

LEGISLATIVE ACTION

Senate	•	House
Comm: RCS		
04/15/2009		
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The Committee on General Government Appropriations (Aronberg) recommended the following:

Senate Amendment (with title amendment)

Between lines 265 and 266

insert:

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

(2) REQUIRED PROVISIONS.-The bylaws shall provide for the following and, if they do not do so, shall be deemed to include 10 the following:

(b) Quorum; voting requirements; proxies.-

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12 1. Unless a lower number is provided in the bylaws, the 13 percentage of voting interests required to constitute a quorum 14 at a meeting of the members shall be a majority of the voting interests. Unless otherwise provided in this chapter or in the 15 16 declaration, articles of incorporation, or bylaws, and except as 17 provided in sub-subparagraph subparagraph (d)3.a., decisions 18 shall be made by owners of a majority of the voting interests 19 represented at a meeting at which a quorum is present.

20 2. Except as specifically otherwise provided herein, after 21 January 1, 1992, unit owners may not vote by general proxy, but 22 may vote by limited proxies substantially conforming to a 23 limited proxy form adopted by the division. No voting interest or consent right allocated to a unit owned by the association 24 25 shall be exercised or considered for any purpose, whether for a quorum, an election, or otherwise. Limited proxies and general 26 27 proxies may be used to establish a quorum. Limited proxies shall 28 be used for votes taken to waive or reduce reserves in 29 accordance with subparagraph (f)2.; for votes taken to waive the 30 financial reporting requirements of s. 718.111(13); for votes 31 taken to amend the declaration pursuant to s. 718.110; for votes 32 taken to amend the articles of incorporation or bylaws pursuant 33 to this section; and for any other matter for which this chapter requires or permits a vote of the unit owners. Except as 34 35 provided in paragraph (d), after January 1, 1992, no proxy, 36 limited or general, shall be used in the election of board 37 members. General proxies may be used for other matters for which 38 limited proxies are not required, and may also be used in voting for nonsubstantive changes to items for which a limited proxy is 39 40 required and given. Notwithstanding the provisions of this



41 subparagraph, unit owners may vote in person at unit owner 42 meetings. Nothing contained herein shall limit the use of 43 general proxies or require the use of limited proxies for any 44 agenda item or election at any meeting of a timeshare 45 condominium association.

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

5. When any of the board or committee members meet by 58 59 telephone conference, those board or committee members attending 60 by telephone conference may be counted toward obtaining a quorum 61 and may vote by telephone. A telephone speaker must be used so that the conversation of those board or committee members 62 63 attending by telephone may be heard by the board or committee 64 members attending in person as well as by any unit owners 65 present at a meeting.

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(d) Unit owner meetings.-

1. There shall be an annual meeting of the unit owners held
at the location provided in the association bylaws and, if the
bylaws are silent as to the location, the meeting shall be held

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70 within 45 miles of the condominium property. However, such 71 distance requirement does not apply to an association governing 72 a timeshare condominium. Unless the bylaws provide otherwise, a 73 vacancy on the board caused by the expiration of a director's 74 term shall be filled by electing a new board member, and the 75 election shall be by secret ballot; however, if the number of 76 vacancies equals or exceeds the number of candidates, no election is required. The terms of all members of the board 77 78 shall expire at the annual meeting and such board members may 79 stand for reelection unless otherwise permitted by the bylaws. 80 In the event that the bylaws permit staggered terms of no more 81 than 2 years and upon approval of a majority of the total voting interests, the association board members may serve 2-year 82 83 staggered terms. If the number no person is interested in or 84 demonstrates an intention to run for the position of a board 85 members member whose terms have term has expired according to 86 the provisions of this subparagraph exceeds the number of eligible members showing interest in or demonstrating an 87 88 intention to run for the vacant positions, each such board 89 member whose term has expired shall become eligible for 90 reappointment be automatically reappointed to the board of 91 administration and need not stand for reelection. In a 92 condominium association of more than 10 units, coowners of a 93 unit may not serve as members of the board of directors at the 94 same time unless they own more than one unit and are not co-95 occupants of a unit. Any unit owner desiring to be a candidate 96 for board membership shall comply with sub-subparagraph 97 subparagraph 3.a. A person who has been suspended or removed by 98 the division under this chapter, or who is delinquent in the

