

1 A bill to be entitled
 2 An act relating to residential properties; amending s.
 3 201.02, F.S.; providing that a certain deed, transfer,
 4 or conveyance from an owner of property is subject to
 5 certain taxes; amending s. 617.0721, F.S.; authorizing
 6 the use of a copy, facsimile transmission, or other
 7 reliable reproduction of an original proxy vote for
 8 certain purposes; amending s. 718.103, F.S.; revising
 9 a definition; amending s. 718.111, F.S.; revising
 10 liability of unit owners under certain conditions;
 11 revising what constitutes official records of an
 12 association; amending s. 718.112, F.S.; clarifying the
 13 voting process for providing reserves; amending s.
 14 718.116, F.S.; revising provisions relating to the
 15 liability of condominium unit owners and mortgagees;
 16 revising applicability; revising effect of a claim of
 17 lien; amending s. 718.301, F.S.; adding conditions
 18 under which certain unit owners are entitled to elect
 19 at least a majority of the members of the board of
 20 administration of an association; requiring a bulk-
 21 unit purchaser to deliver certain items during the
 22 transfer of association control from the bulk-unit
 23 purchaser; amending s. 718.302, F.S.; revising the
 24 conditions under which certain grants, reservations,
 25 or contracts made by an association may be cancelled;
 26 prohibiting a lender-unit purchaser from voting on

27 | cancellation of certain grants, reservations, or
 28 | contracts while the association is under control of
 29 | that lender-unit purchaser; amending s. 718.303, F.S.;
 30 | providing that a fine may be levied by the board under
 31 | certain conditions; revising requirements for levying
 32 | a fine or suspension; amending s. 718.501, F.S.;
 33 | conforming provisions of chapter 718, F.S., relating
 34 | to the enforcement powers of the Division of Florida
 35 | Condominiums, Timeshares, and Mobile Homes; creating
 36 | s. 718.709, F.S.; providing applicability of
 37 | provisions relating to the Distressed Condominium
 38 | Relief Act; creating part VIII of chapter 718, F.S.;
 39 | providing legislative intent; providing definitions;
 40 | authorizing a bulk-unit purchaser to exercise certain
 41 | developer rights; requiring a bulk-unit purchaser to
 42 | pay a working capital contribution under certain
 43 | circumstances; providing applicability; authorizing a
 44 | lender-unit purchaser to exercise any developer rights
 45 | he or she acquires; requiring a bulk-unit purchaser
 46 | and a lender-unit purchaser to comply with specified
 47 | provisions under chapter 718, F.S.; limiting the
 48 | rights of bulk-unit purchasers and lender-unit
 49 | purchasers to vote on reserves or funding of reserves;
 50 | prohibiting the transfer of such voting rights;
 51 | providing assessment liability for bulk-unit
 52 | purchasers and lender-unit purchasers; providing for

53 suspension of a director who has been elected or
54 appointed by a bulk-unit purchaser in certain
55 circumstances; specifying amendments and alterations
56 for which majority approval of unit owners is
57 required; requiring consent of a bulk-unit purchaser,
58 lender-unit purchaser, or developer to certain
59 amendments; requiring certain warranties and
60 disclosures; subjecting multiple bulk-unit purchasers
61 to joint and several liability; prohibiting a board of
62 administration, a majority of which is elected by a
63 bulk-unit purchaser, from resolving certain
64 construction disputes unless other conditions are
65 satisfied; providing that a bulk-unit purchaser or
66 lender-unit purchaser who does not comply with chapter
67 718, F.S., forfeits all protections or exemptions
68 under chapter 718, F.S.; clarifying conditions under
69 which a bulk-unit purchaser must deliver certain items
70 during the transfer of association control from the
71 bulk-unit purchaser; amending s. 719.104, F.S.;
72 revising what constitutes the official records of an
73 association; amending s. 719.108, F.S.; revising
74 applicability; revising effect of a claim of lien;
75 amending s. 719.303, F.S.; providing that a fine may
76 be levied by the board under certain conditions;
77 revising requirements for levying a fine or
78 suspension; amending s. 720.301, F.S.; revising the

79 definition of the term "governing documents"; creating
 80 s. 720.3015, F.S.; providing a short title; amending
 81 s. 720.305, F.S.; revising requirements for levying a
 82 fine or suspension; revising application of certain
 83 provisions; amending s. 720.306, F.S.; revising
 84 requirements for the adoption of amendments to the
 85 governing documents; revising requirements for the
 86 election of directors; providing an effective date.

87

88 Be It Enacted by the Legislature of the State of Florida:

89

90 Section 1. Subsection (9) of section 201.02, Florida
 91 Statutes, is amended to read:

92 201.02 Tax on deeds and other instruments relating to real
 93 property or interests in real property.—

94 (9) (a) A certificate of title issued by the clerk of court
 95 under s. 45.031(5) in a judicial sale of real property under an
 96 order or final judgment issued pursuant to a foreclosure
 97 proceeding is subject to the tax imposed by subsection (1).

98 However, the amount of the tax shall be computed based solely on
 99 the amount of the highest and best bid received for the property
 100 at the foreclosure sale. This paragraph ~~subsection~~ is intended
 101 to clarify existing law and shall be applied retroactively.

102 (b) A deed, transfer, or conveyance from an owner of
 103 property, subject to assessments authorized by chapter 718,
 104 chapter 719, chapter 720, or chapter 721, to an association

105 having lien rights against the property in lieu of the
 106 foreclosure of an assessment lien held by the association
 107 against such property is subject to the tax imposed by
 108 subsection (1). However, the amount of the tax shall be computed
 109 based solely on the amount of the unpaid assessments which are
 110 due and owing to the association on the date of said transfer.

111 Section 2. Subsection (2) of section 617.0721, Florida
 112 Statutes, is amended to read:

113 617.0721 Voting by members.—

114 (2) A member who is entitled to vote may vote in person
 115 or, unless the articles of incorporation or the bylaws otherwise
 116 provide, may vote by proxy executed in writing by the member or
 117 by his or her duly authorized attorney in fact. Notwithstanding
 118 any provision to the contrary in the articles of incorporation
 119 or bylaws, any copy, facsimile transmission, or other reliable
 120 reproduction of the original proxy may be substituted or used in
 121 lieu of the original proxy for any purpose for which the
 122 original proxy could be used if the copy, facsimile
 123 transmission, or other reproduction is a complete reproduction
 124 of the entire proxy. An appointment of a proxy is not valid
 125 after 11 months following the date of its execution unless
 126 otherwise provided in the proxy.

127 (a) If directors or officers are to be elected by members,
 128 the bylaws may provide that such elections may be conducted by
 129 mail.

130 (b) A corporation may reject a vote, consent, waiver, or

131 proxy appointment if the secretary or other officer or agent
 132 authorized to tabulate votes, acting in good faith, has a
 133 reasonable basis for doubting the validity of the signature on
 134 it or the signatory's authority to sign for the member.

135 Section 3. Subsections (16) of section 718.103, Florida
 136 Statutes, is amended, to read:

137 718.103 Definitions.—As used in this chapter, the term:

138 (16) "Developer" means a person who creates a condominium
 139 or offers condominium parcels for sale or lease in the ordinary
 140 course of business, but does not include:

141 (a) An owner or lessee of a condominium or cooperative
 142 unit who has acquired the unit for his or her own occupancy;

143 (b) A cooperative association that creates a condominium
 144 by conversion of an existing residential cooperative after
 145 control of the association has been transferred to the unit
 146 owners if, following the conversion, the unit owners are the
 147 same persons who were unit owners of the cooperative and no
 148 units are offered for sale or lease to the public as part of the
 149 plan of conversion;

150 (c) A bulk-unit purchaser, lender-unit purchaser, bulk
 151 assignee, or bulk buyer as defined in s. ~~718.802~~ 718.703;

152 (d) A person who acquires title to 7 or fewer units
 153 operated by the same association consisting of 40 or fewer units
 154 or who acquires title to less than 20 percent of the units
 155 operated by the same association consisting of more than 40
 156 units, regardless of whether that person offers any of those

157 units for sale; or

158 (e)~~(d)~~ A state, county, or municipal entity acting as a
 159 lessor and not otherwise named as a developer in the declaration
 160 of condominium.

161 Section 4. Paragraph (j) of subsection (11) and paragraph
 162 (a) of subsection (12) of section 718.111, Florida Statutes, are
 163 amended to read:

164 718.111 The association.—

165 (11) INSURANCE.—In order to protect the safety, health,
 166 and welfare of the people of the State of Florida and to ensure
 167 consistency in the provision of insurance coverage to
 168 condominiums and their unit owners, this subsection applies to
 169 every residential condominium in the state, regardless of the
 170 date of its declaration of condominium. It is the intent of the
 171 Legislature to encourage lower or stable insurance premiums for
 172 associations described in this subsection.

173 (j) Any portion of the condominium property that must be
 174 insured by the association against property loss pursuant to
 175 paragraph (f) which is damaged by an insurable event shall be
 176 reconstructed, repaired, or replaced as necessary by the
 177 association as a common expense. In the absence of an insurable
 178 event, the association or the unit owners shall be responsible
 179 for the reconstruction, repair, or replacement, as determined by
 180 the maintenance provisions of the declaration or bylaws. All
 181 property insurance deductibles, ~~uninsured losses,~~ and other
 182 damages in excess of property insurance coverage under the

183 property insurance policies maintained by the association are a
 184 common expense of the condominium, except that:

185 1. A unit owner is responsible for the costs of repair or
 186 replacement of any portion of the condominium property not paid
 187 by insurance proceeds if such damage is caused by intentional
 188 conduct, negligence, or failure to comply with the terms of the
 189 declaration or the rules of the association by a unit owner, the
 190 members of his or her family, unit occupants, tenants, guests,
 191 or invitees, without compromise of the subrogation rights of the
 192 insurer.

193 2. The provisions of subparagraph 1. regarding the
 194 financial responsibility of a unit owner for the costs of
 195 repairing or replacing other portions of the condominium
 196 property also apply to the costs of repair or replacement of
 197 personal property of other unit owners or the association, as
 198 well as other property, whether real or personal, which the unit
 199 owners are required to insure.

200 3. To the extent the cost of repair or reconstruction for
 201 which the unit owner is responsible under this paragraph is
 202 reimbursed to the association by insurance proceeds, and the
 203 association has collected the cost of such repair or
 204 reconstruction from the unit owner, the association shall
 205 reimburse the unit owner without the waiver of any rights of
 206 subrogation.

207 4. The association is not obligated to pay for
 208 reconstruction or repairs of property losses as a common expense

209 | if the property losses were known or should have been known to a
 210 | unit owner and were not reported to the association until after
 211 | the insurance claim of the association for that property was
 212 | settled or resolved with finality, or denied because it was
 213 | untimely filed.

214 | (12) OFFICIAL RECORDS.—

215 | (a) From the inception of the association, the association
 216 | shall maintain each of the following items, if applicable, which
 217 | constitutes the official records of the association:

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

220 | 2. A photocopy of the recorded declaration of condominium
 221 | of each condominium operated by the association and each
 222 | amendment to each declaration.

223 | 3. A photocopy of the recorded bylaws of the association
 224 | and each amendment to the bylaws.

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

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

229 | 6. A book or books that contain the minutes of all
 230 | meetings of the association, the board of administration, and
 231 | the unit owners, which minutes must be retained for at least 7
 232 | years.

233 | 7. A current roster of all unit owners and their mailing
 234 | addresses, unit identifications, voting certifications, and, if

235 known, telephone numbers. The association shall also maintain
 236 the electronic mailing addresses and facsimile numbers of unit
 237 owners consenting to receive notice by electronic transmission.
 238 The electronic mailing addresses and facsimile numbers are not
 239 accessible to unit owners if consent to receive notice by
 240 electronic transmission is not provided in accordance with
 241 subparagraph (c)5. However, the association is not liable for an
 242 inadvertent disclosure of the electronic mail address or
 243 facsimile number for receiving electronic transmission of
 244 notices.

245 8. All current insurance policies of the association and
 246 condominiums operated by the association.

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

251 10. Bills of sale or transfer for all property owned by
 252 the association.

253 11. Accounting records for the association and separate
 254 accounting records for each condominium that the association
 255 operates. All accounting records must be maintained for at least
 256 7 years. Any person who knowingly or intentionally defaces or
 257 destroys such records, or who knowingly or intentionally fails
 258 to create or maintain such records, with the intent of causing
 259 harm to the association or one or more of its members, is
 260 personally subject to a civil penalty pursuant to s.

261 718.501(1)(d). The accounting records must include, but are not
 262 limited to:

263 a. Accurate, itemized, and detailed records of all
 264 receipts and expenditures.

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

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

271 d. All contracts for work to be performed. Bids for work
 272 to be performed are also considered official records and must be
 273 maintained by the association.

