LEGISLATIVE ACTION

Senate	•	House
Comm: RCS	•	
03/16/2011	•	
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The Committee on Regulated Industries (Wise) recommended the following:

## Senate Amendment (with title amendment)

Delete everything after the enacting clause and insert:

Section 1. Paragraphs (a) and (c) of subsection (12) of section 718.111, Florida Statutes, are amended to read:

718.111 The association.-

(12) OFFICIAL RECORDS.-

9 (a) From the inception of the association, the association 10 shall maintain each of the following items, if applicable, which 11 <u>constitute</u> <del>shall constitute</del> the official records of the 12 association:

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

15 2. A photocopy of the recorded declaration of condominium 16 of each condominium operated by the association and <del>of</del> each 17 amendment to each declaration.

18 3. A photocopy of the recorded bylaws of the association
19 and of each amendment to the bylaws.

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

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

6. A book or books <u>that</u> which contain the minutes of all
meetings of the association, <del>of</del> the board of administration, and
<u>the</u> <del>of</del> unit owners, which minutes must be retained for at least
7 years.

28 7. A current roster of all unit owners and their mailing 29 addresses, unit identifications, voting certifications, and, if known, telephone numbers. The association shall also maintain 30 31 the electronic mailing addresses and facsimile the numbers 32 designated by unit owners for receiving notice sent by electronic transmission of those unit owners consenting to 33 receive notice by electronic transmission. The electronic 34 mailing addresses and facsimile telephone numbers may not be 35 36 accessible to unit owners must be removed from association 37 records if consent to receive notice by electronic transmission 38 is not provided in accordance with subparagraph (c)5 revoked. 39 However, the association is not liable for an erroneous 40 disclosure of the electronic mail address or facsimile the 41 number for receiving electronic transmission of notices.

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42 8. All current insurance policies of the association and43 condominiums operated by the association.

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

48 10. Bills of sale or transfer for all property owned by the 49 association.

50 11. Accounting records for the association and separate 51 accounting records for each condominium that which the 52 association operates. All accounting records must shall be 53 maintained for at least 7 years. Any person who knowingly or intentionally defaces or destroys such accounting records 54 55 required to be created and maintained by this chapter during the 56 period for which such records are required to be maintained, or 57 who knowingly or intentionally fails to create or maintain such 58 records, with the intent of causing harm to the association or 59 one or more of its members, is personally subject to a civil penalty pursuant to s. 718.501(1)(d). The accounting records 60 61 must include, but are not limited to:

a. Accurate, itemized, and detailed records of all receiptsand expenditures.

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

c. All audits, reviews, accounting statements, andfinancial reports of the association or condominium.

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d. All contracts for work to be performed. Bids for work to

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71 be performed are also considered official records and must be 72 maintained by the association.

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

78 13. All rental records if the association is acting as79 agent for the rental of condominium units.

80 14. A copy of the current question and answer sheet as81 described in s. 718.504.

82 15. All other records of the association not specifically 83 included in the foregoing which are related to the operation of 84 the association.

85 16. A copy of the inspection report as <u>described</u> provided
86 in s. 718.301(4)(p).

87 (c) The official records of the association are open to inspection by any association member or the authorized 88 89 representative of such member at all reasonable times. The right to inspect the records includes the right to make or obtain 90 91 copies, at the reasonable expense, if any, of the member. The 92 association may adopt reasonable rules regarding the frequency, time, location, notice, and manner of record inspections and 93 94 copying. The failure of an association to provide the records 95 within 10 working days after receipt of a written request creates a rebuttable presumption that the association willfully 96 97 failed to comply with this paragraph. A unit owner who is denied access to official records is entitled to the actual damages or 98 99 minimum damages for the association's willful failure to comply.

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100 Minimum damages are shall be \$50 per calendar day for up to 10 days, beginning the calculation to begin on the 11th working day 101 102 after receipt of the written request. The failure to permit 103 inspection of the association records as provided herein 104 entitles any person prevailing in an enforcement action to 105 recover reasonable attorney's fees from the person in control of the records who, directly or indirectly, knowingly denied access 106 to the records. Any person who knowingly or intentionally 107 108 defaces or destroys accounting records that are required by this 109 chapter to be maintained during the period for which such 110 records are required to be maintained, or who knowingly or 111 intentionally fails to create or maintain accounting records that are required to be created or maintained, with the intent 112 113 of causing harm to the association or one or more of its members, is personally subject to a civil penalty pursuant to s. 114 718.501(1)(d). The association shall maintain an adequate number 115 of copies of the declaration, articles of incorporation, bylaws, 116 and rules, and all amendments to each of the foregoing, as well 117 as the question and answer sheet as described provided for in s. 118 718.504 and year-end financial information required under in 119 120 this section, on the condominium property to ensure their 121 availability to unit owners and prospective purchasers, and may 122 charge its actual costs for preparing and furnishing these 123 documents to those requesting the documents. Notwithstanding the 124 provisions of this paragraph, the following records are not 125 accessible to unit owners:

Any record protected by the lawyer-client privilege as
 described in s. 90.502; and any record protected by the work product privilege, including <u>a</u> any record prepared by an



129 association attorney or prepared at the attorney's express direction, + which reflects a mental impression, conclusion, 130 litigation strategy, or legal theory of the attorney or the 131 132 association, and which was prepared exclusively for civil or criminal litigation or for adversarial administrative 133 134 proceedings, or which was prepared in anticipation of such imminent civil or criminal litigation or imminent adversarial 135 136 administrative proceedings until the conclusion of the 137 litigation or adversarial administrative proceedings.

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

141 3. Personnel records of association <u>or management company</u> 142 employees, including, but not limited to, disciplinary, payroll, 143 health, and insurance records<u>. For purposes of this</u> 144 <u>subparagraph, the term "personnel records" does not include</u> 145 <u>written employment agreements with an association employee or</u> 146 <u>budgetary or financial records that indicate the compensation</u> 147 paid to an association employee.

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4. Medical records of unit owners.

149 5. Social security numbers, driver's license numbers, 150 credit card numbers, e-mail addresses, telephone numbers, 151 facsimile numbers, emergency contact information, any addresses 152 of a unit owner other than as provided to fulfill the 153 association's notice requirements, and other personal 154 identifying information of any person, excluding the person's 155 name, unit designation, mailing address, and property address, and any address, e-mail address, or facsimile number provided to 156 the association to fulfill the association's notice 157

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158	requirements. However, an owner may consent in writing to the
159	disclosure of protected information described in this
160	subparagraph. The association is not liable for the disclosure
161	of information that is protected under this subparagraph if the
162	information is included in an official record of the association
163	and is voluntarily provided by an owner and not requested by the
164	association.
165	6. Any Electronic security <u>measures</u> <del>measure</del> that <u>are</u> <del>is</del>
166	used by the association to safeguard data, including passwords.
167	7. The software and operating system used by the
168	association which <u>allow the</u> <del>allows</del> manipulation of data, even if
169	the owner owns a copy of the same software used by the
170	association. The data is part of the official records of the
171	association.
172	Section 2. Paragraphs (b), (c), and (d) of subsection (2)
173	of section 718.112, Florida Statutes, are amended to read:
174	718.112 Bylaws
175	(2) REQUIRED PROVISIONSThe bylaws shall provide for the
176	following and, if they do not do so, shall be deemed to include
177	the following:
178	(b) Quorum; voting requirements; proxies
179	1. Unless a lower number is provided in the bylaws, the
180	percentage of voting interests required to constitute a quorum
181	at a meeting of the members <u>is</u> <del>shall be</del> a majority of the voting
182	interests. Unless otherwise provided in this chapter or in the
183	declaration, articles of incorporation, or bylaws, and except as
184	provided in subparagraph $(d)4$ . $(d)3$ ., decisions shall be made by
185	<del>owners of</del> a majority of the voting interests represented at a
186	meeting at which a quorum is present.



187 2. Except as specifically otherwise provided herein, after January 1, 1992, unit owners may not vote by general proxy, but 188 189 may vote by limited proxies substantially conforming to a 190 limited proxy form adopted by the division. A No voting interest 191 or consent right allocated to a unit owned by the association 192 may not shall be exercised or considered for any purpose, 193 whether for a quorum, an election, or otherwise. Limited proxies and general proxies may be used to establish a quorum. Limited 194 195 proxies shall be used for votes taken to waive or reduce 196 reserves in accordance with subparagraph (f)2.; for votes taken 197 to waive the financial reporting requirements of s. 718.111(13); 198 for votes taken to amend the declaration pursuant to s. 718.110; 199 for votes taken to amend the articles of incorporation or bylaws 200 pursuant to this section; and for any other matter for which this chapter requires or permits a vote of the unit owners. 201 202 Except as provided in paragraph (d), a after January 1, 1992, no 203 proxy, limited or general, may not shall be used in the election of board members. General proxies may be used for other matters 204 205 for which limited proxies are not required, and may also be used in voting for nonsubstantive changes to items for which a 206 207 limited proxy is required and given. Notwithstanding the provisions of this subparagraph, unit owners may vote in person 208 209 at unit owner meetings. This subparagraph does not Nothing 210 contained herein shall limit the use of general proxies or 211 require the use of limited proxies for any agenda item or 212 election at any meeting of a timeshare condominium association. 213 3. Any proxy given is shall be effective only for the

214 specific meeting for which originally given and any lawfully 215 adjourned meetings thereof. <u>A In no event shall any</u> proxy <u>is not</u>



216 be valid for a period longer than 90 days after the date of the 217 first meeting for which it was given. Every proxy is revocable 218 at any time at the pleasure of the unit owner executing it.

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

225 5. If When any of the board or committee members meet by 226 telephone conference, those board or committee members attending 227 by telephone conference may be counted toward obtaining a quorum 228 and may vote by telephone. A telephone speaker must be used so 229 that the conversation of those board or committee members 230 attending by telephone may be heard by the board or committee members attending in person as well as by any unit owners 231 232 present at a meeting.

233 (c) Board of administration meetings.-Meetings of the board 234 of administration at which a quorum of the members is present 235 are shall be open to all unit owners. A Any unit owner may tape 236 record or videotape the meetings of the board of administration. The right to attend such meetings includes the right to speak at 237 238 such meetings with reference to all designated agenda items. The 239 division shall adopt reasonable rules governing the tape 240 recording and videotaping of the meeting. The association may 241 adopt written reasonable rules governing the frequency, 242 duration, and manner of unit owner statements.

