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LEGISLATIVE ACTION

Senate

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House

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Floor: WD

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Senator Bradley moved the following:

**Senate Amendment (with title amendment)**

Delete everything after the enacting clause  
and insert:

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

163.04 Energy devices based on renewable resources.—

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



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

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

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

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

30 468.4334 Professional practice standards; liability.-

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



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41 unreasonable or excessive fees.

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

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

50 553.899 Mandatory structural inspections for condominium  
51 and cooperative buildings.-

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

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

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



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

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

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



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

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

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

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

127 (7) A milestone inspection consists of two phases:



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

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

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



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

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

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

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

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

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

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

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



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

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

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

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

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





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215 for the adoption of comprehensive structural and life safety  
216 standards for maintaining and inspecting all types of buildings  
217 and structures in this state that are three stories or more in  
218 height. The commission shall provide a written report of its  
219 recommendations to the Governor, the President of the Senate,  
220 and the Speaker of the House of Representatives by December 31,  
221 2023.

222 Section 4. Present subsections (1) through (30) of section  
223 718.103, Florida Statutes, are redesignated as subsections (2)  
224 through (31), respectively, and a new subsection (1) is added to  
225 that section, to read:

226 718.103 Definitions.—As used in this chapter, the term:

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

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

240 718.111 The association.—

241 (12) OFFICIAL RECORDS.—

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



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244 constitutes the official records of the association:

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

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

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

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

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

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

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

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

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



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

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

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

285 718.501(1)(d). The accounting records must include, but are not  
286 limited to:

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

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

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

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

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



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

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

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

309 15. A copy of the inspection reports ~~report~~ as described in  
310 ss. 553.899 and 718.301(4) (p) and any other inspection report  
311 relating to a structural or life safety inspection of  
312 condominium property. Such record must be maintained by the  
313 association for 15 years after receipt of the report ~~s.~~  
314 ~~718.301(4) (p).~~

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

316 17. All affirmative acknowledgments made pursuant to s.  
317 718.121(4) (c).

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

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



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

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

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



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

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

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

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



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

392 d. Medical records of unit owners.

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

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

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



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

420 h. All affirmative acknowledgments made pursuant to s.  
421 718.121(4) (c) .

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

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

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

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

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

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





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447 that must be electronically provided.

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

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

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

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

460 d. The rules of the association.

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

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

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

475 h. The certification of each director required by s.



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476 718.112(2)(d)4.b.

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

482 j. Any contract or document regarding a conflict of  
483 interest or possible conflict of interest as provided in ss.  
484 468.436(2)(b)6. and 718.3027(3).

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

496 l. Notice of any board meeting, the agenda, and any other  
497 document required for the meeting as required by s.  
498 718.112(2)(c), which must be posted no later than the date  
499 required for notice under s. 718.112(2)(c).

500 m. The inspection reports described in ss. 553.899 and  
501 718.301(4)(p) and any other inspection report relating to a  
502 structural or life safety inspection of condominium property.

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

504 3. The association shall ensure that the information and



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

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

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

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



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

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

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

557 2. An association with total annual revenues of at least  
558 \$300,000, but less than \$500,000, shall prepare reviewed  
559 financial statements.

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

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



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

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

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

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

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

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

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

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



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

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

598

599 Such meeting and approval must occur before the end of the  
600 fiscal year and is effective only for the fiscal year in which  
601 the vote is taken, except that the approval may also be  
602 effective for the following fiscal year. If the developer has  
603 not turned over control of the association, all unit owners,  
604 including the developer, may vote on issues related to the  
605 preparation of the association's financial reports, from the  
606 date of incorporation of the association through the end of the  
607 second fiscal year after the fiscal year in which the  
608 certificate of a surveyor and mapper is recorded pursuant to s.  
609 718.104(4)(e) or an instrument that transfers title to a unit in  
610 the condominium which is not accompanied by a recorded  
611 assignment of developer rights in favor of the grantee of such  
612 unit is recorded, whichever occurs first. Thereafter, all unit  
613 owners except the developer may vote on such issues until  
614 control is turned over to the association by the developer. Any  
615 audit or review prepared under this section shall be paid for by  
616 the developer if done before turnover of control of the  
617 association.

