

By Senator Geller

31-552-03

1 A bill to be entitled
2 An act relating to corporate affairs; amending
3 s. 617.01401, F.S.; defining the term
4 "electronic transmission" for purposes of the
5 Florida Not For Profit Corporation Act;
6 amending s. 617.0141, F.S.; authorizing forms
7 of electronic transmission of notice for
8 domestic or foreign corporations; providing for
9 a corporation member to revoke consent to
10 receiving notice by electronic transmission;
11 providing that an affidavit of notice by
12 electronic transmission is, in the absence of
13 fraud, prima facie evidence of the facts stated
14 in the notice; amending ss. 718.111 and
15 718.112, F.S.; providing for a condominium
16 association to transmit electronic notices to
17 unit owners; providing that the association is
18 not liable for erroneously disclosing certain
19 address information; revising requirements for
20 use of proxies for voting; authorizing the
21 association to broadcast notice via a
22 closed-circuit television system; prohibiting
23 notice by electronic transmission for a recall
24 of board members; providing for association
25 bylaws to authorize the electronic transmission
26 of notices; amending ss. 719.104 and 719.106,
27 F.S.; providing for a cooperative association
28 to transmit electronic notices to unit owners;
29 providing that the association is not liable
30 for erroneously disclosing certain address
31 information; revising requirements for use of

1 proxies for voting; authorizing the association
2 to broadcast notice via a closed-circuit
3 television system; prohibiting notice by
4 electronic transmission for a recall of board
5 members; providing for association bylaws to
6 authorize the electronic transmission of
7 notices; amending s. 720.302, F.S.; clarifying
8 that corporations not for profit that operate
9 residential homeowners' associations are
10 subject to the Florida Not For Profit
11 Corporation Act; amending s. 720.303, F.S.;
12 authorizing a homeowners' association to
13 broadcast notice via a closed-circuit
14 television system; providing that the
15 association is not liable for erroneously
16 disclosing certain address information;
17 providing an effective date.

18
19 Be It Enacted by the Legislature of the State of Florida:

20
21 Section 1. Section 617.01401, Florida Statutes, is
22 amended to read:

23 617.01401 Definitions.--As used in this act, unless
24 the context otherwise requires, the term:

25 (1) "Articles of incorporation" includes original,
26 amended, and restated articles of incorporation, articles of
27 consolidation, and articles of merger, and all amendments
28 thereto, including documents designated by the laws of this
29 state as charters, and, in the case of a foreign corporation,
30 documents equivalent to articles of incorporation in the
31 jurisdiction of incorporation.

1 (2) "Board of directors" means the group of persons
2 vested with the management of the affairs of the corporation
3 irrespective of the name by which such group is designated,
4 including, but not limited to, managers or trustees.

5 (3) "Bylaws" means the code or codes of rules adopted
6 for the regulation or management of the affairs of the
7 corporation irrespective of the name or names by which such
8 rules are designated.

9 (4) "Corporation" or "domestic corporation" means a
10 corporation not for profit, subject to the provisions of this
11 act, except a foreign corporation.

12 (5) "Corporation not for profit" means a corporation
13 no part of the income or profit of which is distributable to
14 its members, directors, or officers.

15 (6) "Electronic transmission" means any form of
16 communication, not directly involving the physical
17 transmission or transfer of paper, which creates a record that
18 may be retained, retrieved, and reviewed by a recipient
19 thereof and which may be directly reproduced in a
20 comprehensible and legible paper form by such recipient
21 through an automated process. Examples of electronic
22 transmission include, but are not limited to, telegrams,
23 facsimile transmissions of images, and text that is sent via
24 electronic mail between computers.

25 ~~(7)(6)~~ "Foreign corporation" means a corporation not
26 for profit organized under laws other than the laws of this
27 state.

28 ~~(8)(7)~~ "Insolvent" means the inability of a
29 corporation to pay its debts as they become due in the usual
30 course of its affairs.

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1 ~~(9)(8)~~ "Mail" means the United States mail, facsimile
2 transmissions, and private mail carriers handling nationwide
3 mail services.

4 ~~(10)(9)~~ "Member" means one having membership rights in
5 a corporation in accordance with the provisions of its
6 articles of incorporation or bylaws or the provisions of this
7 act.

8 ~~(11)(10)~~ "Person" includes individual and entity.

9 Section 2. Section 617.0141, Florida Statutes, is
10 amended to read:

11 617.0141 Notice.--

12 (1) Notice under this act must be in writing, unless
13 oral notice is:

14 (a) Expressly authorized by the articles of
15 incorporation or the bylaws; and

16 (b) Reasonable under the circumstances.

17 (2) Notice may be communicated in person; by telephone
18 (where oral notice is permitted), telegraph, teletype, or
19 other form of electronic transmission ~~communication~~; or by
20 mail.

21 (3) Written notice by a domestic or foreign
22 corporation authorized to conduct its affairs in this state to
23 its member, if in a comprehensible form, is effective:

24 (a) When mailed, if mailed postpaid and correctly
25 addressed to the member's address shown in the corporation's
26 current record of members; ~~-~~

27 (b) When actually transmitted by facsimile
28 telecommunication, if correctly directed to a number at which
29 the member has consented to receive notice;

1 (c) When actually transmitted by electronic mail, if
2 correctly directed to an electronic mail address at which the
3 member has consented to receive notice;

4 (d) When posted on an electronic network that the
5 member has consented to consult, upon the later of:

6 1. Such correct posting; or

7 2. The giving of a separate notice to the member of
8 the fact of such specific posting; or

9 (e) When correctly transmitted to the member, if by
10 any other form of electronic transmission consented to by the
11 member to whom notice is given.

12 (4) Consent by a member to receiving notice by
13 electronic transmission shall be revocable by the member by
14 written notice to the corporation. Any such consent shall be
15 deemed revoked if:

16 (a) The corporation is unable to deliver by electronic
17 transmission two consecutive notices given by the corporation
18 in accordance with such consent; and

19 (b) Such inability becomes known to the secretary or
20 an assistant secretary of the corporation, or other authorized
21 person responsible for the giving of notice. However, the
22 inadvertent failure to treat such inability as a revocation
23 does not invalidate any meeting or other action.

24 (5)~~(4)~~ Written notice to a domestic or foreign
25 corporation authorized to conduct its affairs in this state
26 may be addressed to its registered agent at its registered
27 office or to the corporation or its secretary at its principal
28 office shown in its most recent annual report or, in the case
29 of a corporation that has not yet delivered an annual report,
30 in a domestic corporation's articles of incorporation or in a
31

1 foreign corporation's application for certificate of
2 authority.

3 ~~(6)~~(5) Except as provided in subsection (3) or
4 elsewhere in this act, written notice, if in a comprehensible
5 form, is effective at the earliest date of the following:

6 (a) When received;

7 (b) Five days after its deposit in the United States
8 mail, as evidenced by the postmark, if mailed postpaid and
9 correctly addressed; or

10 (c) On the date shown on the return receipt, if sent
11 by registered or certified mail, return receipt requested, and
12 the receipt is signed by or on behalf of the addressee.

