

1 A bill to be entitled
2 An act relating to residential properties; amending s.
3 617.0721, F.S.; authorizing the use of a copy,
4 facsimile transmission, or other reliable reproduction
5 of an original proxy vote for certain purposes;
6 amending s. 718.103, F.S.; revising the definition of
7 the term "developer"; amending s. 718.111, F.S.;
8 revising liability of unit owners under certain
9 conditions; revising what constitutes official records
10 of an association; amending s. 718.112, F.S.; revising
11 provisions relating to the voting process for
12 providing reserves; amending s. 718.116, F.S.;
13 revising applicability; revising effect of a claim of
14 lien; amending s. 718.303, F.S.; providing that a fine
15 may be levied by the board under certain conditions;
16 revising requirements for levying a fine or
17 suspension; amending s. 718.707, F.S.; extending the
18 time period for classification as bulk assignee or
19 bulk buyer; amending s. 719.104, F.S.; revising what
20 constitutes the official records of an association;
21 amending s. 719.108, F.S.; revising applicability;
22 revising effect of a claim of lien; amending s.
23 719.303, F.S.; providing that a fine may be levied by
24 the board under certain conditions; revising
25 requirements for levying a fine or suspension;
26 amending s. 720.301, F.S.; revising the definition of

27 | the term "governing documents"; creating s. 720.3015,
 28 | F.S.; providing a short title; amending s. 720.305,
 29 | F.S.; revising requirements for levying a fine or
 30 | suspension; revising application of certain
 31 | provisions; amending s. 720.306, F.S.; revising
 32 | requirements for the adoption of amendments to the
 33 | governing documents; revising requirements for the
 34 | election of directors; providing an effective date.
 35 |

36 | Be It Enacted by the Legislature of the State of Florida:
 37 |

38 | Section 1. Subsection (2) of section 617.0721, Florida
 39 | Statutes, is amended to read:

40 | 617.0721 Voting by members.—

41 | (2) A member who is entitled to vote may vote in person
 42 | or, unless the articles of incorporation or the bylaws otherwise
 43 | provide, may vote by proxy executed in writing by the member or
 44 | by his or her duly authorized attorney in fact. Notwithstanding
 45 | any provision to the contrary in the articles of incorporation
 46 | or bylaws, any copy, facsimile transmission, or other reliable
 47 | reproduction of the original proxy may be substituted or used in
 48 | lieu of the original proxy for any purpose for which the
 49 | original proxy could be used if the copy, facsimile
 50 | transmission, or other reproduction is a complete reproduction
 51 | of the entire proxy. An appointment of a proxy is not valid
 52 | after 11 months following the date of its execution unless

53 otherwise provided in the proxy.

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

57 (b) A corporation may reject a vote, consent, waiver, or
 58 proxy appointment if the secretary or other officer or agent
 59 authorized to tabulate votes, acting in good faith, has a
 60 reasonable basis for doubting the validity of the signature on
 61 it or the signatory's authority to sign for the member.

62 Section 2. Subsection (16) of section 718.103, Florida
 63 Statutes, is amended to read:

64 718.103 Definitions.—As used in this chapter, the term:

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

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

70 (b) A cooperative association that creates a condominium
 71 by conversion of an existing residential cooperative after
 72 control of the association has been transferred to the unit
 73 owners if, following the conversion, the unit owners are the
 74 same persons who were unit owners of the cooperative and no
 75 units are offered for sale or lease to the public as part of the
 76 plan of conversion;

77 (c) A bulk—assignee or bulk buyer as defined in s.
 78 718.703;

79 (d) A person who acquires title to 7 or fewer units
 80 operated by the same association consisting of 40 or fewer units
 81 or who acquires title to less than 20 percent of the units
 82 operated by the same association consisting of more than 40
 83 units, regardless of whether that person offers any of those
 84 units for sale;

85 (e) The trustee and any related trust association of a
 86 timeshare trust, the interests in which are qualified as
 87 timeshare estates pursuant to s. 721.08 or s. 721.53; or

88 (f)-(d) A state, county, or municipal entity acting as a
 89 lessor and not otherwise named as a developer in the declaration
 90 of condominium.

91 Section 3. Paragraph (j) of subsection (11) and paragraph
 92 (a) of subsection (12) of section 718.111, Florida Statutes, are
 93 amended to read:

94 718.111 The association.—

95 (11) INSURANCE.—In order to protect the safety, health,
 96 and welfare of the people of the State of Florida and to ensure
 97 consistency in the provision of insurance coverage to
 98 condominiums and their unit owners, this subsection applies to
 99 every residential condominium in the state, regardless of the
 100 date of its declaration of condominium. It is the intent of the
 101 Legislature to encourage lower or stable insurance premiums for
 102 associations described in this subsection.

