ENROLLED 2009 Legislature

CS for CS for SB 714, 1st Engrossed

2009714er 1 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 conditions are met; amending s. 718.111, F.S.; 11 12 requiring that adequate property insurance be based 13 upon the replacement cost of the property to be insured as determined by an independent appraisal or 14 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 date; authorizing an association to consider 23 2.4 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 owners operating as a residential condominium use its 31 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 any insurance thereupon are the responsibility of the 38 39 unit owner; requiring that condominium unit owner's policies conform to certain provisions of state law; 40 41 deleting provisions relating to certain hazard and 42 casualty insurance policies; conforming provisions to changes made by the act; amending s. 718.112, F.S.; 43 44 conforming cross-references; revising requirements for 45 the reappointment of certain board members; revising board eligibility requirements; revising notice 46 47 requirements for board candidates; establishing requirements for newly elected board members; 48 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.
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61	Be It Enacted by the Legislature of the State of Florida:
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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) INSURANCEIn 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 <u>property</u> 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

114that complies with the requirements of ss. 624.460-624.488.1152. The association may also provide adequate property

116 hazard insurance coverage for a group of no fewer than three

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2009714er 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 be determined through the use of a competent model that has been 122 accepted by the Florida Commission on Hurricane Loss Projection 123 124 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 related forms pursuant to ss. 627.410 and 627.411, approval of 128 129 the rates pursuant to s. 627.062, a determination that the loss 130 model approved by the commission was accurately and appropriately applied to the insured structures to determine the 131 132 250-year probable maximum loss, and a determination that 133 complete and accurate disclosure of all material provisions is provided to condominium unit owners prior to execution of the 134 135 agreement by a condominium association. A property insurance policy or program originally issued before January 1, 2000, 136 137 which has provided uninterrupted property insurance coverage and provided coverage for a group of no fewer than three communities 138 139 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.

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

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(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 members of the board of directors of the association, unless the 151 152 members can show that despite such failure, they have made their 153 best efforts to maintain the required coverage.

(c) Policies may include deductibles as determined by theboard.

The deductibles shall be consistent with industry
 standards and prevailing practice for communities of similar
 size and age, and having similar construction and facilities in
 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.

3. The board shall establish the amount of deductibles 163 164 based upon the level of available funds and predetermined 165 assessment authority at a meeting of the board. Such meeting shall be open to all unit owners in the manner set forth in s. 166 167 718.112(2)(e). The notice of such meeting must state the proposed deductible and the available funds and the assessment 168 169 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. (d) An association controlled by unit owners operating as a 173

174 residential condominium shall use its best efforts to obtain and

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2009714er 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 renewed on or after January 1, 2009, for the purpose of 180 181 protecting the condominium shall provide primary coverage for: 1. All portions of the condominium property as originally 182 183 installed or replacement of like kind and quality, in accordance 184 with the original plans and specifications. 2. All alterations or additions made to the condominium 185 property or association property pursuant to s. 718.113(2). 186 3. The coverage shall exclude all personal property within the 187 188 unit or limited common elements, and floor, wall, and ceiling coverings, electrical fixtures, appliances, water heaters, water 189 190 filters, built-in cabinets and countertops, and window treatments, including curtains, drapes, blinds, hardware, and 191 similar window treatment components, or replacements of any of 192 193 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. (g) A condominium unit owner's policy shall conform to the 196

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 insurance upon request, but not more than once per year. Upon 215 the failure of an owner to provide a certificate of insurance 216 217 issued by an insurer approved to write such insurance in this state within 30 days after the date on which a written request 218 219 is delivered, the association may purchase a policy of insurance on behalf of an owner. The cost of such a policy, together with 220 221 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.

1.3. All reconstruction work after a property casualty loss 224 225 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 that is used for that purpose. A unit owner shall obtain all 231 232 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 association shall be chargeable to the unit owner and 238 239 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 majority vote of the collective members of the condominiums 244 operated by the association, to operate such condominiums as a 245 246 single condominium for purposes of insurance matters, including, but not limited to, the purchase of the property hazard 247 248 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.

(j) Any portion of the condominium property required to be insured by the association against <u>property</u> casualty loss pursuant to paragraph (f) which is damaged by casualty shall be reconstructed, repaired, or replaced as necessary by the association as a common expense. All <u>property</u> hazard insurance deductibles, uninsured losses, and other damages in excess of <u>property</u> hazard insurance coverage under the <u>property</u> 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 conduct, negligence, or failure to comply with the terms of the 267 268 declaration or the rules of the association by a unit owner, the 269 members of his or her family, unit occupants, tenants, quests, 270 or invitees, without compromise of the subrogation rights of any 271 insurer as set forth in paragraph (g).

