

1 A bill to be entitled
2 An act relating to condominiums; creating s. 627.714,
3 F.S.; requiring coverage under a condominium unit owner's
4 residential property insurance policy to include a
5 specified amount of loss-assessment coverage; requiring
6 each policy to contain a provision stating that such
7 coverage is excess coverage; amending s. 718.111, F.S.;
8 requiring coverage for certain personal property to be the
9 responsibility of the condominium unit owner under certain
10 circumstances; revising board meeting notice requirements;
11 requiring insurance policies issued or renewed on or after
12 a specified date to conform to specified loss-assessment
13 coverage requirements; revising and deleting provisions
14 relating to hazard or casualty insurance coverage
15 requirements, to conform; deleting a provision requiring
16 condominium associations to request evidence of a
17 currently effective insurance policy from unit owners;
18 deleting a provision requiring the condominium association
19 to be an additional named insured and loss payee on all
20 casualty insurance policies issued to unit owners in the
21 condominium operated by the association; amending s.
22 718.112, F.S.; revising requirements for the reappointment
23 of certain board members; revising board eligibility
24 requirements; revising notice requirements for board
25 candidates; establishing requirements for newly elected
26 board members; extending a period in which condominium
27 common areas do not have to be retrofitted with sprinkler
28 systems; providing that certain directors and officers

29 delinquent in the payment of any fee, fine, or regular or
 30 special assessments shall be deemed to have abandoned
 31 their office; providing an effective date.

32

33 Be It Enacted by the Legislature of the State of Florida:

34

35 Section 1. Section 627.714, Florida Statutes, is created
 36 to read:

37 627.714 Condominium unit owner's coverage; loss-assessment
 38 coverage required.--Coverage under a condominium unit owner's
 39 residential property insurance policy shall include property
 40 loss-assessment coverage of at least \$2,000 per occurrence for
 41 an assessment made as a result of a direct loss to the property
 42 owned by all members of the association collectively when such
 43 loss is the type of loss covered by the unit owner's residential
 44 property insurance policy, up to the limit of liability in
 45 effect at the time of the assessment. Every individual unit
 46 owner's residential property insurance policy must contain a
 47 provision stating that the coverage afforded by the policy is
 48 excess coverage over the amount recoverable under any other
 49 policy covering the same property.

50 Section 2. Paragraphs (a), (b), (c), (d), (f), (g), (j),
 51 and (n) of subsection (11) of section 718.111, Florida Statutes,
 52 are amended to read:

53 718.111 The association.--

54 (11) INSURANCE.--In order to protect the safety, health,
 55 and welfare of the people of the State of Florida and to ensure
 56 consistency in the provision of insurance coverage to

57 | condominiums and their unit owners, this subsection applies to
58 | every residential condominium in the state, regardless of the
59 | date of its declaration of condominium. It is the intent of the
60 | Legislature to encourage lower or stable insurance premiums for
61 | associations described in this subsection.

62 | (a) Adequate property ~~hazard~~ insurance, regardless of any
63 | requirement in the declaration of condominium for coverage by
64 | the association for full insurable value, replacement cost, or
65 | similar coverage, shall be based upon the replacement cost of
66 | the property to be insured as determined by an independent
67 | insurance appraisal or update of a prior appraisal. The
68 | replacement cost ~~full insurable value~~ shall be determined at
69 | least once every 36 months.

70 | 1. An association or group of associations may provide
71 | adequate property ~~hazard~~ insurance through a self-insurance fund
72 | that complies with the requirements of ss. 624.460-624.488.

73 | 2. The association may also provide adequate property
74 | ~~hazard~~ insurance coverage for a group of no fewer than three
75 | communities created and operating under this chapter, chapter
76 | 719, chapter 720, or chapter 721 by obtaining and maintaining
77 | for such communities insurance coverage sufficient to cover an
78 | amount equal to the probable maximum loss for the communities
79 | for a 250-year windstorm event. Such probable maximum loss must
80 | be determined through the use of a competent model that has been
81 | accepted by the Florida Commission on Hurricane Loss Projection
82 | Methodology. No policy or program providing such coverage shall
83 | be issued or renewed after July 1, 2008, unless it has been
84 | reviewed and approved by the Office of Insurance Regulation. The

85 review and approval shall include approval of the policy and
86 related forms pursuant to ss. 627.410 and 627.411, approval of
87 the rates pursuant to s. 627.062, a determination that the loss
88 model approved by the commission was accurately and
89 appropriately applied to the insured structures to determine the
90 250-year probable maximum loss, and a determination that
91 complete and accurate disclosure of all material provisions is
92 provided to condominium unit owners prior to execution of the
93 agreement by a condominium association.