103 (j) Any portion of the condominium property that must be
 104 insured by the association against property loss pursuant to

105 paragraph (f) which is damaged by an insurable event shall be
 106 reconstructed, repaired, or replaced as necessary by the
 107 association as a common expense. In the absence of an insurable
 108 event, the association or the unit owners shall be responsible
 109 for the reconstruction, repair, or replacement, as determined by
 110 the maintenance provisions of the declaration or bylaws. All
 111 property insurance deductibles, ~~uninsured losses,~~ and other
 112 damages in excess of property insurance coverage under the
 113 property insurance policies maintained by the association are a
 114 common expense of the condominium, except that:

115 1. A unit owner is responsible for the costs of repair or
 116 replacement of any portion of the condominium property not paid
 117 by insurance proceeds if such damage is caused by intentional
 118 conduct, negligence, or failure to comply with the terms of the
 119 declaration or the rules of the association by a unit owner, the
 120 members of his or her family, unit occupants, tenants, guests,
 121 or invitees, without compromise of the subrogation rights of the
 122 insurer.

123 2. The provisions of subparagraph 1. regarding the
 124 financial responsibility of a unit owner for the costs of
 125 repairing or replacing other portions of the condominium
 126 property also apply to the costs of repair or replacement of
 127 personal property of other unit owners or the association, as
 128 well as other property, whether real or personal, which the unit
 129 owners are required to insure.

130 3. To the extent the cost of repair or reconstruction for

131 | which the unit owner is responsible under this paragraph is
 132 | reimbursed to the association by insurance proceeds, and the
 133 | association has collected the cost of such repair or
 134 | reconstruction from the unit owner, the association shall
 135 | reimburse the unit owner without the waiver of any rights of
 136 | subrogation.

137 | 4. The association is not obligated to pay for
 138 | reconstruction or repairs of property losses as a common expense
 139 | if the property losses were known or should have been known to a
 140 | unit owner and were not reported to the association until after
 141 | the insurance claim of the association for that property was
 142 | settled or resolved with finality, or denied because it was
 143 | untimely filed.

144 | (12) OFFICIAL RECORDS.—

145 | (a) From the inception of the association, the association
 146 | shall maintain each of the following items, if applicable, which
 147 | constitutes the official records of the association:

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

150 | 2. A photocopy of the recorded declaration of condominium
 151 | of each condominium operated by the association and each
 152 | amendment to each declaration.

153 | 3. A photocopy of the recorded bylaws of the association
 154 | and each amendment to the bylaws.

155 | 4. A certified copy of the articles of incorporation of
 156 | the association, or other documents creating the association,

157 and each amendment thereto.

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

159 6. A book or books that contain the minutes of all
 160 meetings of the association, the board of administration, and
 161 the unit owners, which minutes must be retained for at least 7
 162 years.

163 7. A current roster of all unit owners and their mailing
 164 addresses, unit identifications, voting certifications, and, if
 165 known, telephone numbers. The association shall also maintain
 166 the electronic mailing addresses and facsimile numbers of unit
 167 owners consenting to receive notice by electronic transmission.
 168 The electronic mailing addresses and facsimile numbers are not
 169 accessible to unit owners if consent to receive notice by
 170 electronic transmission is not provided in accordance with
 171 subparagraph (c)5. However, the association is not liable for an
 172 inadvertent disclosure of the electronic mail address or
 173 facsimile number for receiving electronic transmission of
 174 notices.

175 8. All current insurance policies of the association and
 176 condominiums operated by the association.

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

181 10. Bills of sale or transfer for all property owned by
 182 the association.

183 11. Accounting records for the association and separate
 184 accounting records for each condominium that the association
 185 operates. All accounting records must be maintained for at least
 186 7 years. Any person who knowingly or intentionally defaces or
 187 destroys such records, or who knowingly or intentionally fails
 188 to create or maintain such records, with the intent of causing
 189 harm to the association or one or more of its members, is
 190 personally subject to a civil penalty pursuant to s.
 191 718.501(1)(d). The accounting records must include, but are not
 192 limited to:

193 a. Accurate, itemized, and detailed records of all
 194 receipts and expenditures.

195 b. A current account and a monthly, bimonthly, or
 196 quarterly statement of the account for each unit designating the
 197 name of the unit owner, the due date and amount of each
 198 assessment, the amount paid on the account, and the balance due.

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

201 d. All contracts for work to be performed. Bids for work
 202 to be performed are also considered official records and must be
 203 maintained by the association.

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

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

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

213 15. All other written records of the association not
214 specifically included in the foregoing which are related to the
215 operation of the association.

216 16. A copy of the inspection report as described in s.
217 718.301(4) (p).

218 Section 4. Paragraph (f) of subsection (2) of section
219 718.112, Florida Statutes, is amended to read:

220 718.112 Bylaws.—

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

224 (f) Annual budget.—

225 1. The proposed annual budget of estimated revenues and
226 expenses must be detailed and must show the amounts budgeted by
227 accounts and expense classifications, including, at a minimum,
228 any if applicable, ~~but not limited to,~~ those expenses listed in
229 s. 718.504(21). A multicondominium association shall adopt a
230 separate budget of common expenses for each condominium the
231 association operates and shall adopt a separate budget of common
232 expenses for the association. In addition, if the association
233 maintains limited common elements with the cost to be shared
234 only by those entitled to use the limited common elements as

235 provided for in s. 718.113(1), the budget or a schedule attached
 236 to it must show the amount budgeted for this maintenance. If,
 237 after turnover of control of the association to the unit owners,
 238 any of the expenses listed in s. 718.504(21) are not applicable,
 239 they need not be listed.