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



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

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

640 718.112 Bylaws.—

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

644 (d) *Unit owner meetings.*—

645 1. An annual meeting of the unit owners must be held at the  
646 location provided in the association bylaws and, if the bylaws  
647 are silent as to the location, the meeting must be held within  
648 45 miles of the condominium property. However, such distance  
649 requirement does not apply to an association governing a



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650 timeshare condominium.

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





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



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

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



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



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766 by more than one person, the association must provide notice to  
767 the address that the developer identifies for that purpose and  
768 thereafter as one or more of the owners of the unit advise the  
769 association in writing, or if no address is given or the owners  
770 of the unit do not agree, to the address provided on the deed of  
771 record. An officer of the association, or the manager or other  
772 person providing notice of the association meeting, must provide  
773 an affidavit or United States Postal Service certificate of  
774 mailing, to be included in the official records of the  
775 association affirming that the notice was mailed or hand  
776 delivered in accordance with this provision.

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

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



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



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

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

837           (II) Submit a certificate of having satisfactorily  
838 completed the educational curriculum administered by a division-  
839 approved condominium education provider within 1 year before or  
840 90 days after the date of election or appointment. The written  
841 certification and ~~or~~ educational certificate are ~~is~~ valid and do  
842 ~~not~~ have to be resubmitted as long as the director serves  
843 on the board without interruption.

844  
845 A director of an association of a residential condominium who  
846 fails to timely file the written certification and ~~or~~  
847 educational certificate is suspended from service on the board  
848 until he or she complies with this sub-subparagraph. The board  
849 may temporarily fill the vacancy during the period of  
850 suspension. The secretary shall require ~~cause~~ the association to  
851 retain a director's written certification and ~~or~~ educational  
852 certificate for inspection by the members for 5 years after a



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

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

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

869 6. Unit owners may waive notice of specific meetings if  
870 allowed by the applicable bylaws or declaration or any law.  
871 Notice of meetings of the board of administration, unit owner  
872 meetings, except unit owner meetings called to recall board  
873 members under paragraph (j), and committee meetings may be given  
874 by electronic transmission to unit owners who consent to receive  
875 notice by electronic transmission. A unit owner who consents to  
876 receiving notices by electronic transmission is solely  
877 responsible for removing or bypassing filters that block receipt  
878 of mass e-mails sent to members on behalf of the association in  
879 the course of giving electronic notices.

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



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

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

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

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

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





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

916 (f) *Annual budget.*—

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

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



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940 limited to, the maintenance and replacement of the condominium  
941 property identified in s. 718.301(4)(p) which are the  
942 maintenance responsibility of the association pursuant to the  
943 declaration ~~roof replacement, building painting, and pavement~~  
944 ~~resurfacing, regardless of the amount of deferred maintenance~~  
945 ~~expense or replacement cost,~~ and any other item that has a  
946 deferred maintenance expense or replacement cost that exceeds  
947 \$10,000. The amount to be reserved must be computed using a  
948 formula based upon estimated remaining useful life and estimated  
949 replacement cost or deferred maintenance expense of each reserve  
950 item. The association may adjust replacement reserve assessments  
951 annually to take into account any changes in estimates or  
952 extension of the useful life of a reserve item caused by  
953 deferred maintenance. This subsection does not apply to an  
954 adopted budget in which the members of an association have  
955 determined, by a two-thirds majority vote of all the voting  
956 interests, voting in person or by proxy at a duly called meeting  
957 of the association, to provide no reserves or less reserves than  
958 required by this subsection. An annual budget adopted on or  
959 after January 1, 2024, must, at minimum:

