

1 A bill to be entitled
2 An act relating to community associations; amending s.
3 718.111, F.S.; revising condominium association
4 recordkeeping and financial reporting requirements;
5 revising record retention policies; revising the list
6 of documents that the association is required to post
7 online; limiting an association's liability for
8 inadvertent disclosure of protected or restricted
9 information; amending s. 718.112, F.S.; revising
10 provisions relating to required association bylaws;
11 removing board term limits; authorizing an association
12 to adopt rules for posting certain notices on a
13 website; providing responsibilities for unit owners
14 who receive electronic notices; revising and providing
15 board member recall and challenge requirements;
16 authorizing the recovery of attorney fees and costs in
17 an action to challenge the validity of a board member
18 recall; amending s. 718.113, F.S.; revising voting
19 requirements relating to alterations and additions to
20 certain common elements or association property;
21 amending s. 718.3026, F.S.; removing a provision
22 relating to certain contracts or transactions
23 regarding conflicts of interest; amending s. 718.3027,
24 F.S.; providing requirements for proposed activity
25 that is identified as a conflict of interest; amending

s. 718.303, F.S.; revising fine and suspension requirements; amending s. 718.707, F.S.; revising the time period for classification as a bulk assignee or bulk buyer; amending s. 719.104, F.S.; revising cooperative association recordkeeping requirements; amending s. 719.106, F.S.; revising requirements to serve as a board member; prohibiting a board member from voting via e-mail; authorizing an association to adopt rules for posting certain notices on a website; providing responsibilities for unit owners who receive electronic notices; providing that directors or officers who are delinquent in certain payments owed in excess of certain periods of time be deemed to have abandoned their offices; amending s. 719.107, F.S.; specifying that certain services which are obtained pursuant to a bulk contract are deemed a common expense; amending s. 719.303, F.S.; revising fine and suspension requirements; amending s. 720.303, F.S.; prohibiting a board member from voting via e-mail; amending s. 720.305, F.S.; revising fine and suspension requirements; amending s. 720.306, F.S.; revising election requirements; amending s. 720.3085, F.S.; providing applicability; providing an effective date.

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

52
53 Section 1. Subsection (3), paragraphs (a), (b), and (g) of
54 subsection (12), and paragraph (e) of subsection (13) of section
55 718.111, Florida Statutes, are amended to read:

56 718.111 The association.—

57 (3) POWER TO MANAGE CONDOMINIUM PROPERTY AND TO CONTRACT,
58 SUE, AND BE SUED; ~~CONFLICT OF INTEREST.~~—

59 ~~(a)~~ The association may contract, sue, or be sued with
60 respect to the exercise or nonexercise of its powers. For these
61 purposes, the powers of the association include, but are not
62 limited to, the maintenance, management, and operation of the
63 condominium property. After control of the association is
64 obtained by unit owners other than the developer, the
65 association may institute, maintain, settle, or appeal actions
66 or hearings in its name on behalf of all unit owners concerning
67 matters of common interest to most or all unit owners,
68 including, but not limited to, the common elements; the roof and
69 structural components of a building or other improvements;
70 mechanical, electrical, and plumbing elements serving an
71 improvement or a building; representations of the developer
72 pertaining to any existing or proposed commonly used facilities;
73 and protesting ad valorem taxes on commonly used facilities and
74 on units; and may defend actions in eminent domain or bring
75 inverse condemnation actions. If the association has the

76 authority to maintain a class action, the association may be
77 joined in an action as representative of that class with
78 reference to litigation and disputes involving the matters for
79 which the association could bring a class action. Nothing herein
80 limits any statutory or common-law right of any individual unit
81 owner or class of unit owners to bring any action without
82 participation by the association which may otherwise be
83 available.

84 ~~(b) An association may not hire an attorney who represents~~
85 ~~the management company of the association.~~

86 (12) OFFICIAL RECORDS.—

87 (a) From the inception of the association, the association
88 shall maintain each of the following items, if applicable, which
89 constitutes the official records of the association:

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

92 2. A photocopy of the recorded declaration of condominium
93 of each condominium operated by the association and each
94 amendment to each declaration.

95 3. A photocopy of the recorded bylaws of the association
96 and each amendment to the bylaws.

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

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

101 6. A book or books that contain the minutes of all
102 meetings of the association, the board of administration, and
103 the unit owners, ~~which minutes must be retained for at least 7~~
104 ~~years.~~

105 7. A current roster of all unit owners and their mailing
106 addresses, unit identifications, voting certifications, and, if
107 known, telephone numbers. The association shall also maintain
108 the e-mail ~~electronic mailing~~ addresses and facsimile numbers of
109 unit owners consenting to receive notice by electronic
110 transmission. The e-mail ~~electronic mailing~~ addresses and
111 facsimile numbers are not accessible to unit owners if consent
112 to receive notice by electronic transmission is not provided in
113 accordance with sub-subparagraph (c)3.e. However, the
114 association is not liable for an inadvertent disclosure of the
115 e-mail ~~electronic mail~~ address or facsimile number for receiving
116 electronic transmission of notices.

117 8. All current insurance policies of the association and
118 condominiums operated by the association.

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

123 10. Bills of sale or transfer for all property owned by
124 the association.

125 11. Accounting records for the association and separate

126 accounting records for each condominium that the association
127 operates. ~~All accounting records must be maintained for at least~~
128 ~~7 years.~~ Any person who knowingly or intentionally defaces or
129 destroys such records, or who knowingly or intentionally fails
130 to create or maintain such records, with the intent of causing
131 harm to the association or one or more of its members, is
132 personally subject to a civil penalty pursuant to s.

133 718.501(1)(d). The accounting records must include, but are not
134 limited to:

135 a. Accurate, itemized, and detailed records of all
136 receipts and expenditures.

137 b. A current account and a monthly, bimonthly, or
138 quarterly statement of the account for each unit designating the
139 name of the unit owner, the due date and amount of each
140 assessment, the amount paid on the account, and the balance due.

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

143 d. All contracts for work to be performed. Bids for work
144 to be performed are also considered official records and must be
145 maintained by the association.

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

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

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

155 15. All other written records of the association not
156 specifically included in the foregoing which are related to the
157 operation of the association.

158 16. A copy of the inspection report as described in s.
159 718.301(4) (p) .

160 17. Bids for materials, equipment, or services.

161 (b) The official records specified in subparagraphs (a)1.-
162 6. must be permanently maintained from the inception of the
163 association. All other official records ~~of the association~~ must
164 be maintained within the state for at least 7 years, unless
165 otherwise provided by general law. The records of the
166 association shall be made available to a unit owner within 45
167 miles of the condominium property or within the county in which
168 the condominium property is located within 10 ~~5~~ working days
169 after receipt of a written request by the board or its designee.
170 However, such distance requirement does not apply to an
171 association governing a timeshare condominium. This paragraph
172 may be complied with by having a copy of the official records of
173 the association available for inspection or copying on the
174 condominium property or association property, or the association
175 may offer the option of making the records available to a unit

owner electronically via the Internet or by allowing the records to be viewed in electronic format on a computer screen and printed upon request. The association is not responsible for the use or misuse of the information provided to an association member or his or her authorized representative pursuant to the compliance requirements of this chapter unless the association has an affirmative duty not to disclose such information pursuant to this chapter.

(g)1. By January ~~July~~ 1, 2019 ~~2018~~, an association managing a condominium with 150 or more units which does not contain ~~manage~~ timeshare units shall post digital copies of the documents specified in subparagraph 2. on its website.

a. The association's website must be:

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

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

b. The association's website must be accessible through the Internet and must contain a subpage, web portal, or other protected electronic location that is inaccessible to the general public and accessible only to unit owners and employees

201 of the association.

202 c. Upon a unit owner's written request, the association
203 must provide the unit owner with a username and password and
204 access to the protected sections of the association's website
205 that contain any notices, records, or documents that must be
206 electronically provided.

207 2. A current copy of the following documents must be
208 posted in digital format on the association's website:

209 a. The recorded declaration of condominium of each
210 condominium operated by the association and each amendment to
211 each declaration.

212 b. The recorded bylaws of the association and each
213 amendment to the bylaws.

214 c. The articles of incorporation of the association, or
215 other documents creating the association, and each amendment
216 thereto. The copy posted pursuant to this sub-subparagraph must
217 be a copy of the articles of incorporation filed with the
218 Department of State.

219 d. The rules of the association.

220 e. Any management agreement, lease, or other contract to
221 which the association is a party or under which the association
222 or the unit owners have an obligation or responsibility and,
223 after bidding for the related materials, equipment, or services
224 has closed, a list of bids received by the association within
225 the past year. Summaries of bids for materials, equipment, or

226 services must be maintained on the website for 1 year. In lieu
227 of summaries, complete copies of the bids may be posted.

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

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

232 h. The certification of each director required by s.
233 718.112(2)(d)4.b.

234 i. All contracts or transactions between the association
235 and any director, officer, corporation, firm, or association
236 that is not an affiliated condominium association or any other
237 entity in which an association director is also a director or
238 officer and financially interested.

239 j. Any contract or document regarding a conflict of
240 interest or possible conflict of interest as provided in ss.
241 468.436(2)(b)6. and 718.3027(3) ~~ss. 468.436(2) and 718.3026(3).~~

242 k. The notice of any unit owner meeting and the agenda for
243 the meeting, as required by s. 718.112(2)(d)3., no later than 14
244 days before the meeting. The notice must be posted in plain view
245 on the front page of the website, or on a separate subpage of
246 the website labeled "Notices" which is conspicuously visible and
247 linked from the front page. The association must also post on
248 its website any document to be considered and voted on by the
249 owners during the meeting or any document listed on the agenda
250 at least 7 days before the meeting at which the document or the

information within the document will be considered.

