Bill No. CS/CS/CS/HB 27

Amendment No.

CHAMBER ACTION

Senate

House

Representative Ambler offered the following:

Substitute Amendment for Amendment (822565) (with title amendment)

Remove lines 76-278 and insert:

(d) Unit owner meetings.--

There shall be an annual meeting of the unit owners 1. 8 held at the location provided in the association bylaws and, if 9 the bylaws are silent as to the location, the meeting shall be held within 45 miles of the condominium property. However, such distance requirement does not apply to an association governing a timeshare condominium. Unless the bylaws provide otherwise, a 13 vacancy on the board caused by the expiration of a director's term shall be filled by electing a new board member, and the 14 election shall be by secret ballot; however, if the number of 15 16 vacancies equals or exceeds the number of candidates, no 514377 Approved For Filing: 4/21/2009 4:55:13 PM Page 1 of 9

Bill No. CS/CS/CS/HB 27

Amendment No. 17 election is required. The terms of all members of the board shall expire at the annual meeting and such board members may 18 19 stand for reelection unless otherwise permitted by the bylaws. 20 In the event that the bylaws permit staggered terms of no more than 2 years and upon approval of a majority of the total voting 21 22 interests, the association board members may serve 2-year 23 staggered terms. If the number no person is interested in or 24 demonstrates an intention to run for the position of a board 25 members member whose terms have term has expired according to 26 the provisions of this subparagraph exceeds the number of 27 eligible members showing interest in or demonstrating an 28 intention to run for the vacant positions, each such board 29 member whose term has expired shall become eligible for reappointment be automatically reappointed to the board of 30 administration and need not stand for reelection. In a 31 condominium association of more than 10 units, coowners of a 32 33 unit may not serve as members of the board of directors at the 34 same time unless they own more than one unit and are not co-35 occupants of a unit or unless there are not enough owners to 36 fill the vacancies on the board. Any unit owner desiring to be a candidate for board membership shall comply with sub-37 38 subparagraph subparagraph 3.a. A person who has been suspended 39 or removed by the division under this chapter, or who is 40 delinquent in the payment of any fee, fine, or special or regular assessment as provided in paragraph (n), is not eligible 41 for board membership. A person who has been convicted of any 42 43 felony in this state or in a United States District or 44 Territorial Court, or who has been convicted of any offense in 514377 Approved For Filing: 4/21/2009 4:55:13 PM

Page 2 of 9

# Bill No. CS/CS/CS/HB 27

Amendment No.

45 another jurisdiction that would be considered a felony if 46 committed in this state, is not eligible for board membership 47 unless such felon's civil rights have been restored for a period of no less than 5 years as of the date on which such person 48 49 seeks election to the board. The validity of an action by the 50 board is not affected if it is later determined that a member of 51 the board is ineligible for board membership due to having been 52 convicted of a felony.

The bylaws shall provide the method of calling meetings 53 2. of unit owners, including annual meetings. Written notice, which 54 notice must include an agenda, shall be mailed, hand delivered, 55 56 or electronically transmitted to each unit owner at least 14 57 days prior to the annual meeting and shall be posted in a conspicuous place on the condominium property at least 14 58 continuous days preceding the annual meeting. Upon notice to the 59 unit owners, the board shall by duly adopted rule designate a 60 61 specific location on the condominium property or association 62 property upon which all notices of unit owner meetings shall be 63 posted; however, if there is no condominium property or 64 association property upon which notices can be posted, this requirement does not apply. In lieu of or in addition to the 65 66 physical posting of notice of any meeting of the unit owners on 67 the condominium property, the association may, by reasonable 68 rule, adopt a procedure for conspicuously posting and repeatedly 69 broadcasting the notice and the agenda on a closed-circuit cable 70 television system serving the condominium association. However, if broadcast notice is used in lieu of a notice posted 71 72 physically on the condominium property, the notice and agenda 514377 Approved For Filing: 4/21/2009 4:55:13 PM

