

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.