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## ON-SITE, INC.

### F L O R I D A

## Management In A Minute - September 2010

### **Senate Bill 1196 Makes Sweeping Changes to Association Governance and Management**

On June 1, 2010, Florida Governor Charlie Crist signed Senate Bill 1196 into law. This historic and far-reaching bill amended Florida's Condominium Act and the Florida Statutes. It affects every property under the management of AKAM On-Site – Florida, and contains provisions every Board member should know about.

For example, the new Bill addresses collections, a timely challenge in the current economy. Under one new regulation, if a unit is occupied by a tenant and the unit owner is delinquent in payment of an obligation to the association, the association may now demand that the tenant pay the association for obligations related to the condominium unit. Additionally, the voting rights of a non-paying association member now may be suspended, as can the member's right to use common elements of the association's property. This gives associations much more collection leverage than they ever had before.

In another example of Senate Bill 1196, newly-elected Board members now must demonstrate their knowledge about association operations in order to retain their Board seats. Within 90 days of election, Board members now must either certify that they have read all of the association's documents, bylaws, and policies, and that they will uphold those documents and perform the fiduciary duties of a Board member, or they must submit a certificate of completion of an association-related educational curriculum administered by a state-approved education provider.

Other issues addressed in Senate Bill 1196 include, but are not limited to, financial reporting requirements; official recordkeeping; sales, rentals, and timeshares; developer turnover; and mechanical operations such as elevators, and fire alarm systems. Although Senate Bill 1196 has given rise to many new questions and will require clarification as individual situations arise, the majority of community association advocates view the bill favorably for its consideration of the realities of association governance and management.

Recognizing the importance of this new legislation, in August AKAM On-Site sponsored a free informational seminar entitled Understanding Florida's New Condominium Laws as part of our commitment to educating and elevating the AKAM On-Site community. In addition to the required attendance of our entire Management Division, we invited all Board members of properties under our management to attend as well. For more information about how Senate Bill 1196 impacts your association, visit [www.florida.gov](http://www.florida.gov) and type in Senate Bill 1196, or consult with your AKAM On-Site Management Executive.

### **akam On-Site - Florida, Inc.**

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