

**By** the Committees on Community Affairs; and Regulated Industries; and Senator Hays

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1                                   A bill to be entitled  
2       An act relating to homeowners' associations; amending  
3       s. 468.436, F.S.; providing grounds for disciplinary  
4       actions against community association managers;  
5       amending s. 720.303, F.S.; requiring official records  
6       to be maintained within a specified distance of the  
7       association for a specified time; authorizing  
8       associations to maintain such records online;  
9       requiring associations to allow a member to use a  
10      portable device to make an electronic copy of the  
11      official records and prohibiting associations from  
12      charging a fee for such an electronic copy; removing  
13      provisions allowing the association to charge fees for  
14      personnel costs related to records access; requiring  
15      budgets to designate permissible uses of reserve  
16      accounts; requiring a community association manager,  
17      or the association in the absence of a community  
18      association manager, to report certain information to  
19      the Division of Florida Condominiums, Timeshares, and  
20      Mobile Homes; providing an expiration date for the  
21      reporting requirements; creating s. 720.3033, F.S.;  
22      requiring association directors to file with the  
23      association secretary written certification that they  
24      have read certain association documents, will uphold  
25      the documents, and will uphold their fiduciary  
26      responsibility to the members; providing for an  
27      educational certificate in lieu of written  
28      certification; providing that such certification is  
29      valid while the director is on the board; providing

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30 penalties for failure to file such certification;  
31 requiring the association secretary to retain such  
32 certification for 5 years; requiring the board to  
33 follow specified procedures relating to contracts or  
34 transactions between the association and certain  
35 entities; providing for disclosure of the contract or  
36 transaction to members; providing for the cancellation  
37 of such contract or transaction under certain  
38 circumstances; prohibiting any association officer,  
39 director, or manager from soliciting or receiving  
40 certain personal benefits from any person providing or  
41 offering to provide goods or services to the  
42 association and providing for removal for knowingly  
43 taking such action; providing an exception; providing  
44 for the removal of any director or officer charged  
45 with a felony theft or embezzlement offense involving  
46 association funds or property; providing for the  
47 reinstatement of such person under certain  
48 circumstances; prohibiting a member with pending  
49 criminal charges from certain positions; requiring the  
50 association to maintain insurance or a bond to cover  
51 funds that will be in the custody of the association  
52 or its management agent; providing a definition;  
53 amending s. 720.306, F.S.; revising provisions  
54 relating to the amendment of homeowners' association  
55 declarations; providing legislative findings and a  
56 finding of compelling state interest; providing  
57 criteria for consent or joinder to an amendment;  
58 requiring notice to mortgagees regarding proposed

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59 amendments; providing criteria for notification;  
60 providing for voiding certain amendments; revising  
61 procedures for the election of directors; amending s.  
62 720.307, F.S.; providing additional circumstances for  
63 authorizing members to elect a majority of association  
64 board members; providing circumstances under which  
65 members other than the developer are authorized to  
66 elect a specified number of members to the board of  
67 directors; amending s. 720.3075, F.S.; providing  
68 public policy regarding prohibited clauses in  
69 association documents; providing prohibited clauses in  
70 association documents; amending s. 720.3085, F.S.;  
71 defining the term "previous owner" to exclude certain  
72 associations from provisions relating to the liability  
73 of previous owners of parcels for unpaid assessments;  
74 limiting a present owner's liability for certain  
75 assessments; amending s. 720.315, F.S.; prohibiting  
76 increases in assessments levied pursuant to the annual  
77 budget under certain circumstances; providing an  
78 effective date.

79  
80 Be It Enacted by the Legislature of the State of Florida:

81  
82 Section 1. Paragraph (b) of subsection (2) of section  
83 468.436, Florida Statutes, is amended to read:

84 468.436 Disciplinary proceedings.—

85 (2) The following acts constitute grounds for which the  
86 disciplinary actions in subsection (4) may be taken:

87 (b)1. Violation of any provision of this part.