1. Notice of any board meeting, the agenda, and any other document required for the meeting as required by s. 718.112(2)(c), which must be posted no later than the date required for notice pursuant to s. 718.112(2)(c).

3. The association shall ensure that the information and records described in paragraph (c), which are not allowed ~~permitted~~ to be accessible to unit owners, are not posted on the association's website. If protected information or information restricted from being accessible to unit owners is included in documents that are required to be posted on the association's website, the association shall ensure the information is redacted before posting the documents online. Notwithstanding the foregoing, the association or its agent is not liable for disclosing information that is protected or restricted pursuant to this paragraph unless such disclosure was made with a knowing or intentional disregard of the protected or restricted nature of such information.

(13) FINANCIAL REPORTING.—Within 90 days after the end of the fiscal year, or annually on a date provided in the bylaws, the association shall prepare and complete, or contract for the preparation and completion of, a financial report for the preceding fiscal year. Within 21 days after the final financial report is completed by the association or received from the third party, but not later than 120 days after the end of the

276 | fiscal year or other date as provided in the bylaws, the
277 | association shall mail to each unit owner at the address last
278 | furnished to the association by the unit owner, or hand deliver
279 | to each unit owner, a copy of the most recent financial report
280 | or a notice that a copy of the most recent financial report will
281 | be mailed or hand delivered to the unit owner, without charge,
282 | within 5 business days after receipt of a written request from
283 | the unit owner. The division shall adopt rules setting forth
284 | uniform accounting principles and standards to be used by all
285 | associations and addressing the financial reporting requirements
286 | for multicondominium associations. The rules must include, but
287 | not be limited to, standards for presenting a summary of
288 | association reserves, including a good faith estimate disclosing
289 | the annual amount of reserve funds that would be necessary for
290 | the association to fully fund reserves for each reserve item
291 | based on the straight-line accounting method. This disclosure is
292 | not applicable to reserves funded via the pooling method. In
293 | adopting such rules, the division shall consider the number of
294 | members and annual revenues of an association. Financial reports
295 | shall be prepared as follows:

296 | (e) A unit owner may provide written notice to the
297 | division of the association's failure to mail or hand deliver
298 | him or her a copy of the most recent financial report within 5
299 | business days after he or she submitted a written request to the
300 | association for a copy of such report. If the division

determines that the association failed to mail or hand deliver a copy of the most recent financial report to the unit owner, the division shall provide written notice to the association that the association must mail or hand deliver a copy of the most recent financial report to the unit owner and the division within 5 business days after it receives such notice from the division. An association that fails to comply with the division's request may not waive the financial reporting requirement provided in paragraph (d) for the fiscal year in which the unit owner's request was made and the following fiscal year. A financial report received by the division pursuant to this paragraph shall be maintained, and the division shall provide a copy of such report to an association member upon his or her request.

Section 2. Paragraphs (a), (c), (d), and (j) of subsection (2) of section 718.112, Florida Statutes, are amended to read:

718.112 Bylaws.—

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

(a) Administration.—

1. The form of administration of the association shall be described indicating the title of the officers and board of administration and specifying the powers, duties, manner of selection and removal, and compensation, if any, of officers and

boards. In the absence of such a provision, the board of administration shall be composed of five members, unless the ~~except in the case of a~~ condominium ~~which~~ has five or fewer units. The board shall consist of not fewer than three members in condominiums with five or fewer units that are not-for-profit corporations, ~~in which case in a not-for-profit corporation the board shall consist of not fewer than three members.~~ In the absence of provisions to the contrary in the bylaws, the board of administration shall have a president, a secretary, and a treasurer, who shall perform the duties of such officers customarily performed by officers of corporations. Unless prohibited in the bylaws, the board of administration may appoint other officers and grant them the duties it deems appropriate. Unless otherwise provided in the bylaws, the officers shall serve without compensation and at the pleasure of the board of administration. Unless otherwise provided in the bylaws, the members of the board shall serve without compensation.

2. When a unit owner of a residential condominium files a written inquiry by certified mail with the board of administration, the board shall respond in writing to the unit owner within 30 days after receipt of the inquiry. The board's response shall either give a substantive response to the inquirer, notify the inquirer that a legal opinion has been requested, or notify the inquirer that advice has been requested

351 from the division. If the board requests advice from the
352 division, the board shall, within 10 days after its receipt of
353 the advice, provide in writing a substantive response to the
354 inquirer. If a legal opinion is requested, the board shall,
355 within 60 days after the receipt of the inquiry, provide in
356 writing a substantive response to the inquiry. The failure to
357 provide a substantive response to the inquiry as provided herein
358 precludes the board from recovering attorney fees and costs in
359 any subsequent litigation, administrative proceeding, or
360 arbitration arising out of the inquiry. The association may
361 through its board of administration adopt reasonable rules and
362 regulations regarding the frequency and manner of responding to
363 unit owner inquiries, one of which may be that the association
364 is only obligated to respond to one written inquiry per unit in
365 any given 30-day period. In such a case, any additional inquiry
366 or inquiries must be responded to in the subsequent 30-day
367 period, or periods, as applicable.

368 (c) Board of administration meetings.—Meetings of the
369 board of administration at which a quorum of the members is
370 present are open to all unit owners. Members of the board of
371 administration may use e-mail as a means of communication but
372 may not cast a vote on an association matter via e-mail. A unit
373 owner may tape record or videotape the meetings. The right to
374 attend such meetings includes the right to speak at such
375 meetings with reference to all designated agenda items. The

376 division shall adopt reasonable rules governing the tape
377 recording and videotaping of the meeting. The association may
378 adopt written reasonable rules governing the frequency,
379 duration, and manner of unit owner statements.

380 1. Adequate notice of all board meetings, which must
381 specifically identify all agenda items, must be posted
382 conspicuously on the condominium property at least 48 continuous
383 hours before the meeting except in an emergency. If 20 percent
384 of the voting interests petition the board to address an item of
385 business, the board, within 60 days after receipt of the
386 petition, shall place the item on the agenda at its next regular
387 board meeting or at a special meeting called for that purpose.
388 An item not included on the notice may be taken up on an
389 emergency basis by a vote of at least a majority plus one of the
390 board members. Such emergency action must be noticed and
391 ratified at the next regular board meeting. ~~However,~~ Written
392 notice of a meeting at which a nonemergency special assessment
393 or an amendment to rules regarding unit use will be considered
394 must be mailed, delivered, or electronically transmitted to the
395 unit owners and posted conspicuously on the condominium property
396 at least 14 days before the meeting. Evidence of compliance with
397 this 14-day notice requirement must be made by an affidavit
398 executed by the person providing the notice and filed with the
399 official records of the association. Notice of any meeting in
400 which regular or special assessments against unit owners are to

401 be considered must specifically state that assessments will be
402 considered and provide the estimated cost and description of the
403 purposes for such assessments. Upon notice to the unit owners,
404 the board shall, by duly adopted rule, designate a specific
405 location on the condominium ~~or association~~ property where all
406 notices of board meetings must be posted. If there is no
407 condominium property ~~or association property~~ where notices can
408 be posted, notices shall be mailed, delivered, or electronically
409 transmitted to each unit owner at least 14 days before the
410 meeting. In lieu of or in addition to the physical posting of
411 the notice on the condominium property, the association may, by
412 reasonable rule, adopt a procedure for conspicuously posting and
413 repeatedly broadcasting the notice and the agenda on a closed-
414 circuit cable television system serving the condominium
415 association. However, if broadcast notice is used in lieu of a
416 notice physically posted on condominium property, the notice and
417 agenda must be broadcast at least four times every broadcast
418 hour of each day that a posted notice is otherwise required
419 under this section. If broadcast notice is provided, the notice
420 and agenda must be broadcast in a manner and for a sufficient
421 continuous length of time so as to allow an average reader to
422 observe the notice and read and comprehend the entire content of
423 the notice and the agenda. In addition to any of the authorized
424 means of providing notice of a meeting of the board, the
425 association may, by rule, adopt a procedure for conspicuously

426 posting the meeting notice and the agenda on a website serving
427 the condominium association for at least the minimum period of
428 time for which a notice of a meeting is also required to be
429 physically posted on the condominium property. Any rule adopted
430 shall, in addition to other matters, include a requirement that
431 the association send an electronic notice in the same manner as
432 a notice for a meeting of the members, which must include a
433 hyperlink to the website where the notice is posted, to unit
434 owners whose e-mail addresses are included in the association's
435 official records. ~~Notice of any meeting in which regular or~~
436 ~~special assessments against unit owners are to be considered~~
437 ~~must specifically state that assessments will be considered and~~
438 ~~provide the nature, estimated cost, and description of the~~
439 ~~purposes for such assessments.~~

440 2. Meetings of a committee to take final action on behalf
441 of the board or make recommendations to the board regarding the
442 association budget are subject to this paragraph. Meetings of a
443 committee that does not take final action on behalf of the board
444 or make recommendations to the board regarding the association
445 budget are subject to this section, unless those meetings are
446 exempted from this section by the bylaws of the association.

447 3. Notwithstanding any other law, the requirement that
448 board meetings and committee meetings be open to the unit owners
449 does not apply to:

450 a. Meetings between the board or a committee and the

association's attorney, with respect to proposed or pending litigation, if the meeting is held for the purpose of seeking or rendering legal advice; or

b. Board meetings held for the purpose of discussing personnel matters.

