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LEGISLATIVE ACTION

Senate

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House

Senator Bradley moved the following:

Senate Amendment (with title amendment)

Delete everything after the enacting clause
and insert:

Section 1. Subsection (2) of section 163.04, Florida
Statutes, is amended to read:

163.04 Energy devices based on renewable resources.—

(2) A deed restriction, covenant, declaration, or similar
binding agreement may not prohibit or have the effect of
prohibiting solar collectors, clotheslines, or other energy
devices based on renewable resources from being installed on



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buildings erected on the lots or parcels covered by the deed restriction, covenant, declaration, or binding agreement. A property owner may not be denied permission to install solar collectors or other energy devices by any entity granted the power or right in any deed restriction, covenant, declaration, or similar binding agreement to approve, forbid, control, or direct alteration of property with respect to residential dwellings and within the boundaries of a condominium unit. Such entity may:

(a) Determine the specific location where solar collectors may be installed on the roof within an orientation to the south or within 45 degrees ~~45°~~ east or west of due south if such determination does not impair the effective operation of the solar collectors; and

(b) Prohibit the installation of solar collectors in locations beyond the parameters specified in paragraph (a).

Section 2. Subsection (1) of section 468.4334, Florida Statutes, is amended to read:

468.4334 Professional practice standards; liability.—

(1)(a) A community association manager or a community association management firm is deemed to act as agent on behalf of a community association as principal within the scope of authority authorized by a written contract or under this chapter. A community association manager and a community association management firm shall discharge duties performed on behalf of the association as authorized by this chapter loyally, skillfully, and diligently; dealing honestly and fairly; in good faith; with care and full disclosure to the community association; accounting for all funds; and not charging



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unreasonable or excessive fees.

(b) If a community association manager or a community association management firm has a contract with a community association that has a building on the association's property that is subject to s. 553.899, the community association manager or the community association management firm must comply with that section as directed by the board.

Section 3. Section 553.899, Florida Statutes, is created to read:

553.899 Mandatory structural inspections for condominium and cooperative buildings.—

(1) The Legislature finds that maintaining the structural integrity of a building throughout its service life is of paramount importance in order to ensure that buildings are structurally sound so as to not pose a threat to the public health, safety, or welfare. As such, the Legislature finds that the imposition of a statewide structural inspection program for aging condominium and cooperative buildings in this state is necessary to ensure that such buildings are safe for continued use.

(2) As used in this section, the terms:

(a) "Milestone inspection" means a structural inspection of a building, including an inspection of load-bearing walls and the primary structural members and primary structural systems as those terms are defined in s. 627.706, by a licensed architect or engineer authorized to practice in this state for the purposes of attesting to the life safety and adequacy of the structural components of the building and, to the extent reasonably possible, determining the general structural



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condition of the building as it affects the safety of such building, including a determination of any necessary maintenance, repair, or replacement of any structural component of the building. The purpose of such inspection is not to determine if the condition of an existing building is in compliance with the Florida Building Code or the firesafety code.

(b) "Substantial structural deterioration" means substantial structural distress that negatively affects a building's general structural condition and integrity. The term does not include surface imperfections such as cracks, distortion, sagging, deflections, misalignment, signs of leakage, or peeling of finishes unless the licensed engineer or architect performing the phase one or phase two inspection determines that such surface imperfections are a sign of substantial structural deterioration.

(3) A condominium association under chapter 718 and a cooperative association under chapter 719 must have a milestone inspection performed for each building that is three stories or more in height by December 31 of the year in which the building reaches 30 years of age, based on the date the certificate of occupancy for the building was issued, and every 10 years thereafter. If the building is located within 3 miles of a coastline as defined in s. 376.031, the condominium association or cooperative association must have a milestone inspection performed by December 31 of the year in which the building reaches 25 years of age, based on the date the certificate of occupancy for the building was issued, and every 10 years thereafter. The condominium association or cooperative



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association must arrange for the milestone inspection to be performed and is responsible for ensuring compliance with the requirements of this section. The condominium association or cooperative association is responsible for all costs associated with the inspection. This subsection does not apply to a two-family or three-family dwelling with three or fewer habitable stories above ground.

(4) If a milestone inspection is required under this section and the building's certificate of occupancy was issued on or before July 1, 1992, the building's initial milestone inspection must be performed before December 31, 2024. If the date of issuance for the certificate of occupancy is not available, the date of issuance of the building's certificate of occupancy shall be the date of occupancy evidenced in any record of the local building official.

(5) Upon determining that a building must have a milestone inspection, the local enforcement agency must provide written notice of such required inspection to the condominium association or cooperative association by certified mail, return receipt requested.

(6) Within 180 days after receiving the written notice under subsection (5), the condominium association or cooperative association must complete phase one of the milestone inspection. For purposes of this section, completion of phase one of the milestone inspection means the licensed engineer or architect who performed the phase one inspection submitted the inspection report by e-mail, United States Postal Service, or commercial delivery service to the local enforcement agency.

(7) A milestone inspection consists of two phases:



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(a) For phase one of the milestone inspection, a licensed architect or engineer authorized to practice in this state shall perform a visual examination of habitable and nonhabitable areas of a building, including the major structural components of a building, and provide a qualitative assessment of the structural conditions of the building. If the architect or engineer finds no signs of substantial structural deterioration to any building components under visual examination, phase two of the inspection, as provided in paragraph (b), is not required. An architect or engineer who completes a phase one milestone inspection shall prepare and submit an inspection report pursuant to subsection (8).

(b) A phase two of the milestone inspection must be performed if any substantial structural deterioration is identified during phase one. A phase two inspection may involve destructive or nondestructive testing at the inspector's direction. The inspection may be as extensive or as limited as necessary to fully assess areas of structural distress in order to confirm that the building is structurally sound and safe for its intended use and to recommend a program for fully assessing and repairing distressed and damaged portions of the building. When determining testing locations, the inspector must give preference to locations that are the least disruptive and most easily repairable while still being representative of the structure. An inspector who completes a phase two milestone inspection shall prepare and submit an inspection report pursuant to subsection (8).

(8) Upon completion of a phase one or phase two milestone inspection, the architect or engineer who performed the



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inspection must submit a sealed copy of the inspection report with a separate summary of, at minimum, the material findings and recommendations in the inspection report to the condominium association or cooperative association, and to the building official of the local government which has jurisdiction. The inspection report must, at a minimum, meet all of the following criteria:

(a) Bear the seal and signature, or the electronic signature, of the licensed engineer or architect who performed the inspection.

(b) Indicate the manner and type of inspection forming the basis for the inspection report.

(c) Identify any substantial structural deterioration, within a reasonable professional probability based on the scope of the inspection, describe the extent of such deterioration, and identify any recommended repairs for such deterioration.

(d) State whether unsafe or dangerous conditions, as those terms are defined in the Florida Building Code, were observed.

(e) Recommend any remedial or preventive repair for any items that are damaged but are not substantial structural deterioration.

(f) Identify and describe any items requiring further inspection.

(9) The association must distribute a copy of the inspector-prepared summary of the inspection report to each condominium unit owner or cooperative unit owner, regardless of the findings or recommendations in the report, by United States mail or personal delivery and by electronic transmission to unit owners who previously consented to received notice by electronic



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transmission; must post a copy of the inspector-prepared summary in a conspicuous place on the condominium or cooperative property; and must publish the full report and inspector-prepared summary on the association's website, if the association is required to have a website.

(10) A local enforcement agency may prescribe timelines and penalties with respect to compliance with this section.

(11) A board of county commissioners may adopt an ordinance requiring that a condominium or cooperative association schedule or commence repairs for substantial structural deterioration within a specified timeframe after the local enforcement agency receives a phase two inspection report; however, such repairs must be commenced within 365 days after receiving such report. If an association fails to submit proof to the local enforcement agency that repairs have been scheduled or have commenced for substantial structural deterioration identified in a phase two inspection report within the required timeframe, the local enforcement agency must review and determine if the building is unsafe for human occupancy.

(12) The Florida Building Commission shall review the milestone inspection requirements under this section and make recommendations, if any, to the Legislature to ensure inspections are sufficient to determine the structural integrity of a building. The commission must provide a written report of any recommendations to the Governor, the President of the Senate, and the Speaker of the House of Representatives by December 31, 2022.

(13) The Florida Building Commission shall consult with the State Fire Marshal to provide recommendations to the Legislature



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for the adoption of comprehensive structural and life safety standards for maintaining and inspecting all types of buildings and structures in this state that are three stories or more in height. The commission shall provide a written report of its recommendations to the Governor, the President of the Senate, and the Speaker of the House of Representatives by December 31, 2023.

Section 4. Present subsections (1) through (30) of section 718.103, Florida Statutes, are redesignated as subsections (2) through (31), respectively, and a new subsection (1) is added to that section, to read:

718.103 Definitions.—As used in this chapter, the term:

(1) "Alternative funding method" means an alternative to funding a reserve account which is approved by the division and which may reasonably be expected to fully satisfy the association's budgetary obligations for deferred maintenance, capital expenditure, and any item for which reserves are otherwise required, including, but not limited to, payments by a developer and the incorporation into the budget of expenses for deferred maintenance, capital expenditure, and any item for which reserves are otherwise required. The term also includes any other alternative approved by the division.

Section 5. Paragraphs (a), (c), and (g) of subsection (12) and subsection (13) of section 718.111, Florida Statutes, are amended to read:

718.111 The association.—

(12) OFFICIAL RECORDS.—

(a) From the inception of the association, the association shall maintain each of the following items, if applicable, which



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constitutes the official records of the association:

1. A copy of the plans, permits, warranties, and other items provided by the developer under s. 718.301(4).

2. A photocopy of the recorded declaration of condominium of each condominium operated by the association and each amendment to each declaration.

3. A photocopy of the recorded bylaws of the association and each amendment to the bylaws.

4. A certified copy of the articles of incorporation of the association, or other documents creating the association, and each amendment thereto.

5. A copy of the current rules of the association.

6. A book or books that contain the minutes of all meetings of the association, the board of administration, and the unit owners.

7. A current roster of all unit owners and their mailing addresses, unit identifications, voting certifications, and, if known, telephone numbers. The association shall also maintain the e-mail addresses and facsimile numbers of unit owners consenting to receive notice by electronic transmission. The e-mail addresses and facsimile numbers are not accessible to unit owners if consent to receive notice by electronic transmission is not provided in accordance with sub-subparagraph (c)3.e. However, the association is not liable for an inadvertent disclosure of the e-mail address or facsimile number for receiving electronic transmission of notices.

8. All current insurance policies of the association and condominiums operated by the association.

9. A current copy of any management agreement, lease, or



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other contract to which the association is a party or under which the association or the unit owners have an obligation or responsibility.

10. Bills of sale or transfer for all property owned by the association.

11. Accounting records for the association and separate accounting records for each condominium that the association operates. Any person who knowingly or intentionally defaces or destroys such records, or who knowingly or intentionally fails to create or maintain such records, with the intent of causing harm to the association or one or more of its members, is personally subject to a civil penalty pursuant to s.

718.501(1)(d). The accounting records must include, but are not limited to:

a. Accurate, itemized, and detailed records of all receipts and expenditures.

b. A current account and a monthly, bimonthly, or quarterly statement of the account for each unit designating the name of the unit owner, the due date and amount of each assessment, the amount paid on the account, and the balance due.

c. All audits, reviews, accounting statements, reserve studies and reserve funding plans, and financial reports of the association or condominium.

d. All contracts for work to be performed. Bids for work to be performed are also considered official records and must be maintained by the association for at least 1 year after receipt of the bid.

12. Ballots, sign-in sheets, voting proxies, and all other papers and electronic records relating to voting by unit owners,



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which must be maintained for 1 year from the date of the election, vote, or meeting to which the document relates, notwithstanding paragraph (b).

13. All rental records if the association is acting as agent for the rental of condominium units.

14. A copy of the current question and answer sheet as described in s. 718.504.

15. A copy of the inspection reports ~~report as~~ described in ss. 553.899 and 718.301(4)(p) and any other inspection report relating to a structural or life safety inspection of condominium property. Such record must be maintained by the association for 15 years after receipt of the report ~~s.~~ ~~718.301(4)(p).~~

16. Bids for materials, equipment, or services.

17. All affirmative acknowledgments made pursuant to s. 718.121(4)(c).

18. All other written records of the association not specifically included in the foregoing which are related to the operation of the association.

(c)1. The official records of the association are open to inspection by any association member or the authorized representative of such member at all reasonable times. The right to inspect the records includes the right to make or obtain copies, at the reasonable expense, if any, of the member or authorized representative of such member. A renter of a unit has a right to inspect and copy only the declaration of condominium, ~~and~~ the association's bylaws and rules, and the inspection reports described in ss. 553.899 and 718.301(4)(p). The association may adopt reasonable rules regarding the frequency,



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time, location, notice, and manner of record inspections and copying but may not require a member to demonstrate any purpose or state any reason for the inspection. The failure of an association to provide the records within 10 working days after receipt of a written request creates a rebuttable presumption that the association willfully failed to comply with this paragraph. A unit owner who is denied access to official records is entitled to the actual damages or minimum damages for the association's willful failure to comply. Minimum damages are \$50 per calendar day for up to 10 days, beginning on the 11th working day after receipt of the written request. The failure to permit inspection entitles any person prevailing in an enforcement action to recover reasonable attorney fees from the person in control of the records who, directly or indirectly, knowingly denied access to the records.

2. Any person who knowingly or intentionally defaces or destroys accounting records that are required by this chapter to be maintained during the period for which such records are required to be maintained, or who knowingly or intentionally fails to create or maintain accounting records that are required to be created or maintained, with the intent of causing harm to the association or one or more of its members, is personally subject to a civil penalty pursuant to s. 718.501(1)(d).

