

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; specifying when a date of
8 loss occurs; amending s. 718.111, F.S.; requiring coverage
9 for certain personal property to be the responsibility of
10 the condominium unit owner under certain circumstances;
11 revising board meeting notice requirements; requiring
12 insurance policies issued or renewed on or after a
13 specified date to conform to specified loss-assessment
14 coverage requirements; revising and deleting provisions
15 relating to hazard or casualty insurance coverage
16 requirements, to conform; deleting a provision requiring
17 condominium associations to request evidence of a
18 currently effective insurance policy from unit owners;
19 deleting a provision requiring the condominium association
20 to be an additional named insured and loss payee on all
21 casualty insurance policies issued to unit owners in the
22 condominium operated by the association; amending s.
23 718.112, F.S.; revising requirements for the reappointment
24 of certain board members; revising board eligibility
25 requirements; revising notice requirements for board
26 candidates; establishing requirements for newly elected
27 board members; extending a period in which condominium
28 common areas do not have to be retrofitted with sprinkler

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

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

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

38 627.714 Condominium unit owner's coverage; loss-assessment
 39 coverage required.--Coverage under a condominium unit owner's
 40 residential property insurance policy shall include property
 41 loss-assessment coverage of at least \$2,000 per occurrence for
 42 an assessment made as a result of a direct loss to any portion
 43 of the association property when such loss is the type of loss
 44 covered by the association's property and liability insurance
 45 policy and the association's coverage either has a deductible or
 46 is insufficient to pay a full claim, up to the limit of
 47 liability in effect at the time of the occurrence. Every
 48 individual unit owner's residential property insurance policy
 49 must contain a provision stating that the coverage afforded by
 50 the policy is excess coverage over the amount recoverable under
 51 any other policy covering the same property. For the purposes of
 52 this section, the date of loss is the date the loss was incurred
 53 and not the date the loss assessment was levied by the
 54 association.

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

58 718.111 The association.--

59 (11) INSURANCE.--In order to protect the safety, health,
 60 and welfare of the people of the State of Florida and to ensure
 61 consistency in the provision of insurance coverage to
 62 condominiums and their unit owners, this subsection applies to
 63 every residential condominium in the state, regardless of the
 64 date of its declaration of condominium. It is the intent of the
 65 Legislature to encourage lower or stable insurance premiums for
 66 associations described in this subsection.

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

75 1. An association or group of associations may provide
 76 adequate property hazard insurance through a self-insurance fund
 77 that complies with the requirements of ss. 624.460-624.488.

78 2. The association may also provide adequate property
 79 ~~hazard~~ insurance coverage for a group of no fewer than three
 80 communities created and operating under this chapter, chapter
 81 719, chapter 720, or chapter 721 by obtaining and maintaining
 82 for such communities insurance coverage sufficient to cover an

83 amount equal to the probable maximum loss for the communities
84 for a 250-year windstorm event. Such probable maximum loss must
85 be determined through the use of a competent model that has been
86 accepted by the Florida Commission on Hurricane Loss Projection
87 Methodology. No policy or program providing such coverage shall
88 be issued or renewed after July 1, 2008, unless it has been
89 reviewed and approved by the Office of Insurance Regulation. The
90 review and approval shall include approval of the policy and
91 related forms pursuant to ss. 627.410 and 627.411, approval of
92 the rates pursuant to s. 627.062, a determination that the loss
93 model approved by the commission was accurately and
94 appropriately applied to the insured structures to determine the
95 250-year probable maximum loss, and a determination that
96 complete and accurate disclosure of all material provisions is
97 provided to condominium unit owners prior to execution of the
98 agreement by a condominium association.

99 3. When determining the adequate amount of property hazard
100 insurance coverage, the association may consider deductibles as
101 determined by this subsection.

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

111 (c) Policies may include deductibles as determined by the
 112 board.

113 1. The deductibles shall be consistent with industry
 114 standards and prevailing practice for communities of similar
 115 size and age, and having similar construction and facilities in
 116 the locale where the condominium property is situated.