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88           2. Violation of any lawful order or rule rendered or  
89 adopted by the department or the council.

90           3. Being convicted of or pleading nolo contendere to a  
91 felony in any court in the United States.

92           4. Obtaining a license or certification or any other order,  
93 ruling, or authorization by means of fraud, misrepresentation,  
94 or concealment of material facts.

95           5. Committing acts of gross misconduct or gross negligence  
96 in connection with the profession.

97           6. Contracting, on behalf of an association, with any  
98 entity in which the licensee has a financial interest that is  
99 not disclosed.

100           7. Failing to report to the division as required in s.  
101 720.303(13).

102           8. Violating any provision of chapters 718, 719, or 720  
103 during the course of performing community association management  
104 services pursuant to a contract with a community association.

105           Section 2. Subsection (5) and paragraph (d) of subsection  
106 (6) of section 720.303, Florida Statutes, are amended, and  
107 subsection (13) is added to that section, to read:

108           720.303 Association powers and duties; meetings of board;  
109 official records; budgets; financial reporting; association  
110 funds; recalls.—

111           (5) INSPECTION AND COPYING OF RECORDS.—The official records  
112 shall be maintained within the state for at least 7 years and  
113 shall be made available to a parcel owner for inspection or  
114 photocopying within 45 miles of the community or within the  
115 county in which the association is located within 10 business  
116 days after receipt by the board or its designee of a written

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117 ~~request must be open to inspection and available for~~  
118 ~~photocopying by members or their authorized agents at reasonable~~  
119 ~~times and places within 10 business days after receipt of a~~  
120 ~~written request for access.~~ This subsection may be complied with  
121 by having a copy of the official records available for  
122 inspection or copying in the community or, at the option of the  
123 association, by making the records available to a parcel owner  
124 electronically via the Internet or by allowing the records to be  
125 viewed in electronic format on a computer screen and printed  
126 upon request. If the association has a photocopy machine  
127 available where the records are maintained, it must provide  
128 parcel owners with copies on request during the inspection if  
129 the entire request is limited to no more than 25 pages. An  
130 association shall allow a member or his or her authorized  
131 representative to use a portable device, including a smartphone,  
132 tablet, portable scanner, or any other technology capable of  
133 scanning or taking photographs, to make an electronic copy of  
134 the official records in lieu of providing the member or his or  
135 her authorized representative with a copy of such records. The  
136 association may not charge a fee to a member or his or her  
137 authorized representative for such use of a portable device.

138 (a) The failure of an association to provide access to the  
139 records within 10 business days after receipt of a written  
140 request submitted by certified mail, return receipt requested,  
141 creates a rebuttable presumption that the association willfully  
142 failed to comply with this subsection.

143 (b) A member who is denied access to official records is  
144 entitled to the actual damages or minimum damages for the  
145 association's willful failure to comply with this subsection.

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146 The minimum damages are to be \$50 per calendar day up to 10  
147 days, the calculation to begin on the 11th business day after  
148 receipt of the written request.

149 (c) The association may adopt reasonable written rules  
150 governing the frequency, time, location, notice, records to be  
151 inspected, and manner of inspections, but may not require a  
152 parcel owner to demonstrate any proper purpose for the  
153 inspection, state any reason for the inspection, or limit a  
154 parcel owner's right to inspect records to less than one 8-hour  
155 business day per month. The association may impose fees to cover  
156 the costs of providing copies of the official records,  
157 ~~including, without limitation,~~ the costs of copying and the  
158 costs required for personnel to retrieve and copy the records if  
159 the time spent retrieving and copying the records exceeds one-  
160 half hour and if the personnel costs do not exceed \$20 per hour.  
161 No personnel costs may be charged for records requests that  
162 result in 25 or fewer pages. The association may charge up to 25  
163 ~~50~~ cents per page for copies made on the association's  
164 photocopier. If the association does not have a photocopy  
165 machine available where the records are kept, or if the records  
166 requested to be copied exceed 25 pages in length, the  
167 association may have copies made by an outside duplicating  
168 ~~service vendor or association management company personnel~~ and  
169 may charge the actual cost of copying, as supported by the  
170 vendor invoice including any reasonable costs involving  
171 ~~personnel fees and charges at an hourly rate for vendor or~~  
172 ~~employee time to cover administrative costs to the vendor or~~  
173 ~~association.~~ The association shall maintain an adequate number  
174 of copies of the recorded governing documents, to ensure their

