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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     633.0215, F.S.; providing an exemption for certain  
9     condominiums from installing a manual fire alarm  
10    system as required in the Life Safety Code if certain  
11    conditions are met; amending s. 718.111, F.S.;  
12    requiring that adequate property insurance be based  
13    upon the replacement cost of the property to be  
14    insured as determined by an independent appraisal or  
15    update of a prior appraisal; requiring that such  
16    replacement cost be determined at least once within a  
17    specified period; providing means by which an  
18    association may provide adequate property insurance;  
19    providing that certain property insurance policies or  
20    programs are not subject to review and approval by the  
21    Office of Insurance Regulation; prohibiting such  
22    coverage or program from existing beyond a specified  
23    date; authorizing an association to consider  
24    deductibles when determining an adequate amount of  
25    property insurance; providing that failure to maintain  
26    adequate property insurance constitutes a breach of  
27    fiduciary duty by the members of the board of  
28    directors of an association; revising the procedures  
29    for the board to establish the amount of deductibles;

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30 requiring that an association controlled by unit  
31 owners operating as a residential condominium use its  
32 best efforts to obtain and maintain adequate property  
33 insurance to protect the association and certain  
34 property; requiring that every property insurance  
35 policy issued or renewed on or after a specified date  
36 provide certain coverage; excluding certain items from  
37 such requirement; providing that excluded items and  
38 any insurance thereupon are the responsibility of the  
39 unit owner; requiring that condominium unit owner's  
40 policies conform to certain provisions of state law;  
41 deleting provisions relating to certain hazard and  
42 casualty insurance policies; conforming provisions to  
43 changes made by the act; amending s. 718.112, F.S.;  
44 conforming cross-references; revising requirements for  
45 the reappointment of certain board members; revising  
46 board eligibility requirements; revising notice  
47 requirements for board candidates; establishing  
48 requirements for newly elected board members;  
49 extending the period during which condominium common  
50 areas do not have to be retrofitted with sprinkler  
51 systems; providing that certain directors and officers  
52 delinquent in the payment of any fee, fine, or regular  
53 or special assessments shall be deemed to have  
54 abandoned their office; repealing s. 553.509(2), F.S.,  
55 relating to the requirement that certain residential  
56 family dwellings have at least one public elevator  
57 that is capable of operating on an alternate power  
58 source for emergency purposes; providing an effective

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59 date.

60  
61 Be It Enacted by the Legislature of the State of Florida:

62  
63 Section 1. Section 627.714, Florida Statutes, is created to  
64 read:

65 627.714 Residential condominium unit owner coverage; loss  
66 assessment coverage required; excess coverage provision  
67 required.—For policies issued or renewed on or after July 1,  
68 2009, coverage under a unit owner's residential property policy  
69 shall include property loss assessment coverage of at least  
70 \$2,000 for all assessments made as a result of the same direct  
71 loss to the property, regardless of the number of assessments,  
72 owned by all members of the association collectively when such  
73 loss is of the type of loss covered by the unit owner's  
74 residential property insurance policy, to which a deductible  
75 shall apply of no more than \$250 per direct property loss. If a  
76 deductible was or will be applied to other property loss  
77 sustained by the unit owner resulting from the same direct loss  
78 to the property, no deductible shall apply to the loss  
79 assessment coverage. Every individual unit owner's residential  
80 property policy must contain a provision stating that the  
81 coverage afforded by such policy is excess coverage over the  
82 amount recoverable under any other policy covering the same  
83 property.

84 Section 2. Subsection (13) is added to section 633.0215,  
85 Florida Statutes, to read:

86 633.0215 Florida Fire Prevention Code.—

87 (13) A condominium that is one or two stories in height and

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88 has an exterior means of egress corridor is exempt from  
89 installing a manual fire alarm system as required in s. 9.6 of  
90 the most recent edition of the Life Safety Code adopted in the  
91 Florida Fire Prevention Code.