13 ~~(7)~~(6) Oral notice is effective when communicated if
14 communicated directly to the person to be notified in a
15 comprehensible manner.

16 (8) An affidavit of the secretary, an assistant
17 secretary, the transfer agent, or other authorized agent of
18 the corporation that the notice has been given by a form of
19 electronic transmission is, in the absence of fraud, prima
20 facie evidence of the facts stated in the notice.

21 ~~(9)~~(7) If this act prescribes notice requirements for
22 particular circumstances, those requirements govern. If
23 articles of incorporation or bylaws prescribe notice
24 requirements not less stringent than the requirements of this
25 section or other provisions of this act, those requirements
26 govern.

27 Section 3. Paragraph (a) of subsection (12) of section
28 718.111, Florida Statutes, is amended to read:

29 718.111 The association.--

30 (12) OFFICIAL RECORDS.--

31

1 (a) From the inception of the association, the
2 association shall maintain each of the following items, when
3 applicable, which shall constitute the official records of the
4 association:

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

7 2. A photocopy of the recorded declaration of
8 condominium of each condominium operated by the association
9 and of each amendment to each declaration.

10 3. A photocopy of the recorded bylaws of the
11 association and of each amendment to the bylaws.

12 4. A certified copy of the articles of incorporation
13 of the association, or other documents creating the
14 association, and of each amendment thereto.

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

16 6. A book or books which contain the minutes of all
17 meetings of the association, of the board of directors, and of
18 unit owners, which minutes shall be retained for a period of
19 not less than 7 years.

20 7. A current roster of all unit owners and their
21 postal and electronic mailing addresses, unit identifications,
22 voting certifications, and, if known, telephone numbers. Upon
23 the request of the unit owner in writing, the electronic mail
24 address and the number designated by the unit owner for
25 receiving electronic transmission of notices shall not be
26 included in the official records of the association. However,
27 the association is not liable for an erroneous disclosure of
28 the electronic mail address or the number for receiving
29 electronic transmission of notices.

30 8. All current insurance policies of the association
31 and condominiums operated by the association.

1 9. A current copy of any management agreement, lease,
2 or other contract to which the association is a party or under
3 which the association or the unit owners have an obligation or
4 responsibility.

5 10. Bills of sale or transfer for all property owned
6 by the association.

7 11. Accounting records for the association and
8 separate accounting records for each condominium which the
9 association operates. All accounting records shall be
10 maintained for a period of not less than 7 years. The
11 accounting records shall include, but are not limited to:

12 a. Accurate, itemized, and detailed records of all
13 receipts and expenditures.

14 b. A current account and a monthly, bimonthly, or
15 quarterly statement of the account for each unit designating
16 the name of the unit owner, the due date and amount of each
17 assessment, the amount paid upon the account, and the balance
18 due.

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

21 d. All contracts for work to be performed. Bids for
22 work to be performed shall also be considered official records
23 and shall be maintained for a period of 1 year.

24 12. Ballots, sign-in sheets, voting proxies, and all
25 other papers relating to voting by unit owners, which shall be
26 maintained for a period of 1 year from the date of the
27 election, vote, or meeting to which the document relates.

28 13. All rental records, when the association is acting
29 as agent for the rental of condominium units.

30 14. A copy of the current question and answer sheet as
31 described by s. 718.504.

1 15. All other records of the association not
2 specifically included in the foregoing which are related to
3 the operation of the association.

4 Section 4. Paragraphs (b), (c), (d), (e), and (j) of
5 subsection (2) and subsection (3) of section 718.112, Florida
6 Statutes, are amended to read:

7 718.112 Bylaws.--

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

11 (b) Quorum; voting requirements; proxies.--

12 1. Unless a lower number is provided in the bylaws,
13 the percentage of voting interests required to constitute a
14 quorum at a meeting of the members shall be a majority of the
15 voting interests. Unless otherwise provided in this chapter
16 or in the declaration, articles of incorporation, or bylaws,
17 and except as provided in subparagraph (d)3., decisions shall
18 be made by owners of a majority of the voting interests
19 represented at a meeting at which a quorum is present.

20 2. Except as specifically otherwise provided herein,
21 after January 1, 1992, unit owners may not vote by general
22 proxy, but may vote by limited proxies substantially
23 conforming to a limited proxy form adopted by the division.
24 Limited proxies and general proxies may be used to establish a
25 quorum. Limited proxies shall be used for votes taken to
26 waive or reduce reserves in accordance with subparagraph
27 (f)2.; for votes taken to waive the financial reporting
28 requirements of s. 718.111(13);for votes taken to amend the
29 declaration pursuant to s. 718.110; for votes taken to amend
30 the articles of incorporation or bylaws pursuant to this
31 section; and for any other matter for which this chapter

1 requires or permits a vote of the unit owners. Except as
2 provided in paragraph (d), after January 1, 1992, no proxy,
3 limited or general, shall be used in the election of board
4 members. General proxies may be used for other matters for
5 which limited proxies are not required, and may also be used
6 in voting for nonsubstantive changes to items for which a
7 limited proxy is required and given. Notwithstanding the
8 provisions of this subparagraph, unit owners may vote in
9 person at unit owner meetings. Nothing contained herein shall
10 limit the use of general proxies or require the use of limited
11 proxies for any agenda item or election at any meeting of a
12 timeshare condominium association.

13 3. Any proxy given shall be effective only for the
14 specific meeting for which originally given and any lawfully
15 adjourned meetings thereof. In no event shall any proxy be
16 valid for a period longer than 90 days after the date of the
17 first meeting for which it was given. Every proxy is
18 revocable at any time at the pleasure of the unit owner
19 executing it.

20 4. A member of the board of administration or a
21 committee may submit in writing his or her agreement or
22 disagreement with any action taken at a meeting that the
23 member did not attend. This agreement or disagreement may not
24 be used as a vote for or against the action taken and may not
25 be used for the purposes of creating a quorum.

26 5. When any of the board or committee members meet by
27 telephone conference, those board or committee members
28 attending by telephone conference may be counted toward
29 obtaining a quorum and may vote by telephone. A telephone
30 speaker must be used so that the conversation of those board
31 or committee members attending by telephone may be heard by

1 the board or committee members attending in person as well as
2 by any unit owners present at a meeting.