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175 availability to members and prospective members. Notwithstanding  
176 this paragraph, the following records are not accessible to  
177 members or parcel owners:

178 1. Any record protected by the lawyer-client privilege as  
179 described in s. 90.502 and any record protected by the work-  
180 product privilege, including, but not limited to, a record  
181 prepared by an association attorney or prepared at the  
182 attorney's express direction which reflects a mental impression,  
183 conclusion, litigation strategy, or legal theory of the attorney  
184 or the association and which was prepared exclusively for civil  
185 or criminal litigation or for adversarial administrative  
186 proceedings or which was prepared in anticipation of such  
187 litigation or proceedings until the conclusion of the litigation  
188 or proceedings.

189 2. Information obtained by an association in connection  
190 with the approval of the lease, sale, or other transfer of a  
191 parcel.

192 3. Personnel records of the association's employees,  
193 including, but not limited to, disciplinary, payroll, health,  
194 and insurance records. For purposes of this subparagraph, the  
195 term "personnel records" does not include written employment  
196 agreements with an association employee or budgetary or  
197 financial records that indicate the compensation paid to an  
198 association employee.

199 4. Medical records of parcel owners or community residents.

200 5. Social security numbers, driver's license numbers,  
201 credit card numbers, electronic mailing addresses, telephone  
202 numbers, facsimile numbers, emergency contact information, any  
203 addresses for a parcel owner other than as provided for

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204 association notice requirements, and other personal identifying  
205 information of any person, excluding the person's name, parcel  
206 designation, mailing address, and property address. However, an  
207 owner may consent in writing to the disclosure of protected  
208 information described in this subparagraph. The association is  
209 not liable for the disclosure of information that is protected  
210 under this subparagraph if the information is included in an  
211 official record of the association and is voluntarily provided  
212 by an owner and not requested by the association.

213         6. Any electronic security measure that is used by the  
214 association to safeguard data, including passwords.

215         7. The software and operating system used by the  
216 association which allows the manipulation of data, even if the  
217 owner owns a copy of the same software used by the association.  
218 The data is part of the official records of the association.

219         (d) The association or its authorized agent is not required  
220 to provide a prospective purchaser or lienholder with  
221 information about the residential subdivision or the association  
222 other than information or documents required by this chapter to  
223 be made available or disclosed. The association or its  
224 authorized agent may charge a reasonable fee to the prospective  
225 purchaser or lienholder or the current parcel owner or member  
226 for providing good faith responses to requests for information  
227 by or on behalf of a prospective purchaser or lienholder, other  
228 than that required by law, if the fee does not exceed \$150 plus  
229 the reasonable cost of photocopying and any attorney's fees  
230 incurred by the association in connection with the response.

231         (6) BUDGETS.—

232         (d) An association is deemed to have provided for reserve

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233 accounts if reserve accounts have been initially established by  
234 the developer or if the membership of the association  
235 affirmatively elects to provide for reserves. If reserve  
236 accounts are established by the developer, the budget must  
237 designate the components for which the reserve accounts may be  
238 used. If reserve accounts are not initially provided by the  
239 developer, the membership of the association may elect to do so  
240 upon the affirmative approval of a majority of the total voting  
241 interests of the association. Such approval may be obtained by  
242 vote of the members at a duly called meeting of the membership  
243 or by the written consent of a majority of the total voting  
244 interests of the association. The approval action of the  
245 membership must state that reserve accounts shall be provided  
246 for in the budget and must designate the components for which  
247 the reserve accounts are to be established. Upon approval by the  
248 membership, the board of directors shall include the required  
249 reserve accounts in the budget in the next fiscal year following  
250 the approval and each year thereafter. Once established as  
251 provided in this subsection, the reserve accounts must be funded  
252 or maintained or have their funding waived in the manner  
253 provided in paragraph (f).

