

DEPARTMENT OF BUSINESS AND PROFESSIONAL REGULATION
Recall Procedures for Condominiums
Division of Florida Condominiums, Time Shares and Mobile Homes
Arbitration Section
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Recall Guide for Condominium Owners Seeking to Recall Members of Their Board of Directors.

INTRODUCTION

This guide is intended to provide a general overview of the process for recalling members of the board of directors of a condominium association. The laws and rules governing such recalls are subject to change. Therefore, before starting a recall, a Unit Owner¹ should review the most current laws and rules.

Section 718.112(2)(j) of the Florida Statutes ("Fla. Stat.") provides that any member of the condominium association's board of directors may be recalled and removed from office with or without cause by the vote or agreement in writing by a majority of the association's voting interests. This means that the Unit Owners seeking the recall do not have to provide a reason for recalling a director. The Unit Owners simply must follow the procedures of the statute and applicable administrative rules. Unit Owners may recall a member or members of their board by a vote at a Unit Owner meeting or by written recall agreement (ballots).

The statutes and administrative rules applicable to recalls may be found at www.myfloridalicense.com/dbpr/lsc/statutes.html. Additional information and resources may be found at the arbitration section's condominium website: www.myfloridalicense.com/dbpr/lsc/arbitration.html.

RECALL BY VOTE AT A MEETING

The procedural requirements for a recall at a meeting are challenging and complex. Therefore, a recall at a meeting is seldom successful and owners are strongly discouraged from attempting a recall in this manner.² Therefore, this guide will focus on recall by written agreement.

WRITTEN RECALL AGREEMENT

The requirements for a recall by written agreement are contained in Rule 61B-23.0028 of the Florida Administrative Code.

¹ "Unit Owners" is used throughout this document to refer to the unit owners seeking the recall.

² Specific procedural requirements for this type of recall may be found in Rule 61B-23.0027 of the Florida Administrative Code.

A "written recall agreement" simply refers to separate recall ballots signed by Unit Owners that are served together on the association. It is highly recommended that the Division's approved form recall ballot be used. It may be found at www.myfloridalicense.com/dbpr/lsc/ARB/LSCMHArbitrationEducation.html.³ When filled out as indicated, the Division's form ballot will be accepted by an arbitrator as meeting the technical requirements found in the applicable statute and rule regarding the form of the ballot. This guide assumes that the Division's form ballot is being used.

The Unit Owner Representative

The Unit Owners should choose a person to serve as their representative. The Unit Owner Representative coordinates the recall effort and is the person authorized to file a recall petition on behalf of the Unit Owners. Section 718.112(2)(j)4., Fla. Stat. The Association is no longer allowed to file a petition challenging the Unit Owners' recall of the Board.⁴ The owners should choose someone who is accessible and lives at the condominium, will accept certified mail from the Division, and is willing to commit himself or herself to the task of coordinating the recall effort. This individual does not need to be an attorney but should be familiar with the laws and procedures relating to recalls, and who is willing to become involved. Of course, the Unit Owners may choose to hire, at their own expense, an attorney to represent them.

The Recall Ballot

Use of the Division's approved recall form ballot will help Unit Owners to avoid many of the pitfalls and errors made in attempted recalls. The form recall ballot consists of three parts.

Block A of the recall ballot contains an introductory paragraph stating that the purpose of the agreement is to recall board members followed by a brief description of the applicable statutes and administrative rules. A blank space is provided for the association's name. It is important to make certain that the association's name is correct to avoid confusion.

The introductory paragraph is followed by the area where the Unit Owner votes to recall or retain board members. There are blank spaces provided for listing the names of the board members whose recall is sought. Although not required, the Unit Owner Representative, or other people helping to coordinate the recall, should print the names of the board members whose recall is sought. Care should be taken to ensure correct spelling of names to avoid possible confusion. It is not necessary to list all the current board members, just those whose recall is sought. The form ballot provides seven spaces. If the recall involves more than seven board members, the form may be modified to add additional board members.

³ The recall ballots may also at times be referred to as the written recall agreement.

⁴ Section 718.112(2)(j), Fla. Stat. was amended to only allow the unit owner representative and a recalled board member to file a petition addressing a recall.