(d) Unit owner meetings.—

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

2. Unless the bylaws provide otherwise, a vacancy on the board caused by the expiration of a director's term must ~~shall~~ be filled by electing a new board member, and the election must be by secret ballot. An election is not required if the number of vacancies equals or exceeds the number of candidates. For purposes of this paragraph, the term "candidate" means an eligible person who has timely submitted the written notice, as described in sub-subparagraph 4.a., of his or her intention to become a candidate. Except in a timeshare or nonresidential condominium, or if the staggered term of a board member does not expire until a later annual meeting, or if all members' terms would otherwise expire but there are no candidates, the terms of all board members expire at the annual meeting, and such members

476 may stand for reelection unless prohibited by the bylaws. Each
477 term may not exceed 2 years, unless a shorter term is specified
478 ~~Board members may serve 2-year terms if permitted by the bylaws~~
479 ~~or articles of incorporation. A board member may not serve more~~
480 ~~than four consecutive 2-year terms, unless approved by an~~
481 ~~affirmative vote of two-thirds of the total voting interests of~~
482 ~~the association or unless there are not enough eligible~~
483 ~~candidates to fill the vacancies on the board at the time of the~~
484 ~~vacancy.~~ If the number of board members whose terms expire at
485 the annual meeting equals or exceeds the number of candidates,
486 the candidates become members of the board effective upon the
487 adjournment of the annual meeting. Unless the bylaws provide
488 otherwise, any remaining vacancies shall be filled by the
489 affirmative vote of the majority of the directors making up the
490 newly constituted board even if the directors constitute less
491 than a quorum or there is only one director. In a residential
492 condominium association of more than 10 units or in a
493 residential condominium association that does not include
494 timeshare units or timeshare interests, coowners of a unit may
495 not serve as members of the board of directors at the same time
496 unless they own more than one unit or unless there are not
497 enough eligible candidates to fill the vacancies on the board at
498 the time of the vacancy. A unit owner in a residential
499 condominium desiring to be a candidate for board membership must
500 comply with sub-subparagraph 4.a. and must be eligible to be a

501 candidate to serve on the board of directors at the time of the
502 deadline for submitting a notice of intent to run in order to
503 have his or her name listed as a proper candidate on the ballot
504 or to serve on the board. A person who has been suspended or
505 removed by the division under this chapter, or who is delinquent
506 in the payment of any monetary obligation due to the
507 association, is not eligible to be a candidate for board
508 membership and may not be listed on the ballot. A person who has
509 been convicted of any felony in this state or in a United States
510 District or Territorial Court, or who has been convicted of any
511 offense in another jurisdiction which would be considered a
512 felony if committed in this state, is not eligible for board
513 membership unless such felon's civil rights have been restored
514 for at least 5 years as of the date such person seeks election
515 to the board. The validity of an action by the board is not
516 affected if it is later determined that a board member is
517 ineligible for board membership due to having been convicted of
518 a felony. This subparagraph does not limit the term of a member
519 of the board of a nonresidential or timeshare condominium.

520 3. The bylaws must provide the method of calling meetings
521 of unit owners, including annual meetings. Written notice must
522 include an agenda, must be mailed, hand delivered, or
523 electronically transmitted to each unit owner at least 14 days
524 before the annual meeting, and must be posted in a conspicuous
525 place on the condominium property at least 14 continuous days

526 before the annual meeting. Upon notice to the unit owners, the
527 board shall, by duly adopted rule, designate a specific location
528 on the condominium property ~~or association property~~ where all
529 notices of unit owner meetings must ~~shall~~ be posted. This
530 requirement does not apply if there is no condominium property
531 ~~or association property~~ for posting notices. In lieu of, or in
532 addition to, the physical posting of meeting notices, the
533 association may, by reasonable rule, adopt a procedure for
534 conspicuously posting and repeatedly broadcasting the notice and
535 the agenda on a closed-circuit cable television system serving
536 the condominium association. However, if broadcast notice is
537 used in lieu of a notice posted physically on the condominium
538 property, the notice and agenda must be broadcast at least four
539 times every broadcast hour of each day that a posted notice is
540 otherwise required under this section. If broadcast notice is
541 provided, the notice and agenda must be broadcast in a manner
542 and for a sufficient continuous length of time so as to allow an
543 average reader to observe the notice and read and comprehend the
544 entire content of the notice and the agenda. In addition to any
545 of the authorized means of providing notice of a meeting of the
546 board, the association may, by rule, adopt a procedure for
547 conspicuously posting the meeting notice and the agenda on a
548 website serving the condominium association for at least the
549 minimum period of time for which a notice of a meeting is also
550 required to be physically posted on the condominium property.

Any rule adopted shall, in addition to other matters, include a requirement that the association send an electronic notice in the same manner as a notice for a meeting of the members, which must include a hyperlink to the website where the notice is posted, to unit owners whose e-mail addresses are included in the association's official records. Unless a unit owner waives in writing the right to receive notice of the annual meeting, such notice must be hand delivered, mailed, or electronically transmitted to each unit owner. Notice for meetings and notice for all other purposes must be mailed to each unit owner at the address last furnished to the association by the unit owner, or hand delivered to each unit owner. However, if a unit is owned by more than one person, the association must provide notice to the address that the developer identifies for that purpose and thereafter as one or more of the owners of the unit advise the association in writing, or if no address is given or the owners of the unit do not agree, to the address provided on the deed of record. An officer of the association, or the manager or other person providing notice of the association meeting, must provide an affidavit or United States Postal Service certificate of mailing, to be included in the official records of the association affirming that the notice was mailed or hand delivered in accordance with this provision.

4. The members of the board of a residential condominium shall be elected by written ballot or voting machine. Proxies

576 may not be used in electing the board in general elections or
577 elections to fill vacancies caused by recall, resignation, or
578 otherwise, unless otherwise provided in this chapter. This
579 subparagraph does not apply to an association governing a
580 timeshare condominium.

581 a. At least 60 days before a scheduled election, the
582 association shall mail, deliver, or electronically transmit, by
583 separate association mailing or included in another association
584 mailing, delivery, or transmission, including regularly
585 published newsletters, to each unit owner entitled to a vote, a
586 first notice of the date of the election. A unit owner or other
587 eligible person desiring to be a candidate for the board must
588 give written notice of his or her intent to be a candidate to
589 the association at least 40 days before a scheduled election.
590 Together with the written notice and agenda as set forth in
591 subparagraph 3., the association shall mail, deliver, or
592 electronically transmit a second notice of the election to all
593 unit owners entitled to vote, together with a ballot that lists
594 all candidates. Upon request of a candidate, an information
595 sheet, no larger than 8 1/2 inches by 11 inches, which must be
596 furnished by the candidate at least 35 days before the election,
597 must be included with the mailing, delivery, or transmission of
598 the ballot, with the costs of mailing, delivery, or electronic
599 transmission and copying to be borne by the association. The
600 association is not liable for the contents of the information

601 sheets prepared by the candidates. In order to reduce costs, the
602 association may print or duplicate the information sheets on
603 both sides of the paper. The division shall by rule establish
604 voting procedures consistent with this sub-subparagraph,
605 including rules establishing procedures for giving notice by
606 electronic transmission and rules providing for the secrecy of
607 ballots. Elections shall be decided by a plurality of ballots
608 cast. There is no quorum requirement; however, at least 20
609 percent of the eligible voters must cast a ballot in order to
610 have a valid election. A unit owner may not authorize ~~permit~~ any
611 other person to vote his or her ballot, and any ballots
612 improperly cast are invalid. A unit owner who violates this
613 provision may be fined by the association in accordance with s.
614 718.303. A unit owner who needs assistance in casting the ballot
615 for the reasons stated in s. 101.051 may obtain such assistance.
616 The regular election must occur on the date of the annual
617 meeting. Notwithstanding this sub-subparagraph, an election is
618 not required unless more candidates file notices of intent to
619 run or are nominated than board vacancies exist.

620 b. Within 90 days after being elected or appointed to the
621 board of an association of a residential condominium, each newly
622 elected or appointed director shall certify in writing to the
623 secretary of the association that he or she has read the
624 association's declaration of condominium, articles of
625 incorporation, bylaws, and current written policies; that he or

626 she will work to uphold such documents and policies to the best
627 of his or her ability; and that he or she will faithfully
628 discharge his or her fiduciary responsibility to the
629 association's members. In lieu of this written certification,
630 within 90 days after being elected or appointed to the board,
631 the newly elected or appointed director may submit a certificate
632 of having satisfactorily completed the educational curriculum
633 administered by a division-approved condominium education
634 provider within 1 year before or 90 days after the date of
635 election or appointment. The written certification or
636 educational certificate is valid and does not have to be
637 resubmitted as long as the director serves on the board without
638 interruption. A director of an association of a residential
639 condominium who fails to timely file the written certification
640 or educational certificate is suspended from service on the
641 board until he or she complies with this sub-subparagraph. The
642 board may temporarily fill the vacancy during the period of
643 suspension. The secretary shall cause the association to retain
644 a director's written certification or educational certificate
645 for inspection by the members for 5 years after a director's
646 election or the duration of the director's uninterrupted tenure,
647 whichever is longer. Failure to have such written certification
648 or educational certificate on file does not affect the validity
649 of any board action.

650 c. Any challenge to the election process must be commenced

651 within 60 days after the election results are announced.

652 5. Any approval by unit owners called for by this chapter
653 or the applicable declaration or bylaws, including, but not
654 limited to, the approval requirement in s. 718.111(8), must be
655 made at a duly noticed meeting of unit owners and is subject to
656 all requirements of this chapter or the applicable condominium
657 documents relating to unit owner decisionmaking, except that
658 unit owners may take action by written agreement, without
659 meetings, on matters for which action by written agreement
660 without meetings is expressly allowed by the applicable bylaws
661 or declaration or any law that provides for such action.

