

Amendment No. 1

COMMITTEE/SUBCOMMITTEE ACTION

ADOPTED	<u>    </u>	(Y/N)
ADOPTED AS AMENDED	<u>    </u>	(Y/N)
ADOPTED W/O OBJECTION	<u>    </u>	(Y/N)
FAILED TO ADOPT	<u>    </u>	(Y/N)
WITHDRAWN	<u>    </u>	(Y/N)
OTHER	<u>    </u>	

1 Committee/Subcommittee hearing bill: Regulatory Affairs  
 2 Committee

3 Representative La Rosa offered the following:

4  
 5 **Amendment (with title amendment)**

6 Remove everything after the enacting clause and insert:

7 Section 1. Subsections (12) and (13) of section 718.111,  
 8 Florida Statutes, are amended to read:

9 718.111 The association.—

10 (12) OFFICIAL RECORDS.—

11 (a) From the inception of the association, the association  
 12 shall maintain each of the following items, if applicable, which  
 13 constitutes the official records of the association:

14 1. A copy of the plans, specifications, permits, and  
 15 warranties related to improvements to the common elements or  
 16 other property that the association is obligated to maintain,  
 17 repair, or replace, and other items provided by the developer

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18 pursuant to s. 718.301(4).

19 2. A photocopy of the recorded declaration of condominium  
20 of each condominium operated by the association and each  
21 amendment to each declaration.

22 3. A photocopy of the recorded bylaws of the association  
23 and each amendment to the bylaws.

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

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

28 6. A book or books that contain the minutes of all  
29 meetings of the association, the board of administration, and  
30 the unit owners, which minutes must be retained for at least 7  
31 years.

32 7. A current roster of all unit owners and their mailing  
33 addresses, unit identifications, voting certifications, and, if  
34 known, telephone numbers. The association shall also maintain  
35 the e-mail ~~electronic mailing~~ addresses and facsimile numbers of  
36 unit owners consenting to receive notice by electronic  
37 transmission. The e-mail ~~electronic mailing~~ addresses and  
38 facsimile numbers are not accessible to unit owners if consent  
39 to receive notice by electronic transmission is not provided in  
40 accordance with subparagraph (d)5. The e-mail addresses and  
41 facsimile numbers provided by unit owners to receive notice by  
42 electronic transmission must be removed from association records  
43 if the unit owner revokes his or her consent to receive notice

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44 by electronic transmission ~~(e)~~5. However, the association is not  
45 liable for an inadvertent disclosure of the e-mail ~~electronic~~  
46 ~~mail~~ address or facsimile number for receiving electronic  
47 transmission of notices.

48 8. All current insurance policies of the association and  
49 condominiums operated by the association.

50 9. A current copy of any management agreement, lease, or  
51 other contract to which the association is a party or under  
52 which the association or the unit owners have an obligation or  
53 responsibility. Bids for materials, equipment, or services are  
54 official records and must be maintained by the association for 1  
55 year.

56 10. Bills of sale or transfer for all property owned by  
57 the association.

58 11. Financial and accounting records for the association  
59 and separate financial and accounting records for each  
60 condominium that the association operates. All financial and  
61 accounting records must be maintained for at least 7 years. Any  
62 person who knowingly or intentionally defaces or destroys such  
63 records, or who knowingly or intentionally fails to create or  
64 maintain such records, with the intent of causing harm to the  
65 association or one or more of its members, is personally subject  
66 to a civil penalty pursuant to s. 718.501(1)(d). The financial  
67 and accounting records must include, but are not limited to:

68 a. Accurate, itemized, and detailed records of all  
69 receipts and expenditures.

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70 b. A current account and a monthly, bimonthly, or  
71 quarterly statement of the account for each unit designating the  
72 name of the unit owner, the due date and amount of each  
73 assessment, the amount paid on the account, and the balance due.

74 c. All tax returns, audits, reviews, accounting  
75 statements, and financial reports of the association or  
76 condominium.

77 d. Any records that identify, measure, record, or  
78 communicate financial information ~~All contracts for work to be~~  
79 ~~performed. Bids for work to be performed are also considered~~  
80 ~~official records and must be maintained by the association.~~

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

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

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

90 15. All other written records of the association not  
91 specifically included in the foregoing which are related to the  
92 operation of the association.

93 16. A copy of the inspection report as described in s.  
94 718.301(4)(p).

95 (b) The official records of the association must be

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96 maintained within the state for at least 7 years. The records of  
97 the association shall be made available to a unit owner within  
98 45 miles of the condominium property or within the county in  
99 which the condominium property is located within 5 working days  
100 after receipt of a written request by the board or its designee.  
101 However, such distance requirement does not apply to an  
102 association governing a timeshare condominium. This paragraph  
103 may be complied with by having a copy of the official records of  
104 the association available for inspection or copying on the  
105 condominium property or association property, or the association  
106 may offer the option of making the records available to a unit  
107 owner electronically via the Internet or by allowing the records  
108 to be viewed in electronic format on a computer screen and  
109 printed upon request. The association is not responsible for the  
110 use or misuse of the information provided to an association  
111 member or his or her authorized representative pursuant to the  
112 compliance requirements of this chapter unless the association  
113 has an affirmative duty not to disclose such information  
114 pursuant to this chapter.

115 (c)1. An association with 500 or more units, which does  
116 not manage timeshare units, shall post digital copies of the  
117 documents specified in subparagraph 2. on the association's  
118 website.

119 a. An association's website must be:

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

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

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

133 c. The association must provide each unit owner with  
134 access to the protected sections of the association's website  
135 that contain any notices, records, or documents that must be  
136 electronically provided.

137 2. The following documents must be posted in digital  
138 format on the website:

139 a. A copy of the plans, specifications, permits, and  
140 warranties related to improvements to the common elements or  
141 other property that the association is obligated to maintain,  
142 repair, or replace, and other items provided by the developer  
143 pursuant to s. 718.301(4).

144 b. A photocopy of the recorded declaration of condominium  
145 of each condominium operated by the association and each  
146 amendment to each declaration.

147 c. A photocopy of the recorded bylaws of the association

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148 and each amendment to the bylaws.

149 d. A certified copy of the articles of incorporation of  
150 the association, or other documents creating the association,  
151 and each amendment thereto.

152 e. A copy of the current rules of the association.

153 f. All current insurance policies of the association and  
154 condominiums operated by the association.

155 g. A current copy of any management agreement, lease, or  
156 other contract to which the association is a party or under  
157 which the association or the unit owners have an obligation or  
158 responsibility. Bids for materials, equipment, or services are  
159 official records and must be maintained by the association for 1  
160 year.

161 h. Bills of sale or transfer for all property owned by the  
162 association.

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

165 j. The financial report required by subsection (13) and  
166 any proposed financial report to be considered at a meeting.