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

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

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

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

139 ~~1.~~ all portions of the condominium property as originally
 140 installed or replacement of like kind and quality, in accordance
 141 with the original plans and specifications, and-

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

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

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

166 ~~1. All improvements or additions to the condominium~~
167 ~~property that benefit fewer than all unit owners shall be~~
168 ~~insured by the unit owner or owners having the use thereof, or~~
169 ~~may be insured by the association at the cost and expense of the~~
170 ~~unit owners having the use thereof.~~

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

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

192 ~~2.4.~~ Unit owners are responsible for the cost of
193 reconstruction of any portions of the condominium property for

194 which the unit owner is required to carry property ~~casualty~~
195 insurance, and any such reconstruction work undertaken by the
196 association shall be chargeable to the unit owner and
197 enforceable as an assessment pursuant to s. 718.116. ~~The~~
198 ~~association must be an additional named insured and loss payee~~
199 ~~on all casualty insurance policies issued to unit owners in the~~
200 ~~condominium operated by the association.~~

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

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

222 1. A unit owner is responsible for the costs of repair or
 223 replacement of any portion of the condominium property not paid
 224 by insurance proceeds, if such damage is caused by intentional
 225 conduct, negligence, or failure to comply with the terms of the
 226 declaration or the rules of the association by a unit owner, the
 227 members of his or her family, unit occupants, tenants, guests,
 228 or invitees, without compromise of the subrogation rights of any
 229 insurer ~~as set forth in paragraph (g).~~

230 2. The provisions of subparagraph 1. regarding the
 231 financial responsibility of a unit owner for the costs of
 232 repairing or replacing other portions of the condominium
 233 property also apply to the costs of repair or replacement of
 234 personal property of other unit owners or the association, as
 235 well as other property, whether real or personal, which the unit
 236 owners are responsible for ~~required to insure~~ under paragraph
 237 (g).

238 3. To the extent the cost of repair or reconstruction for
 239 which the unit owner is responsible under this paragraph is
 240 reimbursed to the association by insurance proceeds, and, to the
 241 extent the association has collected the cost of such repair or
 242 reconstruction from the unit owner, the association shall
 243 reimburse the unit owner without the waiver of any rights of
 244 subrogation.

245 4. The association is not obligated to pay for repair or
 246 reconstruction or repairs of property ~~casualty~~ losses as a
 247 common expense if the property ~~casualty~~ losses were known or
 248 should have been known to a unit owner and were not reported to
 249 the association until after the insurance claim of the

250 association for that property ~~casualty~~ was settled or resolved
 251 with finality, or denied on the basis that it was untimely
 252 filed.

253 (n) The association is not obligated to pay for any
 254 reconstruction or repair expenses due to property ~~casualty~~ loss
 255 to any improvements installed by a current or former owner of
 256 the unit or by the developer if the improvement benefits only
 257 the unit for which it was installed and is not part of the
 258 standard improvements installed by the developer on all units as
 259 part of original construction, whether or not such improvement
 260 is located within the unit. This paragraph does not relieve any
 261 party of its obligations regarding recovery due under any
 262 insurance implemented specifically for any such improvements.

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

265 718.112 Bylaws.--

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

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

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

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

304 3. Any proxy given shall be effective only for the
305 specific meeting for which originally given and any lawfully

306 adjourned meetings thereof. In no event shall any proxy be valid
307 for a period longer than 90 days after the date of the first
308 meeting for which it was given. Every proxy is revocable at any
309 time at the pleasure of the unit owner executing it.

310 4. A member of the board of administration or a committee
311 may submit in writing his or her agreement or disagreement with
312 any action taken at a meeting that the member did not attend.
313 This agreement or disagreement may not be used as a vote for or
314 against the action taken and may not be used for the purposes of
315 creating a quorum.

316 5. When any of the board or committee members meet by
317 telephone conference, those board or committee members attending
318 by telephone conference may be counted toward obtaining a quorum
319 and may vote by telephone. A telephone speaker must be used so
320 that the conversation of those board or committee members
321 attending by telephone may be heard by the board or committee
322 members attending in person as well as by any unit owners
323 present at a meeting.

324 (d) Unit owner meetings.--

325 1. There shall be an annual meeting of the unit owners
326 held at the location provided in the association bylaws and, if
327 the bylaws are silent as to the location, the meeting shall be
328 held within 45 miles of the condominium property. However, such
329 distance requirement does not apply to an association governing
330 a timeshare condominium. Unless the bylaws provide otherwise, a
331 vacancy on the board caused by the expiration of a director's
332 term shall be filled by electing a new board member, and the
333 election shall be by secret ballot; however, if the number of