3 (c) Board of administration meetings.--Meetings of the
4 board of administration at which a quorum of the members is
5 present shall be open to all unit owners. Any unit owner may
6 tape record or videotape meetings of the board of
7 administration. The right to attend such meetings includes
8 the right to speak at such meetings with reference to all
9 designated agenda items. The division shall adopt reasonable
10 rules governing the tape recording and videotaping of the
11 meeting. The association may adopt written reasonable rules
12 governing the frequency, duration, and manner of unit owner
13 statements. Adequate notice of all meetings, which notice
14 shall specifically incorporate an identification of agenda
15 items, shall be posted conspicuously on the condominium
16 property at least 48 continuous hours preceding the meeting
17 except in an emergency. Any item not included on the notice
18 may be taken up on an emergency basis by at least a majority
19 plus one of the members of the board. Such emergency action
20 shall be noticed and ratified at the next regular meeting of
21 the board. However, written notice of any meeting at which
22 nonemergency special assessments, or at which amendment to
23 rules regarding unit use, will be considered shall be mailed,
24 ~~or delivered,~~ or electronically transmitted to the unit owners
25 and posted conspicuously on the condominium property not less
26 than 14 days prior to the meeting. Evidence of compliance with
27 this 14-day notice shall be made by an affidavit executed by
28 the person providing the notice and filed among the official
29 records of the association. Upon notice to the unit owners,
30 the board shall by duly adopted rule designate a specific
31 location on the condominium property or association property

1 upon which all notices of board meetings shall be posted. If
2 there is no condominium property or association property upon
3 which notices can be posted, notices of board meetings shall
4 be mailed, ~~or delivered,~~ or electronically transmitted at
5 least 14 days before the meeting to the owner of each unit. In
6 lieu of or in addition to the physical posting of notice of
7 any meeting of the board of administration on the condominium
8 property, the association may, by reasonable rule, adopt a
9 procedure for conspicuously posting and repeatedly
10 broadcasting the notice and the agenda on a closed-circuit
11 cable television system serving the condominium association.
12 However, if broadcast notice is used in lieu of a notice
13 posted physically on the condominium property, the notice and
14 agenda must be broadcast at least four times every broadcast
15 hour of each day that a posted notice is otherwise required
16 under this section. When broadcast notice is provided, the
17 notice and agenda must be broadcast in a manner and for a
18 sufficient continuous length of time so as to allow an average
19 reader to observe the notice and read and comprehend the
20 entire content of the notice and the agenda. Notice of any
21 meeting in which regular assessments against unit owners are
22 to be considered for any reason shall specifically contain a
23 statement that assessments will be considered and the nature
24 of any such assessments. Meetings of a committee to take final
25 action on behalf of the board or make recommendations to the
26 board regarding the association budget are subject to the
27 provisions of this paragraph. Meetings of a committee that
28 does not take final action on behalf of the board or make
29 recommendations to the board regarding the association budget
30 are subject to the provisions of this section, unless those
31 meetings are exempted from this section by the bylaws of the

1 association. Notwithstanding any other law, the requirement
2 that board meetings and committee meetings be open to the unit
3 owners is inapplicable to meetings between the board or a
4 committee and the association's attorney, with respect to
5 proposed or pending litigation, when the meeting is held for
6 the purpose of seeking or rendering legal advice.

7 (d) Unit owner meetings.--

8 1. There shall be an annual meeting of the unit
9 owners. Unless the bylaws provide otherwise, a vacancy on the
10 board caused by the expiration of a director's term shall be
11 filled by electing a new board member, and the election shall
12 be by secret ballot; however, if the number of vacancies
13 equals or exceeds the number of candidates, no election is
14 required. If there is no provision in the bylaws for terms of
15 the members of the board, the terms of all members of the
16 board shall expire upon the election of their successors at
17 the annual meeting. Any unit owner desiring to be a candidate
18 for board membership shall comply with subparagraph 3. A
19 person who has been convicted of any felony by any court of
20 record in the United States and who has not had his or her
21 right to vote restored pursuant to law in the jurisdiction of
22 his or her residence is not eligible for board membership. The
23 validity of an action by the board is not affected if it is
24 later determined that a member of the board is ineligible for
25 board membership due to having been convicted of a felony.

26 2. The bylaws shall provide the method of calling
27 meetings of unit owners, including annual meetings. Written
28 notice, which notice must include an agenda, shall be mailed,
29 ~~or~~ hand delivered, or electronically transmitted to each unit
30 owner at least 14 days prior to the annual meeting and shall
31 be posted in a conspicuous place on the condominium property

1 at least 14 continuous days preceding the annual meeting. Upon
2 notice to the unit owners, the board shall by duly adopted
3 rule designate a specific location on the condominium property
4 or association property upon which all notices of unit owner
5 meetings shall be posted; however, if there is no condominium
6 property or association property upon which notices can be
7 posted, this requirement does not apply. In lieu of or in
8 addition to the physical posting of notice of any meeting of
9 the unit owners on the condominium property, the association
10 may, by reasonable rule, adopt a procedure for conspicuously
11 posting and repeatedly broadcasting the notice and the agenda
12 on a closed-circuit cable television system serving the
13 condominium association. However, if broadcast notice is used
14 in lieu of a notice posted physically on the condominium
15 property, the notice and agenda must be broadcast at least
16 four times every broadcast hour of each day that a posted
17 notice is otherwise required under this section. When
18 broadcast notice is provided, the notice and agenda must be
19 broadcast in a manner and for a sufficient continuous length
20 of time so as to allow an average reader to observe the notice
21 and read and comprehend the entire content of the notice and
22 the agenda.Unless a unit owner waives in writing the right to
23 receive notice of the annual meeting, such notice shall be
24 hand delivered, ~~or~~ mailed, or electronically transmitted to
25 each unit owner. Notice for meetings and notice for all other
26 purposes shall be mailed to each unit owner at the address
27 last furnished to the association by the unit owner, or hand
28 delivered to each unit owner. However, if a unit is owned by
29 more than one person, the association shall provide notice,
30 for meetings and all other purposes, to that one address which
31 the developer initially identifies for that purpose and

1 thereafter as one or more of the owners of the unit shall so
2 advise the association in writing, or if no address is given
3 or the owners of the unit do not agree, to the address
4 provided on the deed of record. An officer of the association,
5 or the manager or other person providing notice of the
6 association meeting, shall provide an affidavit or United
7 States Postal Service certificate of mailing, to be included
8 in the official records of the association affirming that the
9 notice was mailed or hand delivered, in accordance with this
10 provision.

11 3. The members of the board shall be elected by
12 written ballot or voting machine. Proxies shall in no event be
13 used in electing the board, either in general elections or
14 elections to fill vacancies caused by recall, resignation, or
15 otherwise, unless otherwise provided in this chapter. Not less
16 than 60 days before a scheduled election, the association
17 shall mail,~~or~~ deliver, or electronically transmit, whether by
18 separate association mailing or included in another
19 association mailing,~~or~~ delivery, or transmission, including
20 regularly published newsletters, to each unit owner entitled
21 to a vote, a first notice of the date of the election. Any
22 unit owner or other eligible person desiring to be a candidate
23 for the board must give written notice to the association not
24 less than 40 days before a scheduled election. Together with
25 the written notice and agenda as set forth in subparagraph 2.,
26 the association shall mail,~~or~~ deliver, or electronically
27 transmit a second notice of the election to all unit owners
28 entitled to vote therein, together with a ballot which shall
29 list all candidates. Upon request of a candidate, the
30 association shall include an information sheet, no larger than
31 8 1/2 inches by 11 inches, which must be furnished by the

