

By the Committees on General Government Appropriations; and Regulated Industries; and Senators Jones, Fasano, and Ring

601-05035-09

2009714c2

1                   A bill to be entitled  
2           An act relating to condominiums; creating s. 627.714,  
3           F.S.; requiring that coverage under a unit owner's  
4           policy for certain assessments include at least a  
5           minimum amount of loss assessment coverage; requiring  
6           that every property insurance policy to an individual  
7           unit owner contain a specified provision; amending s.  
8           718.111, F.S.; requiring that adequate property  
9           insurance be based upon the replacement cost of the  
10          property to be insured as determined by an independent  
11          appraisal or update of a prior appraisal; requiring  
12          that such replacement cost be determined at least once  
13          within a specified period; providing means by which an  
14          association may provide adequate property insurance;  
15          providing that certain property insurance policies or  
16          programs are not subject to review and approval by the  
17          Office of Insurance Regulation; prohibiting such  
18          coverage or program from existing beyond a specified  
19          date; authorizing an association to consider  
20          deductibles when determining an adequate amount of  
21          property insurance; providing that failure to maintain  
22          adequate property insurance constitutes a breach of  
23          fiduciary duty by the members of the board of  
24          directors of an association; revising the procedures  
25          for the board to establish the amount of deductibles;  
26          requiring that an association controlled by unit  
27          owners operating as a residential condominium use its  
28          best efforts to obtain and maintain adequate property  
29          insurance to protect the association and certain

601-05035-09

2009714c2

30 property; requiring that every property insurance  
31 policy issued or renewed on or after a specified date  
32 provide certain coverage; excluding certain items from  
33 such requirement; providing that excluded items and  
34 any insurance thereupon are the responsibility of the  
35 unit owner; requiring that condominium unit owner's  
36 policies conform to certain provisions of state law;  
37 deleting provisions relating to certain hazard and  
38 casualty insurance policies; conforming provisions to  
39 changes made by the act; amending s. 718.112, F.S.;  
40 conforming cross-references; revising requirements for  
41 the reappointment of certain board members; revising  
42 board eligibility requirements; revising notice  
43 requirements for board candidates; establishing  
44 requirements for newly elected board members;  
45 extending the period during which condominium common  
46 areas do not have to be retrofitted with sprinkler  
47 systems; providing that certain directors and officers  
48 delinquent in the payment of any fee, fine, or regular  
49 or special assessments shall be deemed to have  
50 abandoned their office; providing an effective date.

51  
52 Be It Enacted by the Legislature of the State of Florida:

53  
54 Section 1. Section 627.714, Florida Statutes, is created to  
55 read:

56 627.714 Residential condominium unit owner coverage; loss  
57 assessment coverage required; excess coverage provision  
58 required.—For policies issued or renewed on or after July 1,

601-05035-09

2009714c2

59 2009, coverage under a unit owner's residential property policy  
60 shall include property loss assessment coverage of at least  
61 \$2,000 for all assessments made as a result of the same direct  
62 loss to the property, regardless of the number of assessments,  
63 owned by all members of the association collectively when such  
64 loss is of the type of loss covered by the unit owner's  
65 residential property insurance policy, to which a deductible  
66 shall apply of no more than \$250 per direct property loss. If a  
67 deductible was or will be applied to other property loss  
68 sustained by the unit owner resulting from the same direct loss  
69 to the property, no deductible shall apply to the loss  
70 assessment coverage. Every individual unit owner's residential  
71 property policy must contain a provision stating that the  
72 coverage afforded by such policy is excess coverage over the  
73 amount recoverable under any other policy covering the same  
74 property.

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

78 718.111 The association.—

79 (11) INSURANCE.—In order to protect the safety, health, and  
80 welfare of the people of the State of Florida and to ensure  
81 consistency in the provision of insurance coverage to  
82 condominiums and their unit owners, this subsection applies to  
83 every residential condominium in the state, regardless of the  
84 date of its declaration of condominium. It is the intent of the  
85 Legislature to encourage lower or stable insurance premiums for  
86 associations described in this subsection.