2431. Adequate notice of all board meetings, which must notice244shall specifically identify all incorporate an identification of



245 agenda items, must shall be posted conspicuously on the 246 condominium property at least 48 continuous hours before 247 preceding the meeting except in an emergency. If 20 percent of 248 the voting interests petition the board to address an item of 249 business, the board shall at its next regular board meeting or 250 at a special meeting of the board, but not later than 60 days 251 after the receipt of the petition, shall place the item on the 252 agenda. Any item not included on the notice may be taken up on 253 an emergency basis by at least a majority plus one of the board 254 members of the board. Such emergency action must shall be 255 noticed and ratified at the next regular board meeting of the 256 board. However, written notice of any meeting at which 257 nonemergency special assessments, or at which amendment to rules 258 regarding unit use, will be considered must shall be mailed, 259 delivered, or electronically transmitted to the unit owners and 260 posted conspicuously on the condominium property at least not 261 less than 14 days before prior to the meeting. Evidence of 262 compliance with this 14-day notice requirement must shall be 263 made by an affidavit executed by the person providing the notice 264 and filed with among the official records of the association. 265 Upon notice to the unit owners, the board shall, by duly adopted rule, designate a specific location on the condominium property 266 267 or association property where upon which all notices of board 268 meetings are to shall be posted. If there is no condominium 269 property or association property where upon which notices can be 270 posted, notices of board meetings shall be mailed, delivered, or 271 electronically transmitted at least 14 days before the meeting to the owner of each unit. In lieu of or in addition to the 272 273 physical posting of the notice of any meeting of the board of



274 administration on the condominium property, the association may, 275 by reasonable rule, adopt a procedure for conspicuously posting 276 and repeatedly broadcasting the notice and the agenda on a 277 closed-circuit cable television system serving the condominium association. However, if broadcast notice is used in lieu of a 278 279 notice posted physically posted on the condominium property, the 280 notice and agenda must be broadcast at least four times every 281 broadcast hour of each day that a posted notice is otherwise 282 required under this section. If When broadcast notice is 283 provided, the notice and agenda must be broadcast in a manner 284 and for a sufficient continuous length of time so as to allow an 285 average reader to observe the notice and read and comprehend the 286 entire content of the notice and the agenda. Notice of any 287 meeting in which regular or special assessments against unit 288 owners are to be considered for any reason must shall 289 specifically state that assessments will be considered and 290 provide the nature, estimated cost, and description of the 291 purposes for such assessments.

292 2. Meetings of a committee to take final action on behalf 293 of the board or make recommendations to the board regarding the 294 association budget are subject to the provisions of this paragraph. Meetings of a committee that does not take final 295 296 action on behalf of the board or make recommendations to the 297 board regarding the association budget are subject to the 298 provisions of this section, unless those meetings are exempted 299 from this section by the bylaws of the association.

300 <u>3.</u> Notwithstanding any other law, the requirement that 301 board meetings and committee meetings be open to the unit owners 302 does not apply is inapplicable to:

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303 a. Meetings between the board or a committee and the 304 association's attorney, with respect to proposed or pending litigation, if when the meeting is held for the purpose of 305 306 seeking or rendering legal advice; or 307 b. Board meetings held for the purpose of discussing 308 personnel matters. 309 (d) Unit owner meetings.-1. An annual meeting of the unit owners shall be held at 310 311 the location provided in the association bylaws and, if the 312 bylaws are silent as to the location, the meeting shall be held 313 within 45 miles of the condominium property. However, such 314 distance requirement does not apply to an association governing 315 a timeshare condominium. 316 2. Unless the bylaws provide otherwise, a vacancy on the 317 board caused by the expiration of a director's term shall be filled by electing a new board member, and the election must be 318 319 by secret ballot. An election is not required However, if the number of vacancies equals or exceeds the number of candidates  $\tau$ 320 321 an election is not required. For purposes of this paragraph, the 322 term "candidate" means an eligible person who has timely 323 submitted the written notice, as described in sub-subparagraph 324 4.a., of his or her intention to become a candidate. Except in a timeshare condominium, or if the staggered term of a board 325 32.6 member does not expire until a later annual meeting, or if all 327 members terms would otherwise expire but there are no 328 candidates, the terms of all board members of the board expire 329 at the annual meeting, and such board members may stand for reelection unless prohibited otherwise permitted by the bylaws. 330 331 If the bylaws permit staggered terms of no more than 2 years and

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332 upon approval of a majority of the total voting interests, the 333 association board members may serve 2-year staggered terms. If 334 the number of board members whose terms expire at the annual 335 meeting equals or have expired exceeds the number of candidates, 336 the candidates become members of the board effective upon the 337 adjournment of the annual meeting. Unless the bylaws provide 338 otherwise, any remaining vacancies shall be filled by the 339 affirmative vote of the majority of the directors making up the 340 newly constituted board even if the directors constitute less 341 than a quorum or there is only one director eligible members 342 showing interest in or demonstrating an intention to run for the 343 vacant positions, each board member whose term has expired is eligible for reappointment to the board of administration and 344 345 need not stand for reelection. In a condominium association of more than 10 units or in a condominium association that does not 346 347 include timeshare units or timeshare interests, coowners of a unit may not serve as members of the board of directors at the 348 same time unless they own more than one unit or unless there are 349 350 not enough eligible candidates to fill the vacancies on the 351 board at the time of the vacancy. Any unit owner desiring to be 352 a candidate for board membership must comply with subsubparagraph 4.a. and must be eligible to serve on the board of 353 354 directors at the time of the deadline for submitting a notice of 355 intent to run, and continuously thereafter, in order to have his 356 or her name listed as a proper candidate on the ballot or to 357 serve on the board 3.a. A person who has been suspended or 358 removed by the division under this chapter, or who is delinquent 359 in the payment of any fee, fine, or special or regular 360 assessment as provided in paragraph (n), is not eligible for

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361 board membership. A person who has been convicted of any felony in this state or in a United States District or Territorial 362 Court, or who has been convicted of any offense in another 363 364 jurisdiction which that would be considered a felony if committed in this state, is not eligible for board membership 365 366 unless such felon's civil rights have been restored for at least 367 5 years as of the date on which such person seeks election to 368 the board. The validity of an action by the board is not 369 affected if it is later determined that a board member of the 370 board is ineligible for board membership due to having been 371 convicted of a felony.

372 3.2. The bylaws must provide the method of calling meetings 373 of unit owners, including annual meetings. Written notice, which 374 must include an agenda, must shall be mailed, hand delivered, or 375 electronically transmitted to each unit owner at least 14 days 376 before the annual meeting, and must be posted in a conspicuous 377 place on the condominium property at least 14 continuous days 378 before preceding the annual meeting. Upon notice to the unit 379 owners, the board shall, by duly adopted rule, designate a 380 specific location on the condominium property or association 381 property where upon which all notices of unit owner meetings 382 shall be posted. This requirement does not apply However, if 383 there is no condominium property or association property for 384 posting upon which notices can be posted, this requirement does 385 not apply. In lieu of, or in addition to, the physical posting 386 of meeting notices, the association may, by reasonable rule, 387 adopt a procedure for conspicuously posting and repeatedly broadcasting the notice and the agenda on a closed-circuit cable 388 389 television system serving the condominium association. However,



390 if broadcast notice is used in lieu of a notice posted 391 physically on the condominium property, the notice and agenda must be broadcast at least four times every broadcast hour of 392 393 each day that a posted notice is otherwise required under this 394 section. If broadcast notice is provided, the notice and agenda 395 must be broadcast in a manner and for a sufficient continuous 396 length of time so as to allow an average reader to observe the 397 notice and read and comprehend the entire content of the notice 398 and the agenda. Unless a unit owner waives in writing the right 399 to receive notice of the annual meeting, such notice must be hand delivered, mailed, or electronically transmitted to each 400 401 unit owner. Notice for meetings and notice for all other 402 purposes must be mailed to each unit owner at the address last 403 furnished to the association by the unit owner, or hand 404 delivered to each unit owner. However, if a unit is owned by 405 more than one person, the association must shall provide notice, 406 for meetings and all other purposes, to the that one address 407 that which the developer initially identifies for that purpose 408 and thereafter as one or more of the owners of the unit shall 409 advise the association in writing, or if no address is given or 410 the owners of the unit do not agree, to the address provided on 411 the deed of record. An officer of the association, or the 412 manager or other person providing notice of the association 413 meeting, must shall provide an affidavit or United States Postal 414 Service certificate of mailing, to be included in the official 415 records of the association affirming that the notice was mailed 416 or hand delivered, in accordance with this provision.

417 <u>4.3.</u> The members of the board shall be elected by written 418 ballot or voting machine. Proxies may not be used in electing

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419 the board in general elections or elections to fill vacancies 420 caused by recall, resignation, or otherwise, unless otherwise 421 provided in this chapter.

422 a. At least 60 days before a scheduled election, the 423 association shall mail, deliver, or electronically transmit, 424 whether by separate association mailing or included in another 425 association mailing, delivery, or transmission, including 426 regularly published newsletters, to each unit owner entitled to 427 a vote, a first notice of the date of the election. Any unit 428 owner or other eligible person desiring to be a candidate for 429 the board must give written notice of his or her intent to be a 430 candidate to the association at least 40 days before a scheduled election. Together with the written notice and agenda as set 431 432 forth in subparagraph 3. 2., the association shall mail, deliver, or electronically transmit a second notice of the 433 434 election to all unit owners entitled to vote, together with a 435 ballot that lists all candidates. Upon request of a candidate, an information sheet, no larger than 8 1/2 inches by 11 inches, 436 437 which must be furnished by the candidate at least 35 days before 438 the election, must be included with the mailing, delivery, or 439 transmission of the ballot, with the costs of mailing, delivery, or electronic transmission and copying to be borne by the 440 association. The association is not liable for the contents of 441 442 the information sheets prepared by the candidates. In order to 443 reduce costs, the association may print or duplicate the 444 information sheets on both sides of the paper. The division 445 shall by rule establish voting procedures consistent with this sub-subparagraph, including rules establishing procedures for 446 447 giving notice by electronic transmission and rules providing for



448 the secrecy of ballots. Elections shall be decided by a 449 plurality of those ballots cast. There is no quorum requirement; 450 however, at least 20 percent of the eligible voters must cast a 451 ballot in order to have a valid election of members of the 452 board. A unit owner may not permit any other person to vote his 453 or her ballot, and any ballots improperly cast are invalid.  $A_{\tau}$ 454 provided any unit owner who violates this provision may be fined 455 by the association in accordance with s. 718.303. A unit owner 456 who needs assistance in casting the ballot for the reasons 457 stated in s. 101.051 may obtain such assistance. The regular 458 election must occur on the date of the annual meeting. This sub-459 subparagraph does not apply to timeshare condominium

460 associations. Notwithstanding this sub-subparagraph, an election 461 is not required unless more candidates file notices of intent to 462 run or are nominated than board vacancies exist.

463 b. Within 90 days after being elected or appointed to the 464 board, each newly elected or appointed director shall certify in 465 writing to the secretary of the association that he or she has 466 read the association's declaration of condominium, articles of 467 incorporation, bylaws, and current written policies; that he or 468 she will work to uphold such documents and policies to the best 469 of his or her ability; and that he or she will faithfully 470 discharge his or her fiduciary responsibility to the association's members. In lieu of this written certification, 471 472 within 90 days after being elected or appointed to the board, 473 the newly elected or appointed director may submit a certificate 474 of having satisfactorily completed satisfactory completion of 475 the educational curriculum administered by a division-approved 476 condominium education provider within 1 year before or 90 days

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477 after the date of election or appointment. The written 478 certification or educational certificate is valid and does not 479 have to be resubmitted as long as the director serves on the 480 board without interruption. A director who fails to timely file 481 the written certification or educational certificate is 482 suspended from service on the board until he or she complies 483 with this sub-subparagraph. The board may temporarily fill the 484 vacancy during the period of suspension. The secretary shall 485 cause the association to retain a director's written 486 certification or educational certificate for inspection by the 487 members for 5 years after a director's election. Failure to have 488 such written certification or educational certificate on file 489 does not affect the validity of any board action. This chapter 490 does not limit the use of general or limited proxies, require 491 the use of general or limited proxies, or require the use of a 492 written ballot or voting machine for any agenda item or election 493 at any meeting of a timeshare condominium association.