92 Section 3. Paragraphs (a), (b), (c), (d), (f), (g), (j),  
93 and (n) of subsection (11) of section 718.111, Florida Statutes,  
94 are amended to read:

95 718.111 The association.—

96 (11) INSURANCE.—In order to protect the safety, health, and  
97 welfare of the people of the State of Florida and to ensure  
98 consistency in the provision of insurance coverage to  
99 condominiums and their unit owners, this subsection applies to  
100 every residential condominium in the state, regardless of the  
101 date of its declaration of condominium. It is the intent of the  
102 Legislature to encourage lower or stable insurance premiums for  
103 associations described in this subsection.

104 (a) Adequate property hazard insurance, regardless of any  
105 requirement in the declaration of condominium for coverage by  
106 the association for full insurable value, replacement cost, or  
107 similar coverage, shall be based upon the replacement cost of  
108 the property to be insured as determined by an independent  
109 insurance appraisal or update of a prior appraisal. The  
110 replacement cost ~~full insurable value~~ shall be determined at  
111 least once every 36 months.

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

115 2. The association may also provide adequate property  
116 ~~hazard~~ insurance coverage for a group of no fewer than three

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117 communities created and operating under this chapter, chapter  
118 719, chapter 720, or chapter 721 by obtaining and maintaining  
119 for such communities insurance coverage sufficient to cover an  
120 amount equal to the probable maximum loss for the communities  
121 for a 250-year windstorm event. Such probable maximum loss must  
122 be determined through the use of a competent model that has been  
123 accepted by the Florida Commission on Hurricane Loss Projection  
124 Methodology. No policy or program providing such coverage shall  
125 be issued or renewed after July 1, 2008, unless it has been  
126 reviewed and approved by the Office of Insurance Regulation. The  
127 review and approval shall include approval of the policy and  
128 related forms pursuant to ss. 627.410 and 627.411, approval of  
129 the rates pursuant to s. 627.062, a determination that the loss  
130 model approved by the commission was accurately and  
131 appropriately applied to the insured structures to determine the  
132 250-year probable maximum loss, and a determination that  
133 complete and accurate disclosure of all material provisions is  
134 provided to condominium unit owners prior to execution of the  
135 agreement by a condominium association. A property insurance  
136 policy or program originally issued before January 1, 2000,  
137 which has provided uninterrupted property insurance coverage and  
138 provided coverage for a group of no fewer than three communities  
139 is not subject to review and approval by the Office of Insurance  
140 Regulation until renewed after July 1, 2009. Such coverage or  
141 program may not exist beyond July 1, 2010.

142 3. When determining the adequate amount of property hazard  
143 insurance coverage, the association may consider deductibles as  
144 determined by this subsection.

145 (b) If an association is a developer-controlled

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146 association, the association shall exercise its best efforts to  
147 obtain and maintain insurance as described in paragraph (a).  
148 Failure to obtain and maintain adequate property hazard  
149 insurance during any period of developer control constitutes a  
150 breach of fiduciary responsibility by the developer-appointed  
151 members of the board of directors of the association, unless the  
152 members can show that despite such failure, they have made their  
153 best efforts to maintain the required coverage.

154 (c) Policies may include deductibles as determined by the  
155 board.

156 1. The deductibles shall be consistent with industry  
157 standards and prevailing practice for communities of similar  
158 size and age, and having similar construction and facilities in  
159 the locale where the condominium property is situated.

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

163 3. The board shall establish the amount of deductibles  
164 based upon the level of available funds and predetermined  
165 assessment authority at a meeting of the board. ~~Such meeting~~  
166 ~~shall be open to all unit owners in the manner set forth in s.~~  
167 ~~718.112 (2) (e). The notice of such meeting must state the~~  
168 ~~proposed deductible and the available funds and the assessment~~  
169 ~~authority relied upon by the board and estimate any potential~~  
170 ~~assessment amount against each unit, if any. The meeting~~  
171 ~~described in this paragraph may be held in conjunction with a~~  
172 ~~meeting to consider the proposed budget or an amendment thereto.~~

173 (d) An association controlled by unit owners operating as a  
174 residential condominium shall use its best efforts to obtain and

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175 maintain adequate property insurance to protect the association,  
176 the association property, the common elements, and the  
177 condominium property that is required to be insured by the  
178 association pursuant to this subsection.