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

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

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

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



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

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

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

984 b. Before turnover of control of an association by a  
985 developer to unit owners other than a developer pursuant to s.  
986 718.301, the developer may not vote the voting interests  
987 allocated to its units to waive the reserves or reduce the  
988 funding of reserves. ~~through the period expiring at the end of~~  
989 ~~the second fiscal year after the fiscal year in which the~~  
990 ~~certificate of a surveyor and mapper is recorded pursuant to s.~~  
991 ~~718.104(4)(c) or an instrument that transfers title to a unit in~~  
992 ~~the condominium which is not accompanied by a recorded~~  
993 ~~assignment of developer rights in favor of the grantee of such~~  
994 ~~unit is recorded, whichever occurs first, after which time~~  
995 Reserves may be waived or reduced only upon the vote of two-  
996 thirds ~~a majority~~ of all nondeveloper voting interests, voting  
997 in person or by limited proxy at a duly called meeting of the



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998 association. If a meeting of the unit owners has been called to  
999 determine whether to waive or reduce the funding of reserves and  
1000 no such result is achieved or a quorum is not attained, the  
1001 reserves included in the budget shall go into effect. After the  
1002 turnover, the developer may vote its voting interest to waive or  
1003 reduce the funding of reserves.

1004 3. Effective January 1, 2024, an association with a  
1005 residential condominium building that is three stories or more  
1006 in height and subject to the milestone inspection requirements  
1007 in s. 553.899 must conduct a study of the amount of reserve  
1008 funds needed to fund reserves for the maintenance, repair,  
1009 replacement, and restoration of the condominium property. The  
1010 reserve study must be conducted at least every 5 years. The  
1011 board shall review the results of such study at least annually  
1012 to determine if reserves are sufficient to meet the  
1013 association's reserve obligations and to make any adjustments  
1014 the board deems necessary to maintain reserves, as appropriate.  
1015 The division shall adopt rules setting forth uniform financial  
1016 standards and forms for reserve studies. The reserve study must  
1017 include, without limitation:

1018 a. A visual inspection by a licensed architect, engineer,  
1019 or other independent professional with demonstrated experience  
1020 or knowledge preparing reserve studies for the purpose of  
1021 estimating the useful life and estimated replacement cost or  
1022 deferred maintenance expense. The visual inspection shall be  
1023 performed on or before January 1, 2024, and at least once every  
1024 10 years thereafter. The inspection may be the milestone  
1025 inspection required under s. 553.899;

1026 b. A summary of any inspection of the major components of



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1027 the condominium property identified in sub-subparagraph a. and  
1028 any other portion of the condominium property for which the  
1029 association is required to establish a reserve account or  
1030 accounts;

1031 c. If applicable, a summary of the findings and  
1032 recommendations of the milestone inspection report required  
1033 under s. 553.899 and any other structural or life safety  
1034 inspection of the condominium property considered in the reserve  
1035 study;

1036 d. An identification of the structural components of the  
1037 building for which necessary reserves may be reasonably  
1038 projected and an identification of the structural components of  
1039 the building with an indefinite useful life for which a  
1040 reasonable determination of necessary reserves may not be  
1041 estimated;

1042 e. An estimate of the useful life of the structural  
1043 components of the building identified in sub-subparagraph a. for  
1044 which an estimate of useful life may be determined as attested  
1045 to by a licensed architect or engineer in the turnover  
1046 inspection required under s. 718.301(4) (p), a milestone  
1047 inspection, or any other structural or life safety inspection of  
1048 the condominium property by a licensed architect or engineer,  
1049 whichever is most recent;

1050 f. An estimate of the remaining useful life of any other  
1051 portion of the condominium property for which the association is  
1052 required to establish a reserve account or accounts;

1053 g. An estimate of the cost of maintenance, repair,  
1054 replacement, or restoration of each major component of the  
1055 condominium property identified in s. 718.301(4) (p) and any



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1056 other portion of the condominium property identified pursuant to  
1057 sub-subparagraph d.;

1058 h. An estimate of the total annual assessment that may be  
1059 necessary to cover the cost of maintaining, repairing,  
1060 replacing, or restoring the major components of the condominium  
1061 property identified in sub-subparagraph a. and any other portion  
1062 of the condominium property identified pursuant to sub-  
1063 paragraph f.;

1064 i. A description of the funding plan, including any  
1065 alternative funding method, to provide adequate funding for the  
1066 required reserves; and

1067 j. A schedule for the full funding of reserves. A reserve  
1068 account is fully funded when the actual or projected reserve  
1069 balance in the reserve account is equal in direct proportion to  
1070 the fraction of useful life that has expired for a given  
1071 component or components multiplied by the current replacement  
1072 costs for the component or components.