94 3. When determining the adequate amount of property hazard
95 insurance coverage, the association may consider deductibles as
96 determined by this subsection.

97 (b) If an association is a developer-controlled
98 association, the association shall exercise its best efforts to
99 obtain and maintain insurance as described in paragraph (a).
100 Failure to obtain and maintain adequate property hazard
101 insurance during any period of developer control constitutes a
102 breach of fiduciary responsibility by the developer-appointed
103 members of the board of directors of the association, unless the
104 members can show that despite such failure, they have made their
105 best efforts to maintain the required coverage.

106 (c) Policies may include deductibles as determined by the
107 board.

108 1. The deductibles shall be consistent with industry
109 standards and prevailing practice for communities of similar
110 size and age, and having similar construction and facilities in
111 the locale where the condominium property is situated.

112 2. The deductibles may be based upon available funds,
 113 including reserve accounts, or predetermined assessment
 114 authority at the time the insurance is obtained.

115 3. The board may ~~shall~~ establish the amount of deductibles
 116 based upon the level of available funds and predetermined
 117 assessment authority at a meeting of the board. Such meeting
 118 shall be open to all unit owners in the manner set forth in s.
 119 718.112(2)(e). ~~The notice of such meeting must state the~~
 120 ~~proposed deductible and the available funds and the assessment~~
 121 ~~authority relied upon by the board and estimate any potential~~
 122 ~~assessment amount against each unit, if any. The meeting~~
 123 ~~described in this paragraph may be held in conjunction with a~~
 124 ~~meeting to consider the proposed budget or an amendment thereto.~~

125 (d) An association controlled by unit owners operating as
 126 a residential condominium shall use its best efforts to obtain
 127 and maintain adequate property insurance to protect the
 128 association, the association property, the common elements, and
 129 the condominium property that is required to be insured by the
 130 association pursuant to this subsection.

131 (f) Every property ~~hazard~~ insurance policy issued or
 132 renewed on or after January 1, 2009, for the purpose of
 133 protecting the condominium shall provide primary coverage for:

134 ~~1.~~ all portions of the condominium property as originally
 135 installed or replacement of like kind and quality, in accordance
 136 with the original plans and specifications, and

137 ~~2.~~ all alterations or additions made to the condominium
 138 property or association property pursuant to s. 718.113(2).

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139 ~~3.~~ The coverage shall exclude all personal property within
140 the unit or limited common elements, and floor, wall, and
141 ceiling coverings, electrical fixtures, appliances, water
142 heaters, water filters, built-in cabinets and countertops, and
143 window treatments, including curtains, drapes, blinds, hardware,
144 and similar window treatment components, or replacements of any
145 of the foregoing that are located within the boundaries of the
146 unit. Such property and any insurance therefor shall be the
147 responsibility of the unit owner, if required by this
148 subsection.

149 (g) A condominium unit owner's policy issued after October
150 1, 2009, shall conform to the requirements of s. 627.714. Every
151 ~~hazard insurance policy issued or renewed on or after January 1,~~
152 ~~2009, to an individual unit owner must contain a provision~~
153 ~~stating that the coverage afforded by such policy is excess~~
154 ~~coverage over the amount recoverable under any other policy~~
155 ~~covering the same property. Such policies must include special~~
156 ~~assessment coverage of no less than \$2,000 per occurrence. An~~
157 ~~insurance policy issued to an individual unit owner providing~~
158 ~~such coverage does not provide rights of subrogation against the~~
159 ~~condominium association operating the condominium in which such~~
160 ~~individual's unit is located.~~

161 ~~1. All improvements or additions to the condominium~~
162 ~~property that benefit fewer than all unit owners shall be~~
163 ~~insured by the unit owner or owners having the use thereof, or~~
164 ~~may be insured by the association at the cost and expense of the~~
165 ~~unit owners having the use thereof.~~

166 ~~2.~~ The association shall require each owner to provide
167 evidence of a currently effective policy of hazard and liability
168 insurance upon request, but not more than once per year. Upon
169 the failure of an owner to provide a certificate of insurance
170 issued by an insurer approved to write such insurance in this
171 state within 30 days after the date on which a written request
172 is delivered, the association may purchase a policy of insurance
173 on behalf of an owner. The cost of such a policy, together with
174 reconstruction costs undertaken by the association but which are
175 the responsibility of the unit owner, may be collected in the
176 manner provided for the collection of assessments in s. 718.116.