3. The association shall maintain an adequate number of copies of the declaration, articles of incorporation, bylaws, and rules, and all amendments to each of the foregoing, as well as the question and answer sheet as described in s. 718.504 and year-end financial information required under this section, on the condominium property to ensure their availability to unit



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owners and prospective purchasers, and may charge its actual costs for preparing and furnishing these documents to those requesting the documents. An association shall allow a member or his or her authorized representative to use a portable device, including a smartphone, tablet, portable scanner, or any other technology capable of scanning or taking photographs, to make an electronic copy of the official records in lieu of the association's providing the member or his or her authorized representative with a copy of such records. The association may not charge a member or his or her authorized representative for the use of a portable device. Notwithstanding this paragraph, the following records are not accessible to unit owners:

a. Any record protected by the lawyer-client privilege as described in s. 90.502 and any record protected by the work-product privilege, including a record prepared by an association attorney or prepared at the attorney's express direction, which reflects a mental impression, conclusion, litigation strategy, or legal theory of the attorney or the association, and which was prepared exclusively for civil or criminal litigation or for adversarial administrative proceedings, or which was prepared in anticipation of such litigation or proceedings until the conclusion of the litigation or proceedings.

b. Information obtained by an association in connection with the approval of the lease, sale, or other transfer of a unit.

c. Personnel records of association or management company employees, including, but not limited to, disciplinary, payroll, health, and insurance records. For purposes of this subparagraph, the term "personnel records" does not include



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written employment agreements with an association employee or management company, or budgetary or financial records that indicate the compensation paid to an association employee.

d. Medical records of unit owners.

e. Social security numbers, driver license numbers, credit card numbers, e-mail addresses, telephone numbers, facsimile numbers, emergency contact information, addresses of a unit owner other than as provided to fulfill the association's notice requirements, and other personal identifying information of any person, excluding the person's name, unit designation, mailing address, property address, and any address, e-mail address, or facsimile number provided to the association to fulfill the association's notice requirements. Notwithstanding the restrictions in this sub-subparagraph, an association may print and distribute to unit owners a directory containing the name, unit address, and all telephone numbers of each unit owner. However, an owner may exclude his or her telephone numbers from the directory by so requesting in writing to the association. An owner may consent in writing to the disclosure of other contact information described in this sub-subparagraph. The association is not liable for the inadvertent disclosure of information that is protected under this sub-subparagraph if the information is included in an official record of the association and is voluntarily provided by an owner and not requested by the association.

f. Electronic security measures that are used by the association to safeguard data, including passwords.

g. The software and operating system used by the association which allow the manipulation of data, even if the



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owner owns a copy of the same software used by the association.
The data is part of the official records of the association.

h. All affirmative acknowledgments made pursuant to s.
718.121(4) (c) .

(g)1. By January 1, 2019, an association managing a
condominium with 150 or more units which does not contain
timeshare units shall post digital copies of the documents
specified in subparagraph 2. on its website or make such
documents available through an application that can be
downloaded on a mobile device.

a. The association's website or application must be:

(I) An independent website, application, or web portal
wholly owned and operated by the association; or

(II) A website, application, or web portal operated by a
third-party provider with whom the association owns, leases,
rents, or otherwise obtains the right to operate a web page,
subpage, web portal, collection of subpages or web portals, or
an application which is dedicated to the association's
activities and on which required notices, records, and documents
may be posted or made available by the association.

b. The association's website or application must be
accessible through the Internet and must contain a subpage, web
portal, or other protected electronic location that is
inaccessible to the general public and accessible only to unit
owners and employees of the association.

c. Upon a unit owner's written request, the association
must provide the unit owner with a username and password and
access to the protected sections of the association's website or
application which contain any notices, records, or documents



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that must be electronically provided.

2. A current copy of the following documents must be posted in digital format on the association's website or application:

a. The recorded declaration of condominium of each condominium operated by the association and each amendment to each declaration.

b. The recorded bylaws of the association and each amendment to the bylaws.

c. The articles of incorporation of the association, or other documents creating the association, and each amendment to the articles of incorporation or other documents. The copy posted pursuant to this sub-subparagraph must be a copy of the articles of incorporation filed with the Department of State.

d. The rules of the association.

e. A list of all executory contracts or documents to which the association is a party or under which the association or the unit owners have an obligation or responsibility and, after bidding for the related materials, equipment, or services has closed, a list of bids received by the association within the past year. Summaries of bids for materials, equipment, or services which exceed \$500 must be maintained on the website or application for 1 year. In lieu of summaries, complete copies of the bids may be posted.

f. The annual budget required by s. 718.112(2)(f) and any proposed budget to be considered at the annual meeting.

g. The financial report required by subsection (13) and any monthly income or expense statement to be considered at a meeting.

h. The certification of each director required by s.



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718.112(2)(d)4.b.

i. All contracts or transactions between the association and any director, officer, corporation, firm, or association that is not an affiliated condominium association or any other entity in which an association director is also a director or officer and financially interested.

j. Any contract or document regarding a conflict of interest or possible conflict of interest as provided in ss. 468.436(2)(b)6. and 718.3027(3).

k. The notice of any unit owner meeting and the agenda for the meeting, as required by s. 718.112(2)(d)3., no later than 14 days before the meeting. The notice must be posted in plain view on the front page of the website or application, or on a separate subpage of the website or application labeled "Notices" which is conspicuously visible and linked from the front page. The association must also post on its website or application any document to be considered and voted on by the owners during the meeting or any document listed on the agenda at least 7 days before the meeting at which the document or the information within the document will be considered.

l. Notice of any board meeting, the agenda, and any other document required for the meeting as required by s. 718.112(2)(c), which must be posted no later than the date required for notice under s. 718.112(2)(c).

m. The inspection reports described in ss. 553.899 and 718.301(4)(p) and any other inspection report relating to a structural or life safety inspection of condominium property.

n. The reserve study required under s. 718.112(2).

3. The association shall ensure that the information and



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records described in paragraph (c), which are not allowed to be accessible to unit owners, are not posted on the association's website or application. If protected information or information restricted from being accessible to unit owners is included in documents that are required to be posted on the association's website or application, the association shall ensure the information is redacted before posting the documents.

Notwithstanding the foregoing, the association or its agent is not liable for disclosing information that is protected or restricted under this paragraph unless such disclosure was made with a knowing or intentional disregard of the protected or restricted nature of such information.

4. The failure of the association to post information required under subparagraph 2. is not in and of itself sufficient to invalidate any action or decision of the association's board or its committees.

(13) FINANCIAL REPORTING.—Within 90 days after the end of the fiscal year, or annually on a date provided in the bylaws, the association shall prepare and complete, or contract for the preparation and completion of, a financial report for the preceding fiscal year. Within 21 days after the final financial report is completed by the association or received from the third party, but not later than 120 days after the end of the fiscal year or other date as provided in the bylaws, the association shall mail to each unit owner at the address last furnished to the association by the unit owner, or hand deliver to each unit owner, a copy of the most recent financial report or a notice that a copy of the most recent financial report will be mailed or hand delivered to the unit owner, without charge,



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within 5 business days after receipt of a written request from the unit owner. The division shall adopt rules setting forth uniform accounting principles and standards to be used by all associations and addressing the financial reporting requirements for multicondominium associations. The rules must include, but not be limited to, standards for presenting a summary of association reserves, including a good faith estimate disclosing the annual amount of reserve funds that would be necessary for the association to fully fund reserves for each reserve item based on the straight-line ~~accounting~~ method or to fully fund reserves based on the pooling method. ~~This disclosure is not applicable to reserves funded via the pooling method.~~ In adopting such rules, the division shall consider the number of members and annual revenues of an association. Financial reports shall be prepared as follows:

(a) An association that meets the criteria of this paragraph shall prepare a complete set of financial statements in accordance with generally accepted accounting principles. The financial statements must be based upon the association's total annual revenues, as follows:

1. An association with total annual revenues of \$150,000 or more, but less than \$300,000, shall prepare compiled financial statements.

2. An association with total annual revenues of at least \$300,000, but less than \$500,000, shall prepare reviewed financial statements.

3. An association with total annual revenues of \$500,000 or more shall prepare audited financial statements.

(b)1. An association with total annual revenues of less



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than \$150,000 shall prepare a report of cash receipts and expenditures.

2. A report of cash receipts and disbursements must disclose the amount of receipts by accounts and receipt classifications and the amount of expenses by accounts and expense classifications, including, but not limited to, the following, as applicable: costs for security, professional and management fees and expenses, taxes, costs for recreation facilities, expenses for refuse collection and utility services, expenses for lawn care, costs for building maintenance and repair, insurance costs, administration and salary expenses, and reserves accumulated and expended for capital expenditures, deferred maintenance, and any other category for which the association maintains reserves.

(c) An association may prepare, without a meeting of or approval by the unit owners:

1. Compiled, reviewed, or audited financial statements, if the association is required to prepare a report of cash receipts and expenditures;

2. Reviewed or audited financial statements, if the association is required to prepare compiled financial statements; or

3. Audited financial statements if the association is required to prepare reviewed financial statements.

(d) If approved by a majority of the voting interests present at a properly called meeting of the association, an association may prepare:

1. A report of cash receipts and expenditures in lieu of a compiled, reviewed, or audited financial statement;



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2. A report of cash receipts and expenditures or a compiled financial statement in lieu of a reviewed or audited financial statement; or

3. A report of cash receipts and expenditures, a compiled financial statement, or a reviewed financial statement in lieu of an audited financial statement.

Such meeting and approval must occur before the end of the fiscal year and is effective only for the fiscal year in which the vote is taken, except that the approval may also be effective for the following fiscal year. If the developer has not turned over control of the association, all unit owners, including the developer, may vote on issues related to the preparation of the association's financial reports, from the date of incorporation of the association through the end of the second fiscal year after the fiscal year in which the certificate of a surveyor and mapper is recorded pursuant to s. 718.104(4)(e) or an instrument that transfers title to a unit in the condominium which is not accompanied by a recorded assignment of developer rights in favor of the grantee of such unit is recorded, whichever occurs first. Thereafter, all unit owners except the developer may vote on such issues until control is turned over to the association by the developer. Any audit or review prepared under this section shall be paid for by the developer if done before turnover of control of the association.

(e) A unit owner may provide written notice to the division of the association's failure to mail or hand deliver him or her a copy of the most recent financial report within 5 business



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days after he or she submitted a written request to the association for a copy of such report. If the division determines that the association failed to mail or hand deliver a copy of the most recent financial report to the unit owner, the division shall provide written notice to the association that the association must mail or hand deliver a copy of the most recent financial report to the unit owner and the division within 5 business days after it receives such notice from the division. An association that fails to comply with the division's request may not waive the financial reporting requirement provided in paragraph (d) for the fiscal year in which the unit owner's request was made and the following fiscal year. A financial report received by the division pursuant to this paragraph shall be maintained, and the division shall provide a copy of such report to an association member upon his or her request.

Section 6. Paragraphs (d) and (f) of subsection (2) of section 718.112, Florida Statutes, are amended, and paragraph (p) is added to that subsection, 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 the following:

(d) *Unit owner meetings.*—

1. An annual meeting of the unit owners must be held at the location provided in the association bylaws and, if the bylaws are silent as to the location, the meeting must be held within 45 miles of the condominium property. However, such distance requirement does not apply to an association governing a



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timeshare condominium.

2. Unless the bylaws provide otherwise, a vacancy on the board caused by the expiration of a director's term must be filled by electing a new board member, and the election must be by secret ballot. An election is not required if the number of vacancies equals or exceeds the number of candidates. For purposes of this paragraph, the term "candidate" means an eligible person who has timely submitted the written notice, as described in sub-subparagraph 4.a., of his or her intention to become a candidate. Except in a timeshare or nonresidential condominium, or if the staggered term of a board member does not expire until a later annual meeting, or if all members' terms would otherwise expire but there are no candidates, the terms of all board members expire at the annual meeting, and such members may stand for reelection unless prohibited by the bylaws. Board members may serve terms longer than 1 year if permitted by the bylaws or articles of incorporation. A board member may not serve more than 8 consecutive years unless approved by an affirmative vote of unit owners representing two-thirds of all votes cast in the election or unless there are not enough eligible candidates to fill the vacancies on the board at the time of the vacancy. Only board service that occurs on or after July 1, 2018, may be used when calculating a board member's term limit. If the number of board members whose terms expire at the annual meeting equals or exceeds the number of candidates, the candidates become members of the board effective upon the adjournment of the annual meeting. Unless the bylaws provide otherwise, any remaining vacancies shall be filled by the affirmative vote of the majority of the directors making up the



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newly constituted board even if the directors constitute less than a quorum or there is only one director. In a residential condominium association of more than 10 units or in a residential condominium association that does not include timeshare units or timeshare interests, co-owners of a unit may not serve as members of the board of directors at the same time unless they own more than one unit or unless there are not enough eligible candidates to fill the vacancies on the board at the time of the vacancy. A unit owner in a residential condominium desiring to be a candidate for board membership must comply with sub-subparagraph 4.a. and must be eligible to be a candidate to serve on the board of directors at the time of the deadline for submitting a notice of intent to run in order to have his or her name listed as a proper candidate on the ballot or to serve on the board. A person who has been suspended or removed by the division under this chapter, or who is delinquent in the payment of any assessment due to the association, is not eligible to be a candidate for board membership and may not be listed on the ballot. For purposes of this paragraph, a person is delinquent if a payment is not made by the due date as specifically identified in the declaration of condominium, bylaws, or articles of incorporation. If a due date is not specifically identified in the declaration of condominium, bylaws, or articles of incorporation, the due date is the first day of the assessment period. A person who has been convicted of any felony in this state or in a United States District or Territorial Court, or who has been convicted of any offense in another jurisdiction which would be considered a felony if committed in this state, is not eligible for board membership



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708 unless such felon's civil rights have been restored for at least
709 5 years as of the date such person seeks election to the board.
710 The validity of an action by the board is not affected if it is
711 later determined that a board member is ineligible for board
712 membership due to having been convicted of a felony. This
713 subparagraph does not limit the term of a member of the board of
714 a nonresidential or timeshare condominium.