167 k. The certification of each director required by s.  
168 718.112(2)(d)4.b.

169 l. A list of all contracts or transactions between the  
170 association and any director, officer, corporation, firm, or  
171 association that is not an affiliated condominium association or  
172 any other entity in which an association director is also a  
173 director or officer and financially interested.

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174 m. Any fidelity bond entered into by the association.

175 n. Any contract or document regarding a conflict of  
176 interest or possible conflict of interest as provided in ss.  
177 468.436(2) and 718.3026(3).

178 o. Notice of any board meeting and the agenda for the  
179 meeting, as required by s. 718.112(2)(d)3., no later than 14  
180 days before the meeting. The notice must be posted in plain view  
181 on the front page, or on a separate subpage labeled "Notices"  
182 which is conspicuously visible and linked from the front page of  
183 the association's website. The association must post on the  
184 association's website any documents to be considered during the  
185 meeting or listed on the agenda at least 7 days before the  
186 meeting at which the document or the information within the  
187 document will be considered, unless otherwise stated, including  
188 the following documents:

189 (I) The proposed annual budget required by s.  
190 718.112(2)(f), which must be provided at least 14 days before  
191 the meeting.

192 (II) The proposed financial report required by subsection  
193 (13).

194 (III) A list of persons seeking to be elected to the  
195 board.

196 3. The association shall ensure that the information and  
197 records described in paragraph (d), which are not permitted to  
198 be accessible to unit owners, are not posted on the  
199 association's website. If protected information or information



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200 restricted from being accessible to unit owners is included in  
201 documents that are required to be posted on the association's  
202 website, the association shall ensure the information is  
203 redacted before posting the documents online.

204 (d)-(e) Physical copies of the official records of the  
205 association are open to inspection by any association member or  
206 the authorized representative of such member at all reasonable  
207 times. The right to inspect the records includes the right to  
208 make or obtain copies, at the reasonable expense, if any, of the  
209 member. The association may adopt reasonable rules regarding the  
210 frequency, time, location, notice, and manner of record  
211 inspections and copying. The failure of an association to  
212 provide the records within 10 working days after receipt of a  
213 written request creates a rebuttable presumption that the  
214 association willfully failed to comply with this paragraph. A  
215 unit owner who is denied access to official records is entitled  
216 to the actual damages or minimum damages for the association's  
217 willful failure to comply. Minimum damages are \$50 per calendar  
218 day for up to 10 days, beginning on the 11th working day after  
219 receipt of the written request. The failure to permit inspection  
220 entitles any person prevailing in an enforcement action to  
221 recover reasonable attorney fees from the person in control of  
222 the records who, directly or indirectly, knowingly denied access  
223 to the records. Any person who knowingly or intentionally  
224 defaces or destroys accounting records that are required by this  
225 chapter to be maintained during the period for which such

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226 records are required to be maintained, or who knowingly or  
227 intentionally fails to create or maintain accounting records  
228 that are required to be created or maintained, with the intent  
229 of causing harm to the association or one or more of its  
230 members, is personally subject to a civil penalty pursuant to s.  
231 718.501(1)(d). The association shall maintain an adequate number  
232 of copies of the declaration, articles of incorporation, bylaws,  
233 and rules, and all amendments to each of the foregoing, as well  
234 as the question and answer sheet as described in s. 718.504 and  
235 year-end financial information required under this section, on  
236 the condominium property to ensure their availability to unit  
237 owners and prospective purchasers, and may charge its actual  
238 costs for preparing and furnishing these documents to those  
239 requesting the documents. An association shall allow a member or  
240 his or her authorized representative to use a portable device,  
241 including a smartphone, tablet, portable scanner, or any other  
242 technology capable of scanning or taking photographs, to make an  
243 electronic copy of the official records in lieu of the  
244 association's providing the member or his or her authorized  
245 representative with a copy of such records. The association may  
246 not charge a member or his or her authorized representative for  
247 the use of a portable device. Notwithstanding this paragraph,  
248 the following records are not accessible to unit owners:

249 1. Any record protected by the lawyer-client privilege as  
250 described in s. 90.502 and any record protected by the work-  
251 product privilege, including a record prepared by an association

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252 attorney or prepared at the attorney's express direction, which  
253 reflects a mental impression, conclusion, litigation strategy,  
254 or legal theory of the attorney or the association, and which  
255 was prepared exclusively for civil or criminal litigation or for  
256 adversarial administrative proceedings, or which was prepared in  
257 anticipation of such litigation or proceedings until the  
258 conclusion of the litigation or proceedings.

259 2. Information obtained by an association in connection  
260 with the approval of the lease, sale, or other transfer of a  
261 unit.

262 3. Personnel records of association or management company  
263 employees, including, but not limited to, disciplinary, payroll,  
264 health, and insurance records. For purposes of this  
265 subparagraph, the term "personnel records" does not include  
266 written employment agreements with an association employee or  
267 management company, or budgetary or financial records that  
268 indicate the compensation paid to an association employee.

269 4. Medical records of unit owners.

270 5. Social security numbers, driver license numbers, credit  
271 card numbers, e-mail addresses, telephone numbers, facsimile  
272 numbers, emergency contact information, addresses of a unit  
273 owner other than as provided to fulfill the association's notice  
274 requirements, and other personal identifying information of any  
275 person, excluding the person's name, unit designation, mailing  
276 address, property address, and any address, e-mail address, or  
277 facsimile number provided to the association to fulfill the

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278 association's notice requirements. Notwithstanding the  
279 restrictions in this subparagraph, an association may print and  
280 distribute to parcel owners a directory containing the name,  
281 parcel address, and all telephone numbers of each parcel owner.  
282 However, an owner may exclude his or her telephone numbers from  
283 the directory by so requesting in writing to the association. An  
284 owner may consent in writing to the disclosure of other contact  
285 information described in this subparagraph. The association is  
286 not liable for the inadvertent disclosure of information that is  
287 protected under this subparagraph if the information is included  
288 in an official record of the association and is voluntarily  
289 provided by an owner and not requested by the association.

290 6. Electronic security measures that are used by the  
291 association to safeguard data, including passwords.

292 7. The software and operating system used by the  
293 association which allow the manipulation of data, even if the  
294 owner owns a copy of the same software used by the association.  
295 The data is part of the official records of the association.

296 ~~(e)~~ (d) The association shall prepare a question and answer  
297 sheet as described in s. 718.504, and shall update it annually.

298 ~~(f)~~ (e)1. The association or its authorized agent is not  
299 required to provide a prospective purchaser or lienholder with  
300 information about the condominium or the association other than  
301 information or documents required by this chapter to be made  
302 available or disclosed. The association or its authorized agent  
303 may charge a reasonable fee to the prospective purchaser,

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304 lienholder, or the current unit owner for providing good faith  
305 responses to requests for information by or on behalf of a  
306 prospective purchaser or lienholder, other than that required by  
307 law, if the fee does not exceed \$150 plus the reasonable cost of  
308 photocopying and any attorney ~~attorney's~~ fees incurred by the  
309 association in connection with the response.

