

By the Committees on Rules; and Regulated Industries; and
Senators Bradley, Rodriguez, and Garcia

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1 A bill to be entitled
2 An act relating to building safety; creating s.
3 553.899, F.S.; providing legislative findings;
4 defining the term "milestone inspection"; specifying
5 that the purpose of a milestone inspection is not to
6 determine compliance with the Florida Building Code or
7 the firesafety code; requiring owners of certain
8 multifamily residential buildings to have milestone
9 inspections performed at specified times; requiring
10 condominium and cooperative associations to arrange
11 for milestone inspections of condominium buildings and
12 cooperative buildings, respectively; specifying that
13 such associations are responsible for costs relating
14 to milestone inspections; providing applicability;
15 requiring that initial milestone inspections for
16 certain buildings be performed before a specified
17 date; specifying that milestone inspections consist of
18 two phases; providing requirements for each phase of a
19 milestone inspection; requiring architects and
20 engineers performing a milestone inspection to submit
21 a sealed copy of the inspection report and a summary
22 that includes specified findings and recommendations
23 to certain entities; requiring condominium
24 associations and cooperative associations to
25 distribute and post a copy of each inspection report
26 and summary in a specified manner; authorizing local
27 enforcement agencies to prescribe timelines and
28 penalties relating to milestone inspections; requiring
29 the Florida Building Commission to develop certain

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30 standards by a specified date and make such standards
31 available to local governments for adoption; amending
32 s. 718.103, F.S.; defining the term "alternative
33 funding method"; amending s. 718.111, F.S.; revising
34 the types of records that constitute the official
35 records of a condominium association; requiring
36 associations to maintain specified records for a
37 certain timeframe; specifying that renters of a unit
38 have the right to inspect and copy certain reports;
39 requiring associations to post a copy of certain
40 reports and reserve studies on the association's
41 website; revising rulemaking requirements for the
42 Division of Florida Condominiums, Timeshares, and
43 Mobile Homes of the Department of Business and
44 Professional Regulation; amending s. 718.112, F.S.;
45 revising certification and education requirements for
46 directors of association boards; revising requirements
47 for association budgets; revising applicability;
48 requiring certain associations to periodically have a
49 study conducted relating to required reserves after a
50 specified date; requiring boards to annually review
51 the results of such study to determine if reserves are
52 sufficient; requiring the division to adopt rules;
53 providing requirements for the reserve study; revising
54 requirements for approval of using reserve funds for a
55 purpose other than authorized reserve expenditures;
56 requiring that budgets include specified disclosures
57 relating to reserve funds under certain circumstances
58 on or after a specified date; restating requirements

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59 for associations relating to milestone inspections;
60 amending s. 718.113, F.S.; requiring associations to
61 provide for the maintenance, repair, and replacement
62 of condominium property; providing an exception;
63 requiring associations to perform specified required
64 maintenance under certain circumstances; specifying
65 that necessary maintenance, repair, or replacement of
66 condominium property does not require unit owner
67 approval; specifying that associations are not liable
68 for certain expenses if a unit is vacated or access to
69 a common element is denied for specified reasons;
70 amending s. 718.115, F.S.; authorizing boards to adopt
71 a special assessment or borrow money for certain
72 reasons without unit owner approval; conforming cross-
73 references; amending s. 718.1255, F.S.; revising the
74 definition of the term "dispute"; specifying that
75 certain disputes are not subject to certain nonbinding
76 arbitration and must be submitted to presuit
77 mediation; amending s. 718.301, F.S.; revising
78 reporting requirements relating to the transfer of
79 association control; amending s. 718.503, F.S.;
80 revising the documents that must be delivered to a
81 prospective buyer or lessee of a residential unit;
82 revising requirements for nondeveloper disclosures;
83 amending s. 718.504, F.S.; revising requirements for
84 prospectuses and offering circulars; amending s.
85 719.103, F.S.; defining the term "alternative funding
86 method"; amending s. 719.104, F.S.; revising the types
87 of records that constitute the official records of a

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88 cooperative association; requiring associations to
89 maintain specified records for a certain timeframe;
90 specifying that renters of a unit have the right to
91 inspect and copy certain reports; revising rulemaking
92 requirements for the division; specifying that
93 maintenance of the cooperative property and common
94 areas is the responsibility of associations; providing
95 an exception; requiring associations to perform
96 specified required maintenance under certain
97 circumstances; specifying that necessary maintenance,
98 repair, or replacement of cooperative property does
99 not require unit owner approval; specifying that
100 associations are not liable for certain expenses if a
101 unit must be vacated or if access to a common area is
102 denied for specified reasons; amending s. 719.106,
103 F.S.; revising certification and education
104 requirements for directors of association boards;
105 revising requirements for association budgets;
106 revising applicability; revising requirements for the
107 use of reserve funds for a purpose other than
108 authorized reverse expenditures; requiring certain
109 associations to periodically have a study conducted
110 relating to required reserves after a specified date;
111 requiring boards to annually review the results of
112 such study to determine if reserves are sufficient;
113 requiring the division to adopt rules; providing
114 requirements for the reserve study; requiring that
115 budgets include specified disclosures relating to
116 reserve funds under certain circumstances on or after

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117 a specified date; restating requirements for
118 associations relating to milestone inspections;
119 amending s. 719.107, F.S.; authorizing boards to adopt
120 a special assessment or borrow money for certain
121 reasons without unit owner approval; amending s.
122 719.301, F.S.; requiring developers to deliver a
123 turnover inspection report relating to cooperative
124 property under certain circumstances; requiring
125 developers to deliver a copy of certain reserve
126 studies and statements when relinquishing control of
127 an association; amending s. 719.503, F.S.; revising
128 the documents that must be delivered to a prospective
129 buyer or lessee of a residential unit; revising
130 nondeveloper disclosure requirements; amending s.
131 719.504, F.S.; revising requirements for prospectuses
132 and offering circulars; amending ss. 558.002, 718.116,
133 718.121, 718.706, and 720.3085, F.S.; conforming
134 cross-references; reenacting s. 719.1255, F.S.,
135 relating to alternative resolution of disputes, to
136 incorporate the amendment made to s. 718.1255, F.S.,
137 in a reference thereto; providing an effective date.

138

139 Be It Enacted by the Legislature of the State of Florida:

140

141 Section 1. Section 553.899, Florida Statutes, is created to
142 read:

143 553.899 Mandatory structural inspections for multifamily
144 residential buildings.-

145 (1) The Legislature finds that maintaining the structural

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146 integrity of a building throughout its service life is of
147 paramount importance in order to ensure that buildings are
148 structurally sound so as to not pose a threat to the public
149 health, safety, or welfare. As such, the Legislature finds that
150 the imposition of a statewide structural inspection program for
151 aging multifamily residential buildings in this state is
152 necessary to ensure that such buildings are safe for continued
153 use.

154 (2) As used in this section, the term "milestone
155 inspection" means a structural inspection of a building,
156 including an inspection of load-bearing walls and the primary
157 structural members and primary structural systems as those terms
158 are defined in s. 627.706, by a licensed architect or engineer
159 authorized to practice in this state for the purposes of
160 attesting to the life safety and adequacy of the structural
161 components of the building and, to the extent reasonably
162 possible, determining the general structural condition of the
163 building as it affects the safety of such building, including a
164 determination of any necessary maintenance, repair, or
165 replacement of any structural component of the building. The
166 purpose of such inspection is not to determine if the condition
167 of an existing building is in compliance with the Florida
168 Building Code or the firesafety code.

169 (3) The owner of a multifamily residential building that is
170 three stories or more in height must have a milestone inspection
171 performed by December 31 of the year in which the building
172 reaches 30 years of age, based on the date the certificate of
173 occupancy for the building was issued, and every 10 years
174 thereafter. The owner of a multifamily residential building that

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175 is three stories or more in height and is located within 3 miles
176 of a coastline as defined in s. 376.031 must have a milestone
177 inspection performed by December 31 of the year in which the
178 building reaches 20 years of age, based on the date the
179 certificate of occupancy for the building was issued, and every
180 7 years thereafter. If a condominium building or cooperative
181 building is required to have a milestone inspection performed
182 pursuant to this section, the condominium association or
183 cooperative association must arrange for the milestone
184 inspection to be performed and is responsible for ensuring
185 compliance with the requirements of this section. The building
186 owner or condominium association or cooperative association is
187 responsible for all costs associated with the inspection. This
188 subsection does not apply to a two-family or three-family
189 dwelling with three or fewer habitable stories above ground.

190 (4) If a milestone inspection is required under this
191 section and the building's certificate of occupancy was issued
192 on or before July 1, 1992, the building's initial milestone
193 inspection must be performed before December 31, 2024.

194 (5) A milestone inspection consists of two phases:

195 (a) For phase one of the milestone inspection, a licensed
196 architect or engineer authorized to practice in this state shall
197 perform a visual examination of habitable and nonhabitable areas
198 of a building, including the major structural components of a
199 building, and provide a qualitative assessment of the structural
200 conditions of the building. Surface imperfections such as
201 cracks, distortion, sagging, deflections, misalignment, signs of
202 leakage, or peeling of finishes are not considered signs of
203 structural distress unless the architect or engineer performing

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204 the inspection determines that such surface imperfections are a
205 sign of structural distress. If the architect or engineer finds
206 no signs of structural distress to any building components under
207 visual examination, phase two of the inspection, as provided in
208 paragraph (b), is not required. An architect or engineer who
209 completes a phase one milestone inspection shall prepare and
210 submit an inspection report pursuant to subsection (6).

211 (b) A phase two of the milestone inspection must be
212 performed if any structural distress is identified during phase
213 one. The inspector in charge of a phase two inspection must be a
214 licensed engineer or licensed architect who has a minimum of 5
215 years of experience designing the primary structural components
216 of buildings and a minimum of 5 years of experience inspecting
217 structural components of existing buildings of a similar size,
218 scope, and type of construction. A phase two inspection may
219 involve destructive or nondestructive testing at the inspector's
220 direction. The inspection may be as extensive or as limited as
221 necessary to fully assess areas of structural distress in order
222 to confirm that the building is structurally sound and safe for
223 its intended use and to recommend a program for fully assessing
224 and repairing distressed and damaged portions of the building.
225 When determining testing locations, the inspector must give
226 preference to locations that are the least disruptive and most
227 easily repairable while still being representative of the
228 structure. An inspector who completes a phase two milestone
229 inspection shall prepare and submit an inspection report
230 pursuant to subsection (6).

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

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233 inspection must submit a sealed copy of the inspection report
234 with a separate summary of, at minimum, the material findings
235 and recommendations in the inspection report to the building
236 owner or, if the building is a condominium or cooperative, to
237 the condominium association or cooperative association, and to
238 the building official of the local government which has
239 jurisdiction. For a milestone inspection of a building that is a
240 condominium or cooperative, the association must distribute a
241 copy of the inspector-prepared summary of the inspection report
242 to each condominium unit owner or cooperative unit owner,
243 regardless of the findings or recommendations in the report, by
244 United States mail or personal delivery; must post a copy of the
245 inspector-prepared summary in a conspicuous place on the
246 condominium or cooperative property; and must publish the full
247 report and inspector-prepared summary on the association's
248 website, if the association is required to have a website.

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

251 (8) The commission shall develop comprehensive structural
252 and life safety standards for maintaining and inspecting
253 buildings and structures in this state that are three stories or
254 more in height by December 31, 2022. The standards are in
255 addition to those provided in this section and must be made
256 available for local governments to adopt at their discretion.

257 Section 2. Present subsections (1) through (30) of section
258 718.103, Florida Statutes, are redesignated as subsections (2)
259 through (31), respectively, and a new subsection (1) is added to
260 that section, to read:

261 718.103 Definitions.—As used in this chapter, the term:

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262 (1) "Alternative funding method" means a method for the
263 funding of a reserve account by other than an assessment or
264 special assessment which may reasonably be expected to fully
265 satisfy the association's reserve funding obligations,
266 including, but not limited to, payments into the reserve account
267 by a developer who is offering units or any other method
268 approved by the division.

269 Section 3. Paragraphs (a), (c), and (g) of subsection (12)
270 and subsection (13) of section 718.111, Florida Statutes, are
271 amended to read:

272 718.111 The association.—

273 (12) OFFICIAL RECORDS.—

274 (a) From the inception of the association, the association
275 shall maintain each of the following items, if applicable, which
276 constitutes the official records of the association:

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

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

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

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

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

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

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

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

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

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

310 11. Accounting records for the association and separate
311 accounting records for each condominium that the association
312 operates. Any person who knowingly or intentionally defaces or
313 destroys such records, or who knowingly or intentionally fails
314 to create or maintain such records, with the intent of causing
315 harm to the association or one or more of its members, is
316 personally subject to a civil penalty pursuant to s.
317 718.501(1)(d). The accounting records must include, but are not
318 limited to:

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

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320 and expenditures.

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

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

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

332 12. Ballots, sign-in sheets, voting proxies, and all other
333 papers and electronic records relating to voting by unit owners,
334 which must be maintained for 1 year from the date of the
335 election, vote, or meeting to which the document relates,
336 notwithstanding paragraph (b).

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

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

341 15. A copy of the inspection reports ~~report as~~ described in
342 ss. 553.899 and 718.301(4)(p) and any other inspection report
343 relating to a structural or life safety inspection of
344 condominium property. Such record must be maintained by the
345 association for 15 years after receipt of the report ~~s.~~
346 ~~718.301(4)(p).~~

347 16. Bids for materials, equipment, or services.

348 17. All affirmative acknowledgments made pursuant to s.

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349 718.121(4)(c).

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

353 (c)1. The official records of the association are open to
354 inspection by any association member or the authorized
355 representative of such member at all reasonable times. The right
356 to inspect the records includes the right to make or obtain
357 copies, at the reasonable expense, if any, of the member or
358 authorized representative of such member. A renter of a unit has
359 a right to inspect and copy only the declaration of condominium,
360 ~~and~~ the association's bylaws and rules, and the inspection
361 reports described in ss. 553.899 and 718.301(4)(p). The
362 association may adopt reasonable rules regarding the frequency,
363 time, location, notice, and manner of record inspections and
364 copying but may not require a member to demonstrate any purpose
365 or state any reason for the inspection. The failure of an
366 association to provide the records within 10 working days after
367 receipt of a written request creates a rebuttable presumption
368 that the association willfully failed to comply with this
369 paragraph. A unit owner who is denied access to official records
370 is entitled to the actual damages or minimum damages for the
371 association's willful failure to comply. Minimum damages are \$50
372 per calendar day for up to 10 days, beginning on the 11th
373 working day after receipt of the written request. The failure to
374 permit inspection entitles any person prevailing in an
375 enforcement action to recover reasonable attorney fees from the
376 person in control of the records who, directly or indirectly,
377 knowingly denied access to the records.