87 (a) Adequate property ~~hazard~~ insurance, regardless of any

601-05035-09

2009714c2

88 requirement in the declaration of condominium for coverage by  
89 the association for full insurable value, replacement cost, or  
90 similar coverage, shall be based upon the replacement cost of  
91 the property to be insured as determined by an independent  
92 insurance appraisal or update of a prior appraisal. The  
93 replacement cost ~~full insurable value~~ shall be determined at  
94 least once every 36 months.

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

98 2. The association may also provide adequate property  
99 ~~hazard~~ insurance coverage for a group of no fewer than three  
100 communities created and operating under this chapter, chapter  
101 719, chapter 720, or chapter 721 by obtaining and maintaining  
102 for such communities insurance coverage sufficient to cover an  
103 amount equal to the probable maximum loss for the communities  
104 for a 250-year windstorm event. Such probable maximum loss must  
105 be determined through the use of a competent model that has been  
106 accepted by the Florida Commission on Hurricane Loss Projection  
107 Methodology. No policy or program providing such coverage shall  
108 be issued or renewed after July 1, 2008, unless it has been  
109 reviewed and approved by the Office of Insurance Regulation. The  
110 review and approval shall include approval of the policy and  
111 related forms pursuant to ss. 627.410 and 627.411, approval of  
112 the rates pursuant to s. 627.062, a determination that the loss  
113 model approved by the commission was accurately and  
114 appropriately applied to the insured structures to determine the  
115 250-year probable maximum loss, and a determination that  
116 complete and accurate disclosure of all material provisions is

601-05035-09

2009714c2

117 provided to condominium unit owners prior to execution of the  
118 agreement by a condominium association. A property insurance  
119 policy or program originally issued before January 1, 2000,  
120 which has provided uninterrupted property insurance coverage and  
121 provided coverage for a group of no fewer than three communities  
122 is not subject to review and approval by the Office of Insurance  
123 Regulation until renewed after July 1, 2009. Such coverage or  
124 program may not exist beyond July 1, 2010.

125 3. When determining the adequate amount of property hazard  
126 insurance coverage, the association may consider deductibles as  
127 determined by this subsection.

128 (b) If an association is a developer-controlled  
129 association, the association shall exercise its best efforts to  
130 obtain and maintain insurance as described in paragraph (a).  
131 Failure to obtain and maintain adequate property hazard  
132 insurance during any period of developer control constitutes a  
133 breach of fiduciary responsibility by the developer-appointed  
134 members of the board of directors of the association, unless the  
135 members can show that despite such failure, they have made their  
136 best efforts to maintain the required coverage.

137 (c) Policies may include deductibles as determined by the  
138 board.

139 1. The deductibles shall be consistent with industry  
140 standards and prevailing practice for communities of similar  
141 size and age, and having similar construction and facilities in  
142 the locale where the condominium property is situated.

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

601-05035-09

2009714c2

146 3. The board shall establish the amount of deductibles  
147 based upon the level of available funds and predetermined  
148 assessment authority at a meeting of the board. ~~Such meeting~~  
149 ~~shall be open to all unit owners~~ in the manner set forth in s.  
150 718.112(2)(e). ~~The notice of such meeting must state the~~  
151 ~~proposed deductible and the available funds and the assessment~~  
152 ~~authority relied upon by the board and estimate any potential~~  
153 ~~assessment amount against each unit, if any. The meeting~~  
154 ~~described in this paragraph may be held in conjunction with a~~  
155 ~~meeting to consider the proposed budget or an amendment thereto.~~

156 (d) An association controlled by unit owners operating as a  
157 residential condominium shall use its best efforts to obtain and  
158 maintain adequate property insurance to protect the association,  
159 the association property, the common elements, and the  
160 condominium property that is required to be insured by the  
161 association pursuant to this subsection.

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

165 1. All portions of the condominium property as originally  
166 installed or replacement of like kind and quality, in accordance  
167 with the original plans and specifications.

168 2. All alterations or additions made to the condominium  
169 property or association property pursuant to s. 718.113(2).