662 6. Unit owners may waive notice of specific meetings if
663 allowed by the applicable bylaws or declaration or any law.
664 Notice of meetings of the board of administration, unit owner
665 meetings, except unit owner meetings called to recall board
666 members under paragraph (j), and committee meetings may be given
667 by electronic transmission to unit owners who consent to receive
668 notice by electronic transmission. A unit owner who consents to
669 receiving notices by electronic transmission is solely
670 responsible for removing or bypassing filters that block receipt
671 of mass emails sent to members on behalf of the association in
672 the course of giving electronic notices.

673 7. Unit owners have the right to participate in meetings
674 of unit owners with reference to all designated agenda items.
675 However, the association may adopt reasonable rules governing

676 the frequency, duration, and manner of unit owner participation.

677 8. A unit owner may tape record or videotape a meeting of
678 the unit owners subject to reasonable rules adopted by the
679 division.

680 9. Unless otherwise provided in the bylaws, any vacancy
681 occurring on the board before the expiration of a term may be
682 filled by the affirmative vote of the majority of the remaining
683 directors, even if the remaining directors constitute less than
684 a quorum, or by the sole remaining director. In the alternative,
685 a board may hold an election to fill the vacancy, in which case
686 the election procedures must conform to sub-subparagraph 4.a.
687 unless the association governs 10 units or fewer and has opted
688 out of the statutory election process, in which case the bylaws
689 of the association control. Unless otherwise provided in the
690 bylaws, a board member appointed or elected under this section
691 shall fill the vacancy for the unexpired term of the seat being
692 filled. Filling vacancies created by recall is governed by
693 paragraph (j) and rules adopted by the division.

694 10. This chapter does not limit the use of general or
695 limited proxies, ~~require~~ the use of general or limited proxies,
696 or require the use of a written ballot or voting machine for any
697 agenda item or election at any meeting of a timeshare
698 condominium association or nonresidential condominium
699 association.

701 Notwithstanding subparagraph (b)2. and sub-subparagraph 4.a., an
702 association of 10 or fewer units may, by affirmative vote of a
703 majority of the total voting interests, provide for different
704 voting and election procedures in its bylaws, which may be by a
705 proxy specifically delineating the different voting and election
706 procedures. The different voting and election procedures may
707 provide for elections to be conducted by limited or general
708 proxy.

709 (j) Recall of board members.—Subject to s. 718.301, any
710 member of the board of administration may be recalled and
711 removed from office with or without cause by the vote or
712 agreement in writing by a majority of all the voting interests.
713 A special meeting of the unit owners to recall a member or
714 members of the board of administration may be called by 10
715 percent of the voting interests giving notice of the meeting as
716 required for a meeting of unit owners, and the notice shall
717 state the purpose of the meeting. Electronic transmission may
718 not be used as a method of giving notice of a meeting called in
719 whole or in part for this purpose.

720 1. If the recall is approved by a majority of all voting
721 interests by a vote at a meeting, the recall will be effective
722 as provided in this paragraph. The board shall duly notice and
723 hold a board meeting within 5 full business days after the
724 adjournment of the unit owner meeting to recall one or more
725 board members. Such member or members shall be recalled

726 effective immediately upon conclusion of the board meeting
727 provided that the recall is facially valid. A recalled member
728 must ~~and shall~~ turn over to the board, within 10 full business
729 days after the vote, any and all records and property of the
730 association in their possession.

731 2. If the proposed recall is by an agreement in writing by
732 a majority of all voting interests, the agreement in writing or
733 a copy thereof shall be served on the association by certified
734 mail or by personal service in the manner authorized by chapter
735 48 and the Florida Rules of Civil Procedure. The board of
736 administration shall duly notice and hold a meeting of the board
737 within 5 full business days after receipt of the agreement in
738 writing. Such member or members shall be recalled effective
739 immediately upon the conclusion of the board meeting provided
740 that the recall is facially valid. A recalled member must ~~and~~
741 ~~shall~~ turn over to the board, within 10 full business days, any
742 and all records and property of the association in their
743 possession.

744 3. If the board fails to duly notice and hold a board
745 meeting within 5 full business days after service of an
746 agreement in writing or within 5 full business days after the
747 adjournment of the unit owner recall meeting, the recall shall
748 be deemed effective and the board members so recalled shall turn
749 over to the board within 10 full business days after the vote
750 any and all records and property of the association.

751 4. If the board fails to duly notice and hold the required
752 meeting ~~or fails to file the required petition,~~ the unit owner
753 representative may file a petition pursuant to s. 718.1255
754 challenging the board's failure to act. The petition must be
755 filed within 60 days after the expiration of the applicable 5-
756 full-business-day period. The review of a petition under this
757 subparagraph is limited to the sufficiency of service on the
758 board and the facial validity of the written agreement or
759 ballots filed.

760 5. If a vacancy occurs on the board as a result of a
761 recall or removal and less than a majority of the board members
762 are removed, the vacancy may be filled by the affirmative vote
763 of a majority of the remaining directors, notwithstanding any
764 provision to the contrary contained in this subsection. If
765 vacancies occur on the board as a result of a recall and a
766 majority or more of the board members are removed, the vacancies
767 shall be filled in accordance with procedural rules to be
768 adopted by the division, which rules need not be consistent with
769 this subsection. The rules must provide procedures governing the
770 conduct of the recall election as well as the operation of the
771 association during the period after a recall but before the
772 recall election.

773 6. A board member who has been recalled may file a
774 petition pursuant to s. 718.1255 challenging the validity of the
775 recall. The petition must be filed within 60 days after the

776 recall. The association and the unit owner representative shall
777 be named as the respondents. The petition may challenge the
778 facial validity of the written agreement or ballots filed or the
779 substantial compliance with the procedural requirements for the
780 recall. If the arbitrator determines the recall was invalid, the
781 petitioning board member shall immediately be reinstated and the
782 recall is null and void. A board member who is successful in
783 challenging a recall is entitled to recover reasonable attorney
784 fees and costs from the respondents. The arbitrator may award
785 reasonable attorney fees and costs to the respondents if they
786 prevail, if the arbitrator makes a finding that the petitioner's
787 claim is frivolous.

788 7. The division may not accept for filing a recall
789 petition, whether filed pursuant to subparagraph 1.,
790 subparagraph 2., subparagraph 4., or subparagraph 6. when there
791 are 60 or fewer days until the scheduled reelection of the board
792 member sought to be recalled or when 60 or fewer days have
793 elapsed since the election of the board member sought to be
794 recalled.

795 Section 3. Subsection (2) of section 718.113, Florida
796 Statutes, is amended to read:

797 718.113 Maintenance; limitation upon improvement; display
798 of flag; hurricane shutters and protection; display of religious
799 decorations.—

800 (2) (a) Except as otherwise provided in this section, there

801 shall be no material alteration or substantial additions to the
802 common elements or to real property which is association
803 property, except in a manner provided in the declaration as
804 originally recorded or as amended under the procedures provided
805 therein. If the declaration as originally recorded or as amended
806 under the procedures provided therein does not specify the
807 procedure for approval of material alterations or substantial
808 additions, 75 percent of the total voting interests of the
809 association must approve the alterations or additions before the
810 material alterations or substantial additions are commenced.

811 This paragraph is intended to clarify existing law and applies
812 to associations existing on July 1, 2018 ~~October 1, 2008~~.

813 (b) There shall not be any material alteration of, or
814 substantial addition to, the common elements of any condominium
815 operated by a multicondominium association unless approved in
816 the manner provided in the declaration of the affected
817 condominium or condominiums as originally recorded or as amended
818 under the procedures provided therein. If a declaration as
819 originally recorded or as amended under the procedures provided
820 therein does not specify a procedure for approving such an
821 alteration or addition, the approval of 75 percent of the total
822 voting interests of each affected condominium is required before
823 the material alterations or substantial additions are commenced.

824 This subsection does not prohibit a provision in any
825 declaration, articles of incorporation, or bylaws as originally

826 recorded or as amended under the procedures provided therein
827 requiring the approval of unit owners in any condominium
828 operated by the same association or requiring board approval
829 before a material alteration or substantial addition to the
830 common elements is permitted. This paragraph is intended to
831 clarify existing law and applies to associations existing on
832 July 1, 2018 ~~the effective date of this act.~~

833 (c) There shall not be any material alteration or
834 substantial addition made to association real property operated
835 by a multicondominium association, except as provided in the
836 declaration, articles of incorporation, or bylaws as originally
837 recorded or as amended under the procedures provided therein. If
838 the declaration, articles of incorporation, or bylaws as
839 originally recorded or as amended under the procedures provided
840 therein do not specify the procedure for approving an alteration
841 or addition to association real property, the approval of 75
842 percent of the total voting interests of the association is
843 required before the material alterations or substantial
844 additions are commenced. This paragraph is intended to clarify
845 existing law and applies to associations existing on July 1,
846 2018 ~~the effective date of this act.~~

847 Section 4. Subsection (3) of section 718.3026, Florida
848 Statutes, is amended to read:

849 718.3026 Contracts for products and services; in writing;
850 bids; exceptions.—Associations with 10 or fewer units may opt

851 out of the provisions of this section if two-thirds of the unit
852 owners vote to do so, which opt-out may be accomplished by a
853 proxy specifically setting forth the exception from this
854 section.