715 3. The bylaws must provide the method of calling meetings
716 of unit owners, including annual meetings. Written notice of an
717 annual meeting must include an agenda; be mailed, hand
718 delivered, or electronically transmitted to each unit owner at
719 least 14 days before the annual meeting; and be posted in a
720 conspicuous place on the condominium property or association
721 property at least 14 continuous days before the annual meeting.
722 Written notice of a meeting other than an annual meeting must
723 include an agenda; be mailed, hand delivered, or electronically
724 transmitted to each unit owner; and be posted in a conspicuous
725 place on the condominium property or association property within
726 the timeframe specified in the bylaws. If the bylaws do not
727 specify a timeframe for written notice of a meeting other than
728 an annual meeting, notice must be provided at least 14
729 continuous days before the meeting. Upon notice to the unit
730 owners, the board shall, by duly adopted rule, designate a
731 specific location on the condominium property or association
732 property where all notices of unit owner meetings must be
733 posted. This requirement does not apply if there is no
734 condominium property for posting notices. In lieu of, or in
735 addition to, the physical posting of meeting notices, the
736 association may, by reasonable rule, adopt a procedure for



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conspicuously posting and repeatedly broadcasting the notice and the agenda on a closed-circuit cable television system serving the condominium association. However, if broadcast notice is used in lieu of a notice posted physically on the condominium property, the notice and agenda must be broadcast at least four times every broadcast hour of each day that a posted notice is otherwise required under this section. If broadcast notice is provided, the notice and agenda must be broadcast in a manner and for a sufficient continuous length of time so as to allow an average reader to observe the notice and read and comprehend the entire content of the notice and the agenda. In addition to any of the authorized means of providing notice of a meeting of the board, the association may, by rule, adopt a procedure for conspicuously posting the meeting notice and the agenda on a website serving the condominium association for at least the minimum period of time for which a notice of a meeting is also required to be physically posted on the condominium property. Any rule adopted shall, in addition to other matters, include a requirement that the association send an electronic notice in the same manner as a notice for a meeting of the members, which must include a hyperlink to the website where the notice is posted, to unit owners whose e-mail addresses are included in the association's official records. Unless a unit owner waives in writing the right to receive notice of the annual meeting, such notice must be hand delivered, mailed, or electronically transmitted to each unit owner. Notice for meetings and notice for all other purposes must be mailed to each unit owner at the address last furnished to the association by the unit owner, or hand delivered to each unit owner. However, if a unit is owned



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by more than one person, the association must provide notice to the address that the developer identifies for that purpose and thereafter as one or more of the owners of the unit advise the 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 record. An officer of the association, or the manager or other person providing notice of the association meeting, must provide an affidavit or United States Postal Service certificate of mailing, to be included in the official records of the association affirming that the notice was mailed or hand delivered in accordance with this provision.

4. The members of the board of a residential condominium shall be elected by written ballot or voting machine. Proxies may not be used in electing the board in general elections or elections to fill vacancies caused by recall, resignation, or otherwise, unless otherwise provided in this chapter. This subparagraph does not apply to an association governing a timeshare condominium.

a. At least 60 days before a scheduled election, the association shall mail, deliver, or electronically transmit, by separate association mailing or included in another association mailing, delivery, or transmission, including regularly published newsletters, to each unit owner entitled to a vote, a first notice of the date of the election. A unit owner or other eligible person desiring to be a candidate for the board must give written notice of his or her intent to be a candidate to the association at least 40 days before a scheduled election. Together with the written notice and agenda as set forth in subparagraph 3., the association shall mail, deliver, or



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electronically transmit a second notice of the election to all unit owners entitled to vote, together with a ballot that lists all candidates not less than 14 days or more than 34 days before the date of the election. Upon request of a candidate, an information sheet, no larger than 8 1/2 inches by 11 inches, which must be furnished by the candidate at least 35 days before the election, must be included with the mailing, delivery, or transmission of the ballot, with the costs of mailing, delivery, or electronic transmission and copying to be borne by the association. The association is not liable for the contents of the information sheets prepared by the candidates. In order to reduce costs, the association may print or duplicate the information sheets on both sides of the paper. The division shall by rule establish voting procedures consistent with this sub-subparagraph, including rules establishing procedures for giving notice by electronic transmission and rules providing for the secrecy of ballots. Elections shall be decided by a plurality of ballots cast. There is no quorum requirement; however, at least 20 percent of the eligible voters must cast a ballot in order to have a valid election. A unit owner may not authorize any other person to vote his or her ballot, and any ballots improperly cast are invalid. A unit owner who violates this provision may be fined by the association in accordance with s. 718.303. A unit owner who needs assistance in casting the ballot for the reasons stated in s. 101.051 may obtain such assistance. The regular election must occur on the date of the annual meeting. Notwithstanding this sub-subparagraph, an election is not required unless more candidates file notices of intent to run or are nominated than board vacancies exist.



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b. Within 90 days after being elected or appointed to the board of an association of a residential condominium, each newly elected or appointed director shall do both of the following:

(I) Certify in writing to the secretary of the association that he or she has read the association's declaration of condominium, articles of incorporation, bylaws, and current written policies; that he or she will work to uphold such documents and policies to the best of his or her ability; and that he or she will faithfully discharge his or her fiduciary responsibility to the association's members. ~~In lieu of this written certification, within 90 days after being elected or appointed to the board, the newly elected or appointed director may~~

(II) Submit a certificate of having satisfactorily completed the educational curriculum administered by a division-approved condominium education provider within 1 year before or 90 days after the date of election or appointment. The written certification and ~~or~~ educational certificate are ~~is~~ valid and do ~~does~~ not have to be resubmitted as long as the director serves on the board without interruption.

A director of an association of a residential condominium who fails to timely file the written certification and ~~or~~ educational certificate is suspended from service on the board until he or she complies with this sub-subparagraph. The board may temporarily fill the vacancy during the period of suspension. The secretary shall require ~~cause~~ the association to retain a director's written certification and ~~or~~ educational certificate for inspection by the members for 5 years after a



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director's election or the duration of the director's uninterrupted tenure, whichever is longer. Failure to have such written certification and ~~or~~ educational certificate on file does not affect the validity of any board action.

c. Any challenge to the election process must be commenced within 60 days after the election results are announced.

5. Any approval by unit owners called for by this chapter or the applicable declaration or bylaws, including, but not limited to, the approval requirement in s. 718.111(8), must be made at a duly noticed meeting of unit owners and is subject to all requirements of this chapter or the applicable condominium documents relating to unit owner decisionmaking, except that unit owners may take action by written agreement, without meetings, on matters for which action by written agreement without meetings is expressly allowed by the applicable bylaws or declaration or any law that provides for such action.

6. Unit owners may waive notice of specific meetings if allowed by the applicable bylaws or declaration or any law. 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. A unit owner who consents to receiving notices by electronic transmission is solely responsible for removing or bypassing filters that block receipt of mass e-mails sent to members on behalf of the association in the course of giving electronic notices.

7. Unit owners have the right to participate in meetings of unit owners with reference to all designated agenda items.



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882 However, the association may adopt reasonable rules governing
883 the frequency, duration, and manner of unit owner participation.

884 8. A unit owner may tape record or videotape a meeting of
885 the unit owners subject to reasonable rules adopted by the
886 division.

887 9. Unless otherwise provided in the bylaws, any vacancy
888 occurring on the board before the expiration of a term may be
889 filled by the affirmative vote of the majority of the remaining
890 directors, even if the remaining directors constitute less than
891 a quorum, or by the sole remaining director. In the alternative,
892 a board may hold an election to fill the vacancy, in which case
893 the election procedures must conform to sub-subparagraph 4.a.
894 unless the association governs 10 units or fewer and has opted
895 out of the statutory election process, in which case the bylaws
896 of the association control. Unless otherwise provided in the
897 bylaws, a board member appointed or elected under this section
898 shall fill the vacancy for the unexpired term of the seat being
899 filled. Filling vacancies created by recall is governed by
900 paragraph (j) and rules adopted by the division.

901 10. This chapter does not limit the use of general or
902 limited proxies, require the use of general or limited proxies,
903 or require the use of a written ballot or voting machine for any
904 agenda item or election at any meeting of a timeshare
905 condominium association or nonresidential condominium
906 association.

907
908 Notwithstanding subparagraph (b)2. and sub-subparagraph 4.a., an
909 association of 10 or fewer units may, by affirmative vote of a
910 majority of the total voting interests, provide for different



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voting and election procedures in its bylaws, which may be by a proxy specifically delineating the different voting and election procedures. The different voting and election procedures may provide for elections to be conducted by limited or general proxy.

(f) *Annual budget.*—

1. The proposed annual budget of estimated revenues and expenses must be detailed and must show the amounts budgeted by accounts and expense classifications, including, at a minimum, any applicable expenses listed in s. 718.504(21). The board shall adopt the annual budget at least 14 days prior to the start of the association's fiscal year. In the event that the board fails to timely adopt the annual budget a second time, it shall be deemed a minor violation and the prior year's budget shall continue in effect until a new budget is adopted. A multicondominium association shall adopt a separate budget of common expenses for each condominium the association operates and shall adopt a separate budget of common expenses for the association. In addition, if the association maintains limited common elements with the cost to be shared only by those entitled to use the limited common elements as provided for in s. 718.113(1), the budget or a schedule attached to it must show the amount budgeted for this maintenance. If, after turnover of control of the association to the unit owners, any of the expenses listed in s. 718.504(21) are not applicable, they need not be listed.

2.a. In addition to annual operating expenses, the budget must include reserve accounts for capital expenditures and deferred maintenance. These accounts must include, but are not



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limited to, the maintenance and replacement of the condominium property identified in s. 718.301(4)(p) which are the maintenance responsibility of the association pursuant to the declaration ~~roof replacement, building painting, and pavement resurfacing, regardless of the amount of deferred maintenance expense or replacement cost,~~ and any other item that has a deferred maintenance expense or replacement cost that exceeds \$10,000. The amount to be reserved must be computed using a formula based upon estimated remaining useful life and estimated replacement cost or deferred maintenance expense of each reserve item. The association may adjust replacement reserve assessments annually to take into account any changes in estimates or extension of the useful life of a reserve item caused by deferred maintenance. This subsection does not apply to an adopted budget in which the members of an association have determined, by a two-thirds majority vote of all the voting interests, voting in person or by proxy at a duly called meeting of the association, to provide no reserves or less reserves than required by this subsection. An annual budget adopted on or after January 1, 2024, must, at minimum:

(I) Identify all items for which reserves are or will be established;

(II) Provide an estimate of the maintenance, repair, and replacement costs for the structural components for which an estimate of useful life may be determined;

(III) Identify any structural component for which a reserve account is not established or reserves are not funded, because the useful life of the component cannot be determined;

(IV) As of the beginning of the fiscal year for which the



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budget is prepared, identify the estimated current amount of accumulated funds for each reserve component or, if the pooling method is used, the estimated current amount of the accumulated pooled funds;

(V) Provide a description of the manner in which the association plans to fund reserves, including the use of regular assessments, special assessments, and any other alternative funding method; and

(VI) Provide a description of the procedures used for estimating the funding of reserves pursuant to this paragraph, including, as applicable, the identity of any independent third party who conducted the reserve study on behalf of the association and the extent to which the association is funding its reserve obligations consistent with the reserve study currently in effect.

b. Before turnover of control of an association by a developer to unit owners other than a developer pursuant to s. 718.301, the developer may not vote the voting interests allocated to its units to waive the reserves or reduce the funding of reserves. ~~through the period expiring at the end of the second fiscal year after the fiscal year in which the certificate of a surveyor and mapper is recorded pursuant to s. 718.104(4)(c) or an instrument that transfers title to a unit in the condominium which is not accompanied by a recorded assignment of developer rights in favor of the grantee of such unit is recorded, whichever occurs first, after which time~~ Reserves may be waived or reduced only upon the vote of two-thirds ~~a majority~~ of all nondeveloper voting interests, voting in person or by limited proxy at a duly called meeting of the



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association. If a meeting of the unit owners has been called to determine whether to waive or reduce the funding of reserves and no such result is achieved or a quorum is not attained, the reserves included in the budget shall go into effect. After the turnover, the developer may vote its voting interest to waive or reduce the funding of reserves.

3. Effective January 1, 2024, an association with a residential condominium building that is three stories or more in height and subject to the milestone inspection requirements in s. 553.899 must conduct a study of the amount of reserve funds needed to fund reserves for the maintenance, repair, replacement, and restoration of the condominium property. The reserve study must be conducted at least every 5 years. The board shall review the results of such study at least annually to determine if reserves are sufficient to meet the association's reserve obligations and to make any adjustments the board deems necessary to maintain reserves, as appropriate. The division shall adopt rules setting forth uniform financial standards and forms for reserve studies. The reserve study must include, without limitation:

a. A visual inspection by a licensed architect, engineer, or other independent professional with demonstrated experience or knowledge preparing reserve studies for the purpose of estimating the useful life and estimated replacement cost or deferred maintenance expense. The visual inspection shall be performed on or before January 1, 2024, and at least once every 10 years thereafter. The inspection may be the milestone inspection required under s. 553.899;

b. A summary of any inspection of the major components of



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the condominium property identified in sub-subparagraph a. and any other portion of the condominium property for which the association is required to establish a reserve account or accounts;

c. If applicable, a summary of the findings and recommendations of the milestone inspection report required under s. 553.899 and any other structural or life safety inspection of the condominium property considered in the reserve study;

d. An identification of the structural components of the building for which necessary reserves may be reasonably projected and an identification of the structural components of the building with an indefinite useful life for which a reasonable determination of necessary reserves may not be estimated;

e. An estimate of the useful life of the structural components of the building identified in sub-subparagraph a. for which an estimate of useful life may be determined as attested to by a licensed architect or engineer in the turnover inspection required under s. 718.301(4)(p), a milestone inspection, or any other structural or life safety inspection of the condominium property by a licensed architect or engineer, whichever is most recent;

f. An estimate of the remaining useful life of any other portion of the condominium property for which the association is required to establish a reserve account or accounts;

g. An estimate of the cost of maintenance, repair, replacement, or restoration of each major component of the condominium property identified in s. 718.301(4)(p) and any



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other portion of the condominium property identified pursuant to sub-subparagraph d.;

h. An estimate of the total annual assessment that may be necessary to cover the cost of maintaining, repairing, replacing, or restoring the major components of the condominium property identified in sub-subparagraph a. and any other portion of the condominium property identified pursuant to sub-subparagraph f.;

i. A description of the funding plan, including any alternative funding method, to provide adequate funding for the required reserves; and

j. A schedule for the full funding of reserves. A reserve account is fully funded when the actual or projected reserve balance in the reserve account is equal in direct proportion to the fraction of useful life that has expired for a given component or components multiplied by the current replacement costs for the component or components.