240 2.a. In addition to annual operating expenses, the budget
 241 must include reserve accounts for capital expenditures and
 242 deferred maintenance. These accounts must include, but are not
 243 limited to, roof replacement, building painting, and pavement
 244 resurfacing, regardless of the amount of deferred maintenance
 245 expense or replacement cost, and ~~for~~ any other item that has a
 246 deferred maintenance expense or replacement cost that exceeds
 247 \$10,000. The amount to be reserved must be computed using a
 248 formula based upon estimated remaining useful life and estimated
 249 replacement cost or deferred maintenance expense of each reserve
 250 item. The association may adjust replacement reserve assessments
 251 annually to take into account any changes in estimates or
 252 extension of the useful life of a reserve item caused by
 253 deferred maintenance. This subsection does not apply to an
 254 adopted budget in which the members of an association have
 255 determined, by a majority vote at a duly called meeting of the
 256 association, to provide no reserves or less reserves than
 257 required by this subsection.

258 b. ~~Before~~ ~~However,~~ ~~prior to~~ turnover of control of an
 259 association by a developer to unit owners other than a developer
 260 pursuant to s. 718.301, the developer may vote the voting

261 interests allocated to its units to waive the reserves or reduce
 262 the funding of reserves through the period expiring at the end
 263 of the second fiscal year after the fiscal year in which the
 264 certificate of a surveyor and mapper is recorded pursuant to s.
 265 718.104(4)(e) or an instrument that transfers title to a unit in
 266 the condominium which is not accompanied by a recorded
 267 assignment of developer rights in favor of the grantee of such
 268 unit is recorded, whichever occurs first, after which time
 269 reserves may be waived or reduced only upon the vote of a
 270 majority of all nondeveloper voting interests voting in person
 271 or by limited proxy at a duly called meeting of the association.
 272 If a meeting of the unit owners has been called to determine
 273 whether to waive or reduce the funding of reserves, and no such
 274 result is achieved or a quorum is not attained, the reserves
 275 included in the budget shall go into effect. After the turnover,
 276 the developer may vote its voting interest to waive or reduce
 277 the funding of reserves.

278 3. Reserve funds and any interest accruing thereon shall
 279 remain in the reserve account or accounts, and may be used only
 280 for authorized reserve expenditures unless their use for other
 281 purposes is approved in advance by a majority vote at a duly
 282 called meeting of the association. Before ~~Prior to~~ turnover of
 283 control of an association by a developer to unit owners other
 284 than the developer pursuant to s. 718.301, the developer-
 285 controlled association may ~~shall~~ not vote to use reserves for
 286 purposes other than those ~~that~~ for which they were intended

287 without the approval of a majority of all nondeveloper voting
 288 interests, voting in person or by limited proxy at a duly called
 289 meeting of the association.

290 4. The only voting interests that are eligible to vote on
 291 questions that involve waiving or reducing the funding of
 292 reserves, or using existing reserve funds for purposes other
 293 than purposes for which the reserves were intended, are the
 294 voting interests of the units subject to assessment to fund the
 295 reserves in question. Proxy questions relating to waiving or
 296 reducing the funding of reserves or using existing reserve funds
 297 for purposes other than purposes for which the reserves were
 298 intended must ~~shall~~ contain the following statement in
 299 capitalized, bold letters in a font size larger than any other
 300 used on the face of the proxy ballot: WAIVING OF RESERVES, IN
 301 WHOLE OR IN PART, OR ALLOWING ALTERNATIVE USES OF EXISTING
 302 RESERVES MAY RESULT IN UNIT OWNER LIABILITY FOR PAYMENT OF
 303 UNANTICIPATED SPECIAL ASSESSMENTS REGARDING THOSE ITEMS.

304 Section 5. Subsection (3) and paragraph (b) of subsection
 305 (5) of section 718.116, Florida Statutes, are amended to read:

306 718.116 Assessments; liability; lien and priority;
 307 interest; collection.—

308 (3) Assessments and installments on assessments which are
 309 not paid when due bear interest at the rate provided in the
 310 declaration, from the due date until paid. The rate may not
 311 exceed the rate allowed by law, and, if no rate is provided in
 312 the declaration, interest accrues at the rate of 18 percent per

313 year. If provided by the declaration or bylaws, the association
 314 may, in addition to such interest, charge an administrative late
 315 fee of up to the greater of \$25 or 5 percent of each delinquent
 316 installment for which the payment is late. Any payment received
 317 by an association must be applied first to any interest accrued
 318 by the association, then to any administrative late fee, then to
 319 any costs and reasonable attorney ~~attorney's~~ fees incurred in
 320 collection, and then to the delinquent assessment. The foregoing
 321 is applicable notwithstanding s. 673.3111, any purported accord
 322 and satisfaction, or any restrictive endorsement, designation,
 323 or instruction placed on or accompanying a payment. The
 324 preceding sentence is intended to clarify existing law. A late
 325 fee is not subject to chapter 687 or s. 718.303(4).