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

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

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

283 15. All other written records of the association not
 284 specifically included in the foregoing which are related to the
 285 operation of the association.

286 16. A copy of the inspection report as described in s.

287 718.301(4)(p).

288 Section 5. Paragraph (f) of subsection (2) of section
 289 718.112, Florida Statutes, are amended to read:

290 718.112 Bylaws.—

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

294 (f) Annual budget.—

295 1. The proposed annual budget of estimated revenues and
 296 expenses must be detailed and must show the amounts budgeted by
 297 accounts and expense classifications, including, at a minimum,
 298 any if applicable, ~~but not limited to,~~ those expenses listed in
 299 s. 718.504(21). A multicondominium association shall adopt a
 300 separate budget of common expenses for each condominium the
 301 association operates and shall adopt a separate budget of common
 302 expenses for the association. In addition, if the association
 303 maintains limited common elements with the cost to be shared
 304 only by those entitled to use the limited common elements as
 305 provided for in s. 718.113(1), the budget or a schedule attached
 306 to it must show the amount budgeted for this maintenance. If,
 307 after turnover of control of the association to the unit owners,
 308 any of the expenses listed in s. 718.504(21) are not applicable,
 309 they need not be listed.

310 2.a. In addition to annual operating expenses, the budget
 311 must include reserve accounts for capital expenditures and
 312 deferred maintenance. These accounts must include, but are not

313 limited to, roof replacement, building painting, and pavement
314 resurfacing, regardless of the amount of deferred maintenance
315 expense or replacement cost, and ~~for~~ any other item that has a
316 deferred maintenance expense or replacement cost that exceeds
317 \$10,000. The amount to be reserved must be computed using a
318 formula based upon estimated remaining useful life and estimated
319 replacement cost or deferred maintenance expense of each reserve
320 item. The association may adjust replacement reserve assessments
321 annually to take into account any changes in estimates or
322 extension of the useful life of a reserve item caused by
323 deferred maintenance. This subsection does not apply to an
324 adopted budget in which the members of an association have
325 determined, by a majority vote at a duly called meeting of the
326 association, to provide no reserves or less reserves than
327 required by this subsection.

328 b. ~~Before~~ ~~However,~~ ~~prior to~~ turnover of control of an
329 association by a developer to unit owners other than a developer
330 pursuant to s. 718.301, the developer may vote the voting
331 interests allocated to its units to waive the reserves or reduce
332 the funding of reserves through the period expiring at the end
333 of the second fiscal year after the fiscal year in which the
334 certificate of a surveyor and mapper is recorded pursuant to s.
335 718.104(4)(e) or an instrument that transfers title to a unit in
336 the condominium which is not accompanied by a recorded
337 assignment of developer rights in favor of the grantee of such
338 unit is recorded, whichever occurs first, after which time

339 reserves may be waived or reduced only upon the vote of a
 340 majority of all nondeveloper voting interests voting in person
 341 or by limited proxy at a duly called meeting of the association.
 342 If a meeting of the unit owners has been called to determine
 343 whether to waive or reduce the funding of reserves⁷ and no such
 344 result is achieved or a quorum is not attained, the reserves
 345 included in the budget shall go into effect. After the turnover,
 346 the developer may vote its voting interest to waive or reduce
 347 the funding of reserves.

348 3. Reserve funds and any interest accruing thereon shall
 349 remain in the reserve account or accounts, and may be used only
 350 for authorized reserve expenditures unless their use for other
 351 purposes is approved in advance by a majority vote at a duly
 352 called meeting of the association. Before ~~Prior to~~ turnover of
 353 control of an association by a developer to unit owners other
 354 than the developer pursuant to s. 718.301, the developer-
 355 controlled association may ~~shall~~ not vote to use reserves for
 356 purposes other than those ~~that~~ for which they were intended
 357 without the approval of a majority of all nondeveloper voting
 358 interests, voting in person or by limited proxy at a duly called
 359 meeting of the association.

360 4. The only voting interests that are eligible to vote on
 361 questions that involve waiving or reducing the funding of
 362 reserves, or using existing reserve funds for purposes other
 363 than purposes for which the reserves were intended, are the
 364 voting interests of the units subject to assessment to fund the

365 reserves in question. Proxy questions relating to waiving or
 366 reducing the funding of reserves or using existing reserve funds
 367 for purposes other than purposes for which the reserves were
 368 intended must ~~shall~~ contain the following statement in
 369 capitalized, bold letters in a font size larger than any other
 370 used on the face of the proxy ballot: WAIVING OF RESERVES, IN
 371 WHOLE OR IN PART, OR ALLOWING ALTERNATIVE USES OF EXISTING
 372 RESERVES MAY RESULT IN UNIT OWNER LIABILITY FOR PAYMENT OF
 373 UNANTICIPATED SPECIAL ASSESSMENTS REGARDING THOSE ITEMS.

374 Section 6. Paragraphs (a) and (b) of subsection (1),
 375 subsection (3), and paragraph (b) of subsection (5) of section
 376 718.116, Florida Statutes, are amended to read:

377 718.116 Assessments; liability; lien and priority;
 378 interest; collection.—

379 (1) (a) A unit owner, regardless of how the unit owner has
 380 acquired his or her title has been acquired, including, but not
 381 limited to, by purchase at a foreclosure sale or by deed in lieu
 382 of foreclosure, is liable for all assessments that which come
 383 due while he or she is the unit owner, including any special
 384 assessments or installments on special assessments coming due
 385 during the period of ownership, regardless of when the special
 386 assessment was levied. Additionally, a unit owner is jointly and
 387 severally liable with the previous unit owner for all unpaid
 388 monthly and special assessments, interest and late fees on both
 389 unpaid assessments and unpaid special assessments, and costs and
 390 reasonable attorney fees incurred by the association in an

391 attempt to collect all such amounts that came due up to the time
 392 of transfer of title. This joint and several liability of a
 393 subsequent unit owner does not apply to an owner who acquires
 394 title through purchase of a tax deed and is without prejudice to
 395 any right the present unit owner may have to recover from the
 396 previous unit owner the amounts paid by the present unit owner.
 397 For the purposes of this section paragraph, the term "previous
 398 unit owner" does not include an association that acquires title
 399 to a unit delinquent property through foreclosure or by deed in
 400 lieu of foreclosure. A present unit owner's liability for unpaid
 401 assessments, interest, late fees, and costs and reasonable
 402 attorney fees is limited to any unpaid assessments, interest,
 403 late fees, and costs and reasonable attorney fees that accrued
 404 before the association acquired title to the unit delinquent
 405 property through foreclosure or by deed in lieu of foreclosure.

406 (b)1. The liability of a first mortgagee or its successor
 407 or assignees who acquire title to a unit by foreclosure or by
 408 deed in lieu of foreclosure for the unpaid assessments,
 409 interest, late fees, costs and reasonable attorney fees, and any
 410 other fee, cost, or expense incurred by or on behalf of the
 411 association in the collection process that became due before the
 412 mortgagee's acquisition of title is limited to the lesser of:

413 a. The unit's unpaid common expenses and regular periodic
 414 assessments which accrued or came due during the 12 months
 415 immediately preceding the acquisition of title and for which
 416 payment in full has not been received by the association; or

417 b. One percent of the original mortgage debt. The
 418 provisions of this paragraph apply only if the first mortgagee
 419 joined the association as a defendant in the foreclosure action.
 420 Joinder of the association is not required if, on the date the
 421 complaint is filed, the association was dissolved or did not
 422 maintain an office or agent for service of process at a location
 423 which was known to or reasonably discoverable by the mortgagee.

424 2. An association, or its successor or assignee, that
 425 acquires title to a unit through the foreclosure of its lien for
 426 assessments is not liable for any unpaid assessments, late fees,
 427 interest, or reasonable attorney ~~attorney's~~ fees and costs that
 428 came due before the association's acquisition of title in favor
 429 of any other association, as defined in s. 718.103(2) or s.
 430 720.301(9), which holds a superior lien interest on the unit.
 431 This subparagraph is intended to clarify existing law.

432 (3) Assessments and installments on assessments which are
 433 not paid when due bear interest at the rate provided in the
 434 declaration, from the due date until paid. The rate may not
 435 exceed the rate allowed by law, and, if no rate is provided in
 436 the declaration, interest accrues at the rate of 18 percent per
 437 year. If provided by the declaration or bylaws, the association
 438 may, in addition to such interest, charge an administrative late
 439 fee of up to the greater of \$25 or 5 percent of each delinquent
 440 installment for which the payment is late. Any payment received
 441 by an association must be applied first to any interest accrued
 442 by the association, then to any administrative late fee, then to

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443 any costs and reasonable attorney ~~attorney's~~ fees incurred in
444 collection, and then to the delinquent assessment. The foregoing
445 is applicable notwithstanding s. 673.3111, any purported accord
446 and satisfaction, or any restrictive endorsement, designation,
447 or instruction placed on or accompanying a payment. The
448 preceding sentence is intended to clarify existing law. A late
449 fee is not subject to chapter 687 or s. 718.303(4).

450 (5)

451 (b) To be valid, a claim of lien must state the
452 description of the condominium parcel, the name of the record
453 owner, the name and address of the association, the amount due,
454 and the due dates. It must be executed and acknowledged by an
455 officer or authorized agent of the association. The lien is not
456 effective 1 year after the claim of lien was recorded unless,
457 within that time, an action to enforce the lien is commenced.
458 The 1-year period is automatically extended for any length of
459 time during which the association is prevented from filing a
460 foreclosure action by an automatic stay resulting from a
461 bankruptcy petition filed by the parcel owner or any other
462 person claiming an interest in the parcel. The claim of lien
463 secures all unpaid assessments that are due and that may accrue
464 after the claim of lien is recorded and through the entry of a
465 final judgment, as well as interest, administrative late fees,
466 and all reasonable costs and attorney ~~attorney's~~ fees incurred
467 by the association incident to the collection process. Upon
468 payment in full, the person making the payment is entitled to a

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CODING: Words ~~stricken~~ are deletions; words underlined are additions.

V

469 satisfaction of the lien.

470 Section 7. Subsections (1) and (4) of section 718.301,
 471 Florida Statutes, are amended to read:

472 718.301 Transfer of association control; claims of defect
 473 by association.—

474 (1) If unit owners other than the developer own 15 percent
 475 or more of the units ~~in a condominium~~ that ultimately will be
 476 operated ~~ultimately~~ by an association, as provided in the
 477 declaration, articles of incorporation, or bylaws as originally
 478 recorded, the unit owners other than the developer are entitled
 479 to elect at least one-third of the members of the board of
 480 administration of the association. Unit owners other than the
 481 developer are entitled to elect at least a majority of the
 482 members of the board of administration of an association, upon
 483 the first ~~to occur of any~~ of the following events that occurs:

484 (a) Three years after 50 percent of the units that
 485 ultimately will be operated ~~ultimately~~ by the association, as
 486 provided in the declaration, articles of incorporation, or
 487 bylaws as originally recorded, have been conveyed to
 488 purchasers.†

489 (b) Three months after 90 percent of the units that
 490 ultimately will be operated ~~ultimately~~ by the association, as
 491 provided in the declaration, articles of incorporation, or
 492 bylaws as originally recorded, have been conveyed to
 493 purchasers.†

494 (c) When all the units that ultimately will be operated

495 ultimately by the association, as provided in the declaration,
 496 articles of incorporation, or bylaws as originally recorded,
 497 have been completed, some of them have been conveyed to
 498 purchasers, and none of the others is ~~are~~ being offered for sale
 499 by the developer in the ordinary course of business.~~.~~

500 (d) When some of the units have been conveyed to
 501 purchasers and none of the others is ~~are~~ being constructed or
 502 offered for sale by the developer in the ordinary course of
 503 business.~~.~~

504 (e) When the developer files a petition seeking protection
 505 in bankruptcy.~~.~~

506 (f) When a bulk-unit purchaser who owns a majority of the
 507 units that ultimately will be operated by the association, as
 508 provided in the declaration, articles of incorporation, or
 509 bylaws as originally recorded, files a petition seeking
 510 protection in bankruptcy.

511 (g)~~(f)~~ When a receiver for the developer is appointed by a
 512 circuit court and is not discharged within 30 days after such
 513 appointment, unless the court determines within 30 days after
 514 appointment of the receiver that transfer of control would be
 515 detrimental to the association or its members.~~.~~~~or~~

516 (h) When a receiver for a bulk-unit purchaser who owns a
 517 majority of the units that ultimately will be operated by the
 518 association, as provided in the declaration, articles of
 519 incorporation, or bylaws as originally recorded, is appointed by
 520 a circuit court and is not discharged within 30 days after such

521 appointment, unless the court determines within 30 days after
 522 appointment of the receiver that transfer of control would be
 523 detrimental to the association or its members.