177 ~~1.3.~~ All reconstruction work after a property casualty
178 loss shall be undertaken by the association except as otherwise
179 authorized in this section. A unit owner may undertake
180 reconstruction work on portions of the unit with the prior
181 written consent of the board of administration. However, such
182 work may be conditioned upon the approval of the repair methods,
183 the qualifications of the proposed contractor, or the contract
184 that is used for that purpose. A unit owner shall obtain all
185 required governmental permits and approvals prior to commencing
186 reconstruction.

187 ~~2.4.~~ Unit owners are responsible for the cost of
188 reconstruction of any portions of the condominium property for
189 which the unit owner is required to carry property casualty
190 insurance, and any such reconstruction work undertaken by the
191 association shall be chargeable to the unit owner and
192 enforceable as an assessment pursuant to s. 718.116. ~~The~~
193 ~~association must be an additional named insured and loss payee~~

194 ~~on all casualty insurance policies issued to unit owners in the~~
195 ~~condominium operated by the association.~~

196 3.5. A multicondominium association may elect, by a
197 majority vote of the collective members of the condominiums
198 operated by the association, to operate such condominiums as a
199 single condominium for purposes of insurance matters, including,
200 but not limited to, the purchase of the property hazard
201 insurance required by this section and the apportionment of
202 deductibles and damages in excess of coverage. The election to
203 aggregate the treatment of insurance premiums, deductibles, and
204 excess damages constitutes an amendment to the declaration of
205 all condominiums operated by the association, and the costs of
206 insurance shall be stated in the association budget. The
207 amendments shall be recorded as required by s. 718.110.

208 (j) Any portion of the condominium property required to be
209 insured by the association against property casualty loss
210 pursuant to paragraph (f) which is damaged ~~by casualty~~ shall be
211 reconstructed, repaired, or replaced as necessary by the
212 association as a common expense. All property hazard insurance
213 deductibles, uninsured losses, and other damages in excess of
214 property hazard insurance coverage under the property hazard
215 insurance policies maintained by the association are a common
216 expense of the condominium, except that:

217 1. A unit owner is responsible for the costs of repair or
218 replacement of any portion of the condominium property not paid
219 by insurance proceeds, if such damage is caused by intentional
220 conduct, negligence, or failure to comply with the terms of the
221 declaration or the rules of the association by a unit owner, the

222 members of his or her family, unit occupants, tenants, guests,
 223 or invitees, without compromise of the subrogation rights of any
 224 insurer as set forth in paragraph (g).

225 2. The provisions of subparagraph 1. regarding the
 226 financial responsibility of a unit owner for the costs of
 227 repairing or replacing other portions of the condominium
 228 property also apply to the costs of repair or replacement of
 229 personal property of other unit owners or the association, as
 230 well as other property, whether real or personal, which the unit
 231 owners are required to insure under paragraph (g).

232 3. To the extent the cost of repair or reconstruction for
 233 which the unit owner is responsible under this paragraph is
 234 reimbursed to the association by insurance proceeds, and, to the
 235 extent the association has collected the cost of such repair or
 236 reconstruction from the unit owner, the association shall
 237 reimburse the unit owner without the waiver of any rights of
 238 subrogation.

239 4. The association is not obligated to pay for repair or
 240 reconstruction or repairs of property ~~casualty~~ losses as a
 241 common expense if the property ~~casualty~~ losses were known or
 242 should have been known to a unit owner and were not reported to
 243 the association until after the insurance claim of the
 244 association for that property ~~casualty~~ was settled or resolved
 245 with finality, or denied on the basis that it was untimely
 246 filed.

247 (n) The association is not obligated to pay for any
 248 reconstruction or repair expenses due to property ~~casualty~~ loss
 249 to any improvements installed by a current or former owner of

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250 the unit or by the developer if the improvement benefits only
251 the unit for which it was installed and is not part of the
252 standard improvements installed by the developer on all units as
253 part of original construction, whether or not such improvement
254 is located within the unit. This paragraph does not relieve any
255 party of its obligations regarding recovery due under any
256 insurance implemented specifically for any such improvements.