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

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

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

187 3. The coverage shall exclude all personal property within the  
188 unit or limited common elements, and floor, wall, and ceiling  
189 coverings, electrical fixtures, appliances, water heaters, water  
190 filters, built-in cabinets and countertops, and window  
191 treatments, including curtains, drapes, blinds, hardware, and  
192 similar window treatment components, or replacements of any of  
193 the foregoing which are located within the boundaries of the  
194 unit and serve only such unit. Such property and any insurance  
195 thereupon shall be the responsibility of the unit owner.

196 (g) A condominium unit owner's policy shall conform to the  
197 requirements of s. 627.714. ~~Every hazard insurance policy issued~~  
198 ~~or renewed on or after January 1, 2009, to an individual unit~~  
199 ~~owner must contain a provision stating that the coverage~~  
200 ~~afforded by such policy is excess coverage over the amount~~  
201 ~~recoverable under any other policy covering the same property.~~  
202 ~~Such policies must include special assessment coverage of no~~  
203 ~~less than \$2,000 per occurrence. An insurance policy issued to~~

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204 ~~an individual unit owner providing such coverage does not~~  
205 ~~provide rights of subrogation against the condominium~~  
206 ~~association operating the condominium in which such individual's~~  
207 ~~unit is located.~~

208 ~~1. All improvements or additions to the condominium~~  
209 ~~property that benefit fewer than all unit owners shall be~~  
210 ~~insured by the unit owner or owners having the use thereof, or~~  
211 ~~may be insured by the association at the cost and expense of the~~  
212 ~~unit owners having the use thereof.~~

213 ~~2. The association shall require each owner to provide~~  
214 ~~evidence of a currently effective policy of hazard and liability~~  
215 ~~insurance upon request, but not more than once per year. Upon~~  
216 ~~the failure of an owner to provide a certificate of insurance~~  
217 ~~issued by an insurer approved to write such insurance in this~~  
218 ~~state within 30 days after the date on which a written request~~  
219 ~~is delivered, the association may purchase a policy of insurance~~  
220 ~~on behalf of an owner. The cost of such a policy, together with~~  
221 ~~reconstruction costs undertaken by the association but which are~~  
222 ~~the responsibility of the unit owner, may be collected in the~~  
223 ~~manner provided for the collection of assessments in s. 718.116.~~

224 ~~1.3.~~ All reconstruction work after a property ~~casualty~~ loss  
225 shall be undertaken by the association except as otherwise  
226 authorized in this section. A unit owner may undertake  
227 reconstruction work on portions of the unit with the prior  
228 written consent of the board of administration. However, such  
229 work may be conditioned upon the approval of the repair methods,  
230 the qualifications of the proposed contractor, or the contract  
231 that is used for that purpose. A unit owner shall obtain all  
232 required governmental permits and approvals prior to commencing



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233 reconstruction.

234 ~~2.4.~~ Unit owners are responsible for the cost of  
235 reconstruction of any portions of the condominium property for  
236 which the unit owner is required to carry property ~~casualty~~  
237 insurance, and any such reconstruction work undertaken by the  
238 association shall be chargeable to the unit owner and  
239 enforceable as an assessment pursuant to s. 718.116. ~~The~~  
240 ~~association must be an additional named insured and loss payee~~  
241 ~~on all casualty insurance policies issued to unit owners in the~~  
242 ~~condominium operated by the association.~~

243 ~~3.5.~~ A multicondominium association may elect, by a  
244 majority vote of the collective members of the condominiums  
245 operated by the association, to operate such condominiums as a  
246 single condominium for purposes of insurance matters, including,  
247 but not limited to, the purchase of the property ~~hazard~~  
248 insurance required by this section and the apportionment of  
249 deductibles and damages in excess of coverage. The election to  
250 aggregate the treatment of insurance premiums, deductibles, and  
251 excess damages constitutes an amendment to the declaration of  
252 all condominiums operated by the association, and the costs of  
253 insurance shall be stated in the association budget. The  
254 amendments shall be recorded as required by s. 718.110.