524 (i) Five years after the date of recording of the first
 525 conveyance to a bulk-unit purchaser that owns a majority of the
 526 units that ultimately will be operated by the association, as
 527 provided in the declaration, articles of incorporation, or
 528 bylaws as originally recorded. Notwithstanding that unit owners
 529 other than the developer are entitled to elect a majority of the
 530 members of the board of administration and notwithstanding s.
 531 718.112(2)(f)2., 5 years after the date of recording of the
 532 first conveyance of a unit to a bulk-unit purchaser that owns a
 533 majority of the units, the bulk-unit purchaser may exercise the
 534 right to vote for each unit owned by the bulk-unit purchaser in
 535 the same manner as any other unit owner except for the purposes
 536 of reacquiring control of the association or electing or
 537 appointing a majority of the members of the board of
 538 administration.

539 (j)~~(g)~~ Seven years after the date of the recording of the
 540 certificate of a surveyor and mapper pursuant to s.
 541 718.104(4)(e) or the recording of an instrument that transfers
 542 title to a unit in the condominium which is not accompanied by a
 543 recorded assignment of developer rights in favor of the grantee
 544 of such unit, whichever occurs first; or, in the case of an
 545 association that ~~may~~ ultimately may operate more than one
 546 condominium, 7 years after the date of the recording of the

547 certificate of a surveyor and mapper pursuant to s.
 548 718.104(4)(e) or the recording of an instrument that transfers
 549 title to a unit which is not accompanied by a recorded
 550 assignment of developer rights in favor of the grantee of such
 551 unit, whichever occurs first, for the first condominium it
 552 operates; or, in the case of an association operating a phase
 553 condominium created pursuant to s. 718.403, 7 years after the
 554 date of the recording of the certificate of a surveyor and
 555 mapper pursuant to s. 718.104(4)(e) or the recording of an
 556 instrument that transfers title to a unit which is not
 557 accompanied by a recorded assignment of developer rights in
 558 favor of the grantee of such unit, whichever occurs first.

559
 560 The developer is entitled to elect at least one member of the
 561 board of administration of an association as long as the
 562 developer holds for sale in the ordinary course of business at
 563 least 5 percent, in condominiums with fewer than 500 units, and
 564 2 percent, in condominiums with more than 500 units, of the
 565 units in a condominium operated by the association. After the
 566 developer relinquishes control of the association, the developer
 567 may exercise the right to vote any developer-owned units in the
 568 same manner as any other unit owner except for purposes of
 569 reacquiring control of the association or selecting a ~~the~~
 570 majority of the members of the board of administration.

571 (4) At the time that unit owners other than the developer
 572 elect a majority of the members of the board of administration

573 of an association, the developer or bulk-unit purchaser shall
 574 relinquish control of the association, and the unit owners shall
 575 accept control. Simultaneously, or for the purposes of paragraph
 576 (c) not more than 90 days thereafter, the developer or bulk-unit
 577 purchaser shall deliver to the association, at the developer's
 578 or bulk-unit purchaser's expense, all property of the unit
 579 owners and of the association which is held or controlled by the
 580 developer or bulk-unit purchaser, including, but not limited to,
 581 the following items, if applicable, as to each condominium
 582 operated by the association:

583 (a)1. The original or a photocopy of the recorded
 584 declaration of condominium and all amendments thereto. If a
 585 photocopy is provided, it must be certified by affidavit of the
 586 developer, a bulk-unit purchaser, or an officer or agent of the
 587 developer or bulk-unit purchaser as being a complete copy of the
 588 actual recorded declaration.

589 2. A certified copy of the articles of incorporation of
 590 the association or, if the association was created before ~~prior~~
 591 ~~to~~ the effective date of this act and it is not incorporated,
 592 copies of the documents creating the association.

593 3. A copy of the bylaws.

594 4. The minute books, including all minutes, and other
 595 books and records of the association, if any.

596 5. Any house rules and regulations that have been adopted
 597 ~~promulgated~~.

598 (b) Resignations of officers and members of the board of

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599 administration who are required to resign because the developer
600 or bulk-unit purchaser is required to relinquish control of the
601 association.

602 (c) The financial records, including financial statements
603 of the association, and source documents from the incorporation
604 of the association through the date of turnover. The records
605 must be audited for the period from the incorporation of the
606 association or from the period covered by the last audit, if an
607 audit has been performed for each fiscal year since
608 incorporation, by an independent certified public accountant.
609 All financial statements must be prepared in accordance with
610 generally accepted accounting principles and must be audited in
611 accordance with generally accepted auditing standards, as
612 prescribed by the Florida Board of Accountancy, pursuant to
613 chapter 473. The accountant performing the audit shall examine
614 to the extent necessary supporting documents and records,
615 including the cash disbursements and related paid invoices, to
616 determine whether ~~if~~ expenditures were for association purposes
617 and the billings, cash receipts, and related records to
618 determine whether ~~that~~ the developer or bulk-unit purchaser was
619 charged and paid the proper amounts of assessments.

620 (d) Association funds or control thereof.

621 (e) All tangible personal property that is property of the
622 association, which is represented by the developer or bulk-unit
623 purchaser to be part of the common elements or which is
624 ostensibly part of the common elements, and an inventory of that

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CODING: Words ~~stricken~~ are deletions; words underlined are additions.

625 property.

626 (f) A copy of the plans and specifications used ~~utilized~~
627 in the construction or remodeling of improvements and the
628 supplying of equipment to the condominium and in the
629 construction and installation of all mechanical components
630 serving the improvements and the site with a certificate in
631 affidavit form of the developer, the bulk-unit purchaser, or the
632 developer's or bulk-unit purchaser's agent or an architect or
633 engineer authorized to practice in this state that such plans
634 and specifications represent, to the best of his or her
635 knowledge and belief, the actual plans and specifications used
636 ~~utilized~~ in the construction and improvement of the condominium
637 property and for the construction and installation of the
638 mechanical components serving the improvements. If the
639 condominium property has been declared a condominium more than 3
640 years after the completion of construction or remodeling of the
641 improvements, ~~the requirements of this paragraph~~ does ~~de~~ not
642 apply.

643 (g) A list of the names and addresses of all contractors,
644 subcontractors, and suppliers used ~~utilized~~ in the construction
645 or remodeling of the improvements and in the landscaping of the
646 condominium or association property which the developer or bulk-
647 unit purchaser had knowledge of at any time in the development
648 of the condominium.

649 (h) Insurance policies.

650 (i) Copies of any certificates of occupancy that may have

651 | been issued for the condominium property.

652 | (j) Any other permits applicable to the condominium
 653 | property which have been issued by governmental bodies and are
 654 | in force or were issued within 1 year before ~~prior to~~ the date
 655 | the unit owners other than the developer or bulk-unit purchaser
 656 | took control of the association.

657 | (k) All written warranties of the contractor,
 658 | subcontractors, suppliers, and manufacturers, if any, that are
 659 | still effective.

660 | (l) A roster of unit owners and their addresses and
 661 | telephone numbers, if known, as shown on the developer's or
 662 | bulk-unit purchaser's records.

663 | (m) Leases of the common elements and other leases to
 664 | which the association is a party.

665 | (n) Employment contracts or service contracts in which the
 666 | association is one of the contracting parties or service
 667 | contracts in which the association or the unit owners have an
 668 | obligation or responsibility, directly or indirectly, to pay
 669 | some or all of the fee or charge of the person or persons
 670 | performing the service.

671 | (o) All other contracts to which the association is a
 672 | party.

673 | (p) A report included in the official records, under seal
 674 | of an architect or engineer authorized to practice in this
 675 | state, attesting to required maintenance, useful life, and
 676 | replacement costs of the following applicable common elements

677 comprising a turnover inspection report:

- 678 1. Roof.
- 679 2. Structure.
- 680 3. Fireproofing and fire protection systems.
- 681 4. Elevators.
- 682 5. Heating and cooling systems.
- 683 6. Plumbing.
- 684 7. Electrical systems.
- 685 8. Swimming pool or spa and equipment.
- 686 9. Seawalls.
- 687 10. Pavement and parking areas.
- 688 11. Drainage systems.
- 689 12. Painting.
- 690 13. Irrigation systems.

691 (q) A copy of the certificate of a surveyor and mapper
 692 recorded pursuant to s. 718.104(4)(e) or the recorded instrument
 693 that transfers title to a unit in the condominium which is not
 694 accompanied by a recorded assignment of developer or bulk-unit
 695 purchaser rights in favor of the grantee of such unit, whichever
 696 occurred first.

697 Section 8. Subsections (1) through (4) of section 718.302,
 698 Florida Statutes, are amended to read:

699 718.302 Agreements entered into by the association.—

700 (1) A ~~Any~~ grant or reservation made by a declaration,
 701 lease, or other document, and a ~~any~~ contract made by an
 702 association before ~~prior to~~ assumption of control of the

703 association by unit owners other than the developer, a bulk-unit
 704 purchaser, or a lender-unit purchaser, which ~~that~~ provides for
 705 operation, maintenance, or management of a condominium
 706 association or property serving the unit owners of a condominium
 707 must ~~shall~~ be fair and reasonable, and such grant, reservation,
 708 or contract may be canceled by unit owners other than the
 709 developer or a bulk-unit purchaser. A lender-unit purchaser may
 710 not vote on cancellation of a grant, reservation, or contract
 711 made by the association while the association is under control
 712 of that lender-unit purchaser.†

713 (a) If the association operates only one condominium and
 714 the unit owners other than the developer, a bulk-unit purchaser,
 715 or a lender-unit purchaser have assumed control of the
 716 association, or if the unit owners other than the developer, a
 717 bulk-unit purchaser, or a lender-unit purchaser own at least ~~not~~
 718 ~~less than~~ 75 percent of the voting interests in the condominium,
 719 the cancellation shall be by concurrence of the owners of at
 720 least ~~not less than~~ 75 percent of the voting interests other
 721 than the voting interests owned by the developer, a bulk-unit
 722 purchaser, or a lender-unit purchaser. If a grant, reservation,
 723 or contract is so canceled and the unit owners other than the
 724 developer or a bulk-unit purchaser have not assumed control of
 725 the association, the association shall make a new contract or
 726 otherwise provide for maintenance, management, or operation in
 727 lieu of the canceled obligation, at the direction of the owners
 728 of ~~not less than~~ a majority of the voting interests in the

729 condominium other than the voting interests owned by the
 730 developer, a bulk-unit purchaser, or a lender-unit purchaser.

731 (b) If the association operates more than one condominium
 732 and the unit owners other than the developer, a bulk-unit
 733 purchaser, or a lender-unit purchaser have not assumed control
 734 of the association, and if the unit owners other than the
 735 developer or a bulk-unit purchaser own at least 75 percent of
 736 the voting interests in a condominium operated by the
 737 association, any grant, reservation, or contract for
 738 maintenance, management, or operation of buildings containing
 739 the units in that condominium or of improvements used only by
 740 the unit owners of that condominium may be canceled by
 741 concurrence of the owners of at least 75 percent of the voting
 742 interests in the condominium other than the voting interests
 743 owned by the developer or a bulk-unit purchaser. ~~A~~ ~~no~~ grant,
 744 reservation, or contract for maintenance, management, or
 745 operation of recreational areas or any other property serving
 746 more than one condominium, and operated by more than one
 747 association, may not be canceled except pursuant to paragraph
 748 (d).

749 (c) If the association operates more than one condominium
 750 and the unit owners other than the developer, a bulk-unit
 751 purchaser, or a lender-unit purchaser have assumed control of
 752 the association, the cancellation shall be by concurrence of the
 753 owners of at least ~~not less than~~ 75 percent of the total number
 754 of voting interests in all condominiums operated by the

755 association other than the voting interests owned by the
 756 developer or a bulk-unit purchaser.

757 (d) If the owners of units in a condominium have the right
 758 to use property in common with owners of units in other
 759 condominiums and those condominiums are operated by more than
 760 one association, a ~~no~~ grant, reservation, or contract for
 761 maintenance, management, or operation of the property serving
 762 more than one condominium may not be canceled until the unit
 763 owners other than the developer, a bulk-unit purchaser, or a
 764 lender-unit purchaser have assumed control of all of the
 765 associations operating the condominiums that are to be served by
 766 the recreational area or other property, after which
 767 cancellation may be effected by concurrence of the owners of at
 768 least ~~not less than~~ 75 percent of the total number of voting
 769 interests in those condominiums other than voting interests
 770 owned by the developer, a bulk-unit purchaser, or a lender-unit
 771 purchaser.