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

386 3. The association shall maintain an adequate number of
387 copies of the declaration, articles of incorporation, bylaws,
388 and rules, and all amendments to each of the foregoing, as well
389 as the question and answer sheet as described in s. 718.504 and
390 year-end financial information required under this section, on
391 the condominium property to ensure their availability to unit
392 owners and prospective purchasers, and may charge its actual
393 costs for preparing and furnishing these documents to those
394 requesting the documents. An association shall allow a member or
395 his or her authorized representative to use a portable device,
396 including a smartphone, tablet, portable scanner, or any other
397 technology capable of scanning or taking photographs, to make an
398 electronic copy of the official records in lieu of the
399 association's providing the member or his or her authorized
400 representative with a copy of such records. The association may
401 not charge a member or his or her authorized representative for
402 the use of a portable device. Notwithstanding this paragraph,
403 the following records are not accessible to unit owners:

404 a. Any record protected by the lawyer-client privilege as
405 described in s. 90.502 and any record protected by the work-
406 product privilege, including a record prepared by an association

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407 attorney or prepared at the attorney's express direction, which
408 reflects a mental impression, conclusion, litigation strategy,
409 or legal theory of the attorney or the association, and which
410 was prepared exclusively for civil or criminal litigation or for
411 adversarial administrative proceedings, or which was prepared in
412 anticipation of such litigation or proceedings until the
413 conclusion of the litigation or proceedings.

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

417 c. Personnel records of association or management company
418 employees, including, but not limited to, disciplinary, payroll,
419 health, and insurance records. For purposes of this sub-
420 subparagraph, the term "personnel records" does not include
421 written employment agreements with an association employee or
422 management company, or budgetary or financial records that
423 indicate the compensation paid to an association employee.

424 d. Medical records of unit owners.

425 e. Social security numbers, driver license numbers, credit
426 card numbers, e-mail addresses, telephone numbers, facsimile
427 numbers, emergency contact information, addresses of a unit
428 owner other than as provided to fulfill the association's notice
429 requirements, and other personal identifying information of any
430 person, excluding the person's name, unit designation, mailing
431 address, property address, and any address, e-mail address, or
432 facsimile number provided to the association to fulfill the
433 association's notice requirements. Notwithstanding the
434 restrictions in this sub-subparagraph, an association may print
435 and distribute to unit owners a directory containing the name,

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436 unit address, and all telephone numbers of each unit owner.
437 However, an owner may exclude his or her telephone numbers from
438 the directory by so requesting in writing to the association. An
439 owner may consent in writing to the disclosure of other contact
440 information described in this sub-subparagraph. The association
441 is not liable for the inadvertent disclosure of information that
442 is protected under this sub-subparagraph if the information is
443 included in an official record of the association and is
444 voluntarily provided by an owner and not requested by the
445 association.

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

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

452 h. All affirmative acknowledgments made pursuant to s.
453 718.121(4)(c).

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

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

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

463 (II) A website, application, or web portal operated by a
464 third-party provider with whom the association owns, leases,

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465 rents, or otherwise obtains the right to operate a web page,
466 subpage, web portal, collection of subpages or web portals, or
467 an application which is dedicated to the association's
468 activities and on which required notices, records, and documents
469 may be posted or made available by the association.

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

475 c. Upon a unit owner's written request, the association
476 must provide the unit owner with a username and password and
477 access to the protected sections of the association's website or
478 application which contain any notices, records, or documents
479 that must be electronically provided.

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

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

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

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

492 d. The rules of the association.

493 e. A list of all executory contracts or documents to which

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494 the association is a party or under which the association or the
495 unit owners have an obligation or responsibility and, after
496 bidding for the related materials, equipment, or services has
497 closed, a list of bids received by the association within the
498 past year. Summaries of bids for materials, equipment, or
499 services which exceed \$500 must be maintained on the website or
500 application for 1 year. In lieu of summaries, complete copies of
501 the bids may be posted.

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

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

507 h. The certification of each director required by s.
508 718.112(2)(d)4.b.

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

514 j. Any contract or document regarding a conflict of
515 interest or possible conflict of interest as provided in ss.
516 468.436(2)(b)6. and 718.3027(3).

517 k. The notice of any unit owner meeting and the agenda for
518 the meeting, as required by s. 718.112(2)(d)3., no later than 14
519 days before the meeting. The notice must be posted in plain view
520 on the front page of the website or application, or on a
521 separate subpage of the website or application labeled "Notices"
522 which is conspicuously visible and linked from the front page.

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523 The association must also post on its website or application any
524 document to be considered and voted on by the owners during the
525 meeting or any document listed on the agenda at least 7 days
526 before the meeting at which the document or the information
527 within the document will be considered.

528 1. Notice of any board meeting, the agenda, and any other
529 document required for the meeting as required by s.
530 718.112(2)(c), which must be posted no later than the date
531 required for notice under s. 718.112(2)(c).

532 m. The inspection reports described in ss. 553.899 and
533 718.301(4)(p) and any other inspection report relating to a
534 structural or life safety inspection of condominium property.

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

536 3. The association shall ensure that the information and
537 records described in paragraph (c), which are not allowed to be
538 accessible to unit owners, are not posted on the association's
539 website or application. If protected information or information
540 restricted from being accessible to unit owners is included in
541 documents that are required to be posted on the association's
542 website or application, the association shall ensure the
543 information is redacted before posting the documents.

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

549 4. The failure of the association to post information
550 required under subparagraph 2. is not in and of itself
551 sufficient to invalidate any action or decision of the

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552 association's board or its committees.

553 (13) FINANCIAL REPORTING.—Within 90 days after the end of
554 the fiscal year, or annually on a date provided in the bylaws,
555 the association shall prepare and complete, or contract for the
556 preparation and completion of, a financial report for the
557 preceding fiscal year. Within 21 days after the final financial
558 report is completed by the association or received from the
559 third party, but not later than 120 days after the end of the
560 fiscal year or other date as provided in the bylaws, the
561 association shall mail to each unit owner at the address last
562 furnished to the association by the unit owner, or hand deliver
563 to each unit owner, a copy of the most recent financial report
564 or a notice that a copy of the most recent financial report will
565 be mailed or hand delivered to the unit owner, without charge,
566 within 5 business days after receipt of a written request from
567 the unit owner. The division shall adopt rules setting forth
568 uniform accounting principles and standards to be used by all
569 associations and addressing the financial reporting requirements
570 for multicondominium associations. The rules must include, but
571 not be limited to, standards for presenting a summary of
572 association reserves, including a good faith estimate disclosing
573 the annual amount of reserve funds that would be necessary for
574 the association to fully fund reserves for each reserve item
575 based on the straight-line ~~accounting~~ method or to fully fund
576 reserves based on the pooling method. ~~This disclosure is not~~
577 ~~applicable to reserves funded via the pooling method.~~ In
578 adopting such rules, the division shall consider the number of
579 members and annual revenues of an association. Financial reports
580 shall be prepared as follows:

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

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

589 2. An association with total annual revenues of at least
590 \$300,000, but less than \$500,000, shall prepare reviewed
591 financial statements.

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

594 (b)1. An association with total annual revenues of less
595 than \$150,000 shall prepare a report of cash receipts and
596 expenditures.

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

609 (c) An association may prepare, without a meeting of or

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610 approval by the unit owners:

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

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

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

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

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

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

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

630

631 Such meeting and approval must occur before the end of the
632 fiscal year and is effective only for the fiscal year in which
633 the vote is taken, except that the approval may also be
634 effective for the following fiscal year. If the developer has
635 not turned over control of the association, all unit owners,
636 including the developer, may vote on issues related to the
637 preparation of the association's financial reports, from the
638 date of incorporation of the association through the end of the

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639 second fiscal year after the fiscal year in which the
640 certificate of a surveyor and mapper is recorded pursuant to s.
641 718.104(4)(e) or an instrument that transfers title to a unit in
642 the condominium which is not accompanied by a recorded
643 assignment of developer rights in favor of the grantee of such
644 unit is recorded, whichever occurs first. Thereafter, all unit
645 owners except the developer may vote on such issues until
646 control is turned over to the association by the developer. Any
647 audit or review prepared under this section shall be paid for by
648 the developer if done before turnover of control of the
649 association.

650 (e) A unit owner may provide written notice to the division
651 of the association's failure to mail or hand deliver him or her
652 a copy of the most recent financial report within 5 business
653 days after he or she submitted a written request to the
654 association for a copy of such report. If the division
655 determines that the association failed to mail or hand deliver a
656 copy of the most recent financial report to the unit owner, the
657 division shall provide written notice to the association that
658 the association must mail or hand deliver a copy of the most
659 recent financial report to the unit owner and the division
660 within 5 business days after it receives such notice from the
661 division. An association that fails to comply with the
662 division's request may not waive the financial reporting
663 requirement provided in paragraph (d) for the fiscal year in
664 which the unit owner's request was made and the following fiscal
665 year. A financial report received by the division pursuant to
666 this paragraph shall be maintained, and the division shall
667 provide a copy of such report to an association member upon his

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668 or her request.

669 Section 4. Paragraphs (d) and (f) of subsection (2) of
670 section 718.112, Florida Statutes, are amended, and paragraph
671 (p) is added to that subsection, to read:

672 718.112 Bylaws.—

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

676 (d) *Unit owner meetings*.—

677 1. An annual meeting of the unit owners must be held at the
678 location provided in the association bylaws and, if the bylaws
679 are silent as to the location, the meeting must be held within
680 45 miles of the condominium property. However, such distance
681 requirement does not apply to an association governing a
682 timeshare condominium.

683 2. Unless the bylaws provide otherwise, a vacancy on the
684 board caused by the expiration of a director's term must be
685 filled by electing a new board member, and the election must be
686 by secret ballot. An election is not required if the number of
687 vacancies equals or exceeds the number of candidates. For
688 purposes of this paragraph, the term "candidate" means an
689 eligible person who has timely submitted the written notice, as
690 described in sub-subparagraph 4.a., of his or her intention to
691 become a candidate. Except in a timeshare or nonresidential
692 condominium, or if the staggered term of a board member does not
693 expire until a later annual meeting, or if all members' terms
694 would otherwise expire but there are no candidates, the terms of
695 all board members expire at the annual meeting, and such members
696 may stand for reelection unless prohibited by the bylaws. Board

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697 members may serve terms longer than 1 year if permitted by the
698 bylaws or articles of incorporation. A board member may not
699 serve more than 8 consecutive years unless approved by an
700 affirmative vote of unit owners representing two-thirds of all
701 votes cast in the election or unless there are not enough
702 eligible candidates to fill the vacancies on the board at the
703 time of the vacancy. Only board service that occurs on or after
704 July 1, 2018, may be used when calculating a board member's term
705 limit. If the number of board members whose terms expire at the
706 annual meeting equals or exceeds the number of candidates, the
707 candidates become members of the board effective upon the
708 adjournment of the annual meeting. Unless the bylaws provide
709 otherwise, any remaining vacancies shall be filled by the
710 affirmative vote of the majority of the directors making up the
711 newly constituted board even if the directors constitute less
712 than a quorum or there is only one director. In a residential
713 condominium association of more than 10 units or in a
714 residential condominium association that does not include
715 timeshare units or timeshare interests, co-owners of a unit may
716 not serve as members of the board of directors at the same time
717 unless they own more than one unit or unless there are not
718 enough eligible candidates to fill the vacancies on the board at
719 the time of the vacancy. A unit owner in a residential
720 condominium desiring to be a candidate for board membership must
721 comply with sub-subparagraph 4.a. and must be eligible to be a
722 candidate to serve on the board of directors at the time of the
723 deadline for submitting a notice of intent to run in order to
724 have his or her name listed as a proper candidate on the ballot
725 or to serve on the board. A person who has been suspended or

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726 removed by the division under this chapter, or who is delinquent
727 in the payment of any assessment due to the association, is not
728 eligible to be a candidate for board membership and may not be
729 listed on the ballot. For purposes of this paragraph, a person
730 is delinquent if a payment is not made by the due date as
731 specifically identified in the declaration of condominium,
732 bylaws, or articles of incorporation. If a due date is not
733 specifically identified in the declaration of condominium,
734 bylaws, or articles of incorporation, the due date is the first
735 day of the assessment period. A person who has been convicted of
736 any felony in this state or in a United States District or
737 Territorial Court, or who has been convicted of any offense in
738 another jurisdiction which would be considered a felony if
739 committed in this state, is not eligible for board membership
740 unless such felon's civil rights have been restored for at least
741 5 years as of the date such person seeks election to the board.
742 The validity of an action by the board is not affected if it is
743 later determined that a board member is ineligible for board
744 membership due to having been convicted of a felony. This
745 subparagraph does not limit the term of a member of the board of
746 a nonresidential or timeshare condominium.

747 3. The bylaws must provide the method of calling meetings
748 of unit owners, including annual meetings. Written notice of an
749 annual meeting must include an agenda; be mailed, hand
750 delivered, or electronically transmitted to each unit owner at
751 least 14 days before the annual meeting; and be posted in a
752 conspicuous place on the condominium property or association
753 property at least 14 continuous days before the annual meeting.
754 Written notice of a meeting other than an annual meeting must

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755 include an agenda; be mailed, hand delivered, or electronically
756 transmitted to each unit owner; and be posted in a conspicuous
757 place on the condominium property or association property within
758 the timeframe specified in the bylaws. If the bylaws do not
759 specify a timeframe for written notice of a meeting other than
760 an annual meeting, notice must be provided at least 14
761 continuous days before the meeting. Upon notice to the unit
762 owners, the board shall, by duly adopted rule, designate a
763 specific location on the condominium property or association
764 property where all notices of unit owner meetings must be
765 posted. This requirement does not apply if there is no
766 condominium property for posting notices. In lieu of, or in
767 addition to, the physical posting of meeting notices, the
768 association may, by reasonable rule, adopt a procedure for
769 conspicuously posting and repeatedly broadcasting the notice and
770 the agenda on a closed-circuit cable television system serving
771 the condominium association. However, if broadcast notice is
772 used in lieu of a notice posted physically on the condominium
773 property, the notice and agenda must be broadcast at least four
774 times every broadcast hour of each day that a posted notice is
775 otherwise required under this section. If broadcast notice is
776 provided, the notice and agenda must be broadcast in a manner
777 and for a sufficient continuous length of time so as to allow an
778 average reader to observe the notice and read and comprehend the
779 entire content of the notice and the agenda. In addition to any
780 of the authorized means of providing notice of a meeting of the
781 board, the association may, by rule, adopt a procedure for
782 conspicuously posting the meeting notice and the agenda on a
783 website serving the condominium association for at least the

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784 minimum period of time for which a notice of a meeting is also
785 required to be physically posted on the condominium property.
786 Any rule adopted shall, in addition to other matters, include a
787 requirement that the association send an electronic notice in
788 the same manner as a notice for a meeting of the members, which
789 must include a hyperlink to the website where the notice is
790 posted, to unit owners whose e-mail addresses are included in
791 the association's official records. Unless a unit owner waives
792 in writing the right to receive notice of the annual meeting,
793 such notice must be hand delivered, mailed, or electronically
794 transmitted to each unit owner. Notice for meetings and notice
795 for all other purposes must be mailed to each unit owner at the
796 address last furnished to the association by the unit owner, or
797 hand delivered to each unit owner. However, if a unit is owned
798 by more than one person, the association must provide notice to
799 the address that the developer identifies for that purpose and
800 thereafter as one or more of the owners of the unit advise the
801 association in writing, or if no address is given or the owners
802 of the unit do not agree, to the address provided on the deed of
803 record. An officer of the association, or the manager or other
804 person providing notice of the association meeting, must provide
805 an affidavit or United States Postal Service certificate of
806 mailing, to be included in the official records of the
807 association affirming that the notice was mailed or hand
808 delivered in accordance with this provision.