494 5.4. Any approval by unit owners called for by this chapter 495 or the applicable declaration or bylaws, including, but not 496 limited to, the approval requirement in s. 718.111(8), must 497 shall be made at a duly noticed meeting of unit owners and is 498 subject to all requirements of this chapter or the applicable 499 condominium documents relating to unit owner decisionmaking, 500 except that unit owners may take action by written agreement, 501 without meetings, on matters for which action by written 502 agreement without meetings is expressly allowed by the 503 applicable bylaws or declaration or any law statute that 504 provides for such action.

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6.5. Unit owners may waive notice of specific meetings if



allowed by the applicable bylaws or declaration or any <u>law</u> statute. If authorized by the bylaws, notice of meetings of the board of administration, unit owner meetings, except unit owner meetings called to recall board members under paragraph (j), and committee meetings may be given by electronic transmission to unit owners who consent to receive notice by electronic transmission.

513 <u>7.6.</u> Unit owners shall have the right to participate in 514 meetings of unit owners with reference to all designated agenda 515 items. However, the association may adopt reasonable rules 516 governing the frequency, duration, and manner of unit owner 517 participation.

518 <u>8.7. A Any</u> unit owner may tape record or videotape a 519 meeting of the unit owners subject to reasonable rules adopted 520 by the division.

521 9.8. Unless otherwise provided in the bylaws, any vacancy 522 occurring on the board before the expiration of a term may be filled by the affirmative vote of the majority of the remaining 523 524 directors, even if the remaining directors constitute less than 525 a quorum, or by the sole remaining director. In the alternative, 526 a board may hold an election to fill the vacancy, in which case 527 the election procedures must conform to the requirements of subsubparagraph 4.a. 3.a. unless the association governs 10 units 528 529 or fewer and has opted out of the statutory election process, in 530 which case the bylaws of the association control. Unless 531 otherwise provided in the bylaws, a board member appointed or 532 elected under this section shall fill the vacancy for the unexpired term of the seat being filled. Filling vacancies 533 534 created by recall is governed by paragraph (j) and rules adopted

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535 by the division.

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Notwithstanding subparagraph (b)2. and sub-subparagraph 4.a. 537 538 (d)3.a., an association of 10 or fewer units may, by affirmative 539 vote of a majority of the total voting interests, provide for 540 different voting and election procedures in its bylaws, which 541 vote may be by a proxy specifically delineating the different 542 voting and election procedures. The different voting and 543 election procedures may provide for elections to be conducted by 544 limited or general proxy.

545 Section 3. Section 718.114, Florida Statutes, is amended to 546 read:

547 718.114 Association powers.-An association may has the 548 power to enter into agreements  $\tau$  to acquire leaseholds, 549 memberships, and other possessory or use interests in lands or 550 facilities such as country clubs, golf courses, marinas, and 551 other recreational facilities, . It has this power whether or not 552 the lands or facilities are contiguous to the lands of the 553 condominium, if such lands and facilities they are intended to 554 provide enjoyment, recreation, or other use or benefit to the 555 unit owners. All of these leaseholds, memberships, and other 556 possessory or use interests existing or created at the time of 557 recording the declaration must be stated and fully described in 558 the declaration. Subsequent to the recording of the declaration, 559 agreements acquiring these leaseholds, memberships, or other 560 possessory or use interests which are not entered into within 12 561 months following the recording of the declaration are shall be considered a material alteration or substantial addition to the 562 563 real property that is association property, and the association

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564 may not acquire or enter into such agreements acquiring these 565 leaseholds, memberships, or other possessory or use interests 566 except upon a vote of, or written consent by, a majority of the 567 total voting interests or as authorized by the declaration as 568 provided in s. 718.113. The declaration may provide that the 569 rental, membership fees, operations, replacements, and other 570 expenses are common expenses and may impose covenants and 571 restrictions concerning their use and may contain other 572 provisions not inconsistent with this chapter. A condominium 573 association may conduct bingo games as provided in s. 849.0931.

574 Section 4. Subsection (3), paragraph (b) of subsection (5), 575 and subsection (11) of section 718.116, Florida Statutes, are 576 amended to read:

577 718.116 Assessments; liability; lien and priority; 578 interest; collection.-

579 (3) Assessments and installments on assessments which are 580 not paid when due bear interest at the rate provided in the 581 declaration, from the due date until paid. The This rate may not 582 exceed the rate allowed by law, and, if no rate is provided in 583 the declaration, interest accrues at the rate of 18 percent per 584 year. Also, If provided by the declaration or bylaws, the 585 association may, in addition to such interest, charge an 586 administrative late fee of up to the greater of \$25 or 5 percent 587 of each installment of the assessment for each delinquent 588 installment for which the payment is late. The association may 589 also charge for reasonable expenses incurred by the association 590 for collection services that are reasonably related to the 591 collection of the delinquent account rendered by a community 592 association manager or community association management firm, as

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593 specified in a written agreement with such community association 594 manager or firm, and payable to the community association 595 manager or firm as a liquidated sum. Any payment received by an 596 association must be applied first to any interest accrued by the 597 association, then to any administrative late fee, then to 598 expenses for collection services, then to any costs and 599 reasonable attorney's fees incurred in collection, and then to 600 the delinquent assessment. The foregoing is applicable 601 notwithstanding any restrictive endorsement, designation, or 602 instruction placed on or accompanying a payment. A late fee is 603 not subject to chapter 687 or s. 718.303(4) 718.303(3).

(5)

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605 (b) To be valid, a claim of lien must state the description 606 of the condominium parcel, the name of the record owner, the 607 name and address of the association, the amount due, and the due 608 dates. It must be executed and acknowledged by an officer or 609 authorized agent of the association. The lien is not effective longer than 1 year after the claim of lien was recorded unless, 610 611 within that time, an action to enforce the lien is commenced. 612 The 1-year period is automatically extended for any length of 613 time during which the association is prevented from filing a 614 foreclosure action by an automatic stay resulting from a 615 bankruptcy petition filed by the parcel owner or any other 616 person claiming an interest in the parcel. The claim of lien 617 secures all unpaid assessments that are due and that may accrue 618 after the claim of lien is recorded and through the entry of a 619 final judgment, as well as interest and all reasonable costs and attorney's fees incurred by the association incident to the 620 621 collection process. The claim of lien also secures reasonable

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625



expenses for collection services incurred before filing a claim
 as provided in subsection (3). Upon payment in full, the person
 making the payment is entitled to a satisfaction of the lien.

626 After notice of contest of lien has been recorded, the clerk of 627 the circuit court shall mail a copy of the recorded notice to the association by certified mail, return receipt requested, at 628 629 the address shown in the claim of lien or most recent amendment 630 to it and shall certify to the service on the face of the 631 notice. Service is complete upon mailing. After service, the 632 association has 90 days in which to file an action to enforce 633 the lien; and, if the action is not filed within the 90-day period, the lien is void. However, the 90-day period shall be 634 635 extended for any length of time during which that the association is prevented from filing its action because of an 636 637 automatic stay resulting from the filing of a bankruptcy 638 petition by the unit owner or by any other person claiming an 639 interest in the parcel.

640 (11) If the unit is occupied by a tenant and the unit owner 641 is delinquent in paying any monetary obligation due to the 642 association, the association may make a written demand that the 643 tenant pay rent to the association the future monetary obligations related to the condominium unit to the association, 644 645 and continue to the tenant must make such payments until all 646 monetary obligations of the unit owner related to the unit have 647 been paid in full to the association payment. The demand is 648 continuing in nature and, upon demand, The tenant must pay rent 649 the monetary obligations to the association until the 650 association releases the tenant or the tenant discontinues

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651 tenancy in the unit. The association must mail written notice to 652 the unit owner of the association's demand that the tenant make 653 payments to the association. The association shall, upon 654 request, provide the tenant with written receipts for payments 655 made. A tenant who acts in good faith in response to a written 656 demand from an association is immune from any claim by from the 657 unit owner related to the rent once the association has made 658 written demand. Any payment received from a tenant must be 659 applied to the unit owner's oldest delinquent monetary 660 obligation.

661 (a) If the tenant paid prepaid rent to the unit owner for a 662 given rental period before receiving the demand from the association and provides written evidence of prepaying paying 663 664 the rent to the association within 14 days after receiving the 665 demand, the tenant shall receive credit for the prepaid rent for 666 the applicable period but and must make any subsequent rental 667 payments to the association to be credited against the monetary 668 obligations of the unit owner to the association.

669 (b) The tenant is not liable for increases in the amount of the monetary obligations due unless the tenant was notified in 670 671 writing of the increase at least 10 days before the date the 672 rent is due. The liability of the tenant may not exceed the 673 amount due from the tenant to the tenant's landlord. The 674 tenant's landlord shall provide the tenant a credit against 675 rents due to the unit owner in the amount of moneys paid to the 676 association under this section.

(c) The association may issue notices under s. 83.56 and
may sue for eviction under ss. 83.59-83.625 as if the
association were a landlord under part II of chapter 83 if the

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680 tenant fails to pay a required payment to the association.
681 However, the association is not otherwise considered a landlord
682 under chapter 83 and specifically has no <u>obligations</u> <del>duties</del>
683 under s. 83.51.

(d) The tenant does not, by virtue of payment of <u>rent</u>
monetary obligations to the association, have any of the rights
of a unit owner to vote in any election or to examine the books
and records of the association.

(e) A court may supersede the effect of this subsection byappointing a receiver.

690 Section 5. Subsections (3), (4), and (11), paragraphs (a) 691 and (d) of subsection (12), subsection (14), paragraph (a) of 692 subsection (17), and subsections (18) and (19) of section 693 718.117, Florida Statutes, are amended to read:

694

718.117 Termination of condominium.-

695 (3) OPTIONAL TERMINATION.-Except as provided in subsection 696 (2) or unless the declaration provides for a lower percentage, 697 the condominium form of ownership of the property may be 698 terminated for all or a portion of the condominium property 699 pursuant to a plan of termination approved by at least 80 700 percent of the total voting interests of the condominium if no 701 not more than 10 percent of the total voting interests of the 702 condominium have rejected the plan of termination by negative 703 vote or by providing written objections thereto. This subsection 704 does not apply to condominiums in which 75 percent or more of 705 the units are timeshare units.