310 2. An association and its authorized agent are not liable  
311 for providing such information in good faith pursuant to a  
312 written request if the person providing the information includes  
313 a written statement in substantially the following form: "The  
314 responses herein are made in good faith and to the best of my  
315 ability as to their accuracy."

316 (g) ~~(f)~~ An outgoing board or committee member must  
317 relinquish all official records and property of the association  
318 in his or her possession or under his or her control, including  
319 administrative rights or controls of an association's website or  
320 other digital or electronic asset of the association, to the  
321 incoming board within 5 days after the election. The division  
322 shall impose a civil penalty as set forth in s. 718.501(1)(d)6.  
323 against an outgoing board or committee member who willfully and  
324 knowingly fails to relinquish such records and property.

325 (13) FINANCIAL REPORTING.—Within 90 days after the end of  
326 the fiscal year, or annually on a date provided in the bylaws,  
327 the association shall prepare and complete, or contract for the  
328 preparation and completion of, a financial report for the  
329 preceding fiscal year. Within 21 days after the final financial

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330 report is completed by the association or received from the  
331 third party, but not later than 120 days after the end of the  
332 fiscal year or other date as provided in the bylaws, the  
333 association shall mail to each unit owner at the address last  
334 furnished to the association by the unit owner, or hand deliver  
335 to each unit owner, a copy of the financial report or a notice  
336 that a copy of the financial report will be mailed or hand  
337 delivered to the unit owner, without charge, upon receipt of a  
338 written request from the unit owner. The division shall adopt  
339 rules setting forth uniform accounting principles and standards  
340 to be used by all associations and addressing the financial  
341 reporting requirements for multicondominium associations. The  
342 rules must include, but not be limited to, standards for  
343 presenting a summary of association reserves, including a good  
344 faith estimate disclosing the annual amount of reserve funds  
345 that would be necessary for the association to fully fund  
346 reserves for each reserve item based on the straight-line  
347 accounting method. This disclosure is not applicable to reserves  
348 funded via the pooling method. In adopting such rules, the  
349 division shall consider the number of members and annual  
350 revenues of an association. Financial reports shall be prepared  
351 as follows:

352 (a) An association that meets the criteria of this  
353 paragraph shall prepare a complete set of financial statements  
354 in accordance with generally accepted accounting principles. The  
355 financial statements must be based upon the association's total

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356 annual revenues, as follows:

357 1. An association with total annual revenues of \$150,000  
358 or more, but less than \$300,000, shall prepare compiled  
359 financial statements.

360 2. An association with total annual revenues of at least  
361 \$300,000, but less than \$500,000, shall prepare reviewed  
362 financial statements.

363 3. An association with total annual revenues of \$500,000  
364 or more shall prepare audited financial statements.

365 (b)1. An association with total annual revenues of less  
366 than \$150,000 shall prepare a report of cash receipts and  
367 expenditures.

368 ~~2. An association that operates fewer than 50 units,~~  
369 ~~regardless of the association's annual revenues, shall prepare a~~  
370 ~~report of cash receipts and expenditures in lieu of financial~~  
371 ~~statements required by paragraph (a).~~

372 2.3. A report of cash receipts and disbursements must  
373 disclose the amount of receipts by accounts and receipt  
374 classifications and the amount of expenses by accounts and  
375 expense classifications, including, but not limited to, the  
376 following, as applicable: costs for security, professional and  
377 management fees and expenses, taxes, costs for recreation  
378 facilities, expenses for refuse collection and utility services,  
379 expenses for lawn care, costs for building maintenance and  
380 repair, insurance costs, administration and salary expenses, and  
381 reserves accumulated and expended for capital expenditures,

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382 deferred maintenance, and any other category for which the  
383 association maintains reserves.

384 (c) An association may prepare, without a meeting of or  
385 approval by the unit owners:

386 1. Compiled, reviewed, or audited financial statements, if  
387 the association is required to prepare a report of cash receipts  
388 and expenditures;

389 2. Reviewed or audited financial statements, if the  
390 association is required to prepare compiled financial  
391 statements; or

392 3. Audited financial statements if the association is  
393 required to prepare reviewed financial statements.

394 (d) If approved by a majority of the voting interests  
395 present at a properly called meeting of the association, an  
396 association may prepare:

397 1. A report of cash receipts and expenditures in lieu of a  
398 compiled, reviewed, or audited financial statement;

399 2. A report of cash receipts and expenditures or a  
400 compiled financial statement in lieu of a reviewed or audited  
401 financial statement; or

402 3. A report of cash receipts and expenditures, a compiled  
403 financial statement, or a reviewed financial statement in lieu  
404 of an audited financial statement.

405

406 Such meeting and approval must occur before the end of the  
407 fiscal year and is effective only for the fiscal year in which



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408 the vote is taken, except that the approval may also be  
409 effective for the following fiscal year. If the developer has  
410 not turned over control of the association, all unit owners,  
411 including the developer, may vote on issues related to the  
412 preparation of the association's financial reports, from the  
413 date of incorporation of the association through the end of the  
414 second fiscal year after the fiscal year in which the  
415 certificate of a surveyor and mapper is recorded pursuant to s.  
416 718.104(4)(e) or an instrument that transfers title to a unit in  
417 the condominium which is not accompanied by a recorded  
418 assignment of developer rights in favor of the grantee of such  
419 unit is recorded, whichever occurs first. Thereafter, all unit  
420 owners except the developer may vote on such issues until  
421 control is turned over to the association by the developer. Any  
422 audit or review prepared under this section shall be paid for by  
423 the developer if done before turnover of control of the  
424 association. An association may not waive the financial  
425 reporting requirements of this section for more than 3  
426 consecutive years.

427 (e) If an association has not provided the unit owner with  
428 a copy of the financial report after receipt of a written  
429 request within the time required pursuant to this section, the  
430 unit owner may contact the division to report the association's  
431 failure to comply. Upon notification, the division shall contact  
432 the association to request that the association provide the copy  
433 of the financial report to the unit owner within 5 business

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434 days. If the association further fails to provide the copy of  
435 the financial report, the association must provide a copy of the  
436 financial report to the division within 7 business days.  
437 Additionally, the association must provide a copy of the  
438 financial report to the division for the 2 subsequent fiscal  
439 years within 21 days after the final financial report is  
440 completed by the association or received from the third party  
441 and may not waive the financial reporting requirement as  
442 provided in paragraph (d). The division shall maintain the  
443 financial reports and provide a copy of the financial reports to  
444 members of the public upon request.