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99 payment of any fee, fine, or special or regular assessment as provided in paragraph (n), is not eligible for board membership. 100 101 A person who has been convicted of any felony in this state or 102 in a United States District or Territorial Court, or who has 103 been convicted of any offense in another jurisdiction that would 104 be considered a felony if committed in this state, is not 105 eligible for board membership unless such felon's civil rights have been restored for a period of no less than 5 years as of 106 107 the date on which such person seeks election to the board. The 108 validity of an action by the board is not affected if it is 109 later determined that a member of the board is ineligible for 110 board membership due to having been convicted of a felony.

2. The bylaws shall provide the method of calling meetings 111 112 of unit owners, including annual meetings. Written notice, which notice must include an agenda, shall be mailed, hand delivered, 113 114 or electronically transmitted to each unit owner at least 14 days prior to the annual meeting and shall be posted in a 115 conspicuous place on the condominium property at least 14 116 117 continuous days preceding the annual meeting. Upon notice to the unit owners, the board shall by duly adopted rule designate a 118 119 specific location on the condominium property or association 120 property upon which all notices of unit owner meetings shall be posted; however, if there is no condominium property or 121 122 association property upon which notices can be posted, this 123 requirement does not apply. In lieu of or in addition to the 124 physical posting of notice of any meeting of the unit owners on 125 the condominium property, the association may, by reasonable rule, adopt a procedure for conspicuously posting and repeatedly 126 127 broadcasting the notice and the agenda on a closed-circuit cable

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128 television system serving the condominium association. However, 129 if broadcast notice is used in lieu of a notice posted 130 physically on the condominium property, the notice and agenda 131 must be broadcast at least four times every broadcast hour of 132 each day that a posted notice is otherwise required under this 133 section. When broadcast notice is provided, the notice and 134 agenda must be broadcast in a manner and for a sufficient 135 continuous length of time so as to allow an average reader to 136 observe the notice and read and comprehend the entire content of 137 the notice and the agenda. Unless a unit owner waives in writing 138 the right to receive notice of the annual meeting, such notice 139 shall be hand delivered, mailed, or electronically transmitted 140 to each unit owner. Notice for meetings and notice for all other 141 purposes shall be mailed to each unit owner at the address last 142 furnished to the association by the unit owner, or hand 143 delivered to each unit owner. However, if a unit is owned by 144 more than one person, the association shall provide notice, for meetings and all other purposes, to that one address which the 145 146 developer initially identifies for that purpose and thereafter as one or more of the owners of the unit shall so advise the 147 association in writing, or if no address is given or the owners 148 149 of the unit do not agree, to the address provided on the deed of 150 record. An officer of the association, or the manager or other 151 person providing notice of the association meeting, shall 152 provide an affidavit or United States Postal Service certificate 153 of mailing, to be included in the official records of the 154 association affirming that the notice was mailed or hand 155 delivered, in accordance with this provision.

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3.a. The members of the board shall be elected by written

COMMITTEE AMENDMENT

Florida Senate - 2009 Bill No. CS for SB 714



157 ballot or voting machine. Proxies shall in no event be used in electing the board, either in general elections or elections to 158 159 fill vacancies caused by recall, resignation, or otherwise, 160 unless otherwise provided in this chapter. Not less than 60 days before a scheduled election, the association shall mail, 161 162 deliver, or electronically transmit, whether by separate 163 association mailing or included in another association mailing, 164 delivery, or transmission, including regularly published 165 newsletters, to each unit owner entitled to a vote, a first 166 notice of the date of the election along with a certification 167 form provided by the division attesting that he or she has read 168 and understands, to the best of his or her ability, the governing documents of the association and the provisions of 169 170 this chapter and any applicable rules. Any unit owner or other eligible person desiring to be a candidate for the board must 171 give written notice of intent to be a candidate to the 172 173 association not less than 40 days before a scheduled election. Together with the written notice and agenda as set forth in 174 175 subparagraph 2., the association shall mail, deliver, or 176 electronically transmit a second notice of the election to all 177 unit owners entitled to vote therein, together with a ballot 178 which shall list all candidates. Upon request of a candidate, 179 the association shall include an information sheet, no larger 180 than 8 1/2 inches by 11 inches, which must be furnished by the 181 candidate not less than 35 days before the election, shall along 182 with the signed certification form provided for in this 183 subparagraph, to be included with the mailing, delivery, or transmission of the ballot, with the costs of mailing, delivery, 184 or electronic transmission and copying to be borne by the 185