1 candidate not less than 35 days before the election, to be
2 included with the mailing, delivery, or transmission of the
3 ballot, with the costs of mailing, ~~or~~ delivery, or electronic
4 transmission and copying to be borne by the association. The
5 association is not liable for the contents of the information
6 sheets prepared by the candidates. In order to reduce costs,
7 the association may print or duplicate the information sheets
8 on both sides of the paper. The division shall by rule
9 establish voting procedures consistent with the provisions
10 contained herein, including rules providing for giving notice
11 to the members by electronic transmission in a manner
12 authorized by law and for the secrecy of ballots. Elections
13 shall be decided by a plurality of those ballots cast. There
14 shall be no quorum requirement; however, at least 20 percent
15 of the eligible voters must cast a ballot in order to have a
16 valid election of members of the board. No unit owner shall
17 permit any other person to vote his or her ballot, and any
18 such ballots improperly cast shall be deemed invalid, provided
19 any unit owner who violates this provision may be fined by the
20 association in accordance with s. 718.303. A unit owner who
21 needs assistance in casting the ballot for the reasons stated
22 in s. 101.051 may obtain assistance in casting the ballot. The
23 regular election shall occur on the date of the annual
24 meeting. The provisions of this subparagraph shall not apply
25 to timeshare condominium associations. Notwithstanding the
26 provisions of this subparagraph, an election is not required
27 unless more candidates file notices of intent to run or are
28 nominated than board vacancies exist.

29 4. Any approval by unit owners called for by this
30 chapter or the applicable declaration or bylaws, including,
31 but not limited to, the approval requirement in s. 718.111(8),

1 shall be made at a duly noticed meeting of unit owners and
2 shall be subject to all requirements of this chapter or the
3 applicable condominium documents relating to unit owner
4 decisionmaking, except that unit owners may take action by
5 written agreement, without meetings, on matters for which
6 action by written agreement without meetings is expressly
7 allowed by the applicable bylaws or declaration or any statute
8 that provides for such action.

9 5. Unit owners may waive notice of specific meetings
10 if allowed by the applicable bylaws or declaration or any
11 statute. Unit owners may consent to receiving notice of board,
12 committee, and membership meetings by electronic transmission
13 if the bylaws provide a method for giving notice by electronic
14 transmission.

15 6. Unit owners shall have the right to participate in
16 meetings of unit owners with reference to all designated
17 agenda items. However, the association may adopt reasonable
18 rules governing the frequency, duration, and manner of unit
19 owner participation.

20 7. Any unit owner may tape record or videotape a
21 meeting of the unit owners subject to reasonable rules adopted
22 by the division.

23 8. Unless otherwise provided in the bylaws, any
24 vacancy occurring on the board before the expiration of a term
25 may be filled by the affirmative vote of the majority of the
26 remaining directors, even if the remaining directors
27 constitute less than a quorum, or by the sole remaining
28 director. In the alternative, a board may hold an election to
29 fill the vacancy, in which case the election procedures must
30 conform to the requirements of subparagraph 3. unless the
31 association has opted out of the statutory election process,

1 in which case the bylaws of the association control. Unless
2 otherwise provided in the bylaws, a board member appointed or
3 elected under this section shall fill the vacancy for the
4 unexpired term of the seat being filled. Filling vacancies
5 created by recall is governed by paragraph (j) and rules
6 adopted by the division.

7
8 Notwithstanding subparagraphs (b)2. and (d)3., an association
9 may, by the affirmative vote of a majority of the total voting
10 interests, provide for different voting and election
11 procedures in its bylaws, which vote may be by a proxy
12 specifically delineating the different voting and election
13 procedures. The different voting and election procedures may
14 provide for elections to be conducted by limited or general
15 proxy.

16 (e) Budget meeting.--

17 1. Any meeting at which a proposed annual budget of an
18 association will be considered by the board or unit owners
19 shall be open to all unit owners. At least 14 days prior to
20 such a meeting, the board shall hand deliver to each unit
21 owner, ~~or~~ mail to each unit owner at the address last
22 furnished to the association by the unit owner, or
23 electronically transmit to the location furnished by the unit
24 owner for that purpose a notice of such meeting and a copy of
25 the proposed annual budget. An officer or manager of the
26 association, or other person providing notice of such meeting,
27 shall execute an affidavit evidencing compliance with such
28 notice requirement, and such affidavit shall be filed among
29 the official records of the association.

30 2.a. If a board adopts in any fiscal year an annual
31 budget which requires assessments against unit owners which

1 exceed 115 percent of assessments for the preceding fiscal
2 year, the board shall conduct a special meeting of the unit
3 owners to consider a substitute budget if the board receives,
4 within 21 days after adoption of the annual budget, a written
5 request for a special meeting from at least 10 percent of all
6 voting interests. The special meeting shall be conducted
7 within 60 days after adoption of the annual budget. At least
8 14 days prior to such special meeting, the board shall hand
9 deliver to each unit owner, or mail to each unit owner at the
10 address last furnished to the association, a notice of the
11 meeting. An officer or manager of the association, or other
12 person providing notice of such meeting shall execute an
13 affidavit evidencing compliance with this notice requirement,
14 and such affidavit shall be filed among the official records
15 of the association. Unit owners may consider and adopt a
16 substitute budget at the special meeting. A substitute budget
17 is adopted if approved by a majority of all voting interests
18 unless the bylaws require adoption by a greater percentage of
19 voting interests. If there is not a quorum at the special
20 meeting or a substitute budget is not adopted, the annual
21 budget previously adopted by the board shall take effect as
22 scheduled.

23 b. Any determination of whether assessments exceed 115
24 percent of assessments for the prior fiscal year shall exclude
25 any authorized provision for reasonable reserves for repair or
26 replacement of the condominium property, anticipated expenses
27 of the association which the board does not expect to be
28 incurred on a regular or annual basis, or assessments for
29 betterments to the condominium property.

30 c. If the developer controls the board, assessments
31 shall not exceed 115 percent of assessments for the prior

1 fiscal year unless approved by a majority of all voting
2 interests.

3 (j) Recall of board members.--Subject to the
4 provisions of s. 718.301, any member of the board of
5 administration may be recalled and removed from office with or
6 without cause by the vote or agreement in writing by a
7 majority of all the voting interests. A special meeting of the
8 unit owners to recall a member or members of the board of
9 administration may be called by 10 percent of the voting
10 interests giving notice of the meeting as required for a
11 meeting of unit owners, and the notice shall state the purpose
12 of the meeting. Electronic transmission may not be used as a
13 method of giving notice of a meeting called in whole or in
14 part for this purpose.

15 1. If the recall is approved by a majority of all
16 voting interests by a vote at a meeting, the recall will be
17 effective as provided herein. The board shall duly notice and
18 hold a board meeting within 5 full business days of the
19 adjournment of the unit owner meeting to recall one or more
20 board members. At the meeting, the board shall either certify
21 the recall, in which case such member or members shall be
22 recalled effective immediately and shall turn over to the
23 board within 5 full business days any and all records and
24 property of the association in their possession, or shall
25 proceed as set forth in subparagraph 3.