4.3- Reserve funds and any interest accruing thereon shall remain in the reserve account or accounts, and may be used only for authorized reserve expenditures unless their use for other purposes is approved in advance by a ~~two-thirds majority~~ vote of all voting interests, voting in person or by limited proxy at a duly called meeting of the association; provided that the use of reserve funds for a purpose other than authorized reserve expenditures is authorized in the exercise of the association's emergency powers under s. 718.1265. Before turnover of control of an association by a developer to unit owners other than the developer pursuant to s. 718.301, the developer-controlled association may not vote to use reserves for purposes other than



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those for which they were intended without the approval of two-thirds ~~a majority~~ of all nondeveloper voting interests, voting in person or by limited proxy at a duly called meeting of the association.

5.a.4. The only voting interests that are eligible to vote on questions that involve waiving or reducing the funding of reserves, or using existing reserve funds for purposes other than purposes for which the reserves were intended, are the voting interests of the units subject to assessment to fund the reserves in question. Proxy questions relating to waiving or reducing the funding of reserves or using existing reserve funds for purposes other than purposes for which the reserves were intended must contain the following statement in capitalized, bold letters in a font size larger than any other used on the face of the proxy ballot: WAIVING OF RESERVES, IN WHOLE OR IN PART, OR ALLOWING ALTERNATIVE USES OF EXISTING RESERVES MAY RESULT IN UNIT OWNER LIABILITY FOR PAYMENT OF UNANTICIPATED SPECIAL ASSESSMENTS REGARDING THOSE ITEMS.

b. If the association has voted to waive reserves or to use existing reserve funds for purposes other than the purposes for which the reserves were intended, the budget must contain the following statement in conspicuous type: THE OWNERS HAVE ELECTED TO WAIVE RESERVES, IN WHOLE OR IN PART, OR ALLOWED ALTERNATIVE USES OF EXISTING RESERVES UNDER SECTION 718.112(2)(f), FLORIDA STATUTES. THE WAIVING OR ALTERNATIVE USE OF RESERVE FUNDS MAY RESULT IN UNIT OWNER LIABILITY FOR PAYMENT OF UNANTICIPATED SPECIAL ASSESSMENTS REGARDING THOSE ITEMS.

c. On or after January 1, 2026, if the association is required to perform a reserve study under this paragraph and the



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1114 budget of the association does not fund the association's
1115 reserve obligations consistent with the reserve study currently
1116 in effect, the budget must also contain the following statement
1117 in conspicuous type: THE ASSOCIATION'S LAST RESERVE STUDY IS
1118 DATED THE RESERVE AMOUNT BUDGETED AND/OR COLLECTED IS LESS
1119 THAN REQUIRED BY THE RESERVE STUDY SCHEDULE. FAILURE TO FUND
1120 RESERVES CONSISTENT WITH THE ASSOCIATION'S RESERVE STUDY MAY
1121 RESULT IN UNANTICIPATED SPECIAL ASSESSMENTS REGARDING THOSE
1122 ITEMS.

1123 (p) *Mandatory milestone inspections.*—If an association is
1124 required to have a milestone inspection performed pursuant to s.
1125 553.899, the association must arrange for the milestone
1126 inspection to be performed and is responsible for ensuring
1127 compliance with the requirements of s. 553.899. The association
1128 is responsible for all costs associated with the inspection. If
1129 the officers or directors of an association willfully and
1130 knowingly fail to have a milestone inspection performed pursuant
1131 to s. 553.899, such failure is a breach of the officers' and
1132 directors' fiduciary relationship to the unit owners under s.
1133 718.111(1)(a). Upon completion of a phase one or phase two
1134 milestone inspection and receipt of the inspector-prepared
1135 summary of the inspection report from the architect or engineer
1136 who performed the inspection, the association must distribute a
1137 copy of the inspector-prepared summary of the inspection report
1138 to each unit owner, regardless of the findings or
1139 recommendations in the report, by United States mail or personal
1140 delivery and by electronic transmission to unit owners who
1141 previously consented to receive notice by electronic
1142 transmission; must post a copy of the inspector-prepared summary



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in a conspicuous place on the condominium property; and must publish the full report and inspector-prepared summary on the association's website, if the association is required to have a website.

Section 7. Present subsections (4) through (9) of section 718.113, Florida Statutes, are redesignated as subsections (5) through (10), respectively, a new subsection (4) is added to that section, and subsections (1) and (2) of that section are amended, to read:

718.113 Maintenance; limitation upon improvement; display of flag; hurricane shutters and protection; display of religious decorations.—

(1) Maintenance of the common elements is the responsibility of the association, except for any maintenance responsibility for limited common elements assigned to the unit owner by the declaration. The association shall provide for the maintenance, repair, and replacement of the condominium property for which it bears responsibility. After turnover of control of the association to the unit owners, the association must perform any required maintenance identified by the developer pursuant to s. 718.301(4)(p) until the association obtains new maintenance protocols from a licensed professional engineer or architect.

The declaration may provide that certain limited common elements shall be maintained by those entitled to use the limited common elements or that the association shall provide the maintenance, either as a common expense or with the cost shared only by those entitled to use the limited common elements. If the maintenance is to be by the association at the expense of only those entitled to use the limited common elements, the declaration



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shall describe in detail the method of apportioning such costs among those entitled to use the limited common elements, and the association may use the provisions of s. 718.116 to enforce payment of the shares of such costs by the unit owners entitled to use the limited common elements.

(2) (a) Except as otherwise provided in this section, there shall be no material alteration or substantial additions to the common elements or to real property which is association property, except in a manner provided in the declaration as originally recorded or as amended under the procedures provided therein. If the declaration as originally recorded or as amended under the procedures provided therein does not specify the procedure for approval of material alterations or substantial additions, 75 percent of the total voting interests of the association must approve the alterations or additions before the material alterations or substantial additions are commenced. This paragraph is intended to clarify existing law and applies to associations existing on July 1, 2018.

(b) There shall not be any material alteration of, or substantial addition to, the common elements of any condominium operated by a multicondominium association unless approved in the manner provided in the declaration of the affected condominium or condominiums as originally recorded or as amended under the procedures provided therein. If a declaration as originally recorded or as amended under the procedures provided therein does not specify a procedure for approving such an alteration or addition, the approval of 75 percent of the total voting interests of each affected condominium is required before the material alterations or substantial additions are commenced.



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This subsection does not prohibit a provision in any declaration, articles of incorporation, or bylaws as originally recorded or as amended under the procedures provided therein requiring the approval of unit owners in any condominium operated by the same association or requiring board approval before a material alteration or substantial addition to the common elements is permitted. This paragraph is intended to clarify existing law and applies to associations existing on July 1, 2018.

(c) There shall not be any material alteration or substantial addition made to association real property operated by a multicondominium association, except as provided in the declaration, articles of incorporation, or bylaws as originally recorded or as amended under the procedures provided therein. If the declaration, articles of incorporation, or bylaws as originally recorded or as amended under the procedures provided therein do not specify the procedure for approving an alteration or addition to association real property, the approval of 75 percent of the total voting interests of the association is required before the material alterations or substantial additions are commenced. This paragraph is intended to clarify existing law and applies to associations existing on July 1, 2018.

(d) The necessary maintenance, repair, or replacement of condominium property is not a material alteration or substantial addition requiring unit owner approval.

(4) The association is not liable for alternative housing costs, lost rent, or other expenses if a unit must be vacated in whole or in part or if access to a common element is denied for



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necessary maintenance, repair, or replacement of condominium property.

Section 8. Subsections (1) and (5) of section 718.1255, Florida Statutes, are amended to read:

718.1255 Alternative dispute resolution; mediation; nonbinding arbitration; applicability.—

(1) DEFINITIONS.—As used in this section, the term “dispute” means any disagreement between two or more parties that involves:

(a) The authority of the board of directors, under this chapter or association document, to:

1. Require any owner to take any action, or not to take any action, involving that owner’s unit or the appurtenances thereto.

2. Alter or add to a common area or element.

(b) The failure of a governing body, when required by this chapter or an association document, to:

1. Properly conduct elections.

2. Give adequate notice of meetings or other actions.

3. Properly conduct meetings.

4. Allow inspection of books and records.

(c) A plan of termination pursuant to s. 718.117.

(d) The failure of a governing body, when required by this chapter or an association document, to:

1. Perform a structural or life safety inspection, including the milestone inspection required under s. 553.899.

2. Perform a reserve study as required by law or the declaration, articles of incorporation, or bylaws.

3. Fund reserves as required by law or the declaration,



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articles of incorporation, or bylaws.

4. Make or provide necessary maintenance or repairs of
condominium property.

"Dispute" does not include any disagreement that primarily involves: title to any unit or common element; the interpretation or enforcement of any warranty; the levy of a fee or assessment, or the collection of an assessment levied against a party; the eviction or other removal of a tenant from a unit; alleged breaches of fiduciary duty by one or more directors; or claims for damages to a unit based upon the alleged failure of the association to maintain the common elements or condominium property.

(5) PRESUIT MEDIATION.—In lieu of the initiation of nonbinding arbitration as provided in subsections (1)-(4), a party may submit a dispute to presuit mediation in accordance with s. 720.311; however, election and recall disputes are not eligible for mediation and such disputes must be arbitrated by the division or filed in a court of competent jurisdiction. Disputes identified in paragraph (1)(d) are not subject to nonbinding arbitration under subsections (1)-(4) and must be submitted to presuit mediation in accordance with s. 720.311.

Section 9. Paragraph (p) of subsection (4) of section 718.301, Florida Statutes, is amended, and paragraph (r) is added to that subsection, to read:

718.301 Transfer of association control; claims of defect by association.—

(4) At the time that unit owners other than the developer elect a majority of the members of the board of administration



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of an association, the developer shall relinquish control of the association, and the unit owners shall accept control.

Simultaneously, or for the purposes of paragraph (c) not more than 90 days thereafter, the developer shall deliver to the association, at the developer's expense, all property of the unit owners and of the association which is held or controlled by the developer, including, but not limited to, the following items, if applicable, as to each condominium operated by the association:

(p) Notwithstanding when the certificate of occupancy was issued or the height of the building, a milestone inspection report in compliance with s. 553.899 included in the official records, under seal of an architect or engineer authorized to practice in this state, and attesting to required maintenance, condition, useful life, and replacement costs of the following applicable condominium property ~~common elements~~ comprising a turnover inspection report:

1. Roof.

2. Structure, including load-bearing walls and primary structural members and primary structural systems as those terms are defined in s. 627.706.

3. Fireproofing and fire protection systems.

4. Elevators.

5. Heating and cooling systems.

6. Plumbing.

7. Electrical systems.

8. Swimming pool or spa and equipment.

9. Seawalls.

10. Pavement and parking areas.



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11. Drainage systems.

12. Painting.

13. Irrigation systems.

14. Waterproofing.

(r) A copy of the most recent reserve study required under s. 718.112(2)(f)3., along with the statements indicating the status of the reserves required under s. 718.112(2)(f)5., if applicable, or a statement in conspicuous type indicating that the association has not completed the required reserve study or that the association is not required to perform a reserve study, as applicable.

Section 10. Subsection (3) is added to section 718.501, Florida Statutes, to read:

718.501 Authority, responsibility, and duties of Division of Florida Condominiums, Timeshares, and Mobile Homes.—

(3)(a) On or before January 1, 2023, condominium associations existing on or before July 1, 2022, must provide the following information to the division in writing, by e-mail, United States Postal Service, commercial delivery service, or hand delivery, at a physical address or e-mail address provided by the division and on a form posted on the division's website:

1. The number of buildings on the condominium property that are three stories or higher in height.

2. The total number of units in all such buildings.

3. The addresses of all such buildings.

4. The counties in which all such buildings are located.

(b) The division must compile a list of the number of buildings on condominium property that are three stories or higher in height, which is searchable by county, and must post



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the list on the division's website. This list must include all of the following information:

1. The name of each association with buildings on the condominium property that are three stories or higher in height.

2. The number of such buildings on each association's property.

3. The addresses of all such buildings.

4. The counties in which all such buildings are located.

(c) An association must provide an update in writing to the division if there are any changes to the information in the list under paragraph (b) within 6 months after the change.

Section 11. Present paragraphs (b) and (c) of subsection (2) of section 718.503, Florida Statutes, are redesignated as paragraphs (c) and (d), respectively, a new paragraph (b) is added to that subsection, and paragraph (b) of subsection (1) and paragraph (a) of subsection (2) of that section are amended, to read:

718.503 Developer disclosure prior to sale; nondeveloper unit owner disclosure prior to sale; voidability.—

(1) DEVELOPER DISCLOSURE.—

(b) *Copies of documents to be furnished to prospective buyer or lessee.*—Until such time as the developer has furnished the documents listed below to a person who has entered into a contract to purchase a residential unit or lease it for more than 5 years, the contract may be voided by that person, entitling the person to a refund of any deposit together with interest thereon as provided in s. 718.202. The contract may be terminated by written notice from the proposed buyer or lessee delivered to the developer within 15 days after the buyer or



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lessee receives all of the documents required by this section. The developer may not close for 15 days after ~~following~~ the execution of the agreement and delivery of the documents to the buyer as evidenced by a signed receipt for documents unless the buyer is informed in the 15-day voidability period and agrees to close before ~~prior to~~ the expiration of the 15 days. The developer shall retain in his or her records a separate agreement signed by the buyer as proof of the buyer's agreement to close before ~~prior to~~ the expiration of the ~~said~~ voidability period. The developer must retain such ~~Said~~ proof ~~shall be retained~~ for a period of 5 years after the date of the closing of the transaction. The documents to be delivered to the prospective buyer are the prospectus or disclosure statement with all exhibits, if the development is subject to ~~the provisions of~~ s. 718.504, or, if not, then copies of the following which are applicable:

1. The question and answer sheet described in s. 718.504, and declaration of condominium, or the proposed declaration if the declaration has not been recorded, which shall include the certificate of a surveyor approximately representing the locations required by s. 718.104.

2. The documents creating the association.

3. The bylaws.

4. The ground lease or other underlying lease of the condominium.

5. The management contract, maintenance contract, and other contracts for management of the association and operation of the condominium and facilities used by the unit owners having a service term in excess of 1 year, and any management contracts



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that are renewable.

6. The estimated operating budget for the condominium and a schedule of expenses for each type of unit, including fees assessed pursuant to s. 718.113(1) for the maintenance of limited common elements where such costs are shared only by those entitled to use the limited common elements.

7. The lease of recreational and other facilities that will be used only by unit owners of the subject condominium.

8. The lease of recreational and other common facilities that will be used by unit owners in common with unit owners of other condominiums.