255 (j) Any portion of the condominium property required to be  
256 insured by the association against property ~~casualty~~ loss  
257 pursuant to paragraph (f) which is damaged ~~by casualty~~ shall be  
258 reconstructed, repaired, or replaced as necessary by the  
259 association as a common expense. All property ~~hazard~~ insurance  
260 deductibles, uninsured losses, and other damages in excess of  
261 property ~~hazard~~ insurance coverage under the property ~~hazard~~

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262 insurance policies maintained by the association are a common  
263 expense of the condominium, except that:

264 1. A unit owner is responsible for the costs of repair or  
265 replacement of any portion of the condominium property not paid  
266 by insurance proceeds, if such damage is caused by intentional  
267 conduct, negligence, or failure to comply with the terms of the  
268 declaration or the rules of the association by a unit owner, the  
269 members of his or her family, unit occupants, tenants, guests,  
270 or invitees, without compromise of the subrogation rights of any  
271 insurer ~~as set forth in paragraph (g)~~.

272 2. The provisions of subparagraph 1. regarding the  
273 financial responsibility of a unit owner for the costs of  
274 repairing or replacing other portions of the condominium  
275 property also apply to the costs of repair or replacement of  
276 personal property of other unit owners or the association, as  
277 well as other property, whether real or personal, which the unit  
278 owners are required to insure ~~under paragraph (g)~~.

279 3. To the extent the cost of repair or reconstruction for  
280 which the unit owner is responsible under this paragraph is  
281 reimbursed to the association by insurance proceeds, and, to the  
282 extent the association has collected the cost of such repair or  
283 reconstruction from the unit owner, the association shall  
284 reimburse the unit owner without the waiver of any rights of  
285 subrogation.

286 4. The association is not obligated to pay for repair or  
287 reconstruction or repairs of property ~~casualty~~ losses as a  
288 common expense if the property ~~casualty~~ losses were known or  
289 should have been known to a unit owner and were not reported to  
290 the association until after the insurance claim of the

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291 association for that property ~~casualty~~ was settled or resolved  
292 with finality, or denied on the basis that it was untimely  
293 filed.

294 (n) The association is not obligated to pay for any  
295 reconstruction or repair expenses due to property ~~casualty~~ loss  
296 to any improvements installed by a current or former owner of  
297 the unit or by the developer if the improvement benefits only  
298 the unit for which it was installed and is not part of the  
299 standard improvements installed by the developer on all units as  
300 part of original construction, whether or not such improvement  
301 is located within the unit. This paragraph does not relieve any  
302 party of its obligations regarding recovery due under any  
303 insurance implemented specifically for any such improvements.

304 Section 4. Paragraphs (b), (d), (l), and (n) of subsection  
305 (2) of section 718.112, Florida Statutes, are amended to read:

306 718.112 Bylaws.—

307 (2) REQUIRED PROVISIONS.—The bylaws shall provide for the  
308 following and, if they do not do so, shall be deemed to include  
309 the following:

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

311 1. Unless a lower number is provided in the bylaws, the  
312 percentage of voting interests required to constitute a quorum  
313 at a meeting of the members shall be a majority of the voting  
314 interests. Unless otherwise provided in this chapter or in the  
315 declaration, articles of incorporation, or bylaws, and except as  
316 provided in sub-subparagraph ~~subparagraph~~ (d)3.a., decisions  
317 shall be made by owners of a majority of the voting interests  
318 represented at a meeting at which a quorum is present.

319 2. Except as specifically otherwise provided herein, after

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320 January 1, 1992, unit owners may not vote by general proxy, but  
321 may vote by limited proxies substantially conforming to a  
322 limited proxy form adopted by the division. No voting interest  
323 or consent right allocated to a unit owned by the association  
324 shall be exercised or considered for any purpose, whether for a  
325 quorum, an election, or otherwise. Limited proxies and general  
326 proxies may be used to establish a quorum. Limited proxies shall  
327 be used for votes taken to waive or reduce reserves in  
328 accordance with subparagraph (f)2.; for votes taken to waive the  
329 financial reporting requirements of s. 718.111(13); for votes  
330 taken to amend the declaration pursuant to s. 718.110; for votes  
331 taken to amend the articles of incorporation or bylaws pursuant  
332 to this section; and for any other matter for which this chapter  
333 requires or permits a vote of the unit owners. Except as  
334 provided in paragraph (d), after January 1, 1992, no proxy,  
335 limited or general, shall be used in the election of board  
336 members. General proxies may be used for other matters for which  
337 limited proxies are not required, and may also be used in voting  
338 for nonsubstantive changes to items for which a limited proxy is  
339 required and given. Notwithstanding the provisions of this  
340 subparagraph, unit owners may vote in person at unit owner  
341 meetings. Nothing contained herein shall limit the use of  
342 general proxies or require the use of limited proxies for any  
343 agenda item or election at any meeting of a timeshare  
344 condominium association.