326 (5)

327 (b) To be valid, a claim of lien must state the
 328 description of the condominium parcel, the name of the record
 329 owner, the name and address of the association, the amount due,
 330 and the due dates. It must be executed and acknowledged by an
 331 officer or authorized agent of the association. The lien is not
 332 effective 1 year after the claim of lien was recorded unless,
 333 within that time, an action to enforce the lien is commenced.
 334 The 1-year period is automatically extended for any length of
 335 time during which the association is prevented from filing a
 336 foreclosure action by an automatic stay resulting from a
 337 bankruptcy petition filed by the parcel owner or any other
 338 person claiming an interest in the parcel. The claim of lien

339 secures all unpaid assessments that are due and that may accrue
 340 after the claim of lien is recorded and through the entry of a
 341 final judgment, as well as interest, administrative late fees,
 342 and all reasonable costs and attorney ~~attorney's~~ fees incurred
 343 by the association incident to the collection process. Upon
 344 payment in full, the person making the payment is entitled to a
 345 satisfaction of the lien.

346 Section 6. Subsections (3), (4), and (5) of section
 347 718.303, Florida Statutes, are amended, and subsection (7) is
 348 added to that section, to read:

349 718.303 Obligations of owners and occupants; remedies.—

350 (3) The association may levy reasonable fines for the
 351 failure of the owner of the unit or its occupant, licensee, or
 352 invitee to comply with any provision of the declaration, the
 353 association bylaws, or reasonable rules of the association. A
 354 fine may not become a lien against a unit. A fine may be levied
 355 by the board on the basis of each day of a continuing violation,
 356 with a single notice and opportunity for hearing before a
 357 committee as provided in paragraph (b). However, the fine may
 358 not exceed \$100 per violation, or \$1,000 in the aggregate.

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

365 does not apply to limited common elements intended to be used
 366 only by that unit, common elements needed to access the unit,
 367 utility services provided to the unit, parking spaces, or
 368 elevators.

369 (b) A fine or suspension levied by the board of
 370 administration may not be imposed unless the board association
 371 first provides at least 14 days' written notice and an
 372 opportunity for a hearing to the unit owner and, if applicable,
 373 its occupant, licensee, or invitee. The hearing must be held
 374 before a committee of other unit owners who are neither board
 375 members nor persons residing in a board member's household. The
 376 role of the committee is limited to determining whether to
 377 confirm or reject the fine or suspension levied by the board. If
 378 the committee does not agree, the fine or suspension may not be
 379 imposed.

380 (4) If a unit owner is more than 90 days delinquent in
 381 paying a fee, fine, or other monetary obligation due to the
 382 association, the association may suspend the right of the unit
 383 owner or the unit's occupant, licensee, or invitee to use common
 384 elements, common facilities, or any other association property
 385 until the fee, fine, or other monetary obligation is paid in
 386 full. This subsection does not apply to limited common elements
 387 intended to be used only by that unit, common elements needed to
 388 access the unit, utility services provided to the unit, parking
 389 spaces, or elevators. The notice and hearing requirements under
 390 subsection (3) do not apply to suspensions imposed under this

391 subsection.

392 (5) An association may suspend the voting rights of a unit
 393 or member due to nonpayment of any fee, fine, or other monetary
 394 obligation due to the association which is more than 90 days
 395 delinquent. A voting interest or consent right allocated to a
 396 unit or member which has been suspended by the association shall
 397 be subtracted from ~~may not be counted towards~~ the total number
 398 of voting interests in the association, which shall be reduced
 399 by the number of suspended voting interests when calculating the
 400 total percentage or number of all voting interests available to
 401 take or approve any action, and the suspended voting interests
 402 shall not be considered for any purpose, including, but not
 403 limited to, the percentage or number of voting interests
 404 necessary to constitute a quorum, the percentage or number of
 405 voting interests required to conduct an election, or the
 406 percentage or number of voting interests required to approve an
 407 action under this chapter or pursuant to the declaration,
 408 articles of incorporation, or bylaws. The suspension ends upon
 409 full payment of all obligations currently due or overdue the
 410 association. The notice and hearing requirements under
 411 subsection (3) do not apply to a suspension imposed under this
 412 subsection.

413 (7) The suspensions permitted by paragraph (3) (a) and
 414 subsections (4) and (5) apply to a member and, when appropriate,
 415 the member's tenants, guests, or invitees, even if the
 416 delinquency or failure that resulted in the suspension arose

417 from less than all of the multiple units owned by a member.

418 Section 7. Section 718.707, Florida Statutes, is amended
419 to read:

420 718.707 Time limitation for classification as bulk
421 assignee or bulk buyer.—A person acquiring condominium parcels
422 may not be classified as a bulk assignee or bulk buyer unless
423 the condominium parcels were acquired on or after July 1, 2010,
424 but before July 1, 2018 ~~2016~~. The date of such acquisition shall
425 be determined by the date of recording a deed or other
426 instrument of conveyance for such parcels in the public records
427 of the county in which the condominium is located, or by the
428 date of issuing a certificate of title in a foreclosure
429 proceeding with respect to such condominium parcels.

430 Section 8. Paragraph (a) of subsection (2) of section
431 719.104, Florida Statutes, is amended to read:

432 719.104 Cooperatives; access to units; records; financial
433 reports; assessments; purchase of leases.—

434 (2) OFFICIAL RECORDS.—

435 (a) From the inception of the association, the association
436 shall maintain a copy of each of the following, where
437 applicable, which shall constitute the official records of the
438 association:

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

441 2. A photocopy of the cooperative documents.