(4) EXEMPTION.-A plan of termination is not an amendment
subject to s. 718.110(4). In a partial termination, a plan of
termination is not an amendment subject to s. 718.110(4) if the

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709 <u>ownership share of the common elements of a surviving unit in</u> 710 <u>the condominium remains in the same proportion to the surviving</u> 711 <u>units as it was before the partial termination.</u>

712 (11) PLAN OF TERMINATION; OPTIONAL PROVISIONS; CONDITIONAL
 713 TERMINATION.-

714 (a) The plan of termination may provide that each unit 715 owner retains the exclusive right of possession to the portion of the real estate which that formerly constituted the unit if  $\tau$ 716 717 in which case the plan specifies must specify the conditions of 718 possession. In a partial termination, the plan of termination as 719 specified in subsection (10) must also identify the units that 720 survive the partial termination and provide that such units 721 remain in the condominium form of ownership pursuant to an amendment to the declaration of condominium or an amended and 722 723 restated declaration. In a partial termination, title to the 724 surviving units and common elements that remain part of the 725 condominium property specified in the plan of termination remain 726 vested in the ownership shown in the public records and do not 727 vest in the termination trustee.

728 (b) In a conditional termination, the plan must specify the 729 conditions for termination. A conditional plan does not vest 730 title in the termination trustee until the plan and a 731 certificate executed by the association with the formalities of 732 a deed, confirming that the conditions in the conditional plan 733 have been satisfied or waived by the requisite percentage of the 734 voting interests, have been recorded. In a partial termination, 735 the plan does not vest title to the surviving units or common 736 elements that remain part of the condominium property in the 737 termination trustee.



738 (12) ALLOCATION OF PROCEEDS OF SALE OF CONDOMINIUM739 PROPERTY.-

740 (a) Unless the declaration expressly provides for the 741 allocation of the proceeds of sale of condominium property, the 742 plan of termination must first apportion the proceeds between 743 the aggregate value of all units and the value of the common 744 elements, based on their respective fair market values 745 immediately before the termination, as determined by one or more 746 independent appraisers selected by the association or 747 termination trustee. In a partial termination, the aggregate 748 values of the units and common elements that are being 749 terminated must be separately determined, and the plan of 750 termination must specify the allocation of the proceeds of sale 751 for the units and common elements.

752 (d) Liens that encumber a unit shall be transferred to the 753 proceeds of sale of the condominium property and the proceeds of 754 sale or other distribution of association property, common 755 surplus, or other association assets attributable to such unit 756 in their same priority. In a partial termination, liens that 757 encumber a unit being terminated must be transferred to the 758 proceeds of sale of that portion of the condominium property 759 being terminated which are attributable to such unit. The 760 proceeds of any sale of condominium property pursuant to a plan 761 of termination may not be deemed to be common surplus or 762 association property.

(14) TITLE VESTED IN TERMINATION TRUSTEE.—If termination is pursuant to a plan of termination under subsection (2) or subsection (3), the unit owners' rights and title to as tenants in common in undivided interests in the condominium property

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767 being terminated vests <del>vest</del> in the termination trustee when the 768 plan is recorded or at a later date specified in the plan. The 769 unit owners thereafter become the beneficiaries of the proceeds 770 realized from the plan of termination as set forth in the plan. 771 The termination trustee may deal with the condominium property 772 being terminated or any interest therein if the plan confers on 773 the trustee the authority to protect, conserve, manage, sell, or 774 dispose of the condominium property. The trustee, on behalf of 775 the unit owners, may contract for the sale of real property 776 being terminated, but the contract is not binding on the unit 777 owners until the plan is approved pursuant to subsection (2) or 778 subsection (3).

779

(17) DISTRIBUTION.-

(a) Following termination of the condominium, the
condominium property, association property, common surplus, and
other assets of the association shall be held by the termination
trustee <u>pursuant to the plan of termination</u>, as trustee for unit
owners and holders of liens on the units, in their order of
priority <u>unless otherwise set forth in the plan of termination</u>.

786 (18) ASSOCIATION STATUS.-The termination of a condominium 787 does not change the corporate status of the association that 788 operated the condominium property. The association continues to 789 exist to conclude its affairs, prosecute and defend actions by 790 or against it, collect and discharge obligations, dispose of and 791 convey its property, and collect and divide its assets, but not to act except as necessary to conclude its affairs. In a partial 792 793 termination, the association may continue as the condominium 794 association for the property that remains subject to the declaration of condominium. 795

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796 (19) CREATION OF ANOTHER CONDOMINIUM.-The termination or 797 partial termination of a condominium does not bar the filing of 798 a new declaration of condominium or an amended and restated 799 declaration of condominium by the termination trustee, or the 800 trustee's successor in interest, for the terminated property or 801 affecting any portion thereof of the same property. The partial 802 termination of a condominium may provide for the simultaneous 803 filing of an amendment to the declaration of condominium or an 804 amended and restated declaration of condominium by the 805 condominium association for any portion of the property not 806 terminated from the condominium form of ownership.

807 Section 6. Subsections (3), (4), and (5) of section 808 718.303, Florida Statutes, are amended, and subsection (6) is 809 added to that section, to read:

810

718.303 Obligations of owners and occupants; remedies.-

811 (3) If a unit owner is delinquent for more than 90 days in 812 paying a monetary obligation due to the association, the 813 association may suspend the right of a unit owner or a unit's 814 occupant, licensee, or invitee to use common elements, common 815 facilities, or any other association property until the monetary 816 obligation is paid. This subsection does not apply to limited 817 common elements intended to be used only by that unit, common 818 elements that must be used to access the unit, utility services provided to the unit, parking spaces, or elevators. The 819 820 association may also levy reasonable fines for the failure of 821 the owner of the unit, or its occupant, licensee, or invitee, to 822 comply with any provision of the declaration, the association 823 bylaws, or reasonable rules of the association. A fine may does not become a lien against a unit. A fine may not exceed \$100 per 824

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825 violation. However, A fine may be levied on the basis of each 826 day of a continuing violation, with a single notice and 827 opportunity for hearing. However, the fine may not <u>exceed \$100</u> 828 <u>per violation, or \$1,000</u> in the aggregate <del>exceed \$1,000</del>.

(a) An association may suspend, for a reasonable period of
time, the right of a unit owner, or a unit owner's tenant,
guest, or invitee, to use the common elements, common
facilities, or any other association property for failure to
comply with any provision of the declaration, the association
bylaws, or reasonable rules of the association.

835 (b) A fine or suspension may not be imposed levied and a 836 suspension may not be imposed unless the association first 837 provides at least 14 days' written notice and an opportunity for 838 a hearing to the unit owner and, if applicable, its occupant, 839 licensee, or invitee. The hearing must be held before a 840 committee of other unit owners who are neither board members nor 841 persons residing in a board member's household. If the committee 842 does not agree with the fine or suspension, the fine or 843 suspension may not be levied or imposed.

844 (4) If a unit owner is more than 90 days delinquent in 845 paying a monetary obligation due to the association, the 846 association may suspend the right of the unit owner or the 847 unit's occupant, licensee, or invitee to use common elements, 848 common facilities, or any other association property until the 849 monetary obligation is paid in full. This subsection does not 850 apply to limited common elements intended to be used only by 851 that unit, common elements needed to access the unit, utility 852 services provided to the unit, parking spaces, or elevators. The notice and hearing requirements under subsection (3) do not 853

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apply to suspensions imposed under this subsection.

855 (4) The notice and hearing requirements of subsection (3) 856 do not apply to the imposition of suspensions or fines against a 857 unit owner or a unit's occupant, licensee, or invitee because of 858 failing to pay any amounts due the association. If such a fine 859 or suspension is imposed, the association must levy the fine or 860 impose a reasonable suspension at a properly noticed board 861 meeting, and after the imposition of such fine or suspension, 862 the association must notify the unit owner and, if applicable, 863 the unit's occupant, licensee, or invitee by mail or hand 864 deliverv.

865 (5) An association may also suspend the voting rights of a 866 member due to nonpayment of any monetary obligation due to the 867 association which is more than 90 days delinquent. If a member's 868 voting rights are suspended, that member's suspension may not 869 count for or against a proposed question. The suspension ends 870 upon full payment of all obligations currently due or overdue 871 the association. The notice and hearing requirements under 872 subsection (3) do not apply to a suspension imposed under this 873 subsection.

874 (6) All suspensions imposed pursuant to subsection (4) or
 875 subsection (5) must be approved at a properly noticed board
 876 meeting. Upon approval, the association must notify the unit
 877 owner and, if applicable, the unit's occupant, licensee, or
 878 invitee by mail or hand delivery.

879 Section 7. Section 718.703, Florida Statutes, is amended to 880 read:

881 882 718.703 Definitions.—As used in this part, the term: (1) "Bulk assignee" means a person who <u>is not a bulk buyer</u>

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<ul> <li>(a) Acquires more than seven condominium parcels <u>in a</u></li> <li><u>single condominium</u> as set forth in s. 718.707; and</li> <li>(b) Receives an assignment of <u>any of the developer rig</u></li> <li><u>other than or in addition to those rights described in</u></li> <li><u>subsection (2)</u>, <u>some or all of the rights of the developer</u></li> <li>set forth in the declaration of condominium or this chapter</li> <li><u>1. By a written instrument recorded as part of or as a</u></li> <li>exhibit to the deed; <u>or as</u></li> <li><u>2. By a separate instrument <u>recorded</u> in the public recorded</u></li> <li>of the county in which the condominium is located; <u>or</u></li> <li><u>3. Pursuant to a final judgment or certificate of titl</u></li> </ul>	as <u>:</u> <del>by</del> n ords
<ul> <li>(b) Receives an assignment of <u>any of the developer rig</u></li> <li><u>other than or in addition to those rights described in</u></li> <li><u>subsection (2)</u>, <u>some or all of the rights of the developer</u></li> <li>set forth in the declaration of condominium or this chapter</li> <li><u>1. By</u> a written instrument recorded as <u>part of or as</u> a</li> <li>exhibit to the deed; or as</li> <li><u>2. By</u> a separate instrument <u>recorded</u> in the public rec</li> <li>of the county in which the condominium is located; or</li> <li><u>3. Pursuant to a final judgment or certificate of titl</u></li> </ul>	as <u>:</u> <del>by</del> n ords
887other than or in addition to those rights described in888subsection (2), some or all of the rights of the developer889set forth in the declaration of condominium or this chapter8901. By a written instrument recorded as part of or as a891exhibit to the deed; or as8922. By a separate instrument recorded in the public rec893of the county in which the condominium is located; or8943. Pursuant to a final judgment or certificate of titl	as <u>:</u> <del>by</del> n ords
888subsection (2), some or all of the rights of the developer889set forth in the declaration of condominium or this chapter8901. By a written instrument recorded as part of or as a891exhibit to the deed; or as8922. By a separate instrument recorded in the public rec893of the county in which the condominium is located; or8943. Pursuant to a final judgment or certificate of titl	<u>:</u> <del>by</del> n ords
<pre>889 set forth in the declaration of condominium or this chapter 890 <u>1. By</u> a written instrument recorded as part of or as a 891 exhibit to the deed; or as 892 <u>2. By</u> a separate instrument recorded in the public rec 893 of the county in which the condominium is located; or 894 <u>3. Pursuant to a final judgment or certificate of titl</u></pre>	<u>:</u> <del>by</del> n ords
890 <u>1. By a written instrument recorded as part of or as a</u> 891 exhibit to the deed; or as 892 <u>2. By a separate instrument recorded in the public rec</u> 893 of the county in which the condominium is located; or 894 <u>3. Pursuant to a final judgment or certificate of titl</u>	n ords
<pre>891 exhibit to the deed; or as 892 2. By a separate instrument recorded in the public rec 893 of the county in which the condominium is located; or 894 3. Pursuant to a final judgment or certificate of titl</pre>	ords
<ul> <li>892 <u>2. By</u> a separate instrument <u>recorded</u> in the public rec</li> <li>893 of the county in which the condominium is located; or</li> <li>894 <u>3. Pursuant to a final judgment or certificate of titl</u></li> </ul>	
893 of the county in which the condominium is located; or 894 <u>3. Pursuant to a final judgment or certificate of titl</u>	
894 <u>3. Pursuant to a final judgment or certificate of titl</u>	<u>9</u>
	e
895 issued in favor of a purchaser at a foreclosure sale.	
896	
897 <u>A mortgagee or its assignee may not be deemed a bulk assign</u>	ee or
898 <u>a developer by reason of the acquisition of condominium uni</u>	ts
899 and receipt of an assignment of some or all of a developer	
900 rights unless the mortgagee or its assignee exercises any o	f the
901 developer rights other than those described in subsection (	2).
902 (2) "Bulk buyer" means a person who acquires more than	
903 seven condominium parcels <u>in a single condominium</u> as set fo	rth
904 in s. 718.707, but who does not receive an assignment of <u>an</u>	<u>Y</u>
905 developer rights, or receives only some or all of the follo	wing
906 <u>rights:</u> other than	
907 (a) The right to conduct sales, leasing, and marketing	
908 activities within the condominium;	
909 (b) The right to be exempt from the payment of working	
910 capital contributions to the condominium association arisin	g out
911 of, or in connection with, the bulk buyer's acquisition of	the <del>a</del>