809 4. The members of the board of a residential condominium
810 shall be elected by written ballot or voting machine. Proxies
811 may not be used in electing the board in general elections or
812 elections to fill vacancies caused by recall, resignation, or

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813 otherwise, unless otherwise provided in this chapter. This
814 subparagraph does not apply to an association governing a
815 timeshare condominium.

816 a. At least 60 days before a scheduled election, the
817 association shall mail, deliver, or electronically transmit, by
818 separate association mailing or included in another association
819 mailing, delivery, or transmission, including regularly
820 published newsletters, to each unit owner entitled to a vote, a
821 first notice of the date of the election. A unit owner or other
822 eligible person desiring to be a candidate for the board must
823 give written notice of his or her intent to be a candidate to
824 the association at least 40 days before a scheduled election.
825 Together with the written notice and agenda as set forth in
826 subparagraph 3., the association shall mail, deliver, or
827 electronically transmit a second notice of the election to all
828 unit owners entitled to vote, together with a ballot that lists
829 all candidates not less than 14 days or more than 34 days before
830 the date of the election. Upon request of a candidate, an
831 information sheet, no larger than 8 1/2 inches by 11 inches,
832 which must be furnished by the candidate at least 35 days before
833 the election, must be included with the mailing, delivery, or
834 transmission of the ballot, with the costs of mailing, delivery,
835 or electronic transmission and copying to be borne by the
836 association. The association is not liable for the contents of
837 the information sheets prepared by the candidates. In order to
838 reduce costs, the association may print or duplicate the
839 information sheets on both sides of the paper. The division
840 shall by rule establish voting procedures consistent with this
841 sub-subparagraph, including rules establishing procedures for

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842 giving notice by electronic transmission and rules providing for
843 the secrecy of ballots. Elections shall be decided by a
844 plurality of ballots cast. There is no quorum requirement;
845 however, at least 20 percent of the eligible voters must cast a
846 ballot in order to have a valid election. A unit owner may not
847 authorize any other person to vote his or her ballot, and any
848 ballots improperly cast are invalid. A unit owner who violates
849 this provision may be fined by the association in accordance
850 with s. 718.303. A unit owner who needs assistance in casting
851 the ballot for the reasons stated in s. 101.051 may obtain such
852 assistance. The regular election must occur on the date of the
853 annual meeting. Notwithstanding this sub-subparagraph, an
854 election is not required unless more candidates file notices of
855 intent to run or are nominated than board vacancies exist.

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

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

869 (II) Submit a certificate of having satisfactorily
870 completed the educational curriculum administered by a division-

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871 approved condominium education provider within 1 year before or
872 90 days after the date of election or appointment. The affidavit
873 and ~~written certification~~ or educational certificate is valid
874 and does not have to be resubmitted as long as the director
875 serves on the board without interruption.

876

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

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

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

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900 without meetings is expressly allowed by the applicable bylaws
901 or declaration or any law that provides for such action.

902 6. Unit owners may waive notice of specific meetings if
903 allowed by the applicable bylaws or declaration or any law.
904 Notice of meetings of the board of administration, unit owner
905 meetings, except unit owner meetings called to recall board
906 members under paragraph (j), and committee meetings may be given
907 by electronic transmission to unit owners who consent to receive
908 notice by electronic transmission. A unit owner who consents to
909 receiving notices by electronic transmission is solely
910 responsible for removing or bypassing filters that block receipt
911 of mass e-mails sent to members on behalf of the association in
912 the course of giving electronic notices.

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

917 8. A unit owner may tape record or videotape a meeting of
918 the unit owners subject to reasonable rules adopted by the
919 division.

920 9. Unless otherwise provided in the bylaws, any vacancy
921 occurring on the board before the expiration of a term may be
922 filled by the affirmative vote of the majority of the remaining
923 directors, even if the remaining directors constitute less than
924 a quorum, or by the sole remaining director. In the alternative,
925 a board may hold an election to fill the vacancy, in which case
926 the election procedures must conform to sub-subparagraph 4.a.
927 unless the association governs 10 units or fewer and has opted
928 out of the statutory election process, in which case the bylaws

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929 of the association control. Unless otherwise provided in the
930 bylaws, a board member appointed or elected under this section
931 shall fill the vacancy for the unexpired term of the seat being
932 filled. Filling vacancies created by recall is governed by
933 paragraph (j) and rules adopted by the division.

934 10. This chapter does not limit the use of general or
935 limited proxies, require the use of general or limited proxies,
936 or require the use of a written ballot or voting machine for any
937 agenda item or election at any meeting of a timeshare
938 condominium association or nonresidential condominium
939 association.

940

941 Notwithstanding subparagraph (b)2. and sub-subparagraph 4.a., an
942 association of 10 or fewer units may, by affirmative vote of a
943 majority of the total voting interests, provide for different
944 voting and election procedures in its bylaws, which may be by a
945 proxy specifically delineating the different voting and election
946 procedures. The different voting and election procedures may
947 provide for elections to be conducted by limited or general
948 proxy.

949 (f) *Annual budget.*—

950 1. The proposed annual budget of estimated revenues and
951 expenses must be detailed and must show the amounts budgeted by
952 accounts and expense classifications, including, at a minimum,
953 any applicable expenses listed in s. 718.504(21). The board
954 shall adopt the annual budget at least 14 days prior to the
955 start of the association's fiscal year. In the event that the
956 board fails to timely adopt the annual budget a second time, it
957 shall be deemed a minor violation and the prior year's budget

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958 shall continue in effect until a new budget is adopted. A
959 multicondominium association shall adopt a separate budget of
960 common expenses for each condominium the association operates
961 and shall adopt a separate budget of common expenses for the
962 association. In addition, if the association maintains limited
963 common elements with the cost to be shared only by those
964 entitled to use the limited common elements as provided for in
965 s. 718.113(1), the budget or a schedule attached to it must show
966 the amount budgeted for this maintenance. If, after turnover of
967 control of the association to the unit owners, any of the
968 expenses listed in s. 718.504(21) are not applicable, they need
969 not be listed.

970 2.a. In addition to annual operating expenses, the budget
971 must include reserve accounts for capital expenditures and
972 deferred maintenance. These accounts must include, but are not
973 limited to, the maintenance and replacement of the condominium
974 property identified in s. 718.301(4)(p) ~~roof replacement,~~
975 ~~building painting, and pavement resurfacing,~~ regardless of the
976 amount of deferred maintenance expense or replacement cost, and
977 any other item that has a deferred maintenance expense or
978 replacement cost that exceeds \$10,000. The amount to be reserved
979 must be computed using a formula based upon estimated remaining
980 useful life and estimated replacement cost or deferred
981 maintenance expense of each reserve item. The association may
982 adjust replacement reserve assessments annually to take into
983 account any changes in estimates or extension of the useful life
984 of a reserve item caused by deferred maintenance. This
985 subsection does not apply to an adopted budget in which the
986 members of an association have determined, by a majority vote of

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987 all the voting interests, voting in person or by proxy at a duly
988 called meeting of the association, to provide no reserves or
989 less reserves than required by this subsection.

990 b. Before turnover of control of an association by a
991 developer to unit owners other than a developer pursuant to s.
992 718.301, the developer may vote the voting interests allocated
993 to its units to waive the reserves or reduce the funding of
994 reserves through the period expiring at the end of the second
995 fiscal year after the fiscal year in which the certificate of a
996 surveyor and mapper is recorded pursuant to s. 718.104(4)(e) or
997 an instrument that transfers title to a unit in the condominium
998 which is not accompanied by a recorded assignment of developer
999 rights in favor of the grantee of such unit is recorded,
1000 whichever occurs first, after which time reserves may be waived
1001 or reduced only upon the vote of a majority of all nondeveloper
1002 voting interests voting in person or by limited proxy at a duly
1003 called meeting of the association. If an association is required
1004 to perform a reserve study under subparagraph 3., the developer
1005 may vote to waive reserve contributions or reduce reserve
1006 funding only if the association's reserve obligations are funded
1007 consistent with the reserve study currently in effect or if the
1008 association provides an alternative funding method for the
1009 association's reserve obligations. If a meeting of the unit
1010 owners has been called to determine whether to waive or reduce
1011 the funding of reserves and no such result is achieved or a
1012 quorum is not attained, the reserves included in the budget
1013 shall go into effect. After the turnover, the developer may vote
1014 its voting interest to waive or reduce the funding of reserves.

1015 3. Effective January 1, 2024, unless the declaration of

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1016 condominium, articles of incorporation, or bylaws provide for a
1017 more frequent reserve study, an association with a residential
1018 condominium building that is three stories or more in height and
1019 subject to the milestone inspection requirements in s. 553.899
1020 must have a study conducted of the reserves required to
1021 maintain, repair, replace, and restore the condominium property
1022 identified in s. 718.301(4) (p) at least every 3 years. The board
1023 shall review the results of such study at least annually to
1024 determine if reserves are sufficient to meet the association's
1025 reserve obligations and to make any adjustments the board deems
1026 necessary to maintain reserves, as appropriate. The division
1027 shall adopt rules setting forth uniform financial standards and
1028 forms for reserve studies. The reserve study must include,
1029 without limitation:

1030 a. A summary of any inspection of the major components of
1031 the condominium property identified in s. 718.301(4) (p) and any
1032 other portion of the condominium property that the association
1033 is obligated to maintain, repair, replace, or restore;

1034 b. If applicable, a summary of the findings and
1035 recommendations of the milestone inspection report required
1036 under s. 553.899 and any other structural or life safety
1037 inspection of the condominium property considered in the reserve
1038 study;

1039 c. An identification of the structural components of the
1040 building for which necessary reserves may be reasonably
1041 projected and an identification of the structural components of
1042 the building with an indefinite useful life for which a
1043 reasonable determination of necessary reserves may not be
1044 estimated;

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1045 d. An estimate of the useful life of the structural
1046 components of the building identified in s. 718.301(4) (p) for
1047 which an estimate of useful life may be determined as attested
1048 to by a licensed architect or engineer in the turnover
1049 inspection required under s. 718.301(4) (p), a milestone
1050 inspection, or any other structural or life safety inspection of
1051 the condominium property;

1052 e. An estimate of the remaining useful life of any other
1053 portion of the condominium property that the association is
1054 obligated to maintain, repair, replace, or restore;

1055 f. An estimate of the cost of maintenance, repair,
1056 replacement, or restoration of each major component of the
1057 condominium property identified in s. 718.301(4) (p) and any
1058 other portion of the condominium property identified pursuant to
1059 sub-subparagraph c.;

1060 g. An estimate of the total annual assessment that may be
1061 necessary to cover the cost of maintaining, repairing,
1062 replacing, or restoring the major components of the condominium
1063 property identified in s. 718.301(4) (p) and any other portion of
1064 the condominium property identified pursuant to sub-subparagraph
1065 c., and an estimate of the funding plan, including any
1066 alternative funding method, which may be necessary to provide
1067 adequate funding for the required reserves; and

1068 h. A schedule for the full funding of reserves. A reserve
1069 account is fully funded when the actual or projected reserve
1070 balance in the reserve account is equal in direct proportion to
1071 the fraction of useful life for a given component or components
1072 multiplied by the current replacement costs for the component or
1073 components.

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1074 4. The annual budget must, at minimum:

1075 a. Identify all items for which reserves are or will be
1076 established;

1077 b. Provide an estimate of the maintenance, repair, and
1078 replacement costs for the structural components for which an
1079 estimate of useful life may be determined;

1080 c. Identify any structural component for which a reserve
1081 account is not established or reserves are not funded, because
1082 the useful life of the component cannot be determined;

1083 d. As of the beginning of the fiscal year for which the
1084 budget is prepared, identify the current amount of accumulated
1085 funds for each reserve component or, if the pooling method is
1086 used, the amount of the accumulated pooled funds;

1087 e. Provide a description of the funding plan for the
1088 reserve funding obligations of the association, including the
1089 use of regular assessments, special assessments, and any other
1090 alternative funding method; and

1091 f. Provide a description of the procedures used for the
1092 estimation and accumulation of reserves pursuant to this
1093 paragraph, the identity of any independent third party who
1094 conducted the reserve study on behalf of the association, and
1095 the extent to which the association is funding its reserve
1096 obligations consistent with the reserve study currently in
1097 effect.

1098 5.3- Reserve funds and any interest accruing thereon shall
1099 remain in the reserve account or accounts, and may be used only
1100 for authorized reserve expenditures unless their use for other
1101 purposes is approved in advance by a majority vote of all voting
1102 interests, voting in person or by limited proxy at a duly called

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1103 meeting of the association; provided that the use of reserve
1104 funds for a purpose other than authorized reserve expenditures
1105 is authorized in the exercise of the association's emergency
1106 powers under s. 718.1265. Before turnover of control of an
1107 association by a developer to unit owners other than the
1108 developer pursuant to s. 718.301, the developer-controlled
1109 association may not vote to use reserves for purposes other than
1110 those for which they were intended without the approval of a
1111 majority of all nondeveloper voting interests, voting in person
1112 or by limited proxy at a duly called meeting of the association.

1113 6.a.4. The only voting interests that are eligible to vote
1114 on questions that involve waiving or reducing the funding of
1115 reserves, or using existing reserve funds for purposes other
1116 than purposes for which the reserves were intended, are the
1117 voting interests of the units subject to assessment to fund the
1118 reserves in question. Proxy questions relating to waiving or
1119 reducing the funding of reserves or using existing reserve funds
1120 for purposes other than purposes for which the reserves were
1121 intended must contain the following statement in capitalized,
1122 bold letters in a font size larger than any other used on the
1123 face of the proxy ballot: WAIVING OF RESERVES, IN WHOLE OR IN
1124 PART, OR ALLOWING ALTERNATIVE USES OF EXISTING RESERVES MAY
1125 RESULT IN UNIT OWNER LIABILITY FOR PAYMENT OF UNANTICIPATED
1126 SPECIAL ASSESSMENTS REGARDING THOSE ITEMS.