772 (2) A ~~Any~~ grant or reservation made by a declaration,
 773 lease, or other document, or a ~~any~~ contract made by the
 774 developer or association before ~~prior to the time when~~ unit
 775 owners other than the developer or a bulk-unit purchaser elect a
 776 majority of the board of administration, which grant,
 777 reservation, or contract requires the association to purchase
 778 condominium property or to lease condominium property to another
 779 party, shall be deemed ratified unless rejected by a majority of
 780 the voting interests of the unit owners other than the developer

781 or a bulk-unit purchaser within 18 months after the unit owners
 782 other than the developer or a bulk-unit purchaser elect a
 783 majority of the board of administration. A lender-unit purchaser
 784 may not vote on cancellation of a grant, reservation, or
 785 contract made by the association while the association is under
 786 control of that lender-unit purchaser. This subsection does not
 787 apply to a ~~any~~ grant or reservation made by a declaration under
 788 which ~~whereby~~ persons other than the developer or the
 789 developer's or bulk-unit purchaser's heirs, assigns, affiliates,
 790 directors, officers, or employees are granted the right to use
 791 the condominium property, if so long as such persons are
 792 obligated to pay at least, ~~at a minimum,~~ a proportionate share
 793 of the cost associated with such property.

794 (3) A ~~Any~~ grant or reservation made by a declaration,
 795 lease, or other document, and a ~~any~~ contract made by an
 796 association, whether before or after assumption of control of
 797 the association by unit owners other than the developer, a bulk-
 798 unit purchaser, or a lender-unit purchaser, which ~~that~~ provides
 799 for operation, maintenance, or management of a condominium
 800 association or property serving the unit owners of a condominium
 801 may ~~shall~~ not ~~be in~~ conflict with the powers and duties of the
 802 association or the rights of the unit owners as provided in this
 803 chapter. This subsection is intended only as a clarification of
 804 existing law.

805 (4) A ~~Any~~ grant or reservation made by a declaration,
 806 lease, or other document, and a ~~any~~ contract made by an

807 association before ~~prior to~~ assumption of control of the
 808 association by unit owners other than the developer, a bulk-unit
 809 purchaser, or a lender-unit purchaser, must ~~shall~~ be fair and
 810 reasonable.

811 Section 9. Subsections (3), (4), and (5) of section
 812 718.303, Florida Statutes, are amended, and subsection (7) is
 813 added to that section, to read:

814 718.303 Obligations of owners and occupants; remedies.—

815 (3) The association may levy reasonable fines for the
 816 failure of the owner of the unit or its occupant, licensee, or
 817 invitee to comply with any provision of the declaration, the
 818 association bylaws, or reasonable rules of the association. A
 819 fine may not become a lien against a unit. A fine may be levied
 820 by the board on the basis of each day of a continuing violation,
 821 with a single notice and opportunity for hearing before a
 822 committee as provided in paragraph (b). However, the fine may
 823 not exceed \$100 per violation, or \$1,000 in the aggregate.

824 (a) An association may suspend, for a reasonable period of
 825 time, the right of a unit owner, or a unit owner's tenant,
 826 guest, or invitee, to use the common elements, common
 827 facilities, or any other association property for failure to
 828 comply with any provision of the declaration, the association
 829 bylaws, or reasonable rules of the association. This paragraph
 830 does not apply to limited common elements intended to be used
 831 only by that unit, common elements needed to access the unit,
 832 utility services provided to the unit, parking spaces, or

833 elevators.

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

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

857 (5) An association may suspend the voting rights of a unit
858 or member due to nonpayment of any fee, fine, or other monetary

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859 obligation due to the association which is more than 90 days
860 delinquent. A voting interest or consent right allocated to a
861 unit or member which has been suspended by the association shall
862 be subtracted from ~~may not be counted towards~~ the total number
863 of voting interests in the association, which shall be reduced
864 by the number of suspended voting interests when calculating the
865 total percentage or number of all voting interests available to
866 take or approve any action, and the suspended voting interests
867 shall not be considered for any purpose, including, but not
868 limited to, the percentage or number of voting interests
869 necessary to constitute a quorum, the percentage or number of
870 voting interests required to conduct an election, or the
871 percentage or number of voting interests required to approve an
872 action under this chapter or pursuant to the declaration,
873 articles of incorporation, or bylaws. The suspension ends upon
874 full payment of all obligations currently due or overdue the
875 association. The notice and hearing requirements under
876 subsection (3) do not apply to a suspension imposed under this
877 subsection.

878 (7) The suspensions permitted by paragraph (3) (a) and
879 subsections (4) and (5) apply to a member and, when appropriate,
880 the member's tenants, guests, or invitees, even if the
881 delinquency or failure that resulted in the suspension arose
882 from less than all of the multiple units owned by a member.

883 Section 10. Subsection (1) of section 718.501, Florida
884 Statutes, is amended to read:

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CODING: Words ~~stricken~~ are deletions; words underlined are additions.

885 718.501 Authority, responsibility, and duties of Division
886 of Florida Condominiums, Timeshares, and Mobile Homes.—

887 (1) The division may enforce and ensure compliance with
888 ~~the provisions of~~ this chapter and rules relating to the
889 development, construction, sale, lease, ownership, operation,
890 and management of residential condominium units. In performing
891 its duties, the division has complete jurisdiction to
892 investigate complaints and enforce compliance with respect to
893 associations that are still under the control of the developer,
894 the control of a bulk-unit purchaser or lender-unit purchaser,
895 or the control of a bulk assignee or bulk buyer pursuant to part
896 VII of this chapter and complaints against developers, bulk-unit
897 purchasers, lender-unit purchasers, bulk assignees, or bulk
898 buyers involving improper turnover or failure to turnover,
899 pursuant to s. 718.301. However, after turnover has occurred,
900 the division has jurisdiction to investigate only complaints
901 related ~~only~~ to financial issues, elections, and unit owner
902 access to association records pursuant to s. 718.111(12).

903 (a)1. The division may make necessary public or private
904 investigations within or outside this state to determine whether
905 any person has violated this chapter or any rule or order
906 hereunder, to aid in the enforcement of this chapter, or to aid
907 in the adoption of rules or forms.

908 2. The division may submit any official written report,
909 worksheet, or other related paper, or a duly certified copy
910 thereof, compiled, prepared, drafted, or otherwise made by and

911 | duly authenticated by a financial examiner or analyst to be
 912 | admitted as competent evidence in any hearing in which the
 913 | financial examiner or analyst is available for cross-examination
 914 | and attests under oath that such documents were prepared as a
 915 | result of an examination or inspection conducted pursuant to
 916 | this chapter.

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

921 | (c) For the purpose of any investigation under this
 922 | chapter, the division director or any officer or employee
 923 | designated by the division director may administer oaths or
 924 | affirmations, subpoena witnesses and compel their attendance,
 925 | take evidence, and require the production of any matter that
 926 | ~~which~~ is relevant to the investigation, including the existence,
 927 | description, nature, custody, condition, and location of any
 928 | books, documents, or other tangible things and the identity and
 929 | location of persons having knowledge of relevant facts or any
 930 | other matter reasonably calculated to lead to the discovery of
 931 | material evidence. Upon the failure of ~~by~~ a person to obey a
 932 | subpoena or to answer questions propounded by the investigating
 933 | officer and upon reasonable notice to all affected persons, the
 934 | division may apply to the circuit court for an order compelling
 935 | compliance.

936 | (d) Notwithstanding any remedies available to unit owners

937 and associations, if the division has reasonable cause to
 938 believe that a violation of ~~any provision of~~ this chapter or a
 939 related rule has occurred, the division may institute
 940 enforcement proceedings in its own name against any developer,
 941 bulk-unit purchaser, lender-unit purchaser, bulk assignee, bulk
 942 buyer, association, officer, or member of the board of
 943 administration, or his or her ~~its~~ assignees or agents, as
 944 follows:

945 1. The division may permit a person whose conduct or
 946 actions may be under investigation to waive formal proceedings
 947 and enter into a consent proceeding under which ~~whereby~~ orders,
 948 rules, or letters of censure or warning, whether formal or
 949 informal, may be entered against the person.

950 2. The division may issue an order requiring the
 951 developer, bulk-unit purchaser, lender-unit purchaser, bulk
 952 assignee, bulk buyer, association, developer-designated officer,
 953 or developer-designated member of the board of administration,
 954 or his or her ~~developer-designated~~ assignees or agents, the ~~bulk~~
 955 ~~assignee-designated assignees or agents, bulk buyer-designated~~
 956 ~~assignees or agents,~~ community association manager, or the
 957 ~~community association~~ management firm to cease and desist from
 958 the unlawful practice and take such affirmative action as in the
 959 judgment of the division to carry out the purposes of this
 960 chapter. If the division finds that a developer, bulk-unit
 961 purchaser, lender-unit purchaser, bulk assignee, bulk buyer,
 962 association, officer, or member of the board of administration,

963 or his or her ~~its~~ assignees or agents, is violating or is about
964 to violate ~~any provision of~~ this chapter, any rule adopted or
965 order issued by the division, or any written agreement entered
966 into with the division, ~~and~~ the violation presents an immediate
967 danger to the public requiring an immediate final order, it may
968 issue an emergency cease and desist order reciting with
969 particularity the facts underlying such findings. The emergency
970 cease and desist order is effective for 90 days. If the division
971 begins nonemergency cease and desist proceedings, the emergency
972 cease and desist order remains effective until the conclusion of
973 the proceedings under ss. 120.569 and 120.57.

974 3. If a developer, bulk-unit purchaser, lender-unit
975 purchaser, bulk assignee, or bulk buyer, ~~fails to pay any~~
976 restitution determined by the division to be owed and, ~~plus~~ any
977 accrued interest charged at the highest rate permitted by law,
978 within 30 days after expiration of any appellate time period of
979 a final order requiring payment of restitution or the conclusion
980 of any appeal thereof, whichever is later, the division shall
981 ~~must~~ bring an action in circuit or county court on behalf of any
982 association, class of unit owners, lessees, or purchasers for
983 restitution, declaratory relief, injunctive relief, or any other
984 available remedy. The division may also temporarily revoke its
985 acceptance of the filing for the developer, bulk-unit purchaser,
986 or lender-unit purchaser, to which the restitution relates until
987 payment of restitution is made.

988 4. The division may petition the court for appointment of

989 a receiver or conservator who, if appointed, ~~the receiver or~~
 990 ~~conservator~~ may take action to implement the court order to
 991 ensure the performance of the order and to remedy any breach
 992 thereof. In addition to all other means provided by law for the
 993 enforcement of an injunction or temporary restraining order, the
 994 circuit court may impound or sequester the property of a party
 995 defendant, including books, papers, documents, and related
 996 records, and allow the examination and use of the property by
 997 the division and a court-appointed receiver or conservator.

998 5. The division may apply to the circuit court for an
 999 order of restitution under which ~~whereby~~ the defendant in an
 1000 action brought pursuant to subparagraph 4. is ordered to make
 1001 restitution of those sums shown by the division to have been
 1002 obtained by the defendant in violation of this chapter. At the
 1003 option of the court, such restitution is payable to the
 1004 conservator or receiver appointed pursuant to subparagraph 4. or
 1005 directly to the persons whose funds or assets were obtained in
 1006 violation of this chapter.

1007 6. The division may impose a civil penalty against a
 1008 developer, bulk-unit purchaser, lender-unit purchaser, bulk
 1009 assignee, ~~or~~ bulk buyer, or association, or its assignee or
 1010 agent, for a ~~any~~ violation of this chapter or a related rule.
 1011 The division may impose a civil penalty individually against an
 1012 officer or board member who willfully and knowingly violates ~~a~~
 1013 ~~provision of~~ this chapter, an adopted rule, or a final order of
 1014 the division; may order the removal of such individual as an

1015 officer or from the board of administration or as an officer of
 1016 the association; and may prohibit such individual from serving
 1017 as an officer or on the board of a community association for a
 1018 period of time. The term "willfully and knowingly" means that
 1019 the division informed the officer or board member that his or
 1020 her action or intended action violates this chapter, a rule
 1021 adopted under this chapter, or a final order of the division and
 1022 that the officer or board member refused to comply with ~~the~~
 1023 ~~requirements of~~ this chapter, a rule adopted under this chapter,
 1024 or a final order of the division. ~~The division,~~ Before
 1025 initiating formal agency action under chapter 120, the division
 1026 must afford the officer or board member an opportunity to
 1027 voluntarily comply, and an officer or board member who complies
 1028 within 10 days is not subject to a civil penalty. A penalty may
 1029 be imposed on the basis of each day of continuing violation, but
 1030 the penalty for any offense may not exceed \$5,000. ~~By January 1,~~
 1031 ~~1998,~~ The division shall adopt, by rule, penalty guidelines
 1032 applicable to possible violations or to categories of violations
 1033 of this chapter or rules adopted by the division. The guidelines
 1034 must specify a meaningful range of civil penalties for each such
 1035 violation of the statute and rules and must be based upon the
 1036 harm caused by the violation, the repetition of the violation,
 1037 and upon such other factors deemed relevant by the division. ~~For~~
 1038 ~~example,~~ The division may consider whether the violations were
 1039 committed by a developer, bulk-unit purchaser, lender-unit
 1040 purchaser, bulk assignee, or bulk buyer, or owner-controlled

1041 association, the size of the association, and other factors. The
 1042 guidelines must designate the possible mitigating or aggravating
 1043 circumstances that justify a departure from the range of
 1044 penalties provided by the rules. It is the legislative intent
 1045 that minor violations be distinguished from those that ~~which~~
 1046 endanger the health, safety, or welfare of ~~the~~ condominium
 1047 residents or other persons and that such guidelines provide
 1048 reasonable and meaningful notice to the public of likely
 1049 penalties that may be imposed for proscribed conduct. This
 1050 subsection does not limit the ability of the division to
 1051 informally dispose of administrative actions or complaints by
 1052 stipulation, agreed settlement, or consent order. All amounts
 1053 collected shall be deposited with the Chief Financial Officer to
 1054 the credit of the Division of Florida Condominiums, Timeshares,
 1055 and Mobile Homes Trust Fund. If a developer, bulk-unit
 1056 purchaser, lender-unit purchaser, bulk assignee, or bulk buyer
 1057 fails to pay the civil penalty and the amount deemed to be owed
 1058 to the association, the division shall issue an order directing
 1059 that such developer, bulk-unit purchaser, lender-unit purchaser,
 1060 bulk assignee, or bulk buyer cease and desist from further
 1061 operation until such time as the civil penalty is paid or may
 1062 pursue enforcement of the penalty in a court of competent
 1063 jurisdiction. If an association fails to pay the civil penalty,
 1064 the division shall pursue enforcement in a court of competent
 1065 jurisdiction, and the order imposing the civil penalty or the
 1066 cease and desist order is not effective until 20 days after the

1067 date of such order. Any action commenced by the division shall
 1068 be brought in the county in which the division has its executive
 1069 offices or in the county where the violation occurred.