345 3. Any proxy given shall be effective only for the specific  
346 meeting for which originally given and any lawfully adjourned  
347 meetings thereof. In no event shall any proxy be valid for a  
348 period longer than 90 days after the date of the first meeting

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349 for which it was given. Every proxy is revocable at any time at  
350 the pleasure of the unit owner executing it.

351 4. A member of the board of administration or a committee  
352 may submit in writing his or her agreement or disagreement with  
353 any action taken at a meeting that the member did not attend.  
354 This agreement or disagreement may not be used as a vote for or  
355 against the action taken and may not be used for the purposes of  
356 creating a quorum.

357 5. When any of the board or committee members meet by  
358 telephone conference, those board or committee members attending  
359 by telephone conference may be counted toward obtaining a quorum  
360 and may vote by telephone. A telephone speaker must be used so  
361 that the conversation of those board or committee members  
362 attending by telephone may be heard by the board or committee  
363 members attending in person as well as by any unit owners  
364 present at a meeting.

365 (d) *Unit owner meetings.*—

366 1. There shall be an annual meeting of the unit owners held  
367 at the location provided in the association bylaws and, if the  
368 bylaws are silent as to the location, the meeting shall be held  
369 within 45 miles of the condominium property. However, such  
370 distance requirement does not apply to an association governing  
371 a timeshare condominium. Unless the bylaws provide otherwise, a  
372 vacancy on the board caused by the expiration of a director's  
373 term shall be filled by electing a new board member, and the  
374 election shall be by secret ballot; however, if the number of  
375 vacancies equals ~~or exceeds~~ the number of candidates, no  
376 election is required. Except in a timeshare condominium, the  
377 terms of all members of the board shall expire at the annual

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378 meeting and such board members may stand for reelection unless  
379 otherwise permitted by the bylaws. In the event that the bylaws  
380 permit staggered terms of no more than 2 years and upon approval  
381 of a majority of the total voting interests, the association  
382 board members may serve 2-year staggered terms. If the number ~~no~~  
383 ~~person is interested in or demonstrates an intention to run for~~  
384 ~~the position of a board~~ members ~~member~~ whose terms have ~~term has~~  
385 expired according to the provisions of this subparagraph exceeds  
386 the number of eligible members showing interest in or  
387 demonstrating an intention to run for the vacant positions, each  
388 ~~such~~ board member whose term has expired shall become eligible  
389 for reappointment ~~be automatically reappointed~~ to the board of  
390 administration and need not stand for reelection. In a  
391 condominium association of more than 10 units or in a  
392 condominium association that does not include timeshare units,  
393 coowners of a unit may not serve as members of the board of  
394 directors at the same time unless they own more than one unit  
395 and are not co-occupants of a unit. Any unit owner desiring to  
396 be a candidate for board membership shall comply with sub-  
397 subparagraph ~~subparagraph~~ 3.a. A person who has been suspended  
398 or removed by the division under this chapter, or who is  
399 delinquent in the payment of any fee, fine, or special or  
400 regular assessment as provided in paragraph (n), is not eligible  
401 for board membership. A person who has been convicted of any  
402 felony in this state or in a United States District or  
403 Territorial Court, or who has been convicted of any offense in  
404 another jurisdiction that would be considered a felony if  
405 committed in this state, is not eligible for board membership  
406 unless such felon's civil rights have been restored for a period

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407 of no less than 5 years as of the date on which such person  
408 seeks election to the board. The validity of an action by the  
409 board is not affected if it is later determined that a member of  
410 the board is ineligible for board membership due to having been  
411 convicted of a felony.