1127 b. If the association has voted to waive reserves or to use
1128 existing reserve funds for purposes other than the purposes for
1129 which the reserves were intended, the budget must contain the
1130 following statement in conspicuous type: THE OWNERS HAVE ELECTED
1131 TO WAIVE RESERVES, IN WHOLE OR IN PART, OR ALLOWED ALTERNATIVE

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1132 USES OF EXISTING RESERVES UNDER SECTION 718.112(2)(f), FLORIDA
1133 STATUTES. THE WAIVING OR ALTERNATIVE USE OF RESERVE FUNDS MAY
1134 RESULT IN UNIT OWNER LIABILITY FOR PAYMENT OF UNANTICIPATED
1135 SPECIAL ASSESSMENTS REGARDING THOSE ITEMS.

1136 c. On or after January 1, 2026, if the association is
1137 required to perform a reserve study under this paragraph and the
1138 budget of the association does not fund the association's
1139 reserve obligations consistent with the reserve study currently
1140 in effect, the budget must also contain the following statement
1141 in conspicuous type: THE ASSOCIATION'S LAST RESERVE STUDY IS
1142 DATED THE RESERVE AMOUNT BUDGETED AND/OR COLLECTED IS LESS
1143 THAN REQUIRED BY THE RESERVE STUDY SCHEDULE. FAILURE TO FUND
1144 RESERVES CONSISTENT WITH THE ASSOCIATION'S RESERVE STUDY MAY
1145 RESULT IN UNANTICIPATED SPECIAL ASSESSMENTS REGARDING THOSE
1146 ITEMS.

1147 (p) *Mandatory milestone inspections.*—If an association is
1148 required to have a milestone inspection performed pursuant to s.
1149 553.899, the association must arrange for the milestone
1150 inspection to be performed and is responsible for ensuring
1151 compliance with the requirements of s. 553.899. The association
1152 is responsible for all costs associated with the inspection.
1153 Upon completion of a phase one or phase two milestone inspection
1154 and receipt of the inspector-prepared summary of the inspection
1155 report from the architect or engineer who performed the
1156 inspection, the association must distribute a copy of the
1157 inspector-prepared summary of the inspection report to each unit
1158 owner, regardless of the findings or recommendations in the
1159 report, by United States mail or personal delivery; must post a
1160 copy of the inspector-prepared summary in a conspicuous place on

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1161 the condominium property; and must publish the full report and
1162 inspector-prepared summary on the association's website, if the
1163 association is required to have a website.

1164 Section 5. Present subsections (4) through (9) of section
1165 718.113, Florida Statutes, are redesignated as subsections (5)
1166 through (10), respectively, a new subsection (4) is added to
1167 that section, and subsections (1) and (2) of that section are
1168 amended, to read:

1169 718.113 Maintenance; limitation upon improvement; display
1170 of flag; hurricane shutters and protection; display of religious
1171 decorations.—

1172 (1) Maintenance of the common elements is the
1173 responsibility of the association, except for any maintenance
1174 responsibility for limited common elements assigned to the unit
1175 owner by the declaration. The association shall provide for the
1176 maintenance, repair, and replacement of the condominium property
1177 for which it bears responsibility. After turnover of control of
1178 the association to the unit owners, the association must perform
1179 any required maintenance identified by the developer pursuant to
1180 s. 718.301(4)(p) until the association obtains new maintenance
1181 protocols from a licensed professional engineer or architect.

1182 The declaration may provide that certain limited common elements
1183 shall be maintained by those entitled to use the limited common
1184 elements or that the association shall provide the maintenance,
1185 either as a common expense or with the cost shared only by those
1186 entitled to use the limited common elements. If the maintenance
1187 is to be by the association at the expense of only those
1188 entitled to use the limited common elements, the declaration
1189 shall describe in detail the method of apportioning such costs

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1190 among those entitled to use the limited common elements, and the
1191 association may use the provisions of s. 718.116 to enforce
1192 payment of the shares of such costs by the unit owners entitled
1193 to use the limited common elements.

1194 (2) (a) Except as otherwise provided in this section, there
1195 shall be no material alteration or substantial additions to the
1196 common elements or to real property which is association
1197 property, except in a manner provided in the declaration as
1198 originally recorded or as amended under the procedures provided
1199 therein. If the declaration as originally recorded or as amended
1200 under the procedures provided therein does not specify the
1201 procedure for approval of material alterations or substantial
1202 additions, 75 percent of the total voting interests of the
1203 association must approve the alterations or additions before the
1204 material alterations or substantial additions are commenced.
1205 This paragraph is intended to clarify existing law and applies
1206 to associations existing on July 1, 2018.

1207 (b) There shall not be any material alteration of, or
1208 substantial addition to, the common elements of any condominium
1209 operated by a multicondominium association unless approved in
1210 the manner provided in the declaration of the affected
1211 condominium or condominiums as originally recorded or as amended
1212 under the procedures provided therein. If a declaration as
1213 originally recorded or as amended under the procedures provided
1214 therein does not specify a procedure for approving such an
1215 alteration or addition, the approval of 75 percent of the total
1216 voting interests of each affected condominium is required before
1217 the material alterations or substantial additions are commenced.
1218 This subsection does not prohibit a provision in any

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1219 declaration, articles of incorporation, or bylaws as originally
1220 recorded or as amended under the procedures provided therein
1221 requiring the approval of unit owners in any condominium
1222 operated by the same association or requiring board approval
1223 before a material alteration or substantial addition to the
1224 common elements is permitted. This paragraph is intended to
1225 clarify existing law and applies to associations existing on
1226 July 1, 2018.

1227 (c) There shall not be any material alteration or
1228 substantial addition made to association real property operated
1229 by a multicondominium association, except as provided in the
1230 declaration, articles of incorporation, or bylaws as originally
1231 recorded or as amended under the procedures provided therein. If
1232 the declaration, articles of incorporation, or bylaws as
1233 originally recorded or as amended under the procedures provided
1234 therein do not specify the procedure for approving an alteration
1235 or addition to association real property, the approval of 75
1236 percent of the total voting interests of the association is
1237 required before the material alterations or substantial
1238 additions are commenced. This paragraph is intended to clarify
1239 existing law and applies to associations existing on July 1,
1240 2018.

1241 (d) The necessary maintenance, repair, or replacement of
1242 condominium property is not a material alteration or substantial
1243 addition requiring unit owner approval.

1244 (4) The association is not liable for alternative housing
1245 costs, lost rent, or other expenses if a unit must be vacated in
1246 whole or in part or if access to a common element is denied for
1247 necessary maintenance, repair, or replacement of condominium

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1248 property.

1249 Section 6. Paragraphs (a) and (e) of subsection (1) of
1250 section 718.115, Florida Statutes, are amended to read:

1251 718.115 Common expenses and common surplus.—

1252 (1) (a) Common expenses include the expenses of the
1253 operation, maintenance, repair, replacement, or protection of
1254 the common elements and association property, costs of carrying
1255 out the powers and duties of the association, and any other
1256 expense, whether or not included in the foregoing, designated as
1257 common expense by this chapter, the declaration, the documents
1258 creating the association, or the bylaws. Common expenses also
1259 include reasonable transportation services, insurance for
1260 directors and officers, road maintenance and operation expenses,
1261 in-house communications, and security services, which are
1262 reasonably related to the general benefit of the unit owners
1263 even if such expenses do not attach to the common elements or
1264 property of the condominium. However, such common expenses must
1265 either have been services or items provided on or after the date
1266 control of the association is transferred from the developer to
1267 the unit owners or must be services or items provided for in the
1268 condominium documents or bylaws. Unless the manner of payment or
1269 allocation of expenses is otherwise addressed in the declaration
1270 of condominium, the expenses of any items or services required
1271 by any federal, state, or local governmental entity to be
1272 installed, maintained, or supplied to the condominium property
1273 by the association, including, but not limited to, firesafety
1274 equipment or water and sewer service where a master meter serves
1275 the condominium, shall be common expenses whether or not such
1276 items or services are specifically identified as common expenses

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1277 in the declaration of condominium, articles of incorporation, or
1278 bylaws of the association. Notwithstanding any provision in a
1279 declaration, the articles of incorporation, or the bylaws
1280 requiring, prohibiting, or limiting a board of administration's
1281 authority to adopt a special assessment or to borrow money on
1282 behalf of the association, including any provision in a
1283 declaration, the articles of incorporation, or the bylaws
1284 requiring unit owner voting or approval, the board may adopt a
1285 special assessment or borrow money for the necessary
1286 maintenance, repair, or replacement of condominium property.

1287 (e) The expense of installation, replacement, operation,
1288 repair, and maintenance of hurricane shutters, impact glass,
1289 code-compliant windows or doors, or other types of code-
1290 compliant hurricane protection by the board pursuant to s.
1291 718.113(6) ~~s. 718.113(5)~~ constitutes a common expense and shall
1292 be collected as provided in this section if the association is
1293 responsible for the maintenance, repair, and replacement of the
1294 hurricane shutters, impact glass, code-compliant windows or
1295 doors, or other types of code-compliant hurricane protection
1296 pursuant to the declaration of condominium. However, if the
1297 maintenance, repair, and replacement of the hurricane shutters,
1298 impact glass, code-compliant windows or doors, or other types of
1299 code-compliant hurricane protection are the responsibility of
1300 the unit owners pursuant to the declaration of condominium, the
1301 cost of the installation of the hurricane shutters, impact
1302 glass, code-compliant windows or doors, or other types of code-
1303 compliant hurricane protection is not a common expense and shall
1304 be charged individually to the unit owners based on the cost of
1305 installation of the hurricane shutters, impact glass, code-

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1306 compliant windows or doors, or other types of code-compliant
1307 hurricane protection appurtenant to the unit. Notwithstanding s.
1308 718.116(9), and regardless of whether or not the declaration
1309 requires the association or unit owners to maintain, repair, or
1310 replace hurricane shutters, impact glass, code-compliant windows
1311 or doors, or other types of code-compliant hurricane protection,
1312 a unit owner who has previously installed hurricane shutters in
1313 accordance with s. 718.113(6) ~~s. 718.113(5)~~ that comply with the
1314 current applicable building code shall receive a credit when the
1315 shutters are installed; a unit owner who has previously
1316 installed impact glass or code-compliant windows or doors that
1317 comply with the current applicable building code shall receive a
1318 credit when the impact glass or code-compliant windows or doors
1319 are installed; and a unit owner who has installed other types of
1320 code-compliant hurricane protection that comply with the current
1321 applicable building code shall receive a credit when the same
1322 type of other code-compliant hurricane protection is installed,
1323 and the credit shall be equal to the pro rata portion of the
1324 assessed installation cost assigned to each unit. However, such
1325 unit owner remains responsible for the pro rata share of
1326 expenses for hurricane shutters, impact glass, code-compliant
1327 windows or doors, or other types of code-compliant hurricane
1328 protection installed on common elements and association property
1329 by the board pursuant to s. 718.113(6) ~~s. 718.113(5)~~ and remains
1330 responsible for a pro rata share of the expense of the
1331 replacement, operation, repair, and maintenance of such
1332 shutters, impact glass, code-compliant windows or doors, or
1333 other types of code-compliant hurricane protection.

1334 Section 7. Subsections (1) and (5) of section 718.1255,

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1335 Florida Statutes, are amended to read:

1336 718.1255 Alternative dispute resolution; mediation;
1337 nonbinding arbitration; applicability.-

1338 (1) DEFINITIONS.—As used in this section, the term
1339 “dispute” means any disagreement between two or more parties
1340 that involves:

1341 (a) The authority of the board of directors, under this
1342 chapter or association document, to:

1343 1. Require any owner to take any action, or not to take any
1344 action, involving that owner’s unit or the appurtenances
1345 thereto.

1346 2. Alter or add to a common area or element.

1347 (b) The failure of a governing body, when required by this
1348 chapter or an association document, to:

1349 1. Properly conduct elections.

1350 2. Give adequate notice of meetings or other actions.

1351 3. Properly conduct meetings.

1352 4. Allow inspection of books and records.

1353 (c) A plan of termination pursuant to s. 718.117.

1354 (d) The failure of a governing body, when required by this
1355 chapter or an association document, to:

1356 1. Perform a structural or life safety inspection,
1357 including the milestone inspection required under s. 553.899.

1358 2. Perform a reserve study as required by law or the
1359 declaration, articles of incorporation, or bylaws.

1360 3. Fund reserves as required by law or the declaration,
1361 articles of incorporation, or bylaws.

1362 4. Make or provide necessary maintenance or repairs of
1363 condominium property.

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1364
1365 "Dispute" does not include any disagreement that primarily
1366 involves: title to any unit or common element; the
1367 interpretation or enforcement of any warranty; the levy of a fee
1368 or assessment, or the collection of an assessment levied against
1369 a party; the eviction or other removal of a tenant from a unit;
1370 alleged breaches of fiduciary duty by one or more directors; or
1371 claims for damages to a unit based upon the alleged failure of
1372 the association to maintain the common elements or condominium
1373 property.

1374 (5) PRESUIT MEDIATION.—In lieu of the initiation of
1375 nonbinding arbitration as provided in subsections (1)-(4), a
1376 party may submit a dispute to presuit mediation in accordance
1377 with s. 720.311; however, election and recall disputes are not
1378 eligible for mediation and such disputes must be arbitrated by
1379 the division or filed in a court of competent jurisdiction.
1380 Disputes identified in paragraph (1)(d) are not subject to
1381 nonbinding arbitration under subsections (1)-(4) and must be
1382 submitted to presuit mediation in accordance with s. 720.311.