855 ~~(3) As to any contract or other transaction between an~~
856 ~~association and one or more of its directors or any other~~
857 ~~corporation, firm, association, or entity in which one or more~~
858 ~~of its directors are directors or officers or are financially~~
859 ~~interested:~~

860 ~~(a) The association shall comply with the requirements of~~
861 ~~s. 617.0832.~~

862 ~~(b) The disclosures required by s. 617.0832 shall be~~
863 ~~entered into the written minutes of the meeting.~~

864 ~~(c) Approval of the contract or other transaction shall~~
865 ~~require an affirmative vote of two thirds of the directors~~
866 ~~present.~~

867 ~~(d) At the next regular or special meeting of the members,~~
868 ~~the existence of the contract or other transaction shall be~~
869 ~~disclosed to the members. Upon motion of any member, the~~
870 ~~contract or transaction shall be brought up for a vote and may~~
871 ~~be canceled by a majority vote of the members present. Should~~
872 ~~the members cancel the contract, the association shall only be~~
873 ~~liable for the reasonable value of goods and services provided~~
874 ~~up to the time of cancellation and shall not be liable for any~~
875 ~~termination fee, liquidated damages, or other form of penalty~~

876 ~~for such cancellation.~~

877 Section 5. Section 718.3027, Florida Statutes, is amended
878 to read:

879 718.3027 Conflicts of interest.—

880 (1) Directors and officers of a board of an association
881 that is not a timeshare condominium association, and the
882 relatives of such directors and officers, must disclose to the
883 board any activity that may reasonably be construed to be a
884 conflict of interest. A rebuttable presumption of a conflict of
885 interest exists if any of the following occurs without prior
886 notice, as required in subsection (5)~~(4)~~:

887 (a) A director or an officer, or a relative of a director
888 or an officer, enters into a contract for goods or services with
889 the association.

890 (b) A director or an officer, or a relative of a director
891 or an officer, holds an interest in a corporation, limited
892 liability corporation, partnership, limited liability
893 partnership, or other business entity that conducts business
894 with the association or proposes to enter into a contract or
895 other transaction with the association.

896 (2) If a director or an officer, or a relative of a
897 director or an officer, proposes to engage in an activity that
898 is a conflict of interest, as described in subsection (1), the
899 proposed activity must be listed on, and all contracts and
900 transactional documents related to the proposed activity must be

901 attached to, the meeting agenda. The association shall comply
902 with the requirements of s. 617.0832, and the disclosures
903 required by s. 617.0832 shall be entered into the written
904 minutes of the meeting. Approval of the contract or other
905 transaction requires an affirmative vote of two-thirds of all
906 other directors present. At the next regular or special meeting
907 of the members, the existence of the contract or other
908 transaction shall be disclosed to the members. Upon motion of
909 any member, the contract or transaction shall be brought up for
910 a vote and may be canceled by a majority vote of the members
911 present. If the contract is canceled, the association is only
912 liable for the reasonable value of the goods and services
913 provided up to the time of cancellation and is not liable for
914 any termination fee, liquidated damages, or other form of
915 penalty for such cancellation.

916 (3) If the board votes against the proposed activity, the
917 director or officer, or the relative of the director or officer,
918 must notify the board in writing of his or her intention not to
919 pursue the proposed activity or to withdraw from office. If the
920 board finds that an officer or a director has violated this
921 subsection, the officer or director shall be deemed removed from
922 office. The vacancy shall be filled according to general law.

923 (4)~~(3)~~ A director or an officer, or a relative of a
924 director or an officer, who is a party to, or has an interest
925 in, an activity that is a possible conflict of interest, as

described in subsection (1), may attend the meeting at which the activity is considered by the board and is authorized to make a presentation to the board regarding the activity. After the presentation, the director or officer, or the relative of the director or officer, must leave the meeting during the discussion of, and the vote on, the activity. A director or an officer who is a party to, or has an interest in, the activity must recuse himself or herself from the vote.

(5)~~(4)~~ A contract entered into between a director or an officer, or a relative of a director or an officer, and the association, which is not a timeshare condominium association, that has not been properly disclosed as a conflict of interest or potential conflict of interest as required by s. 718.111(12)(g) is voidable and terminates upon the filing of a written notice terminating the contract with the board of directors which contains the consent of at least 20 percent of the voting interests of the association.

(6)~~(5)~~ As used in this section, the term "relative" means a relative within the third degree of consanguinity by blood or marriage.

Section 6. Paragraph (b) of subsection (3) of section 718.303, Florida Statutes, is amended to read:

718.303 Obligations of owners and occupants; remedies.—

(3) The association may levy reasonable fines for the failure of the owner of the unit or its occupant, licensee, or

invitee to comply with any provision of the declaration, the association bylaws, or reasonable rules of the association. A fine may not become a lien against a unit. A fine may be levied by the board on the basis of each day of a continuing violation, with a single notice and opportunity for hearing before a committee as provided in paragraph (b). However, the fine may not exceed \$100 per violation, or \$1,000 in the aggregate.

(b) A fine or suspension levied by the board of administration may not be imposed unless the board first provides at least 14 days' written notice ~~and an opportunity for a hearing~~ to the unit owner and, if applicable, any its occupant, licensee, or invitee of the unit owner sought to be fined or suspended and an opportunity for a hearing. ~~The hearing must be held~~ before a committee of at least three members appointed by the board who are not officers, directors, or employees of the association, or the spouse, parent, child, brother, or sister of an officer, director, or employee ~~other unit owners who are neither board members nor persons residing in a board member's household.~~ The role of the committee is limited to determining whether to confirm or reject the fine or suspension levied by the board. If the committee does not approve ~~agree,~~ the proposed fine or suspension by majority vote, the fine or suspension may not be imposed. If the proposed fine or suspension is approved by the committee, the fine payment is due 5 days after the date of the committee meeting at which the

976 fine is approved. The association must provide written notice of
977 such fine or suspension by mail or hand delivery to the unit
978 owner and, if applicable, to any tenant, licensee, or invitee of
979 the unit owner.

980 Section 7. Section 718.707, Florida Statutes, is amended
981 to read:

982 718.707 Time limitation for classification as bulk
983 assignee or bulk buyer.—A person acquiring condominium parcels
984 may not be classified as a bulk assignee or bulk buyer unless
985 the condominium parcels were acquired on or after July 1, 2010,
986 ~~but before July 1, 2018.~~ The date of such acquisition shall be
987 determined by the date of recording a deed or other instrument
988 of conveyance for such parcels in the public records of the
989 county in which the condominium is located, or by the date of
990 issuing a certificate of title in a foreclosure proceeding with
991 respect to such condominium parcels.

992 Section 8. Paragraphs (a) and (b) of subsection (2) of
993 section 719.104, Florida Statutes, are amended to read:

994 719.104 Cooperatives; access to units; records; financial
995 reports; assessments; purchase of leases.—

996 (2) OFFICIAL RECORDS.—

997 (a) From the inception of the association, the association
998 shall maintain a copy of each of the following, where
999 applicable, which shall constitute the official records of the
1000 association:

1001 1. The plans, permits, warranties, and other items
1002 provided by the developer pursuant to s. 719.301(4).

1003 2. A photocopy of the cooperative documents.

1004 3. A copy of the current rules of the association.

1005 4. A book or books containing the minutes of all meetings
1006 of the association, of the board of directors, and of the unit
1007 owners, ~~which minutes shall be retained for a period of not less~~
1008 ~~than 7 years.~~

1009 5. A current roster of all unit owners and their mailing
1010 addresses, unit identifications, voting certifications, and, if
1011 known, telephone numbers. The association shall also maintain
1012 the e-mail ~~electronic mailing~~ addresses and the numbers
1013 designated by unit owners for receiving notice sent by
1014 electronic transmission of those unit owners consenting to
1015 receive notice by electronic transmission. The e-mail ~~electronic~~
1016 ~~mailing~~ addresses and numbers provided by unit owners to receive
1017 notice by electronic transmission shall be removed from
1018 association records when consent to receive notice by electronic
1019 transmission is revoked. However, the association is not liable
1020 for an erroneous disclosure of the e-mail ~~electronic mail~~
1021 address or the number for receiving electronic transmission of
1022 notices.

1023 6. All current insurance policies of the association.

1024 7. A current copy of any management agreement, lease, or
1025 other contract to which the association is a party or under

1026 which the association or the unit owners have an obligation or
1027 responsibility.

1028 8. Bills of sale or transfer for all property owned by the
1029 association.

1030 9. Accounting records for the association and separate
1031 accounting records for each unit it operates, according to good
1032 accounting practices. ~~All accounting records shall be maintained~~
1033 ~~for a period of not less than 7 years.~~ The accounting records
1034 shall include, but not be limited to:

1035 a. Accurate, itemized, and detailed records of all
1036 receipts and expenditures.

1037 b. A current account and a monthly, bimonthly, or
1038 quarterly statement of the account for each unit designating the
1039 name of the unit owner, the due date and amount of each
1040 assessment, the amount paid upon the account, and the balance
1041 due.

1042 c. All audits, reviews, accounting statements, and
1043 financial reports of the association.

1044 d. All contracts for work to be performed. Bids for work
1045 to be performed shall also be considered official records and
1046 shall be maintained for a period of 1 year.

1047 10. Ballots, sign-in sheets, voting proxies, and all other
1048 papers and electronic records relating to voting by unit owners,
1049 which shall be maintained for a period of 1 year after the date
1050 of the election, vote, or meeting to which the document relates.

1051 11. All rental records where the association is acting as
1052 agent for the rental of units.

1053 12. A copy of the current question and answer sheet as
1054 described in s. 719.504.

1055 13. All other written records of the association not
1056 specifically included in the foregoing which are related to the
1057 operation of the association.