412 2. The bylaws shall provide the method of calling meetings  
413 of unit owners, including annual meetings. Written notice, which  
414 notice must include an agenda, shall be mailed, hand delivered,  
415 or electronically transmitted to each unit owner at least 14  
416 days prior to the annual meeting and shall be posted in a  
417 conspicuous place on the condominium property at least 14  
418 continuous days preceding the annual meeting. Upon notice to the  
419 unit owners, the board shall by duly adopted rule designate a  
420 specific location on the condominium property or association  
421 property upon which all notices of unit owner meetings shall be  
422 posted; however, if there is no condominium property or  
423 association property upon which notices can be posted, this  
424 requirement does not apply. In lieu of or in addition to the  
425 physical posting of notice of any meeting of the unit owners on  
426 the condominium property, the association may, by reasonable  
427 rule, adopt a procedure for conspicuously posting and repeatedly  
428 broadcasting the notice and the agenda on a closed-circuit cable  
429 television system serving the condominium association. However,  
430 if broadcast notice is used in lieu of a notice posted  
431 physically on the condominium property, the notice and agenda  
432 must be broadcast at least four times every broadcast hour of  
433 each day that a posted notice is otherwise required under this  
434 section. When broadcast notice is provided, the notice and  
435 agenda must be broadcast in a manner and for a sufficient

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436 continuous length of time so as to allow an average reader to  
437 observe the notice and read and comprehend the entire content of  
438 the notice and the agenda. Unless a unit owner waives in writing  
439 the right to receive notice of the annual meeting, such notice  
440 shall be hand delivered, mailed, or electronically transmitted  
441 to each unit owner. Notice for meetings and notice for all other  
442 purposes shall be mailed to each unit owner at the address last  
443 furnished to the association by the unit owner, or hand  
444 delivered to each unit owner. However, if a unit is owned by  
445 more than one person, the association shall provide notice, for  
446 meetings and all other purposes, to that one address which the  
447 developer initially identifies for that purpose and thereafter  
448 as one or more of the owners of the unit shall so advise the  
449 association in writing, or if no address is given or the owners  
450 of the unit do not agree, to the address provided on the deed of  
451 record. An officer of the association, or the manager or other  
452 person providing notice of the association meeting, shall  
453 provide an affidavit or United States Postal Service certificate  
454 of mailing, to be included in the official records of the  
455 association affirming that the notice was mailed or hand  
456 delivered, in accordance with this provision.

457       3.a. The members of the board shall be elected by written  
458 ballot or voting machine. Proxies shall in no event be used in  
459 electing the board, either in general elections or elections to  
460 fill vacancies caused by recall, resignation, or otherwise,  
461 unless otherwise provided in this chapter. Not less than 60 days  
462 before a scheduled election, the association shall mail,  
463 deliver, or electronically transmit, whether by separate  
464 association mailing or included in another association mailing,



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465 delivery, or transmission, including regularly published  
466 newsletters, to each unit owner entitled to a vote, a first  
467 notice of the date of the election ~~along with a certification~~  
468 ~~form provided by the division attesting that he or she has read~~  
469 ~~and understands, to the best of his or her ability, the~~  
470 ~~governing documents of the association and the provisions of~~  
471 ~~this chapter and any applicable rules.~~ Any unit owner or other  
472 eligible person desiring to be a candidate for the board must  
473 give written notice of intent to be a candidate to the  
474 association not less than 40 days before a scheduled election.  
475 Together with the written notice and agenda as set forth in  
476 subparagraph 2., the association shall mail, deliver, or  
477 electronically transmit a second notice of the election to all  
478 unit owners entitled to vote therein, together with a ballot  
479 which shall list all candidates. Upon request of a candidate,  
480 ~~the association shall include~~ an information sheet, no larger  
481 than 8 1/2 inches by 11 inches, which must be furnished by the  
482 candidate not less than 35 days before the election, shall ~~along~~  
483 ~~with the signed certification form provided for in this~~  
484 ~~subparagraph,~~ to be included with the mailing, delivery, or  
485 transmission of the ballot, with the costs of mailing, delivery,  
486 or electronic transmission and copying to be borne by the  
487 association. The association is not liable for the contents of  
488 the information sheets prepared by the candidates. In order to  
489 reduce costs, the association may print or duplicate the  
490 information sheets on both sides of the paper. The division  
491 shall by rule establish voting procedures consistent with the  
492 provisions contained herein, including rules establishing  
493 procedures for giving notice by electronic transmission and