26 2. If the proposed recall is by an agreement in
27 writing by a majority of all voting interests, the agreement
28 in writing or a copy thereof shall be served on the
29 association by certified mail or by personal service in the
30 manner authorized by chapter 48 and the Florida Rules of Civil
31 Procedure. The board of administration shall duly notice and

1 hold a meeting of the board within 5 full business days after
2 receipt of the agreement in writing. At the meeting, the board
3 shall either certify the written agreement to recall a member
4 or members of the board, in which case such member or members
5 shall be recalled effective immediately and shall turn over to
6 the board within 5 full business days any and all records and
7 property of the association in their possession, or proceed as
8 described in subparagraph 3.

9 3. If the board determines not to certify the written
10 agreement to recall a member or members of the board, or does
11 not certify the recall by a vote at a meeting, the board
12 shall, within 5 full business days after the meeting, file
13 with the division a petition for arbitration pursuant to the
14 procedures in s. 718.1255. For the purposes of this section,
15 the unit owners who voted at the meeting or who executed the
16 agreement in writing shall constitute one party under the
17 petition for arbitration. If the arbitrator certifies the
18 recall as to any member or members of the board, the recall
19 will be effective upon mailing of the final order of
20 arbitration to the association. If the association fails to
21 comply with the order of the arbitrator, the division may take
22 action pursuant to s. 718.501. Any member or members so
23 recalled shall deliver to the board any and all records of the
24 association in their possession within 5 full business days of
25 the effective date of the recall.

26 4. If the board fails to duly notice and hold a board
27 meeting within 5 full business days of service of an agreement
28 in writing or within 5 full business days of the adjournment
29 of the unit owner recall meeting, the recall shall be deemed
30 effective and the board members so recalled shall immediately
31

1 turn over to the board any and all records and property of the
2 association.

3 5. If a vacancy occurs on the board as a result of a
4 recall and less than a majority of the board members are
5 removed, the vacancy may be filled by the affirmative vote of
6 a majority of the remaining directors, notwithstanding any
7 provision to the contrary contained in this subsection. If
8 vacancies occur on the board as a result of a recall and a
9 majority or more of the board members are removed, the
10 vacancies shall be filled in accordance with procedural rules
11 to be adopted by the division, which rules need not be
12 consistent with this subsection. The rules must provide
13 procedures governing the conduct of the recall election as
14 well as the operation of the association during the period
15 after a recall but prior to the recall election.

16 (3) OPTIONAL PROVISIONS.--The bylaws as originally
17 recorded or as amended under the procedures provided therein
18 may provide for the following:

19 (a) A method of adopting and amending administrative
20 rules and regulations governing the details of the operation
21 and use of the common elements.

22 (b) Restrictions on and requirements for the use,
23 maintenance, and appearance of the units and the use of the
24 common elements.

25 (c) Provisions for giving notice by electronic
26 transmission in a manner authorized by law of meetings of the
27 board of directors and committees and of annual and special
28 meetings of the members.

29 (d)~~(c)~~ Other provisions which are not inconsistent
30 with this chapter or with the declaration, as may be desired.

31

1 Section 5. Paragraph (a) of subsection (2) of section
2 719.104, Florida Statutes, is amended to read:

3 719.104 Cooperatives; access to units; records;
4 financial reports; assessments; purchase of leases.--

5 (2) OFFICIAL RECORDS.--

6 (a) From the inception of the association, the
7 association shall maintain a copy of each of the following,
8 where applicable, which shall constitute the official records
9 of the association:

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

12 2. A photocopy of the cooperative documents.

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

14 4. A book or books containing the minutes of all
15 meetings of the association, of the board of directors, and of
16 the unit owners, which minutes shall be retained for a period
17 of not less than 7 years.

18 5. A current roster of all unit owners and their
19 postal and electronic mailing addresses, unit identifications,
20 voting certifications, and, if known, telephone numbers. Upon
21 the request of the unit owner in writing, the electronic mail
22 address and the number designated by the unit owner for
23 receiving electronic transmission of notices shall not be
24 included in the official records of the association. However,
25 the association is not liable for an erroneous disclosure of
26 the electronic mail address or the number for receiving
27 electronic transmission of notices.

28 6. All current insurance policies of the association.

29 7. A current copy of any management agreement, lease,
30 or other contract to which the association is a party or under
31

1 | which the association or the unit owners have an obligation or
2 | responsibility.

3 | 8. Bills of sale or transfer for all property owned by
4 | the association.

5 | 9. Accounting records for the association and separate
6 | accounting records for each unit it operates, according to
7 | good accounting practices. All accounting records shall be
8 | maintained for a period of not less than 7 years. The
9 | accounting records shall include, but not be limited to:

10 | a. Accurate, itemized, and detailed records of all
11 | receipts and expenditures.

12 | b. A current account and a monthly, bimonthly, or
13 | quarterly statement of the account for each unit designating
14 | the name of the unit owner, the due date and amount of each
15 | assessment, the amount paid upon the account, and the balance
16 | due.

17 | c. All audits, reviews, accounting statements, and
18 | financial reports of the association.

19 | d. All contracts for work to be performed. Bids for
20 | work to be performed shall also be considered official records
21 | and shall be maintained for a period of 1 year.

22 | 10. Ballots, sign-in sheets, voting proxies, and all
23 | other papers relating to voting by unit owners, which shall be
24 | maintained for a period of 1 year after the date of the
25 | election, vote, or meeting to which the document relates.

26 | 11. All rental records where the association is acting
27 | as agent for the rental of units.

28 | 12. A copy of the current question and answer sheet as
29 | described in s. 719.504.

30 |
31 |

1 13. All other records of the association not
2 specifically included in the foregoing which are related to
3 the operation of the association.

4 Section 6. Paragraphs (b), (c), (d), (e), and (f) of
5 subsection (1) and subsection (2) of section 719.106, Florida
6 Statutes, are amended to read:

7 719.106 Bylaws; cooperative ownership.--

8 (1) MANDATORY PROVISIONS.--The bylaws or other
9 cooperative documents shall provide for the following, and if
10 they do not, they shall be deemed to include the following:

11 (b) Quorum; voting requirements; proxies.--

12 1. Unless otherwise provided in the bylaws, the
13 percentage of voting interests required to constitute a quorum
14 at a meeting of the members shall be a majority of voting
15 interests, and decisions shall be made by owners of a majority
16 of the voting interests. Unless otherwise provided in this
17 chapter, or in the articles of incorporation, bylaws, or other
18 cooperative documents, and except as provided in subparagraph
19 (d)1., decisions shall be made by owners of a majority of the
20 voting interests represented at a meeting at which a quorum is
21 present.

22 2. Except as specifically otherwise provided herein,
23 after January 1, 1992, unit owners may not vote by general
24 proxy, but may vote by limited proxies substantially
25 conforming to a limited proxy form adopted by the division.
26 Limited proxies and general proxies may be used to establish a
27 quorum. Limited proxies shall be used for votes taken to
28 waive or reduce reserves in accordance with subparagraph
29 (j)2., for votes taken to waive the financial reporting
30 requirements of s. 719.104(4), for votes taken to amend the
31 articles of incorporation or bylaws pursuant to this section,

1 and for any other matter for which this chapter requires or
2 permits a vote of the unit owners. Except as provided in
3 paragraph (d), after January 1, 1992, no proxy, limited or
4 general, shall be used in the election of board members.
5 General proxies may be used for other matters for which
6 limited proxies are not required, and may also be used in
7 voting for nonsubstantive changes to items for which a limited
8 proxy is required and given. Notwithstanding the provisions of
9 this section, unit owners may vote in person at unit owner
10 meetings. Nothing contained herein shall limit the use of
11 general proxies or require the use of limited proxies or
12 require the use of limited proxies for any agenda item or
13 election at any meeting of a timeshare cooperative.