1058 (b) The official records of the association must be
1059 maintained within the state for at least 7 years. The records of
1060 the association shall be made available to a unit owner within
1061 45 miles of the cooperative property or within the county in
1062 which the cooperative property is located within 10 ~~5~~ working
1063 days after receipt of written request by the board or its
1064 designee. This paragraph may be complied with by having a copy
1065 of the official records of the association available for
1066 inspection or copying on the cooperative property or the
1067 association may offer the option of making the records available
1068 to a unit owner electronically via the Internet or by allowing
1069 the records to be viewed in an electronic format on a computer
1070 screen and printed upon request. The association is not
1071 responsible for the use or misuse of the information provided to
1072 an association member or his or her authorized representative
1073 pursuant to the compliance requirements of this chapter unless
1074 the association has an affirmative duty not to disclose such
1075 information pursuant to this chapter.

CS/HB 841

2018

1076 Section 9. Paragraphs (a), (c), and (d) of subsection (1)
1077 of section 719.106, Florida Statutes, are amended, and paragraph
1078 (m) is added to that subsection, to read:

1079 719.106 Bylaws; cooperative ownership.—

1080 (1) MANDATORY PROVISIONS.—The bylaws or other cooperative
1081 documents shall provide for the following, and if they do not,
1082 they shall be deemed to include the following:

1083 (a) Administration.—

1084 1. The form of administration of the association shall be
1085 described, indicating the titles of the officers and board of
1086 administration and specifying the powers, duties, manner of
1087 selection and removal, and compensation, if any, of officers and
1088 board members. In the absence of such a provision, the board of
1089 administration shall be composed of five members, unless the
1090 cooperative ~~except in the case of cooperatives has having~~ five
1091 ~~or fewer units., in which case in not-for-profit corporations,~~
1092 The board shall consist of not fewer than three members in
1093 cooperatives with five or fewer units that are not-for-profit
1094 corporations. In a residential cooperative association of more
1095 than 10 units, co-owners of a unit may not serve as members of
1096 the board of directors at the same time unless the co-owners own
1097 more than one unit or unless there are not enough eligible
1098 candidates to fill the vacancies on the board at the time of the
1099 vacancy. In the absence of provisions to the contrary, the board
1100 of administration shall have a president, a secretary, and a

1101 treasurer, who shall perform the duties of those offices
1102 customarily performed by officers of corporations. Unless
1103 prohibited in the bylaws, the board of administration may
1104 appoint other officers and grant them those duties it deems
1105 appropriate. Unless otherwise provided in the bylaws, the
1106 officers shall serve without compensation and at the pleasure of
1107 the board. Unless otherwise provided in the bylaws, the members
1108 of the board shall serve without compensation.

1109 2. A person who has been suspended or removed by the
1110 division under this chapter, or who is delinquent in the payment
1111 of any monetary obligation due to the association, is not
1112 eligible to be a candidate for board membership and may not be
1113 listed on the ballot. A director or officer charged by
1114 information or indictment with a felony theft or embezzlement
1115 offense involving the association's funds or property is
1116 suspended from office. The board shall fill the vacancy
1117 according to general law until the end of the period of the
1118 suspension or the end of the director's term of office,
1119 whichever occurs first. However, if the charges are resolved
1120 without a finding of guilt or without acceptance of a plea of
1121 guilty or nolo contendere, the director or officer shall be
1122 reinstated for any remainder of his or her term of office. A
1123 member who has such criminal charges pending may not be
1124 appointed or elected to a position as a director or officer. A
1125 person who has been convicted of any felony in this state or in

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

3. When a unit owner files a written inquiry by certified mail with the board of administration, the board shall respond in writing to the unit owner within 30 days of receipt of the inquiry. The board's response shall either give a substantive response to the inquirer, notify the inquirer that a legal opinion has been requested, or notify the inquirer that advice has been requested from the division. If the board requests advice from the division, the board shall, within 10 days of its receipt of the advice, provide in writing a substantive response to the inquirer. If a legal opinion is requested, the board shall, within 60 days after the receipt of the inquiry, provide in writing a substantive response to the inquirer. The failure to provide a substantive response to the inquirer as provided herein precludes the board from recovering attorney's fees and costs in any subsequent litigation, administrative proceeding, or arbitration arising out of the inquiry. The association may,

1151 through its board of administration, adopt reasonable rules and
1152 regulations regarding the frequency and manner of responding to
1153 the unit owners' inquiries, one of which may be that the
1154 association is obligated to respond to only one written inquiry
1155 per unit in any given 30-day period. In such case, any
1156 additional inquiry or inquiries must be responded to in the
1157 subsequent 30-day period, or periods, as applicable.

1158 (c) Board of administration meetings.~~Members of the board~~
1159 of administration may use e-mail as a means of communication but
1160 may not cast a vote on an association matter via e-mail.

1161 Meetings of the board of administration at which a quorum of the
1162 members is present shall be open to all unit owners. Any unit
1163 owner may tape record or videotape meetings of the board of
1164 administration. The right to attend such meetings includes the
1165 right to speak at such meetings with reference to all designated
1166 agenda items. The division shall adopt reasonable rules
1167 governing the tape recording and videotaping of the meeting. The
1168 association may adopt reasonable written rules governing the
1169 frequency, duration, and manner of unit owner statements.

1170 Adequate notice of all meetings shall be posted in a conspicuous
1171 place upon the cooperative property at least 48 continuous hours
1172 preceding the meeting, except in an emergency. Any item not
1173 included on the notice may be taken up on an emergency basis by
1174 at least a majority plus one of the members of the board. Such
1175 emergency action shall be noticed and ratified at the next

1176 regular meeting of the board. Notice of any meeting in which
1177 regular or special assessments against unit owners are to be
1178 considered must specifically state that assessments will be
1179 considered and provide the estimated cost and description of the
1180 purpose for such assessments. ~~However,~~ Written notice of any
1181 meeting at which nonemergency special assessments, or at which
1182 amendment to rules regarding unit use, will be considered shall
1183 be mailed, delivered, or electronically transmitted to the unit
1184 owners and posted conspicuously on the cooperative property not
1185 less than 14 days before the meeting. Evidence of compliance
1186 with this 14-day notice shall be made by an affidavit executed
1187 by the person providing the notice and filed among the official
1188 records of the association. Upon notice to the unit owners, the
1189 board shall by duly adopted rule designate a specific location
1190 on the cooperative property upon which all notices of board
1191 meetings shall be posted. In lieu of or in addition to the
1192 physical posting of notice of any meeting of the board of
1193 administration on the cooperative property, the association may,
1194 by reasonable rule, adopt a procedure for conspicuously posting
1195 and repeatedly broadcasting the notice and the agenda on a
1196 closed-circuit cable television system serving the cooperative
1197 association. However, if broadcast notice is used in lieu of a
1198 notice posted physically on the cooperative property, the notice
1199 and agenda must be broadcast at least four times every broadcast
1200 hour of each day that a posted notice is otherwise required

1201 under this section. When broadcast notice is provided, the
1202 notice and agenda must be broadcast in a manner and for a
1203 sufficient continuous length of time so as to allow an average
1204 reader to observe the notice and read and comprehend the entire
1205 content of the notice and the agenda. In addition to any of the
1206 authorized means of providing notice of a meeting of the board,
1207 the association may, by rule, adopt a procedure for
1208 conspicuously posting the meeting notice and the agenda on a
1209 website serving the cooperative association for at least the
1210 minimum period of time for which a notice of a meeting is also
1211 required to be physically posted on the cooperative property.
1212 Any rule adopted shall, in addition to other matters, include a
1213 requirement that the association send an electronic notice in
1214 the same manner as a notice for a meeting of the members, which
1215 must include a hyperlink to the website where the notice is
1216 posted, to unit owners whose e-mail addresses are included in
1217 the association's official records. ~~Notice of any meeting in~~
1218 ~~which regular assessments against unit owners are to be~~
1219 ~~considered for any reason shall specifically contain a statement~~
1220 ~~that assessments will be considered and the nature of any such~~
1221 ~~assessments.~~ Meetings of a committee to take final action on
1222 behalf of the board or to make recommendations to the board
1223 regarding the association budget are subject to the provisions
1224 of this paragraph. Meetings of a committee that does not take
1225 final action on behalf of the board or make recommendations to

1226 the board regarding the association budget are subject to the
1227 provisions of this section, unless those meetings are exempted
1228 from this section by the bylaws of the association.

1229 Notwithstanding any other law to the contrary, the requirement
1230 that board meetings and committee meetings be open to the unit
1231 owners does not apply to board or committee meetings held for
1232 the purpose of discussing personnel matters or meetings between
1233 the board or a committee and the association's attorney, with
1234 respect to proposed or pending litigation, if the meeting is
1235 held for the purpose of seeking or rendering legal advice.