9. The form of unit lease if the offer is of a leasehold.

10. Any declaration of servitude of properties serving the condominium but not owned by unit owners or leased to them or the association.

11. If the development is to be built in phases or if the association is to manage more than one condominium, a description of the plan of phase development or the arrangements for the association to manage two or more condominiums.

12. If the condominium is a conversion of existing improvements, the statements and disclosure required by s. 718.616.

13. The form of agreement for sale or lease of units.

14. A copy of the floor plan of the unit and the plot plan showing the location of the residential buildings and the recreation and other common areas.

15. A copy of all covenants and restrictions that ~~which~~ will affect the use of the property and ~~which~~ are not contained in the foregoing.



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16. If the developer is required by state or local authorities to obtain acceptance or approval of any dock or marina facilities intended to serve the condominium, a copy of any such acceptance or approval acquired by the time of filing with the division under s. 718.502(1), or a statement that such acceptance or approval has not been acquired or received.

17. Evidence demonstrating that the developer has an ownership, leasehold, or contractual interest in the land upon which the condominium is to be developed.

18. A copy of the most recent reserve study required under s. 718.112(2)(f)3., along with the statements in the budget indicating the status of the reserves required under s. 718.112(2)(f)5., if applicable, or a statement in conspicuous type indicating that the association has not completed the required reserve study or that the association is not required to perform a reserve study, as applicable.

19. A copy of the inspector-prepared summary of the milestone inspection report as described in ss. 553.899 and 718.301(4)(p).

(2) NONDEVELOPER DISCLOSURE.—

(a) Each unit owner who is not a developer as defined by this chapter must ~~shall~~ comply with ~~the provisions of this subsection~~ before ~~prior to~~ the sale of his or her unit. Each prospective purchaser who has entered into a contract for the purchase of a condominium unit is entitled, at the seller's expense, to a current copy of all of the following:

1. The declaration of condominium.
2. Articles of incorporation of the association.
3. Bylaws and rules of the association.



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4. Financial information required by s. 718.111.~~7~~

5. A copy of the most recent reserve study required under s. 718.112(2)(f)3., along with the statements in the budget indicating the status of the reserves required under s. 718.112(2)(f)5., if applicable, or a statement in conspicuous type indicating that the association has not completed the required reserve study or that the association is not required to perform a reserve study, as applicable.

6. A copy of the inspector-prepared summary of the milestone inspection report as described in ss. 553.899 and 718.301(4)(p).

7. ~~and~~ The document entitled "Frequently Asked Questions and Answers" required by s. 718.504.

(b) ~~On and after January 1, 2009,~~ The prospective purchaser ~~is shall~~ also ~~be~~ entitled to receive from the seller a copy of a governance form. Such form shall be provided by the division summarizing governance of condominium associations. In addition to such other information as the division considers helpful to a prospective purchaser in understanding association governance, the governance form shall address the following subjects:

1. The role of the board in conducting the day-to-day affairs of the association on behalf of, and in the best interests of, the owners.

2. The board's responsibility to provide advance notice of board and membership meetings.

3. The rights of owners to attend and speak at board and membership meetings.

4. The responsibility of the board and of owners with respect to maintenance of the condominium property.



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1491 5. The responsibility of the board and owners to abide by
1492 the condominium documents, this chapter, rules adopted by the
1493 division, and reasonable rules adopted by the board.

1494 6. Owners' rights to inspect and copy association records
1495 and the limitations on such rights.

1496 7. Remedies available to owners with respect to actions by
1497 the board which may be abusive or beyond the board's power and
1498 authority.

1499 8. The right of the board to hire a property management
1500 firm, subject to its own primary responsibility for such
1501 management.

1502 9. The responsibility of owners with regard to payment of
1503 regular or special assessments necessary for the operation of
1504 the property and the potential consequences of failure to pay
1505 such assessments.

1506 10. The voting rights of owners.

1507 11. Rights and obligations of the board in enforcement of
1508 rules in the condominium documents and rules adopted by the
1509 board.

1510
1511 The governance form shall also include the following statement
1512 in conspicuous type: "This publication is intended as an
1513 informal educational overview of condominium governance. In the
1514 event of a conflict, the provisions of chapter 718, Florida
1515 Statutes, rules adopted by the Division of Florida Condominiums,
1516 Timeshares, and Mobile Homes of the Department of Business and
1517 Professional Regulation, the provisions of the condominium
1518 documents, and reasonable rules adopted by the condominium
1519 association's board of administration prevail over the contents



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of this publication."

Section 12. Paragraph (f) of subsection (24) of section 718.504, Florida Statutes, is amended, and paragraph (q) is added to that subsection, to read:

718.504 Prospectus or offering circular.—Every developer of a residential condominium which contains more than 20 residential units, or which is part of a group of residential condominiums which will be served by property to be used in common by unit owners of more than 20 residential units, shall prepare a prospectus or offering circular and file it with the Division of Florida Condominiums, Timeshares, and Mobile Homes prior to entering into an enforceable contract of purchase and sale of any unit or lease of a unit for more than 5 years and shall furnish a copy of the prospectus or offering circular to each buyer. In addition to the prospectus or offering circular, each buyer shall be furnished a separate page entitled "Frequently Asked Questions and Answers," which shall be in accordance with a format approved by the division and a copy of the financial information required by s. 718.111. This page shall, in readable language, inform prospective purchasers regarding their voting rights and unit use restrictions, including restrictions on the leasing of a unit; shall indicate whether and in what amount the unit owners or the association is obligated to pay rent or land use fees for recreational or other commonly used facilities; shall contain a statement identifying that amount of assessment which, pursuant to the budget, would be levied upon each unit type, exclusive of any special assessments, and which shall further identify the basis upon which assessments are levied, whether monthly, quarterly, or



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otherwise; shall state and identify any court cases in which the association is currently a party of record in which the association may face liability in excess of \$100,000; and which shall further state whether membership in a recreational facilities association is mandatory, and if so, shall identify the fees currently charged per unit type. The division shall by rule require such other disclosure as in its judgment will assist prospective purchasers. The prospectus or offering circular may include more than one condominium, although not all such units are being offered for sale as of the date of the prospectus or offering circular. The prospectus or offering circular must contain the following information:

(24) Copies of the following, to the extent they are applicable, shall be included as exhibits:

(f) The estimated operating budget for the condominium and the required schedule of unit owners' expenses, and the most recent reserve study required under s. 718.112(2)(f)3., along with the statements in the budget indicating the status of the reserves required under s. 718.112(2)(f)5., if applicable, or a statement in conspicuous type indicating that the association has not completed the required reserve study or that the association is not required to perform a reserve study, as applicable.

(q) A copy of the inspector-prepared summary of the milestone inspection report as described in ss. 553.899 and 718.301(4)(p).

Section 13. Present subsections (1) through (28) of section 719.103, Florida Statutes, are redesignated as subsections (2) through (29), respectively, and a new subsection (1) is added to



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that section, to read:

719.103 Definitions.—As used in this chapter:

(1) "Alternative funding method" means an alternative to funding a reserve account which is approved by the division and which may reasonably be expected to fully satisfy the association's budgetary obligations for deferred maintenance, capital expenditure, and any item for which reserves are otherwise required, including, but not limited to, payments by a developer and the incorporation into the budget of expenses for deferred maintenance, capital expenditure, and any item for which reserves are otherwise required. The term also includes any other alternative approved by the division.

Section 14. Present subsections (5) through (11) of section 719.104, Florida Statutes, are redesignated as subsections (6) through (12), respectively, a new subsection (5) is added to that section, and paragraphs (a) and (c) of subsection (2) and paragraph (a) of subsection (4) of that section are amended, to read:

719.104 Cooperatives; access to units; records; financial reports; assessments; purchase of leases.—

(2) OFFICIAL RECORDS.—

(a) From the inception of the association, the association shall maintain a copy of each of the following, where applicable, which shall constitute the official records of the association:

1. The plans, permits, warranties, and other items provided by the developer pursuant to s. 719.301(4).

2. A photocopy of the cooperative documents.

3. A copy of the current rules of the association.



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4. A book or books containing the minutes of all meetings of the association, of the board of directors, and of the unit owners.

5. A current roster of all unit owners and their mailing addresses, unit identifications, voting certifications, and, if known, telephone numbers. The association shall also maintain the e-mail addresses and the numbers designated by unit owners for receiving notice sent by electronic transmission of those unit owners consenting to receive notice by electronic transmission. The e-mail addresses and numbers provided by unit owners to receive notice by electronic transmission shall be removed from association records when consent to receive notice by electronic transmission is revoked. However, the association is not liable for an erroneous disclosure of the e-mail address or the number for receiving electronic transmission of notices.

6. All current insurance policies of the association.

7. A current copy of any management agreement, lease, or other contract to which the association is a party or under which the association or the unit owners have an obligation or responsibility.

8. Bills of sale or transfer for all property owned by the association.

9. Accounting records for the association and separate accounting records for each unit it operates, according to good accounting practices. The accounting records shall include, but not be limited to:

a. Accurate, itemized, and detailed records of all receipts and expenditures.

b. A current account and a monthly, bimonthly, or quarterly



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statement of the account for each unit designating the name of the unit owner, the due date and amount of each assessment, the amount paid upon the account, and the balance due.

c. All audits, reviews, accounting statements, reserve studies and reserve funding plans, and financial reports of the association.

d. All contracts for work to be performed. Bids for work to be performed shall also be considered official records and shall be maintained for a period of 1 year.

10. Ballots, sign-in sheets, voting proxies, and all other papers and electronic records relating to voting by unit owners, which shall be maintained for a period of 1 year after the date of the election, vote, or meeting to which the document relates.

11. All rental records where the association is acting as agent for the rental of units.

12. A copy of the current question and answer sheet as described in s. 719.504.

13. All affirmative acknowledgments made pursuant to s. 719.108(3)(b)3.

14. A copy of the inspection reports as described in ss. 553.899 and 719.301(4)(p) and any other inspection report relating to a structural or life safety inspection of the cooperative property. Such record must be maintained by the association for 15 years after receipt of the report.

15. All other written records of the association not specifically included in the foregoing which are related to the operation of the association.

(c) The official records of the association are open to inspection by any association member or the authorized



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representative of such member at all reasonable times. The right to inspect the records includes the right to make or obtain copies, at the reasonable expense, if any, of the association member. A renter of a unit has a right to inspect and copy only the association's bylaws and rules and the inspection reports described in ss. 553.899 and 719.301(4) (p). The association may adopt reasonable rules regarding the frequency, time, location, notice, and manner of record inspections and copying, but may not require a member to demonstrate any purpose or state any reason for the inspection. The failure of an association to provide the records within 10 working days after receipt of a written request creates a rebuttable presumption that the association willfully failed to comply with this paragraph. A member who is denied access to official records is entitled to the actual damages or minimum damages for the association's willful failure to comply. The minimum damages are \$50 per calendar day for up to 10 days, beginning on the 11th working day after receipt of the written request. The failure to permit inspection entitles any person prevailing in an enforcement action to recover reasonable attorney fees from the person in control of the records who, directly or indirectly, knowingly denied access to the records. Any person who knowingly or intentionally defaces or destroys accounting records that are required by this chapter to be maintained during the period for which such records are required to be maintained, or who knowingly or intentionally fails to create or maintain accounting records that are required to be created or maintained, with the intent of causing harm to the association or one or more of its members, is personally subject to a civil



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penalty under s. 719.501(1)(d). The association shall maintain an adequate number of copies of the declaration, articles of incorporation, bylaws, and rules, and all amendments to each of the foregoing, as well as the question and answer sheet as described in s. 719.504 and year-end financial information required by the department, on the cooperative property to ensure their availability to members and prospective purchasers, and may charge its actual costs for preparing and furnishing these documents to those requesting the same. An association shall allow a member or his or her authorized representative to use a portable device, including a smartphone, tablet, portable scanner, or any other technology capable of scanning or taking photographs, to make an electronic copy of the official records in lieu of the association providing the member or his or her authorized representative with a copy of such records. The association may not charge a member or his or her authorized representative for the use of a portable device. Notwithstanding this paragraph, the following records shall not be accessible to members:

1. Any record protected by the lawyer-client privilege as described in s. 90.502 and any record protected by the work-product privilege, including any record prepared by an association attorney or prepared at the attorney's express direction which reflects a mental impression, conclusion, litigation strategy, or legal theory of the attorney or the association, and which was prepared exclusively for civil or criminal litigation or for adversarial administrative proceedings, or which was prepared in anticipation of such litigation or proceedings until the conclusion of the litigation



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or proceedings.

2. Information obtained by an association in connection with the approval of the lease, sale, or other transfer of a unit.

3. Personnel records of association or management company employees, including, but not limited to, disciplinary, payroll, health, and insurance records. For purposes of this subparagraph, the term "personnel records" does not include written employment agreements with an association employee or management company, or budgetary or financial records that indicate the compensation paid to an association employee.

4. Medical records of unit owners.

5. Social security numbers, driver license numbers, credit card numbers, e-mail addresses, telephone numbers, facsimile numbers, emergency contact information, addresses of a unit owner other than as provided to fulfill the association's notice requirements, and other personal identifying information of any person, excluding the person's name, unit designation, mailing address, property address, and any address, e-mail address, or facsimile number provided to the association to fulfill the association's notice requirements. Notwithstanding the restrictions in this subparagraph, an association may print and distribute to unit owners a directory containing the name, unit address, and all telephone numbers of each unit owner. However, an owner may exclude his or her telephone numbers from the directory by so requesting in writing to the association. An owner may consent in writing to the disclosure of other contact information described in this subparagraph. The association is not liable for the inadvertent disclosure of information that is



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protected under this subparagraph if the information is included in an official record of the association and is voluntarily provided by an owner and not requested by the association.

6. Electronic security measures that are used by the association to safeguard data, including passwords.

7. The software and operating system used by the association which allow the manipulation of data, even if the owner owns a copy of the same software used by the association. The data is part of the official records of the association.