1070 7. If a unit owner presents the division with proof that
 1071 the unit owner has requested access to official records in
 1072 writing by certified mail, and that after 10 days the unit owner
 1073 again made the same request for access to official records in
 1074 writing by certified mail, and that more than 10 days has
 1075 elapsed since the second request and the association has still
 1076 failed or refused to provide access to official records as
 1077 required by this chapter, the division shall issue a subpoena
 1078 requiring production of the requested records where the records
 1079 are kept pursuant to s. 718.112.

1080 8. In addition to subparagraph 6., the division may seek
 1081 the imposition of a civil penalty through the circuit court for
 1082 any violation for which the division may issue a notice to show
 1083 cause under paragraph (r). The civil penalty shall be at least
 1084 \$500 but no more than \$5,000 for each violation. The court may
 1085 also award to the prevailing party court costs and reasonable
 1086 attorney ~~attorney's~~ fees and, if the division prevails, may also
 1087 award reasonable costs of investigation.

1088 (e) The division may prepare and disseminate a prospectus
 1089 and other information to assist prospective owners, purchasers,
 1090 lessees, and developers of residential condominiums in assessing
 1091 the rights, privileges, and duties pertaining thereto.

1092 (f) The division may adopt rules to administer and enforce

1093 ~~the provisions of~~ this chapter.

1094 (g) The division shall establish procedures for providing
 1095 notice to an association and the developer, bulk-unit purchaser,
 1096 lender-unit purchaser, bulk assignee, or bulk buyer during the
 1097 period in which the developer, bulk-unit purchaser, lender-unit
 1098 purchaser, bulk assignee, or bulk buyer controls the association
 1099 if the division is considering the issuance of a declaratory
 1100 statement with respect to the declaration of condominium or any
 1101 related document governing such condominium community.

1102 (h) The division shall furnish each association that pays
 1103 the fees required by paragraph (2) (a) a copy of this chapter, as
 1104 amended, and the rules adopted thereto on an annual basis.

1105 (i) The division shall annually provide each association
 1106 with a summary of declaratory statements and formal legal
 1107 opinions relating to the operations of condominiums which were
 1108 rendered by the division during the previous year.

1109 (j) The division shall provide training and educational
 1110 programs for condominium association board members and unit
 1111 owners. The training may, at ~~in~~ the division's discretion,
 1112 include web-based electronic media, and live training and
 1113 seminars in various locations throughout the state. The division
 1114 may review and approve education and training programs for board
 1115 members and unit owners offered by providers, and shall maintain
 1116 a current list of approved programs and providers, and shall
 1117 make such list available to board members and unit owners in a
 1118 reasonable and cost-effective manner.

1119 (k) The division shall maintain a toll-free telephone
 1120 number accessible to condominium unit owners.

1121 (l) The division shall develop a program to certify both
 1122 volunteer and paid mediators to provide mediation of condominium
 1123 disputes. Upon request, the division shall provide, ~~upon~~
 1124 ~~request,~~ a list of such mediators to any association, unit
 1125 owner, or other participant in arbitration proceedings under s.
 1126 718.1255 requesting a copy of the list. The division shall
 1127 include on the list of volunteer mediators only the names of
 1128 individuals ~~persons~~ who have received at least 20 hours of
 1129 training in mediation techniques or who have mediated at least
 1130 20 disputes. In order to become initially certified by the
 1131 division, paid mediators must be certified by the Supreme Court
 1132 to mediate court cases in county or circuit courts. However, the
 1133 division may adopt, by rule, additional factors for the
 1134 certification of paid mediators, which must be related to
 1135 experience, education, or background. In order to continue to be
 1136 certified, an individual ~~Any person~~ initially certified as a
 1137 paid mediator by the division must, ~~in order to continue to be~~
 1138 ~~certified,~~ comply with the factors or requirements adopted by
 1139 rule.

1140 (m) If a complaint is made, the division shall ~~must~~
 1141 conduct its inquiry with due regard for the interests of the
 1142 affected parties. Within 30 days after receipt of a complaint,
 1143 the division shall acknowledge the complaint in writing and
 1144 notify the complainant as to whether the complaint is within the

1145 jurisdiction of the division and whether additional information
 1146 is needed by the division from the complainant. The division
 1147 shall conduct its investigation and, within 90 days after
 1148 receipt of the original complaint or of timely requested
 1149 additional information, take action upon the complaint. However,
 1150 the failure to complete the investigation within 90 days does
 1151 not prevent the division from continuing the investigation,
 1152 accepting or considering evidence obtained or received after 90
 1153 days, or taking administrative action if reasonable cause exists
 1154 to believe that a violation of this chapter or a rule has
 1155 occurred. If an investigation is not completed within the time
 1156 limits established in this paragraph, the division shall, on a
 1157 monthly basis, notify the complainant in writing of the status
 1158 of the investigation. When reporting its action to the
 1159 complainant, the division shall inform the complainant of any
 1160 right to a hearing pursuant to ss. 120.569 and 120.57.

1161 (n) Condominium association directors, officers, and
 1162 employees; condominium developers; bulk-unit purchasers, lender-
 1163 unit purchasers, bulk assignees, bulk buyers, and community
 1164 association managers; and community association management firms
 1165 have an ongoing duty to reasonably cooperate with the division
 1166 in any investigation pursuant to this section. The division
 1167 shall refer to local law enforcement authorities any person who
 1168 ~~whom~~ the division believes has altered, destroyed, concealed, or
 1169 removed any record, document, or thing required to be kept or
 1170 maintained by this chapter with the purpose to impair its verity

1171 or availability in the department's investigation.

1172 (o) The division may:

1173 1. Contract with agencies in this state or other
1174 jurisdictions to perform investigative functions; or

1175 2. Accept grants-in-aid from any source.

1176 (p) The division shall cooperate with similar agencies in
1177 other jurisdictions to establish uniform filing procedures and
1178 forms, public offering statements, advertising standards, and
1179 rules and common administrative practices.

1180 (q) The division shall consider notice to a developer,
1181 bulk-unit purchaser, lender-unit purchaser, bulk assignee, or
1182 bulk buyer to be complete when it is delivered to the address of
1183 the developer, bulk-unit purchaser, lender-unit purchaser, bulk
1184 assignee, or bulk buyer currently on file with the division.

1185 (r) In addition to its enforcement authority, the division
1186 may issue a notice to show cause, which must provide for a
1187 hearing, upon written request, in accordance with chapter 120.

1188 (s) The division shall submit to the Governor, the
1189 President of the Senate, the Speaker of the House of
1190 Representatives, and the chairs of the legislative
1191 appropriations committees an annual report that includes, but
1192 need not be limited to, the number of training programs provided
1193 for condominium association board members and unit owners;; the
1194 number of complaints received, by type; the number and percent
1195 of complaints acknowledged in writing within 30 days and the
1196 number and percent of investigations acted upon within 90 days

1197 in accordance with paragraph (m);~~7~~ and the number of
 1198 investigations exceeding the 90-day requirement. The annual
 1199 report must also include an evaluation of the division's core
 1200 business processes and make recommendations for improvements,
 1201 including statutory changes. The report shall be submitted by
 1202 September 30 following the end of the fiscal year.

1203 Section 11. Section 718.709, Florida Statutes, is created
 1204 to read:

1205 718.709 Applicability.—Sections 718.701-718.708, relating
 1206 to the Distressed Condominium Relief Act, apply to title to
 1207 units acquired on or after July 1, 2010, but before July 1,
 1208 2016.

1209 Section 12. Part VIII of chapter 718, Florida Statutes,
 1210 consisting of sections 718.801-718.812, is created to read:

1211 PART VIII

1212 BULK-UNIT PURCHASERS AND LENDER-UNIT PURCHASERS

1213 718.801 Legislative intent.—The Legislature declares that
 1214 it is the public policy of this state to protect the interests
 1215 of developers, lenders, unit owners, and condominium
 1216 associations with regard to bulk-unit purchasers or lender-unit
 1217 purchasers of condominium units and that there is a need to
 1218 balance such interests by limiting the applicability of the
 1219 Distressed Condominium Relief Act. Notwithstanding the
 1220 limitation, the Distressed Condominium Relief Act applies to
 1221 title acquired on or after July 1, 2010, but before July 1,
 1222 2016.

1223 718.802 Definitions.—As used in this part:
 1224 (1) "Bulk-unit purchaser" means a person who acquires
 1225 title to the greater of at least eight units or 20 percent of
 1226 the units that ultimately will be operated by the same
 1227 association, as provided in the declaration, articles of
 1228 incorporation, or bylaws as originally recorded. Multiple bulk-
 1229 unit purchasers may be members of an association simultaneously
 1230 or successively. There may be one or more bulk-unit purchasers
 1231 while the developer still owns units operated by the
 1232 association. The term does not include a lender-unit purchaser.
 1233 Further, the term does not include an acquirer of units if any
 1234 transfer of title to the acquirer is made:
 1235 (a) With intent to defraud or materially harm a purchaser,
 1236 a unit owner, or the association;
 1237 (b) Where the acquirer is a person or limited liability
 1238 company that would be an insider, as defined in s. 726.102, of
 1239 the bulk-unit purchaser or of the developer; or
 1240 (c) As a fraudulent transfer under chapter 726.
 1241 (2) "Bulk assignee" means a person who is not a bulk buyer
 1242 and who:
 1243 (a) Acquires more than seven condominium parcels in a
 1244 single condominium;
 1245 (b) Receives an assignment of any of the developer rights,
 1246 other than or in addition to those rights described in
 1247 subsection (3), as set forth in the declaration of condominium
 1248 or this chapter:

1249 1. By a written instrument recorded as part of or as an
 1250 exhibit of the deed;

1251 2. By a separate instrument recorded in the public records
 1252 of the county in which the condominium is located; or

1253 3. Pursuant to a final judgment or certificate of title
 1254 issued in favor of a purchaser at a foreclosure sale; and

1255 (c) Acquired condominium parcels on or after July 1, 2010,
 1256 but before July 1, 2016. The date of such acquisition shall be
 1257 determined by the date of recoding a deed or other instrument of
 1258 conveyance for such parcels in the public records of the county
 1259 in which the condominium is located, or by the date of issuing a
 1260 certificate of title in a foreclosure proceeding with respect to
 1261 such condominium parcels.

1262
 1263 A mortgagee or its assignee may not be deemed a bulk assignee or
 1264 developer by reason of the acquisition of condominium units and
 1265 receipt of an assignment of some or all of a developer's rights
 1266 unless the mortgage or its assignee exercises any of the
 1267 developer rights other than those described in subsection (3).

1268 (3) "Bulk buyer" means a person who acquired condominium
 1269 parcels on or after July 1, 2010, but before July 1, 2016, and
 1270 the date of acquisition shall be determined in the same manner
 1271 as in subsection (2). Further, the term means a person who
 1272 acquires more than seven condominium parcels in a single
 1273 condominium but who does not receive an assignment of any
 1274 developer rights or receives only some or all of the following

1275 rights:

1276 (a) The right to conduct sales, leasing, and marketing

1277 activities within the condominium.

1278 (b) The right to be exempt from the payment of working

1279 capital contributions to the condominium association arising out

1280 of, or in connection with, the bulk buyer's acquisition of the

1281 units.