257 Section 3. Paragraphs (b), (d), (l), and (n) of subsection
258 (2) of section 718.112, Florida Statutes, are amended to read:

259 718.112 Bylaws.--

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

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

264 1. Unless a lower number is provided in the bylaws, the
265 percentage of voting interests required to constitute a quorum
266 at a meeting of the members shall be a majority of the voting
267 interests. Unless otherwise provided in this chapter or in the
268 declaration, articles of incorporation, or bylaws, and except as
269 provided in sub-subparagraph ~~subparagraph~~ (d)3.a., decisions
270 shall be made by owners of a majority of the voting interests
271 represented at a meeting at which a quorum is present.

272 2. Except as specifically otherwise provided herein, after
273 January 1, 1992, unit owners may not vote by general proxy, but
274 may vote by limited proxies substantially conforming to a
275 limited proxy form adopted by the division. No voting interest
276 or consent right allocated to a unit owned by the association
277 shall be exercised or considered for any purpose, whether for a

278 | quorum, an election, or otherwise. Limited proxies and general
279 | proxies may be used to establish a quorum. Limited proxies shall
280 | be used for votes taken to waive or reduce reserves in
281 | accordance with subparagraph (f)2.; for votes taken to waive the
282 | financial reporting requirements of s. 718.111(13); for votes
283 | taken to amend the declaration pursuant to s. 718.110; for votes
284 | taken to amend the articles of incorporation or bylaws pursuant
285 | to this section; and for any other matter for which this chapter
286 | requires or permits a vote of the unit owners. Except as
287 | provided in paragraph (d), after January 1, 1992, no proxy,
288 | limited or general, shall be used in the election of board
289 | members. General proxies may be used for other matters for which
290 | limited proxies are not required, and may also be used in voting
291 | for nonsubstantive changes to items for which a limited proxy is
292 | required and given. Notwithstanding the provisions of this
293 | subparagraph, unit owners may vote in person at unit owner
294 | meetings. Nothing contained herein shall limit the use of
295 | general proxies or require the use of limited proxies for any
296 | agenda item or election at any meeting of a timeshare
297 | condominium association.

298 | 3. Any proxy given shall be effective only for the
299 | specific meeting for which originally given and any lawfully
300 | adjourned meetings thereof. In no event shall any proxy be valid
301 | for a period longer than 90 days after the date of the first
302 | meeting for which it was given. Every proxy is revocable at any
303 | time at the pleasure of the unit owner executing it.

304 | 4. A member of the board of administration or a committee
305 | may submit in writing his or her agreement or disagreement with

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306 any action taken at a meeting that the member did not attend.
307 This agreement or disagreement may not be used as a vote for or
308 against the action taken and may not be used for the purposes of
309 creating a quorum.

310 5. When any of the board or committee members meet by
311 telephone conference, those board or committee members attending
312 by telephone conference may be counted toward obtaining a quorum
313 and may vote by telephone. A telephone speaker must be used so
314 that the conversation of those board or committee members
315 attending by telephone may be heard by the board or committee
316 members attending in person as well as by any unit owners
317 present at a meeting.

318 (d) Unit owner meetings.--

319 1. There shall be an annual meeting of the unit owners
320 held at the location provided in the association bylaws and, if
321 the bylaws are silent as to the location, the meeting shall be
322 held within 45 miles of the condominium property. However, such
323 distance requirement does not apply to an association governing
324 a timeshare condominium. Unless the bylaws provide otherwise, a
325 vacancy on the board caused by the expiration of a director's
326 term shall be filled by electing a new board member, and the
327 election shall be by secret ballot; however, if the number of
328 vacancies equals ~~or exceeds~~ the number of candidates, no
329 election is required. The terms of all members of the board
330 shall expire at the annual meeting and such board members may
331 stand for reelection unless otherwise permitted by the bylaws.
332 In the event that the bylaws permit staggered terms of no more
333 than 2 years and upon approval of a majority of the total voting