170 3. The coverage shall exclude all personal property within the  
171 unit or limited common elements, and floor, wall, and ceiling  
172 coverings, electrical fixtures, appliances, water heaters, water  
173 filters, built-in cabinets and countertops, and window  
174 treatments, including curtains, drapes, blinds, hardware, and

601-05035-09

2009714c2

175 similar window treatment components, or replacements of any of  
176 the foregoing which are located within the boundaries of the  
177 unit and serve only such unit. Such property and any insurance  
178 thereupon shall be the responsibility of the unit owner.

179 (g) A condominium unit owner's policy shall conform to the  
180 requirements of s. 627.714. Every hazard insurance policy issued  
181 or renewed on or after January 1, 2009, to an individual unit  
182 owner must contain a provision stating that the coverage  
183 afforded by such policy is excess coverage over the amount  
184 recoverable under any other policy covering the same property.  
185 Such policies must include special assessment coverage of no  
186 less than \$2,000 per occurrence. An insurance policy issued to  
187 an individual unit owner providing such coverage does not  
188 provide rights of subrogation against the condominium  
189 association operating the condominium in which such individual's  
190 unit is located.

191 1. All improvements or additions to the condominium  
192 property that benefit fewer than all unit owners shall be  
193 insured by the unit owner or owners having the use thereof, or  
194 may be insured by the association at the cost and expense of the  
195 unit owners having the use thereof.

196 2. The association shall require each owner to provide  
197 evidence of a currently effective policy of hazard and liability  
198 insurance upon request, but not more than once per year. Upon  
199 the failure of an owner to provide a certificate of insurance  
200 issued by an insurer approved to write such insurance in this  
201 state within 30 days after the date on which a written request  
202 is delivered, the association may purchase a policy of insurance  
203 on behalf of an owner. The cost of such a policy, together with

601-05035-09

2009714c2

204 ~~reconstruction costs undertaken by the association but which are~~  
205 ~~the responsibility of the unit owner, may be collected in the~~  
206 ~~manner provided for the collection of assessments in s. 718.116.~~

207 1.3. All reconstruction work after a property ~~casualty~~ loss  
208 shall be undertaken by the association except as otherwise  
209 authorized in this section. A unit owner may undertake  
210 reconstruction work on portions of the unit with the prior  
211 written consent of the board of administration. However, such  
212 work may be conditioned upon the approval of the repair methods,  
213 the qualifications of the proposed contractor, or the contract  
214 that is used for that purpose. A unit owner shall obtain all  
215 required governmental permits and approvals prior to commencing  
216 reconstruction.

217 2.4. Unit owners are responsible for the cost of  
218 reconstruction of any portions of the condominium property for  
219 which the unit owner is required to carry property ~~casualty~~  
220 insurance, and any such reconstruction work undertaken by the  
221 association shall be chargeable to the unit owner and  
222 enforceable as an assessment pursuant to s. 718.116. ~~The~~  
223 ~~association must be an additional named insured and loss payee~~  
224 ~~on all casualty insurance policies issued to unit owners in the~~  
225 ~~condominium operated by the association.~~

226 3.5. A multicondominium association may elect, by a  
227 majority vote of the collective members of the condominiums  
228 operated by the association, to operate such condominiums as a  
229 single condominium for purposes of insurance matters, including,  
230 but not limited to, the purchase of the property ~~hazard~~  
231 insurance required by this section and the apportionment of  
232 deductibles and damages in excess of coverage. The election to



601-05035-09

2009714c2

233 aggregate the treatment of insurance premiums, deductibles, and  
234 excess damages constitutes an amendment to the declaration of  
235 all condominiums operated by the association, and the costs of  
236 insurance shall be stated in the association budget. The  
237 amendments shall be recorded as required by s. 718.110.