912	bulk number of units; and
913	(c) The right to be exempt from any rights of first refusal
914	which may be held by the condominium association and would
915	otherwise be applicable to subsequent transfers of title from
916	the bulk buyer to a third party purchaser concerning one or more
917	units.
918	Section 8. Section 718.704, Florida Statutes, is amended to
919	read:
920	718.704 Assignment and assumption of developer rights by
921	bulk assignee; bulk buyer
922	(1) A bulk assignee <u>is deemed to have assumed</u> <del>assumes</del> and
923	is liable for all duties and responsibilities of the developer
924	under the declaration and this chapter upon its acquisition of
925	title to units and continuously thereafter, except that it is
926	not liable for:
927	(a) Warranties of the developer under s. 718.203(1) or s.
928	718.618, except as expressly provided by the bulk assignee in a
929	prospectus or offering circular, or the contract for purchase
930	and sale executed with a purchaser, or for design, construction,
931	development, or repair work performed by or on behalf of <u>the</u>
932	<del>such</del> bulk assignee <u>.</u> +
933	(b) The obligation to:
934	1. Fund converter reserves under s. 718.618 for a unit that
935	was not acquired by the bulk assignee; or
936	2. Provide <u>implied</u> <del>converter</del> warranties on any portion of
937	the condominium property except as expressly provided by the
938	bulk assignee in <u>a prospectus or offering circular, or</u> the
939	contract for purchase and sale executed with a purchaser, or for
940	and pertaining to any design, construction, development, or

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941 repair work performed by or on behalf of the bulk assignee.+ 942 (c) The requirement to provide the association with a cumulative audit of the association's finances from the date of 943 944 formation of the condominium association as required by s. 718.301(4)(c). However, the bulk assignee must provide an audit 945 946 for the period during which the bulk assignee elects or appoints 947 a majority of the members of the board of administration.; 948 (d) Any liability arising out of or in connection with 949 actions taken by the board of administration or the developer-950 appointed directors before the bulk assignee elects or appoints 951 a majority of the members of the board of administration.; and 952 (e) Any liability for or arising out of the developer's 953 failure to fund previous assessments or to resolve budgetary 954 deficits in relation to a developer's right to guarantee 955 assessments, except as otherwise provided in subsection (2). 956 957 The bulk assignee is also responsible only for delivering 958 documents and materials in accordance with s. 718.705(3). A bulk 959 assignee may expressly assume some or all of the developer 960 obligations of the developer described in paragraphs (a)-(e). 961 (2) A bulk assignee assigned the developer right receiving 962 the assignment of the rights of the developer to quarantee the 963 level of assessments and fund budgetary deficits pursuant to s. 718.116 assumes and is liable for all obligations of the 964 965 developer with respect to such guarantee upon its acquisition of 966 title to the units and continuously thereafter, including any 967 applicable funding of reserves to the extent required by law, 968 for as long as the guarantee remains in effect. A bulk assignee not receiving such assignment, or a bulk buyer, does not assume 969

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970 and is not liable for the obligations of the developer with 971 respect to such guarantee, but is responsible for payment of 972 assessments <u>due on or after acquisition of the units</u> in the same 973 manner as all other owners of condominium parcels <u>or as</u> 974 <u>otherwise provided in s. 718.116</u>.

975 (3) A bulk buyer is liable for the duties and
976 responsibilities of <u>a</u> the developer under the declaration and
977 this chapter only to the extent <u>that such</u> provided in this part,
978 together with any other duties or responsibilities <u>are</u> of the
979 developer expressly assumed in writing by the bulk buyer.

980 (4) An acquirer of condominium parcels is not a bulk 981 assignee or a bulk buyer if the transfer to such acquirer was 982 made:

983

(a) Before the effective date of this part;

984 <u>(b)</u> With the intent to hinder, delay, or defraud any 985 purchaser, unit owner, or the association<u>;</u>, or <del>if the acquirer</del> 986 <del>is</del>

987 <u>(c) By</u> a person who would be considered an insider under s. 988 726.102(7).

989 (5) An assignment of developer rights to a bulk assignee 990 may be made by a the developer, a previous bulk assignee, a 991 mortgagee or assignee who has acquired title to the units and 992 received an assignment of rights, or a court acting on behalf of 993 the developer or the previous bulk assignee if such developer 994 rights are held by the predecessor in title to the bulk 995 assignee. At any particular time, there may not be no more than 996 one bulk assignee within a condominium; however, but there may 997 be more than one bulk buyer. If more than one acquirer of 998 condominium parcels in the same condominium receives an

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999 assignment of developer rights in addition to those rights 1000 described in s. 718.703(2) from the same person, the bulk 1001 assignee is the acquirer whose instrument of assignment is 1002 recorded first in the public records of the county in which the 1003 condominium is located, and any subsequent purported bulk 1004 assignee may still qualify as a bulk buyer. 1005 Section 9. Subsections (1) and (3) of section 718.705, 1006 Florida Statutes, are amended to read: 1007 718.705 Board of administration; transfer of control.-1008 (1) If at the time the bulk assignee acquires title to the 1009 units and receives an assignment of developer rights, the 1010 developer has not relinquished control of the board of 1011 administration, for purposes of determining the timing for 1012 transfer of control of the board of administration of the association to unit owners other than the developer under s. 1013 718.301(1)(a) and (b), if a bulk assignee is entitled to elect a 1014 1015 majority of the members of the board, a condominium parcel acquired by the bulk assignee is not deemed to be conveyed to a 1016 1017 purchaser, or owned by an owner other than the developer, until 1018 the condominium parcel is conveyed to an owner who is not a bulk 1019 assignee. 1020 (3) If a bulk assignee relinguishes control of the board of 1021 administration as set forth in s. 718.301, the bulk assignee 1022 must deliver all of those items required by s. 718.301(4). 1023 However, the bulk assignee is not required to deliver items and 1024 documents not in the possession of the bulk assignee if some

1025 <u>items were or should have been in existence before the bulk</u> 1026 <u>assignee's acquisition of the units</u> <del>during the period during</del> 1027 which the bulk assignee was entitled to elect at least a

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1028 majority of the members of the board of administration. In 1029 conjunction with the acquisition of units condominium parcels, a 1030 bulk assignee shall undertake a good faith effort to obtain the 1031 documents and materials that must be provided to the association 1032 pursuant to s. 718.301(4). If the bulk assignee is not able to 1033 obtain all of such documents and materials, the bulk assignee 1034 must certify in writing to the association the names or 1035 descriptions of the documents and materials that were not 1036 obtainable by the bulk assignee. Delivery of the certificate 1037 relieves the bulk assignee of responsibility for delivering the 1038 documents and materials referenced in the certificate as 1039 otherwise required under ss. 718.112 and 718.301 and this part. 1040 The responsibility of the bulk assignee for the audit required 1041 by s. 718.301(4) commences as of the date on which the bulk assignee elected or appointed a majority of the members of the 1042 1043 board of administration.

1044 Section 10. Section 718.706, Florida Statutes, is amended 1045 to read:

1046 718.706 Specific provisions pertaining to offering of units 1047 by a bulk assignee or bulk buyer.-

(1) Before offering more than seven any units in a single condominium for sale or for lease for a term exceeding 5 years, a bulk assignee or a bulk buyer must file the following documents with the division and provide such documents to a prospective purchaser or tenant:

(a) An updated prospectus or offering circular, or a
supplement to the prospectus or offering circular, filed by the
original developer prepared in accordance with s. 718.504, which
must include the form of contract for sale and for lease in

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1057 compliance with s. 718.503(2);

1058 (b) An updated Frequently Asked Questions and Answers
1059 sheet;

1060 (c) The executed escrow agreement if required under s. 1061 718.202; and

1062 (d) The financial information required by s. 718.111(13). 1063 However, if a financial information report did <del>does</del> not exist 1064 for the fiscal year before the acquisition of title by the bulk 1065 assignee or bulk buyer, and if or accounting records that cannot 1066 be obtained in good faith by the bulk assignee or the bulk buyer 1067 which would permit preparation of the required financial 1068 information report for that period cannot be obtained despite 1069 good faith efforts by the bulk assignee or the bulk buyer, the 1070 bulk assignee or bulk buyer is excused from the requirement of 1071 this paragraph. However, the bulk assignee or bulk buyer must 1072 include in the purchase contract the following statement in 1073 conspicuous type:

1075ALL OR A PORTION OFTHE FINANCIAL INFORMATION REPORT1076REQUIRED UNDER S. 718.111(13) FOR THE TIME PERIOD BEFORE THE1077SELLER'S ACQUISITION OF THE UNIT1078YEAR OF THE ASSOCIATION IS NOT AVAILABLE OR CANNOT BE OBTAINED1079DESPITE THE GOOD FAITH EFFORTS OF1080THE INSUFFICIENT ACCOUNTING RECORDS OF THE ASSOCIATION.