8. All affirmative acknowledgments made pursuant to s. 719.108(3)(b)3.

(4) FINANCIAL REPORT.—

(a) Within 90 days following the end of the fiscal or calendar year or annually on such date as provided in the bylaws of the association, the board of administration shall prepare and complete, or contract with a third party to prepare and complete, a financial report covering the preceding fiscal or calendar year. Within 21 days after the financial report is completed by the association or received from the third party, but no later than 120 days after the end of the fiscal year, calendar year, or other date provided in the bylaws, the association shall provide each member with a copy of the annual financial report or a written notice that a copy of the financial report is available upon request at no charge to the member. The division shall adopt rules setting forth uniform accounting principles, standards, and reporting requirements. The rules must include, but not be limited to, standards for presenting a summary of association reserves, including a good faith estimate disclosing the annual amount of reserve funds



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that would be necessary for the association to fully fund reserves for each reserve item based on the straight-line method or to fully fund reserves based on the pooling method. In adopting such rules, the division shall consider the number of members and annual revenues of an association.

(5) MAINTENANCE.—

(a) Maintenance of the common areas is the responsibility of the association, except for any maintenance responsibility for limited common areas assigned to the unit owner by the cooperative documents. The association shall provide for the maintenance, repair, and replacement of the cooperative property for which it bears responsibility. After turnover of control of the association to the unit owners, the association must perform any required maintenance identified by the developer pursuant to s. 719.301(4)(p) until the association obtains new maintenance protocols from a licensed professional engineer or architect.

(b) The necessary maintenance, repair, or replacement of cooperative property is not a material alteration or substantial addition requiring unit owner approval.

(c) The association is not liable for alternative housing costs, lost rent, or other expenses if a unit must be vacated in whole or in part or if access is denied to a common area for necessary maintenance, repair, or replacement of cooperative property.

Section 15. Paragraphs (d) and (j) of subsection (1) of section 719.106, Florida Statutes, are amended, and paragraph (n) is added to that subsection, to read:

719.106 Bylaws; cooperative ownership.—

(1) MANDATORY PROVISIONS.—The bylaws or other cooperative



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documents shall provide for the following, and if they do not, they shall be deemed to include the following:

(d) *Shareholder meetings.*—There shall be an annual meeting of the shareholders. All members of the board of administration shall be elected at the annual meeting unless the bylaws provide for staggered election terms or for their election at another meeting. Any unit owner desiring to be a candidate for board membership must comply with subparagraph 1. The bylaws must provide the method for calling meetings, including annual meetings. Written notice, which must incorporate an identification of agenda items, shall be given to each unit owner at least 14 days before the annual meeting and posted in a conspicuous place on the cooperative property at least 14 continuous days preceding the annual meeting. Upon notice to the unit owners, the board must by duly adopted rule designate a specific location on the cooperative property upon which all notice of unit owner meetings are posted. In lieu of or in addition to the physical posting of the meeting notice, the association may, by reasonable rule, adopt a procedure for conspicuously posting and repeatedly broadcasting the notice and the agenda on a closed-circuit cable television system serving the cooperative association. However, if broadcast notice is used in lieu of a posted notice, the notice and agenda must be broadcast at least four times every broadcast hour of each day that a posted notice is otherwise required under this section. If broadcast notice is provided, the notice and agenda must be broadcast in a manner and for a sufficient continuous length of time to allow an average reader to observe the notice and read and comprehend the entire content of the notice and the agenda.



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In addition to any of the authorized means of providing notice of a meeting of the shareholders, the association may, by rule, adopt a procedure for conspicuously posting the meeting notice and the agenda on a website serving the cooperative association for at least the minimum period of time for which a notice of a meeting is also required to be physically posted on the cooperative property. Any rule adopted shall, in addition to other matters, include a requirement that the association send an electronic notice in the same manner as a notice for a meeting of the members, which must include a hyperlink to the website where the notice is posted, to unit owners whose e-mail addresses are included in the association's official records. Unless a unit owner waives in writing the right to receive notice of the annual meeting, the notice of the annual meeting must be sent by mail, hand delivered, or electronically transmitted to each unit owner. An officer of the association must provide an affidavit or United States Postal Service certificate of mailing, to be included in the official records of the association, affirming that notices of the association meeting were mailed, hand delivered, or electronically transmitted, in accordance with this provision, to each unit owner at the address last furnished to the association.

1. The board of administration shall be elected by written ballot or voting machine. A proxy may not be used in electing the board of administration in general elections or elections to fill vacancies caused by recall, resignation, or otherwise unless otherwise provided in this chapter.

a. At least 60 days before a scheduled election, the association shall mail, deliver, or transmit, whether by



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1868 separate association mailing, delivery, or electronic
1869 transmission or included in another association mailing,
1870 delivery, or electronic transmission, including regularly
1871 published newsletters, to each unit owner entitled to vote, a
1872 first notice of the date of the election. Any unit owner or
1873 other eligible person desiring to be a candidate for the board
1874 of administration must give written notice to the association at
1875 least 40 days before a scheduled election. Together with the
1876 written notice and agenda as set forth in this section, the
1877 association shall mail, deliver, or electronically transmit a
1878 second notice of election to all unit owners entitled to vote,
1879 together with a ballot that lists all candidates. Upon request
1880 of a candidate, the association shall include an information
1881 sheet, no larger than 8 1/2 inches by 11 inches, which must be
1882 furnished by the candidate at least 35 days before the election,
1883 to be included with the mailing, delivery, or electronic
1884 transmission of the ballot, with the costs of mailing, delivery,
1885 or transmission and copying to be borne by the association. The
1886 association is not liable for the contents of the information
1887 sheets provided by the candidates. In order to reduce costs, the
1888 association may print or duplicate the information sheets on
1889 both sides of the paper. The division shall by rule establish
1890 voting procedures consistent with this subparagraph, including
1891 rules establishing procedures for giving notice by electronic
1892 transmission and rules providing for the secrecy of ballots.
1893 Elections shall be decided by a plurality of those ballots cast.
1894 There is no quorum requirement. However, at least 20 percent of
1895 the eligible voters must cast a ballot in order to have a valid
1896 election. A unit owner may not permit any other person to vote



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his or her ballot, and any such ballots improperly cast are invalid. A unit owner who needs assistance in casting the ballot for the reasons stated in s. 101.051 may obtain assistance in casting the ballot. Any unit owner violating this provision may be fined by the association in accordance with s. 719.303. The regular election must occur on the date of the annual meeting. This subparagraph does not apply to timeshare cooperatives. Notwithstanding this subparagraph, an election and balloting are not required unless more candidates file a notice of intent to run or are nominated than vacancies exist on the board. Any challenge to the election process must be commenced within 60 days after the election results are announced.

b. Within 90 days after being elected or appointed to the board, each new director shall do both of the following:

(I) Certify in writing to the secretary of the association that he or she has read the association's bylaws, articles of incorporation, proprietary lease, and current written policies; that he or she will work to uphold such documents and policies to the best of his or her ability; and that he or she will faithfully discharge his or her fiduciary responsibility to the association's members. ~~Within 90 days after being elected or appointed to the board, in lieu of this written certification, the newly elected or appointed director may~~

(II) Submit a certificate of having satisfactorily completed the educational curriculum administered by an education provider as approved by the division pursuant to the requirements established in chapter 718 within 1 year before or 90 days after the date of election or appointment. The educational certificate is valid and does not have to be



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resubmitted as long as the director serves on the board without interruption.

A director who fails to timely file the written certification and ~~or~~ educational certificate is suspended from service on the board until he or she complies with this sub-subparagraph. The board may temporarily fill the vacancy during the period of suspension. The secretary of the association shall require ~~cause~~ the association to retain a director's written certification and ~~or~~ educational certificate for inspection by the members for 5 years after a director's election or the duration of the director's uninterrupted tenure, whichever is longer. Failure to have such written certification and ~~or~~ educational certificate on file does not affect the validity of any board action.

2. Any approval by unit owners called for by this chapter, or the applicable cooperative documents, must be made at a duly noticed meeting of unit owners and is subject to this chapter or the applicable cooperative documents relating to unit owner decisionmaking, except that unit owners may take action by written agreement, without meetings, on matters for which action by written agreement without meetings is expressly allowed by the applicable cooperative documents or law which provides for the unit owner action.

3. Unit owners may waive notice of specific meetings if allowed by the applicable cooperative documents or law. Notice of meetings of the board of administration, shareholder meetings, except shareholder meetings called to recall board members under paragraph (f), and committee meetings may be given by electronic transmission to unit owners who consent to receive



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notice by electronic transmission. A unit owner who consents to receiving notices by electronic transmission is solely responsible for removing or bypassing filters that may block receipt of mass emails sent to members on behalf of the association in the course of giving electronic notices.

4. Unit owners 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.

5. Any unit owner may tape record or videotape meetings of the unit owners subject to reasonable rules adopted by the division.

6. Unless otherwise provided in the bylaws, a vacancy occurring on the board before the expiration of a term may be filled by the affirmative vote of the majority of the remaining directors, even if the remaining directors constitute less than a quorum, or by the sole remaining director. In the alternative, a board may hold an election to fill the vacancy, in which case the election procedures must conform to the requirements of subparagraph 1. unless the association has opted out of the statutory election process, in which case the bylaws of the association control. Unless otherwise provided in the bylaws, a board member appointed or elected under this subparagraph shall fill the vacancy for the unexpired term of the seat being filled. Filling vacancies created by recall is governed by paragraph (f) and rules adopted by the division.

Notwithstanding subparagraphs (b)2. and (d)1., an association may, by the affirmative vote of a majority of the total voting



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interests, provide for a different voting and election procedure 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 elections to be conducted by limited or general proxy.

(j) *Annual budget.*—

1. The proposed annual budget of common expenses shall be detailed and shall show the amounts budgeted by accounts and expense classifications, including, if applicable, but not limited to, those expenses listed in s. 719.504(20). The board of administration shall adopt the annual budget at least 14 days prior to the start of the association's fiscal year. In the event that the board fails to timely adopt the annual budget a second time, it shall be deemed a minor violation and the prior year's budget shall continue in effect until a new budget is adopted.

2. In addition to annual operating expenses, the budget shall include reserve accounts for capital expenditures and deferred maintenance. These accounts shall include, but not be limited to, the maintenance and replacement of the cooperative property identified in s. 719.301(4)(p) which are the maintenance responsibility of the association pursuant to the declaration ~~roof replacement, building painting, and pavement resurfacing, regardless of the amount of deferred maintenance expense or replacement cost,~~ and for any other items for which the deferred maintenance expense or replacement cost exceeds \$10,000. The amount to be reserved shall be computed by means of a formula which is based upon estimated remaining useful life and estimated replacement cost or deferred maintenance expense



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of each reserve item. The association may adjust replacement reserve assessments annually to take into account any changes in estimates or extension of the useful life of a reserve item caused by deferred maintenance. This paragraph shall not apply to any budget in which the members of an association have, at a duly called meeting of the association and by a two-thirds vote of all the voting interests, voting in person or by proxy, determined for a fiscal year to provide no reserves or reserves less adequate than required by this subsection. An annual budget adopted on or after January 1, 2024, must, at minimum:

a. Identify all items for which reserves are or will be established;

b. Provide an estimate of the maintenance, repair, and replacement costs for the structural components for which an estimate of useful life may be determined;

c. Identify any structural component for which a reserve account is not established or reserves are not funded, because the useful life of the component cannot be determined;

d. As of the beginning of the fiscal year for which the budget is prepared, identify the estimated current amount of accumulated funds for each reserve component or, if the pooling method is used, the estimated current amount of the accumulated pooled funds;

e. Provide a description of the manner in which the association plans to fund reserves, including the use of regular assessments, special assessments, and any other alternative funding method; and

f. Provide a description of the procedures used for estimating the funding of reserves pursuant to this paragraph,



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including, as applicable, the identity of any independent third party who conducted the reserve study on behalf of the association and the extent to which the association is funding its reserve obligations consistent with the reserve study currently in effect.

3. However, Prior to turnover of control of an association by a developer to unit owners other than a developer pursuant to s. 719.301, the developer may not vote to waive the reserves or reduce the funding of reserves. ~~for the first 2 years of the operation of the association after which time~~ Reserves may only be waived or reduced upon the vote of two-thirds ~~a majority~~ of all nondeveloper voting interests, voting in person or by limited proxy at a duly called meeting of the association. If a meeting of the unit owners has been called to determine to provide no reserves, or reserves less adequate than required, and such result is not attained or a quorum is not attained, the reserves as included in the budget shall go into effect.

4.3. Reserve funds and any interest accruing thereon shall remain in the reserve account or accounts, and shall be used only for authorized reserve expenditures unless their use for other purposes is approved in advance by a vote of two-thirds ~~the majority of all the~~ voting interests, voting in person or by limited proxy at a duly called meeting of the association; provided that the use of reserve funds for a purpose other than authorized reserve expenditures is authorized in the exercise of the association's emergency powers under s. 719.128. Prior to turnover of control of an association by a developer to unit owners other than the developer under s. 719.301, the developer may not vote to use reserves for purposes other than that for



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which they were intended without the approval of two-thirds a
~~majority~~ of all nondeveloper voting interests, voting in person
or by limited proxy at a duly called meeting of the association.

5. Effective January 1, 2024, an association with a
residential cooperative building that is three stories or more
in height and subject to the milestone inspection requirements
in s. 553.899 must conduct a study of the amount of reserve
funds needed to fund reserves for the maintenance, repair,
replacement, and restoration of the cooperative property. The
reserve study must be conducted at least every 5 years. The
board shall review the results of such study at least annually
to determine if reserves are sufficient to meet the
association's reserve obligations and to make any adjustments
the board deems necessary to maintain reserves, as appropriate.
The division shall adopt rules setting forth uniform financial
standards and forms for reserve studies. The reserve study must
include, without limitation:

a. A visual inspection by a licensed architect, engineer,
or other independent professional with demonstrated experience
or knowledge preparing reserve studies for the purpose of
estimating the useful life and estimated replacement cost or
deferred maintenance expense. The visual inspection shall be
performed on or before January 1, 2024, and at least once every
10 years thereafter. The inspection may be the milestone
inspection required under s. 553.899;

b. A summary of any inspection of the major components of
the cooperative property identified in sub-subparagraph a. and
any other portion of the cooperative property for which the
association is required to establish a reserve account or



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2100 accounts;

2101 c. If applicable, a summary of the findings and

2102 recommendations of the milestone inspection report required

2103 under s. 553.899 and any other structural or life safety

2104 inspection of the cooperative property considered in the reserve

2105 study;

2106 d. An identification of the structural components of the

2107 building for which necessary reserves may be reasonably

2108 projected and an identification of the structural components of

2109 the building with an indefinite useful life for which a

2110 reasonable determination of necessary reserves may not be

2111 estimated;

2112 e. An estimate of the useful life of the structural

2113 components of the building identified in sub-subparagraph a. for

2114 which an estimate of useful life may be determined as attested

2115 to by a licensed architect or engineer in the turnover

2116 inspection required under s. 719.301(4)(p), a milestone

2117 inspection, or any other structural or life safety inspection of

2118 the cooperative property by a licensed architect or engineer,

2119 whichever is most recent;

2120 f. An estimate of the remaining useful life of any other

2121 portion of the cooperative property for which the association is

2122 required to establish a reserve account or accounts;

2123 g. An estimate of the cost of maintenance, repair,

2124 replacement, or restoration of each major component of the

2125 condominium property identified in s. 719.301(4)(p) and any

2126 other portion of the condominium property identified pursuant to

2127 sub-subparagraph d.;

2128 h. An estimate of the total annual assessment that may be



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necessary to cover the cost of maintaining, repairing,
replacing, or restoring the major components of the cooperative
property identified in sub-subparagraph a. and any other portion
of the cooperative property identified pursuant to sub-
paragraph f.;

i. A description of the funding plan, including any
alternative funding method, to provide adequate funding for the
required reserves; and

j. A schedule for the full funding of reserves. A reserve
account is fully funded when the actual or projected reserve
balance in the reserve account is equal in direct proportion to
the fraction of useful life that has expired for a given
component or components multiplied by the current replacement
costs for the component or components.