334 interests, the association board members may serve 2-year
335 staggered terms. If the number ~~no person is interested in or~~
336 ~~demonstrates an intention to run for the position~~ of a board
337 members ~~member~~ whose terms have ~~term has~~ expired according to
338 the provisions of this subparagraph exceeds the number of
339 eligible members showing interest in or demonstrating an
340 intention to run for the vacant positions, each ~~such~~ board
341 member whose term has expired shall become eligible for
342 reappointment ~~be automatically reappointed~~ to the board of
343 administration and need not stand for reelection. In a
344 condominium association of more than 10 units, coowners or co-
345 occupants of a unit may not serve as members of the board of
346 directors at the same time unless they own more than one unit.
347 Any unit owner desiring to be a candidate for board membership
348 shall comply with sub-subparagraph ~~subparagraph~~ 3.a. A person
349 who has been suspended or removed by the division under this
350 chapter, or who is delinquent in the payment of any fee, fine,
351 or special or regular assessment as provided in paragraph (n),
352 is not eligible for board membership. A person who has been
353 convicted of any felony in this state or in a United States
354 District or Territorial Court, or who has been convicted of any
355 offense in another jurisdiction that would be considered a
356 felony if committed in this state, is not eligible for board
357 membership unless such felon's civil rights have been restored
358 for a period of no less than 5 years as of the date on which
359 such person seeks election to the board. The validity of an
360 action by the board is not affected if it is later determined

361 that a member of the board is ineligible for board membership
362 due to having been convicted of a felony.

363 2. The bylaws shall provide the method of calling meetings
364 of unit owners, including annual meetings. Written notice, which
365 notice must include an agenda, shall be mailed, hand delivered,
366 or electronically transmitted to each unit owner at least 14
367 days prior to the annual meeting and shall be posted in a
368 conspicuous place on the condominium property at least 14
369 continuous days preceding the annual meeting. Upon notice to the
370 unit owners, the board shall by duly adopted rule designate a
371 specific location on the condominium property or association
372 property upon which all notices of unit owner meetings shall be
373 posted; however, if there is no condominium property or
374 association property upon which notices can be posted, this
375 requirement does not apply. In lieu of or in addition to the
376 physical posting of notice of any meeting of the unit owners on
377 the condominium property, the association may, by reasonable
378 rule, adopt a procedure for conspicuously posting and repeatedly
379 broadcasting the notice and the agenda on a closed-circuit cable
380 television system serving the condominium association. However,
381 if broadcast notice is used in lieu of a notice posted
382 physically on the condominium property, the notice and agenda
383 must be broadcast at least four times every broadcast hour of
384 each day that a posted notice is otherwise required under this
385 section. When broadcast notice is provided, the notice and
386 agenda must be broadcast in a manner and for a sufficient
387 continuous length of time so as to allow an average reader to
388 observe the notice and read and comprehend the entire content of

389 the notice and the agenda. Unless a unit owner waives in writing
390 the right to receive notice of the annual meeting, such notice
391 shall be hand delivered, mailed, or electronically transmitted
392 to each unit owner. Notice for meetings and notice for all other
393 purposes shall be mailed to each unit owner at the address last
394 furnished to the association by the unit owner, or hand
395 delivered to each unit owner. However, if a unit is owned by
396 more than one person, the association shall provide notice, for
397 meetings and all other purposes, to that one address which the
398 developer initially identifies for that purpose and thereafter
399 as one or more of the owners of the unit shall so advise the
400 association in writing, or if no address is given or the owners
401 of the unit do not agree, to the address provided on the deed of
402 record. An officer of the association, or the manager or other
403 person providing notice of the association meeting, shall
404 provide an affidavit or United States Postal Service certificate
405 of mailing, to be included in the official records of the
406 association affirming that the notice was mailed or hand
407 delivered, in accordance with this provision.

408 3.a. The members of the board shall be elected by written
409 ballot or voting machine. Proxies shall in no event be used in
410 electing the board, either in general elections or elections to
411 fill vacancies caused by recall, resignation, or otherwise,
412 unless otherwise provided in this chapter. Not less than 60 days
413 before a scheduled election, the association shall mail,
414 deliver, or electronically transmit, whether by separate
415 association mailing or included in another association mailing,
416 delivery, or transmission, including regularly published