1082 (2) Before offering more than seven any units in a single
1083 <u>condominium</u> for sale or for lease for a term exceeding 5 years,
1084 a bulk assignee <u>or a bulk buyer</u> must file with the division and
1085 provide to a prospective purchaser <u>or tenant under a lease for a</u>

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1086 term exceeding 5 years a disclosure statement that includes, but 1087 is not limited to: (a) A description of any rights of the developer rights 1088 that developer which have been assigned to the bulk assignee or 1089 1090 bulk buyer; 1091 (b) The following statement in conspicuous type: 1092 1093 THE SELLER IS NOT OBLIGATED FOR ANY WARRANTIES OF THE 1094 DEVELOPER UNDER S. 718.203(1) OR S. 718.618, AS APPLICABLE, 1095 EXCEPT FOR DESIGN, CONSTRUCTION, DEVELOPMENT, OR REPAIR WORK 1096 PERFORMED BY OR ON BEHALF OF THE SELLER; and 1097 1098 (c) If the condominium is a conversion subject to part VI, 1099 the following statement in conspicuous type: 1100 THE SELLER HAS NO OBLIGATION TO FUND CONVERTER RESERVES OR 1101 TO PROVIDE CONVERTER WARRANTIES UNDER S. 718.618 ON ANY PORTION 1102 1103 OF THE CONDOMINIUM PROPERTY EXCEPT AS MAY BE EXPRESSLY REQUIRED 1104 OF THE SELLER IN THE CONTRACT FOR PURCHASE AND SALE EXECUTED BY 1105 THE SELLER AND THE PREVIOUS DEVELOPER AND PERTAINING TO ANY 1106 DESIGN, CONSTRUCTION, DEVELOPMENT, OR REPAIR WORK PERFORMED BY OR ON BEHALF OF THE SELLER. 1107 1108 1109 (3) A bulk assignee, while it is in control of the board of 1110 administration of the association, may not authorize, on behalf 1111 of the association: 1112 (a) The waiver of reserves or the reduction of funding of 1113 the reserves pursuant to s. 718.112(2)(f)2., unless approved by a majority of the voting interests not controlled by the 1114

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1115 developer, bulk assignee, and bulk buyer; or

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

(4) A bulk assignee or a bulk buyer must comply with all 1120 the requirements of s. 718.302 regarding any contracts entered 1121 into by the association during the period the bulk assignee or 1122 1123 bulk buyer maintains control of the board of administration. 1124 Unit owners shall be provided afforded all of the rights and the 1125 protections contained in s. 718.302 regarding agreements entered 1126 into by the association which are under the control of before 1127 unit owners other than the developer, bulk assignee, or bulk 1128 buyer elected a majority of the board of administration.

1129 (5) Notwithstanding any other provision of this part, a 1130 bulk assignee or a bulk buyer is not required to comply with the 1131 filing or disclosure requirements of subsections (1) and (2) if 1132 all of the units owned by the bulk assignee or bulk buyer are 1133 offered and conveyed to a single purchaser in a single 1134 transaction. A bulk buyer must comply with the requirements 1135 contained in the declaration regarding any transfer of a unit, including sales, leases, and subleases. A bulk buyer is not 1136 1137 entitled to any exemptions afforded a developer or successor 11.38 developer under this chapter regarding the transfer of a unit, 1139 including sales, leases, or subleases.

1140 Section 11. Section 718.707, Florida Statutes, is amended 1141 to read:

1142 718.707 Time limitation for classification as bulk assignee 1143 or bulk buyer.—A person acquiring condominium parcels may not be



1144 classified as a bulk assignee or bulk buyer unless the 1145 condominium parcels were acquired on or after July 1, 2010, but 1146 before July 1, 2012. The date of such acquisition shall be 1147 determined by the date of recording of a deed or other 1148 instrument of conveyance for such parcels in the public records 1149 of the county in which the condominium is located, or by the 1150 date of issuing issuance of a certificate of title in a 1151 foreclosure proceeding with respect to such condominium parcels.

1152Section 12. Subsections (3), (4), and (10) of section1153719.108, Florida Statutes, is amended to read:

1154719.108 Rents and assessments; liability; lien and1155priority; interest; collection; cooperative ownership.-

1156 (3) Rents and assessments, and installments on them, not 1157 paid when due bear interest at the rate provided in the 1158 cooperative documents from the date due until paid. This rate may not exceed the rate allowed by  $law_{\overline{r}}$  and, if a rate is not 1159 1160 provided in the cooperative documents, interest accrues at 18 1161 percent per annum. If the cooperative documents or bylaws so 1162 provide, the association may charge an administrative late fee 1163 in addition to such interest, in an amount not to exceed the 1164 greater of \$25 or 5 percent of each installment of the 1165 assessment for each delinquent installment that the payment is 1166 late. The association may also charge for reasonable expenses 1167 incurred by the association for collection services that are 1168 reasonably related to the collection of the delinquent account 1169 rendered by a community association manager or community 1170 association management firm, as specified in a written agreement 1171 with such community association manager or firm, and payable to 1172 the community association manager or firm as a liquidated sum.

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1173 Any payment received by an association must be applied first to 1174 any interest accrued by the association, then to any 1175 administrative late fee, then to expenses for collection 1176 services, then to any costs and reasonable attorney's fees 1177 incurred in collection, and then to the delinquent assessment. 1178 The foregoing applies notwithstanding any restrictive 1179 endorsement, designation, or instruction placed on or accompanying a payment. A late fee is not subject to chapter 687 1180 1181 or s. 719.303(3).

1182 (4) The association has a lien on each cooperative parcel 1183 for any unpaid rents and assessments, plus interest, and any 1184 authorized administrative late fees. The claim of lien also 1185 secures reasonable expenses for collection services incurred 1186 before filing a claim as provided in subsection  $(3)_{\tau}$  and any reasonable costs for collection services for which the 1187 1188 association has contracted against the unit owner of the 1189 cooperative parcel. If authorized by the cooperative documents, the lien also secures reasonable attorney's fees incurred by the 1190 1191 association incident to the collection of the rents and assessments or enforcement of such lien. The lien is effective 1192 1193 from and after recording a claim of lien in the public records 1194 in the county in which the cooperative parcel is located which 1195 states the description of the cooperative parcel, the name of 1196 the unit owner, the amount due, and the due dates. The lien 1197 expires if a claim of lien is not filed within 1 year after the 1198 date the assessment was due, and the lien does not continue for 1199 longer than 1 year after the claim of lien has been recorded 1200 unless, within that time, an action to enforce the lien is 1201 commenced. Except as otherwise provided in this chapter, a lien



1202 may not be filed by the association against a cooperative parcel 1203 until 30 days after the date on which a notice of intent to file 1204 a lien has been delivered to the owner.

(a) The notice must be sent to the unit owner at theaddress of the unit by first-class United States mail and:

1207 1. If the most recent address of the unit owner on the 1208 records of the association is the address of the unit, the 1209 notice must be sent by registered or certified mail, return 1210 receipt requested, to the unit owner at the address of the unit.

1211 2. If the most recent address of the unit owner on the 1212 records of the association is in the United States, but is not 1213 the address of the unit, the notice must be sent by registered 1214 or certified mail, return receipt requested, to the unit owner 1215 at his or her most recent address.

1216 3. If the most recent address of the unit owner on the 1217 records of the association is not in the United States, the 1218 notice must be sent by first-class United States mail to the 1219 unit owner at his or her most recent address.

(b) A notice that is sent pursuant to this subsection isdeemed delivered upon mailing.

1222 (10) If the unit is occupied by a tenant and the unit owner 1223 is delinquent in paying any monetary obligation due to the 1224 association, the association may make a written demand that the 1225 tenant pay rent to the association the future monetary 1226 obligations related to the cooperative share to the association 1227 and continue to the tenant must make such payments until all 1228 monetary obligations of the unit owner related to the unit have 1229 been paid in full to the association payment. The demand is 1230 continuing in nature, and upon demand, The tenant must pay the

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1231 rent the monetary obligations to the association until the 1232 association releases the tenant or the tenant discontinues 1233 tenancy in the unit. The association must mail written notice to the unit owner of the association's demand that the tenant make 1234 1235 payments to the association. The association shall, upon 1236 request, provide the tenant with written receipts for payments 1237 made. A tenant who acts in good faith in response to a written 1238 demand from an association is immune from any claim by from the 1239 unit owner related to the rent once the association has made 1240 written demand. Any payment received from a tenant by the 1241 association must be applied to the unit owner's oldest 1242 delinquent monetary obligation.

1243 (a) If the tenant paid prepaid rent to the unit owner for a 1244 given rental period before receiving the demand from the 1245 association and provides written evidence of prepaying paying 1246 the rent to the association within 14 days after receiving the 1247 demand, the tenant shall receive credit for the prepaid rent for 1248 the applicable period but and must make any subsequent rental 1249 payments to the association to be credited against the monetary 1250 obligations of the unit owner to the association.

1251 (b) The tenant is not liable for increases in the amount of 1252 the regular monetary obligations due unless the tenant was 1253 notified in writing of the increase at least 10 days before the 1254 date on which the rent is due. The liability of the tenant may 1255 not exceed the amount due from the tenant to the tenant's landlord. The tenant's landlord shall provide the tenant a 1256 1257 credit against rents due to the unit owner in the amount of 1258 moneys paid to the association under this section.

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(c) The association may issue notices under s. 83.56 and



may sue for eviction under ss. 83.59-83.625 as if the association were a landlord under part II of chapter 83 if the tenant fails to pay a required payment. However, the association is not otherwise considered a landlord under chapter 83 and specifically has no <u>obligations</u> duties under s. 83.51.

(d) The tenant does not, by virtue of payment of monetary obligations, have any of the rights of a unit owner to vote in any election or to examine the books and records of the association.

1269 (e) A court may supersede the effect of this subsection by 1270 appointing a receiver.

1271 Section 13. Subsection (3) of section 719.303, Florida 1272 Statutes, is amended, and subsections (4), (5), and (6) are 1273 added to that section, to read:

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719.303 Obligations of owners.-

1275 (3) If the cooperative documents so provide, The 1276 association may levy reasonable fines against a unit owner for 1277 failure of the unit owner or the unit's occupant, his or her 1278 licensee, or invitee or the unit's occupant to comply with any 1279 provision of the cooperative documents or reasonable rules of 1280 the association. A fine may not No fine shall become a lien 1281 against a unit. No fine shall exceed \$100 per violation. 1282 However, A fine may be levied on the basis of each day of a 1283 continuing violation, with a single notice and opportunity for 1284 hearing. However, the fine may not exceed \$100 per violation, or 1285 \$1,000 provided that no such fine shall in the aggregate exceed 1286 \$1,000.

1287 (a) An association may suspend, for a reasonable period of 1288 time, the right of a unit owner, or a unit owner's tenant,

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1289guest, or invitee, to use the common elements, common1290facilities, or any other association property for failure to1291comply with any provision of the cooperative documents or1292reasonable rules of the association.

(b) A No fine <u>or suspension</u> may <u>not</u> be <u>imposed</u> levied except after giving reasonable notice and opportunity for a hearing to the unit owner and, if applicable, <u>the unit's</u> his or her licensee or invitee. The hearing <u>must</u> shall be held before a committee of other unit owners. If the committee does not agree with the fine <u>or suspension</u>, it <u>may</u> shall not be <u>imposed</u> levied. This subsection does not apply to unoccupied units.