6. If the association has voted to waive reserves or to use
existing reserve funds for purposes other than the purposes for
which the reserves were intended, the budget must contain the
following statement in conspicuous type: THE OWNERS HAVE ELECTED
TO WAIVE RESERVES, IN WHOLE OR IN PART, OR ALLOWED ALTERNATIVE
USES OF EXISTING RESERVES UNDER SECTION 719.106(1)(j), FLORIDA
STATUTES. THE WAIVING OR ALTERNATIVE USE OF RESERVE FUNDS MAY
RESULT IN UNIT OWNER LIABILITY FOR PAYMENT OF UNANTICIPATED
SPECIAL ASSESSMENTS REGARDING THOSE ITEMS.

7. On or after January 1, 2026, if the association is
required to perform a reserve study under this paragraph and the
budget of the association does not fund the association's
reserve obligations consistent with the reserve study currently
in effect, the budget must also contain the following statement
in conspicuous type: THE ASSOCIATION'S LAST RESERVE STUDY IS



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DATED THE RESERVE AMOUNT BUDGETED AND/OR COLLECTED IS LESS THAN REQUIRED BY THE RESERVE STUDY SCHEDULE. THE BUDGET OF THE ASSOCIATION DOES NOT PROVIDE FOR FULLY FUNDED RESERVE ACCOUNTS FOR CAPITAL EXPENDITURES AND DEFERRED MAINTENANCE CONSISTENT WITH THE ASSOCIATION'S RESERVE STUDY. FAILURE TO FUND RESERVES CONSISTENT WITH THE ASSOCIATION'S RESERVE STUDY MAY RESULT IN UNANTICIPATED SPECIAL ASSESSMENTS REGARDING THOSE ITEMS.

(n) Mandatory milestone inspections.—If an association is required to have a milestone inspection performed pursuant to s. 553.899, the association must arrange for the milestone inspection to be performed and is responsible for ensuring compliance with the requirements of s. 553.899. The association is responsible for all costs associated with the inspection. If the officers or directors of an association willfully and knowingly fail to have a milestone inspection performed pursuant to s. 553.899, such failure is a breach of the officers' and directors' fiduciary relationship to the unit owners under s. 719.104(8)(a). Upon completion of a phase one or phase two milestone inspection and receipt of the inspector-prepared summary of the inspection report from the architect or engineer who performed the inspection, the association must distribute a copy of the inspector-prepared summary of the inspection report to each unit owner, regardless of the findings or recommendations in the report, by United States mail or personal delivery and by electronic transmission to unit owners who previously consented to receive notice by electronic transmission; must post a copy of the inspector-prepared summary in a conspicuous place on the cooperative property; and must publish the full report and inspector-prepared summary on the



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association's website, if the association is required to have a website.

Section 16. Paragraphs (p) and (q) are added to subsection (4) of section 719.301, Florida Statutes, to read:

719.301 Transfer of association control.—

(4) When unit owners other than the developer elect a majority of the members of the board of administration of an association, the developer shall relinquish control of the association, and the unit owners shall accept control. Simultaneously, or for the purpose of paragraph (c) not more than 90 days thereafter, the developer shall deliver to the association, at the developer's expense, all property of the unit owners and of the association held or controlled by the developer, including, but not limited to, the following items, if applicable, as to each cooperative operated by the association:

(p) Notwithstanding when the certificate of occupancy was issued or the height of the building, a milestone inspection report in compliance with s. 553.899 included in the official records, under seal of an architect or engineer authorized to practice in this state, attesting to required maintenance, condition, useful life, and replacement costs of the following applicable cooperative property comprising a turnover inspection report:

1. Roof.

2. Structure, including load-bearing walls and primary structural members and primary structural systems as those terms are defined in s. 627.706.

3. Fireproofing and fire protection systems.



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4. Elevators.

5. Heating and cooling systems.

6. Plumbing.

7. Electrical systems.

8. Swimming pool or spa and equipment.

9. Seawalls.

10. Pavement and parking areas.

11. Drainage systems.

12. Painting.

13. Irrigation systems.

14. Waterproofing.

(q) A copy of the most recent reserve study required under s. 719.106(1)(j), along with the statements indicating the status of the reserves required under s. 719.106(1)(j) 6. and 7., if applicable, or a statement in conspicuous type indicating that the association has not completed the required reserve study or that the association is not required to perform a reserve study, as applicable.

Section 17. Subsection (3) is added to section 719.501, Florida Statutes, to read:

719.501 Powers and duties of Division of Florida Condominiums, Timeshares, and Mobile Homes.—

(3) (a) On or before January 1, 2023, cooperative associations existing on or before July 1, 2022, must provide the following information to the division in writing, by e-mail, United States Postal Service, commercial delivery service, or hand delivery, at a physical address or e-mail address provided by the division and on a form posted on the division's website:

1. The number of buildings on the cooperative property that



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are three stories or higher in height.

2. The total number of units in all such buildings.

3. The addresses of all such buildings.

4. The counties in which all such buildings are located.

(b) The division must compile a list of the number of buildings on cooperative property that are three stories or higher in height, which is searchable by county, and must post the list on the division's website. This list must include all of the following information:

1. The name of each association with buildings on the cooperative property that are three stories or higher in height.

2. The number of such buildings on each association's property.

3. The addresses of all such buildings.

4. The counties in which all such buildings are located.

(c) An association must provide an update in writing to the division if there are any changes to the information in the list under paragraph (b) within 6 months after the change.

Section 18. Paragraph (b) of subsection (1) and paragraph (a) of subsection (2) of section 719.503, Florida Statutes, are amended to read:

719.503 Disclosure prior to sale.—

(1) DEVELOPER DISCLOSURE.—

(b) *Copies of documents to be furnished to prospective buyer or lessee.*—Until such time as the developer has furnished the documents listed below to a person who has entered into a contract to purchase a unit or lease it for more than 5 years, the contract may be voided by that person, entitling the person to a refund of any deposit together with interest thereon as



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provided in s. 719.202. The contract may be terminated by written notice from the proposed buyer or lessee delivered to the developer within 15 days after the buyer or lessee receives all of the documents required by this section. The developer may ~~shall~~ not close for 15 days after ~~following~~ the execution of the agreement and delivery of the documents to the buyer as evidenced by a receipt for documents signed by the buyer unless the buyer is informed in the 15-day voidability period and agrees to close before ~~prior to~~ the expiration of the 15 days. The developer shall retain in his or her records a separate signed agreement as proof of the buyer's agreement to close before ~~prior to~~ the expiration of the ~~said~~ voidability period. The developer must retain such ~~Said proof shall be retained~~ for a period of 5 years after the date of the closing transaction. The documents to be delivered to the prospective buyer are the prospectus or disclosure statement with all exhibits, if the development is subject to ~~the provisions of~~ s. 719.504, or, if not, then copies of the following which are applicable:

1. The question and answer sheet described in s. 719.504, and cooperative documents, or the proposed cooperative documents if the documents have not been recorded, which shall include the certificate of a surveyor approximately representing the locations required by s. 719.104.

2. The documents creating the association.

3. The bylaws.

4. The ground lease or other underlying lease of the cooperative.

5. The management contract, maintenance contract, and other contracts for management of the association and operation of the



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cooperative and facilities used by the unit owners having a service term in excess of 1 year, and any management contracts that are renewable.

6. The estimated operating budget for the cooperative and a schedule of expenses for each type of unit, including fees assessed to a shareholder who has exclusive use of limited common areas, where such costs are shared only by those entitled to use such limited common areas.

7. The lease of recreational and other facilities that will be used only by unit owners of the subject cooperative.

8. The lease of recreational and other common areas that will be used by unit owners in common with unit owners of other cooperatives.

9. The form of unit lease if the offer is of a leasehold.

10. Any declaration of servitude of properties serving the cooperative but not owned by unit owners or leased to them or the association.

11. If the development is to be built in phases or if the association is to manage more than one cooperative, a description of the plan of phase development or the arrangements for the association to manage two or more cooperatives.

12. If the cooperative is a conversion of existing improvements, the statements and disclosure required by s. 719.616.

13. The form of agreement for sale or lease of units.

14. A copy of the floor plan of the unit and the plot plan showing the location of the residential buildings and the recreation and other common areas.

15. A copy of all covenants and restrictions that ~~which~~



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will affect the use of the property and ~~which~~ are not contained in the foregoing.

16. If the developer is required by state or local authorities to obtain acceptance or approval of any dock or marina facilities intended to serve the cooperative, a copy of any such acceptance or approval acquired by the time of filing with the division pursuant to s. 719.502(1) or a statement that such acceptance or approval has not been acquired or received.

17. Evidence demonstrating that the developer has an ownership, leasehold, or contractual interest in the land upon which the cooperative is to be developed.

18. A copy of the most recent reserve study required under s. 719.106(1)(j), along with the statements indicating the status of the reserves required under s. 719.106(1)(j) 6. and 7., if applicable, or a statement in conspicuous type indicating that the association has not completed the required reserve study or that the association is not required to perform a reserve study, as applicable.

19. A copy of the inspector-prepared summary of the milestone inspection report as described in ss. 553.899 and 719.301(4)(p).

(2) NONDEVELOPER DISCLOSURE.—

(a) Each unit owner who is not a developer as defined by this chapter must comply with ~~the provisions of~~ this subsection before ~~prior to~~ the sale of his or her interest in the association. Each prospective purchaser who has entered into a contract for the purchase of an interest in a cooperative is entitled, at the seller's expense, to a current copy of all of the following:



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2361 1. The articles of incorporation of the association.~~7~~
2362 2. The bylaws~~7~~ and rules of the association.
2363 3. ~~as well as~~ A copy of the question and answer sheet as
2364 provided in s. 719.504.
2365 4. A copy of the most recent reserve study required under
2366 s. 719.106(1)(j), along with the statements in the budget
2367 indicating the status of the reserves required under s. 719.106
2368 (1)(j)6. and 7., if applicable, or a statement in conspicuous
2369 type indicating that the association has not completed the
2370 required reserve study or that the association is not required
2371 to perform a reserve study, as applicable.
2372 5. A copy of the inspector-prepared summary of the
2373 milestone inspection report as described in ss. 553.899 and
2374 719.301(4)(p).
2375 Section 19. Paragraph (f) of subsection (23) of section
2376 719.504, Florida Statutes, is amended, and paragraph (q) is
2377 added to that subsection, to read:
2378 719.504 Prospectus or offering circular.—Every developer of
2379 a residential cooperative which contains more than 20
2380 residential units, or which is part of a group of residential
2381 cooperatives which will be served by property to be used in
2382 common by unit owners of more than 20 residential units, shall
2383 prepare a prospectus or offering circular and file it with the
2384 Division of Florida Condominiums, Timeshares, and Mobile Homes
2385 prior to entering into an enforceable contract of purchase and
2386 sale of any unit or lease of a unit for more than 5 years and
2387 shall furnish a copy of the prospectus or offering circular to
2388 each buyer. In addition to the prospectus or offering circular,
2389 each buyer shall be furnished a separate page entitled



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"Frequently Asked Questions and Answers," which must be in accordance with a format approved by the division. This page must, in readable language: inform prospective purchasers regarding their voting rights and unit use restrictions, including restrictions on the leasing of a unit; indicate whether and in what amount the unit owners or the association is obligated to pay rent or land use fees for recreational or other commonly used facilities; contain a statement identifying that amount of assessment which, pursuant to the budget, would be levied upon each unit type, exclusive of any special assessments, and which identifies the basis upon which assessments are levied, whether monthly, quarterly, or otherwise; state and identify any court cases in which the association is currently a party of record in which the association may face liability in excess of \$100,000; and state whether membership in a recreational facilities association is mandatory and, if so, identify the fees currently charged per unit type. The division shall by rule require such other disclosure as in its judgment will assist prospective purchasers. The prospectus or offering circular may include more than one cooperative, although not all such units are being offered for sale as of the date of the prospectus or offering circular. The prospectus or offering circular must contain the following information:

(23) Copies of the following, to the extent they are applicable, shall be included as exhibits:

(f) The estimated operating budget for the cooperative and the required schedule of unit owners' expenses, and the most recent reserve study required under s. 719.106(1)(j), along with



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the statements in the budget indicating the status of the reserves required under s. 719.106(1)(j)6. and 7., if applicable, or a statement in conspicuous type indicating that the association has not completed the required reserve study or that the association is not required to perform a reserve study, as applicable.

(q) A copy of the inspector-prepared summary of the milestone inspection report as described in ss. 553.899 and 719.301(4)(p).

Section 20. Subsection (2) of section 558.002, Florida Statutes, is amended to read:

558.002 Definitions.—As used in this chapter, the term:

(2) "Association" has the same meaning as in s. 718.103(3) ~~s. 718.103(2)~~, s. 719.103(3) ~~s. 719.103(2)~~, s. 720.301(9), or s. 723.075.