Next to each board member's name are "recall" and "retain" boxes. By marking one of these boxes, the Unit Owner chooses either to recall or to retain the individual. It is important that the Unit Owner choose to either recall or retain (not recall) each director. **The marking of these boxes must be performed by the Unit Owner. If someone other than the Unit Owner pre-marks the recall/retain boxes, the ballot will be deemed invalid.**⁵

Block B of the recall ballot provides for the vote for replacement board members to fill the vacancies created by the recall. **This portion of the ballot should only be completed if the recall seeks to remove a majority or more of the board members.**⁶ There should be at least as many replacement board members as board members whose recall is sought. This part of the ballot consists of an introductory paragraph followed by blank spaces to list replacement board member candidates. **As with the recall vote, the Unit Owner must personally mark the voting box.** If more replacement candidates are needed than spaces provided on the form ballot, additional spaces may be added, as necessary. It should be noted that if the ballot is modified to add additional spaces, it must include a space for a write-in candidate.

Replacement candidates should be persons willing to serve on the board and their names should be printed on the ballot. Ensure that the replacement candidates are eligible to serve on the board. A person might not be eligible to serve on the board for various reasons, for example: the governing documents require that a director be an owner; the person is a convicted felon whose constitutional rights have not been restored for at least five years;⁷ or the person is more than 90 days delinquent in the payment of any monetary obligation to the association.⁸

Block C of the recall ballot provides spaces for the voter's printed name, signature, unit number and the date the ballot was signed. When signing the ballot, the owner should sign his or her name as listed in the official association roster. Actual signatures are required. Electronic signatures are not permitted. For clarity, the name listed on the association's official member roster should be used.

The person signing the ballot must be eligible to cast a vote on behalf of the unit. Typically, condominium governing documents restrict voting to owners. Ballots may be rejected in cases where the ballot was signed by a non-owner spouse or tenant. Additionally, if the voter claims to be a trustee of a trust that owns a unit or to hold a power of attorney permitting the person to vote on behalf of the unit, if not already on file with the association, a copy of the documents establishing the person's authority to vote on behalf of the unit needs to be provided to the association either prior to the service of

⁵ If the Unit Owner is physically incapable of completing a ballot due to a disability, then it may be completed by another person at the immediate direction of the Unit Owner with a notation to that effect.

⁶ If the recall results in the recall of less than a majority of the members of the board, then the vacancies created by the recall may be filled by the remaining board members. Fla. Stat. § 718.112(2)(j)5.

⁷ § 718.112(2)(d), Fla. Stat.

⁸ § 718.112(2)(n), Fla. Stat.

the written recall agreement or attached to the ballot when the written agreement is served on the board. Where the association has suspended an owner's right to vote for nonpayment of a monetary obligation due to the association which is more than 90 days delinquent,⁹ after proper notice and before the recall is served, a ballot signed by that owner will be invalid.

Block C also provides space for the Unit Owner Representative to list his or her contact information. This portion of the ballot should be completed by the Unit Owner Representative before the ballots are distributed to the members. It is important because it lets Unit Owners know who to return completed ballots to.

Voting Certificates

A voting certificate is a document which designates one of the record title owners (or the corporate, partnership, or entity representative) who is authorized to vote on behalf of a condominium unit that is owned by more than one owner. Some condominium governing documents require voting certificates. In such a case, a recall ballot might be rejected if the owners of the unit do not have a voting certificate on file with the association. Therefore, before serving the written recall agreement (ballots) on the association, it is important to make certain that owners have voting certificates on file where required.

Service of the Written Recall Agreement

Once the ballots are collected, the ballots are to be served on the association together, forming the written recall agreement. Sometimes, some ballots will be found defective. Therefore, as many ballots as possible should be collected in order to ensure that a majority vote is obtained.¹⁰ Additional ballots may not be added to, or submitted ballots removed from, the recall effort after service of the written recall agreement (ballots).¹¹ The written recall agreement may be served by certified mail or by personal service on any officer of the association, the association manager, a board member, or the association's registered agent.¹²

Board Meeting

The association's board of directors must hold a duly noticed meeting within five full business days after service of the written recall agreement to determine whether to certify or not to certify the recall. If the recall of a board member is certified that board member is removed from office.¹³ Then, if most of the board members are recalled (more than half of the board members) eligible replacement candidates elected by the

⁹ §718.303(5), Fla. Stat.

¹⁰ §718.112(2)(j).

¹¹ Fla. Admin. Code Rule 61B-23.0028(3).

¹² Fla. Admin. Code Rule 61B-23.0028(1)(g).

¹³ §718.112(2)(j)2.