1383 Section 8. Paragraph (p) of subsection (4) of section
1384 718.301, Florida Statutes, is amended, and paragraph (r) is
1385 added to that subsection, to read:

1386 718.301 Transfer of association control; claims of defect
1387 by association.—

1388 (4) At the time that unit owners other than the developer
1389 elect a majority of the members of the board of administration
1390 of an association, the developer shall relinquish control of the
1391 association, and the unit owners shall accept control.
1392 Simultaneously, or for the purposes of paragraph (c) not more

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1393 than 90 days thereafter, the developer shall deliver to the
1394 association, at the developer's expense, all property of the
1395 unit owners and of the association which is held or controlled
1396 by the developer, including, but not limited to, the following
1397 items, if applicable, as to each condominium operated by the
1398 association:

1399 (p) Notwithstanding when the certificate of occupancy was
1400 issued or the height of the building, a milestone inspection
1401 report in compliance with s. 553.899 included in the official
1402 records, under seal of an architect or engineer authorized to
1403 practice in this state, and attesting to required maintenance,
1404 condition, useful life, and replacement costs of the following
1405 applicable condominium property ~~common elements~~ comprising a
1406 turnover inspection report:

- 1407 1. Roof.
- 1408 2. Structure, including load-bearing walls and primary
1409 structural members and primary structural systems as those terms
1410 are defined in s. 627.706.
- 1411 3. Fireproofing and fire protection systems.
- 1412 4. Elevators.
- 1413 5. Heating and cooling systems.
- 1414 6. Plumbing.
- 1415 7. Electrical systems.
- 1416 8. Swimming pool or spa and equipment.
- 1417 9. Seawalls.
- 1418 10. Pavement and parking areas.
- 1419 11. Drainage systems.
- 1420 12. Painting.
- 1421 13. Irrigation systems.

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1422 14. Waterproofing.

1423 (r) A copy of the most recent reserve study required under
1424 s. 718.112(2)(f)3., along with the statements indicating the
1425 status of the reserves required under s. 718.112(2)(f)6., if
1426 applicable, or a statement in conspicuous type indicating that
1427 the association has not completed the required reserve study or
1428 that the association is not required to perform a reserve study,
1429 as applicable.

1430 Section 9. Present paragraphs (b) and (c) of subsection (2)
1431 of section 718.503, Florida Statutes, are redesignated as
1432 paragraphs (c) and (d), respectively, a new paragraph (b) is
1433 added to that subsection, and paragraph (b) of subsection (1)
1434 and paragraph (a) of subsection (2) of that section are amended,
1435 to read:

1436 718.503 Developer disclosure prior to sale; nondeveloper
1437 unit owner disclosure prior to sale; voidability.—

1438 (1) DEVELOPER DISCLOSURE.—

1439 (b) *Copies of documents to be furnished to prospective*
1440 *buyer or lessee.*—Until such time as the developer has furnished
1441 the documents listed below to a person who has entered into a
1442 contract to purchase a residential unit or lease it for more
1443 than 5 years, the contract may be voided by that person,
1444 entitling the person to a refund of any deposit together with
1445 interest thereon as provided in s. 718.202. The contract may be
1446 terminated by written notice from the proposed buyer or lessee
1447 delivered to the developer within 15 days after the buyer or
1448 lessee receives all of the documents required by this section.
1449 The developer may not close for 15 days after ~~following~~ the
1450 execution of the agreement and delivery of the documents to the

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1451 buyer as evidenced by a signed receipt for documents unless the
1452 buyer is informed in the 15-day voidability period and agrees to
1453 close before ~~prior to~~ the expiration of the 15 days. The
1454 developer shall retain in his or her records a separate
1455 agreement signed by the buyer as proof of the buyer's agreement
1456 to close before ~~prior to~~ the expiration of the said voidability
1457 period. The developer must retain such ~~Said~~ proof ~~shall be~~
1458 ~~retained~~ for a period of 5 years after the date of the closing
1459 of the transaction. The documents to be delivered to the
1460 prospective buyer are the prospectus or disclosure statement
1461 with all exhibits, if the development is subject to ~~the~~
1462 ~~provisions of~~ s. 718.504, or, if not, then copies of the
1463 following which are applicable:

1464 1. The question and answer sheet described in s. 718.504,
1465 and declaration of condominium, or the proposed declaration if
1466 the declaration has not been recorded, which shall include the
1467 certificate of a surveyor approximately representing the
1468 locations required by s. 718.104.

1469 2. The documents creating the association.

1470 3. The bylaws.

1471 4. The ground lease or other underlying lease of the
1472 condominium.

1473 5. The management contract, maintenance contract, and other
1474 contracts for management of the association and operation of the
1475 condominium and facilities used by the unit owners having a
1476 service term in excess of 1 year, and any management contracts
1477 that are renewable.

1478 6. The estimated operating budget for the condominium and a
1479 schedule of expenses for each type of unit, including fees

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1480 assessed pursuant to s. 718.113(1) for the maintenance of
1481 limited common elements where such costs are shared only by
1482 those entitled to use the limited common elements.

1483 7. The lease of recreational and other facilities that will
1484 be used only by unit owners of the subject condominium.

1485 8. The lease of recreational and other common facilities
1486 that will be used by unit owners in common with unit owners of
1487 other condominiums.

1488 9. The form of unit lease if the offer is of a leasehold.

1489 10. Any declaration of servitude of properties serving the
1490 condominium but not owned by unit owners or leased to them or
1491 the association.

1492 11. If the development is to be built in phases or if the
1493 association is to manage more than one condominium, a
1494 description of the plan of phase development or the arrangements
1495 for the association to manage two or more condominiums.

1496 12. If the condominium is a conversion of existing
1497 improvements, the statements and disclosure required by s.
1498 718.616.

1499 13. The form of agreement for sale or lease of units.

1500 14. A copy of the floor plan of the unit and the plot plan
1501 showing the location of the residential buildings and the
1502 recreation and other common areas.

1503 15. A copy of all covenants and restrictions that ~~which~~
1504 will affect the use of the property and ~~which~~ are not contained
1505 in the foregoing.

1506 16. If the developer is required by state or local
1507 authorities to obtain acceptance or approval of any dock or
1508 marina facilities intended to serve the condominium, a copy of

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1509 any such acceptance or approval acquired by the time of filing
1510 with the division under s. 718.502(1), or a statement that such
1511 acceptance or approval has not been acquired or received.

1512 17. Evidence demonstrating that the developer has an
1513 ownership, leasehold, or contractual interest in the land upon
1514 which the condominium is to be developed.

1515 18. A copy of the most recent reserve study required under
1516 s. 718.112(2)(f)3., along with the statements in the budget
1517 indicating the status of the reserves required under s.
1518 718.112(2)(f)6., if applicable, or a statement in conspicuous
1519 type indicating that the association has not completed the
1520 required reserve study or that the association is not required
1521 to perform a reserve study, as applicable.

1522 19. A copy of the inspector-prepared summary of the
1523 milestone inspection report as described in ss. 553.899 and
1524 718.301(4)(p).

1525 (2) NONDEVELOPER DISCLOSURE.—

1526 (a) Each unit owner who is not a developer as defined by
1527 this chapter must ~~shall~~ comply with ~~the provisions of this~~
1528 subsection before ~~prior to~~ the sale of his or her unit. Each
1529 prospective purchaser who has entered into a contract for the
1530 purchase of a condominium unit is entitled, at the seller's
1531 expense, to a current copy of all of the following:

1532 1. The declaration of condominium.┘

1533 2. Articles of incorporation of the association.┘

1534 3. Bylaws and rules of the association.┘

1535 4. Financial information required by s. 718.111.┘

1536 5. A copy of the most recent reserve study required under
1537 s. 718.112(2)(f)3., along with the statements in the budget

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1538 indicating the status of the reserves required under s.
1539 718.112(2)(f)6., if applicable, or a statement in conspicuous
1540 type indicating that the association has not completed the
1541 required reserve study or that the association is not required
1542 to perform a reserve study, as applicable.

1543 6. A copy of the inspector-prepared summary of the
1544 milestone inspection report as described in ss. 553.899 and
1545 718.301(4)(p).

1546 7. ~~and~~ The document entitled "Frequently Asked Questions
1547 and Answers" required by s. 718.504.

1548 (b) ~~On and after January 1, 2009,~~ The prospective purchaser
1549 ~~is shall~~ also ~~be~~ entitled to receive from the seller a copy of a
1550 governance form. Such form shall be provided by the division
1551 summarizing governance of condominium associations. In addition
1552 to such other information as the division considers helpful to a
1553 prospective purchaser in understanding association governance,
1554 the governance form shall address the following subjects:

1555 1. The role of the board in conducting the day-to-day
1556 affairs of the association on behalf of, and in the best
1557 interests of, the owners.

1558 2. The board's responsibility to provide advance notice of
1559 board and membership meetings.

1560 3. The rights of owners to attend and speak at board and
1561 membership meetings.

1562 4. The responsibility of the board and of owners with
1563 respect to maintenance of the condominium property.

1564 5. The responsibility of the board and owners to abide by
1565 the condominium documents, this chapter, rules adopted by the
1566 division, and reasonable rules adopted by the board.

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1567 6. Owners' rights to inspect and copy association records
1568 and the limitations on such rights.

1569 7. Remedies available to owners with respect to actions by
1570 the board which may be abusive or beyond the board's power and
1571 authority.

1572 8. The right of the board to hire a property management
1573 firm, subject to its own primary responsibility for such
1574 management.

1575 9. The responsibility of owners with regard to payment of
1576 regular or special assessments necessary for the operation of
1577 the property and the potential consequences of failure to pay
1578 such assessments.

1579 10. The voting rights of owners.

1580 11. Rights and obligations of the board in enforcement of
1581 rules in the condominium documents and rules adopted by the
1582 board.

1583

1584 The governance form shall also include the following statement
1585 in conspicuous type: "This publication is intended as an
1586 informal educational overview of condominium governance. In the
1587 event of a conflict, the provisions of chapter 718, Florida
1588 Statutes, rules adopted by the Division of Florida Condominiums,
1589 Timeshares, and Mobile Homes of the Department of Business and
1590 Professional Regulation, the provisions of the condominium
1591 documents, and reasonable rules adopted by the condominium
1592 association's board of administration prevail over the contents
1593 of this publication."

1594 Section 10. Paragraph (f) of subsection (24) of section
1595 718.504, Florida Statutes, is amended, and paragraph (q) is

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1596 added to that subsection, to read:

1597 718.504 Prospectus or offering circular.—Every developer of
1598 a residential condominium which contains more than 20
1599 residential units, or which is part of a group of residential
1600 condominiums which will be served by property to be used in
1601 common by unit owners of more than 20 residential units, shall
1602 prepare a prospectus or offering circular and file it with the
1603 Division of Florida Condominiums, Timeshares, and Mobile Homes
1604 prior to entering into an enforceable contract of purchase and
1605 sale of any unit or lease of a unit for more than 5 years and
1606 shall furnish a copy of the prospectus or offering circular to
1607 each buyer. In addition to the prospectus or offering circular,
1608 each buyer shall be furnished a separate page entitled
1609 “Frequently Asked Questions and Answers,” which shall be in
1610 accordance with a format approved by the division and a copy of
1611 the financial information required by s. 718.111. This page
1612 shall, in readable language, inform prospective purchasers
1613 regarding their voting rights and unit use restrictions,
1614 including restrictions on the leasing of a unit; shall indicate
1615 whether and in what amount the unit owners or the association is
1616 obligated to pay rent or land use fees for recreational or other
1617 commonly used facilities; shall contain a statement identifying
1618 that amount of assessment which, pursuant to the budget, would
1619 be levied upon each unit type, exclusive of any special
1620 assessments, and which shall further identify the basis upon
1621 which assessments are levied, whether monthly, quarterly, or
1622 otherwise; shall state and identify any court cases in which the
1623 association is currently a party of record in which the
1624 association may face liability in excess of \$100,000; and which

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1625 shall further state whether membership in a recreational
1626 facilities association is mandatory, and if so, shall identify
1627 the fees currently charged per unit type. The division shall by
1628 rule require such other disclosure as in its judgment will
1629 assist prospective purchasers. The prospectus or offering
1630 circular may include more than one condominium, although not all
1631 such units are being offered for sale as of the date of the
1632 prospectus or offering circular. The prospectus or offering
1633 circular must contain the following information:

1634 (24) Copies of the following, to the extent they are
1635 applicable, shall be included as exhibits:

1636 (f) The estimated operating budget for the condominium and
1637 the required schedule of unit owners' expenses, and the most
1638 recent reserve study required under s. 718.112(2)(f)3., along
1639 with the statements in the budget indicating the status of the
1640 reserves required under s. 718.112(2)(f)6., if applicable, or a
1641 statement in conspicuous type indicating that the association
1642 has not completed the required reserve study or that the
1643 association is not required to perform a reserve study, as
1644 applicable.

1645 (q) A copy of the inspector-prepared summary of the
1646 milestone inspection report as described in ss. 553.899 and
1647 718.301(4)(p).

1648 Section 11. Present subsections (1) through (28) of section
1649 719.103, Florida Statutes, are redesignated as subsections (2)
1650 through (29), respectively, and a new subsection (1) is added to
1651 that section, to read:

1652 719.103 Definitions.—As used in this chapter:

1653 (1) "Alternative funding method" means a method for the

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1654 funding of a reserve account by other than an assessment or
1655 special assessment which may reasonably be expected to fully
1656 satisfy the association's reserve funding obligations,
1657 including, but not limited to, payments into the reserve account
1658 by a developer who is offering units, or any other method
1659 approved by the division.

1660 Section 12. Present subsections (5) through (11) of section
1661 719.104, Florida Statutes, are redesignated as subsections (6)
1662 through (12), respectively, a new subsection (5) is added to
1663 that section, and paragraphs (a) and (c) of subsection (2) and
1664 paragraph (a) of subsection (4) of that section are amended, to
1665 read:

1666 719.104 Cooperatives; access to units; records; financial
1667 reports; assessments; purchase of leases.—

1668 (2) OFFICIAL RECORDS.—

1669 (a) From the inception of the association, the association
1670 shall maintain a copy of each of the following, where
1671 applicable, which shall constitute the official records of the
1672 association:

1673 1. The plans, permits, warranties, and other items provided
1674 by the developer pursuant to s. 719.301(4).

1675 2. A photocopy of the cooperative documents.

1676 3. A copy of the current rules of the association.

1677 4. A book or books containing the minutes of all meetings
1678 of the association, of the board of directors, and of the unit
1679 owners.

1680 5. A current roster of all unit owners and their mailing
1681 addresses, unit identifications, voting certifications, and, if
1682 known, telephone numbers. The association shall also maintain

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1683 the e-mail addresses and the numbers designated by unit owners
1684 for receiving notice sent by electronic transmission of those
1685 unit owners consenting to receive notice by electronic
1686 transmission. The e-mail addresses and numbers provided by unit
1687 owners to receive notice by electronic transmission shall be
1688 removed from association records when consent to receive notice
1689 by electronic transmission is revoked. However, the association
1690 is not liable for an erroneous disclosure of the e-mail address
1691 or the number for receiving electronic transmission of notices.

1692 6. All current insurance policies of the association.

1693 7. A current copy of any management agreement, lease, or
1694 other contract to which the association is a party or under
1695 which the association or the unit owners have an obligation or
1696 responsibility.

1697 8. Bills of sale or transfer for all property owned by the
1698 association.