1300 (4) If a unit owner is more than 90 days delinquent in 1301 paying a monetary obligation due to the association, the 1302 association may suspend the right of the unit owner or the 1303 unit's occupant, licensee, or invitee to use common elements, 1304 common facilities, or any other association property until the monetary obligation is paid in full. This subsection does not 1305 1306 apply to limited common elements intended to be used only by 1307 that unit, common elements needed to access the unit, utility 1308 services provided to the unit, parking spaces, or elevators. The 1309 notice and hearing requirements under subsection (3) do not 1310 apply to suspensions imposed under this subsection.

1311 (5) An association may suspend the voting rights of a 1312 member due to nonpayment of any monetary obligation due to the 1313 association which is more than 90 days delinquent. The 1314 suspension ends upon full payment of all obligations currently 1315 due or overdue the association. The notice and hearing 1316 requirements under subsection (3) do not apply to a suspension 1317 imposed under this subsection.

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1318	(6) All suspensions imposed pursuant to subsection (4) or
1319	subsection (5) must be approved at a properly noticed board
1320	meeting. Upon approval, the association must notify the unit
1321	owner and, if applicable, the unit's occupant, licensee, or
1322	invitee by mail or hand delivery.
1323	Section 14. Subsection (3) of section 720.3085, Florida
1324	Statutes, is amended to read:
1325	720.3085 Payment for assessments; lien claims
1326	(3) Assessments and installments on assessments that are
1327	not paid when due bear interest from the due date until paid at
1328	the rate provided in the declaration of covenants or the bylaws
1329	of the association, which rate may not exceed the rate allowed
1330	by law. If no rate is provided in the declaration or bylaws,
1331	interest accrues at the rate of 18 percent per year.
1332	(a) If the declaration or bylaws so provide, the
1333	association may also charge an administrative late fee <del>in an</del>
1334	amount not to exceed the greater of \$25 or 5 percent of the
1335	amount of each installment that is paid past the due date.
1336	(b) The association may also charge for reasonable expenses
1337	incurred by the association for collection services that are
1338	reasonably related to the collection of the delinquent account
1339	rendered by a community association manager or community
1340	association management firm, as specified in a written agreement
1341	with such community association manager or firm, and payable to
1342	the community association manager or firm as a liquidated sum.
1343	<u>(c)</u> Any payment received by an association and accepted
1344	shall be applied first to any interest accrued, then to any
1345	administrative late fee, then to expenses for collection
1346	services as provided under paragraph (b), then to any costs and

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1347 reasonable attorney's fees incurred in collection, and then to 1348 the delinquent assessment. This paragraph applies 1349 notwithstanding any restrictive endorsement, designation, or 1350 instruction placed on or accompanying a payment. A late fee is 1351 not subject to the provisions of chapter 687 and is not a fine.

1352Section 15. Paragraph (c) of subsection (5) of section1353720.303, Florida Statutes, is amended to read:

1354 720.303 Association powers and duties; meetings of board; 1355 official records; budgets; financial reporting; association 1356 funds; recalls.-

1357 (5) INSPECTION AND COPYING OF RECORDS.-The official records 1358 shall be maintained within the state and must be open to 1359 inspection and available for photocopying by members or their 1360 authorized agents at reasonable times and places within 10 1361 business days after receipt of a written request for access. 1362 This subsection may be complied with by having a copy of the 1363 official records available for inspection or copying in the community. If the association has a photocopy machine available 1364 1365 where the records are maintained, it must provide parcel owners 1366 with copies on request during the inspection if the entire 1367 request is limited to no more than 25 pages.

1368 (c) The association may adopt reasonable written rules governing the frequency, time, location, notice, records to be 1369 1370 inspected, and manner of inspections, but may not require a 1371 parcel owner to demonstrate any proper purpose for the 1372 inspection, state any reason for the inspection, or limit a 1373 parcel owner's right to inspect records to less than one 8-hour 1374 business day per month. The association may impose fees to cover 1375 the costs of providing copies of the official records,

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1376 including, without limitation, the costs of copying. The 1377 association may charge up to 50 cents per page for copies made 1378 on the association's photocopier. If the association does not 1379 have a photocopy machine available where the records are kept, 1380 or if the records requested to be copied exceed 25 pages in 1381 length, the association may have copies made by an outside 1382 vendor or association management company personnel and may charge the actual cost of copying, including any reasonable 1383 1384 costs involving personnel fees and charges at an hourly rate for 1385 vendor or employee time to cover administrative costs to the 1386 vendor or association. The association shall maintain an 1387 adequate number of copies of the recorded governing documents, 1388 to ensure their availability to members and prospective members. 1389 Notwithstanding this paragraph, the following records are not 1390 accessible to members or parcel owners:

1391 1. Any record protected by the lawyer-client privilege as described in s. 90.502 and any record protected by the work-1392 product privilege, including, but not limited to, a any record 1393 1394 prepared by an association attorney or prepared at the 1395 attorney's express direction which reflects a mental impression, 1396 conclusion, litigation strategy, or legal theory of the attorney 1397 or the association and which was prepared exclusively for civil or criminal litigation or for adversarial administrative 1398 1399 proceedings or which was prepared in anticipation of such 1400 imminent civil or criminal litigation or imminent adversarial 1401 administrative proceedings until the conclusion of the 1402 litigation or administrative proceedings.

1403 2. Information obtained by an association in connection 1404 with the approval of the lease, sale, or other transfer of a

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1405 parcel. 3. Personnel records of the association's employees, 1406 1407 including, but not limited to, disciplinary, payroll, health, and insurance records. For purposes of this paragraph, the term 1408 1409 "personnel records" does not include written employment 1410 agreements with an association employee or budgetary or 1411 financial records that indicate the compensation paid to an 1412 association employee. 1413 4. Medical records of parcel owners or community residents. 1414 5. Social security numbers, driver's license numbers, 1415 credit card numbers, electronic mailing addresses, telephone 1416 numbers, facsimile numbers, emergency contact information, any 1417 addresses for a parcel owner other than as provided for 1418 association notice requirements, and other personal identifying 1419 information of any person, excluding the person's name, parcel designation, mailing address, and property address. However, an 1420 1421 owner may consent in writing to the disclosure of protected 1422 information described in this subparagraph. The association is 1423 not liable for the disclosure of information that is protected 1424 under this subparagraph if the information is included in an 1425 official record of the association and is voluntarily provided 1426 by an owner and not requested by the association.

14276. Any electronic security measure that is used by the1428association to safeguard data, including passwords.

1429 7. The software and operating system used by the 1430 association which allows the manipulation of data, even if the 1431 owner owns a copy of the same software used by the association. 1432 The data is part of the official records of the association. 1433 Section 16. Subsections (2) and (3) of section 720.305,

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1434 Florida Statutes, are amended and renumbered as subsections (3) 1435 and (4), respectively, and subsection (5) is added to that 1436 section, to read:

1437 720.305 Obligations of members; remedies at law or in 1438 equity; levy of fines and suspension of use rights.-

(2) The association If a member is delinquent for more than 1439 1440 90 days in paying a monetary obligation due the association, an association may suspend, until such monetary obligation is paid, 1441 1442 the rights of a member or a member's tenants, guests, or invitees, or both, to use common areas and facilities and may 1443 1444 levy reasonable fines of up to \$100 per violation, against any 1445 member or any member's tenant, guest, or invitee for the failure of the owner of the parcel, or its occupant, licensee, or 1446 1447 invitee, to comply with any provision of the declaration, the 1448 association bylaws, or reasonable rules of the association. A 1449 fine may be levied for each day of a continuing violation, with 1450 a single notice and opportunity for hearing, except that the a fine may not exceed \$1,000 in the aggregate unless otherwise 1451 1452 provided in the governing documents. A fine of less than \$1,000 1453 may not become a lien against a parcel. In any action to recover 1454 a fine, the prevailing party is entitled to <del>collect its</del> 1455 reasonable attorney's fees and costs from the nonprevailing 1456 party as determined by the court.

(a) An association may suspend, for a reasonable period of
time, the right of a member, or a member's tenant, guest, or
invitee, to use common areas and facilities for the failure of
the owner of the parcel, or its occupant, licensee, or invitee,
to comply with any provision of the declaration, the association
bylaws, or reasonable rules of the association. The provisions

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1463 regarding the suspension-of-use rights do not apply to the 1464 portion of common areas that must be used to provide access to 1465 the parcel or utility services provided to the parcel.

1466 (b) (a) A fine or suspension may not be imposed without at 1467 least 14 days' notice to the person sought to be fined or suspended and an opportunity for a hearing before a committee of 1468 1469 at least three members appointed by the board who are not 1470 officers, directors, or employees of the association, or the 1471 spouse, parent, child, brother, or sister of an officer, 1472 director, or employee. If the committee, by majority vote, does 1473 not approve a proposed fine or suspension, it may not be 1474 imposed. If the association imposes a fine or suspension, the 1475 association must provide written notice of such fine or 1476 suspension by mail or hand delivery to the parcel owner and, if 1477 applicable, to any tenant, licensee, or invitee of the parcel 1478 owner.

1479 (3) If a member is more than 90 days delinquent in paying a
1480 monetary obligation due to the association, the association may
1481 suspend the right of the member, or the member's tenant, guest,
1482 or invitee, to use common areas and facilities until the
1483 monetary obligation is paid in full. The subsection does not
1484 apply to that portion of common areas used to provide access to
1485 the parcel or to utility services provided to the parcel.

1486 (b) Suspension does of common-area-use rights do not impair 1487 the right of an owner or tenant of a parcel to have vehicular 1488 and pedestrian ingress to and egress from the parcel, including, 1489 but not limited to, the right to park. The notice and hearing 1490 requirements under subsection (2) do not apply to a suspension 1491 imposed under this subsection.

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1492 (4) (3) If the governing documents so provide, An 1493 association may suspend the voting rights of a member for the 1494 nonpayment of any monetary obligation that is more than regular 1495 annual assessments that are delinquent in excess of 90 days 1496 delinquent. The notice and hearing requirements under subsection 1497 (2) do not apply to a suspension imposed under this subsection. 1498 The suspension ends upon full payment of all obligations 1499 currently due or overdue to the association.

1500 (5) All suspensions imposed pursuant to subsection (3) or 1501 subsection (4) must be approved at a properly noticed board 1502 meeting. Upon approval, the association must notify the parcel 1503 owner and, if applicable, the parcel's occupant, licensee, or 1504 invitee by mail or hand delivery.

Section 17. Paragraph (a) of subsection (1) and subsection (8) of section 720.3085, Florida Statutes, are amended to read: 720.3085 Payment for assessments; lien claims.-

1508 (1) When authorized by the governing documents, the 1509 association has a lien on each parcel to secure the payment of 1510 assessments and other amounts provided for by this section. 1511 Except as otherwise set forth in this section, the lien is 1512 effective from and shall relate back to the date on which the 1513 original declaration of the community was recorded. However, as 1514 to first mortgages of record, the lien is effective from and 1515 after recording of a claim of lien in the public records of the 1516 county in which the parcel is located. This subsection does not 1517 bestow upon any lien, mortgage, or certified judgment of record 1518 on July 1, 2008, including the lien for unpaid assessments created in this section, a priority that, by law, the lien, 1519 1520 mortgage, or judgment did not have before July 1, 2008.