238 (j) Any portion of the condominium property required to be  
239 insured by the association against property ~~casualty~~ loss  
240 pursuant to paragraph (f) which is damaged ~~by casualty~~ shall be  
241 reconstructed, repaired, or replaced as necessary by the  
242 association as a common expense. All property ~~hazard~~ insurance  
243 deductibles, uninsured losses, and other damages in excess of  
244 property ~~hazard~~ insurance coverage under the property ~~hazard~~  
245 insurance policies maintained by the association are a common  
246 expense of the condominium, except that:

247 1. A unit owner is responsible for the costs of repair or  
248 replacement of any portion of the condominium property not paid  
249 by insurance proceeds, if such damage is caused by intentional  
250 conduct, negligence, or failure to comply with the terms of the  
251 declaration or the rules of the association by a unit owner, the  
252 members of his or her family, unit occupants, tenants, guests,  
253 or invitees, without compromise of the subrogation rights of any  
254 insurer ~~as set forth in paragraph (g)~~.

255 2. The provisions of subparagraph 1. regarding the  
256 financial responsibility of a unit owner for the costs of  
257 repairing or replacing other portions of the condominium  
258 property also apply to the costs of repair or replacement of  
259 personal property of other unit owners or the association, as  
260 well as other property, whether real or personal, which the unit  
261 owners are required to insure ~~under paragraph (g)~~.

601-05035-09

2009714c2

262 3. To the extent the cost of repair or reconstruction for  
263 which the unit owner is responsible under this paragraph is  
264 reimbursed to the association by insurance proceeds, and, to the  
265 extent the association has collected the cost of such repair or  
266 reconstruction from the unit owner, the association shall  
267 reimburse the unit owner without the waiver of any rights of  
268 subrogation.

269 4. The association is not obligated to pay for repair or  
270 reconstruction or repairs of property ~~casualty~~ losses as a  
271 common expense if the property ~~casualty~~ losses were known or  
272 should have been known to a unit owner and were not reported to  
273 the association until after the insurance claim of the  
274 association for that property ~~casualty~~ was settled or resolved  
275 with finality, or denied on the basis that it was untimely  
276 filed.

277 (n) The association is not obligated to pay for any  
278 reconstruction or repair expenses due to property ~~casualty~~ loss  
279 to any improvements installed by a current or former owner of  
280 the unit or by the developer if the improvement benefits only  
281 the unit for which it was installed and is not part of the  
282 standard improvements installed by the developer on all units as  
283 part of original construction, whether or not such improvement  
284 is located within the unit. This paragraph does not relieve any  
285 party of its obligations regarding recovery due under any  
286 insurance implemented specifically for any such improvements.

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

289 718.112 Bylaws.—

290 (2) REQUIRED PROVISIONS.—The bylaws shall provide for the

601-05035-09

2009714c2

291 following and, if they do not do so, shall be deemed to include  
292 the following:

293 (b) *Quorum; voting requirements; proxies.*—

294 1. Unless a lower number is provided in the bylaws, the  
295 percentage of voting interests required to constitute a quorum  
296 at a meeting of the members shall be a majority of the voting  
297 interests. Unless otherwise provided in this chapter or in the  
298 declaration, articles of incorporation, or bylaws, and except as  
299 provided in sub-subparagraph ~~subparagraph~~ (d)3.a., decisions  
300 shall be made by owners of a majority of the voting interests  
301 represented at a meeting at which a quorum is present.

302 2. Except as specifically otherwise provided herein, after  
303 January 1, 1992, unit owners may not vote by general proxy, but  
304 may vote by limited proxies substantially conforming to a  
305 limited proxy form adopted by the division. No voting interest  
306 or consent right allocated to a unit owned by the association  
307 shall be exercised or considered for any purpose, whether for a  
308 quorum, an election, or otherwise. Limited proxies and general  
309 proxies may be used to establish a quorum. Limited proxies shall  
310 be used for votes taken to waive or reduce reserves in  
311 accordance with subparagraph (f)2.; for votes taken to waive the  
312 financial reporting requirements of s. 718.111(13); for votes  
313 taken to amend the declaration pursuant to s. 718.110; for votes  
314 taken to amend the articles of incorporation or bylaws pursuant  
315 to this section; and for any other matter for which this chapter  
316 requires or permits a vote of the unit owners. Except as  
317 provided in paragraph (d), after January 1, 1992, no proxy,  
318 limited or general, shall be used in the election of board  
319 members. General proxies may be used for other matters for which

601-05035-09

2009714c2

320 limited proxies are not required, and may also be used in voting  
321 for nonsubstantive changes to items for which a limited proxy is  
322 required and given. Notwithstanding the provisions of this  
323 subparagraph, unit owners may vote in person at unit owner  
324 meetings. Nothing contained herein shall limit the use of  
325 general proxies or require the use of limited proxies for any  
326 agenda item or election at any meeting of a timeshare  
327 condominium association.