334 vacancies equals ~~or exceeds~~ the number of candidates, no
335 election is required. The terms of all members of the board
336 shall expire at the annual meeting and such board members may
337 stand for reelection unless otherwise permitted by the bylaws.
338 In the event that the bylaws permit staggered terms of no more
339 than 2 years and upon approval of a majority of the total voting
340 interests, the association board members may serve 2-year
341 staggered terms. If the number ~~no person is interested in or~~
342 ~~demonstrates an intention to run for the position~~ of a board
343 ~~members~~ ~~member~~ whose terms have ~~term has~~ expired according to
344 the provisions of this subparagraph exceeds the number of
345 eligible members showing interest in or demonstrating an
346 intention to run for the vacant positions, each ~~such~~ board
347 member whose term has expired shall become eligible for
348 reappointment ~~be automatically reappointed~~ to the board of
349 administration and need not stand for reelection. In a
350 condominium association of more than 10 units, coowners of a
351 unit may not serve as members of the board of directors at the
352 same time unless they own more than one unit and are not co-
353 occupants of a unit. Any unit owner desiring to be a candidate
354 for board membership shall comply with sub-subparagraph
355 ~~subparagraph 3.a.~~ A person who has been suspended or removed by
356 the division under this chapter, or who is delinquent in the
357 payment of any fee, fine, or special or regular assessment as
358 provided in paragraph (n), is not eligible for board membership.
359 A person who has been convicted of any felony in this state or
360 in a United States District or Territorial Court, or who has
361 been convicted of any offense in another jurisdiction that would

362 be considered a felony if committed in this state, is not
363 eligible for board membership unless such felon's civil rights
364 have been restored for a period of no less than 5 years as of
365 the date on which such person seeks election to the board. The
366 validity of an action by the board is not affected if it is
367 later determined that a member of the board is ineligible for
368 board membership due to having been convicted of a felony.

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

390 each day that a posted notice is otherwise required under this
391 section. When broadcast notice is provided, the notice and
392 agenda must be broadcast in a manner and for a sufficient
393 continuous length of time so as to allow an average reader to
394 observe the notice and read and comprehend the entire content of
395 the notice and the agenda. Unless a unit owner waives in writing
396 the right to receive notice of the annual meeting, such notice
397 shall be hand delivered, mailed, or electronically transmitted
398 to each unit owner. Notice for meetings and notice for all other
399 purposes shall be mailed to each unit owner at the address last
400 furnished to the association by the unit owner, or hand
401 delivered to each unit owner. However, if a unit is owned by
402 more than one person, the association shall provide notice, for
403 meetings and all other purposes, to that one address which the
404 developer initially identifies for that purpose and thereafter
405 as one or more of the owners of the unit shall so advise the
406 association in writing, or if no address is given or the owners
407 of the unit do not agree, to the address provided on the deed of
408 record. An officer of the association, or the manager or other
409 person providing notice of the association meeting, shall
410 provide an affidavit or United States Postal Service certificate
411 of mailing, to be included in the official records of the
412 association affirming that the notice was mailed or hand
413 delivered, in accordance with this provision.

414 3.a. The members of the board shall be elected by written
415 ballot or voting machine. Proxies shall in no event be used in
416 electing the board, either in general elections or elections to
417 fill vacancies caused by recall, resignation, or otherwise,

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418 unless otherwise provided in this chapter. Not less than 60 days
419 before a scheduled election, the association shall mail,
420 deliver, or electronically transmit, whether by separate
421 association mailing or included in another association mailing,
422 delivery, or transmission, including regularly published
423 newsletters, to each unit owner entitled to a vote, a first
424 notice of the date of the election ~~along with a certification~~
425 ~~form provided by the division attesting that he or she has read~~
426 ~~and understands, to the best of his or her ability, the~~
427 ~~governing documents of the association and the provisions of~~
428 ~~this chapter and any applicable rules.~~ Any unit owner or other
429 eligible person desiring to be a candidate for the board must
430 give written notice of intent to be a candidate to the
431 association not less than 40 days before a scheduled election.
432 Together with the written notice and agenda as set forth in
433 subparagraph 2., the association shall mail, deliver, or
434 electronically transmit a second notice of the election to all
435 unit owners entitled to vote therein, together with a ballot
436 which shall list all candidates. Upon request of a candidate,
437 ~~the association shall include~~ an information sheet, no larger
438 than 8 1/2 ~~8 1/2~~ inches by 11 inches, which must be furnished by
439 the candidate not less than 35 days before the election, shall
440 ~~along with the signed certification form provided for in this~~
441 ~~subparagraph,~~ to be included with the mailing, delivery, or
442 transmission of the ballot, with the costs of mailing, delivery,
443 or electronic transmission and copying to be borne by the
444 association. The association is not liable for the contents of
445 the information sheets prepared by the candidates. In order to

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

468 | b. Within 90 days after being elected to the board, each
 469 | newly elected director shall certify in writing to the secretary
 470 | of the association that he or she has read the association's
 471 | declarations of covenants and restrictions, articles of
 472 | incorporation, bylaws, and current written policies; that he or
 473 | she will work to uphold such documents and policies to the best

474 of his or her ability; and that he or she will faithfully
475 discharge his or her fiduciary responsibility to the
476 association's members. In lieu of this written certification,
477 the newly elected director may submit a certificate of
478 satisfactory completion of the educational curriculum
479 administered by a division-approved condominium education
480 provider. Failure to timely file the written certification or
481 educational certificate automatically disqualifies the director
482 from service on the board. The secretary shall cause the
483 association to retain a director's written certification or
484 educational certificate for inspection by the members for 5
485 years after a director's election. Failure to have such written
486 certification or educational certificate on file does not affect
487 the validity of any appropriate action.