1073 4.3. Reserve funds and any interest accruing thereon shall  
1074 remain in the reserve account or accounts, and may be used only  
1075 for authorized reserve expenditures unless their use for other  
1076 purposes is approved in advance by a ~~two-thirds majority~~ vote of  
1077 all voting interests, voting in person or by limited proxy at a  
1078 duly called meeting of the association; provided that the use of  
1079 reserve funds for a purpose other than authorized reserve  
1080 expenditures is authorized in the exercise of the association's  
1081 emergency powers under s. 718.1265. Before turnover of control  
1082 of an association by a developer to unit owners other than the  
1083 developer pursuant to s. 718.301, the developer-controlled  
1084 association may not vote to use reserves for purposes other than



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1085 those for which they were intended without the approval of two-  
1086 thirds ~~a majority~~ of all nondeveloper voting interests, voting  
1087 in person or by limited proxy at a duly called meeting of the  
1088 association.

1089 5.a.4. The only voting interests that are eligible to vote  
1090 on questions that involve waiving or reducing the funding of  
1091 reserves, or using existing reserve funds for purposes other  
1092 than purposes for which the reserves were intended, are the  
1093 voting interests of the units subject to assessment to fund the  
1094 reserves in question. Proxy questions relating to waiving or  
1095 reducing the funding of reserves or using existing reserve funds  
1096 for purposes other than purposes for which the reserves were  
1097 intended must contain the following statement in capitalized,  
1098 bold letters in a font size larger than any other used on the  
1099 face of the proxy ballot: WAIVING OF RESERVES, IN WHOLE OR IN  
1100 PART, OR ALLOWING ALTERNATIVE USES OF EXISTING RESERVES MAY  
1101 RESULT IN UNIT OWNER LIABILITY FOR PAYMENT OF UNANTICIPATED  
1102 SPECIAL ASSESSMENTS REGARDING THOSE ITEMS.

1103 b. If the association has voted to waive reserves or to use  
1104 existing reserve funds for purposes other than the purposes for  
1105 which the reserves were intended, the budget must contain the  
1106 following statement in conspicuous type: THE OWNERS HAVE ELECTED  
1107 TO WAIVE RESERVES, IN WHOLE OR IN PART, OR ALLOWED ALTERNATIVE  
1108 USES OF EXISTING RESERVES UNDER SECTION 718.112(2)(f), FLORIDA  
1109 STATUTES. THE WAIVING OR ALTERNATIVE USE OF RESERVE FUNDS MAY  
1110 RESULT IN UNIT OWNER LIABILITY FOR PAYMENT OF UNANTICIPATED  
1111 SPECIAL ASSESSMENTS REGARDING THOSE ITEMS.

1112 c. On or after January 1, 2026, if the association is  
1113 required to perform a reserve study under this paragraph and the



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

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





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1143 in a conspicuous place on the condominium property; and must  
1144 publish the full report and inspector-prepared summary on the  
1145 association's website, if the association is required to have a  
1146 website.

1147 Section 7. Present subsections (4) through (9) of section  
1148 718.113, Florida Statutes, are redesignated as subsections (5)  
1149 through (10), respectively, a new subsection (4) is added to  
1150 that section, and subsections (1) and (2) of that section are  
1151 amended, to read:

1152 718.113 Maintenance; limitation upon improvement; display  
1153 of flag; hurricane shutters and protection; display of religious  
1154 decorations.-

1155 (1) Maintenance of the common elements is the  
1156 responsibility of the association, except for any maintenance  
1157 responsibility for limited common elements assigned to the unit  
1158 owner by the declaration. The association shall provide for the  
1159 maintenance, repair, and replacement of the condominium property  
1160 for which it bears responsibility. After turnover of control of  
1161 the association to the unit owners, the association must perform  
1162 any required maintenance identified by the developer pursuant to  
1163 s. 718.301(4) (p) until the association obtains new maintenance  
1164 protocols from a licensed professional engineer or architect.