254 (13) REPORTING REQUIREMENT.—The community association  
255 manager, or the association when there is no community  
256 association manager, shall report to the division by November  
257 22, 2013, and annually thereafter, in a manner and form  
258 prescribed by the division.

259 (a) The report shall include the association's:  
260 1. Legal name.  
261 2. Federal employer identification number.

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262       3. Mailing and physical addresses.

263       4. Total number of parcels.

264       5. Total amount of revenues and expenses from the  
265 association's annual budget.

266       (b) For associations in which control of the association  
267 has not been transitioned to nondeveloper members, as set forth  
268 in s. 720.307, the report shall also include the developer's:

269       1. Legal name.

270       2. Mailing address.

271       3. Total number of parcels owned on the date of reporting.

272       (c) By October 1, 2013, the department shall establish and  
273 implement a registration system through an Internet website that  
274 provides for the reporting requirements of paragraphs (a) and  
275 (b).

276       (d) On or before December 1, 2013, and annually thereafter  
277 by December 1, the department shall submit a report to the  
278 Governor, the President of the Senate, and the Speaker of the  
279 House of Representatives providing the homeowner association  
280 data reported pursuant to this subsection.

281       (e) The department may adopt rules pursuant to ss.  
282 120.536(1) and 120.54 to implement the provisions of this  
283 subsection.

284       (f) This subsection shall expire on July 1, 2016, unless  
285 reenacted by the Legislature.

286       Section 3. Section 720.3033, Florida Statutes, is created  
287 to read:

288       720.3033 Officers and directors.-

289       (1) (a) Within 90 days after being elected or appointed to  
290 the board, each director shall certify in writing to the

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291 secretary of the association that he or she has read the  
292 association's declaration of covenants, articles of  
293 incorporation, bylaws, and current written rules and policies;  
294 that he or she will work to uphold such documents and policies  
295 to the best of his or her ability; and that he or she will  
296 faithfully discharge his or her fiduciary responsibility to the  
297 association's members. Within 90 days after being elected or  
298 appointed to the board, in lieu of this written certification,  
299 the newly elected or appointed director may submit a certificate  
300 of having satisfactorily completed the educational curriculum  
301 administered by a division-approved education provider within 1  
302 year before or 90 days after the date of election or  
303 appointment.

304 (b) The written certification or educational certificate is  
305 valid for the uninterrupted tenure of the director on the board.  
306 A director who does not timely file the written certification or  
307 educational certificate shall be suspended from the board until  
308 he or she complies with the requirement. The board may  
309 temporarily fill the vacancy during the period of suspension.

310 (c) The association shall retain each director's written  
311 certification or educational certificate for inspection by the  
312 members for 5 years after the director's election. However, the  
313 failure to have the written certification or educational  
314 certificate on file does not affect the validity of any board  
315 action.

316 (2) If the association enters into a contract or other  
317 transaction with any of its directors or a corporation, firm,  
318 association, or other entity in which an association director is  
319 also a director or officer or is financially interested, the

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320 board must:

321 (a) Comply with the requirements of s. 617.0832.

322 (b) Enter the disclosures required by s. 617.0832 into the  
323 written minutes of the meeting.

324 (c) Approve the contract or other transaction by an  
325 affirmative vote of two-thirds of the directors present.