1282 (c) The right to be exempt from any rights of first

1283 refusal which may be held by the condominium association and

1284 would otherwise be applicable to subsequent transfers of title

1285 from the bulk buyer to a third-party purchaser concerning one or

1286 more units.

1287 (4) "Lender-unit purchaser" means a person, or the

1288 person's successors, assigns, or wholly owned subsidiaries, who

1289 holds a mortgage from a developer or from a bulk-unit purchaser

1290 on the greater of at least eight units or 20 percent of the

1291 units that, as provided in the declaration, articles of

1292 incorporation, or bylaws as originally recorded, ultimately will

1293 be operated by the same association; who subsequently obtains

1294 title to such units through foreclosure or deed in lieu of

1295 foreclosure; and who makes the election to become a lender-unit

1296 purchaser pursuant to 718.808(4). However, a mortgagee or his or

1297 her wholly owned subsidiary that acquires and sells units to one

1298 or more bulk-unit purchasers is not a developer or a lender-unit

1299 purchaser with respect to the sale.

1300 718.803 Exercise of rights.—

1301 (1) A bulk-unit purchaser may exercise only the following
 1302 developer rights, provided such rights are contained in the
 1303 declaration:

1304 (a) The right to conduct sales, leasing, and marketing
 1305 activities within the condominium, including the use of the
 1306 sales and leasing office.

1307 (b) The right to assign limited common elements and use
 1308 rights to common elements and association property which were
 1309 not assigned before the bulk-unit purchaser acquired title to
 1310 the units. Such rights may include, without limitation, the
 1311 rights to garages, parking spaces, storage areas, and cabanas.
 1312 If there is more than one bulk-unit purchaser, this right must
 1313 be established in a written assignment from the developer which
 1314 specifies the bulk-unit purchaser who has such a right as to
 1315 specified limited common elements, common elements, and
 1316 association property.

1317 (c) For a phase condominium, the right to add phases.

1318 (2) If the initial purchaser of a unit from the developer
 1319 is required to make a working capital contribution to the
 1320 association, a bulk-unit purchaser shall pay a working capital
 1321 contribution to the association, which must be calculated in the
 1322 same manner for each unit acquired, upon the earlier of:

1323 (a) Sale of a unit by the bulk-unit purchaser to a third
 1324 party other than the bulk-unit purchaser; or

1325 (b) Five years from the date of acquisition of title to a
 1326 unit by the bulk-unit purchaser.

1327 (3) If a bulk-unit purchaser exercises developer rights
1328 other than those specified in subsection (1), he or she is no
1329 longer deemed to be a bulk-unit purchaser, and this part does
1330 not apply to such person.

1331 (4) Except as set forth in this part, a lender-unit
1332 purchaser may exercise any developer rights that the lender-unit
1333 purchaser acquires.

1334 718.804 Compliance.—A bulk-unit purchaser and a lender-
1335 unit purchaser shall comply with all applicable requirements of
1336 s. 718.202 and part V of this chapter in connection with any
1337 units that they own or sell.

1338 718.805 Voting rights.—

1339 (1) For the first 2 fiscal years following the first
1340 conveyance of a unit to a bulk-unit purchaser or lender-unit
1341 purchaser, the bulk-unit purchaser or lender-unit purchaser may
1342 vote the voting interests allocated to his or her units to waive
1343 reserves or reduce the funding of reserves. After these 2 fiscal
1344 years, the bulk-unit purchaser or lender-unit purchaser may not
1345 vote his or her voting interests to waive reserves or reduce the
1346 funding of reserves until the bulk-unit purchaser or lender-unit
1347 purchaser holds less than a majority of the voting interests in
1348 the association.

1349 (2) A bulk-unit purchaser or lender-unit purchaser may not
1350 transfer his or her right to vote to waive reserves or reduce
1351 the funding of reserves to other bulk-unit purchasers or lender-
1352 unit purchasers to extend the time period in subsection (1).

1353 718.806 Assessment liability; election of directors.—
 1354 (1) BULK-UNIT PURCHASER ASSESSMENT LIABILITY.—A bulk-unit
 1355 purchaser is liable for all assessments on his or her units
 1356 which become due while the bulk-unit purchaser holds title to
 1357 such units. Additionally, the bulk-unit purchaser is jointly and
 1358 severally liable with the previous owner for all unpaid regular
 1359 periodic assessments and special assessments which became due
 1360 before the acquisition of title, for all other monetary
 1361 obligations accrued which are secured by the association's lien,
 1362 and for all costs advanced by the association for the
 1363 maintenance and repair of the units acquired by the bulk-unit
 1364 purchaser.

1365 (2) LENDER-UNIT PURCHASER ASSESSMENT LIABILITY.—The
 1366 liability of a lender-unit purchaser or his or her successors or
 1367 assignees for the units that the lender-unit purchaser owns is
 1368 limited to the lesser of:

1369 (a) The units' unpaid regular periodic assessments that
 1370 accrued or became due during the 12 months immediately preceding
 1371 the lender-unit purchaser's acquisition of title and for which
 1372 payment in full has not been received by the association; or

1373 (b) One percent of the original mortgage debt.

1374

1375 The lender-unit purchaser acquiring title must comply with s.
 1376 718.116(1)(c).

1377 (3) DIRECTOR ELECTED BY BULK-UNIT PURCHASER.—A director
 1378 who has been elected or appointed by a bulk-unit purchaser is

1379 automatically suspended from board service for 30 days following
 1380 the failure of the bulk-unit purchaser to timely pay monetary
 1381 obligations on a unit the bulk-unit purchaser owns. The
 1382 remaining directors may temporarily fill the vacancy created by
 1383 the suspension. Once the bulk-unit purchaser has cured all
 1384 outstanding delinquencies on the unit, the suspended director
 1385 shall replace the temporary appointee and resume service on the
 1386 board for the unexpired term.

1387 718.807 Amendments and material alterations.—

1388 (1) The following amendments or alterations may not go
 1389 into effect unless approved by a majority vote of unit owners
 1390 other than the developer, a bulk-unit purchaser, or a lender-
 1391 unit purchaser:

1392 (a) An amendment described in s. 718.110(4) or (8).

1393 (b) An amendment creating, changing, or terminating
 1394 leasing restrictions.

1395 (c) An amendment of the declaration pertaining to the
 1396 condominium's status as housing for older persons.

1397 (d) An amendment pursuant to s. 718.110(14) or an
 1398 amendment that otherwise reclassifies a portion of the common
 1399 elements as a limited common element or that authorizes the
 1400 association to change the limited common elements assigned to
 1401 any unit.

1402 (e) Material alterations or substantial additions to the
 1403 common elements or association property any time one of the
 1404 following owns a percentage of voting interests equal to or

1405 greater than the percentage required to approve the amendment:
 1406 1. A bulk-unit purchaser;
 1407 2. A lender-unit purchaser;
 1408 3. The developer and a bulk-unit purchaser;
 1409 4. The developer and a lender-unit purchaser; or
 1410 5. A bulk-unit purchaser and a lender-unit purchaser.
 1411 (2) Notwithstanding subsection (1), consent of the
 1412 developer, a bulk-unit purchaser, or a lender-unit purchaser is
 1413 required for an amendment that would otherwise require the
 1414 approval of such voting interests based upon the requirements of
 1415 the declaration, articles of incorporation, or bylaws or s.
 1416 718.110 or s. 718.113.
 1417 718.808 Warranties and disclosures.—
 1418 (1) As the seller, a bulk-unit purchaser or lender-unit
 1419 purchaser is deemed to have granted an implied warranty of
 1420 fitness and merchantability to a purchaser of each unit sold for
 1421 a period of 3 years, which begins on the date of the completion
 1422 of repairs or improvements that the bulk-unit purchaser or
 1423 lender-unit purchaser makes to the unit, common elements, or
 1424 limited common elements. The bulk-unit purchaser or lender-unit
 1425 purchaser is not deemed to have granted a warranty on
 1426 improvements, repairs, or alterations to the condominium which
 1427 he or she did not undertake.
 1428 (2) The statute of limitations in s. 718.203 is tolled
 1429 while the bulk-unit purchaser begins the process of appointing
 1430 or electing a majority of the board of administration.

1431 (3) As the seller, the bulk-unit purchaser shall include
 1432 the following disclosure to purchasers in conspicuous type on
 1433 the first page of the sales contract:

1434
 1435 SELLER IS A BULK-UNIT PURCHASER UNDER THE CONDOMINIUM ACT.
 1436 SELLER IS NOT THE DEVELOPER OF THE CONDOMINIUM FOR ANY PURPOSE
 1437 UNDER THE CONDOMINIUM ACT.

1438
 1439 (4) A mortgagee who acquires units may elect to become a
 1440 lender-unit purchaser by providing written notice of the
 1441 election to the association addressed to the registered agent at
 1442 the address specified in the records of the Department of State.
 1443 The notice shall be delivered within the time period ending upon
 1444 the earliest of:

1445 (a) The date on which the mortgagee exercises any
 1446 developer rights other than the developer rights described in s.
 1447 718.803(1)(a);

1448 (b) Before the sale of a unit by the mortgagee; or

1449 (c) One hundred eighty days after the recording of the
 1450 certificate of title or of the deed in lieu of foreclosure if
 1451 the mortgagee acquired the units by foreclosure or by deed in
 1452 lieu of foreclosure.

1453 (5) As the seller, the lender-unit purchaser shall include
 1454 the following disclosure to purchasers in conspicuous type on
 1455 the first page of the sales contract:

1456

1457 SELLER IS A LENDER-UNIT PURCHASER UNDER THE CONDOMINIUM ACT.
 1458 SELLER IS NOT THE DEVELOPER OF THE CONDOMINIUM FOR ANY PURPOSE
 1459 UNDER THE CONDOMINIUM ACT. SELLER TOOK TITLE TO THE UNIT(S)
 1460 BEING SOLD TO PURCHASER BY FORECLOSURE OR DEED IN LIEU OF
 1461 FORECLOSURE.

1462
 1463 (6) (a) At or before the signing of a contract to sell a
 1464 unit, the bulk-unit purchaser and the lender-unit purchaser must
 1465 provide a condition report that complies with s. 718.616(2) and
 1466 (3) and this section to the prospective purchaser and must
 1467 obtain verification of delivery of such condition report. A
 1468 condition report is not required in connection with a sale to a
 1469 bulk-unit purchaser or in connection with a deed in lieu of
 1470 foreclosure to a lender-unit purchaser. A mortgagee is not
 1471 required to deliver to a bulk-unit purchaser a condition report
 1472 even if the mortgagee acquires and transfers developer rights to
 1473 such bulk-unit purchaser.

1474 (b) The condition report must include a reasonably
 1475 detailed description of the repairs or replacements necessary to
 1476 cure defective construction identified in the condition report.

1477 (c) If, during the course of preparing the condition
 1478 report, the architect or engineer becomes aware of a component
 1479 that violates an applicable building code or federal or state
 1480 law or that deviates from the building plans approved by the
 1481 permitting authority, the architect or engineer shall disclose
 1482 such information in the condition report. The architect or

1483 engineer shall make written inquiry to the applicable local
 1484 government authority of any building code violations and shall
 1485 include in the condition report any of the authority's responses
 1486 or its failure to respond.

1487 (d) The condition report shall be prepared before the
 1488 bulk-unit purchaser or the lender-unit purchaser enters into his
 1489 or her first sales contract, but the condition report may not be
 1490 prepared more than 6 months before the first sales contract is
 1491 agreed upon. If the bulk-unit purchaser or lender-unit purchaser
 1492 remains engaged in selling units, the condition report shall be
 1493 updated no later than 1 year after the closing of the first
 1494 sales contract and each year thereafter.

1495 (e) If a bulk-unit purchaser or lender-unit purchaser
 1496 fails to provide the condition report in accordance with this
 1497 section, the bulk-unit purchaser is deemed to grant implied
 1498 warranties of fitness and merchantability which are not limited
 1499 to the construction, improvements, or repairs that he or she
 1500 undertakes to the units, common elements, or limited common
 1501 elements.

1502 718.809 Joint and several liability.—For purposes of this
 1503 chapter, if there are multiple bulk-unit purchasers within the
 1504 same association, the units owned by the multiple bulk-unit
 1505 purchasers and the rights of the bulk-unit purchasers shall be
 1506 aggregated as if there were only one bulk-unit purchaser. Each
 1507 bulk-unit purchaser is jointly and severally liable with his or
 1508 her predecessor bulk-unit purchasers for compliance with this

1509 chapter.

1510 718.810 Construction disputes.—A board of administration
 1511 composed of a majority of directors elected or appointed by a
 1512 bulk-unit purchaser may not resolve a construction dispute that
 1513 is subject to chapter 558 unless such resolution is approved by
 1514 a majority of the voting interests of the unit owners other than
 1515 the developer and a bulk-unit purchaser.