445 Section 2. Paragraph (c) of subsection (3) of section  
446 718.117, Florida Statutes, is amended to read:

447 718.117 Termination of condominium.—

448 (3) OPTIONAL TERMINATION.—Except as provided in subsection  
449 (2) or unless the declaration provides for a lower percentage,  
450 the condominium form of ownership may be terminated for all or a  
451 portion of the condominium property pursuant to a plan of  
452 termination approved by at least 80 percent of the total voting  
453 interests of the condominium. If 10 percent or more of the total  
454 voting interests of the condominium have rejected the plan of  
455 termination by negative vote or by providing written objections,  
456 the plan of termination may not proceed.

457 (c) For purposes of this subsection, the term "bulk owner"  
458 means the single holder of such voting interests or an owner  
459 together with a related entity or entities that would be

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460 considered an insider, as defined in s. 726.102, holding such  
461 voting interests. If the condominium association is a  
462 residential association proposed for termination pursuant to  
463 this section and, at the time of recording the plan of  
464 termination, at least 80 percent of the total voting interests  
465 are owned by a bulk owner, the plan of termination is subject to  
466 the following conditions and limitations:

467 1. If the former condominium units are offered for lease  
468 to the public after the termination, each unit owner in  
469 occupancy immediately before the date of recording of the plan  
470 of termination may lease his or her former unit and remain in  
471 possession of the unit for 12 months after the effective date of  
472 the termination on the same terms as similar unit types within  
473 the property are being offered to the public. In order to obtain  
474 a lease and exercise the right to retain exclusive possession of  
475 the unit owner's former unit, the unit owner must make a written  
476 request to the termination trustee to rent the former unit  
477 within 90 days after the date the plan of termination is  
478 recorded. Any unit owner who fails to timely make such written  
479 request and sign a lease within 15 days after being presented  
480 with a lease is deemed to have waived his or her right to retain  
481 possession of his or her former unit and shall be required to  
482 vacate the former unit upon the effective date of the  
483 termination, unless otherwise provided in the plan of  
484 termination.

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485           2. Any former unit owner whose unit was granted homestead  
486 exemption status by the applicable county property appraiser as  
487 of the date of the recording of the plan of termination shall be  
488 paid a relocation payment in an amount equal to 1 percent of the  
489 termination proceeds allocated to the owner's former unit. Any  
490 relocation payment payable under this subparagraph shall be paid  
491 by the single entity or related entities owning at least 80  
492 percent of the total voting interests. Such relocation payment  
493 shall be in addition to the termination proceeds for such  
494 owner's former unit and shall be paid no later than 10 days  
495 after the former unit owner vacates his or her former unit.

496           3. For their respective units, all unit owners other than  
497 the bulk owner must be compensated at least 100 percent of the  
498 fair market value of their units. The fair market value shall be  
499 determined as of a date that is no earlier than 90 days before  
500 the date that the plan of termination is recorded and shall be  
501 determined by an independent appraiser selected by the  
502 termination trustee. For an original purchaser from the  
503 developer who rejects the plan of termination ~~and whose unit was~~  
504 ~~granted homestead exemption status by the applicable county~~  
505 ~~property appraiser,~~ or was an owner-occupied operating business,  
506 as of the date that the plan of termination is recorded and who  
507 is current in payment of both assessments and other monetary  
508 obligations to the association and any mortgage encumbering the  
509 unit as of the date the plan of termination is recorded, the  
510 fair market value for the unit owner rejecting the plan shall be

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511 at least the original purchase price paid for the unit. For  
512 purposes of this subparagraph, the term "fair market value"  
513 means the price of a unit that a seller is willing to accept and  
514 a buyer is willing to pay on the open market in an arms-length  
515 transaction based on similar units sold in other condominiums,  
516 including units sold in bulk purchases but excluding units sold  
517 at wholesale or distressed prices. The purchase price of units  
518 acquired in bulk following a bankruptcy or foreclosure shall not  
519 be considered for purposes of determining fair market value.

520 4. The plan of termination must provide for payment of a  
521 first mortgage encumbering a unit to the extent necessary to  
522 satisfy the lien, but the payment may not exceed the unit's  
523 share of the proceeds of termination under the plan. If the unit  
524 owner is current in payment of both assessments and other  
525 monetary obligations to the association and any mortgage  
526 encumbering the unit as of the date the plan of termination is  
527 recorded, the receipt by the holder of the unit's share of the  
528 proceeds of termination under the plan or the outstanding  
529 balance of the mortgage, whichever is less, shall be deemed to  
530 have satisfied the first mortgage in full.

531 5. Before a plan of termination is presented to the unit  
532 owners for consideration pursuant to this paragraph, the plan  
533 must include the following written disclosures in a sworn  
534 statement:

535 a. The identity of any person or entity that owns or  
536 controls 50 percent or more of the units in the condominium and,

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537 | if the units are owned by an artificial entity or entities, a  
538 | disclosure of the natural person or persons who, directly or  
539 | indirectly, manage or control the entity or entities and the  
540 | natural person or persons who, directly or indirectly, own or  
541 | control 20 percent or more of the artificial entity or entities  
542 | that constitute the bulk owner.

543 |       b. The units acquired by any bulk owner, the date each  
544 | unit was acquired, and the total amount of compensation paid to  
545 | each prior unit owner by the bulk owner, regardless of whether  
546 | attributed to the purchase price of the unit.

547 |       c. The relationship of any board member to the bulk owner  
548 | or any person or entity affiliated with the bulk owner subject  
549 | to disclosure pursuant to this subparagraph.

550 |       Section 3. Subsection (4) of section 719.104, Florida  
551 | Statutes, is amended to read:

552 |       719.104 Cooperatives; access to units; records; financial  
553 | reports; assessments; purchase of leases.—

554 |       (4) FINANCIAL REPORT.—

555 |       (a) Within 90 days following the end of the fiscal or  
556 | calendar year or annually on such date as provided in the bylaws  
557 | of the association, the board of administration shall prepare  
558 | and complete, or contract with a third party to prepare and  
559 | complete, a financial report covering the preceding fiscal or  
560 | calendar year. Within 21 days after the financial report is  
561 | completed by the association or received from the third party,  
562 | but no later than 120 days after the end of the fiscal year,

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563 calendar year, or other date provided in the bylaws, the  
564 association shall provide each member with a copy of the annual  
565 financial report or a written notice that a copy of the  
566 financial report is available upon request at no charge to the  
567 member. The division shall adopt rules setting forth uniform  
568 accounting principles, standards, and reporting requirements.

569 (b) Except as provided in paragraph (c), an association  
570 whose total annual revenues meet the criteria of this paragraph  
571 shall prepare or cause to be prepared a complete set of  
572 financial statements according to the generally accepted  
573 accounting principles adopted by the Board of Accountancy. The  
574 financial statements shall be as follows:

575 1. An association with total annual revenues between  
576 \$150,000 and \$299,999 shall prepare a compiled financial  
577 statement.