1165 The declaration may provide that certain limited common elements  
1166 shall be maintained by those entitled to use the limited common  
1167 elements or that the association shall provide the maintenance,  
1168 either as a common expense or with the cost shared only by those  
1169 entitled to use the limited common elements. If the maintenance  
1170 is to be by the association at the expense of only those  
1171 entitled to use the limited common elements, the declaration



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1172 shall describe in detail the method of apportioning such costs  
1173 among those entitled to use the limited common elements, and the  
1174 association may use the provisions of s. 718.116 to enforce  
1175 payment of the shares of such costs by the unit owners entitled  
1176 to use the limited common elements.

1177 (2) (a) Except as otherwise provided in this section, there  
1178 shall be no material alteration or substantial additions to the  
1179 common elements or to real property which is association  
1180 property, except in a manner provided in the declaration as  
1181 originally recorded or as amended under the procedures provided  
1182 therein. If the declaration as originally recorded or as amended  
1183 under the procedures provided therein does not specify the  
1184 procedure for approval of material alterations or substantial  
1185 additions, 75 percent of the total voting interests of the  
1186 association must approve the alterations or additions before the  
1187 material alterations or substantial additions are commenced.  
1188 This paragraph is intended to clarify existing law and applies  
1189 to associations existing on July 1, 2018.

1190 (b) There shall not be any material alteration of, or  
1191 substantial addition to, the common elements of any condominium  
1192 operated by a multicondominium association unless approved in  
1193 the manner provided in the declaration of the affected  
1194 condominium or condominiums as originally recorded or as amended  
1195 under the procedures provided therein. If a declaration as  
1196 originally recorded or as amended under the procedures provided  
1197 therein does not specify a procedure for approving such an  
1198 alteration or addition, the approval of 75 percent of the total  
1199 voting interests of each affected condominium is required before  
1200 the material alterations or substantial additions are commenced.



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1201 This subsection does not prohibit a provision in any  
1202 declaration, articles of incorporation, or bylaws as originally  
1203 recorded or as amended under the procedures provided therein  
1204 requiring the approval of unit owners in any condominium  
1205 operated by the same association or requiring board approval  
1206 before a material alteration or substantial addition to the  
1207 common elements is permitted. This paragraph is intended to  
1208 clarify existing law and applies to associations existing on  
1209 July 1, 2018.

1210 (c) There shall not be any material alteration or  
1211 substantial addition made to association real property operated  
1212 by a multicondominium association, except as provided in the  
1213 declaration, articles of incorporation, or bylaws as originally  
1214 recorded or as amended under the procedures provided therein. If  
1215 the declaration, articles of incorporation, or bylaws as  
1216 originally recorded or as amended under the procedures provided  
1217 therein do not specify the procedure for approving an alteration  
1218 or addition to association real property, the approval of 75  
1219 percent of the total voting interests of the association is  
1220 required before the material alterations or substantial  
1221 additions are commenced. This paragraph is intended to clarify  
1222 existing law and applies to associations existing on July 1,  
1223 2018.

1224 (d) The necessary maintenance, repair, or replacement of  
1225 condominium property is not a material alteration or substantial  
1226 addition requiring unit owner approval.

1227 (4) The association is not liable for alternative housing  
1228 costs, lost rent, or other expenses if a unit must be vacated in  
1229 whole or in part or if access to a common element is denied for



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1230 necessary maintenance, repair, or replacement of condominium  
1231 property.

1232 Section 8. Subsections (1) and (5) of section 718.1255,  
1233 Florida Statutes, are amended to read:

1234 718.1255 Alternative dispute resolution; mediation;  
1235 nonbinding arbitration; applicability.—

1236 (1) DEFINITIONS.—As used in this section, the term  
1237 “dispute” means any disagreement between two or more parties  
1238 that involves:

1239 (a) The authority of the board of directors, under this  
1240 chapter or association document, to:

1241 1. Require any owner to take any action, or not to take any  
1242 action, involving that owner’s unit or the appurtenances  
1243 thereto.