1516 718.811 Noncompliance.—A bulk-unit purchaser or a lender-
 1517 unit purchaser who fails to substantially comply with the
 1518 requirements of this chapter pertaining to the obligations and
 1519 rights of bulk-unit purchasers and lender-unit purchasers
 1520 forfeits all protections or exemptions provided under the
 1521 Condominium Act.

1522 718.812 Documents to be delivered upon turnover.—If a
 1523 bulk-unit purchaser elects a majority of the board of
 1524 administration and, thereafter, the unit owners other than the
 1525 bulk-unit purchaser elect a majority of the board of
 1526 administration, the bulk-unit purchaser must deliver all of the
 1527 items specified in s. 718.301(4) to the association. However,
 1528 the bulk-unit purchaser is not required to deliver items that
 1529 were never in the possession of the bulk-unit purchaser. In
 1530 conjunction with the acquisition of units, the bulk-unit
 1531 purchaser shall undertake a good faith effort to obtain the
 1532 items specified in s. 718.301(4) which must be delivered to the
 1533 association. If the bulk-unit purchaser cannot obtain such
 1534 items, the bulk-unit purchaser must deliver a certificate in

1535 writing to the association which names or describes items that
 1536 were not obtainable by the bulk-unit purchaser and which
 1537 describes the good faith efforts that were undertaken to obtain
 1538 the items. Delivery of the certificate relieves the bulk-unit
 1539 purchaser of his or her responsibility under s. 718.301 to
 1540 deliver the documents and materials referenced in the
 1541 certificate. The responsibility of the bulk-unit purchaser to
 1542 conduct the audit required by s. 718.301(4)(c) begins on the
 1543 date the bulk-unit purchaser elects or appoints a majority of
 1544 the members of the board of administration and ends on the date
 1545 the bulk-unit purchaser no longer controls the board.

1546 Section 13. Paragraph (a) of subsection (2) of section
 1547 719.104, Florida Statutes, is amended to read:

1548 719.104 Cooperatives; access to units; records; financial
 1549 reports; assessments; purchase of leases.—

1550 (2) OFFICIAL RECORDS.—

1551 (a) From the inception of the association, the association
 1552 shall maintain a copy of each of the following, where
 1553 applicable, which shall constitute the official records of the
 1554 association:

1555 1. The plans, permits, warranties, and other items
 1556 provided by the developer pursuant to s. 719.301(4).

1557 2. A photocopy of the cooperative documents.

1558 3. A copy of the current rules of the association.

1559 4. A book or books containing the minutes of all meetings
 1560 of the association, of the board of directors, and of the unit

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1561 owners, which minutes shall be retained for a period of not less
1562 than 7 years.

1563 5. A current roster of all unit owners and their mailing
1564 addresses, unit identifications, voting certifications, and, if
1565 known, telephone numbers. The association shall also maintain
1566 the electronic mailing addresses and the numbers designated by
1567 unit owners for receiving notice sent by electronic transmission
1568 of those unit owners consenting to receive notice by electronic
1569 transmission. The electronic mailing addresses and numbers
1570 provided by unit owners to receive notice by electronic
1571 transmission shall be removed from association records when
1572 consent to receive notice by electronic transmission is revoked.
1573 However, the association is not liable for an erroneous
1574 disclosure of the electronic mail address or the number for
1575 receiving electronic transmission of notices.

1576 6. All current insurance policies of the association.

1577 7. A current copy of any management agreement, lease, or
1578 other contract to which the association is a party or under
1579 which the association or the unit owners have an obligation or
1580 responsibility.

1581 8. Bills of sale or transfer for all property owned by the
1582 association.

1583 9. Accounting records for the association and separate
1584 accounting records for each unit it operates, according to good
1585 accounting practices. All accounting records shall be maintained
1586 for a period of not less than 7 years. The accounting records

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CODING: Words ~~stricken~~ are deletions; words underlined are additions.

1587 shall include, but not be limited to:

1588 a. Accurate, itemized, and detailed records of all
1589 receipts and expenditures.

1590 b. A current account and a monthly, bimonthly, or
1591 quarterly statement of the account for each unit designating the
1592 name of the unit owner, the due date and amount of each
1593 assessment, the amount paid upon the account, and the balance
1594 due.

1595 c. All audits, reviews, accounting statements, and
1596 financial reports of the association.

1597 d. All contracts for work to be performed. Bids for work
1598 to be performed shall also be considered official records and
1599 shall be maintained for a period of 1 year.

1600 10. Ballots, sign-in sheets, voting proxies, and all other
1601 papers relating to voting by unit owners, which shall be
1602 maintained for a period of 1 year after the date of the
1603 election, vote, or meeting to which the document relates.

1604 11. All rental records where the association is acting as
1605 agent for the rental of units.

1606 12. A copy of the current question and answer sheet as
1607 described in s. 719.504.

1608 13. All other written records of the association not
1609 specifically included in the foregoing which are related to the
1610 operation of the association.

1611 Section 14. Subsections (3) and (4) of section 719.108,
1612 Florida Statutes, are amended to read:

1613 719.108 Rents and assessments; liability; lien and
 1614 priority; interest; collection; cooperative ownership.—
 1615 (3) Rents and assessments, and installments on them, not
 1616 paid when due bear interest at the rate provided in the
 1617 cooperative documents from the date due until paid. This rate
 1618 may not exceed the rate allowed by law and, if a rate is not
 1619 provided in the cooperative documents, accrues at 18 percent per
 1620 annum. If the cooperative documents or bylaws so provide, the
 1621 association may charge an administrative late fee in addition to
 1622 such interest, not to exceed the greater of \$25 or 5 percent of
 1623 each installment of the assessment for each delinquent
 1624 installment that the payment is late. Any payment received by an
 1625 association must be applied first to any interest accrued by the
 1626 association, then to any administrative late fee, then to any
 1627 costs and reasonable attorney fees incurred in collection, and
 1628 then to the delinquent assessment. The foregoing applies
 1629 notwithstanding s. 673.3111, any purported accord and
 1630 satisfaction, or any restrictive endorsement, designation, or
 1631 instruction placed on or accompanying a payment. The preceding
 1632 sentence of is intended to clarify existing law. A late fee is
 1633 not subject to chapter 687 or s. 719.303(4).
 1634 (4) The association has a lien on each cooperative parcel
 1635 for any unpaid rents and assessments, plus interest, and any
 1636 ~~authorized~~ administrative late fees. If authorized by the
 1637 cooperative documents, the lien also secures reasonable attorney
 1638 fees incurred by the association incident to the collection of

1639 the rents and assessments or enforcement of such lien. The lien
 1640 is effective from and after recording a claim of lien in the
 1641 public records in the county in which the cooperative parcel is
 1642 located which states the description of the cooperative parcel,
 1643 the name of the unit owner, the amount due, and the due dates.
 1644 Except as otherwise provided in this chapter, a lien may not be
 1645 filed by the association against a cooperative parcel until 30
 1646 days after the date on which a notice of intent to file a lien
 1647 has been delivered to the owner.

1648 (a) The notice must be sent to the unit owner at the
 1649 address of the unit by first-class United States mail, and the
 1650 notice must be in substantially the following form:

1651 NOTICE OF INTENT
 1652 TO RECORD A CLAIM OF LIEN
 1653 RE: Unit ...(unit number)... of ...(name of cooperative)..
 1654 The following amounts are currently due on your account to
 1655 ...(name of association)..., and must be paid within 30 days
 1656 after your receipt of this letter. This letter shall serve as
 1657 the association's notice of intent to record a Claim of Lien
 1658 against your property no sooner than 30 days after your receipt
 1659 of this letter, unless you pay in full the amounts set forth
 1660 below:

1661	Maintenance due ...(dates)...	\$.....
1662	Late fee, if applicable	\$.....
1663	Interest through ...(dates)....*	\$.....
1664	Certified mail charges	\$.....

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1665 Other costs \$.....

1666 TOTAL OUTSTANDING \$.....

1667 *Interest accrues at the rate of percent per annum.

1668 1. If the most recent address of the unit owner on the

1669 records of the association is the address of the unit, the

1670 notice must be sent by certified mail, return receipt requested,

1671 to the unit owner at the address of the unit.

1672 2. If the most recent address of the unit owner on the

1673 records of the association is in the United States, but is not

1674 the address of the unit, the notice must be sent by certified

1675 mail, return receipt requested, to the unit owner at his or her

1676 most recent address.

1677 3. If the most recent address of the unit owner on the

1678 records of the association is not in the United States, the

1679 notice must be sent by first-class United States mail to the

1680 unit owner at his or her most recent address.

1681 (b) A notice that is sent pursuant to this subsection is

1682 deemed delivered upon mailing. A claim of lien must be executed

1683 and acknowledged by an officer or authorized agent of the

1684 association. The lien is not effective 1 year after the claim of

1685 lien was recorded unless, within that time, an action to enforce

1686 the lien is commenced. The 1-year period is automatically

1687 extended for any length of time during which the association is

1688 prevented from filing a foreclosure action by an automatic stay

1689 resulting from a bankruptcy petition filed by the parcel owner

1690 or any other person claiming an interest in the parcel. The

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CODING: Words ~~stricken~~ are deletions; words underlined are additions.

1691 claim of lien secures all unpaid rents and assessments that are
 1692 due and that may accrue after the claim of lien is recorded and
 1693 through the entry of a final judgment, as well as interest and
 1694 all reasonable costs and attorney fees incurred by the
 1695 association incident to the collection process. Upon payment in
 1696 full, the person making the payment is entitled to a
 1697 satisfaction of the lien.

1698 (c) By recording a notice in substantially the following
 1699 form, a unit owner or the unit owner's agent or attorney may
 1700 require the association to enforce a recorded claim of lien
 1701 against his or her cooperative parcel:

1702 NOTICE OF CONTEST OF LIEN

1703 TO: ...(Name and address of association)...:

1704 You are notified that the undersigned contests the claim of lien
 1705 filed by you on, ...(year)..., and recorded in Official
 1706 Records Book at Page, of the public records of
 1707 County, Florida, and that the time within which you may file
 1708 suit to enforce your lien is limited to 90 days from the date of
 1709 service of this notice. Executed this day of,
 1710 ...(year)....

1711 Signed: ...(Owner or Attorney)...

1712 After notice of contest of lien has been recorded, the clerk of
 1713 the circuit court shall mail a copy of the recorded notice to
 1714 the association by certified mail, return receipt requested, at
 1715 the address shown in the claim of lien or most recent amendment
 1716 to it and shall certify to the service on the face of the

1717 notice. Service is complete upon mailing. After service, the
 1718 association has 90 days in which to file an action to enforce
 1719 the lien. If the action is not filed within the 90-day period,
 1720 the lien is void. However, the 90-day period shall be extended
 1721 for any length of time during which the association is prevented
 1722 from filing its action because of an automatic stay resulting
 1723 from the filing of a bankruptcy petition by the unit owner or by
 1724 any other person claiming an interest in the parcel.

1725 (d) A release of lien must be in substantially the
 1726 following form:

1727 RELEASE OF LIEN

1728 The undersigned lienor, in consideration of the final payment in
 1729 the amount of \$....., hereby waives and releases its lien and
 1730 right to claim a lien for unpaid assessments through,
 1731 ...(year)..., recorded in the Official Records Book at Page
 1732, of the public records of County, Florida, for the
 1733 following described real property:

1734 THAT COOPERATIVE PARCEL WHICH INCLUDES UNIT NO. OF ...(NAME
 1735 OF COOPERATIVE)..., A COOPERATIVE AS SET FORTH IN THE
 1736 COOPERATIVE DOCUMENTS AND THE EXHIBITS ANNEXED THERETO AND
 1737 FORMING A PART THEREOF, RECORDED IN OFFICIAL RECORDS BOOK,
 1738 PAGE, OF THE PUBLIC RECORDS OF COUNTY, FLORIDA.

1739 ...(Signature of Authorized Agent).....(Signature of Witness)...
 1740 ...(Print Name)...(Print Name)...
 1741(Signature of Witness)...
 1742(Print Name)...

1743 Sworn to (or affirmed) and subscribed before me this day of
 1744, ...(year)..., by ...(name of person making statement)....
 1745 ...(Signature of Notary Public)...
 1746 ...(Print, type, or stamp commissioned name of Notary Public)...
 1747 Personally Known OR Produced as identification.

1748 Section 15. Subsection (3) of section 719.303, Florida
 1749 Statutes, is amended to read:

1750 719.303 Obligations of owners.—

1751 (3) The association may levy reasonable fines for failure
 1752 of the unit owner or the unit's occupant, licensee, or invitee
 1753 to comply with any provision of the cooperative documents or
 1754 reasonable rules of the association. A fine may not become a
 1755 lien against a unit. A fine may be levied by the board on the
 1756 basis of each day of a continuing violation, with a single
 1757 notice and opportunity for hearing before a committee as
 1758 provided in paragraph (b). However, the fine may not exceed \$100
 1759 per violation, or \$1,000 in the aggregate.