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

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

4. The association is not obligated to pay for repair or reconstruction or repairs of <u>property</u> casualty losses as a common expense if the <u>property</u> casualty losses were known or should have been known to a unit owner and were not reported to the association until after the insurance claim of the

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291 association for that <u>property</u> 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 to any improvements installed by a current or former owner of 296 297 the unit or by the developer if the improvement benefits only the unit for which it was installed and is not part of the 298 299 standard improvements installed by the developer on all units as 300 part of original construction, whether or not such improvement is located within the unit. This paragraph does not relieve any 301 party of its obligations regarding recovery due under any 302 insurance implemented specifically for any such improvements. 303

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:

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(b) Quorum; voting requirements; proxies.-

1. Unless a lower number is provided in the bylaws, the 311 percentage of voting interests required to constitute a quorum 312 at a meeting of the members shall be a majority of the voting 313 314 interests. Unless otherwise provided in this chapter or in the 315 declaration, articles of incorporation, or bylaws, and except as provided in sub-subparagraph subparagraph (d) 3.a., decisions 316 317 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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2009714er 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 shall be exercised or considered for any purpose, whether for a 324 quorum, an election, or otherwise. Limited proxies and general 325 326 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 taken to amend the articles of incorporation or bylaws pursuant 331 332 to this section; and for any other matter for which this chapter 333 requires or permits a vote of the unit owners. Except as provided in paragraph (d), after January 1, 1992, no proxy, 334 335 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 subparagraph, unit owners may vote in person at unit owner 340 meetings. Nothing contained herein shall limit the use of 341 general proxies or require the use of limited proxies for any 342 343 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.

4. A member of the board of administration or a committee may submit in writing his or her agreement or disagreement with any action taken at a meeting that the member did not attend. This agreement or disagreement may not be used as a vote for or against the action taken and may not be used for the purposes of 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 and may vote by telephone. A telephone speaker must be used so 360 361 that the conversation of those board or committee members 362 attending by telephone may be heard by the board or committee members attending in person as well as by any unit owners 363 364 present at a meeting.

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(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 within 45 miles of the condominium property. However, such 369 370 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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2009714er 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 person is interested in or demonstrates an intention to run for 383 384 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 for reappointment be automatically reappointed to the board of 389 390 administration and need not stand for reelection. In a 391 condominium association of more than 10 units or in a condominium association that does not include timeshare units, 392 393 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 delinquent in the payment of any fee, fine, or special or 399 regular assessment as provided in paragraph (n), is not eligible 400 401 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.

2. The bylaws shall provide the method of calling meetings 412 413 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 continuous days preceding the annual meeting. Upon notice to the 418 unit owners, the board shall by duly adopted rule designate a 419 420 specific location on the condominium property or association property upon which all notices of unit owner meetings shall be 421 422 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 rule, adopt a procedure for conspicuously posting and repeatedly 427 broadcasting the notice and the agenda on a closed-circuit cable 428 429 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 to each unit owner. Notice for meetings and notice for all other 441 442 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 developer initially identifies for that purpose and thereafter 447 as one or more of the owners of the unit shall so advise the 448 449 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 governing documents of the association and the provisions of 470 471 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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2009714er 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 members of the board. No unit owner shall permit any other 498 499 person to vote his or her ballot, and any such ballots improperly cast shall be deemed invalid, provided any unit owner 500 501 who violates this provision may be fined by the association in 502 accordance with s. 718.303. A unit owner who needs assistance in casting the ballot for the reasons stated in s. 101.051 may 503 504 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.

b. Within 90 days after being elected to the board, each 511 512 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 association's members. In lieu of this written certification, 519 520 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 years after a director's election. Failure to have such written 528 certification or educational certificate on file does not affect 529 530 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 made at a duly noticed meeting of unit owners and shall be 534 535 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. If authorized by the bylaws, notice of meetings of the board of 544 administration, unit owner meetings, except unit owner meetings 545 546 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, a board may hold an election to fill the vacancy, in which case 563 564 the election procedures must conform to the requirements of sub-565 subparagraph subparagraph 3.a. unless the association governs 10 units or fewer less and has opted out of the statutory election 566 567 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.

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Notwithstanding <u>subparagraph</u> <u>subparagraphs</u> (b)2. and <u>sub-</u>
subparagraph (d)3.<u>a.</u>, an association of 10 or fewer units may,
by the affirmative vote of a majority of the total voting
interests, provide for different voting and election procedures
in its bylaws, which vote may be by a proxy specifically
delineating the different voting and election procedures. The
different voting and election procedures may provide for

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(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 the applicable fire and life safety code. Notwithstanding the provisions of chapter 633 or of any other code, statute, ordinance, administrative rule, or regulation, or any 589 interpretation of the foregoing, an association, condominium, or unit owner is not obligated to retrofit the common elements or units of a residential condominium with a fire sprinkler system or other engineered lifesafety system in a building that has 592 been certified for occupancy by the applicable governmental 593 entity, if the unit owners have voted to forego such retrofitting and engineered lifesafety system by the affirmative 595 596 vote of two-thirds of all voting interests in the affected 597 condominium. However, a condominium association may not vote to forego the retrofitting with a fire sprinkler system of common 598 599 areas in a high-rise building. For purposes of this subsection, the term "high-rise building" means a building that is greater 600 than 75 feet in height where the building height is measured from the lowest level of fire department access to the floor of the highest occupiable story. For purposes of this subsection, 603 604 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. 1. A vote to forego retrofitting may be obtained by limited

elections to be conducted by limited or general proxy.

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2009714er 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 deliver, or electronically transmit to each unit owner written 615 616 notice at least 14 days prior to such membership meeting in which the vote to forego retrofitting of the required fire 617 618 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 vote shall be mailed, hand delivered, or electronically 620 621 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 of the association. After such notice is provided to each owner, 624 625 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 associations to report the membership vote and recording of a 630 certificate under this subsection and, if retrofitting has been 631 undertaken, the per-unit cost of such work. The division shall 632 633 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 <u>any fee</u>,
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

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