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

443 4. A book or books containing the minutes of all meetings
 444 of the association, of the board of directors, and of the unit
 445 owners, which minutes shall be retained for a period of not less
 446 than 7 years.

447 5. A current roster of all unit owners and their mailing
 448 addresses, unit identifications, voting certifications, and, if
 449 known, telephone numbers. The association shall also maintain
 450 the electronic mailing addresses and the numbers designated by
 451 unit owners for receiving notice sent by electronic transmission
 452 of those unit owners consenting to receive notice by electronic
 453 transmission. The electronic mailing addresses and numbers
 454 provided by unit owners to receive notice by electronic
 455 transmission shall be removed from association records when
 456 consent to receive notice by electronic transmission is revoked.
 457 However, the association is not liable for an erroneous
 458 disclosure of the electronic mail address or the number for
 459 receiving electronic transmission of notices.

460 6. All current insurance policies of the association.

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

465 8. Bills of sale or transfer for all property owned by the
 466 association.

467 9. Accounting records for the association and separate
 468 accounting records for each unit it operates, according to good

469 accounting practices. All accounting records shall be maintained
 470 for a period of not less than 7 years. The accounting records
 471 shall include, but not be limited to:

472 a. Accurate, itemized, and detailed records of all
 473 receipts and expenditures.

474 b. A current account and a monthly, bimonthly, or
 475 quarterly statement of the account for each unit designating the
 476 name of the unit owner, the due date and amount of each
 477 assessment, the amount paid upon the account, and the balance
 478 due.

479 c. All audits, reviews, accounting statements, and
 480 financial reports of the association.

481 d. All contracts for work to be performed. Bids for work
 482 to be performed shall also be considered official records and
 483 shall be maintained for a period of 1 year.

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

488 11. All rental records where the association is acting as
 489 agent for the rental of units.

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

492 13. All other written records of the association not
 493 specifically included in the foregoing which are related to the
 494 operation of the association.

495 Section 9. Subsections (3) and (4) of section 719.108,
 496 Florida Statutes, are amended to read:

497 719.108 Rents and assessments; liability; lien and
 498 priority; interest; collection; cooperative ownership.—

499 (3) Rents and assessments, and installments on them, not
 500 paid when due bear interest at the rate provided in the
 501 cooperative documents from the date due until paid. This rate
 502 may not exceed the rate allowed by law and, if a rate is not
 503 provided in the cooperative documents, accrues at 18 percent per
 504 annum. If the cooperative documents or bylaws so provide, the
 505 association may charge an administrative late fee in addition to
 506 such interest, not to exceed the greater of \$25 or 5 percent of
 507 each installment of the assessment for each delinquent
 508 installment that the payment is late. Any payment received by an
 509 association must be applied first to any interest accrued by the
 510 association, then to any administrative late fee, then to any
 511 costs and reasonable attorney fees incurred in collection, and
 512 then to the delinquent assessment. The foregoing applies
 513 notwithstanding s. 673.3111, any purported accord and
 514 satisfaction, or any restrictive endorsement, designation, or
 515 instruction placed on or accompanying a payment. The preceding
 516 sentence of is intended to clarify existing law. A late fee is
 517 not subject to chapter 687 or s. 719.303(4).

518 (4) The association has a lien on each cooperative parcel
 519 for any unpaid rents and assessments, plus interest, and any
 520 ~~authorized~~ administrative late fees. If authorized by the

521 cooperative documents, the lien also secures reasonable attorney
 522 fees incurred by the association incident to the collection of
 523 the rents and assessments or enforcement of such lien. The lien
 524 is effective from and after recording a claim of lien in the
 525 public records in the county in which the cooperative parcel is
 526 located which states the description of the cooperative parcel,
 527 the name of the unit owner, the amount due, and the due dates.
 528 Except as otherwise provided in this chapter, a lien may not be
 529 filed by the association against a cooperative parcel until 30
 530 days after the date on which a notice of intent to file a lien
 531 has been delivered to the owner.

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

535 NOTICE OF INTENT

536 TO RECORD A CLAIM OF LIEN

537 RE: Unit ...(unit number)... of ...(name of cooperative)...

538 The following amounts are currently due on your account to
 539 ...(name of association)..., and must be paid within 30 days
 540 after your receipt of this letter. This letter shall serve as
 541 the association's notice of intent to record a Claim of Lien
 542 against your property no sooner than 30 days after your receipt
 543 of this letter, unless you pay in full the amounts set forth
 544 below:

545	Maintenance due ...(dates)...	\$.....
546	Late fee, if applicable	\$.....

547	Interest through ...(dates)...*	\$.....
548	Certified mail charges	\$.....
549	Other costs	\$.....
550	TOTAL OUTSTANDING	\$.....

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

552 1. If the most recent address of the unit owner on the
 553 records of the association is the address of the unit, the
 554 notice must be sent by certified mail, return receipt requested,
 555 to the unit owner at the address of the unit.

556 2. If the most recent address of the unit owner on the
 557 records of the association is in the United States, but is not
 558 the address of the unit, the notice must be sent by certified
 559 mail, return receipt requested, to the unit owner at his or her
 560 most recent address.