Unit Owners voting in favor of the recall are seated in their places. If less than a majority of the board members are recalled, the remaining board members fill the vacancies created by the recall by appointing eligible board members of their choice.¹⁴

Recall Arbitration

If the Board fails to timely hold a meeting to consider the recall, the recall is deemed effective.¹⁵ However, if recalled board members fail to follow the law and refuse to vacate their positions, the Unit Owner Representative may have to file a petition for arbitration in order to give the recall effect and remove board members.¹⁶ If the board fails to duly notice and hold the required meeting or at the conclusion of the meeting determines the recall is not facially valid, the Unit Owner Representative may file a petition pursuant to Section 718.1255, Fla. Stat.¹⁷ Prior to filing a petition for arbitration, the Unit Owner Representative must give the Association pre-arbitration notice and attach a copy of the notice to the Petition.¹⁸ The Unit Owner Representative must file for arbitration using the mandatory non-binding arbitration petition DBPR form ARB 6000-001. A copy of this form may be found at: www.myfloridalicense.com/dbpr/lsc/documents/ARB6000-001PetitionforArbitrationeff70304.pdf. The petition must be accompanied by a \$50.00 filing fee. It is also important to understand that where the Unit Owner Representative files the petition, the party that wins the arbitration is entitled to recover its reasonable attorney's fees and costs from the opposing party. The petition must be filed within 60 days after the expiration of the applicable 5-full-business-day period.¹⁹ Should the 60th day deadline for challenging the recall fall on a Saturday, Sunday or legal holiday, the 60th day deadline shall run until the end of the next day which is neither a Saturday, Sunday or legal holiday.²⁰

The arbitration petition will be assigned to one of the Division's arbitrators.²¹ Arbitration is an alternative to a court proceeding where a neutral third person, the arbitrator, considers the facts and arguments presented by the parties and renders a decision.

After reviewing the petition, the arbitrator may issue an order requiring the Association (the respondent) to file an answer. The order requiring answer and copy of the petition and its attachments will be served by the Division on the Association by certified mail. The order requiring answer directs the Association to file an answer within 20 days of service of the petition. The answer is filed by the Association that is opposing the recall. A copy of the answer must be provided to the Unit Owner Representative at the time the answer is filed with the arbitrator. If no answer is filed, the arbitrator will presume that

¹⁴ §718.112(2)(j)5., Fla. Stat. & Fla. Admin. Code R. 61B-23.0028(1)(c).

¹⁵ §718.112(2)(j)3.

¹⁶ §718.112(2)(j)4.

¹⁷ §718.112(2)(j)4.

¹⁸ §718.1255(4)(b).

¹⁹ §718.112(2)(j)4.

²⁰ Fla. Admin. Code Rule 61B-45.009(1).

²¹ The Division employs full-time arbitrators who are attorneys.

the facts stated in the petition are true and that the attachments to the petition are accurate.

After an answer is filed, the arbitrator will review it to determine if there are any disputed issues. If there are disputed issues, a hearing is held, and each party is given an opportunity to present evidence through witnesses and exhibits. If there are no disputed issues, the arbitrator will decide the case based on the assertions in the petition for arbitration, the answer, other pleadings filed, and applicable law, without a hearing. The arbitrator also may issue orders requesting additional information or documentation from a party. It is important to respond to the arbitrator's orders within the time given in the order. Failure to comply with an order might result in a sanction against the noncompliant party. If a party needs additional time to respond to the order requiring answer, or any other order, such request must be made in writing to the arbitrator. A copy of the request must be provided to the other party at the time the request is filed with the arbitrator.

The arbitrator's final decision as to whether the recall should or should not be certified is presented in the form of a written order, a copy of which is provided to both parties' representatives.

Recall arbitration proceedings are typically conducted on an expedited basis. Therefore, the parties should be prepared to proceed at a fast pace.

Board Member Challenging Certification of Recall

A board member who has been recalled may file a petition challenging the validity of the recall.²² To do so, the board member must file for arbitration using the mandatory non-binding arbitration petition DBPR form ARB 6000-001. A copy of this form may be found at:

www.myfloridalicense.com/dbpr/lsc/documents/ARB60000001PetitionforArbitrationeff70304.pdf. The petition must be filed within 60 days after the recall is deemed effective and must be accompanied by a \$50.00 filing fee. It is also important to understand that where an individual board member files the petition, the party that wins the arbitration is entitled to recover its reasonable attorney's fees and costs from the opposing party.

Normally Scheduled Annual Election

No petition involving a recall dispute, whether filed by the Unit Owner Representative or a board member, may be accepted by the Division when there are 60 or fewer days until the scheduled reelection of the board member sought to be recalled, or when fewer than 60 days have elapsed since the election of the board member sought to be recalled.²³

²² §718.112(2)(j)6., Fla. Stat.

²³ §718.112(2)(j)7., Fla. Stat.