1699 9. Accounting records for the association and separate
1700 accounting records for each unit it operates, according to good
1701 accounting practices. The accounting records shall include, but
1702 not be limited to:

1703 a. Accurate, itemized, and detailed records of all receipts
1704 and expenditures.

1705 b. A current account and a monthly, bimonthly, or quarterly
1706 statement of the account for each unit designating the name of
1707 the unit owner, the due date and amount of each assessment, the
1708 amount paid upon the account, and the balance due.

1709 c. All audits, reviews, accounting statements, reserve
1710 studies and reserve funding plans, and financial reports of the
1711 association.

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1712 d. All contracts for work to be performed. Bids for work to
1713 be performed shall also be considered official records and shall
1714 be maintained for a period of 1 year.

1715 10. Ballots, sign-in sheets, voting proxies, and all other
1716 papers and electronic records relating to voting by unit owners,
1717 which shall be maintained for a period of 1 year after the date
1718 of the election, vote, or meeting to which the document relates.

1719 11. All rental records where the association is acting as
1720 agent for the rental of units.

1721 12. A copy of the current question and answer sheet as
1722 described in s. 719.504.

1723 13. All affirmative acknowledgments made pursuant to s.
1724 719.108(3)(b)3.

1725 14. A copy of the inspection reports as described in ss.
1726 553.899 and 719.301(4)(p) and any other inspection report
1727 relating to a structural or life safety inspection of the
1728 cooperative property. Such record must be maintained by the
1729 association for 15 years after receipt of the report.

1730 15. All other written records of the association not
1731 specifically included in the foregoing which are related to the
1732 operation of the association.

1733 (c) The official records of the association are open to
1734 inspection by any association member or the authorized
1735 representative of such member at all reasonable times. The right
1736 to inspect the records includes the right to make or obtain
1737 copies, at the reasonable expense, if any, of the association
1738 member. A renter of a unit has a right to inspect and copy only
1739 the association's bylaws and rules and the inspection reports
1740 described in ss. 553.899 and 719.301(4)(p). The association may

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1741 adopt reasonable rules regarding the frequency, time, location,
1742 notice, and manner of record inspections and copying, but may
1743 not require a member to demonstrate any purpose or state any
1744 reason for the inspection. The failure of an association to
1745 provide the records within 10 working days after receipt of a
1746 written request creates a rebuttable presumption that the
1747 association willfully failed to comply with this paragraph. A
1748 member who is denied access to official records is entitled to
1749 the actual damages or minimum damages for the association's
1750 willful failure to comply. The minimum damages are \$50 per
1751 calendar day for up to 10 days, beginning on the 11th working
1752 day after receipt of the written request. The failure to permit
1753 inspection entitles any person prevailing in an enforcement
1754 action to recover reasonable attorney fees from the person in
1755 control of the records who, directly or indirectly, knowingly
1756 denied access to the records. Any person who knowingly or
1757 intentionally defaces or destroys accounting records that are
1758 required by this chapter to be maintained during the period for
1759 which such records are required to be maintained, or who
1760 knowingly or intentionally fails to create or maintain
1761 accounting records that are required to be created or
1762 maintained, with the intent of causing harm to the association
1763 or one or more of its members, is personally subject to a civil
1764 penalty under s. 719.501(1)(d). The association shall maintain
1765 an adequate number of copies of the declaration, articles of
1766 incorporation, bylaws, and rules, and all amendments to each of
1767 the foregoing, as well as the question and answer sheet as
1768 described in s. 719.504 and year-end financial information
1769 required by the department, on the cooperative property to

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1770 ensure their availability to members and prospective purchasers,
1771 and may charge its actual costs for preparing and furnishing
1772 these documents to those requesting the same. An association
1773 shall allow a member or his or her authorized representative to
1774 use a portable device, including a smartphone, tablet, portable
1775 scanner, or any other technology capable of scanning or taking
1776 photographs, to make an electronic copy of the official records
1777 in lieu of the association providing the member or his or her
1778 authorized representative with a copy of such records. The
1779 association may not charge a member or his or her authorized
1780 representative for the use of a portable device. Notwithstanding
1781 this paragraph, the following records shall not be accessible to
1782 members:

1783 1. Any record protected by the lawyer-client privilege as
1784 described in s. 90.502 and any record protected by the work-
1785 product privilege, including any record prepared by an
1786 association attorney or prepared at the attorney's express
1787 direction which reflects a mental impression, conclusion,
1788 litigation strategy, or legal theory of the attorney or the
1789 association, and which was prepared exclusively for civil or
1790 criminal litigation or for adversarial administrative
1791 proceedings, or which was prepared in anticipation of such
1792 litigation or proceedings until the conclusion of the litigation
1793 or proceedings.

1794 2. Information obtained by an association in connection
1795 with the approval of the lease, sale, or other transfer of a
1796 unit.

1797 3. Personnel records of association or management company
1798 employees, including, but not limited to, disciplinary, payroll,

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1799 health, and insurance records. For purposes of this
1800 subparagraph, the term "personnel records" does not include
1801 written employment agreements with an association employee or
1802 management company, or budgetary or financial records that
1803 indicate the compensation paid to an association employee.

1804 4. Medical records of unit owners.

1805 5. Social security numbers, driver license numbers, credit
1806 card numbers, e-mail addresses, telephone numbers, facsimile
1807 numbers, emergency contact information, addresses of a unit
1808 owner other than as provided to fulfill the association's notice
1809 requirements, and other personal identifying information of any
1810 person, excluding the person's name, unit designation, mailing
1811 address, property address, and any address, e-mail address, or
1812 facsimile number provided to the association to fulfill the
1813 association's notice requirements. Notwithstanding the
1814 restrictions in this subparagraph, an association may print and
1815 distribute to unit owners a directory containing the name, unit
1816 address, and all telephone numbers of each unit owner. However,
1817 an owner may exclude his or her telephone numbers from the
1818 directory by so requesting in writing to the association. An
1819 owner may consent in writing to the disclosure of other contact
1820 information described in this subparagraph. The association is
1821 not liable for the inadvertent disclosure of information that is
1822 protected under this subparagraph if the information is included
1823 in an official record of the association and is voluntarily
1824 provided by an owner and not requested by the association.

1825 6. Electronic security measures that are used by the
1826 association to safeguard data, including passwords.

1827 7. The software and operating system used by the

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1828 association which allow the manipulation of data, even if the
1829 owner owns a copy of the same software used by the association.
1830 The data is part of the official records of the association.

1831 8. All affirmative acknowledgments made pursuant to s.
1832 719.108(3)(b)3.

1833 (4) FINANCIAL REPORT.—

1834 (a) Within 90 days following the end of the fiscal or
1835 calendar year or annually on such date as provided in the bylaws
1836 of the association, the board of administration shall prepare
1837 and complete, or contract with a third party to prepare and
1838 complete, a financial report covering the preceding fiscal or
1839 calendar year. Within 21 days after the financial report is
1840 completed by the association or received from the third party,
1841 but no later than 120 days after the end of the fiscal year,
1842 calendar year, or other date provided in the bylaws, the
1843 association shall provide each member with a copy of the annual
1844 financial report or a written notice that a copy of the
1845 financial report is available upon request at no charge to the
1846 member. The division shall adopt rules setting forth uniform
1847 accounting principles, standards, and reporting requirements.
1848 The rules must include, but not be limited to, standards for
1849 presenting a summary of association reserves, including a good
1850 faith estimate disclosing the annual amount of reserve funds
1851 that would be necessary for the association to fully fund
1852 reserves for each reserve item based on the straight-line method
1853 or to fully fund reserves based on the pooling method. In
1854 adopting such rules, the division shall consider the number of
1855 members and annual revenues of an association.

1856 (5) MAINTENANCE.—

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1857 (a) Maintenance of the common areas is the responsibility
1858 of the association, except for any maintenance responsibility
1859 for limited common areas assigned to the unit owner by the
1860 cooperative documents. The association shall provide for the
1861 maintenance, repair, and replacement of the cooperative property
1862 for which it bears responsibility. After turnover of control of
1863 the association to the unit owners, the association must perform
1864 any required maintenance identified by the developer pursuant to
1865 s. 719.301(4) (p) until the association obtains new maintenance
1866 protocols from a licensed professional engineer or architect.

1867 (b) The necessary maintenance, repair, or replacement of
1868 cooperative property is not a material alteration or substantial
1869 addition requiring unit owner approval.

1870 (c) The association is not liable for alternative housing
1871 costs, lost rent, or other expenses if a unit must be vacated in
1872 whole or in part or if access is denied to a common area for
1873 necessary maintenance, repair, or replacement of cooperative
1874 property.

1875 Section 13. Paragraphs (d) and (j) of subsection (1) of
1876 section 719.106, Florida Statutes, are amended, and paragraph
1877 (n) is added to that subsection, to read:

1878 719.106 Bylaws; cooperative ownership.—

1879 (1) MANDATORY PROVISIONS.—The bylaws or other cooperative
1880 documents shall provide for the following, and if they do not,
1881 they shall be deemed to include the following:

1882 (d) *Shareholder meetings*.—There shall be an annual meeting
1883 of the shareholders. All members of the board of administration
1884 shall be elected at the annual meeting unless the bylaws provide
1885 for staggered election terms or for their election at another

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1886 meeting. Any unit owner desiring to be a candidate for board
1887 membership must comply with subparagraph 1. The bylaws must
1888 provide the method for calling meetings, including annual
1889 meetings. Written notice, which must incorporate an
1890 identification of agenda items, shall be given to each unit
1891 owner at least 14 days before the annual meeting and posted in a
1892 conspicuous place on the cooperative property at least 14
1893 continuous days preceding the annual meeting. Upon notice to the
1894 unit owners, the board must by duly adopted rule designate a
1895 specific location on the cooperative property upon which all
1896 notice of unit owner meetings are posted. In lieu of or in
1897 addition to the physical posting of the meeting notice, the
1898 association may, by reasonable rule, adopt a procedure for
1899 conspicuously posting and repeatedly broadcasting the notice and
1900 the agenda on a closed-circuit cable television system serving
1901 the cooperative association. However, if broadcast notice is
1902 used in lieu of a posted notice, the notice and agenda must be
1903 broadcast at least four times every broadcast hour of each day
1904 that a posted notice is otherwise required under this section.
1905 If broadcast notice is provided, the notice and agenda must be
1906 broadcast in a manner and for a sufficient continuous length of
1907 time to allow an average reader to observe the notice and read
1908 and comprehend the entire content of the notice and the agenda.
1909 In addition to any of the authorized means of providing notice
1910 of a meeting of the shareholders, the association may, by rule,
1911 adopt a procedure for conspicuously posting the meeting notice
1912 and the agenda on a website serving the cooperative association
1913 for at least the minimum period of time for which a notice of a
1914 meeting is also required to be physically posted on the

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1915 cooperative property. Any rule adopted shall, in addition to
1916 other matters, include a requirement that the association send
1917 an electronic notice in the same manner as a notice for a
1918 meeting of the members, which must include a hyperlink to the
1919 website where the notice is posted, to unit owners whose e-mail
1920 addresses are included in the association's official records.
1921 Unless a unit owner waives in writing the right to receive
1922 notice of the annual meeting, the notice of the annual meeting
1923 must be sent by mail, hand delivered, or electronically
1924 transmitted to each unit owner. An officer of the association
1925 must provide an affidavit or United States Postal Service
1926 certificate of mailing, to be included in the official records
1927 of the association, affirming that notices of the association
1928 meeting were mailed, hand delivered, or electronically
1929 transmitted, in accordance with this provision, to each unit
1930 owner at the address last furnished to the association.

1931 1. The board of administration shall be elected by written
1932 ballot or voting machine. A proxy may not be used in electing
1933 the board of administration in general elections or elections to
1934 fill vacancies caused by recall, resignation, or otherwise
1935 unless otherwise provided in this chapter.

1936 a. At least 60 days before a scheduled election, the
1937 association shall mail, deliver, or transmit, whether by
1938 separate association mailing, delivery, or electronic
1939 transmission or included in another association mailing,
1940 delivery, or electronic transmission, including regularly
1941 published newsletters, to each unit owner entitled to vote, a
1942 first notice of the date of the election. Any unit owner or
1943 other eligible person desiring to be a candidate for the board

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1944 of administration must give written notice to the association at
1945 least 40 days before a scheduled election. Together with the
1946 written notice and agenda as set forth in this section, the
1947 association shall mail, deliver, or electronically transmit a
1948 second notice of election to all unit owners entitled to vote,
1949 together with a ballot that lists all candidates. Upon request
1950 of a candidate, the association shall include an information
1951 sheet, no larger than 8 1/2 inches by 11 inches, which must be
1952 furnished by the candidate at least 35 days before the election,
1953 to be included with the mailing, delivery, or electronic
1954 transmission of the ballot, with the costs of mailing, delivery,
1955 or transmission and copying to be borne by the association. The
1956 association is not liable for the contents of the information
1957 sheets provided by the candidates. In order to reduce costs, the
1958 association may print or duplicate the information sheets on
1959 both sides of the paper. The division shall by rule establish
1960 voting procedures consistent with this subparagraph, including
1961 rules establishing procedures for giving notice by electronic
1962 transmission and rules providing for the secrecy of ballots.
1963 Elections shall be decided by a plurality of those ballots cast.
1964 There is no quorum requirement. However, at least 20 percent of
1965 the eligible voters must cast a ballot in order to have a valid
1966 election. A unit owner may not permit any other person to vote
1967 his or her ballot, and any such ballots improperly cast are
1968 invalid. A unit owner who needs assistance in casting the ballot
1969 for the reasons stated in s. 101.051 may obtain assistance in
1970 casting the ballot. Any unit owner violating this provision may
1971 be fined by the association in accordance with s. 719.303. The
1972 regular election must occur on the date of the annual meeting.

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1973 This subparagraph does not apply to timeshare cooperatives.
1974 Notwithstanding this subparagraph, an election and balloting are
1975 not required unless more candidates file a notice of intent to
1976 run or are nominated than vacancies exist on the board. Any
1977 challenge to the election process must be commenced within 60
1978 days after the election results are announced.

1979 b. Within 90 days after being elected or appointed to the
1980 board, each new director shall do both of the following:

1981 (I) Certify by affidavit ~~in writing~~ to the secretary of the
1982 association that he or she has read the association's bylaws,
1983 articles of incorporation, proprietary lease, and current
1984 written policies; that he or she will work to uphold such
1985 documents and policies to the best of his or her ability; and
1986 that he or she will faithfully discharge his or her fiduciary
1987 responsibility to the association's members. ~~Within 90 days~~
1988 ~~after being elected or appointed to the board, in lieu of this~~
1989 ~~written certification, the newly elected or appointed director~~
1990 ~~may~~

1991 (II) Submit a certificate of having satisfactorily
1992 completed the educational curriculum administered by an
1993 education provider as approved by the division pursuant to the
1994 requirements established in chapter 718 within 1 year before or
1995 90 days after the date of election or appointment. The
1996 educational certificate is valid and does not have to be
1997 resubmitted as long as the director serves on the board without
1998 interruption.