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

565 (b) A notice that is sent pursuant to this subsection is
 566 deemed delivered upon mailing. A claim of lien must be executed
 567 and acknowledged by an officer or authorized agent of the
 568 association. The lien is not effective 1 year after the claim of
 569 lien was recorded unless, within that time, an action to enforce
 570 the lien is commenced. The 1-year period is automatically
 571 extended for any length of time during which the association is
 572 prevented from filing a foreclosure action by an automatic stay

573 resulting from a bankruptcy petition filed by the parcel owner
 574 or any other person claiming an interest in the parcel. The
 575 claim of lien secures all unpaid rents and assessments that are
 576 due and that may accrue after the claim of lien is recorded and
 577 through the entry of a final judgment, as well as interest and
 578 all reasonable costs and attorney fees incurred by the
 579 association incident to the collection process. Upon payment in
 580 full, the person making the payment is entitled to a
 581 satisfaction of the lien.

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

586 NOTICE OF CONTEST OF LIEN

587 TO: ...(Name and address of association)...:
 588 You are notified that the undersigned contests the claim of lien
 589 filed by you on, ...(year)..., and recorded in Official
 590 Records Book at Page, of the public records of
 591 County, Florida, and that the time within which you may file
 592 suit to enforce your lien is limited to 90 days from the date of
 593 service of this notice. Executed this day of,
 594 ...(year)....

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

596 After notice of contest of lien has been recorded, the clerk of
 597 the circuit court shall mail a copy of the recorded notice to
 598 the association by certified mail, return receipt requested, at

599 the address shown in the claim of lien or most recent amendment
 600 to it and shall certify to the service on the face of the
 601 notice. Service is complete upon mailing. After service, the
 602 association has 90 days in which to file an action to enforce
 603 the lien. If the action is not filed within the 90-day period,
 604 the lien is void. However, the 90-day period shall be extended
 605 for any length of time during which the association is prevented
 606 from filing its action because of an automatic stay resulting
 607 from the filing of a bankruptcy petition by the unit owner or by
 608 any other person claiming an interest in the parcel.

609 (d) A release of lien must be in substantially the
 610 following form:

611 RELEASE OF LIEN

612 The undersigned lienor, in consideration of the final payment in
 613 the amount of \$....., hereby waives and releases its lien and
 614 right to claim a lien for unpaid assessments through,
 615 ...(year)..., recorded in the Official Records Book at Page
 616, of the public records of County, Florida, for the
 617 following described real property:

618 THAT COOPERATIVE PARCEL WHICH INCLUDES UNIT NO. OF ...(NAME
 619 OF COOPERATIVE)..., A COOPERATIVE AS SET FORTH IN THE
 620 COOPERATIVE DOCUMENTS AND THE EXHIBITS ANNEXED THERETO AND
 621 FORMING A PART THEREOF, RECORDED IN OFFICIAL RECORDS BOOK,
 622 PAGE, OF THE PUBLIC RECORDS OF COUNTY, FLORIDA.

623 ...(Signature of Authorized Agent).....(Signature of Witness)...
 624 ...(Print Name)...(Print Name)...

625 | ... (Signature of Witness) ...

626 | ... (Print Name) ...

627 | Sworn to (or affirmed) and subscribed before me this day of

628 |, ... (year) ..., by ... (name of person making statement)

629 | ... (Signature of Notary Public) ...

630 | ... (Print, type, or stamp commissioned name of Notary Public) ...

631 | Personally Known OR Produced as identification.

632 | Section 10. Subsection (3) of section 719.303, Florida
633 | Statutes, is amended to read:

634 | 719.303 Obligations of owners.—

635 | (3) The association may levy reasonable fines for failure
636 | of the unit owner or the unit's occupant, licensee, or invitee
637 | to comply with any provision of the cooperative documents or
638 | reasonable rules of the association. A fine may not become a
639 | lien against a unit. A fine may be levied by the board on the
640 | basis of each day of a continuing violation, with a single
641 | notice and opportunity for hearing before a committee as
642 | provided in paragraph (b). However, the fine may not exceed \$100
643 | per violation, or \$1,000 in the aggregate.

644 | (a) An association may suspend, for a reasonable period of
645 | time, the right of a unit owner, or a unit owner's tenant,
646 | guest, or invitee, to use the common elements, common
647 | facilities, or any other association property for failure to
648 | comply with any provision of the cooperative documents or
649 | reasonable rules of the association. This paragraph does not
650 | apply to limited common elements intended to be used only by

651 that unit, common elements needed to access the unit, utility
 652 services provided to the unit, parking spaces, or elevators.

653 (b) A fine or suspension levied by the board of
 654 administration may not be imposed unless the board first
 655 provides at least 14 days' written ~~except after giving~~
 656 ~~reasonable~~ notice and an opportunity for a hearing to the unit
 657 owner and, if applicable, its occupant, ~~the unit's~~ licensee, or
 658 invitee. The hearing must be held before a committee of other
 659 unit owners who are neither board members nor persons residing
 660 in a board member's household. The role of the committee is
 661 limited to determining whether to confirm or reject the fine or
 662 suspension levied by the board. If the committee does not agree
 663 with the fine or suspension, it may not be imposed.