1760 (a) An association may suspend, for a reasonable period of
 1761 time, the right of a unit owner, or a unit owner's tenant,
 1762 guest, or invitee, to use the common elements, common
 1763 facilities, or any other association property for failure to
 1764 comply with any provision of the cooperative documents or
 1765 reasonable rules of the association. This paragraph does not
 1766 apply to limited common elements intended to be used only by
 1767 that unit, common elements needed to access the unit, utility
 1768 services provided to the unit, parking spaces, or elevators.

1769 (b) A fine or suspension levied by the board of
 1770 administration may not be imposed unless the board first
 1771 provides at least 14 days' written ~~except after giving~~
 1772 ~~reasonable~~ notice and an opportunity for a hearing to the unit
 1773 owner and, if applicable, its occupant, ~~the unit's licensee,~~ or
 1774 invitee. The hearing must be held before a committee of other
 1775 unit owners who are neither board members nor persons residing
 1776 in a board member's household. The role of the committee is
 1777 limited to determining whether to confirm or reject the fine or
 1778 suspension levied by the board. If the committee does not agree
 1779 with the fine or suspension, it may not be imposed.

1780 Section 16. Subsection (8) of section 720.301, Florida
 1781 Statutes, is amended to read:

1782 720.301 Definitions.—As used in this chapter, the term:

1783 (8) "Governing documents" means:

1784 (a) The recorded declaration of covenants for a community~~7~~
 1785 and all duly adopted and recorded amendments, supplements, and
 1786 recorded exhibits thereto; ~~and~~

1787 (b) The articles of incorporation and bylaws of the
 1788 homeowners' association~~7~~ and any duly adopted amendments
 1789 thereto; and

1790 (c) Rules and regulations adopted under the authority of
 1791 the recorded declaration, articles of incorporation, or bylaws
 1792 and duly adopted amendments thereto.

1793 Section 17. Section 720.3015, Florida Statutes, is created
 1794 to read:

1795 720.3015 Short title.—This chapter may be cited as the
 1796 "Homeowners' Association Act."

1797 Section 18. Section 720.305, Florida Statutes, is amended
 1798 to read:

1799 720.305 Obligations of members; remedies at law or in
 1800 equity; levy of fines and suspension of use rights.—

1801 (1) Each member and the member's tenants, guests, and
 1802 invitees, and each association, are governed by, and must comply
 1803 with, this chapter, the governing documents of the community,
 1804 and the rules of the association. Actions at law or in equity,
 1805 or both, to redress alleged failure or refusal to comply with
 1806 these provisions may be brought by the association or by any
 1807 member against:

1808 (a) The association;

1809 (b) A member;

1810 (c) Any director or officer of an association who
 1811 willfully and knowingly fails to comply with these provisions;
 1812 and

1813 (d) Any tenants, guests, or invitees occupying a parcel or
 1814 using the common areas.

1815
 1816 The prevailing party in any such litigation is entitled to
 1817 recover reasonable attorney ~~attorney's~~ fees and costs. A member
 1818 prevailing in an action between the association and the member
 1819 under this section, in addition to recovering his or her
 1820 reasonable attorney ~~attorney's~~ fees, may recover additional

1821 amounts as determined by the court to be necessary to reimburse
 1822 the member for his or her share of assessments levied by the
 1823 association to fund its expenses of the litigation. This relief
 1824 does not exclude other remedies provided by law. This section
 1825 does not deprive any person of any other available right or
 1826 remedy.

1827 (2) The association may levy reasonable fines. A fine may
 1828 not exceed ~~of up to~~ \$100 per violation against any member or any
 1829 member's tenant, guest, or invitee for the failure of the owner
 1830 of the parcel or its occupant, licensee, or invitee to comply
 1831 with any provision of the declaration, the association bylaws,
 1832 or reasonable rules of the association unless otherwise provided
 1833 in the governing documents. A fine may be levied by the board
 1834 for each day of a continuing violation, with a single notice and
 1835 opportunity for hearing, except that the fine may not exceed
 1836 \$1,000 in the aggregate unless otherwise provided in the
 1837 governing documents. A fine of less than \$1,000 may not become a
 1838 lien against a parcel. In any action to recover a fine, the
 1839 prevailing party is entitled to reasonable attorney fees and
 1840 costs from the nonprevailing party as determined by the court.

1841 (a) An association may suspend, for a reasonable period of
 1842 time, the right of a member, or a member's tenant, guest, or
 1843 invitee, to use common areas and facilities for the failure of
 1844 the owner of the parcel or its occupant, licensee, or invitee to
 1845 comply with any provision of the declaration, the association
 1846 bylaws, or reasonable rules of the association. This paragraph

1847 does not apply to that portion of common areas used to provide
 1848 access or utility services to the parcel. A suspension may not
 1849 prohibit ~~impair the right of~~ an owner or tenant of a parcel from
 1850 having ~~to have~~ vehicular and pedestrian ingress to and egress
 1851 from the parcel, including, but not limited to, the right to
 1852 park.

1853 (b) A fine or suspension may not be imposed by the board
 1854 of administration without at least 14 days' notice to the person
 1855 sought to be fined or suspended and an opportunity for a hearing
 1856 before a committee of at least three members appointed by the
 1857 board who are not officers, directors, or employees of the
 1858 association, or the spouse, parent, child, brother, or sister of
 1859 an officer, director, or employee. If the committee, by majority
 1860 vote, does not approve a proposed fine or suspension, it may not
 1861 be imposed. The role of the committee is limited to determining
 1862 whether to confirm or reject the fine or suspension levied by
 1863 the board. If the board of administration ~~association~~ imposes a
 1864 fine or suspension, the association must provide written notice
 1865 of such fine or suspension by mail or hand delivery to the
 1866 parcel owner and, if applicable, to any tenant, licensee, or
 1867 invitee of the parcel owner.

1868 (3) If a member is more than 90 days delinquent in paying
 1869 any fee, fine, or other a monetary obligation due to the
 1870 association, the association may suspend the rights of the
 1871 member, or the member's tenant, guest, or invitee, to use common
 1872 areas and facilities until the fee, fine, or other monetary

1873 obligation is paid in full. This subsection does not apply to
 1874 that portion of common areas used to provide access or utility
 1875 services to the parcel. A suspension may ~~does not~~ prohibit
 1876 ~~impair the right of~~ an owner or tenant of a parcel from having
 1877 ~~to have~~ vehicular and pedestrian ingress to and egress from the
 1878 parcel, including, but not limited to, the right to park. The
 1879 notice and hearing requirements under subsection (2) do not
 1880 apply to a suspension imposed under this subsection.

1881 (4) An association may suspend the voting rights of a
 1882 parcel or member for the nonpayment of any fee, fine, or other
 1883 monetary obligation due to the association that is more than 90
 1884 days delinquent. A voting interest or consent right allocated to
 1885 a parcel or member which has been suspended by the association
 1886 shall be subtracted from ~~may not be counted towards~~ the total
 1887 number of voting interests in the association, which shall be
 1888 reduced by the number of suspended voting interests when
 1889 calculating the total percentage or number of all voting
 1890 interests available to take or approve any action, and the
 1891 suspended voting interests shall not be considered for any
 1892 purpose, including, but not limited to, the percentage or number
 1893 of voting interests necessary to constitute a quorum, the
 1894 percentage or number of voting interests required to conduct an
 1895 election, or the percentage or number of voting interests
 1896 required to approve an action under this chapter or pursuant to
 1897 the governing documents. The notice and hearing requirements
 1898 under subsection (2) do not apply to a suspension imposed under

1899 | this subsection. The suspension ends upon full payment of all
 1900 | obligations currently due or overdue to the association.

1901 | (5) All suspensions imposed pursuant to subsection (3) or
 1902 | subsection (4) must be approved at a properly noticed board
 1903 | meeting. Upon approval, the association must notify the parcel
 1904 | owner and, if applicable, the parcel's occupant, licensee, or
 1905 | invitee by mail or hand delivery.

1906 | (6) The suspensions permitted by paragraph (2)(a) and
 1907 | subsections (3) and (4) apply to a member and, when appropriate,
 1908 | the member's tenants, guests, or invitees, even if the
 1909 | delinquency or failure that resulted in the suspension arose
 1910 | from less than all of the multiple parcels owned by a member.

1911 | Section 19. Paragraph (b) of subsection (1) and subsection
 1912 | (9) of section 720.306, Florida Statutes, are amended to read:

1913 | 720.306 Meetings of members; voting and election
 1914 | procedures; amendments.—

1915 | (1) QUORUM; AMENDMENTS.—

1916 | (b) Unless otherwise provided in the governing documents
 1917 | or required by law, and other than those matters set forth in
 1918 | paragraph (c), any governing document of an association may be
 1919 | amended by the affirmative vote of two-thirds of the voting
 1920 | interests of the association. Within 30 days after recording an
 1921 | amendment to the governing documents, the association shall
 1922 | provide copies of the amendment to the members. However, if a
 1923 | copy of the proposed amendment is provided to the members before
 1924 | they vote on the amendment and the proposed amendment is not

1925 | changed before the vote, the association, in lieu of providing a
 1926 | copy of the amendment, may provide notice to the members that
 1927 | the amendment was adopted, identifying the official book and
 1928 | page number or instrument number of the recorded amendment and
 1929 | that a copy of the amendment is available at no charge to the
 1930 | member upon written request to the association. The copies and
 1931 | notice described in this paragraph may be provided
 1932 | electronically to those owners who previously consented to
 1933 | receive notice electronically. The failure to timely provide
 1934 | notice of the recording of the amendment does not affect the
 1935 | validity or enforceability of the amendment.

1936 | (9) ELECTIONS AND BOARD VACANCIES.—

1937 | (a) Elections of directors must be conducted in accordance
 1938 | with the procedures set forth in the governing documents of the
 1939 | association. Except as provided in paragraph (b), all members of
 1940 | the association are eligible to serve on the board of directors,
 1941 | and a member may nominate himself or herself as a candidate for
 1942 | the board at a meeting where the election is to be held;
 1943 | provided, however, that if the election process allows
 1944 | candidates to be nominated in advance of the meeting, the
 1945 | association is not required to allow nominations at the meeting.
 1946 | An election is not required unless more candidates are nominated
 1947 | than vacancies exist. Except as otherwise provided in the
 1948 | governing documents, boards of directors must be elected by a
 1949 | plurality of the votes cast by eligible voters. Any challenge to
 1950 | the election process must be commenced within 60 days after the

1951 election results are announced.

1952 (b) A person who is delinquent in the payment of any fee,
 1953 fine, or other monetary obligation to the association on the day
 1954 that he or she could last nominate himself or herself or be
 1955 nominated for the board may not seek election to the board, and
 1956 his or her name shall not be listed on the ballot. A person
 1957 -serving as a board member who becomes more than 90 days
 1958 delinquent in the payment of any fee, fine, or other monetary
 1959 obligation to the association shall be deemed to have abandoned
 1960 his or her seat on the board, creating a vacancy on the board to
 1961 be filled according to law. For purposes of this paragraph, the
 1962 term "any fee, fine, or other monetary obligation" means any
 1963 delinquency to the association with respect to any parcel ~~for~~
 1964 ~~more than 90 days is not eligible for board membership.~~ A person
 1965 who has been convicted of any felony in this state or in a
 1966 United States District or Territorial Court, or has been
 1967 convicted of any offense in another jurisdiction which would be
 1968 considered a felony if committed in this state, may not seek
 1969 election to the board and is not eligible for board membership
 1970 unless such felon's civil rights have been restored for at least
 1971 5 years as of the date on which such person seeks election to
 1972 the board. The validity of any action by the board is not
 1973 affected if it is later determined that a person was ineligible
 1974 to seek election to the board or that a member of the board is
 1975 ineligible for board membership.

1976 (c) Any election dispute between a member and an

1977 association must be submitted to mandatory binding arbitration
 1978 with the division. Such proceedings must be conducted in the
 1979 manner provided by s. 718.1255 and the procedural rules adopted
 1980 by the division. Unless otherwise provided in the bylaws, any
 1981 vacancy occurring on the board before the expiration of a term
 1982 may be filled by an affirmative vote of the majority of the
 1983 remaining directors, even if the remaining directors constitute
 1984 less than a quorum, or by the sole remaining director. In the
 1985 alternative, a board may hold an election to fill the vacancy,
 1986 in which case the election procedures must conform to the
 1987 requirements of the governing documents. Unless otherwise
 1988 provided in the bylaws, a board member appointed or elected
 1989 under this section is appointed for the unexpired term of the
 1990 seat being filled. Filling vacancies created by recall is
 1991 governed by s. 720.303(10) and rules adopted by the division.
 1992 Section 20. This act shall take effect July 1, 2015.