578 2. An association with total annual revenues between  
579 \$300,000 and \$499,999 shall prepare a reviewed financial  
580 statement.

581 3. An association with total annual revenues of \$500,000  
582 or more shall prepare an audited financial statement.

583 4. The requirement to have the financial statement  
584 compiled, reviewed, or audited does not apply to an association  
585 if a majority of the voting interests of the association present  
586 at a duly called meeting of the association have voted to waive  
587 this requirement for the fiscal year. In an association in which  
588 turnover of control by the developer has not occurred, the

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589 developer may vote to waive the audit requirement for the first  
590 2 years of operation of the association, after which time waiver  
591 of an applicable audit requirement shall be by a majority of  
592 voting interests other than the developer. The meeting shall be  
593 held prior to the end of the fiscal year, and the waiver shall  
594 be effective for only one fiscal year. An association may not  
595 waive the financial reporting requirements of this section for  
596 more than 3 consecutive years.

597 (c)1. An association with total annual revenues of less  
598 than \$150,000 shall prepare a report of cash receipts and  
599 expenditures.

600 ~~2. An association in a community of fewer than 50 units,~~  
601 ~~regardless of the association's annual revenues, shall prepare a~~  
602 ~~report of cash receipts and expenditures in lieu of the~~  
603 ~~financial statements required by paragraph (b), unless the~~  
604 ~~declaration or other recorded governing documents provide~~  
605 ~~otherwise.~~

606 2.3. A report of cash receipts and expenditures must  
607 disclose the amount of receipts by accounts and receipt  
608 classifications and the amount of expenses by accounts and  
609 expense classifications, including the following, as applicable:  
610 costs for security, professional, and management fees and  
611 expenses; taxes; costs for recreation facilities; expenses for  
612 refuse collection and utility services; expenses for lawn care;  
613 costs for building maintenance and repair; insurance costs;  
614 administration and salary expenses; and reserves, if maintained



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615 by the association.

616 (d) If at least 20 percent of the unit owners petition the  
617 board for a greater level of financial reporting than that  
618 required by this section, the association shall duly notice and  
619 hold a membership meeting within 30 days after receipt of the  
620 petition to vote on raising the level of reporting for that  
621 fiscal year. Upon approval by a majority of the voting interests  
622 represented at a meeting at which a quorum of unit owners is  
623 present, the association shall prepare an amended budget or  
624 shall adopt a special assessment to pay for the financial report  
625 regardless of any provision to the contrary in the declaration  
626 or other recorded governing documents. In addition, the  
627 association shall provide within 90 days after the meeting or  
628 the end of the fiscal year, whichever occurs later:

629 1. Compiled, reviewed, or audited financial statements, if  
630 the association is otherwise required to prepare a report of  
631 cash receipts and expenditures;

632 2. Reviewed or audited financial statements, if the  
633 association is otherwise required to prepare compiled financial  
634 statements; or

635 3. Audited financial statements, if the association is  
636 otherwise required to prepare reviewed financial statements.

637 (e) If approved by a majority of the voting interests  
638 present at a properly called meeting of the association, an  
639 association may prepare or cause to be prepared:

640 1. A report of cash receipts and expenditures in lieu of a

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641 compiled, reviewed, or audited financial statement;

642 2. A report of cash receipts and expenditures or a  
643 compiled financial statement in lieu of a reviewed or audited  
644 financial statement; or

645 3. A report of cash receipts and expenditures, a compiled  
646 financial statement, or a reviewed financial statement in lieu  
647 of an audited financial statement.

648 (f) If an association has not provided the unit owner with  
649 a copy of the financial report after receipt of a written  
650 request within the time required as provided in paragraph (a),  
651 the unit owner may contact the division to report the  
652 association's failure to comply. Upon notification, the division  
653 shall contact the association to request that the association  
654 provide the copy of the financial report to the unit owner  
655 within 5 business days. If the association further fails to  
656 provide the copy of the financial report, the association must  
657 provide a copy of the financial report to the division within 7  
658 business days. Additionally, the association must provide a copy  
659 of the financial report to the division for the 2 subsequent  
660 fiscal years within 21 days after the final financial report is  
661 completed by the association or received from the third party  
662 and may not waive the financial reporting requirement as  
663 provided in paragraph (b) or paragraph (e). The division shall  
664 maintain the financial reports and provide a copy of the  
665 financial reports to members of the public upon request.

666 Section 4. Subsections (6) through (13) of section

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667 720.303, Florida Statutes, are renumbered as sections (7)  
668 through (14), respectively, present subsection (4), paragraph  
669 (c) of present subsection (6), and present subsection (7) of  
670 that section are amended, and a new subsection (6) is added to  
671 that section, to read:

672 720.303 Association powers and duties; meetings of board;  
673 official records; budgets; financial reporting; association  
674 funds; recalls.—

675 (4) OFFICIAL RECORDS.—The association shall maintain each  
676 of the following items, when applicable, which constitute the  
677 official records of the association:

678 (a) Copies of any plans, specifications, permits, and  
679 warranties related to improvements constructed on the common  
680 areas or other property that the association is obligated to  
681 maintain, repair, or replace, and other items provided by the  
682 developer pursuant to s. 720.307(4).

683 (b) A copy of the bylaws of the association and of each  
684 amendment to the bylaws.

685 (c) A certified copy of the articles of incorporation of  
686 the association and of each amendment thereto.

687 (d) A copy of the declaration of covenants and a copy of  
688 each amendment thereto.

689 (e) A copy of the current rules of the homeowners'  
690 association.

691 (f) The minutes of all meetings of the board of directors  
692 and of the members, which minutes must be retained for at least

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693 7 years.

694 (g) A current roster of all members and their mailing  
695 addresses and parcel identifications. The association shall also  
696 maintain the e-mail ~~electronic mailing~~ addresses and the numbers  
697 designated by members for receiving notice sent by electronic  
698 transmission of those members consenting to receive notice by  
699 electronic transmission. The e-mail ~~electronic mailing~~ addresses  
700 and numbers provided by members ~~unit owners~~ to receive notice by  
701 electronic transmission shall be removed from association  
702 records when consent to receive notice by electronic  
703 transmission is revoked. However, the association is not liable  
704 for an erroneous disclosure of the e-mail ~~electronic mail~~  
705 address or the number for receiving electronic transmission of  
706 notices.

707 (h) All of the association's insurance policies or a copy  
708 thereof, which policies must be retained for at least 7 years.

709 (i) A current copy of all contracts to which the  
710 association is a party, including, without limitation, any  
711 management agreement, lease, or other contract under which the  
712 association has any obligation or responsibility. Bids received  
713 by the association for materials, equipment, or services ~~work to~~  
714 ~~be performed~~ must also be considered official records and must  
715 be maintained ~~kept~~ for a ~~period of~~ 1 year.