328         3. Any proxy given shall be effective only for the specific  
329 meeting for which originally given and any lawfully adjourned  
330 meetings thereof. In no event shall any proxy be valid for a  
331 period longer than 90 days after the date of the first meeting  
332 for which it was given. Every proxy is revocable at any time at  
333 the pleasure of the unit owner executing it.

334         4. A member of the board of administration or a committee  
335 may submit in writing his or her agreement or disagreement with  
336 any action taken at a meeting that the member did not attend.  
337 This agreement or disagreement may not be used as a vote for or  
338 against the action taken and may not be used for the purposes of  
339 creating a quorum.

340         5. When any of the board or committee members meet by  
341 telephone conference, those board or committee members attending  
342 by telephone conference may be counted toward obtaining a quorum  
343 and may vote by telephone. A telephone speaker must be used so  
344 that the conversation of those board or committee members  
345 attending by telephone may be heard by the board or committee  
346 members attending in person as well as by any unit owners  
347 present at a meeting.

348         (d) *Unit owner meetings.*—

601-05035-09

2009714c2

349 1. There shall be an annual meeting of the unit owners held  
350 at the location provided in the association bylaws and, if the  
351 bylaws are silent as to the location, the meeting shall be held  
352 within 45 miles of the condominium property. However, such  
353 distance requirement does not apply to an association governing  
354 a timeshare condominium. Unless the bylaws provide otherwise, a  
355 vacancy on the board caused by the expiration of a director's  
356 term shall be filled by electing a new board member, and the  
357 election shall be by secret ballot; however, if the number of  
358 vacancies equals ~~or exceeds~~ the number of candidates, no  
359 election is required. The terms of all members of the board  
360 shall expire at the annual meeting and such board members may  
361 stand for reelection unless otherwise permitted by the bylaws.  
362 In the event that the bylaws permit staggered terms of no more  
363 than 2 years and upon approval of a majority of the total voting  
364 interests, the association board members may serve 2-year  
365 staggered terms. If the number ~~no person is interested in or~~  
366 ~~demonstrates an intention to run for the position~~ of a board  
367 ~~members member~~ whose terms have ~~term has~~ expired according to  
368 the provisions of this subparagraph exceeds the number of  
369 eligible members showing interest in or demonstrating an  
370 intention to run for the vacant positions, each such board  
371 member whose term has expired shall become eligible for  
372 reappointment ~~be automatically reappointed~~ to the board of  
373 administration and need not stand for reelection. In a  
374 condominium association of more than 10 units, coowners of a  
375 unit may not serve as members of the board of directors at the  
376 same time unless they own more than one unit and are not co-  
377 occupants of a unit. Any unit owner desiring to be a candidate

601-05035-09

2009714c2

378 for board membership shall comply with sub-subparagraph  
379 ~~subparagraph~~ 3.a. A person who has been suspended or removed by  
380 the division under this chapter, or who is delinquent in the  
381 payment of any fee, fine, or special or regular assessment as  
382 provided in paragraph (n), is not eligible for board membership.  
383 A person who has been convicted of any felony in this state or  
384 in a United States District or Territorial Court, or who has  
385 been convicted of any offense in another jurisdiction that would  
386 be considered a felony if committed in this state, is not  
387 eligible for board membership unless such felon's civil rights  
388 have been restored for a period of no less than 5 years as of  
389 the date on which such person seeks election to the board. The  
390 validity of an action by the board is not affected if it is  
391 later determined that a member of the board is ineligible for  
392 board membership due to having been convicted of a felony.