1999
2000 A director who fails to timely file the affidavit and ~~written~~
2001 ~~certification or~~ educational certificate is suspended from

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2002 service on the board until he or she complies with this sub-
2003 subparagraph. The board may temporarily fill the vacancy during
2004 the period of suspension. The secretary of the association shall
2005 require ~~cause~~ the association to retain a director's affidavit
2006 and ~~written certification or~~ educational certificate for
2007 inspection by the members for 5 years after a director's
2008 election or the duration of the director's uninterrupted tenure,
2009 whichever is longer. Failure to have such affidavit and ~~written~~
2010 ~~certification or~~ educational certificate on file does not affect
2011 the validity of any board action.

2012 2. Any approval by unit owners called for by this chapter,
2013 or the applicable cooperative documents, must be made at a duly
2014 noticed meeting of unit owners and is subject to this chapter or
2015 the applicable cooperative documents relating to unit owner
2016 decisionmaking, except that unit owners may take action by
2017 written agreement, without meetings, on matters for which action
2018 by written agreement without meetings is expressly allowed by
2019 the applicable cooperative documents or law which provides for
2020 the unit owner action.

2021 3. Unit owners may waive notice of specific meetings if
2022 allowed by the applicable cooperative documents or law. Notice
2023 of meetings of the board of administration, shareholder
2024 meetings, except shareholder meetings called to recall board
2025 members under paragraph (f), and committee meetings may be given
2026 by electronic transmission to unit owners who consent to receive
2027 notice by electronic transmission. A unit owner who consents to
2028 receiving notices by electronic transmission is solely
2029 responsible for removing or bypassing filters that may block
2030 receipt of mass emails sent to members on behalf of the

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2031 association in the course of giving electronic notices.

2032 4. Unit owners have the right to participate in meetings of
2033 unit owners with reference to all designated agenda items.

2034 However, the association may adopt reasonable rules governing
2035 the frequency, duration, and manner of unit owner participation.

2036 5. Any unit owner may tape record or videotape meetings of
2037 the unit owners subject to reasonable rules adopted by the
2038 division.

2039 6. Unless otherwise provided in the bylaws, a vacancy
2040 occurring on the board before the expiration of a term may be
2041 filled by the affirmative vote of the majority of the remaining
2042 directors, even if the remaining directors constitute less than
2043 a quorum, or by the sole remaining director. In the alternative,
2044 a board may hold an election to fill the vacancy, in which case
2045 the election procedures must conform to the requirements of
2046 subparagraph 1. unless the association has opted out of the
2047 statutory election process, in which case the bylaws of the
2048 association control. Unless otherwise provided in the bylaws, a
2049 board member appointed or elected under this subparagraph shall
2050 fill the vacancy for the unexpired term of the seat being
2051 filled. Filling vacancies created by recall is governed by
2052 paragraph (f) and rules adopted by the division.

2053
2054 Notwithstanding subparagraphs (b)2. and (d)1., an association
2055 may, by the affirmative vote of a majority of the total voting
2056 interests, provide for a different voting and election procedure
2057 in its bylaws, which vote may be by a proxy specifically
2058 delineating the different voting and election procedures. The
2059 different voting and election procedures may provide for

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2060 elections to be conducted by limited or general proxy.

2061 (j) *Annual budget.*—

2062 1. The proposed annual budget of common expenses shall be
2063 detailed and shall show the amounts budgeted by accounts and
2064 expense classifications, including, if applicable, but not
2065 limited to, those expenses listed in s. 719.504(20). The board
2066 of administration shall adopt the annual budget at least 14 days
2067 prior to the start of the association's fiscal year. In the
2068 event that the board fails to timely adopt the annual budget a
2069 second time, it shall be deemed a minor violation and the prior
2070 year's budget shall continue in effect until a new budget is
2071 adopted.

2072 2. In addition to annual operating expenses, the budget
2073 shall include reserve accounts for capital expenditures and
2074 deferred maintenance. These accounts shall include, but not be
2075 limited to, the maintenance and replacement of the cooperative
2076 property identified in s. 719.301(4)(p) ~~roof replacement,~~
2077 ~~building painting, and pavement resurfacing,~~ regardless of the
2078 amount of deferred maintenance expense or replacement cost, and
2079 for any other items for which the deferred maintenance expense
2080 or replacement cost exceeds \$10,000. The amount to be reserved
2081 shall be computed by means of a formula which is based upon
2082 estimated remaining useful life and estimated replacement cost
2083 or deferred maintenance expense of each reserve item. The
2084 association may adjust replacement reserve assessments annually
2085 to take into account any changes in estimates or extension of
2086 the useful life of a reserve item caused by deferred
2087 maintenance. This paragraph shall not apply to any budget in
2088 which the members of an association have, at a duly called

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2089 meeting of the association and by a majority vote of all the
2090 voting interests, voting in person or by proxy, determined for a
2091 fiscal year to provide no reserves or reserves less adequate
2092 than required by this subsection.

2093 3. However, Prior to turnover of control of an association
2094 by a developer to unit owners other than a developer pursuant to
2095 s. 719.301, the developer may vote to waive the reserves or
2096 reduce the funding of reserves for the first 2 years of the
2097 operation of the association after which time reserves may only
2098 be waived or reduced upon the vote of a majority of all
2099 nondeveloper voting interests voting in person or by limited
2100 proxy at a duly called meeting of the association. If a meeting
2101 of the unit owners has been called to determine to provide no
2102 reserves, or reserves less adequate than required, and such
2103 result is not attained or a quorum is not attained, the reserves
2104 as included in the budget shall go into effect. For an
2105 association that is required to perform a reserve study under
2106 this paragraph, the developer may only vote to waive reserve
2107 contributions or reduce reserve funding if the association's
2108 reserve obligations are funded consistent with the reserve study
2109 currently in effect or if the association provides an
2110 alternative funding method for the association's reserve
2111 obligations.

2112 4.3. Reserve funds and any interest accruing thereon shall
2113 remain in the reserve account or accounts, and shall be used
2114 only for authorized reserve expenditures unless their use for
2115 other purposes is approved in advance by a vote of the majority
2116 of all ~~the~~ voting interests, voting in person or by limited
2117 proxy at a duly called meeting of the association; provided that

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2118 the use of reserve funds for a purpose other than authorized
2119 reserve expenditures is authorized in the exercise of the
2120 association's emergency powers under s. 719.128. Prior to
2121 turnover of control of an association by a developer to unit
2122 owners other than the developer under s. 719.301, the developer
2123 may not vote to use reserves for purposes other than that for
2124 which they were intended without the approval of a majority of
2125 all nondeveloper voting interests, voting in person or by
2126 limited proxy at a duly called meeting of the association.

2127 5. Effective January 1, 2024, unless the cooperative
2128 documents provide for a more frequent reserve study, an
2129 association with a residential cooperative building that is
2130 three stories or more in height and subject to the milestone
2131 inspection requirements in s. 553.899 must have a study
2132 conducted of the reserves required to repair, replace, and
2133 restore the cooperative property identified in s. 719.301(4)(p)
2134 at least every 3 years. The board shall review the results of
2135 such study at least annually to determine if reserves are
2136 sufficient to meet the association's reserve obligations and to
2137 make any adjustments the board deems necessary to maintain
2138 reserves, as appropriate. The division shall adopt rules setting
2139 forth uniform financial standards and forms for reserve studies.
2140 The reserve study must include, without limitation:

2141 a. A summary of any inspection of the major components of
2142 the cooperative property identified in s. 719.301(4)(p) and any
2143 other portion of the cooperative property that the association
2144 is obligated to maintain, repair, replace, or restore;

2145 b. If applicable, a summary of the findings and
2146 recommendations of the milestone inspection report required

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2147 under s. 553.899 and any other structural or life safety
2148 inspection of the cooperative property considered in the reserve
2149 study;

2150 c. An identification of the structural components of the
2151 building for which necessary reserves may be reasonably
2152 projected and an identification of the structural components of
2153 the building with an indefinite useful life for which a
2154 reasonable determination of necessary reserves may not be
2155 estimated;

2156 d. An estimate of the useful life of the structural
2157 components of the building identified in s. 719.301(4)(p) for
2158 which an estimate of useful life may be determined as attested
2159 to by a licensed architect or engineer in the turnover
2160 inspection required under s. 719.301(4)(p), a milestone
2161 inspection, or any other structural or life safety inspection of
2162 the cooperative property;

2163 e. An estimate of the remaining useful life of any other
2164 portion of the cooperative property that the association is
2165 obligated to maintain, repair, replace, or restore;

2166 f. An estimate of the cost of maintenance, repair,
2167 replacement, or restoration of each major component of the
2168 cooperative property identified in s. 719.301(4)(p) and any
2169 other portion of the cooperative property identified pursuant to
2170 sub-subparagraph c.;

2171 g. An estimate of the total annual assessment that may be
2172 necessary to cover the cost of maintaining, repairing,
2173 replacing, or restoring the major components of the cooperative
2174 property identified in s. 719.301(4)(p) and any other portion of
2175 the cooperative property identified pursuant to sub-subparagraph

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2176 c., and an estimate of the funding plan, including any
2177 alternative funding method, which may be necessary to provide
2178 adequate funding for the required reserves; and

2179 h. A schedule for the full funding of reserves. A reserve
2180 account is fully funded when the actual or projected reserve
2181 balance in the reserve account is equal in direct proportion to
2182 the fraction of useful life for a given component or components
2183 multiplied by the current replacement costs for the component or
2184 components.

2185 6. The annual budget must, at minimum:

2186 a. Identify all items for which reserves are or will be
2187 established;

2188 b. Provide an estimate of the maintenance, repair, and
2189 replacement costs for the structural components for which an
2190 estimate of useful life may be determined;

2191 c. Identify any structural component for which a reserve
2192 account is not established or reserves are not funded, because
2193 the useful life of the component cannot be determined;

2194 d. As of the beginning of the fiscal year for which the
2195 budget is prepared, identify the current amount of accumulated
2196 funds for each reserve component or, if the pooling method is
2197 used, the amount of the accumulated pooled funds;

2198 e. Provide a description of the funding plan for the
2199 reserve funding obligations of the association, including the
2200 use of regular assessments, special assessments, and any other
2201 alternative funding method; and

2202 f. Provide a description of the procedures used for the
2203 estimation and accumulation of reserves pursuant to this
2204 paragraph, the identity of any independent third party who

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2205 conducted the reserve study on behalf of the association, and
2206 the extent to which the association is funding its reserve
2207 obligations consistent with the reserve study currently in
2208 effect.

2209 7. If the association has voted to waive reserves or to use
2210 existing reserve funds for purposes other than the purposes for
2211 which the reserves were intended, the budget must contain the
2212 following statement in conspicuous type: THE OWNERS HAVE ELECTED
2213 TO WAIVE RESERVES, IN WHOLE OR IN PART, OR ALLOWED ALTERNATIVE
2214 USES OF EXISTING RESERVES UNDER SECTION 719.106(1)(j), FLORIDA
2215 STATUTES. THE WAIVING OR ALTERNATIVE USE OF RESERVE FUNDS MAY
2216 RESULT IN UNIT OWNER LIABILITY FOR PAYMENT OF UNANTICIPATED
2217 SPECIAL ASSESSMENTS REGARDING THOSE ITEMS.

2218 8. On or after January 1, 2026, if the association is
2219 required to perform a reserve study under this paragraph and the
2220 budget of the association does not fund the association's
2221 reserve obligations consistent with the reserve study currently
2222 in effect, the budget must also contain the following statement
2223 in conspicuous type: THE ASSOCIATION'S LAST RESERVE STUDY IS
2224 DATED THE RESERVE AMOUNT BUDGETED AND/OR COLLECTED IS LESS
2225 THAN REQUIRED BY THE RESERVE STUDY SCHEDULE. THE BUDGET OF THE
2226 ASSOCIATION DOES NOT PROVIDE FOR FULLY FUNDED RESERVE ACCOUNTS
2227 FOR CAPITAL EXPENDITURES AND DEFERRED MAINTENANCE CONSISTENT
2228 WITH THE ASSOCIATION'S RESERVE STUDY. FAILURE TO FUND RESERVES
2229 CONSISTENT WITH THE ASSOCIATION'S RESERVE STUDY MAY RESULT IN
2230 UNANTICIPATED SPECIAL ASSESSMENTS REGARDING THOSE ITEMS.

2231 (n) *Mandatory milestone inspections.*-If an association is
2232 required to have a milestone inspection performed pursuant to s.
2233 553.899, the association must arrange for the milestone

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2234 inspection to be performed and is responsible for ensuring
2235 compliance with the requirements of s. 553.899. The association
2236 is responsible for all costs associated with the inspection.
2237 Upon completion of a phase one or phase two milestone inspection
2238 and receipt of the inspector-prepared summary of the inspection
2239 report from the architect or engineer who performed the
2240 inspection, the association must distribute a copy of the
2241 inspector-prepared summary of the inspection report to each unit
2242 owner, regardless of the findings or recommendations in the
2243 report, by United States mail or personal delivery; must post a
2244 copy of the inspector-prepared summary in a conspicuous place on
2245 the cooperative property; and must publish the full report and
2246 inspector-prepared summary on the association's website, if the
2247 association is required to have a website.

2248 Section 14. Paragraph (f) is added to subsection (1) of
2249 section 719.107, Florida Statutes, to read:

2250 719.107 Common expenses; assessment.-

2251 (1)

2252 (f) Notwithstanding any provision in the cooperative
2253 documents requiring, prohibiting, or limiting a board of
2254 administration's authority to adopt a special assessment or to
2255 borrow money on behalf of the association, including any
2256 provision in the cooperative documents requiring unit owner
2257 voting or approval, the board may adopt a special assessment or
2258 borrow money for the necessary maintenance, repair, or
2259 replacement of the cooperative property.

2260 Section 15. Paragraphs (p) and (q) are added to subsection
2261 (4) of section 719.301, Florida Statutes, to read:

2262 719.301 Transfer of association control.-

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2263 (4) When unit owners other than the developer elect a
2264 majority of the members of the board of administration of an
2265 association, the developer shall relinquish control of the
2266 association, and the unit owners shall accept control.
2267 Simultaneously, or for the purpose of paragraph (c) not more
2268 than 90 days thereafter, the developer shall deliver to the
2269 association, at the developer's expense, all property of the
2270 unit owners and of the association held or controlled by the
2271 developer, including, but not limited to, the following items,
2272 if applicable, as to each cooperative operated by the
2273 association:

2274 (p) Notwithstanding when the certificate of occupancy was
2275 issued or the height of the building, a milestone inspection
2276 report in compliance with s. 553.899 included in the official
2277 records, under seal of an architect or engineer authorized to
2278 practice in this state, attesting to required maintenance,
2279 condition, useful life, and replacement costs of the following
2280 applicable cooperative property comprising a turnover inspection
2281 report:

2282 1. Roof.