Page 3 of 9

Bill No. CS/CS/CS/HB 27

73 must be broadcast at least four times every broadcast hour of 74 each day that a posted notice is otherwise required under this 75 section. When broadcast notice is provided, the notice and 76 agenda must be broadcast in a manner and for a sufficient 77 continuous length of time so as to allow an average reader to 78 observe the notice and read and comprehend the entire content of 79 the notice and the agenda. Unless a unit owner waives in writing the right to receive notice of the annual meeting, such notice 80 shall be hand delivered, mailed, or electronically transmitted 81 82 to each unit owner. Notice for meetings and notice for all other purposes shall be mailed to each unit owner at the address last 83 84 furnished to the association by the unit owner, or hand 85 delivered to each unit owner. However, if a unit is owned by more than one person, the association shall provide notice, for 86 87 meetings and all other purposes, to that one address which the developer initially identifies for that purpose and thereafter 88 as one or more of the owners of the unit shall so advise the 89 90 association in writing, or if no address is given or the owners of the unit do not agree, to the address provided on the deed of 91 92 record. An officer of the association, or the manager or other person providing notice of the association meeting, shall 93 94 provide an affidavit or United States Postal Service certificate 95 of mailing, to be included in the official records of the 96 association affirming that the notice was mailed or hand 97 delivered, in accordance with this provision.

Amendment No.

98 3.<u>a.</u> The members of the board shall be elected by written 99 ballot or voting machine. Proxies shall in no event be used in 100 electing the board, either in general elections or elections to 514377 Approved For Filing: 4/21/2009 4:55:13 PM Page 4 of 9

Bill No. CS/CS/CS/HB 27

101 fill vacancies caused by recall, resignation, or otherwise, 102 unless otherwise provided in this chapter. Not less than 60 days 103 before a scheduled election, the association shall mail, 104 deliver, or electronically transmit, whether by separate association mailing or included in another association mailing, 105 106 delivery, or transmission, including regularly published 107 newsletters, to each unit owner entitled to a vote, a first 108 notice of the date of the election along with a certification 109 form provided by the division attesting that he or she has read and understands, to the best of his or her ability, the 110 111 governing documents of the association and the provisions of 112 this chapter and any applicable rules. Any unit owner or other 113 eligible person desiring to be a candidate for the board must give written notice of his or her intent to be a candidate to 114 the association not less than 40 days before a scheduled 115 election. Together with the written notice and agenda as set 116 117 forth in subparagraph 2., the association shall mail, deliver, 118 or electronically transmit a second notice of the election to all unit owners entitled to vote therein, together with a ballot 119 120 which shall list all candidates. Upon request of a candidate, 121 the association shall include an information sheet, no larger 122 than 8 1/2 inches by 11 inches, which must be furnished by the 123 candidate not less than 35 days before the election, shall along 124 with the signed certification form provided for in this 125 subparagraph, to be included with the mailing, delivery, or transmission of the ballot, with the costs of mailing, delivery, 126 or electronic transmission and copying to be borne by the 127 128 association. The association is not liable for the contents of 514377 Approved For Filing: 4/21/2009 4:55:13 PM Page 5 of 9

Amendment No.

Bill No. CS/CS/CS/HB 27

Amendment No. 129 the information sheets prepared by the candidates. In order to 130 reduce costs, the association may print or duplicate the 131 information sheets on both sides of the paper. The division 132 shall by rule establish voting procedures consistent with the provisions contained herein, including rules establishing 133 134 procedures for giving notice by electronic transmission and 135 rules providing for the secrecy of ballots. Elections shall be 136 decided by a plurality of those ballots cast. There shall be no 137 quorum requirement; however, at least 20 percent of the eligible voters must cast a ballot in order to have a valid election of 138 139 members of the board. No unit owner shall permit any other 140 person to vote his or her ballot, and any such ballots 141 improperly cast shall be deemed invalid, provided any unit owner who violates this provision may be fined by the association in 142 accordance with s. 718.303. A unit owner who needs assistance in 143 casting the ballot for the reasons stated in s. 101.051 may 144 145 obtain assistance in casting the ballot. The regular election shall occur on the date of the annual meeting. The provisions of 146 this sub-subparagraph subparagraph shall not apply to timeshare 147 148 condominium associations. Notwithstanding the provisions of this 149 sub-subparagraph subparagraph, an election is not required unless more candidates file notices of intent to run or are 150 151 nominated than board vacancies exist.