393 2. The bylaws shall provide the method of calling meetings  
394 of unit owners, including annual meetings. Written notice, which  
395 notice must include an agenda, shall be mailed, hand delivered,  
396 or electronically transmitted to each unit owner at least 14  
397 days prior to the annual meeting and shall be posted in a  
398 conspicuous place on the condominium property at least 14  
399 continuous days preceding the annual meeting. Upon notice to the  
400 unit owners, the board shall by duly adopted rule designate a  
401 specific location on the condominium property or association  
402 property upon which all notices of unit owner meetings shall be  
403 posted; however, if there is no condominium property or  
404 association property upon which notices can be posted, this  
405 requirement does not apply. In lieu of or in addition to the  
406 physical posting of notice of any meeting of the unit owners on

601-05035-09

2009714c2

407 the condominium property, the association may, by reasonable  
408 rule, adopt a procedure for conspicuously posting and repeatedly  
409 broadcasting the notice and the agenda on a closed-circuit cable  
410 television system serving the condominium association. However,  
411 if broadcast notice is used in lieu of a notice posted  
412 physically on the condominium property, the notice and agenda  
413 must be broadcast at least four times every broadcast hour of  
414 each day that a posted notice is otherwise required under this  
415 section. When broadcast notice is provided, the notice and  
416 agenda must be broadcast in a manner and for a sufficient  
417 continuous length of time so as to allow an average reader to  
418 observe the notice and read and comprehend the entire content of  
419 the notice and the agenda. Unless a unit owner waives in writing  
420 the right to receive notice of the annual meeting, such notice  
421 shall be hand delivered, mailed, or electronically transmitted  
422 to each unit owner. Notice for meetings and notice for all other  
423 purposes shall be mailed to each unit owner at the address last  
424 furnished to the association by the unit owner, or hand  
425 delivered to each unit owner. However, if a unit is owned by  
426 more than one person, the association shall provide notice, for  
427 meetings and all other purposes, to that one address which the  
428 developer initially identifies for that purpose and thereafter  
429 as one or more of the owners of the unit shall so advise the  
430 association in writing, or if no address is given or the owners  
431 of the unit do not agree, to the address provided on the deed of  
432 record. An officer of the association, or the manager or other  
433 person providing notice of the association meeting, shall  
434 provide an affidavit or United States Postal Service certificate  
435 of mailing, to be included in the official records of the

601-05035-09

2009714c2

436 association affirming that the notice was mailed or hand  
437 delivered, in accordance with this provision.

438       3.a. The members of the board shall be elected by written  
439 ballot or voting machine. Proxies shall in no event be used in  
440 electing the board, either in general elections or elections to  
441 fill vacancies caused by recall, resignation, or otherwise,  
442 unless otherwise provided in this chapter. Not less than 60 days  
443 before a scheduled election, the association shall mail,  
444 deliver, or electronically transmit, whether by separate  
445 association mailing or included in another association mailing,  
446 delivery, or transmission, including regularly published  
447 newsletters, to each unit owner entitled to a vote, a first  
448 notice of the date of the election ~~along with a certification~~  
449 ~~form provided by the division attesting that he or she has read~~  
450 ~~and understands, to the best of his or her ability, the~~  
451 ~~governing documents of the association and the provisions of~~  
452 ~~this chapter and any applicable rules.~~ Any unit owner or other  
453 eligible person desiring to be a candidate for the board must  
454 give written notice of intent to be a candidate to the  
455 association not less than 40 days before a scheduled election.  
456 Together with the written notice and agenda as set forth in  
457 subparagraph 2., the association shall mail, deliver, or  
458 electronically transmit a second notice of the election to all  
459 unit owners entitled to vote therein, together with a ballot  
460 which shall list all candidates. Upon request of a candidate,  
461 ~~the association shall include~~ an information sheet, no larger  
462 than 8 1/2 inches by 11 inches, which must be furnished by the  
463 candidate not less than 35 days before the election, shall ~~along~~  
464 ~~with the signed certification form provided for in this~~



