyor approximately representing the
 1278 | locations required by s. 719.104.

1279 | 2. The documents creating the association.

1280 | 3. The bylaws.

1281 | 4. The ground lease or other underlying lease of the
 1282 | cooperative.

1283 | 5. The management contract, maintenance contract, and
 1284 | other contracts for management of the association and operation
 1285 | of the cooperative and facilities used by the unit owners having
 1286 | a service term in excess of 1 year, and any management contracts
 1287 | that are renewable.

1288 | 6. The estimated operating budget for the cooperative and
 1289 | a schedule of expenses for each type of unit, including fees
 1290 | assessed to a shareholder who has exclusive use of limited
 1291 | common areas, where such costs are shared only by those entitled
 1292 | to use such limited common areas.

1293 | 7. The lease of recreational and other facilities that
 1294 | will be used only by unit owners of the subject cooperative.

1295 | 8. The lease of recreational and other common areas that
 1296 | will be used by unit owners in common with unit owners of other
 1297 | cooperatives.

1298 | 9. The form of unit lease if the offer is of a leasehold.

1299 | 10. Any declaration of servitude of properties serving the
 1300 | cooperative but not owned by unit owners or leased to them or

1301 the association.

1302 11. If the development is to be built in phases or if the
 1303 association is to manage more than one cooperative, a
 1304 description of the plan of phase development or the arrangements
 1305 for the association to manage two or more cooperatives.

1306 12. If the cooperative is a conversion of existing
 1307 improvements, the statements and disclosure required by s.
 1308 719.616.

1309 13. The form of agreement for sale or lease of units.

1310 14. A copy of the floor plan of the unit and the plot plan
 1311 showing the location of the residential buildings and the
 1312 recreation and other common areas.

1313 15. A copy of all covenants and restrictions that ~~which~~
 1314 will affect the use of the property and ~~which~~ are not contained
 1315 in the foregoing.

1316 16. If the developer is required by state or local
 1317 authorities to obtain acceptance or approval of any dock or
 1318 marina facilities intended to serve the cooperative, a copy of
 1319 any such acceptance or approval acquired by the time of filing
 1320 with the division pursuant to s. 719.502(1) or a statement that
 1321 such acceptance or approval has not been acquired or received.

1322 17. Evidence demonstrating that the developer has an
 1323 ownership, leasehold, or contractual interest in the land upon
 1324 which the cooperative is to be developed.

1325 18. A copy of the reserve study required under s.

1326 719.106(1)(j), along with a report or financial statement
 1327 indicating the status of the reserves.

1328 19. A copy of the recertification report required under s.
 1329 719.106(1)(n).

1330 (2) NONDEVELOPER DISCLOSURE.—

1331 (a) Each unit owner who is not a developer as defined by
 1332 this chapter must comply with ~~the provisions of~~ this subsection
 1333 before ~~prior to~~ the sale of his or her interest in the
 1334 association. Each prospective purchaser who has entered into a
 1335 contract for the purchase of an interest in a cooperative is
 1336 entitled, at the seller's expense, to a current copy of the
 1337 articles of incorporation of the association, the bylaws, the
 1338 ~~and~~ rules of the association, the reserve study and current
 1339 status of the reserves required by s. 719.106(1)(j), the
 1340 recertification report required by s. 719.106(1)(n), as well as
 1341 a copy of the question and answer sheet as provided in s.
 1342 719.504.

1343 (c) Each contract ~~entered into after July 1, 1992,~~ for the
 1344 resale of an interest in a cooperative must ~~shall~~ contain in
 1345 conspicuous type either:

1346 1. A clause which states: THE BUYER HEREBY ACKNOWLEDGES
 1347 THAT HE OR SHE ~~BUYER~~ HAS BEEN PROVIDED A CURRENT COPY OF THE
 1348 ARTICLES OF INCORPORATION OF THE ASSOCIATION, BYLAWS, RULES OF
 1349 THE ASSOCIATION, THE RESERVE STUDY AND STATUS OF THE RESERVES,
 1350 THE RECERTIFICATION STUDY, AND THE QUESTION AND ANSWER SHEET

HB 1393

2022

1351 MORE THAN 3 DAYS, EXCLUDING SATURDAYS, SUNDAYS, AND LEGAL
1352 HOLIDAYS, BEFORE THE ~~PRIOR TO~~ EXECUTION OF THIS CONTRACT; or
1353 2. A clause which states: THIS AGREEMENT IS VOIDABLE BY
1354 BUYER BY DELIVERING WRITTEN NOTICE OF THE BUYER'S INTENTION TO
1355 CANCEL WITHIN 3 DAYS, EXCLUDING SATURDAYS, SUNDAYS, AND LEGAL
1356 HOLIDAYS, AFTER THE DATE OF EXECUTION OF THIS AGREEMENT BY THE
1357 BUYER AND RECEIPT BY BUYER OF A CURRENT COPY OF THE ARTICLES OF
1358 INCORPORATION, BYLAWS, ~~AND~~ RULES OF THE ASSOCIATION, THE RESERVE
1359 STUDY AND STATUS OF THE RESERVES, THE RECERTIFICATION STUDY, AND
1360 THE QUESTION AND ANSWER SHEET, IF SO REQUESTED IN WRITING. ANY
1361 PURPORTED WAIVER OF THESE VOIDABILITY RIGHTS SHALL BE OF NO
1362 EFFECT. BUYER MAY EXTEND THE TIME FOR CLOSING FOR A PERIOD OF
1363 NOT MORE THAN 3 DAYS, EXCLUDING SATURDAYS, SUNDAYS, AND LEGAL
1364 HOLIDAYS, AFTER THE BUYER RECEIVES THE DOCUMENTS LISTED ABOVE
1365 ~~ARTICLES OF INCORPORATION, BYLAWS, RULES, AND QUESTION AND~~
1366 ~~ANSWER SHEET,~~ IF REQUESTED IN WRITING. BUYER'S RIGHT TO VOID
1367 THIS AGREEMENT SHALL TERMINATE AT CLOSING.

1368
1369 A contract that does not conform to the requirements of this
1370 paragraph is voidable at the option of the purchaser before
1371 ~~prior to~~ closing.

1372 Section 9. This act shall take effect July 1, 2022.