716 (j) The financial and accounting records of the  
717 association, kept according to good accounting practices. All  
718 financial and accounting records must be maintained for a period

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719 of at least 7 years. The financial and accounting records must  
720 include:

721 1. Accurate, itemized, and detailed records of all  
722 receipts and expenditures.

723 2. A current account and a periodic statement of the  
724 account for each member, designating the name and current  
725 address of each member who is obligated to pay assessments, the  
726 due date and amount of each assessment or other charge against  
727 the member, the date and amount of each payment on the account,  
728 and the balance due.

729 3. All tax returns, audits, reviews, financial statements,  
730 and financial reports of the association.

731 4. Any other records that identify, measure, record, or  
732 communicate financial information.

733 (k) A copy of the disclosure summary described in s.  
734 720.401(1).

735 (l) Ballots, sign-in sheets, voting proxies, and all other  
736 papers relating to voting by members, which must be maintained  
737 for 1 year after the date of the election, vote, or meeting to  
738 which the document relates.

739 (m) ~~(l)~~ All other written records of the association not  
740 specifically included in the foregoing which are related to the  
741 operation of the association.

742 (6) ACCESS TO ASSOCIATION DOCUMENTS AND RECORDS ON AN  
743 ASSOCIATION WEBSITE.-

744 (a) An association with 7,500 or more parcels shall post

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745 digital copies of the documents specified in paragraph (b) on  
746 the association's website. An association with fewer than 7,500  
747 parcels located within the physical boundaries of an affiliated  
748 association that has more than 7,500 or more parcels shall post  
749 digital copies of such documents on the larger affiliated  
750 association's website. An association with fewer than 7,500  
751 parcels located within the physical boundaries of an association  
752 with more than 7,500 or more parcels but that is not affiliated  
753 with the larger association may post digital copies of such  
754 documents on its website if the association chooses to do so.

755 1. An association's website must be:

756 a. An independent website or web portal wholly owned and  
757 operated by the association; or

758 b. A website or web portal that is operated by a third-  
759 party provider with whom the association owns, leases, rents, or  
760 otherwise obtains the right to operate a web page, subpage, web  
761 portal, or collection of subpages or web portals dedicated to  
762 the association's activities and where required notices,  
763 records, and documents may be posted by the association.

764 2. The association's website must be accessible through  
765 the Internet and must contain a subpage, web portal, or other  
766 protected electronic location that is inaccessible to the  
767 general public and accessible only to the members and employees  
768 of the association.

769 3. The association must provide each member with access to  
770 the protected sections of the association's website that contain

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771 any notices, records, or documents that must be electronically  
772 provided.

773 (b) The following documents must be posted in digital  
774 format on the website:

775 1. A copy of the bylaws of the association and of each  
776 amendment to the bylaws.

777 2. A certified copy of the articles of incorporation of  
778 the association and of each amendment thereto.

779 3. A copy of the declaration of covenants and a copy of  
780 each amendment thereto.

781 4. A copy of the current rules of the homeowners'  
782 association.

783 5. The annual budget required by subsection (7) and any  
784 proposed budget to be considered at the annual meeting.

785 6. The financial report required by subsection (8) and any  
786 proposed financial report to be considered at a meeting.

787 7. The certification of each director required by s.  
788 720.3033(1).

789 8. Any fidelity bond entered into by the association.

790 9. A map of the association, including association  
791 boundaries.

792 10. Notice of any board meeting and the agenda for the  
793 meeting, as required by subsection (2), no later than 14 days  
794 before the meeting. The notice must be posted in plain view on  
795 the front page, or on a separate subpage labeled "Notices" which  
796 is conspicuously visible and linked from the front page of the

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797 association's website. The association must post on the  
798 association's website any documents to be considered during the  
799 meeting or listed on the agenda at least 7 days before the  
800 meeting at which the document or the information within the  
801 document will be considered, including the following documents:  
802 a. The proposed annual budget required by subsection (7).  
803 b. The proposed financial report required by subsection  
804 (8).  
805 c. A list of persons seeking to be elected to the board.  
806 d. A copy of contracts or transactions listed in  
807 subparagraph 8.  
808 e. Any competitive bids for materials, equipment, or  
809 services.  
810 f. Any proposed contracts or proposed transactional  
811 documents related to any possible conflict of interest set forth  
812 in ss. 468.436(2) and 720.3033.  
813 (c) The website must include the following statement:  
814  
815 "The following documents are available at the request of any  
816 association member:  
817 • Minutes of all meetings of the board of directors and  
818 of the members;  
819 • A current roster of all members and their mailing  
820 addresses and parcel identifications;  
821 • All of the association's insurance policies or a copy  
822 thereof;

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- 823           • A current copy of all contracts to which the  
824           association is a party;
- 825           • The financial and accounting records of the  
826           association, kept according to good accounting  
827           practices;
- 828           • All tax returns, audits, review, financial statements,  
829           and financial reports of the association;
- 830           • A copy of the disclosure summary describe in s.  
831           720.401(1), F.S.;
- 832           • Any other records that identify, measure, record, or  
833           communicate financial information;
- 834           • Any document created by the association or a board  
835           member relating to the recall of a director, pursuant  
836           to s. 720.303(11), F.S., or any document created for  
837           or filed by the association in an arbitration  
838           proceeding conducted by the division regarding the  
839           recall of a director;
- 840           • A copy of the information submitted to the division to  
841           comply with the reporting requirement of s.  
842           720.303(15), F.S.;
- 843           • Documentation reporting the compensation of directors,  
844           officers or members;
- 845           • A list of all contracts or transactions between the  
846           association and any director, officer, corporation,  
847           firm, or association that is not an affiliated

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848 homeowners' association or any other entity in which  
849 an association director is also a director or officer  
850 and financially interested; and  
851 • Any contract or document regarding a conflict of  
852 interest or possible conflict of interest, as provided  
853 in ss. 468.436(2), or 720.3033, F.S."

854  
855 The notice shall include the e-mail address of the person to  
856 contact for a copy of the roster.

857 (d) The association shall ensure that the information and  
858 records described in paragraph (5)(c), which are not permitted  
859 to be accessible to members or parcel owners, are not posted on  
860 the association's website. If protected information or  
861 information restricted from being accessible to members or  
862 parcel owners is included in documents that are required to be  
863 posted on the association's website, the association shall  
864 ensure the information is redacted before posting the documents  
865 online.