664 Section 11. Subsection (8) of section 720.301, Florida
 665 Statutes, is amended to read:

666 720.301 Definitions.—As used in this chapter, the term:

667 (8) "Governing documents" means:

668 (a) The recorded declaration of covenants for a community,
 669 and all duly adopted and recorded amendments, supplements, and
 670 recorded exhibits thereto; ~~and~~

671 (b) The articles of incorporation and bylaws of the
 672 homeowners' association, ~~and~~ any duly adopted amendments
 673 thereto; and

674 (c) Rules and regulations adopted under the authority of
 675 the recorded declaration, articles of incorporation, or bylaws
 676 and duly adopted amendments thereto.

677 Section 12. Section 720.3015, Florida Statutes, is created
 678 to read:

679 720.3015 Short title.—This chapter may be cited as the
 680 "Homeowners' Association Act."

681 Section 13. Section 720.305, Florida Statutes, is amended
 682 to read:

683 720.305 Obligations of members; remedies at law or in
 684 equity; levy of fines and suspension of use rights.—

685 (1) Each member and the member's tenants, guests, and
 686 invitees, and each association, are governed by, and must comply
 687 with, this chapter, the governing documents of the community,
 688 and the rules of the association. Actions at law or in equity,
 689 or both, to redress alleged failure or refusal to comply with
 690 these provisions may be brought by the association or by any
 691 member against:

692 (a) The association;

693 (b) A member;

694 (c) Any director or officer of an association who
 695 willfully and knowingly fails to comply with these provisions;
 696 and

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

699
 700 The prevailing party in any such litigation is entitled to
 701 recover reasonable attorney ~~attorney's~~ fees and costs. A member
 702 prevailing in an action between the association and the member

703 | under this section, in addition to recovering his or her
 704 | reasonable attorney ~~attorney's~~ fees, may recover additional
 705 | amounts as determined by the court to be necessary to reimburse
 706 | the member for his or her share of assessments levied by the
 707 | association to fund its expenses of the litigation. This relief
 708 | does not exclude other remedies provided by law. This section
 709 | does not deprive any person of any other available right or
 710 | remedy.

711 | (2) The association may levy reasonable fines. A fine may
 712 | not exceed ~~of up to~~ \$100 per violation against any member or any
 713 | member's tenant, guest, or invitee for the failure of the owner
 714 | of the parcel or its occupant, licensee, or invitee to comply
 715 | with any provision of the declaration, the association bylaws,
 716 | or reasonable rules of the association unless otherwise provided
 717 | in the governing documents. A fine may be levied by the board
 718 | for each day of a continuing violation, with a single notice and
 719 | opportunity for hearing, except that the fine may not exceed
 720 | \$1,000 in the aggregate unless otherwise provided in the
 721 | governing documents. A fine of less than \$1,000 may not become a
 722 | lien against a parcel. In any action to recover a fine, the
 723 | prevailing party is entitled to reasonable attorney fees and
 724 | costs from the nonprevailing party as determined by the court.

725 | (a) An association may suspend, for a reasonable period of
 726 | time, the right of a member, or a member's tenant, guest, or
 727 | invitee, to use common areas and facilities for the failure of
 728 | the owner of the parcel or its occupant, licensee, or invitee to

729 | comply with any provision of the declaration, the association
 730 | bylaws, or reasonable rules of the association. This paragraph
 731 | does not apply to that portion of common areas used to provide
 732 | access or utility services to the parcel. A suspension may not
 733 | prohibit ~~impair the right of~~ an owner or tenant of a parcel from
 734 | having ~~to have~~ vehicular and pedestrian ingress to and egress
 735 | from the parcel, including, but not limited to, the right to
 736 | park.

737 | (b) A fine or suspension may not be imposed by the board
 738 | of administration without at least 14 days' notice to the person
 739 | sought to be fined or suspended and an opportunity for a hearing
 740 | before a committee of at least three members appointed by the
 741 | board who are not officers, directors, or employees of the
 742 | association, or the spouse, parent, child, brother, or sister of
 743 | an officer, director, or employee. If the committee, by majority
 744 | vote, does not approve a proposed fine or suspension, it may not
 745 | be imposed. The role of the committee is limited to determining
 746 | whether to confirm or reject the fine or suspension levied by
 747 | the board. If the board of administration ~~association~~ imposes a
 748 | fine or suspension, the association must provide written notice
 749 | of such fine or suspension by mail or hand delivery to the
 750 | parcel owner and, if applicable, to any tenant, licensee, or
 751 | invitee of the parcel owner.

752 | (3) If a member is more than 90 days delinquent in paying
 753 | any fee, fine, or other ~~a~~ monetary obligation due to the
 754 | association, the association may suspend the rights of the

755 member, or the member's tenant, guest, or invitee, to use common
756 areas and facilities until the fee, fine, or other monetary
757 obligation is paid in full. This subsection does not apply to
758 that portion of common areas used to provide access or utility
759 services to the parcel. A suspension may ~~does~~ not prohibit
760 ~~impair the right of~~ an owner or tenant of a parcel from having
761 ~~to have~~ vehicular and pedestrian ingress to and egress from the
762 parcel, including, but not limited to, the right to park. The
763 notice and hearing requirements under subsection (2) do not
764 apply to a suspension imposed under this subsection.