326 (d) At the next regular or special meeting of the members,  
327 disclose the existence of the contract or other transaction to  
328 the members. Upon motion of any member, the contract or  
329 transaction shall be brought up for a vote and may be canceled  
330 by a majority vote of the members present. If the members cancel  
331 the contract, the association is only liable for the reasonable  
332 value of goods and services provided up to the time of  
333 cancellation and is not liable for any termination fee,  
334 liquidated damages, or other penalty for such cancellation.

335 (3) An officer, director, or manager may not solicit, offer  
336 to accept, or accept any good or service of value for which  
337 consideration has not been provided for his or her benefit or  
338 for the benefit of a member of his or her immediate family from  
339 any person providing or proposing to provide goods or services  
340 to the association. If the board finds that an officer or  
341 director has violated this subsection, the board shall  
342 immediately remove from office the officer or director. The  
343 vacancy shall be filled according to law until the end of the  
344 period of the end of the director's term of office. However, an  
345 officer, director, or manager may accept food to be consumed at  
346 a business meeting with a value of less than \$25 per individual  
347 or a service or good received in connection with trade fairs or  
348 education programs.

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349       (4) A director or officer charged by information or  
350 indictment with a felony theft or embezzlement offense involving  
351 the association's funds or property is removed from office. The  
352 board shall immediately remove such director or officer from  
353 office and shall fill the vacancy according to general law until  
354 the end of the period of the suspension or the end of the  
355 director's term of office, whichever occurs first. However, if  
356 the charges are resolved without a finding of guilt or without  
357 acceptance of a plea of guilty or nolo contendere, the director  
358 or officer shall be reinstated for any remainder of his or her  
359 term of office. A member who has such criminal charges pending  
360 may not be appointed or elected to a position as a director or  
361 officer.

362       (5) All associations shall maintain insurance or a fidelity  
363 bond for all persons who control or disburse funds of the  
364 association. The insurance policy or fidelity bond must cover  
365 the maximum funds that will be in the custody of the association  
366 or its management agent at any one time. As used in this  
367 subsection, the term "persons who control or disburse funds of  
368 the association" includes, but is not limited to, persons  
369 authorized to sign checks on behalf of the association, and the  
370 president, secretary, and treasurer of the association. The  
371 association shall bear the cost of any insurance or bond.

372       Section 4. Paragraph (d) is added to subsection (1) and  
373 paragraph (a) of subsection (9) of section 720.306, Florida  
374 Statutes, are amended to read:

375       720.306 Meetings of members; voting and election  
376 procedures; amendments.—

377       (1) QUORUM; AMENDMENTS.—

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378       (d) The Legislature finds that the procurement of mortgagee  
379 consent to amendments that do not affect the rights or interests  
380 of mortgagees is an unreasonable and substantial logistical and  
381 financial burden on the parcel owners and that there is a  
382 compelling state interest in enabling the members of an  
383 association to approve amendments to the association's governing  
384 documents through legal means. Accordingly, and notwithstanding  
385 any provision of this paragraph to the contrary:

386       1. As to any mortgage recorded on or after July 1, 2013,  
387 any provision in the association's governing documents that  
388 requires the consent or joinder of some or all mortgagees of  
389 parcels or any other portion of the association's common areas  
390 to amend the association's governing documents or for any other  
391 matter is enforceable only as to amendments to the association's  
392 governing documents that adversely affect the priority of the  
393 mortgagee's lien or the mortgagee's rights to foreclose its lien  
394 or that otherwise materially affect the rights and interests of  
395 the mortgagees.

396       2. As to mortgages recorded before July 1, 2013, any  
397 existing provisions in the association's governing documents  
398 requiring mortgagee consent are enforceable.