866 (7) ~~(6)~~ BUDGETS.-

867 (c)1. If the budget of the association does not provide  
868 for reserve accounts pursuant to paragraph (d) and the  
869 association is responsible for the repair and maintenance of  
870 capital improvements that may result in a special assessment if  
871 reserves are not provided, each financial report for the  
872 preceding fiscal year required by subsection (8) ~~(7)~~ must  
873 contain the following statement in conspicuous type:

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874 THE BUDGET OF THE ASSOCIATION DOES NOT PROVIDE FOR RESERVE  
875 ACCOUNTS FOR CAPITAL EXPENDITURES AND DEFERRED MAINTENANCE THAT  
876 MAY RESULT IN SPECIAL ASSESSMENTS. OWNERS MAY ELECT TO PROVIDE  
877 FOR RESERVE ACCOUNTS PURSUANT TO SECTION 720.303(7) ~~720.303(6)~~,  
878 FLORIDA STATUTES, UPON OBTAINING THE APPROVAL OF A MAJORITY OF  
879 THE TOTAL VOTING INTERESTS OF THE ASSOCIATION BY VOTE OF THE  
880 MEMBERS AT A MEETING OR BY WRITTEN CONSENT.

881 2. If the budget of the association does provide for  
882 funding accounts for deferred expenditures, including, but not  
883 limited to, funds for capital expenditures and deferred  
884 maintenance, but such accounts are not created or established  
885 pursuant to paragraph (d), each financial report for the  
886 preceding fiscal year required under subsection (8) ~~(7)~~ must  
887 also contain the following statement in conspicuous type:  
888 THE BUDGET OF THE ASSOCIATION PROVIDES FOR LIMITED VOLUNTARY  
889 DEFERRED EXPENDITURE ACCOUNTS, INCLUDING CAPITAL EXPENDITURES  
890 AND DEFERRED MAINTENANCE, SUBJECT TO LIMITS ON FUNDING CONTAINED  
891 IN OUR GOVERNING DOCUMENTS. BECAUSE THE OWNERS HAVE NOT ELECTED  
892 TO PROVIDE FOR RESERVE ACCOUNTS PURSUANT TO SECTION 720.303(7)  
893 ~~720.303(6)~~, FLORIDA STATUTES, THESE FUNDS ARE NOT SUBJECT TO THE  
894 RESTRICTIONS ON USE OF SUCH FUNDS SET FORTH IN THAT STATUTE, NOR  
895 ARE RESERVES CALCULATED IN ACCORDANCE WITH THAT STATUTE.

896 (8) ~~(7)~~ FINANCIAL REPORTING.—Within 90 days after the end  
897 of the fiscal year, or annually on the date provided in the  
898 bylaws, the association shall prepare and complete, or contract  
899 with a third party for the preparation and completion of, a

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900 financial report for the preceding fiscal year. Within 21 days  
901 after the final financial report is completed by the association  
902 or received from the third party, but not later than 120 days  
903 after the end of the fiscal year or other date as provided in  
904 the bylaws, the association shall, within the time limits set  
905 forth in subsection (5), provide each member with a copy of the  
906 annual financial report or a written notice that a copy of the  
907 financial report is available upon request at no charge to the  
908 member. Financial reports shall be prepared as follows:

909 (a) An association that meets the criteria of this  
910 paragraph shall prepare or cause to be prepared a complete set  
911 of financial statements in accordance with generally accepted  
912 accounting principles as adopted by the Board of Accountancy.  
913 The financial statements shall be based upon the association's  
914 total annual revenues, as follows:

915 1. An association with total annual revenues of \$150,000  
916 or more, but less than \$300,000, shall prepare compiled  
917 financial statements.

918 2. An association with total annual revenues of at least  
919 \$300,000, but less than \$500,000, shall prepare reviewed  
920 financial statements.

921 3. An association with total annual revenues of \$500,000  
922 or more shall prepare audited financial statements.

923 (b)1. An association with total annual revenues of less  
924 than \$150,000 shall prepare a report of cash receipts and  
925 expenditures.

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926 ~~2. An association in a community of fewer than 50 parcels,~~  
927 ~~regardless of the association's annual revenues, may prepare a~~  
928 ~~report of cash receipts and expenditures in lieu of financial~~  
929 ~~statements required by paragraph (a) unless the governing~~  
930 ~~documents provide otherwise.~~

931 2.3. A report of cash receipts and disbursement must  
932 disclose the amount of receipts by accounts and receipt  
933 classifications and the amount of expenses by accounts and  
934 expense classifications, including, but not limited to, the  
935 following, as applicable: costs for security, professional, and  
936 management fees and expenses; taxes; costs for recreation  
937 facilities; expenses for refuse collection and utility services;  
938 expenses for lawn care; costs for building maintenance and  
939 repair; insurance costs; administration and salary expenses; and  
940 reserves if maintained by the association.

941 (c) If 20 percent of the parcel owners petition the board  
942 for a level of financial reporting higher than that required by  
943 this section, the association shall duly notice and hold a  
944 meeting of members within 30 days of receipt of the petition for  
945 the purpose of voting on raising the level of reporting for that  
946 fiscal year. Upon approval of a majority of the total voting  
947 interests of the parcel owners, the association shall prepare or  
948 cause to be prepared, shall amend the budget or adopt a special  
949 assessment to pay for the financial report regardless of any  
950 provision to the contrary in the governing documents, and shall  
951 provide within 90 days of the meeting or the end of the fiscal

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952 year, whichever occurs later:

953 1. Compiled, reviewed, or audited financial statements, if  
954 the association is otherwise required to prepare a report of  
955 cash receipts and expenditures;

956 2. Reviewed or audited financial statements, if the  
957 association is otherwise required to prepare compiled financial  
958 statements; or

959 3. Audited financial statements if the association is  
960 otherwise required to prepare reviewed financial statements.

961 (d) If approved by a majority of the voting interests  
962 present at a properly called meeting of the association, an  
963 association may prepare or cause to be prepared:

964 1. A report of cash receipts and expenditures in lieu of a  
965 compiled, reviewed, or audited financial statement;

966 2. A report of cash receipts and expenditures or a  
967 compiled financial statement in lieu of a reviewed or audited  
968 financial statement; or

969 3. A report of cash receipts and expenditures, a compiled  
970 financial statement, or a reviewed financial statement in lieu  
971 of an audited financial statement.

972 (e) If an association has not provided the member with a  
973 copy of the financial report after receipt of a written request  
974 within the time required pursuant to this section, the member  
975 may contact the division to report the association's failure to  
976 comply. Upon notification, the division shall contact the  
977 association to request that the association provide the copy of

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978 the financial report to the member within 5 business days. If  
979 the association further fails to provide the copy of the  
980 financial report, the association must provide a copy of the  
981 financial report to the division within 7 business days.  
982 Additionally, the association must provide a copy of the  
983 financial report to the division for the 2 subsequent fiscal  
984 years within 21 days after the final financial report is  
985 completed by the association or received from the third party  
986 and may not waive the financial reporting requirement as  
987 provided in paragraph (d). The division shall maintain the  
988 financial reports and provide a copy of the financial reports to  
989 members of the public upon request.