1244 2. Alter or add to a common area or element.

1245 (b) The failure of a governing body, when required by this  
1246 chapter or an association document, to:

1247 1. Properly conduct elections.

1248 2. Give adequate notice of meetings or other actions.

1249 3. Properly conduct meetings.

1250 4. Allow inspection of books and records.

1251 (c) A plan of termination pursuant to s. 718.117.

1252 (d) The failure of a governing body, when required by this  
1253 chapter or an association document, to:

1254 1. Perform a structural or life safety inspection,  
1255 including the milestone inspection required under s. 553.899.

1256 2. Perform a reserve study as required by law or the  
1257 declaration, articles of incorporation, or bylaws.

1258 3. Fund reserves as required by law or the declaration,



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1259 articles of incorporation, or bylaws.

1260 4. Make or provide necessary maintenance or repairs of  
1261 condominium property.

1262  
1263 "Dispute" does not include any disagreement that primarily  
1264 involves: title to any unit or common element; the  
1265 interpretation or enforcement of any warranty; the levy of a fee  
1266 or assessment, or the collection of an assessment levied against  
1267 a party; the eviction or other removal of a tenant from a unit;  
1268 alleged breaches of fiduciary duty by one or more directors; or  
1269 claims for damages to a unit based upon the alleged failure of  
1270 the association to maintain the common elements or condominium  
1271 property.

1272 (5) PRESUIT MEDIATION.—In lieu of the initiation of  
1273 nonbinding arbitration as provided in subsections (1)-(4), a  
1274 party may submit a dispute to presuit mediation in accordance  
1275 with s. 720.311; however, election and recall disputes are not  
1276 eligible for mediation and such disputes must be arbitrated by  
1277 the division or filed in a court of competent jurisdiction.  
1278 Disputes identified in paragraph (1)(d) are not subject to  
1279 nonbinding arbitration under subsections (1)-(4) and must be  
1280 submitted to presuit mediation in accordance with s. 720.311.

1281 Section 9. Paragraph (p) of subsection (4) of section  
1282 718.301, Florida Statutes, is amended, and paragraph (r) is  
1283 added to that subsection, to read:

1284 718.301 Transfer of association control; claims of defect  
1285 by association.—

1286 (4) At the time that unit owners other than the developer  
1287 elect a majority of the members of the board of administration



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1288 of an association, the developer shall relinquish control of the  
1289 association, and the unit owners shall accept control.

1290 Simultaneously, or for the purposes of paragraph (c) not more  
1291 than 90 days thereafter, the developer shall deliver to the  
1292 association, at the developer's expense, all property of the  
1293 unit owners and of the association which is held or controlled  
1294 by the developer, including, but not limited to, the following  
1295 items, if applicable, as to each condominium operated by the  
1296 association:

1297 (p) Notwithstanding when the certificate of occupancy was  
1298 issued or the height of the building, a milestone inspection  
1299 report in compliance with s. 553.899 included in the official  
1300 records, under seal of an architect or engineer authorized to  
1301 practice in this state, and attesting to required maintenance,  
1302 condition, useful life, and replacement costs of the following  
1303 applicable condominium property ~~common elements~~ comprising a  
1304 turnover inspection report:

- 1305 1. Roof.
- 1306 2. Structure, including load-bearing walls and primary  
1307 structural members and primary structural systems as those terms  
1308 are defined in s. 627.706.
- 1309 3. Fireproofing and fire protection systems.
- 1310 4. Elevators.
- 1311 5. Heating and cooling systems.
- 1312 6. Plumbing.
- 1313 7. Electrical systems.
- 1314 8. Swimming pool or spa and equipment.
- 1315 9. Seawalls.
- 1316 10. Pavement and parking areas.



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- 1317 11. Drainage systems.  
1318 12. Painting.  
1319 13. Irrigation systems.  
1320 14. Waterproofing.

1321 (r) A copy of the most recent reserve study required under  
1322 s. 718.112(2)(f)3., along with the statements indicating the  
1323 status of the reserves required under s. 718.112(2)(f)5., if  
1324 applicable, or a statement in conspicuous type indicating that  
1325 the association has not completed the required reserve study or  
1326 that the association is not required to perform a reserve study,  
1327 as applicable.