1236 (d) Shareholder meetings.—There shall be an annual meeting
1237 of the shareholders. All members of the board of administration
1238 shall be elected at the annual meeting unless the bylaws provide
1239 for staggered election terms or for their election at another
1240 meeting. Any unit owner desiring to be a candidate for board
1241 membership must comply with subparagraph 1. The bylaws must
1242 provide the method for calling meetings, including annual
1243 meetings. Written notice, which must incorporate an
1244 identification of agenda items, shall be given to each unit
1245 owner at least 14 days before the annual meeting and posted in a
1246 conspicuous place on the cooperative property at least 14
1247 continuous days preceding the annual meeting. Upon notice to the
1248 unit owners, the board must by duly adopted rule designate a
1249 specific location on the cooperative property upon which all
1250 notice of unit owner meetings are posted. In lieu of or in

1251 addition to the physical posting of the meeting notice, the
1252 association may, by reasonable rule, adopt a procedure for
1253 conspicuously posting and repeatedly broadcasting the notice and
1254 the agenda on a closed-circuit cable television system serving
1255 the cooperative association. However, if broadcast notice is
1256 used in lieu of a posted notice, the notice and agenda must be
1257 broadcast at least four times every broadcast hour of each day
1258 that a posted notice is otherwise required under this section.
1259 If broadcast notice is provided, the notice and agenda must be
1260 broadcast in a manner and for a sufficient continuous length of
1261 time to allow an average reader to observe the notice and read
1262 and comprehend the entire content of the notice and the agenda.
1263 In addition to any of the authorized means of providing notice
1264 of a meeting of the shareholders, the association may, by rule,
1265 adopt a procedure for conspicuously posting the meeting notice
1266 and the agenda on a website serving the cooperative association
1267 for at least the minimum period of time for which a notice of a
1268 meeting is also required to be physically posted on the
1269 cooperative property. Any rule adopted shall, in addition to
1270 other matters, include a requirement that the association send
1271 an electronic notice in the same manner as a notice for a
1272 meeting of the members, which must include a hyperlink to the
1273 website where the notice is posted, to unit owners whose e-mail
1274 addresses are included in the association's official records.
1275 Unless a unit owner waives in writing the right to receive

1276 notice of the annual meeting, the notice of the annual meeting
1277 must be sent by mail, hand delivered, or electronically
1278 transmitted to each unit owner. An officer of the association
1279 must provide an affidavit or United States Postal Service
1280 certificate of mailing, to be included in the official records
1281 of the association, affirming that notices of the association
1282 meeting were mailed, hand delivered, or electronically
1283 transmitted, in accordance with this provision, to each unit
1284 owner at the address last furnished to the association.

1285 1. The board of administration shall be elected by written
1286 ballot or voting machine. A proxy may not be used in electing
1287 the board of administration in general elections or elections to
1288 fill vacancies caused by recall, resignation, or otherwise
1289 unless otherwise provided in this chapter.

1290 a. At least 60 days before a scheduled election, the
1291 association shall mail, deliver, or transmit, whether by
1292 separate association mailing, delivery, or electronic
1293 transmission or included in another association mailing,
1294 delivery, or electronic transmission, including regularly
1295 published newsletters, to each unit owner entitled to vote, a
1296 first notice of the date of the election. Any unit owner or
1297 other eligible person desiring to be a candidate for the board
1298 of administration must give written notice to the association at
1299 least 40 days before a scheduled election. Together with the
1300 written notice and agenda as set forth in this section, the

1301 association shall mail, deliver, or electronically transmit a
1302 second notice of election to all unit owners entitled to vote,
1303 together with a ballot that lists all candidates. Upon request
1304 of a candidate, the association shall include an information
1305 sheet, no larger than 8 1/2 inches by 11 inches, which must be
1306 furnished by the candidate at least 35 days before the election,
1307 to be included with the mailing, delivery, or electronic
1308 transmission of the ballot, with the costs of mailing, delivery,
1309 or transmission and copying to be borne by the association. The
1310 association is not liable for the contents of the information
1311 sheets provided by the candidates. In order to reduce costs, the
1312 association may print or duplicate the information sheets on
1313 both sides of the paper. The division shall by rule establish
1314 voting procedures consistent with this subparagraph, including
1315 rules establishing procedures for giving notice by electronic
1316 transmission and rules providing for the secrecy of ballots.
1317 Elections shall be decided by a plurality of those ballots cast.
1318 There is no quorum requirement. However, at least 20 percent of
1319 the eligible voters must cast a ballot in order to have a valid
1320 election. A unit owner may not permit any other person to vote
1321 his or her ballot, and any such ballots improperly cast are
1322 invalid. A unit owner who needs assistance in casting the ballot
1323 for the reasons stated in s. 101.051 may obtain assistance in
1324 casting the ballot. Any unit owner violating this provision may
1325 be fined by the association in accordance with s. 719.303. The

regular election must occur on the date of the annual meeting.
This subparagraph does not apply to timeshare cooperatives.
Notwithstanding this subparagraph, an election and balloting are
not required unless more candidates file a notice of intent to
run or are nominated than vacancies exist on the board. Any
challenge to the election process must be commenced within 60
days after the election results are announced.

b. Within 90 days after being elected or appointed to the
board, each new director shall certify in writing to the
secretary of the association that he or she has read the
association's bylaws, articles of incorporation, proprietary
lease, and current written policies; that he or she will work to
uphold such documents and policies to the best of his or her
ability; and that he or she will faithfully discharge his or her
fiduciary responsibility to the association's members. Within 90
days after being elected or appointed to the board, in lieu of
this written certification, the newly elected or appointed
director may submit a certificate of having satisfactorily
completed the educational curriculum administered by an
education provider as approved by the division pursuant to the
requirements established in chapter 718 within 1 year before or
90 days after the date of election or appointment. The
educational certificate is valid and does not have to be
resubmitted as long as the director serves on the board without
interruption. A director who fails to timely file the written

1351 certification or educational certificate is suspended from
1352 service on the board until he or she complies with this sub-
1353 subparagraph. The board may temporarily fill the vacancy during
1354 the period of suspension. The secretary of the association shall
1355 cause the association to retain a director's written
1356 certification or educational certificate for inspection by the
1357 members for 5 years after a director's election or the duration
1358 of the director's uninterrupted tenure, whichever is longer.
1359 Failure to have such written certification or educational
1360 certificate on file does not affect the validity of any board
1361 action.

1362 2. Any approval by unit owners called for by this chapter,
1363 or the applicable cooperative documents, must be made at a duly
1364 noticed meeting of unit owners and is subject to this chapter or
1365 the applicable cooperative documents relating to unit owner
1366 decisionmaking, except that unit owners may take action by
1367 written agreement, without meetings, on matters for which action
1368 by written agreement without meetings is expressly allowed by
1369 the applicable cooperative documents or law which provides for
1370 the unit owner action.

1371 3. Unit owners may waive notice of specific meetings if
1372 allowed by the applicable cooperative documents or law. Notice
1373 of meetings of the board of administration, shareholder
1374 meetings, except shareholder meetings called to recall board
1375 members under paragraph (f), and committee meetings may be given

1376 by electronic transmission to unit owners who consent to receive
1377 notice by electronic transmission. A unit owner who consents to
1378 receiving notices by electronic transmission is solely
1379 responsible for removing or bypassing filters that may block
1380 receipt of mass emails sent to members on behalf of the
1381 association in the course of giving electronic notices.

1382 4. Unit owners have the right to participate in meetings
1383 of unit owners with reference to all designated agenda items.
1384 However, the association may adopt reasonable rules governing
1385 the frequency, duration, and manner of unit owner participation.

1386 5. Any unit owner may tape record or videotape meetings of
1387 the unit owners subject to reasonable rules adopted by the
1388 division.

1389 6. Unless otherwise provided in the bylaws, a vacancy
1390 occurring on the board before the expiration of a term may be
1391 filled by the affirmative vote of the majority of the remaining
1392 directors, even if the remaining directors constitute less than
1393 a quorum, or by the sole remaining director. In the alternative,
1394 a board may hold an election to fill the vacancy, in which case
1395 the election procedures must conform to the requirements of
1396 subparagraph 1. unless the association has opted out of the
1397 statutory election process, in which case the bylaws of the
1398 association control. Unless otherwise provided in the bylaws, a
1399 board member appointed or elected under this subparagraph shall
1400 fill the vacancy for the unexpired term of the seat being

filled. Filling vacancies created by recall is governed by paragraph (f) and rules adopted by the division.

Notwithstanding subparagraphs (b)2. and (d)1., an association may, by the affirmative vote of a majority of the total voting interests, provide for a different voting and election procedure in its bylaws, which vote may be by a proxy specifically delineating the different voting and election procedures. The different voting and election procedures may provide for elections to be conducted by limited or general proxy.

(m) Director or officer delinquencies.—A director or officer more than 90 days delinquent in the payment of any monetary obligation due the association shall be deemed to have abandoned the office, creating a vacancy in the office to be filled according to law.

Section 10. Paragraph (b) of subsection (1) of section 719.107, Florida Statutes, is amended to read:

719.107 Common expenses; assessment.—

(1)

(b) If so provided in the bylaws, the cost of communications services as defined in chapter 202, information services or Internet services ~~a master antenna television system or duly franchised cable television service~~ obtained pursuant to a bulk contract shall be deemed a common expense, and if not obtained pursuant to a bulk contract, such cost shall be

1426 considered common expense if it is designated as such in a
1427 written contract between the board of administration and the
1428 company providing the communications services as defined in
1429 chapter 202, information services or Internet services ~~master~~
1430 ~~television antenna system or the cable television service~~. The
1431 contract shall be for a term of not less than 2 years.

1432 1. Any contract made by the board after April 2, 1992, for
1433 a community antenna system or duly franchised cable television
1434 service, communications services as defined in chapter 202,
1435 information services or Internet services may be canceled by a
1436 majority of the voting interests present at the next regular or
1437 special meeting of the association. Any member may make a motion
1438 to cancel the contract, but if no motion is made or if such
1439 motion fails to obtain the required majority at the next regular
1440 or special meeting, whichever is sooner, following the making of
1441 the contract, then such contract shall be deemed ratified for
1442 the term therein expressed.