417 newsletters, to each unit owner entitled to a vote, a first
418 notice of the date of the election ~~along with a certification~~
419 ~~form provided by the division attesting that he or she has read~~
420 ~~and understands, to the best of his or her ability, the~~
421 ~~governing documents of the association and the provisions of~~
422 ~~this chapter and any applicable rules.~~ Any unit owner or other
423 eligible person desiring to be a candidate for the board must
424 give written notice of intent to be a candidate to the
425 association not less than 40 days before a scheduled election.
426 Together with the written notice and agenda as set forth in
427 subparagraph 2., the association shall mail, deliver, or
428 electronically transmit a second notice of the election to all
429 unit owners entitled to vote therein, together with a ballot
430 which shall list all candidates. Upon request of a candidate,
431 ~~the association shall include~~ an information sheet, no larger
432 than 8 1/2 ~~8 1/2~~ inches by 11 inches, which must be furnished by
433 the candidate not less than 35 days before the election, shall
434 ~~along with the signed certification form provided for in this~~
435 ~~subparagraph,~~ to be included with the mailing, delivery, or
436 transmission of the ballot, with the costs of mailing, delivery,
437 or electronic transmission and copying to be borne by the
438 association. The association is not liable for the contents of
439 the information sheets prepared by the candidates. In order to
440 reduce costs, the association may print or duplicate the
441 information sheets on both sides of the paper. The division
442 shall by rule establish voting procedures consistent with the
443 provisions contained herein, including rules establishing
444 procedures for giving notice by electronic transmission and

445 rules providing for the secrecy of ballots. Elections shall be
446 decided by a plurality of those ballots cast. There shall be no
447 quorum requirement; however, at least 20 percent of the eligible
448 voters must cast a ballot in order to have a valid election of
449 members of the board. No unit owner shall permit any other
450 person to vote his or her ballot, and any such ballots
451 improperly cast shall be deemed invalid, provided any unit owner
452 who violates this provision may be fined by the association in
453 accordance with s. 718.303. A unit owner who needs assistance in
454 casting the ballot for the reasons stated in s. 101.051 may
455 obtain assistance in casting the ballot. The regular election
456 shall occur on the date of the annual meeting. The provisions of
457 this sub-subparagraph ~~subparagraph~~ shall not apply to timeshare
458 condominium associations. Notwithstanding the provisions of this
459 sub-subparagraph ~~subparagraph~~, an election is not required
460 unless more candidates file notices of intent to run or are
461 nominated than board vacancies exist.

462 b. Within 90 days after being elected to the board, each
463 newly elected director shall certify in writing to the secretary
464 of the association that he or she has read the association's
465 declarations of covenants and restrictions, articles of
466 incorporation, bylaws, and current written policies; that he or
467 she will work to uphold such documents and policies to the best
468 of his or her ability; and that he or she will faithfully
469 discharge his or her fiduciary responsibility to the
470 association's members. In lieu of this written certification,
471 the newly elected director may submit a certificate of
472 satisfactory completion of the educational curriculum

473 administered by a division-approved condominium education
474 provider. Failure to timely file the written certification or
475 educational certificate automatically disqualifies the director
476 from service on the board. The secretary shall cause the
477 association to retain a director's written certification or
478 educational certificate for inspection by the members for 5
479 years after a director's election. Failure to have such written
480 certification or educational certificate on file does not affect
481 the validity of any appropriate action.

482 4. Any approval by unit owners called for by this chapter
483 or the applicable declaration or bylaws, including, but not
484 limited to, the approval requirement in s. 718.111(8), shall be
485 made at a duly noticed meeting of unit owners and shall be
486 subject to all requirements of this chapter or the applicable
487 condominium documents relating to unit owner decisionmaking,
488 except that unit owners may take action by written agreement,
489 without meetings, on matters for which action by written
490 agreement without meetings is expressly allowed by the
491 applicable bylaws or declaration or any statute that provides
492 for such action.

493 5. Unit owners may waive notice of specific meetings if
494 allowed by the applicable bylaws or declaration or any statute.
495 If authorized by the bylaws, notice of meetings of the board of
496 administration, unit owner meetings, except unit owner meetings
497 called to recall board members under paragraph (j), and
498 committee meetings may be given by electronic transmission to
499 unit owners who consent to receive notice by electronic
500 transmission.

501 6. Unit owners shall have the right to participate in
502 meetings of unit owners with reference to all designated agenda
503 items. However, the association may adopt reasonable rules
504 governing the frequency, duration, and manner of unit owner
505 participation.

506 7. Any unit owner may tape record or videotape a meeting
507 of the unit owners subject to reasonable rules adopted by the
508 division.