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186 association. The association is not liable for the contents of 187 the information sheets prepared by the candidates. In order to 188 reduce costs, the association may print or duplicate the 189 information sheets on both sides of the paper. The division 190 shall by rule establish voting procedures consistent with the provisions contained herein, including rules establishing 191 192 procedures for giving notice by electronic transmission and 193 rules providing for the secrecy of ballots. Elections shall be 194 decided by a plurality of those ballots cast. There shall be no 195 quorum requirement; however, at least 20 percent of the eligible 196 voters must cast a ballot in order to have a valid election of 197 members of the board. No unit owner shall permit any other person to vote his or her ballot, and any such ballots 198 199 improperly cast shall be deemed invalid, provided any unit owner 200 who violates this provision may be fined by the association in 201 accordance with s. 718.303. A unit owner who needs assistance in 202 casting the ballot for the reasons stated in s. 101.051 may 203 obtain assistance in casting the ballot. The regular election 204 shall occur on the date of the annual meeting. The provisions of 205 this sub-subparagraph subparagraph shall not apply to timeshare 206 condominium associations. Notwithstanding the provisions of this 207 sub-subparagraph subparagraph, an election is not required 208 unless more candidates file notices of intent to run or are nominated than board vacancies exist. 209

210 <u>b. Within 90 days after being elected to the board, each</u> 211 <u>newly elected director shall certify in writing to the secretary</u> 212 <u>of the association that he or she has read the association's</u> 213 <u>declarations of covenants and restrictions, articles of</u> 214 <u>incorporation, bylaws, and current written policies; that he or</u>



215 she will work to uphold such documents and policies to the best 216 of his or her ability; and that he or she will faithfully 217 discharge his or her fiduciary responsibility to the 218 association's members. In lieu of this written certification, 219 the newly elected director may submit a certificate of 220 satisfactory completion of the educational curriculum 221 administered by a division-approved condominium education 222 provider. Failure to timely file the written certification or 223 educational certificate automatically disqualifies the director 224 from service on the board. The secretary shall cause the 225 association to retain a director's written certification or 226 educational certificate for inspection by the members for 5 227 years after a director's election. Failure to have such written 228 certification or educational certificate on file does not affect 229 the validity of any appropriate action.

4. Any approval by unit owners called for by this chapter 230 231 or the applicable declaration or bylaws, including, but not 232 limited to, the approval requirement in s. 718.111(8), shall be 233 made at a duly noticed meeting of unit owners and shall be 234 subject to all requirements of this chapter or the applicable condominium documents relating to unit owner decisionmaking, 235 236 except that unit owners may take action by written agreement, 237 without meetings, on matters for which action by written 238 agreement without meetings is expressly allowed by the applicable bylaws or declaration or any statute that provides 239 240 for such action.

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



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

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

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

257 8. Unless otherwise provided in the bylaws, any vacancy 258 occurring on the board before the expiration of a term may be filled by the affirmative vote of the majority of the remaining 259 260 directors, even if the remaining directors constitute less than 261 a quorum, or by the sole remaining director. In the alternative, 262 a board may hold an election to fill the vacancy, in which case the election procedures must conform to the requirements of sub-263 264 subparagraph subparagraph 3.a. unless the association governs 10 265 units or fewer less and has opted out of the statutory election 266 process, in which case the bylaws of the association control. Unless otherwise provided in the bylaws, a board member 2.67 268 appointed or elected under this section shall fill the vacancy 269 for the unexpired term of the seat being filled. Filling 270 vacancies created by recall is governed by paragraph (j) and rules adopted by the division. 271

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273 Notwithstanding subparagraph subparagraphs (b)2. and sub-274 subparagraph (d)3.a., an association of 10 or fewer units may, 275 by the affirmative vote of a majority of the total voting 276 interests, provide for different voting and election procedures 277 in its bylaws, which vote may be by a proxy specifically delineating the different voting and election procedures. The 278 279 different voting and election procedures may provide for 280 elections to be conducted by limited or general proxy.