b. Within 90 days after being elected to the board, each
 newly elected director shall certify in writing to the secretary
 of the association that he or she has read the association's
 declarations of covenants and restrictions, articles of
 incorporation, bylaws, and current written policies; that he or
 514377
 Approved For Filing: 4/21/2009 4:55:13 PM

Bill No. CS/CS/CS/HB 27

Amendment No. 157 she will work to uphold such documents and policies to the best 158 of his or her ability; and that he or she will faithfully 159 discharge his or her fiduciary responsibility to the 160 association's members. In lieu of this written certification, 161 the newly elected director may submit a certificate of 162 satisfactory completion of the educational curriculum 163 administered by a division-approved condominium education 164 provider. Failure to timely file the written certification or 165 educational certificate automatically disqualifies the director 166 from service on the board. The secretary shall cause the 167 association to retain a director's written certification or 168 educational certificate for inspection by the members for 5 169 years after a director's election. Failure to have such written 170 certification or educational certificate on file does not affect the validity of any appropriate action. 171

Any approval by unit owners called for by this chapter 172 4. or the applicable declaration or bylaws, including, but not 173 174 limited to, the approval requirement in s. 718.111(8), shall be 175 made at a duly noticed meeting of unit owners and shall be 176 subject to all requirements of this chapter or the applicable 177 condominium documents relating to unit owner decisionmaking, 178 except that unit owners may take action by written agreement, 179 without meetings, on matters for which action by written 180 agreement without meetings is expressly allowed by the applicable bylaws or declaration or any statute that provides 181 182 for such action.

183 5. Unit owners may waive notice of specific meetings if 184 allowed by the applicable bylaws or declaration or any statute. 514377 Approved For Filing: 4/21/2009 4:55:13 PM Page 7 of 9

Bill No. CS/CS/CS/HB 27

Amendment No.

185 If authorized by the bylaws, notice of meetings of the board of 186 administration, unit owner meetings, except unit owner meetings 187 called to recall board members under paragraph (j), and 188 committee meetings may be given by electronic transmission to 189 unit owners who consent to receive notice by electronic 190 transmission.

191 6. Unit owners shall have the right to participate in
192 meetings of unit owners with reference to all designated agenda
193 items. However, the association may adopt reasonable rules
194 governing the frequency, duration, and manner of unit owner
195 participation.

196 7. Any unit owner may tape record or videotape a meeting 197 of the unit owners subject to reasonable rules adopted by the 198 division.

199 8. Unless otherwise provided in the bylaws, any vacancy occurring on the board before the expiration of a term may be 200 filled by the affirmative vote of the majority of the remaining 201 202 directors, even if the remaining directors constitute less than 203 a quorum, or by the sole remaining director. In the alternative, 204 a board may hold an election to fill the vacancy, in which case 205 the election procedures must conform to the requirements of sub-206 subparagraph subparagraph 3.a. unless the association governs 10 207 units or fewer less and has opted out of the statutory election 208 process, in which case the bylaws of the association control. 209 Unless otherwise provided in the bylaws, a board member appointed or elected under this section shall fill the vacancy 210 for the unexpired term of the seat being filled. Filling 211 212 vacancies created by recall is governed by paragraph (j) and 514377 Approved For Filing: 4/21/2009 4:55:13 PM

Page 8 of 9

Bill No. CS/CS/CS/HB 27

Amendment No. 213 rules adopted by the division. 214 215 Notwithstanding subparagraph subparagraphs (b)2. and sub-216 subparagraph (d)3.a., an association of 10 or fewer units may, 217 by the affirmative vote of a majority of the total voting 218 interests, provide for different voting and election procedures in its bylaws, which vote may be by a proxy specifically 219 220 delineating the different voting and election procedures. The 221 different voting and election procedures may provide for 222 elections to be conducted by limited or general proxy. 223 224 225 TITLE AMENDMENT Remove lines 3-14 and insert: 226 718.112, F.S.; revising requirements for the reappointment of 227 228 certain board members; revising board eligibility requirements; revising notice requirements for board candidates; establishing 229 230 requirements for newly elected board members;