

Committee on Regulated Industries

CS/CS/CS/HB 841 — Community Associations

by Judiciary Committee; Civil Justice and Claims Subcommittee; Careers and Competition Subcommittee; and Rep. Moraitis and others (CS/SB 1274 by Regulated Industries Committee; and Senators Passidomo, Mayfield, and Campbell)

The bill revises requirements related to the governance and operation of condominium, cooperative, and homeowners' associations.

Regarding condominium, cooperative, and homeowners' associations, the bill revises the:

- Notice requirements for board and owner meetings at which an assessment will be considered to require specific information in notices.
- Process for and membership of committees reviewing a recommended fine or suspension related to use of association property, the notice requirements associated with imposing fines and suspensions, and the time for payment of fines.

Regarding condominium and cooperative associations, the bill:

- Requires the minutes of meetings and accounting records be maintained for seven years instead of one year.
- Makes condominium unit owners and cooperative shareholders consenting to receive association emails responsible for removing or bypassing filters blocking receipt of mass e-mails sent by an association.

Regarding cooperative and homeowners' associations, the bill permits members of the board to use e-mail as a means of communication, but not to cast a vote by e-mail.

Regarding condominium associations, the bill:

- Revises the period of time specified official records must be maintained by an association.
- Extends the deadline to post specified documents on an association's website to January 1, 2019, from July 1, 2018.
- Revises the information related to contracts, bids, and financial reports an association with 150 or more units must post on its website.
- Exempts, with conditions, an association from liability for disclosure of protected or restricted information on its website.
- Prohibits an association from waiving financial reporting requirements for two fiscal years after a failure to comply with a request by the Division of Florida Condominiums, Timeshares, and Mobile Homes (within the Department of Business and Professional Regulation) to provide an owner with a copy of the most recent financial report.
- Provides when the recall of a board member is effective.
- Provides attorney's fees and costs for a recalled board member or an association prevailing in an arbitration proceeding concerning a recall, in certain circumstances.
- Allows a unit owner to install an electric vehicle charging station within the boundaries of the unit owner's limited common element, with conditions.

- Requires a vote before substantial addition or alteration to a common element.
- Repeals the July 1, 2018, deadline for classification as a bulk buyer, extending indefinitely the applicability of bulk buyer provisions.

Regarding cooperative associations, the bill:

- Prohibits co-owners of a unit in a residential cooperative association of more than 10 units from serving simultaneously on the board, unless the co-owners own more than one unit or there are not enough eligible candidates.
- Provides for the removal from office of an officer or director who is more than 90 days delinquent in any monetary obligation owed to the association.
- Allows the cost of communication services, information services, or Internet services obtained under a bulk contract to be a common expense of the association.

Regarding homeowners' associations, the bill:

- Permits an association to provide electronic notices of a meeting to any member who has provided a facsimile number or e-mail address for such purpose, and consented to receipt of electronic notices.
- Revises the process for amending governing documents to require an amendment to the governing documents contain the full text of the provision to be amended, with the new language underlined and proposed deleted language stricken with hyphens. However, an association may reference the governing documents in the event an amendment is too extensive and the inclusion of the full text with stricken and underlined text would hinder understanding of the proposed amendment.
- Provides if an election is not required because there are either an equal number or fewer qualified candidates than vacancies exist, and if nominations from the floor are not required pursuant to s. 720.306, F.S., or the bylaws, then write-in nominations are not permitted and such candidates shall commence service on the board of directors, regardless of whether a quorum is attained at the annual meeting.
- Provides a clarification of existing law for the accrual of interest on unpaid assessments, and the application of payments to interest, late fees, collection costs and associated reasonable attorney fees, and the delinquent assessment, in such order of priority, controls over any restrictive endorsement, designation, or instruction placed on or accompanying a payment, including any purported accord and satisfaction (the parcel owner paid a lesser amount claiming full satisfaction of the amount due) pursuant to s. 673.3111, F.S.

If approved by the Governor, these provisions take effect July 1, 2018.

Vote: Senate 35-1; House 100-1