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

499 5. Unit owners may waive notice of specific meetings if
500 allowed by the applicable bylaws or declaration or any statute.
501 If authorized by the bylaws, notice of meetings of the board of

502 administration, unit owner meetings, except unit owner meetings
503 called to recall board members under paragraph (j), and
504 committee meetings may be given by electronic transmission to
505 unit owners who consent to receive notice by electronic
506 transmission.

507 6. Unit owners shall have the right to participate in
508 meetings of unit owners with reference to all designated agenda
509 items. However, the association may adopt reasonable rules
510 governing the frequency, duration, and manner of unit owner
511 participation.

512 7. Any unit owner may tape record or videotape a meeting
513 of the unit owners subject to reasonable rules adopted by the
514 division.

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

530
531 Notwithstanding subparagraph ~~subparagraphs~~ (b)2. and sub-
532 subparagraph (d)3.a., an association of 10 or fewer units may,
533 by the affirmative vote of a majority of the total voting
534 interests, provide for different voting and election procedures
535 in its bylaws, which vote may be by a proxy specifically
536 delineating the different voting and election procedures. The
537 different voting and election procedures may provide for
538 elections to be conducted by limited or general proxy.

539 (1) Certificate of compliance.--There shall be a provision
540 that a certificate of compliance from a licensed electrical
541 contractor or electrician may be accepted by the association's
542 board as evidence of compliance of the condominium units with
543 the applicable fire and life safety code. Notwithstanding the
544 provisions of chapter 633 or of any other code, statute,
545 ordinance, administrative rule, or regulation, or any
546 interpretation of the foregoing, an association, condominium, or
547 unit owner is not obligated to retrofit the common elements or
548 units of a residential condominium with a fire sprinkler system
549 or other engineered lifesafety system in a building that has
550 been certified for occupancy by the applicable governmental
551 entity, if the unit owners have voted to forego such
552 retrofitting and engineered lifesafety system by the affirmative
553 vote of two-thirds of all voting interests in the affected
554 condominium. However, a condominium association may not vote to
555 forego the retrofitting with a fire sprinkler system of common
556 areas in a high-rise building. For purposes of this subsection,
557 the term "high-rise building" means a building that is greater

558 | than 75 feet in height where the building height is measured
559 | from the lowest level of fire department access to the floor of
560 | the highest occupiable story. For purposes of this subsection,
561 | the term "common areas" means any enclosed hallway, corridor,
562 | lobby, stairwell, or entryway. In no event shall the local
563 | authority having jurisdiction require completion of retrofitting
564 | of common areas with a sprinkler system before the end of 2025
565 | ~~2014~~.

566 | 1. A vote to forego retrofitting may be obtained by
567 | limited proxy or by a ballot personally cast at a duly called
568 | membership meeting, or by execution of a written consent by the
569 | member, and shall be effective upon the recording of a
570 | certificate attesting to such vote in the public records of the
571 | county where the condominium is located. The association shall
572 | mail, hand deliver, or electronically transmit to each unit
573 | owner written notice at least 14 days prior to such membership
574 | meeting in which the vote to forego retrofitting of the required
575 | fire sprinkler system is to take place. Within 30 days after the
576 | association's opt-out vote, notice of the results of the opt-out
577 | vote shall be mailed, hand delivered, or electronically
578 | transmitted to all unit owners. Evidence of compliance with this
579 | 30-day notice shall be made by an affidavit executed by the
580 | person providing the notice and filed among the official records
581 | of the association. After such notice is provided to each owner,
582 | a copy of such notice shall be provided by the current owner to
583 | a new owner prior to closing and shall be provided by a unit
584 | owner to a renter prior to signing a lease.

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585 2. As part of the information collected annually from
586 condominiums, the division shall require condominium
587 associations to report the membership vote and recording of a
588 certificate under this subsection and, if retrofitting has been
589 undertaken, the per-unit cost of such work. The division shall
590 annually report to the Division of State Fire Marshal of the
591 Department of Financial Services the number of condominiums that
592 have elected to forego retrofitting.

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

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