765 (4) An association may suspend the voting rights of a
766 parcel or member for the nonpayment of any fee, fine, or other
767 monetary obligation due to the association that is more than 90
768 days delinquent. A voting interest or consent right allocated to
769 a parcel or member which has been suspended by the association
770 shall be subtracted from ~~may not be counted towards~~ the total
771 number of voting interests in the association, which shall be
772 reduced by the number of suspended voting interests when
773 calculating the total percentage or number of all voting
774 interests available to take or approve any action, and the
775 suspended voting interests shall not be considered for any
776 purpose, including, but not limited to, the percentage or number
777 of voting interests necessary to constitute a quorum, the
778 percentage or number of voting interests required to conduct an
779 election, or the percentage or number of voting interests
780 required to approve an action under this chapter or pursuant to

781 the governing documents. The notice and hearing requirements
 782 under subsection (2) do not apply to a suspension imposed under
 783 this subsection. The suspension ends upon full payment of all
 784 obligations currently due or overdue to the association.

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

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

795 Section 14. Paragraph (b) of subsection (1) and subsection
 796 (9) of section 720.306, Florida Statutes, are amended to read:

797 720.306 Meetings of members; voting and election
 798 procedures; amendments.—

799 (1) QUORUM; AMENDMENTS.—

800 (b) Unless otherwise provided in the governing documents
 801 or required by law, and other than those matters set forth in
 802 paragraph (c), any governing document of an association may be
 803 amended by the affirmative vote of two-thirds of the voting
 804 interests of the association. Within 30 days after recording an
 805 amendment to the governing documents, the association shall
 806 provide copies of the amendment to the members. However, if a

807 copy of the proposed amendment is provided to the members before
808 they vote on the amendment and the proposed amendment is not
809 changed before the vote, the association, in lieu of providing a
810 copy of the amendment, may provide notice to the members that
811 the amendment was adopted, identifying the official book and
812 page number or instrument number of the recorded amendment and
813 that a copy of the amendment is available at no charge to the
814 member upon written request to the association. The copies and
815 notice described in this paragraph may be provided
816 electronically to those owners who previously consented to
817 receive notice electronically. The failure to timely provide
818 notice of the recording of the amendment does not affect the
819 validity or enforceability of the amendment.

820 (9) ELECTIONS AND BOARD VACANCIES.—

821 (a) Elections of directors must be conducted in accordance
822 with the procedures set forth in the governing documents of the
823 association. Except as provided in paragraph (b), all members of
824 the association are eligible to serve on the board of directors,
825 and a member may nominate himself or herself as a candidate for
826 the board at a meeting where the election is to be held;
827 provided, however, that if the election process allows
828 candidates to be nominated in advance of the meeting, the
829 association is not required to allow nominations at the meeting.
830 An election is not required unless more candidates are nominated
831 than vacancies exist. Except as otherwise provided in the
832 governing documents, boards of directors must be elected by a

833 plurality of the votes cast by eligible voters. Any challenge to
834 the election process must be commenced within 60 days after the
835 election results are announced.

836 (b) A person who is delinquent in the payment of any fee,
837 fine, or other monetary obligation to the association on the day
838 that he or she could last nominate himself or herself or be
839 nominated for the board may not seek election to the board, and
840 his or her name shall not be listed on the ballot. A person
841 serving as a board member who becomes more than 90 days
842 delinquent in the payment of any fee, fine, or other monetary
843 obligation to the association shall be deemed to have abandoned
844 his or her seat on the board, creating a vacancy on the board to
845 be filled according to law. For purposes of this paragraph, the
846 term "any fee, fine, or other monetary obligation" means any
847 delinquency to the association with respect to any parcel ~~for~~
848 more than 90 days is not eligible for board membership. A person
849 who has been convicted of any felony in this state or in a
850 United States District or Territorial Court, or has been
851 convicted of any offense in another jurisdiction which would be
852 considered a felony if committed in this state, may not seek
853 election to the board and is not eligible for board membership
854 unless such felon's civil rights have been restored for at least
855 5 years as of the date on which such person seeks election to
856 the board. The validity of any action by the board is not
857 affected if it is later determined that a person was ineligible
858 to seek election to the board or that a member of the board is

859 ineligible for board membership.

860 (c) Any election dispute between a member and an
861 association must be submitted to mandatory binding arbitration
862 with the division. Such proceedings must be conducted in the
863 manner provided by s. 718.1255 and the procedural rules adopted
864 by the division. Unless otherwise provided in the bylaws, any
865 vacancy occurring on the board before the expiration of a term
866 may be filled by an affirmative vote of the majority of the
867 remaining directors, even if the remaining directors constitute
868 less than a quorum, or by the sole remaining director. In the
869 alternative, a board may hold an election to fill the vacancy,
870 in which case the election procedures must conform to the
871 requirements of the governing documents. Unless otherwise
872 provided in the bylaws, a board member appointed or elected
873 under this section is appointed for the unexpired term of the
874 seat being filled. Filling vacancies created by recall is
875 governed by s. 720.303(10) and rules adopted by the division.

876 Section 15. This act shall take effect July 1, 2015.