1328 Section 10. Subsection (3) is added to section 718.501,  
1329 Florida Statutes, to read:

1330 718.501 Authority, responsibility, and duties of Division  
1331 of Florida Condominiums, Timeshares, and Mobile Homes.—

1332 (3)(a) On or before January 1, 2023, condominium  
1333 associations existing on or before July 1, 2022, must provide  
1334 the following information to the division in writing, by e-mail,  
1335 United States Postal Service, commercial delivery service, or  
1336 hand delivery, at a physical address or e-mail address provided  
1337 by the division and on a form posted on the division's website:

1338 1. The number of buildings on the condominium property that  
1339 are three stories or higher in height.

1340 2. The total number of units in all such buildings.

1341 3. The addresses of all such buildings.

1342 4. The counties in which all such buildings are located.

1343 (b) The division must compile a list of the number of  
1344 buildings on condominium property that are three stories or  
1345 higher in height, which is searchable by county, and must post



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1346 the list on the division's website. This list must include all  
1347 of the following information:

1348 1. The name of each association with buildings on the  
1349 condominium property that are three stories or higher in height.

1350 2. The number of such buildings on each association's  
1351 property.

1352 3. The addresses of all such buildings.

1353 4. The counties in which all such buildings are located.

1354 (c) An association must provide an update in writing to the  
1355 division if there are any changes to the information in the list  
1356 under paragraph (b) within 6 months after the change.

1357 Section 11. Present paragraphs (b) and (c) of subsection  
1358 (2) of section 718.503, Florida Statutes, are redesignated as  
1359 paragraphs (c) and (d), respectively, a new paragraph (b) is  
1360 added to that subsection, and paragraph (b) of subsection (1)  
1361 and paragraph (a) of subsection (2) of that section are amended,  
1362 to read:

1363 718.503 Developer disclosure prior to sale; nondeveloper  
1364 unit owner disclosure prior to sale; voidability.—

1365 (1) DEVELOPER DISCLOSURE.—

1366 (b) *Copies of documents to be furnished to prospective*  
1367 *buyer or lessee.*—Until such time as the developer has furnished  
1368 the documents listed below to a person who has entered into a  
1369 contract to purchase a residential unit or lease it for more  
1370 than 5 years, the contract may be voided by that person,  
1371 entitling the person to a refund of any deposit together with  
1372 interest thereon as provided in s. 718.202. The contract may be  
1373 terminated by written notice from the proposed buyer or lessee  
1374 delivered to the developer within 15 days after the buyer or





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1375 lessee receives all of the documents required by this section.  
1376 The developer may not close for 15 days after ~~following~~ the  
1377 execution of the agreement and delivery of the documents to the  
1378 buyer as evidenced by a signed receipt for documents unless the  
1379 buyer is informed in the 15-day voidability period and agrees to  
1380 close before ~~prior to~~ the expiration of the 15 days. The  
1381 developer shall retain in his or her records a separate  
1382 agreement signed by the buyer as proof of the buyer's agreement  
1383 to close before ~~prior to~~ the expiration of the ~~said~~ voidability  
1384 period. The developer must retain such ~~said~~ proof ~~shall be~~  
1385 ~~retained~~ for a period of 5 years after the date of the closing  
1386 of the transaction. The documents to be delivered to the  
1387 prospective buyer are the prospectus or disclosure statement  
1388 with all exhibits, if the development is subject to ~~the~~  
1389 ~~provisions of~~ s. 718.504, or, if not, then copies of the  
1390 following which are applicable:  
1391       1. The question and answer sheet described in s. 718.504,  
1392 and declaration of condominium, or the proposed declaration if  
1393 the declaration has not been recorded, which shall include the  
1394 certificate of a surveyor approximately representing the  
1395 locations required by s. 718.104.  
1396       2. The documents creating the association.  
1397       3. The bylaws.  
1398       4. The ground lease or other underlying lease of the  
1399 condominium.  
1400       5. The management contract, maintenance contract, and other  
1401 contracts for management of the association and operation of the  
1402 condominium and facilities used by the unit owners having a  
1403 service term in excess of 1 year, and any management contracts



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1404 that are renewable.