281 (1) Certificate of compliance.-There shall be a provision 282 that a certificate of compliance from a licensed electrical 283 contractor or electrician may be accepted by the association's 284 board as evidence of compliance of the condominium units with 285 the applicable fire and life safety code. Notwithstanding the 286 provisions of chapter 633 or of any other code, statute, ordinance, administrative rule, or regulation, or any 287 288 interpretation of the foregoing, an association, condominium, or 289 unit owner is not obligated to retrofit the common elements or 290 units of a residential condominium with a fire sprinkler system 291 or other engineered lifesafety system in a building that has 292 been certified for occupancy by the applicable governmental 293 entity, if the unit owners have voted to forego such 294 retrofitting and engineered lifesafety system by the affirmative 295 vote of two-thirds of all voting interests in the affected condominium. However, a condominium association may not vote to 296 297 forego the retrofitting with a fire sprinkler system of common 298 areas in a high-rise building. For purposes of this subsection, 299 the term "high-rise building" means a building that is greater than 75 feet in height where the building height is measured 300 301 from the lowest level of fire department access to the floor of



the highest occupiable story. For purposes of this subsection, the term "common areas" means any enclosed hallway, corridor, lobby, stairwell, or entryway. In no event shall the local authority having jurisdiction require completion of retrofitting of common areas with a sprinkler system before the end of <u>2025</u> 2014.

308 1. A vote to forego retrofitting may be obtained by limited 309 proxy or by a ballot personally cast at a duly called membership 310 meeting, or by execution of a written consent by the member, and 311 shall be effective upon the recording of a certificate attesting 312 to such vote in the public records of the county where the 313 condominium is located. The association shall mail, hand deliver, or electronically transmit to each unit owner written 314 315 notice at least 14 days prior to such membership meeting in which the vote to forego retrofitting of the required fire 316 sprinkler system is to take place. Within 30 days after the 317 association's opt-out vote, notice of the results of the opt-out 318 vote shall be mailed, hand delivered, or electronically 319 320 transmitted to all unit owners. Evidence of compliance with this 321 30-day notice shall be made by an affidavit executed by the 322 person providing the notice and filed among the official records of the association. After such notice is provided to each owner, 323 324 a copy of such notice shall be provided by the current owner to 325 a new owner prior to closing and shall be provided by a unit 326 owner to a renter prior to signing a lease.

327 2. As part of the information collected annually from 328 condominiums, the division shall require condominium 329 associations to report the membership vote and recording of a 330 certificate under this subsection and, if retrofitting has been

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331	undertaken, the per-unit cost of such work. The division shall
332	annually report to the Division of State Fire Marshal of the
333	Department of Financial Services the number of condominiums that
334	have elected to forego retrofitting.
335	(n) Director or officer delinquencies.—A director or
336	officer more than 90 days delinquent in the payment of any fee,
337	fine, or regular or special assessments shall be deemed to have
338	abandoned the office, creating a vacancy in the office to be
339	filled according to law.
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342	And the title is amended as follows:
343	Delete line 35
344	and insert:
345	specified provision; amending s. 718.112, F.S.;
346	conforming cross-references; revising requirements for
347	the reappointment of certain board members; revising
348	board eligibility requirements; revising notice
349	requirements for board candidates; establishing
350	requirements for newly elected board members;
351	extending the period during which condominium common
352	areas do not have to be retrofitted with sprinkler
353	systems; providing that certain directors and officers
354	delinquent in the payment of any fee, fine, or regular
355	or special assessments shall be deemed to have
356	abandoned their office; providing an effective date.

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