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494 rules providing for the secrecy of ballots. Elections shall be  
495 decided by a plurality of those ballots cast. There shall be no  
496 quorum requirement; however, at least 20 percent of the eligible  
497 voters must cast a ballot in order to have a valid election of  
498 members of the board. No unit owner shall permit any other  
499 person to vote his or her ballot, and any such ballots  
500 improperly cast shall be deemed invalid, provided any unit owner  
501 who violates this provision may be fined by the association in  
502 accordance with s. 718.303. A unit owner who needs assistance in  
503 casting the ballot for the reasons stated in s. 101.051 may  
504 obtain assistance in casting the ballot. The regular election  
505 shall occur on the date of the annual meeting. The provisions of  
506 this ~~sub-subparagraph~~ ~~subparagraph~~ shall not apply to timeshare  
507 condominium associations. Notwithstanding the provisions of this  
508 ~~sub-subparagraph~~ ~~subparagraph~~, an election is not required  
509 unless more candidates file notices of intent to run or are  
510 nominated than board vacancies exist.

511 b. Within 90 days after being elected to the board, each  
512 newly elected director shall certify in writing to the secretary  
513 of the association that he or she has read the association's  
514 declarations of covenants and restrictions, articles of  
515 incorporation, bylaws, and current written policies; that he or  
516 she will work to uphold such documents and policies to the best  
517 of his or her ability; and that he or she will faithfully  
518 discharge his or her fiduciary responsibility to the  
519 association's members. In lieu of this written certification,  
520 the newly elected director may submit a certificate of  
521 satisfactory completion of the educational curriculum  
522 administered by a division-approved condominium education

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523 provider. Failure to timely file the written certification or  
524 educational certificate automatically disqualifies the director  
525 from service on the board. The secretary shall cause the  
526 association to retain a director's written certification or  
527 educational certificate for inspection by the members for 5  
528 years after a director's election. Failure to have such written  
529 certification or educational certificate on file does not affect  
530 the validity of any appropriate action.

531 4. Any approval by unit owners called for by this chapter  
532 or the applicable declaration or bylaws, including, but not  
533 limited to, the approval requirement in s. 718.111(8), shall be  
534 made at a duly noticed meeting of unit owners and shall be  
535 subject to all requirements of this chapter or the applicable  
536 condominium documents relating to unit owner decisionmaking,  
537 except that unit owners may take action by written agreement,  
538 without meetings, on matters for which action by written  
539 agreement without meetings is expressly allowed by the  
540 applicable bylaws or declaration or any statute that provides  
541 for such action.

542 5. Unit owners may waive notice of specific meetings if  
543 allowed by the applicable bylaws or declaration or any statute.  
544 If authorized by the bylaws, notice of meetings of the board of  
545 administration, unit owner meetings, except unit owner meetings  
546 called to recall board members under paragraph (j), and  
547 committee meetings may be given by electronic transmission to  
548 unit owners who consent to receive notice by electronic  
549 transmission.

550 6. Unit owners shall have the right to participate in  
551 meetings of unit owners with reference to all designated agenda

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552 items. However, the association may adopt reasonable rules  
553 governing the frequency, duration, and manner of unit owner  
554 participation.

555 7. Any unit owner may tape record or videotape a meeting of  
556 the unit owners subject to reasonable rules adopted by the  
557 division.

558 8. Unless otherwise provided in the bylaws, any vacancy  
559 occurring on the board before the expiration of a term may be  
560 filled by the affirmative vote of the majority of the remaining  
561 directors, even if the remaining directors constitute less than  
562 a quorum, or by the sole remaining director. In the alternative,  
563 a board may hold an election to fill the vacancy, in which case  
564 the election procedures must conform to the requirements of sub-  
565 subparagraph ~~subparagraph~~ 3.a. unless the association governs 10  
566 units or fewer ~~less~~ and has opted out of the statutory election  
567 process, in which case the bylaws of the association control.  
568 Unless otherwise provided in the bylaws, a board member  
569 appointed or elected under this section shall fill the vacancy  
570 for the unexpired term of the seat being filled. Filling  
571 vacancies created by recall is governed by paragraph (j) and  
572 rules adopted by the division.