990 Section 5. Paragraph (d) of subsection (1) of section  
991 720.306, Florida Statutes, is redesignated as paragraph (h),  
992 paragraphs (d) through (g) are added to that subsection, and  
993 subsections (5) and (9) of that section are amended, to read:

994 720.306 Meetings of members; voting and election  
995 procedures; amendments.—

996 (1) QUORUM; AMENDMENTS.—

997 (d) A proposal to amend an existing provision of the  
998 declaration must contain the full text of the provision to be  
999 amended and may not be revised or amended by reference only to  
1000 the declaration title or number. Words to be added must be  
1001 inserted in the text and underlined, and words to be deleted  
1002 must be stricken with hyphens. However, if the proposed change  
1003 is so extensive that this procedure would hinder, rather than

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1004 assist, the understanding of the proposed amendment, it is not  
1005 necessary to use underlined and stricken text as indicators of  
1006 words added or deleted. Instead, a notation must be inserted  
1007 immediately preceding the proposed amendment in substantially  
1008 the following language: "Substantial rewording of declaration.  
1009 See provision for present text." An amendment to a declaration  
1010 is effective when properly recorded in the public records of the  
1011 county where the declaration is recorded.

1012 (e) A nonmaterial error or omission in the amendment  
1013 process does not invalidate an otherwise properly adopted  
1014 amendment.

1015 (f) An amendment to a recorded governing document is  
1016 effective when properly recorded in the public records of the  
1017 county in which the governing document is recorded.

1018 (g) An amendment prohibiting parcel owners from renting  
1019 their homes, altering the duration of the rental term, or  
1020 specifying or limiting the number of times that parcel owners  
1021 are entitled to rent their homes during a specified period  
1022 applies only to parcel owners who acquire title to their homes  
1023 after the effective date of the amendment or to parcel owners  
1024 who consent, individually or through a representative, to the  
1025 amendment.

1026 (9) ELECTIONS AND BOARD VACANCIES.—

1027 (c) Any election dispute between a member and an  
1028 association must be submitted to mandatory binding arbitration  
1029 with the division. Such proceedings must be conducted in the



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1030 manner provided by s. 718.1255 and the procedural rules adopted  
1031 by the division. Unless otherwise provided in the bylaws, any  
1032 vacancy occurring on the board before the expiration of a term  
1033 may be filled by an affirmative vote of the majority of the  
1034 remaining directors, even if the remaining directors constitute  
1035 less than a quorum, or by the sole remaining director. In the  
1036 alternative, a board may hold an election to fill the vacancy,  
1037 in which case the election procedures must conform to the  
1038 requirements of the governing documents. Unless otherwise  
1039 provided in the bylaws, a board member appointed or elected  
1040 under this section is appointed for the unexpired term of the  
1041 seat being filled. Filling vacancies created by recall is  
1042 governed by s. 720.303(11) ~~720.303(10)~~ and rules adopted by the  
1043 division.

1044 Section 6. Subsection (1) of section 720.311, Florida  
1045 Statutes, is amended to read:

1046 720.311 Dispute resolution.—

1047 (1) The Legislature finds that alternative dispute  
1048 resolution has made progress in reducing court dockets and  
1049 trials and in offering a more efficient, cost-effective option  
1050 to litigation. The filing of any petition for arbitration or the  
1051 serving of a demand for presuit mediation as provided for in  
1052 this section shall toll the applicable statute of limitations.  
1053 Any recall dispute filed with the department pursuant to s.  
1054 720.303(11) ~~720.303(10)~~ shall be conducted by the department in  
1055 accordance with the provisions of ss. 718.112(2)(j) and 718.1255

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1056 and the rules adopted by the division. In addition, the  
1057 department shall conduct mandatory binding arbitration of  
1058 election disputes between a member and an association pursuant  
1059 to s. 718.1255 and rules adopted by the division. Neither  
1060 election disputes nor recall disputes are eligible for presuit  
1061 mediation; these disputes shall be arbitrated by the department.  
1062 At the conclusion of the proceeding, the department shall charge  
1063 the parties a fee in an amount adequate to cover all costs and  
1064 expenses incurred by the department in conducting the  
1065 proceeding. Initially, the petitioner shall remit a filing fee  
1066 of at least \$200 to the department. The fees paid to the  
1067 department shall become a recoverable cost in the arbitration  
1068 proceeding, and the prevailing party in an arbitration  
1069 proceeding shall recover its reasonable costs and attorney's  
1070 fees in an amount found reasonable by the arbitrator. The  
1071 department shall adopt rules to effectuate the purposes of this  
1072 section.

1073 Section 6. This act shall take effect July 1, 2016.  
1074

1075 -----  
1076 **T I T L E A M E N D M E N T**

1077 Remove everything before the enacting clause and insert:

1078 A bill to be entitled

1079 An act relating to community associations; amending s.

1080 718.111, F.S.; revising records required to be

1081 maintained by a condominium association; providing

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1082 requirements relating to the posting of specified  
1083 documents on an association's website; providing that  
1084 physical copies of the official records of the  
1085 association are open to inspection by certain persons;  
1086 requiring an outgoing board or committee member to  
1087 relinquish administrative rights or controls of an  
1088 association's website or other digital or electronic  
1089 asset of the association; deleting a provision  
1090 authorizing certain associations to prepare a report  
1091 of cash receipts and expenditures in lieu of certain  
1092 financial statements; providing a remedy for an  
1093 association's failure to provide a unit owner with a  
1094 copy of the financial report; requiring the Division  
1095 of Florida Condominiums, Timeshares, and Mobile Homes  
1096 to maintain and provide copies of financial reports;  
1097 718.117, F.S.; expanding recovery of fair market value  
1098 to all original purchasers who reject a plan of  
1099 termination; amending s. 719.104, F.S.; deleting a  
1100 provision authorizing cooperative associations to  
1101 prepare a report of cash receipts and expenditures in  
1102 lieu of certain financial statements; providing a  
1103 remedy for an association's failure to provide a unit  
1104 owner with a copy of the financial report; requiring  
1105 the division to maintain and provide copies of  
1106 financial reports; amending s. 720.303, F.S., revising  
1107 records required to be maintained by a homeowners'

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COMMITTEE/SUBCOMMITTEE AMENDMENT

Bill No. CS/HB 1405 (2016)

Amendment No. 1

1108 association; providing requirements relating to the  
1109 posting of specified documents on an association's  
1110 website; deleting a provision authorizing associations  
1111 to prepare a report of cash receipts and expenditures  
1112 in lieu of certain financial statements; providing a  
1113 remedy for an association's failure to provide a  
1114 member with a copy of the financial report; requiring  
1115 the division to maintain and provide copies of  
1116 financial reports; amending s 720.306, F.S.; providing  
1117 requirements for amendments to the declaration;  
1118 amending s. 720.311, F.S.; conforming cross-  
1119 references; providing an effective date.

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