Section 21. Paragraph (e) of subsection (1) of section 718.115, Florida Statutes, is amended to read:

718.115 Common expenses and common surplus.—

(1)

(e) The expense of installation, replacement, operation, repair, and maintenance of hurricane shutters, impact glass, code-compliant windows or doors, or other types of code-compliant hurricane protection by the board pursuant to s. 718.113(6) ~~s. 718.113(5)~~ constitutes a common expense and shall be collected as provided in this section if the association is responsible for the maintenance, repair, and replacement of the hurricane shutters, impact glass, code-compliant windows or doors, or other types of code-compliant hurricane protection pursuant to the declaration of condominium. However, if the



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2448 maintenance, repair, and replacement of the hurricane shutters,
2449 impact glass, code-compliant windows or doors, or other types of
2450 code-compliant hurricane protection are the responsibility of
2451 the unit owners pursuant to the declaration of condominium, the
2452 cost of the installation of the hurricane shutters, impact
2453 glass, code-compliant windows or doors, or other types of code-
2454 compliant hurricane protection is not a common expense and shall
2455 be charged individually to the unit owners based on the cost of
2456 installation of the hurricane shutters, impact glass, code-
2457 compliant windows or doors, or other types of code-compliant
2458 hurricane protection appurtenant to the unit. Notwithstanding s.
2459 718.116(9), and regardless of whether or not the declaration
2460 requires the association or unit owners to maintain, repair, or
2461 replace hurricane shutters, impact glass, code-compliant windows
2462 or doors, or other types of code-compliant hurricane protection,
2463 a unit owner who has previously installed hurricane shutters in
2464 accordance with s. 718.113(6) ~~s. 718.113(5)~~ that comply with the
2465 current applicable building code shall receive a credit when the
2466 shutters are installed; a unit owner who has previously
2467 installed impact glass or code-compliant windows or doors that
2468 comply with the current applicable building code shall receive a
2469 credit when the impact glass or code-compliant windows or doors
2470 are installed; and a unit owner who has installed other types of
2471 code-compliant hurricane protection that comply with the current
2472 applicable building code shall receive a credit when the same
2473 type of other code-compliant hurricane protection is installed,
2474 and the credit shall be equal to the pro rata portion of the
2475 assessed installation cost assigned to each unit. However, such
2476 unit owner remains responsible for the pro rata share of



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expenses for hurricane shutters, impact glass, code-compliant windows or doors, or other types of code-compliant hurricane protection installed on common elements and association property by the board pursuant to s. 718.113(6) ~~s. 718.113(5)~~ and remains responsible for a pro rata share of the expense of the replacement, operation, repair, and maintenance of such shutters, impact glass, code-compliant windows or doors, or other types of code-compliant hurricane protection.

Section 22. Paragraph (b) of subsection (1) of section 718.116, Florida Statutes, is amended to read:

718.116 Assessments; liability; lien and priority; interest; collection.—

(1)

(b)1. The liability of a first mortgagee or its successor or assignees who acquire title to a unit by foreclosure or by deed in lieu of foreclosure for the unpaid assessments that became due before the mortgagee's acquisition of title is limited to the lesser of:

a. The unit's unpaid common expenses and regular periodic assessments which accrued or came due during the 12 months immediately preceding the acquisition of title and for which payment in full has not been received by the association; or

b. One percent of the original mortgage debt. The provisions of this paragraph apply only if the first mortgagee joined the association as a defendant in the foreclosure action. Joinder of the association is not required if, on the date the complaint is filed, the association was dissolved or did not maintain an office or agent for service of process at a location which was known to or reasonably discoverable by the mortgagee.



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2. An association, or its successor or assignee, that acquires title to a unit through the foreclosure of its lien for assessments is not liable for any unpaid assessments, late fees, interest, or reasonable attorney's fees and costs that came due before the association's acquisition of title in favor of any other association, as defined in s. 718.103(3) ~~s. 718.103(2)~~ or s. 720.301(9), which holds a superior lien interest on the unit. This subparagraph is intended to clarify existing law.

Section 23. Subsection (2) of section 718.121, Florida Statutes, is amended to read:

718.121 Liens.—

(2) Labor performed on or materials furnished to a unit may not be the basis for the filing of a lien under part I of chapter 713, the Construction Lien Law, against the unit or condominium parcel of any unit owner not expressly consenting to or requesting the labor or materials. Labor performed on or materials furnished for the installation of a natural gas fuel station or an electric vehicle charging station under s. 718.113(9) ~~s. 718.113(8)~~ may not be the basis for filing a lien under part I of chapter 713 against the association, but such a lien may be filed against the unit owner. Labor performed on or materials furnished to the common elements are not the basis for a lien on the common elements, but if authorized by the association, the labor or materials are deemed to be performed or furnished with the express consent of each unit owner and may be the basis for the filing of a lien against all condominium parcels in the proportions for which the owners are liable for common expenses.

Section 24. Subsection (3) of section 718.706, Florida



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Statutes, is amended to read:

718.706 Specific provisions pertaining to offering of units by a bulk assignee or bulk buyer.—

(3) A bulk assignee, while in control of the board of administration of the association, may not authorize, on behalf of the association:

(a) The waiver of reserves or the reduction of funding of the reserves pursuant to s. 718.112(2)(f)2., unless approved by a majority of the voting interests not controlled by the developer, bulk assignee, and bulk buyer; or

(b) The use of reserve expenditures for other purposes pursuant to s. 718.112(2)(f)4. ~~s. 718.112(2)(f)3.~~, unless approved by a majority of the voting interests not controlled by the developer, bulk assignee, and bulk buyer.

Section 25. Paragraph (d) of subsection (2) of section 720.3085, Florida Statutes, is amended to read:

720.3085 Payment for assessments; lien claims.—

(2)

(d) An association, or its successor or assignee, that acquires title to a parcel through the foreclosure of its lien for assessments is not liable for any unpaid assessments, late fees, interest, or reasonable attorney's fees and costs that came due before the association's acquisition of title in favor of any other association, as defined in s. 718.103(3) ~~s. 718.103(2)~~ or s. 720.301(9), which holds a superior lien interest on the parcel. This paragraph is intended to clarify existing law.

Section 26. For the purpose of incorporating the amendment made by this act to section 718.1255, Florida Statutes, in a



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reference thereto, section 719.1255, Florida Statutes, is
reenacted to read:

719.1255 Alternative resolution of disputes.—The Division
of Florida Condominiums, Timeshares, and Mobile Homes of the
Department of Business and Professional Regulation shall provide
for alternative dispute resolution in accordance with s.
718.1255.

Section 27. This act shall take effect July 1, 2022.

===== T I T L E A M E N D M E N T =====

And the title is amended as follows:

Delete everything before the enacting clause
and insert:

A bill to be entitled

An act relating to community associations; amending s.
163.04, F.S.; authorizing certain entities to prohibit
the installation of solar collectors under certain
circumstances; amending s. 468.4334, F.S.; requiring
community association managers and community
association management firms to comply with a
specified provision under certain circumstances;
creating s. 553.899, F.S.; providing legislative
findings; defining the terms "milestone inspection"
and "substantial structural deterioration"; specifying
that the purpose of a milestone inspection is not to
determine compliance with the Florida Building Code or
the firesafety code; requiring condominium
associations and cooperative associations to have
milestone inspections performed on certain buildings



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2593 at specified times; specifying that such associations
2594 are responsible for costs relating to milestone
2595 inspections; providing applicability; requiring that
2596 initial milestone inspections for certain buildings be
2597 performed before a specified date; requiring local
2598 enforcement agencies to provide certain written notice
2599 to condominium associations and cooperative
2600 associations; requiring condominium associations and
2601 cooperative associations to complete phase one of a
2602 milestone inspection within a specified timeframe;
2603 specifying that milestone inspections consist of two
2604 phases; providing requirements for each phase of a
2605 milestone inspection; requiring architects and
2606 engineers performing a milestone inspection to submit
2607 a sealed copy of the inspection report and a summary
2608 that includes specified findings and recommendations
2609 to certain entities; providing requirements for such
2610 inspection reports; requiring condominium associations
2611 and cooperative associations to distribute and post a
2612 copy of each inspection report and summary in a
2613 specified manner; authorizing local enforcement
2614 agencies to prescribe timelines and penalties relating
2615 to milestone inspections; authorizing boards of county
2616 commissioners to adopt certain ordinances relating to
2617 repairs for substantial structural deterioration;
2618 requiring local enforcement agencies to review and
2619 determine if a building is unsafe for human occupancy
2620 under certain circumstances; requiring the Florida
2621 Building Commission to review milestone inspection



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2622 requirements and make any recommendations to the
2623 Governor and the Legislature by a specified date;
2624 requiring the commission to consult with the State
2625 Fire Marshal to provide certain recommendations to the
2626 Governor and the Legislature by a specified date;
2627 amending s. 718.103, F.S.; defining the term
2628 "alternative funding method"; amending s. 718.111,
2629 F.S.; revising the types of records that constitute
2630 the official records of a condominium association;
2631 requiring associations to maintain specified records
2632 for a certain timeframe; specifying that renters of a
2633 unit have the right to inspect and copy certain
2634 reports; requiring associations to post a copy of
2635 certain reports and reserve studies on the
2636 association's website; revising rulemaking
2637 requirements for the Division of Florida Condominiums,
2638 Timeshares, and Mobile Homes of the Department of
2639 Business and Professional Regulation; amending s.
2640 718.112, F.S.; revising certification and education
2641 requirements for directors of association boards;
2642 revising requirements for association budgets;
2643 revising applicability; prohibiting developers from
2644 voting the voting interests allocated to its units to
2645 waive the reserves or reduce funding of reserves
2646 before turnover of control of an association;
2647 requiring certain associations to periodically conduct
2648 a study relating to reserves after a specified date;
2649 requiring boards to annually review the results of
2650 such study to determine if reserves are sufficient;



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2651 requiring the division to adopt rules; providing
2652 requirements for the reserve study; revising
2653 requirements for approval of using reserve funds for a
2654 purpose other than authorized reserve expenditures;
2655 requiring that budgets include specified disclosures
2656 relating to reserve funds under certain circumstances
2657 on or after a specified date; restating requirements
2658 for associations relating to milestone inspections;
2659 specifying that if the officers or directors of a
2660 condominium association fail to have a milestone
2661 inspection performed, such failure is a breach of
2662 their fiduciary relationship to the unit owners;
2663 amending s. 718.113, F.S.; requiring associations to
2664 provide for the maintenance, repair, and replacement
2665 of condominium property; providing an exception;
2666 requiring associations to perform specified required
2667 maintenance under certain circumstances; specifying
2668 that necessary maintenance, repair, or replacement of
2669 condominium property does not require unit owner
2670 approval; specifying that associations are not liable
2671 for certain expenses if a unit is vacated or access to
2672 a common element is denied for specified reasons;
2673 amending s. 718.1255, F.S.; revising the definition of
2674 the term "dispute"; specifying that certain disputes
2675 are not subject to certain nonbinding arbitration and
2676 must be submitted to presuit mediation; amending s.
2677 718.301, F.S.; revising reporting requirements
2678 relating to the transfer of association control;
2679 amending s. 718.501, F.S.; requiring certain



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2680 associations to provide certain information and
2681 updates to the division by a specified date and within
2682 a specified timeframe; requiring the division to
2683 compile a list with certain information and post such
2684 list on its website; amending s. 718.503, F.S.;
2685 revising the documents that must be delivered to a
2686 prospective buyer or lessee of a residential unit;
2687 revising requirements for nondeveloper disclosures;
2688 amending s. 718.504, F.S.; revising requirements for
2689 prospectuses and offering circulars; amending s.
2690 719.103, F.S.; defining the term "alternative funding
2691 method"; amending s. 719.104, F.S.; revising the types
2692 of records that constitute the official records of a
2693 cooperative association; requiring associations to
2694 maintain specified records for a certain timeframe;
2695 specifying that renters of a unit have the right to
2696 inspect and copy certain reports; revising rulemaking
2697 requirements for the division; specifying that
2698 maintenance of the cooperative property and common
2699 areas is the responsibility of associations; providing
2700 an exception; requiring associations to perform
2701 specified required maintenance under certain
2702 circumstances; specifying that necessary maintenance,
2703 repair, or replacement of cooperative property does
2704 not require unit owner approval; specifying that
2705 associations are not liable for certain expenses if a
2706 unit must be vacated or if access to a common area is
2707 denied for specified reasons; amending s. 719.106,
2708 F.S.; revising certification and education



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2709 requirements for directors of association boards;
2710 revising requirements for association budgets;
2711 revising applicability; prohibiting developers from
2712 voting to waive the reserves or reduce the funding of
2713 reserves before turnover of control of an association;
2714 revising requirements for the use of reserve funds for
2715 a purpose other than authorized reverse expenditures;
2716 requiring certain associations to periodically conduct
2717 a study relating to reserves after a specified date;
2718 requiring boards to annually review the results of
2719 such study to determine if reserves are sufficient;
2720 requiring the division to adopt rules; providing
2721 requirements for the reserve study; requiring that
2722 budgets include specified disclosures relating to
2723 reserve funds under certain circumstances on or after
2724 a specified date; restating requirements for
2725 associations relating to milestone inspections;
2726 specifying that if the officers or directors of a
2727 cooperative association fail to have a milestone
2728 inspection performed, such failure is a breach of
2729 their fiduciary relationship to the unit owners;
2730 amending s. 719.301, F.S.; requiring developers to
2731 deliver a turnover inspection report relating to
2732 cooperative property under certain circumstances;
2733 requiring developers to deliver a copy of certain
2734 reserve studies and statements when relinquishing
2735 control of an association; amending s. 719.501, F.S.;
2736 requiring certain associations to provide certain
2737 information and updates to the division by a specified



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2738 date and within a specified time; requiring the
2739 division to compile a list with certain information
2740 and post such list on its website; amending s.
2741 719.503, F.S.; revising the documents that must be
2742 delivered to a prospective buyer or lessee of a
2743 residential unit; revising nondeveloper disclosure
2744 requirements; amending s. 719.504, F.S.; revising
2745 requirements for prospectuses and offering circulars;
2746 amending ss. 558.002, 718.115, 718.116, 718.121,
2747 718.706, and 720.3085, F.S.; conforming cross-
2748 references; reenacting s. 719.1255, F.S., relating to
2749 alternative resolution of disputes, to incorporate the
2750 amendment made to s. 718.1255, F.S., in a reference
2751 thereto; providing an effective date.