573

574 Notwithstanding subparagraph ~~subparagraphs~~ (b)2. and sub-  
575 subparagraph (d)3.a., an association of 10 or fewer units may,  
576 by the affirmative vote of a majority of the total voting  
577 interests, provide for different voting and election procedures  
578 in its bylaws, which vote may be by a proxy specifically  
579 delineating the different voting and election procedures. The  
580 different voting and election procedures may provide for

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581 elections to be conducted by limited or general proxy.

582 (1) *Certificate of compliance.*—There shall be a provision  
583 that a certificate of compliance from a licensed electrical  
584 contractor or electrician may be accepted by the association's  
585 board as evidence of compliance of the condominium units with  
586 the applicable fire and life safety code. Notwithstanding the  
587 provisions of chapter 633 or of any other code, statute,  
588 ordinance, administrative rule, or regulation, or any  
589 interpretation of the foregoing, an association, condominium, or  
590 unit owner is not obligated to retrofit the common elements or  
591 units of a residential condominium with a fire sprinkler system  
592 or other engineered lifesafety system in a building that has  
593 been certified for occupancy by the applicable governmental  
594 entity, if the unit owners have voted to forego such  
595 retrofitting and engineered lifesafety system by the affirmative  
596 vote of two-thirds of all voting interests in the affected  
597 condominium. However, a condominium association may not vote to  
598 forego the retrofitting with a fire sprinkler system of common  
599 areas in a high-rise building. For purposes of this subsection,  
600 the term "high-rise building" means a building that is greater  
601 than 75 feet in height where the building height is measured  
602 from the lowest level of fire department access to the floor of  
603 the highest occupiable story. For purposes of this subsection,  
604 the term "common areas" means any enclosed hallway, corridor,  
605 lobby, stairwell, or entryway. In no event shall the local  
606 authority having jurisdiction require completion of retrofitting  
607 of common areas with a sprinkler system before the end of 2025  
608 ~~2014~~.

609 1. A vote to forego retrofitting may be obtained by limited

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610 proxy or by a ballot personally cast at a duly called membership  
611 meeting, or by execution of a written consent by the member, and  
612 shall be effective upon the recording of a certificate attesting  
613 to such vote in the public records of the county where the  
614 condominium is located. The association shall mail, hand  
615 deliver, or electronically transmit to each unit owner written  
616 notice at least 14 days prior to such membership meeting in  
617 which the vote to forego retrofitting of the required fire  
618 sprinkler system is to take place. Within 30 days after the  
619 association's opt-out vote, notice of the results of the opt-out  
620 vote shall be mailed, hand delivered, or electronically  
621 transmitted to all unit owners. Evidence of compliance with this  
622 30-day notice shall be made by an affidavit executed by the  
623 person providing the notice and filed among the official records  
624 of the association. After such notice is provided to each owner,  
625 a copy of such notice shall be provided by the current owner to  
626 a new owner prior to closing and shall be provided by a unit  
627 owner to a renter prior to signing a lease.

628 2. As part of the information collected annually from  
629 condominiums, the division shall require condominium  
630 associations to report the membership vote and recording of a  
631 certificate under this subsection and, if retrofitting has been  
632 undertaken, the per-unit cost of such work. The division shall  
633 annually report to the Division of State Fire Marshal of the  
634 Department of Financial Services the number of condominiums that  
635 have elected to forego retrofitting.

636 (n) *Director or officer delinquencies.*—A director or  
637 officer more than 90 days delinquent in the payment of any fee,  
638 fine, or regular or special assessments shall be deemed to have

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639 abandoned the office, creating a vacancy in the office to be  
640 filled according to law.

641 Section 5. Subsection (2) of section 553.509, Florida  
642 Statutes, is repealed.

643 Section 6. This act shall take effect upon becoming a law.