1443 2. Any such contract shall provide, and shall be deemed to
1444 provide if not expressly set forth, that any hearing impaired or
1445 legally blind unit owner who does not occupy the unit with a
1446 nonhearing impaired or sighted person may discontinue the
1447 service without incurring disconnect fees, penalties, or
1448 subsequent service charges, and as to such units, the owners
1449 shall not be required to pay any common expenses charge related
1450 to such service. If less than all members of an association

1451 share the expenses of cable television, the expense shall be
1452 shared equally by all participating unit owners. The association
1453 may use the provisions of s. 719.108 to enforce payment of the
1454 shares of such costs by the unit owners receiving cable
1455 television.

1456 Section 11. Paragraph (b) of subsection (3) of section
1457 719.303, Florida Statutes, is amended to read:

1458 719.303 Obligations of owners.—

1459 (3) The association may levy reasonable fines for failure
1460 of the unit owner or the unit's occupant, licensee, or invitee
1461 to comply with any provision of the cooperative documents or
1462 reasonable rules of the association. A fine may not become a
1463 lien against a unit. A fine may be levied by the board on the
1464 basis of each day of a continuing violation, with a single
1465 notice and opportunity for hearing before a committee as
1466 provided in paragraph (b). However, the fine may not exceed \$100
1467 per violation, or \$1,000 in the aggregate.

1468 (b) A fine or suspension levied by the board of
1469 administration may not be imposed unless the board first
1470 provides at least 14 days' written notice ~~and an opportunity for~~
1471 ~~a hearing~~ to the unit owner and, if applicable, any its
1472 occupant, licensee, or invitee of the unit owner sought to be
1473 fined or suspended and an opportunity for a hearing. ~~The hearing~~
1474 ~~must be held~~ before a committee of at least three members
1475 appointed by the board who are not officers, directors, or

1476 employees of the association, or the spouse, parent, child,
1477 brother, or sister of an officer, director, or employee ~~other~~
1478 ~~unit owners who are neither board members nor persons residing~~
1479 ~~in a board member's household.~~ The role of the committee is
1480 limited to determining whether to confirm or reject the fine or
1481 suspension levied by the board. If the committee does not
1482 approve ~~agree with~~ the proposed fine or suspension by majority
1483 vote, the fine or suspension ~~it~~ may not be imposed. If the
1484 proposed fine or suspension is approved by the committee, the
1485 fine payment is due 5 days after the date of the committee
1486 meeting at which the fine is approved. The association must
1487 provide written notice of such fine or suspension by mail or
1488 hand delivery to the unit owner and, if applicable, to any
1489 tenant, licensee, or invitee of the unit owner.

1490 Section 12. Paragraphs (a) and (c) of subsection (2) of
1491 section 720.303, Florida Statutes, are amended, to read:

1492 720.303 Association powers and duties; meetings of board;
1493 official records; budgets; financial reporting; association
1494 funds; recalls.—

1495 (2) BOARD MEETINGS.—

1496 (a) Members of the board of administration may use e-mail
1497 as a means of communication, but may not cast a vote on an
1498 association matter via e-mail. A meeting of the board of
1499 directors of an association occurs whenever a quorum of the
1500 board gathers to conduct association business. Meetings of the

board must be open to all members, except for meetings between the board and its attorney with respect to proposed or pending litigation where the contents of the discussion would otherwise be governed by the attorney-client privilege. A meeting of the board must be held at a location that is accessible to a physically handicapped person if requested by a physically handicapped person who has a right to attend the meeting. The provisions of this subsection shall also apply to the meetings of any committee or other similar body when a final decision will be made regarding the expenditure of association funds and to meetings of any body vested with the power to approve or disapprove architectural decisions with respect to a specific parcel of residential property owned by a member of the community.

(c) The bylaws shall provide the following for giving notice to parcel owners and members of all board meetings and, if they do not do so, shall be deemed to include ~~provide~~ the following:

1. Notices of all board meetings must be posted in a conspicuous place in the community at least 48 hours in advance of a meeting, except in an emergency. In the alternative, if notice is not posted in a conspicuous place in the community, notice of each board meeting must be mailed or delivered to each member at least 7 days before the meeting, except in an emergency. Notwithstanding this general notice requirement, for

1526 communities with more than 100 members, the association bylaws
1527 may provide for a reasonable alternative to posting or mailing
1528 of notice for each board meeting, including publication of
1529 notice, provision of a schedule of board meetings, or the
1530 conspicuous posting and repeated broadcasting of the notice on a
1531 closed-circuit cable television system serving the homeowners'
1532 association. However, if broadcast notice is used in lieu of a
1533 notice posted physically in the community, the notice must be
1534 broadcast at least four times every broadcast hour of each day
1535 that a posted notice is otherwise required. When broadcast
1536 notice is provided, the notice and agenda must be broadcast in a
1537 manner and for a sufficient continuous length of time so as to
1538 allow an average reader to observe the notice and read and
1539 comprehend the entire content of the notice and the agenda. The
1540 association may provide notice by electronic transmission in a
1541 manner authorized by law for meetings of the board of directors,
1542 committee meetings requiring notice under this section, and
1543 annual and special meetings of the members to any member who has
1544 provided a facsimile number or e-mail address to the association
1545 to be used for such purposes; however, a member must consent in
1546 writing to receiving notice by electronic transmission.

1547 2. An assessment may not be levied at a board meeting
1548 unless the notice of the meeting includes a statement that
1549 assessments will be considered and the nature of the
1550 assessments. Written notice of any meeting at which special

assessments will be considered or at which amendments to rules regarding parcel use will be considered must be mailed, delivered, or electronically transmitted to the members and parcel owners and posted conspicuously on the property or broadcast on closed-circuit cable television not less than 14 days before the meeting.

3. Directors may not vote by proxy or by secret ballot at board meetings, except that secret ballots may be used in the election of officers. This subsection also applies to the meetings of any committee or other similar body, when a final decision will be made regarding the expenditure of association funds, and to any body vested with the power to approve or disapprove architectural decisions with respect to a specific parcel of residential property owned by a member of the community.

Section 13. Paragraph (b) of subsection (2) of section 720.305, Florida Statutes, is amended to read:

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

(2) The association may levy reasonable fines. A fine may not exceed \$100 per violation against any member or any member's tenant, guest, or invitee for the failure of the owner of the parcel or its occupant, licensee, or invitee to comply with any provision of the declaration, the association bylaws, or reasonable rules of the association unless otherwise provided in

CS/HB 841

2018

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

(b) A fine or suspension levied ~~may not be imposed~~ by the board of administration may not be imposed unless the board first provides ~~without~~ at least 14 days' notice to the parcel owner and, if applicable, any occupant, licensee, or invitee of the parcel owner, ~~person~~ sought to be fined or suspended and an opportunity for a hearing before a committee of at least three members appointed by the board who are not officers, directors, or employees of the association, or the spouse, parent, child, brother, or sister of an officer, director, or employee. If the committee, by majority vote, does not approve a proposed fine or suspension, the proposed fine or suspension ~~it~~ may not be imposed. The role of the committee is limited to determining whether to confirm or reject the fine or suspension levied by the board. If the proposed ~~board of administration imposes a~~ fine or suspension levied by the board is approved by the committee, the fine payment is due 5 days after the date of the committee meeting at which the fine is approved. The association

1601 must provide written notice of such fine or suspension by mail
1602 or hand delivery to the parcel owner and, if applicable, to any
1603 tenant, licensee, or invitee of the parcel owner.

1604 Section 14. Paragraph (a) of subsection (9) of section
1605 720.306, Florida Statutes, is amended to read:

1606 720.306 Meetings of members; voting and election
1607 procedures; amendments.—

1608 (9) ELECTIONS AND BOARD VACANCIES.—

1609 (a) Elections of directors must be conducted in accordance
1610 with the procedures set forth in the governing documents of the
1611 association. Except as provided in paragraph (b), all members of
1612 the association are eligible to serve on the board of directors,
1613 and a member may nominate himself or herself as a candidate for
1614 the board at a meeting where the election is to be held;
1615 provided, however, that if the election process allows
1616 candidates to be nominated in advance of the meeting, the
1617 association is not required to allow nominations at the meeting.
1618 An election is not required unless more candidates are nominated
1619 than vacancies exist. If an election is not required because
1620 there are either an equal number or fewer qualified candidates
1621 than vacancies exist, and if nominations from the floor are not
1622 required pursuant to this section or the bylaws, write-in
1623 nominations are not permitted and such qualified candidates
1624 shall commence service on the board of directors, regardless of
1625 whether a quorum is attained at the annual meeting. Except as

otherwise provided in the governing documents, boards of directors must be elected by a plurality of the votes cast by eligible voters. Any challenge to the election process must be commenced within 60 days after the election results are announced.

Section 15. Paragraph (b) of subsection (3) of section 720.3085, Florida Statutes, is amended to read:

720.3085 Payment for assessments; lien claims.—

(3) Assessments and installments on assessments that are not paid when due bear interest from the due date until paid at the rate provided in the declaration of covenants or the bylaws of the association, which rate may not exceed the rate allowed by law. If no rate is provided in the declaration or bylaws, interest accrues at the rate of 18 percent per year.

(b) Any payment received by an association and accepted shall be applied first to any interest accrued, then to any administrative late fee, then to any costs and reasonable attorney fees incurred in collection, and then to the delinquent assessment. This paragraph applies notwithstanding any restrictive endorsement, designation, or instruction placed on or accompanying a payment. A late fee is not subject to the provisions of chapter 687 and is not a fine. The foregoing is applicable notwithstanding s. 673.3111, any purported accord and satisfaction, or any restrictive endorsement, designation, or instruction placed on or accompanying a payment. The preceding

CS/HB 841

2018

1651 sentence is intended to clarify existing law.

1652 Section 16. This act shall take effect July 1, 2018.