14 3. Any proxy given shall be effective only for the
15 specific meeting for which originally given and any lawfully
16 adjourned meetings thereof. In no event shall any proxy be
17 valid for a period longer than 90 days after the date of the
18 first meeting for which it was given. Every proxy shall be
19 revocable at any time at the pleasure of the unit owner
20 executing it.

21 4. A member of the board of administration or a
22 committee may submit in writing his or her agreement or
23 disagreement with any action taken at a meeting that the
24 member did not attend. This agreement or disagreement may not
25 be used as a vote for or against the action taken and may not
26 be used for the purposes of creating a quorum.

27 5. When some or all of the board or committee members
28 meet by telephone conference, those board or committee members
29 attending by telephone conference may be counted toward
30 obtaining a quorum and may vote by telephone. A telephone
31 speaker shall be utilized so that the conversation of those

1 board or committee members attending by telephone may be heard
2 by the board or committee members attending in person, as well
3 as by unit owners present at a meeting.

4 (c) Board of administration meetings.--Meetings of the
5 board of administration at which a quorum of the members is
6 present shall be open to all unit owners. Any unit owner may
7 tape record or videotape meetings of the board of
8 administration. The right to attend such meetings includes
9 the right to speak at such meetings with reference to all
10 designated agenda items. The division shall adopt reasonable
11 rules governing the tape recording and videotaping of the
12 meeting. The association may adopt reasonable written rules
13 governing the frequency, duration, and manner of unit owner
14 statements. Adequate notice of all meetings shall be posted in
15 a conspicuous place upon the cooperative property at least 48
16 continuous hours preceding the meeting, except in an
17 emergency. Any item not included on the notice may be taken
18 up on an emergency basis by at least a majority plus one of
19 the members of the board. Such emergency action shall be
20 noticed and ratified at the next regular meeting of the board.
21 However, written notice of any meeting at which nonemergency
22 special assessments, or at which amendment to rules regarding
23 unit use, will be considered shall be mailed, ~~or~~ delivered, or
24 electronically transmitted to the unit owners and posted
25 conspicuously on the cooperative property not less than 14
26 days prior to the meeting. Evidence of compliance with this
27 14-day notice shall be made by an affidavit executed by the
28 person providing the notice and filed among the official
29 records of the association. Upon notice to the unit owners,
30 the board shall by duly adopted rule designate a specific
31 location on the cooperative property upon which all notices of

1 board meetings shall be posted. In lieu of or in addition to
2 the physical posting of notice of any meeting of the board of
3 administration on the cooperative property, the association
4 may, by reasonable rule, adopt a procedure for conspicuously
5 posting and repeatedly broadcasting the notice and the agenda
6 on a closed-circuit cable television system serving the
7 cooperative association. However, if broadcast notice is used
8 in lieu of a notice posted physically on the cooperative
9 property, the notice and agenda must be broadcast at least
10 four times every broadcast hour of each day that a posted
11 notice is otherwise required under this section. When
12 broadcast notice is provided, the notice and agenda must be
13 broadcast in a manner and for a sufficient continuous length
14 of time so as to allow an average reader to observe the notice
15 and read and comprehend the entire content of the notice and
16 the agenda. Notice of any meeting in which regular assessments
17 against unit owners are to be considered for any reason shall
18 specifically contain a statement that assessments will be
19 considered and the nature of any such assessments. Meetings of
20 a committee to take final action on behalf of the board or to
21 make recommendations to the board regarding the association
22 budget are subject to the provisions of this paragraph.
23 Meetings of a committee that does not take final action on
24 behalf of the board or make recommendations to the board
25 regarding the association budget are subject to the provisions
26 of this section, unless those meetings are exempted from this
27 section by the bylaws of the association. Notwithstanding any
28 other law to the contrary, the requirement that board meetings
29 and committee meetings be open to the unit owners is
30 inapplicable to meetings between the board or a committee and
31 the association's attorney, with respect to proposed or

1 pending litigation, when the meeting is held for the purpose
2 of seeking or rendering legal advice.

3 (d) Shareholder meetings.--There shall be an annual
4 meeting of the shareholders. All members of the board of
5 administration shall be elected at the annual meeting unless
6 the bylaws provide for staggered election terms or for their
7 election at another meeting. Any unit owner desiring to be a
8 candidate for board membership shall comply with subparagraph
9 1. The bylaws shall provide the method for calling meetings,
10 including annual meetings. Written notice, which notice shall
11 incorporate an identification of agenda items, shall be given
12 to each unit owner at least 14 days prior to the annual
13 meeting and shall be posted in a conspicuous place on the
14 cooperative property at least 14 continuous days preceding the
15 annual meeting. Upon notice to the unit owners, the board
16 shall by duly adopted rule designate a specific location on
17 the cooperative property upon which all notice of unit owner
18 meetings shall be posted. In lieu of or in addition to the
19 physical posting of notice of any meeting of the shareholders
20 on the cooperative property, the association may, by
21 reasonable rule, adopt a procedure for conspicuously posting
22 and repeatedly broadcasting the notice and the agenda on a
23 closed-circuit cable television system serving the cooperative
24 association. However, if broadcast notice is used in lieu of a
25 notice posted physically on the cooperative property, the
26 notice and agenda must be broadcast at least four times every
27 broadcast hour of each day that a posted notice is otherwise
28 required under this section. When broadcast notice is
29 provided, the notice and agenda must be broadcast in a manner
30 and for a sufficient continuous length of time so as to allow
31 an average reader to observe the notice and read and

1 comprehend the entire content of the notice and the agenda.
2 Unless a unit owner waives in writing the right to receive
3 notice of the annual meeting, the notice of the annual meeting
4 shall be sent by mail, hand delivered, or electronically
5 transmitted to each unit owner. An officer of the association
6 shall provide an affidavit or United States Postal Service
7 certificate of mailing, to be included in the official records
8 of the association, affirming that notices of the association
9 meeting were mailed, ~~or~~ hand delivered, or electronically
10 transmitted, in accordance with this provision, to each unit
11 owner at the address last furnished to the association.
12 1. After January 1, 1992, the board of administration
13 shall be elected by written ballot or voting machine. Proxies
14 shall in no event be used in electing the board of
15 administration, either in general elections or elections to
16 fill vacancies caused by recall, resignation, or otherwise
17 unless otherwise provided in this chapter. Not less than 60
18 days before a scheduled election, the association shall mail,
19 ~~or~~ deliver, or transmit, whether by separate association
20 mailing, delivery, or electronic transmission or included in
21 another association mailing, ~~or~~ delivery, or electronic
22 transmission, including regularly published newsletters, to
23 each unit owner entitled to vote, a first notice of the date
24 of the election. Any unit owner or other eligible person
25 desiring to be a candidate for the board of administration
26 shall give written notice to the association not less than 40
27 days before a scheduled election. Together with the written
28 notice and agenda as set forth in this section, the
29 association shall mail, deliver, or electronically transmit a
30 second notice of election to all unit owners entitled to vote
31 therein, together with a ballot which shall list all