399       3. In securing consent or joinder, the association is  
400 entitled to rely upon the public records to identify the holders  
401 of outstanding mortgages. The association may use the address  
402 provided in the original recorded mortgage document, unless  
403 there is a different address for the holder of the mortgage in a  
404 recorded assignment or modification of the mortgage, which  
405 recorded assignment or modification must reference the official  
406 records book and page on which the original mortgage was

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407 recorded. Once the association has identified the recorded  
408 mortgages of record, the association shall, in writing, request  
409 of each parcel owner whose parcel is encumbered by a mortgage of  
410 record any information that the owner has in his or her  
411 possession regarding the name and address of the person to whom  
412 mortgage payments are currently being made. Notice shall be sent  
413 to such person if the address provided in the original recorded  
414 mortgage document is different from the name and address of the  
415 mortgagee or assignee of the mortgage as shown by the public  
416 record. The association is deemed to have complied with this  
417 requirement by making the written request of the parcel owners  
418 required under this subparagraph. Any notices required to be  
419 sent to the mortgagees under this subparagraph shall be sent to  
420 all available addresses provided to the association.

421 4. Any notice to the mortgagees required under subparagraph  
422 3. may be sent by a method that establishes proof of delivery,  
423 and any mortgagee who fails to respond within 60 days after the  
424 date of mailing is deemed to have consented to the amendment.

425 5. For those amendments requiring mortgagee consent on or  
426 after July 1, 2013, in the event mortgagee consent is provided  
427 other than by properly recorded joinder, such consent shall be  
428 evidenced by affidavit of the association recorded in the public  
429 records of the county in which the declaration is recorded.

430 6. Any amendment adopted without the required consent of a  
431 mortgagee is voidable only by a mortgagee who was entitled to  
432 notice and an opportunity to consent. An action to void an  
433 amendment is subject to the statute of limitations beginning 5  
434 years after the date of discovery as to the amendments described  
435 in subparagraph 1. and 5 years after the date of recordation of

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436 the certificate of amendment for all other amendments. This  
437 subparagraph applies to all mortgages, regardless of the date of  
438 recordation of the mortgage.

439 (9) (a) ELECTIONS AND BOARD VACANCIES.—Elections of  
440 directors must be conducted in accordance with the procedures  
441 set forth in the governing documents of the association. All  
442 members of the association are eligible to serve on the board of  
443 directors, and a member may nominate himself or herself as a  
444 candidate for the board at a meeting where the election is to be  
445 held; provided, however, that ~~or~~, if the election process allows  
446 candidates to nominate themselves ~~voting by absentee ballot~~, in  
447 advance of the balloting, the association is not required to  
448 allow nominations at the meeting. An election is not required  
449 unless more candidates are nominated than vacancies exist.

450 Except as otherwise provided in the governing documents, boards  
451 of directors must be elected by a plurality of the votes cast by  
452 eligible voters.

453 Section 5. Subsection (1) of section 720.307, Florida  
454 Statutes, is amended, present subsections (2) through (4) are  
455 renumbered as subsections (4) through (6), respectively, and new  
456 subsections (2) and (3) are added to that section, to read:

457 720.307 Transition of association control in a community.—  
458 With respect to homeowners' associations:

459 (1) Members other than the developer are entitled to elect  
460 at least a majority of the members of the board of directors of  
461 the homeowners' association when the earlier of the following  
462 events occurs:

463 (a) Three months after 90 percent of the parcels in all  
464 phases of the community that will ultimately be operated by the

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465 homeowners' association have been conveyed to members; ~~or~~

466 (b) Such other percentage of the parcels has been conveyed  
467 to members, or such other date or event has occurred, as is set  
468 forth in the governing documents in order to comply with the  
469 requirements of any governmentally chartered entity with regard  
470 to the mortgage financing of parcels;

471 (c) Two years after the developer has ceased construction  
472 or ceased to offer parcels for sale in the ordinary course of  
473 business;

474 (d) Upon the developer abandoning or deserting its  
475 responsibility to maintain and complete the advertised amenities  
476 or infrastructure. There is a rebuttable presumption that the  
477 developer has abandoned and deserted the property if the  
478 developer has not engaged in construction or sale of properties  
479 or has unpaid assessments or guaranteed amounts under s. 720.308  
480 for a period of more than 2 years;