509 8. Unless otherwise provided in the bylaws, any vacancy
510 occurring on the board before the expiration of a term may be
511 filled by the affirmative vote of the majority of the remaining
512 directors, even if the remaining directors constitute less than
513 a quorum, or by the sole remaining director. In the alternative,
514 a board may hold an election to fill the vacancy, in which case
515 the election procedures must conform to the requirements of sub-
516 subparagraph ~~subparagraph~~ 3.a. unless the association governs 10
517 units or fewer ~~less~~ and has opted out of the statutory election
518 process, in which case the bylaws of the association control.
519 Unless otherwise provided in the bylaws, a board member
520 appointed or elected under this section shall fill the vacancy
521 for the unexpired term of the seat being filled. Filling
522 vacancies created by recall is governed by paragraph (j) and
523 rules adopted by the division.

524
525 Notwithstanding subparagraph ~~subparagraphs~~ (b)2. and sub-
526 subparagraph (d)3.a., an association of 10 or fewer units may,
527 by the affirmative vote of a majority of the total voting
528 interests, provide for different voting and election procedures

529 | in its bylaws, which vote may be by a proxy specifically
530 | delineating the different voting and election procedures. The
531 | different voting and election procedures may provide for
532 | elections to be conducted by limited or general proxy.

533 | (1) Certificate of compliance.--There shall be a provision
534 | that a certificate of compliance from a licensed electrical
535 | contractor or electrician may be accepted by the association's
536 | board as evidence of compliance of the condominium units with
537 | the applicable fire and life safety code. Notwithstanding the
538 | provisions of chapter 633 or of any other code, statute,
539 | ordinance, administrative rule, or regulation, or any
540 | interpretation of the foregoing, an association, condominium, or
541 | unit owner is not obligated to retrofit the common elements or
542 | units of a residential condominium with a fire sprinkler system
543 | or other engineered lifesafety system in a building that has
544 | been certified for occupancy by the applicable governmental
545 | entity, if the unit owners have voted to forego such
546 | retrofitting and engineered lifesafety system by the affirmative
547 | vote of two-thirds of all voting interests in the affected
548 | condominium. However, a condominium association may not vote to
549 | forego the retrofitting with a fire sprinkler system of common
550 | areas in a high-rise building. For purposes of this subsection,
551 | the term "high-rise building" means a building that is greater
552 | than 75 feet in height where the building height is measured
553 | from the lowest level of fire department access to the floor of
554 | the highest occupiable story. For purposes of this subsection,
555 | the term "common areas" means any enclosed hallway, corridor,
556 | lobby, stairwell, or entryway. In no event shall the local

557 authority having jurisdiction require completion of retrofitting
558 of common areas with a sprinkler system before the end of 2025
559 ~~2014~~.

560 1. A vote to forego retrofitting may be obtained by
561 limited proxy or by a ballot personally cast at a duly called
562 membership meeting, or by execution of a written consent by the
563 member, and shall be effective upon the recording of a
564 certificate attesting to such vote in the public records of the
565 county where the condominium is located. The association shall
566 mail, hand deliver, or electronically transmit to each unit
567 owner written notice at least 14 days prior to such membership
568 meeting in which the vote to forego retrofitting of the required
569 fire sprinkler system is to take place. Within 30 days after the
570 association's opt-out vote, notice of the results of the opt-out
571 vote shall be mailed, hand delivered, or electronically
572 transmitted to all unit owners. Evidence of compliance with this
573 30-day notice shall be made by an affidavit executed by the
574 person providing the notice and filed among the official records
575 of the association. After such notice is provided to each owner,
576 a copy of such notice shall be provided by the current owner to
577 a new owner prior to closing and shall be provided by a unit
578 owner to a renter prior to signing a lease.

579 2. As part of the information collected annually from
580 condominiums, the division shall require condominium
581 associations to report the membership vote and recording of a
582 certificate under this subsection and, if retrofitting has been
583 undertaken, the per-unit cost of such work. The division shall
584 annually report to the Division of State Fire Marshal of the

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585 Department of Financial Services the number of condominiums that
586 have elected to forego retrofitting.

587 (n) Director or officer delinquencies.--A director or
588 officer more than 90 days delinquent in the payment of any fee,
589 fine, or regular or special assessments shall be deemed to have
590 abandoned the office, creating a vacancy in the office to be
591 filled according to law.

592 Section 4. This act shall take effect July 1, 2009.