1 candidates. Upon request of a candidate, the association shall
2 include an information sheet, no larger than 8 1/2 inches by
3 11 inches, which must be furnished by the candidate not less
4 than 35 days prior to the election, to be included with the
5 mailing, delivery, or electronic transmission of the ballot,
6 with the costs of mailing, ~~or delivery, or transmission~~ and
7 copying to be borne by the association. The association has no
8 liability for the contents of the information sheets provided
9 by the candidates. In order to reduce costs, the association
10 may print or duplicate the information sheets on both sides of
11 the paper. The division shall by rule establish voting
12 procedures consistent with the provisions contained herein,
13 including rules providing for giving notice by electronic
14 transmission in a manner authorized by law of meetings of the
15 board of directors and committees and of annual and special
16 meetings of the members and for the secrecy of ballots.
17 Elections shall be decided by a plurality of those ballots
18 cast. There shall be no quorum requirement. However, at least
19 20 percent of the eligible voters must cast a ballot in order
20 to have a valid election of members of the board of
21 administration. No unit owner shall permit any other person
22 to vote his or her ballot, and any such ballots improperly
23 cast shall be deemed invalid. A unit owner who needs
24 assistance in casting the ballot for the reasons stated in s.
25 101.051 may obtain assistance in casting the ballot. Any unit
26 owner violating this provision may be fined by the association
27 in accordance with s. 719.303. The regular election shall
28 occur on the date of the annual meeting. The provisions of
29 this subparagraph shall not apply to timeshare cooperatives.
30 Notwithstanding the provisions of this subparagraph, an
31 election and balloting are not required unless more candidates

1 file a notice of intent to run or are nominated than vacancies
2 exist on the board.

3 2. Any approval by unit owners called for by this
4 chapter, or the applicable cooperative documents, shall be
5 made at a duly noticed meeting of unit owners and shall be
6 subject to all requirements of this chapter or the applicable
7 cooperative documents relating to unit owner decisionmaking,
8 except that unit owners may take action by written agreement,
9 without meetings, on matters for which action by written
10 agreement without meetings is expressly allowed by the
11 applicable cooperative documents or any Florida statute which
12 provides for the unit owner action.

13 3. Unit owners may waive notice of specific meetings
14 if allowed by the applicable cooperative documents or any
15 Florida statute. Unit owners may consent to receiving notice
16 of board, committee, and membership meetings by electronic
17 transmission if the bylaws provide a method for giving notice
18 by electronic transmission.

19 4. Unit owners shall have the right to participate in
20 meetings of unit owners with reference to all designated
21 agenda items. However, the association may adopt reasonable
22 rules governing the frequency, duration, and manner of unit
23 owner participation.

24 5. Any unit owner may tape record or videotape
25 meetings of the unit owners subject to reasonable rules
26 adopted by the division.

27
28 Notwithstanding subparagraphs (b)2. and (d)1., an association
29 may, by the affirmative vote of a majority of the total voting
30 interests, provide for a different voting and election
31 procedure in its bylaws, which vote may be by a proxy

1 specifically delineating the different voting and election
2 procedures. The different voting and election procedures may
3 provide for elections to be conducted by limited or general
4 proxy.

5 (e) Budget procedures.--

6 1. The board of administration shall mail, ~~or~~ hand
7 deliver, or electronically transmit to each unit owner at the
8 address last furnished to the association, a meeting notice
9 and copies of the proposed annual budget of common expenses to
10 the unit owners not less than 14 days prior to the meeting at
11 which the budget will be considered. Evidence of compliance
12 with this 14-day notice must be made by an affidavit executed
13 by an officer of the association or the manager or other
14 person providing notice of the meeting and filed among the
15 official records of the association. The meeting must be open
16 to the unit owners.

17 2. If an adopted budget requires assessment against
18 the unit owners in any fiscal or calendar year which exceeds
19 115 percent of the assessments for the preceding year, the
20 board upon written application of 10 percent of the voting
21 interests to the board, shall call a special meeting of the
22 unit owners within 30 days, upon not less than 10 days'
23 written notice to each unit owner. At the special meeting,
24 unit owners shall consider and enact a budget. Unless the
25 bylaws require a larger vote, the adoption of the budget
26 requires a vote of not less than a majority of all the voting
27 interests.

28 3. The board of administration may, in any event,
29 propose a budget to the unit owners at a meeting of members or
30 by writing, and if the budget or proposed budget is approved
31 by the unit owners at the meeting or by a majority of all

1 voting interests in writing, the budget is adopted. If a
2 meeting of the unit owners has been called and a quorum is not
3 attained or a substitute budget is not adopted by the unit
4 owners, the budget adopted by the board of directors goes into
5 effect as scheduled.

6 4. In determining whether assessments exceed 115
7 percent of similar assessments for prior years, any authorized
8 provisions for reasonable reserves for repair or replacement
9 of cooperative property, anticipated expenses by the
10 association which are not anticipated to be incurred on a
11 regular or annual basis, or assessments for betterments to the
12 cooperative property must be excluded from computation.
13 However, as long as the developer is in control of the board
14 of administration, the board may not impose an assessment for
15 any year greater than 115 percent of the prior fiscal or
16 calendar year's assessment without approval of a majority of
17 all voting interests.

18 (f) Recall of board members.--Subject to the
19 provisions of s. 719.301, any member of the board of
20 administration may be recalled and removed from office with or
21 without cause by the vote or agreement in writing by a
22 majority of all the voting interests. A special meeting of the
23 voting interests to recall any member of the board of
24 administration may be called by 10 percent of the unit owners
25 giving notice of the meeting as required for a meeting of unit
26 owners, and the notice shall state the purpose of the meeting.
27 Electronic transmission may not be used as a method of giving
28 notice of a meeting called in whole or in part for this
29 purpose.

30 1. If the recall is approved by a majority of all
31 voting interests by a vote at a meeting, the recall shall be

1 effective as provided herein. The board shall duly notice and
2 hold a board meeting within 5 full business days of the
3 adjournment of the unit owner meeting to recall one or more
4 board members. At the meeting, the board shall either certify
5 the recall, in which case such member or members shall be
6 recalled effective immediately and shall turn over to the
7 board within 5 full business days any and all records and
8 property of the association in their possession, or shall
9 proceed as set forth in subparagraph 3.

10 2. If the proposed recall is by an agreement in
11 writing by a majority of all voting interests, the agreement
12 in writing or a copy thereof shall be served on the
13 association by certified mail or by personal service in the
14 manner authorized by chapter 48 and the Florida Rules of Civil
15 Procedure. The board of administration shall duly notice and
16 hold a meeting of the board within 5 full business days after
17 receipt of the agreement in writing. At the meeting, the board
18 shall either certify the written agreement to recall members
19 of the board, in which case such members shall be recalled
20 effective immediately and shall turn over to the board, within
21 5 full business days, any and all records and property of the
22 association in their possession, or proceed as described in
23 subparagraph 3.