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1521 (a) To be valid, a claim of lien must state the description 1522 of the parcel, the name of the record owner, the name and 1523 address of the association, the assessment amount due, and the 1524 due date. The claim of lien secures shall secure all unpaid 1525 assessments that are due and that may accrue subsequent to the 1526 recording of the claim of lien and before entry of a certificate 1527 of title, as well as interest, late charges, and reasonable 1528 costs and attorney's fees incurred by the association incident 1529 to the collection process. The claim of lien also secures reasonable expenses for collection services incurred before 1530 1531 filing a claim as provided in subsection (3). The person making 1532 the payment is entitled to a satisfaction of the lien upon 1533 payment in full.

1534 (8) If the parcel is occupied by a tenant and the parcel 1535 owner is delinquent in paying any monetary obligation due to the 1536 association, the association may demand that the tenant pay rent 1537 to the association and continue to make such payments until all the monetary obligations of the parcel owner related to the 1538 1539 parcel have been paid in full and the future monetary 1540 obligations related to the parcel. The demand is continuing in 1541 nature, and upon demand, the tenant must continue to pay the monetary obligations until the association releases the tenant 1542 1543 or until the tenant discontinues tenancy in the parcel. A tenant 1544 who acts in good faith in response to a written demand from an 1545 association is immune from any claim by from the parcel owner 1546 related to the rent once the association has made written 1547 demand. Any payment received from a tenant by the association 1548 must be applied to the parcel owner's oldest delinquent monetary 1549 obligation.



1550 (a) If the tenant paid prepaid rent to the parcel owner for 1551 a given rental period before receiving the demand from the 1552 association and provides written evidence of prepaying paying 1553 the rent to the association within 14 days after receiving the 1554 demand, the tenant shall receive credit for the prepaid rent for 1555 the applicable period but and must make any subsequent rental 1556 payments to the association to be credited against the monetary 1557 obligations of the parcel owner to the association. The 1558 association shall, upon request, provide the tenant with written 1559 receipts for payments made. The association shall mail written 1560 notice to the parcel owner of the association's demand that the 1561 tenant pay monetary obligations to the association.

1562 (b) The tenant is not liable for increases in the amount of 1563 the monetary obligations due unless the tenant was notified in 1564 writing of the increase at least 10 days before the date on 1565 which the rent is due. The liability of the tenant may not 1566 exceed the amount due from the tenant to the tenant's landlord. 1567 The tenant shall be given a credit against rents due to the 1568 parcel owner in the amount of assessments paid to the 1569 association.

(c) The association may issue notices under s. 83.56 and may sue for eviction under ss. 83.59-83.625 as if the association were a landlord under part II of chapter 83 if the tenant fails to pay a monetary obligation. However, the association is not otherwise considered a landlord under chapter 83 and specifically has no <u>obligations</u> duties under s. 83.51.

(d) The tenant does not, by virtue of payment of monetary
obligations, have any of the rights of a parcel owner to vote in
any election or to examine the books and records of the

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1579 association.

(e) A court may supersede the effect of this subsection by appointing a receiver.

1582 Section 18. Section 720.309, Florida Statutes, is amended 1583 to read:

1584

720.309 Agreements entered into by the association.-

1585 <u>(1)</u> Any grant or reservation made by any document, and any 1586 contract <u>that has</u> with a term <u>greater than</u> in excess of 10 1587 years, that is made by an association before control of the 1588 association is turned over to the members other than the 1589 developer, <u>and that provides</u> which provide for <u>the</u> operation, 1590 maintenance, or management of the association or common areas, 1591 must be fair and reasonable.

1592 (2) If the governing documents provide for the cost of 1593 communication services as defined in s. 202.11, information 1594 services or Internet services obtained pursuant to a bulk 1595 contract shall be deemed an operating expense of the 1596 association. If the governing documents do not provide for such 1597 services, the board may contract for the services, and the cost 1598 shall be deemed an operating expense of the association but must 1599 be allocated on a per-parcel basis rather than a percentage 1600 basis, notwithstanding that the governing documents provide for 1601 other than an equal sharing of operating expenses. Any contract 1602 entered into before July 1, 2011, in which the cost of the 1603 service is not equally divided among all parcel owners may be 1604 changed by a majority of the voting interests present at a 1605 regular or special meeting of the association in order to 1606 allocate the cost equally among all parcels. 1607 (a) Any contract entered into may be canceled by a majority

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1608 of the voting interests present at the next regular or special 1609 meeting of the association, whichever occurs first. Any member 1610 may make a motion to cancel such contract, but if no motion is 1611 made or if such motion fails to obtain the required vote, the 1612 contract shall be deemed ratified for the term expressed 1613 therein.

1614 (b) Any contract entered into must provide, and shall be 1615 deemed to provide if not expressly set forth therein, that a 1616 hearing-impaired or legally blind parcel owner who does not 1617 occupy the parcel along with a nonhearing-impaired or sighted 1618 person, or a parcel owner who receives supplemental security 1619 income under Title XVI of the Social Security Act or food stamps 1620 as administered by the Department of Children and Family 1621 Services pursuant to s. 414.31, may discontinue the service 1622 without incurring disconnect fees, penalties, or subsequent 1623 service charges, and may not be required to pay any operating 1624 expenses charge related to such service for those parcels. If 1625 fewer than all parcel owners share the expenses of the 1626 communication services, information services, or Internet 1627 services, the expense must be shared by all participating parcel 1628 owners. The association may use the provisions of s. 720.3085 to 1629 enforce payment by the parcel owners receiving such services. (c) A resident of any parcel, whether a tenant or parcel 1630

1630 <u>(c) A resident of any parcer, whether a tenant of parcer</u> 1631 <u>owner, may not be denied access to available franchised,</u> 1632 <u>licensed, or certificated cable or video service providers if</u> 1633 <u>the resident pays the provider directly for services. A resident</u> 1634 <u>or a cable or video service provider may not be required to pay</u> 1635 <u>anything of value in order to obtain or provide such service</u> 1636 <u>except for the charges normally paid for like services by</u>

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1637	residents of single-family homes located outside the community
1638	but within the same franchised, licensed, or certificated area,
1639	and except for installation charges agreed to between the
1640	resident and the service provider.
1641	Section 19. This act shall take effect July 1, 2011.
1642	
1643	======================================
1644	And the title is amended as follows:
1645	Delete everything before the enacting clause
1646	and insert:
1647	A bill to be entitled
1648	An act relating to condominium, cooperative, and
1649	homeowners' associations; amending s. 718.111, F.S.;
1650	revising provisions relating to the official records
1651	of condominium associations; providing for disclosure
1652	of employment agreements or compensation paid to
1653	association employees; amending s. 718.112, F.S.;
1654	revising provisions relating to bylaws; providing that
1655	board of administration meetings discussing personnel
1656	matters are not open to unit members; revising
1657	requirements for electing the board of directors;
1658	providing for continued office and for filling
1659	vacancies under certain circumstances; specifying unit
1660	owner eligibility for board membership; requiring that
1661	certain educational curriculum be completed within a
1662	specified time before the election or appointment of a
1663	board director; amending s. 718.114, F.S.; requiring
1664	the vote or written consent of a majority of the
1665	voting interests before a condominium association may



1666 enter into certain agreements to acquire leaseholds, 1667 memberships, or other possessory or use interests; 1668 amending s. 718.116, F.S.; revising provisions 1669 relating to condominium assessments; authorizing the 1670 association to charge for collection services for 1671 delinquent accounts; authorizing a claim of lien to 1672 secure reasonable expenses for collection services for 1673 a delinguent account; requiring any rent payments 1674 received by an association from a tenant to be applied 1675 to the oldest delinquent monetary obligation of a unit 1676 owner; amending s. 718.117, F.S.; providing procedures 1677 and requirements for partial termination of a 1678 condominium property; requiring that a lien against a 1679 condominium unit being terminated be transferred to 1680 the proceeds of sale for that property; amending s. 1681 718.303, F.S.; revising provisions relating to 1682 imposing remedies against a delinguent unit owner or 1683 occupant; providing for the suspension of certain 1684 rights of use or voting rights; requiring that the 1685 suspension of certain rights of use or voting rights 1686 be approved at a noticed board meeting; amending s. 1687 718.703. F.S.; redefining the term "bulk assignee" for 1688 purposes of the Distressed Condominium Relief Act; 1689 amending s. 718.704, F.S.; revising provisions 1690 relating to the assignment of developer rights by a bulk assignee; amending s. 718.705, F.S.; revising 1691 1692 provisions relating to the transfer of control of a condominium board of administration to unit owners; 1693 amending s. 718.706, F.S.; revising provisions 1694

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1695 relating to the offering of units by a bulk assignee 1696 or bulk buyer; amending s. 718.707, F.S.; revising the time limitation for classification as a bulk assignee 1697 1698 or bulk buyer; amending s. 719.108, F.S.; authorizing 1699 an association to charge for collection services for 1700 delinquent accounts; authorizing a claim of lien to 1701 secure reasonable expenses for collection services for 1702 a delinguent account; requiring any rent payments 1703 received by a cooperative association from a tenant to 1704 be applied to the oldest delinquent monetary 1705 obligation of a unit owner; amending s. 719.303, F.S.; 1706 revising provisions relating to imposing remedies 1707 against a delinguent unit owner or occupant; providing 1708 for the suspension of certain rights of use or voting 1709 rights; requiring that the suspension of certain 1710 rights of use or voting rights be approved at a noticed board meeting; amending s. 720.303, F.S.; 1711 1712 revising provisions relating to records that are not 1713 accessible to members of a homeowners' association; providing for disclosure of employment agreements and 1714 1715 compensation paid to association employees; amending 1716 s. 720.305, F.S.; revising provisions relating to 1717 imposing remedies against a delinquent member of a 1718 homeowners' association; requiring that the suspension 1719 of certain rights of use or voting rights be approved 1720 at a noticed board meeting; amending s. 720.3085, 1721 F.S.; authorizing an association to charge for 1722 collection services for delinguent accounts; 1723 authorizing a claim of lien to secure expenses for

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1724 collection services for a delinquent account; 1725 requiring any rent payments received by an association 1726 from a tenant to be applied to the oldest delinquent 1727 monetary obligation of a parcel owner; amending s. 1728 720.309, F.S.; providing for the allocation of 1729 communication services by a homeowners' association; 1730 providing for the cancellation of communication 1731 contracts; providing that hearing-impaired or legally 1732 blind owners and owners receiving certain supplemental 1733 security income or food stamps may discontinue the 1734 service without incurring costs; providing that 1735 residents may not be denied access to available 1736 franchised, licensed, or certificated cable or video 1737 service providers; providing an effective date.