481 (e) Upon the developer filing a petition seeking protection  
482 under chapter 7 of the federal Bankruptcy Code;

483 (f) Upon the developer losing title to the property through  
484 a foreclosure, or the transfer of a deed in lieu of foreclosure,  
485 unless the successor owner has accepted an assignment of  
486 developer rights and responsibilities; or

487 (g) Upon a receiver for the developer being appointed by a  
488 circuit court and not being discharged within 30 days after such  
489 appointment, unless the court determines within 30 days after  
490 such appointment that transfer of control would be detrimental  
491 to the association or its members.

492  
493 For purposes of this section, the term "members other than the

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494 developer" shall not include builders, contractors, or others  
495 who purchase a parcel for the purpose of constructing  
496 improvements thereon for resale.

497 (2) Members other than the developer are entitled to elect  
498 at least one member of the board of directors of the homeowners'  
499 association if 15 percent of the parcels in all phases of the  
500 community which will ultimately be operated by the association  
501 have been conveyed to members.

502 (3) Members other than the developer are entitled to elect  
503 at least two members of the board of directors of the  
504 homeowners' association if 50 percent of the parcels in all  
505 phases of the community which will ultimately be operated by the  
506 association have been conveyed to members.

507 Section 6. Subsection (5) is added to section 720.3075,  
508 Florida Statutes, to read:

509 720.3075 Prohibited clauses in association documents.—

510 (5) The public policy described in subsection (1) prohibits  
511 the inclusion or enforcement of clauses that allow a developer  
512 the unilateral ability and right to make changes to the  
513 governing documents prior to transition of homeowners'  
514 association control in a community from the developer to the  
515 nondeveloper members, as set forth in s. 720.307, that  
516 unreasonably modify the original plan of development, prejudice  
517 the rights of parcel owners to use and enjoy the benefits of the  
518 common property without the consent of the parcels owners,  
519 radically change the community scheme, reduce the size of the  
520 common area, or limit the access of parcel owners to the common  
521 area.

522 Section 7. Paragraph (b) of subsection (2) of section

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523 720.3085, Florida Statutes, is amended to read:

524 720.3085 Payment for assessments; lien claims.—

525 (2)

526 (b) A parcel owner is jointly and severally liable with the  
527 previous parcel owner for all unpaid assessments that came due  
528 up to the time of transfer of title. This liability is without  
529 prejudice to any right the present parcel owner may have to  
530 recover any amounts paid by the present owner from the previous  
531 owner. For the purposes of this subsection, the term "previous  
532 owner" shall not include an association that acquires title to a  
533 delinquent property through foreclosure or by deed in lieu of  
534 foreclosure. The present parcel owner's liability for unpaid  
535 assessments is limited to any unpaid assessments that accrued  
536 before the association acquired title to the delinquent property  
537 through foreclosure or by deed in lieu of foreclosure.

538 Section 8. Section 720.315, Florida Statutes, is amended to  
539 read:

540 720.315 Passage of ~~special~~ assessments.—

541 (1) Before turnover, if the board of directors controlled  
542 by the developer proposes a budget which requires assessments  
543 against parcel owners which are 5 percent greater than the  
544 assessments for the preceding fiscal year, the budget must be  
545 approved by a majority of all the members other than the  
546 developer at a duly called special meeting of the membership at  
547 which a quorum is present. For purposes of this section, the  
548 term "members other than the developer" does not include  
549 builders, contractors, or other persons who purchase a parcel  
550 for the purpose of constructing improvements thereon for resale.

551 (2) Before turnover, the board of directors controlled by

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552 the developer may not levy a special assessment unless a  
553 majority of the parcel owners other than the developer has  
554 approved the special assessment by a majority vote at a duly  
555 called special meeting of the membership at which a quorum is  
556 present.

557 Section 9. This act shall take effect July 1, 2013.