24 3. If the board determines not to certify the written
25 agreement to recall members of the board, or does not certify
26 the recall by a vote at a meeting, the board shall, within 5
27 full business days after the board meeting, file with the
28 division a petition for binding arbitration pursuant to the
29 procedures of s. 719.1255. For purposes of this paragraph, the
30 unit owners who voted at the meeting or who executed the
31 agreement in writing shall constitute one party under the

1 petition for arbitration. If the arbitrator certifies the
2 recall as to any member of the board, the recall shall be
3 effective upon mailing of the final order of arbitration to
4 the association. If the association fails to comply with the
5 order of the arbitrator, the division may take action pursuant
6 to s. 719.501. Any member so recalled shall deliver to the
7 board any and all records and property of the association in
8 the member's possession within 5 full business days of the
9 effective date of the recall.

10 4. If the board fails to duly notice and hold a board
11 meeting within 5 full business days of service of an agreement
12 in writing or within 5 full business days of the adjournment
13 of the unit owner recall meeting, the recall shall be deemed
14 effective and the board members so recalled shall immediately
15 turn over to the board any and all records and property of the
16 association.

17 5. If a vacancy occurs on the board as a result of a
18 recall and less than a majority of the board members are
19 removed, the vacancy may be filled by the affirmative vote of
20 a majority of the remaining directors, notwithstanding any
21 provision to the contrary contained in this chapter. If
22 vacancies occur on the board as a result of a recall and a
23 majority or more of the board members are removed, the
24 vacancies shall be filled in accordance with procedural rules
25 to be adopted by the division, which rules need not be
26 consistent with this chapter. The rules must provide
27 procedures governing the conduct of the recall election as
28 well as the operation of the association during the period
29 after a recall but prior to the recall election.

30 (2) OPTIONAL PROVISIONS.--The bylaws may provide for
31 the following:

1 (a) Administrative rules.--A method of adopting and of
2 amending administrative rules and regulations governing the
3 details of the operation and use of the common areas.

4 (b) Use and maintenance restrictions.--Restrictions
5 on, and requirements for, the use, maintenance, and appearance
6 of the units and the use of the common areas, not inconsistent
7 with the cooperative documents, designed to prevent
8 unreasonable interference with the use of the units and common
9 areas.

10 (c) Notice of meetings.--Provisions for giving notice
11 by electronic transmissions in a manner authorized by law of
12 meetings of the board of directors and committees and of
13 annual and special meetings of the members.

14 (d)~~(e)~~ Other matters.--Other provisions not
15 inconsistent with this chapter or with the cooperative
16 documents as may be desired.

17 Section 7. Subsection (1) of section 720.302, Florida
18 Statutes, is amended, and subsection (5) is added to that
19 section to read:

20 720.302 Purposes, scope, and application.--

21 (1) The purposes of ss. 720.301-720.312 are to give
22 statutory recognition to corporations not for profit that
23 operate residential communities in this state, to provide
24 procedures for operating homeowners' associations, and to
25 protect the rights of association members without unduly
26 impairing the ability of such associations to perform their
27 functions.

28 (5) Unless expressly stated to the contrary,
29 corporations not for profit that operate residential
30 homeowners' associations in this state shall be governed by
31

1 and subject to chapter 617. This subsection is intended to
2 clarify existing law.

3 Section 8. Subsection (2) and paragraph (g) of
4 subsection (4) of section 720.303, Florida Statutes, are
5 amended to read:

6 720.303 Association powers and duties; meetings of
7 board; official records; budgets; financial reporting.--

8 (2) BOARD MEETINGS.--A meeting of the board of
9 directors of an association occurs whenever a quorum of the
10 board gathers to conduct association business. All meetings
11 of the board must be open to all members except for meetings
12 between the board and its attorney with respect to proposed or
13 pending litigation where the contents of the discussion would
14 otherwise be governed by the attorney-client privilege.

15 Notices of all board meetings must be posted in a conspicuous
16 place in the community at least 48 hours in advance of a
17 meeting, except in an emergency. In the alternative, if
18 notice is not posted in a conspicuous place in the community,
19 notice of each board meeting must be mailed or delivered to
20 each member at least 7 days before the meeting, except in an
21 emergency. Notwithstanding this general notice requirement,
22 for communities with more than 100 members, the bylaws may
23 provide for a reasonable alternative to posting or mailing of
24 notice for each board meeting, including publication of
25 notice, ~~or~~ provision of a schedule of board meetings, or the
26 conspicuous posting and repeated broadcasting of the notice on
27 a closed-circuit cable television system serving the
28 homeowners association. However, if broadcast notice is used
29 in lieu of a notice posted physically in the community, the
30 notice must be broadcast at least four times every broadcast
31 hour of each day that a posted notice is otherwise required.

1 When broadcast notice is provided, the notice and agenda must
2 be broadcast in a manner and for a sufficient continuous
3 length of time so as to allow an average reader to observe the
4 notice and read and comprehend the entire content of the
5 notice and the agenda. The bylaws or amended bylaws may
6 provide for giving notice by electronic transmission in a
7 manner authorized by law for meetings of the board of
8 directors, committee meetings requiring notice under this
9 section, and annual and special meetings of the members;
10 however, a member must consent in writing to receiving notice
11 by electronic transmission. An assessment may not be levied
12 at a board meeting unless the notice of the meeting includes a
13 statement that assessments will be considered and the nature
14 of the assessments. Directors may not vote by proxy or by
15 secret ballot at board meetings, except that secret ballots
16 may be used in the election of officers. This subsection also
17 applies to the meetings of any committee or other similar
18 body, when a final decision will be made regarding the
19 expenditure of association funds, and to any body vested with
20 the power to approve or disapprove architectural decisions
21 with respect to a specific parcel of residential property
22 owned by a member of the community.

23 (4) OFFICIAL RECORDS.--The association shall maintain
24 each of the following items, when applicable, which constitute
25 the official records of the association:

26 (g) A current roster of all members and their postal
27 and electronic mailing addresses and parcel identifications.
28 Upon the request of a member in writing, the electronic mail
29 address and the number designated by the member for receiving
30 electronic transmission of notices shall not be included in
31 the official records of the association. However, the

1 association is not liable for an erroneous disclosure of the
2 electronic mail address or the number for receiving electronic
3 transmission of notices.

4 Section 9. This act shall take effect upon becoming a
5 law.

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8 SENATE SUMMARY

9 Authorizes corporations not for profit, condominium
10 associations, cooperative associations, and homeowners'
11 owners by electronic transmission. Provides for the legal
12 effect of a notice sent electronically. Provides for
13 certain notices to be broadcast via a closed-circuit
14 television system. Specifies that an association is not
15 liable for erroneously disclosing certain address
16 information of a unit owner or member. (See bill for
17 details.)
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