2283 2. Structure, including load-bearing walls and primary
2284 structural members and primary structural systems as those terms
2285 are defined in s. 627.706.

2286 3. Fireproofing and fire protection systems.

2287 4. Elevators.

2288 5. Heating and cooling systems.

2289 6. Plumbing.

2290 7. Electrical systems.

2291 8. Swimming pool or spa and equipment.

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- 2292 9. Seawalls.
2293 10. Pavement and parking areas.
2294 11. Drainage systems.
2295 12. Painting.
2296 13. Irrigation systems.
2297 14. Waterproofing.
2298 (q) A copy of the most recent reserve study required under
2299 s. 719.106(1)(j), along with the statements indicating the
2300 status of the reserves required under s. 719.106(1)(j)7. and 8.,
2301 if applicable, or a statement in conspicuous type indicating
2302 that the association has not completed the required reserve
2303 study or that the association is not required to perform a
2304 reserve study, as applicable.

2305 Section 16. Paragraph (b) of subsection (1) and paragraph
2306 (a) of subsection (2) of section 719.503, Florida Statutes, are
2307 amended to read:

2308 719.503 Disclosure prior to sale.—

2309 (1) DEVELOPER DISCLOSURE.—

2310 (b) *Copies of documents to be furnished to prospective*
2311 *buyer or lessee.*—Until such time as the developer has furnished
2312 the documents listed below to a person who has entered into a
2313 contract to purchase a unit or lease it for more than 5 years,
2314 the contract may be voided by that person, entitling the person
2315 to a refund of any deposit together with interest thereon as
2316 provided in s. 719.202. The contract may be terminated by
2317 written notice from the proposed buyer or lessee delivered to
2318 the developer within 15 days after the buyer or lessee receives
2319 all of the documents required by this section. The developer may
2320 ~~shall~~ not close for 15 days after ~~following~~ the execution of the

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2321 agreement and delivery of the documents to the buyer as
2322 evidenced by a receipt for documents signed by the buyer unless
2323 the buyer is informed in the 15-day voidability period and
2324 agrees to close before ~~prior to~~ the expiration of the 15 days.
2325 The developer shall retain in his or her records a separate
2326 signed agreement as proof of the buyer's agreement to close
2327 before ~~prior to~~ the expiration of the said voidability period.
2328 The developer must retain such said proof ~~shall be retained~~ for
2329 a period of 5 years after the date of the closing transaction.
2330 The documents to be delivered to the prospective buyer are the
2331 prospectus or disclosure statement with all exhibits, if the
2332 development is subject to ~~the provisions of~~ s. 719.504, or, if
2333 not, then copies of the following which are applicable:

- 2334 1. The question and answer sheet described in s. 719.504,
2335 and cooperative documents, or the proposed cooperative documents
2336 if the documents have not been recorded, which shall include the
2337 certificate of a surveyor approximately representing the
2338 locations required by s. 719.104.
- 2339 2. The documents creating the association.
- 2340 3. The bylaws.
- 2341 4. The ground lease or other underlying lease of the
2342 cooperative.
- 2343 5. The management contract, maintenance contract, and other
2344 contracts for management of the association and operation of the
2345 cooperative and facilities used by the unit owners having a
2346 service term in excess of 1 year, and any management contracts
2347 that are renewable.
- 2348 6. The estimated operating budget for the cooperative and a
2349 schedule of expenses for each type of unit, including fees

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2350 assessed to a shareholder who has exclusive use of limited
2351 common areas, where such costs are shared only by those entitled
2352 to use such limited common areas.

2353 7. The lease of recreational and other facilities that will
2354 be used only by unit owners of the subject cooperative.

2355 8. The lease of recreational and other common areas that
2356 will be used by unit owners in common with unit owners of other
2357 cooperatives.

2358 9. The form of unit lease if the offer is of a leasehold.

2359 10. Any declaration of servitude of properties serving the
2360 cooperative but not owned by unit owners or leased to them or
2361 the association.

2362 11. If the development is to be built in phases or if the
2363 association is to manage more than one cooperative, a
2364 description of the plan of phase development or the arrangements
2365 for the association to manage two or more cooperatives.

2366 12. If the cooperative is a conversion of existing
2367 improvements, the statements and disclosure required by s.
2368 719.616.

2369 13. The form of agreement for sale or lease of units.

2370 14. A copy of the floor plan of the unit and the plot plan
2371 showing the location of the residential buildings and the
2372 recreation and other common areas.

2373 15. A copy of all covenants and restrictions that ~~which~~
2374 will affect the use of the property and ~~which~~ are not contained
2375 in the foregoing.

2376 16. If the developer is required by state or local
2377 authorities to obtain acceptance or approval of any dock or
2378 marina facilities intended to serve the cooperative, a copy of

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2379 any such acceptance or approval acquired by the time of filing
2380 with the division pursuant to s. 719.502(1) or a statement that
2381 such acceptance or approval has not been acquired or received.

2382 17. Evidence demonstrating that the developer has an
2383 ownership, leasehold, or contractual interest in the land upon
2384 which the cooperative is to be developed.

2385 18. A copy of the most recent reserve study required under
2386 s. 719.106(1)(j), along with the statements indicating the
2387 status of the reserves required under s. 719.106(1)(j)7. and 8.,
2388 if applicable, or a statement in conspicuous type indicating
2389 that the association has not completed the required reserve
2390 study or that the association is not required to perform a
2391 reserve study, as applicable.

2392 19. A copy of the inspector-prepared summary of the
2393 milestone inspection report as described in ss. 553.899 and
2394 719.301(4)(p).

2395 (2) NONDEVELOPER DISCLOSURE.—

2396 (a) Each unit owner who is not a developer as defined by
2397 this chapter must comply with ~~the provisions of~~ this subsection
2398 before ~~prior to~~ the sale of his or her interest in the
2399 association. Each prospective purchaser who has entered into a
2400 contract for the purchase of an interest in a cooperative is
2401 entitled, at the seller's expense, to a current copy of all of
2402 the following:

2403 1. The articles of incorporation of the association.~~7~~

2404 2. The bylaws~~7~~ and rules of the association.

2405 3. ~~as well as~~ A copy of the question and answer sheet as
2406 provided in s. 719.504.

2407 4. A copy of the most recent reserve study required under

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2408 s. 719.106(1)(j), along with the statements in the budget
2409 indicating the status of the reserves required under s. 719.106
2410 (1)(j)7. and 8., if applicable, or a statement in conspicuous
2411 type indicating that the association has not completed the
2412 required reserve study or that the association is not required
2413 to perform a reserve study, as applicable.

2414 5. A copy of the inspector-prepared summary of the
2415 milestone inspection report as described in ss. 553.899 and
2416 719.301(4)(p).

2417 Section 17. Paragraph (f) of subsection (23) of section
2418 719.504, Florida Statutes, is amended, and paragraph (q) is
2419 added to that subsection, to read:

2420 719.504 Prospectus or offering circular.—Every developer of
2421 a residential cooperative which contains more than 20
2422 residential units, or which is part of a group of residential
2423 cooperatives which will be served by property to be used in
2424 common by unit owners of more than 20 residential units, shall
2425 prepare a prospectus or offering circular and file it with the
2426 Division of Florida Condominiums, Timeshares, and Mobile Homes
2427 prior to entering into an enforceable contract of purchase and
2428 sale of any unit or lease of a unit for more than 5 years and
2429 shall furnish a copy of the prospectus or offering circular to
2430 each buyer. In addition to the prospectus or offering circular,
2431 each buyer shall be furnished a separate page entitled
2432 "Frequently Asked Questions and Answers," which must be in
2433 accordance with a format approved by the division. This page
2434 must, in readable language: inform prospective purchasers
2435 regarding their voting rights and unit use restrictions,
2436 including restrictions on the leasing of a unit; indicate

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2437 whether and in what amount the unit owners or the association is
2438 obligated to pay rent or land use fees for recreational or other
2439 commonly used facilities; contain a statement identifying that
2440 amount of assessment which, pursuant to the budget, would be
2441 levied upon each unit type, exclusive of any special
2442 assessments, and which identifies the basis upon which
2443 assessments are levied, whether monthly, quarterly, or
2444 otherwise; state and identify any court cases in which the
2445 association is currently a party of record in which the
2446 association may face liability in excess of \$100,000; and state
2447 whether membership in a recreational facilities association is
2448 mandatory and, if so, identify the fees currently charged per
2449 unit type. The division shall by rule require such other
2450 disclosure as in its judgment will assist prospective
2451 purchasers. The prospectus or offering circular may include more
2452 than one cooperative, although not all such units are being
2453 offered for sale as of the date of the prospectus or offering
2454 circular. The prospectus or offering circular must contain the
2455 following information:

2456 (23) Copies of the following, to the extent they are
2457 applicable, shall be included as exhibits:

2458 (f) The estimated operating budget for the cooperative and
2459 the required schedule of unit owners' expenses, and the most
2460 recent reserve study required under s. 719.106(1)(j), along with
2461 the statements in the budget indicating the status of the
2462 reserves required under s. 719.106(1)(j)7. and 8., if
2463 applicable, or a statement in conspicuous type indicating that
2464 the association has not completed the required reserve study or
2465 that the association is not required to perform a reserve study,

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2466 as applicable.

2467 (q) A copy of the inspector-prepared summary of the
2468 milestone inspection report as described in ss. 553.899 and
2469 719.301(4) (p).

2470 Section 18. Subsection (2) of section 558.002, Florida
2471 Statutes, is amended to read:

2472 558.002 Definitions.—As used in this chapter, the term:

2473 (2) "Association" has the same meaning as in s. 718.103(3)
2474 ~~s. 718.103(2)~~, s. 719.103(3) ~~s. 719.103(2)~~, s. 720.301(9), or s.
2475 723.075.

2476 Section 19. Paragraph (b) of subsection (1) of section
2477 718.116, Florida Statutes, is amended to read:

2478 718.116 Assessments; liability; lien and priority;
2479 interest; collection.—

2480 (1)

2481 (b)1. The liability of a first mortgagee or its successor
2482 or assignees who acquire title to a unit by foreclosure or by
2483 deed in lieu of foreclosure for the unpaid assessments that
2484 became due before the mortgagee's acquisition of title is
2485 limited to the lesser of:

2486 a. The unit's unpaid common expenses and regular periodic
2487 assessments which accrued or came due during the 12 months
2488 immediately preceding the acquisition of title and for which
2489 payment in full has not been received by the association; or

2490 b. One percent of the original mortgage debt. The
2491 provisions of this paragraph apply only if the first mortgagee
2492 joined the association as a defendant in the foreclosure action.
2493 Joinder of the association is not required if, on the date the
2494 complaint is filed, the association was dissolved or did not

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2495 maintain an office or agent for service of process at a location
2496 which was known to or reasonably discoverable by the mortgagee.

2497 2. An association, or its successor or assignee, that
2498 acquires title to a unit through the foreclosure of its lien for
2499 assessments is not liable for any unpaid assessments, late fees,
2500 interest, or reasonable attorney's fees and costs that came due
2501 before the association's acquisition of title in favor of any
2502 other association, as defined in s. 718.103(3) ~~s. 718.103(2)~~ or
2503 s. 720.301(9), which holds a superior lien interest on the unit.
2504 This subparagraph is intended to clarify existing law.

2505 Section 20. Subsection (2) of section 718.121, Florida
2506 Statutes, is amended to read:

2507 718.121 Liens.—

2508 (2) Labor performed on or materials furnished to a unit may
2509 not be the basis for the filing of a lien under part I of
2510 chapter 713, the Construction Lien Law, against the unit or
2511 condominium parcel of any unit owner not expressly consenting to
2512 or requesting the labor or materials. Labor performed on or
2513 materials furnished for the installation of a natural gas fuel
2514 station or an electric vehicle charging station under s.
2515 718.113(9) ~~s. 718.113(8)~~ may not be the basis for filing a lien
2516 under part I of chapter 713 against the association, but such a
2517 lien may be filed against the unit owner. Labor performed on or
2518 materials furnished to the common elements are not the basis for
2519 a lien on the common elements, but if authorized by the
2520 association, the labor or materials are deemed to be performed
2521 or furnished with the express consent of each unit owner and may
2522 be the basis for the filing of a lien against all condominium
2523 parcels in the proportions for which the owners are liable for

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2524 common expenses.

2525 Section 21. Subsection (3) of section 718.706, Florida
2526 Statutes, is amended to read:

2527 718.706 Specific provisions pertaining to offering of units
2528 by a bulk assignee or bulk buyer.—

2529 (3) A bulk assignee, while in control of the board of
2530 administration of the association, may not authorize, on behalf
2531 of the association:

2532 (a) The waiver of reserves or the reduction of funding of
2533 the reserves pursuant to s. 718.112(2)(f)2., unless approved by
2534 a majority of the voting interests not controlled by the
2535 developer, bulk assignee, and bulk buyer; or

2536 (b) The use of reserve expenditures for other purposes
2537 pursuant to s. 718.112(2)(f)5. ~~s. 718.112(2)(f)3.~~, unless
2538 approved by a majority of the voting interests not controlled by
2539 the developer, bulk assignee, and bulk buyer.

2540 Section 22. Paragraph (d) of subsection (2) of section
2541 720.3085, Florida Statutes, is amended to read:

2542 720.3085 Payment for assessments; lien claims.—

2543 (2)

2544 (d) An association, or its successor or assignee, that
2545 acquires title to a parcel through the foreclosure of its lien
2546 for assessments is not liable for any unpaid assessments, late
2547 fees, interest, or reasonable attorney's fees and costs that
2548 came due before the association's acquisition of title in favor
2549 of any other association, as defined in s. 718.103(3) ~~s.~~
2550 ~~718.103(2)~~ or s. 720.301(9), which holds a superior lien
2551 interest on the parcel. This paragraph is intended to clarify
2552 existing law.

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2553 Section 23. For the purpose of incorporating the amendment
2554 made by this act to section 718.1255, Florida Statutes, in a
2555 reference thereto, section 719.1255, Florida Statutes, is
2556 reenacted to read:

2557 719.1255 Alternative resolution of disputes.—The Division
2558 of Florida Condominiums, Timeshares, and Mobile Homes of the
2559 Department of Business and Professional Regulation shall provide
2560 for alternative dispute resolution in accordance with s.
2561 718.1255.

2562 Section 24. This act shall take effect July 1, 2022.