601-05035-09

2009714c2

465 ~~subparagraph, to~~ be included with the mailing, delivery, or  
466 transmission of the ballot, with the costs of mailing, delivery,  
467 or electronic transmission and copying to be borne by the  
468 association. The association is not liable for the contents of  
469 the information sheets prepared by the candidates. In order to  
470 reduce costs, the association may print or duplicate the  
471 information sheets on both sides of the paper. The division  
472 shall by rule establish voting procedures consistent with the  
473 provisions contained herein, including rules establishing  
474 procedures for giving notice by electronic transmission and  
475 rules providing for the secrecy of ballots. Elections shall be  
476 decided by a plurality of those ballots cast. There shall be no  
477 quorum requirement; however, at least 20 percent of the eligible  
478 voters must cast a ballot in order to have a valid election of  
479 members of the board. No unit owner shall permit any other  
480 person to vote his or her ballot, and any such ballots  
481 improperly cast shall be deemed invalid, provided any unit owner  
482 who violates this provision may be fined by the association in  
483 accordance with s. 718.303. A unit owner who needs assistance in  
484 casting the ballot for the reasons stated in s. 101.051 may  
485 obtain assistance in casting the ballot. The regular election  
486 shall occur on the date of the annual meeting. The provisions of  
487 this sub-subparagraph ~~subparagraph~~ shall not apply to timeshare  
488 condominium associations. Notwithstanding the provisions of this  
489 sub-subparagraph ~~subparagraph~~, an election is not required  
490 unless more candidates file notices of intent to run or are  
491 nominated than board vacancies exist.

492 b. Within 90 days after being elected to the board, each  
493 newly elected director shall certify in writing to the secretary

601-05035-09

2009714c2

494 of the association that he or she has read the association's  
495 declarations of covenants and restrictions, articles of  
496 incorporation, bylaws, and current written policies; that he or  
497 she will work to uphold such documents and policies to the best  
498 of his or her ability; and that he or she will faithfully  
499 discharge his or her fiduciary responsibility to the  
500 association's members. In lieu of this written certification,  
501 the newly elected director may submit a certificate of  
502 satisfactory completion of the educational curriculum  
503 administered by a division-approved condominium education  
504 provider. Failure to timely file the written certification or  
505 educational certificate automatically disqualifies the director  
506 from service on the board. The secretary shall cause the  
507 association to retain a director's written certification or  
508 educational certificate for inspection by the members for 5  
509 years after a director's election. Failure to have such written  
510 certification or educational certificate on file does not affect  
511 the validity of any appropriate action.

512 4. Any approval by unit owners called for by this chapter  
513 or the applicable declaration or bylaws, including, but not  
514 limited to, the approval requirement in s. 718.111(8), shall be  
515 made at a duly noticed meeting of unit owners and shall be  
516 subject to all requirements of this chapter or the applicable  
517 condominium documents relating to unit owner decisionmaking,  
518 except that unit owners may take action by written agreement,  
519 without meetings, on matters for which action by written  
520 agreement without meetings is expressly allowed by the  
521 applicable bylaws or declaration or any statute that provides  
522 for such action.

601-05035-09

2009714c2

523           5. Unit owners may waive notice of specific meetings if  
524 allowed by the applicable bylaws or declaration or any statute.  
525 If authorized by the bylaws, notice of meetings of the board of  
526 administration, unit owner meetings, except unit owner meetings  
527 called to recall board members under paragraph (j), and  
528 committee meetings may be given by electronic transmission to  
529 unit owners who consent to receive notice by electronic  
530 transmission.

531           6. Unit owners shall have the right to participate in  
532 meetings of unit owners with reference to all designated agenda  
533 items. However, the association may adopt reasonable rules  
534 governing the frequency, duration, and manner of unit owner  
535 participation.

536           7. Any unit owner may tape record or videotape a meeting of  
537 the unit owners subject to reasonable rules adopted by the  
538 division.

539           8. Unless otherwise provided in the bylaws, any vacancy  
540 occurring on the board before the expiration of a term may be  
541 filled by the affirmative vote of the majority of the remaining  
542 directors, even if the remaining directors constitute less than  
543 a quorum, or by the sole remaining director. In the alternative,  
544 a board may hold an election to fill the vacancy, in which case  
545 the election procedures must conform to the requirements of sub-  
546 subparagraph ~~subparagraph~~ 3.a. unless the association governs 10  
547 units or fewer ~~less~~ and has opted out of the statutory election  
548 process, in which case the bylaws of the association control.  
549 Unless otherwise provided in the bylaws, a board member  
550 appointed or elected under this section shall fill the vacancy  
551 for the unexpired term of the seat being filled. Filling

601-05035-09

2009714c2

552 vacancies created by recall is governed by paragraph (j) and  
553 rules adopted by the division.

554

555 Notwithstanding subparagraph ~~subparagraphs~~ (b)2. and sub-  
556 subparagraph (d)3.a., an association of 10 or fewer units may,  
557 by the affirmative vote of a majority of the total voting  
558 interests, provide for different voting and election procedures  
559 in its bylaws, which vote may be by a proxy specifically  
560 delineating the different voting and election procedures. The  
561 different voting and election procedures may provide for  
562 elections to be conducted by limited or general proxy.

563 (1) *Certificate of compliance.*—There shall be a provision  
564 that a certificate of compliance from a licensed electrical  
565 contractor or electrician may be accepted by the association's  
566 board as evidence of compliance of the condominium units with  
567 the applicable fire and life safety code. Notwithstanding the  
568 provisions of chapter 633 or of any other code, statute,  
569 ordinance, administrative rule, or regulation, or any  
570 interpretation of the foregoing, an association, condominium, or  
571 unit owner is not obligated to retrofit the common elements or  
572 units of a residential condominium with a fire sprinkler system  
573 or other engineered lifesafety system in a building that has  
574 been certified for occupancy by the applicable governmental  
575 entity, if the unit owners have voted to forego such  
576 retrofitting and engineered lifesafety system by the affirmative  
577 vote of two-thirds of all voting interests in the affected  
578 condominium. However, a condominium association may not vote to  
579 forego the retrofitting with a fire sprinkler system of common  
580 areas in a high-rise building. For purposes of this subsection,

601-05035-09

2009714c2

581 the term "high-rise building" means a building that is greater  
582 than 75 feet in height where the building height is measured  
583 from the lowest level of fire department access to the floor of  
584 the highest occupiable story. For purposes of this subsection,  
585 the term "common areas" means any enclosed hallway, corridor,  
586 lobby, stairwell, or entryway. In no event shall the local  
587 authority having jurisdiction require completion of retrofitting  
588 of common areas with a sprinkler system before the end of 2025  
589 ~~2014~~.

590 1. A vote to forego retrofitting may be obtained by limited  
591 proxy or by a ballot personally cast at a duly called membership  
592 meeting, or by execution of a written consent by the member, and  
593 shall be effective upon the recording of a certificate attesting  
594 to such vote in the public records of the county where the  
595 condominium is located. The association shall mail, hand  
596 deliver, or electronically transmit to each unit owner written  
597 notice at least 14 days prior to such membership meeting in  
598 which the vote to forego retrofitting of the required fire  
599 sprinkler system is to take place. Within 30 days after the  
600 association's opt-out vote, notice of the results of the opt-out  
601 vote shall be mailed, hand delivered, or electronically  
602 transmitted to all unit owners. Evidence of compliance with this  
603 30-day notice shall be made by an affidavit executed by the  
604 person providing the notice and filed among the official records  
605 of the association. After such notice is provided to each owner,  
606 a copy of such notice shall be provided by the current owner to  
607 a new owner prior to closing and shall be provided by a unit  
608 owner to a renter prior to signing a lease.

609 2. As part of the information collected annually from

601-05035-09

2009714c2

610 condominiums, the division shall require condominium  
611 associations to report the membership vote and recording of a  
612 certificate under this subsection and, if retrofitting has been  
613 undertaken, the per-unit cost of such work. The division shall  
614 annually report to the Division of State Fire Marshal of the  
615 Department of Financial Services the number of condominiums that  
616 have elected to forego retrofitting.

617 (n) *Director or officer delinquencies.*—A director or  
618 officer more than 90 days delinquent in the payment of any fee,  
619 fine, or regular or special assessments shall be deemed to have  
620 abandoned the office, creating a vacancy in the office to be  
621 filled according to law.

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

623