1405           6. The estimated operating budget for the condominium and a  
1406 schedule of expenses for each type of unit, including fees  
1407 assessed pursuant to s. 718.113(1) for the maintenance of  
1408 limited common elements where such costs are shared only by  
1409 those entitled to use the limited common elements.

1410           7. The lease of recreational and other facilities that will  
1411 be used only by unit owners of the subject condominium.

1412           8. The lease of recreational and other common facilities  
1413 that will be used by unit owners in common with unit owners of  
1414 other condominiums.

1415           9. The form of unit lease if the offer is of a leasehold.

1416           10. Any declaration of servitude of properties serving the  
1417 condominium but not owned by unit owners or leased to them or  
1418 the association.

1419           11. If the development is to be built in phases or if the  
1420 association is to manage more than one condominium, a  
1421 description of the plan of phase development or the arrangements  
1422 for the association to manage two or more condominiums.

1423           12. If the condominium is a conversion of existing  
1424 improvements, the statements and disclosure required by s.  
1425 718.616.

1426           13. The form of agreement for sale or lease of units.

1427           14. A copy of the floor plan of the unit and the plot plan  
1428 showing the location of the residential buildings and the  
1429 recreation and other common areas.

1430           15. A copy of all covenants and restrictions that ~~which~~  
1431 will affect the use of the property and ~~which~~ are not contained  
1432 in the foregoing.



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1433           16. If the developer is required by state or local  
1434 authorities to obtain acceptance or approval of any dock or  
1435 marina facilities intended to serve the condominium, a copy of  
1436 any such acceptance or approval acquired by the time of filing  
1437 with the division under s. 718.502(1), or a statement that such  
1438 acceptance or approval has not been acquired or received.

1439           17. Evidence demonstrating that the developer has an  
1440 ownership, leasehold, or contractual interest in the land upon  
1441 which the condominium is to be developed.

1442           18. A copy of the most recent reserve study required under  
1443 s. 718.112(2)(f)3., along with the statements in the budget  
1444 indicating the status of the reserves required under s.  
1445 718.112(2)(f)5., if applicable, or a statement in conspicuous  
1446 type indicating that the association has not completed the  
1447 required reserve study or that the association is not required  
1448 to perform a reserve study, as applicable.

1449           19. A copy of the inspector-prepared summary of the  
1450 milestone inspection report as described in ss. 553.899 and  
1451 718.301(4)(p).

1452           (2) NONDEVELOPER DISCLOSURE.—

1453           (a) Each unit owner who is not a developer as defined by  
1454 this chapter must ~~shall~~ comply with ~~the provisions of~~ this  
1455 subsection before ~~prior to~~ the sale of his or her unit. Each  
1456 prospective purchaser who has entered into a contract for the  
1457 purchase of a condominium unit is entitled, at the seller's  
1458 expense, to a current copy of all of the following:

- 1459           1. The declaration of condominium.┐  
1460           2. Articles of incorporation of the association.┐  
1461           3. Bylaws and rules of the association.┐



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1462           4. Financial information required by s. 718.111.  
1463           5. A copy of the most recent reserve study required under  
1464 s. 718.112(2)(f)3., along with the statements in the budget  
1465 indicating the status of the reserves required under s.  
1466 718.112(2)(f)5., if applicable, or a statement in conspicuous  
1467 type indicating that the association has not completed the  
1468 required reserve study or that the association is not required  
1469 to perform a reserve study, as applicable.

1470           6. A copy of the inspector-prepared summary of the  
1471 milestone inspection report as described in ss. 553.899 and  
1472 718.301(4)(p).

1473           7. and The document entitled "Frequently Asked Questions  
1474 and Answers" required by s. 718.504.

1475           (b) On and after January 1, 2009, The prospective purchaser  
1476 is shall also be entitled to receive from the seller a copy of a  
1477 governance form. Such form shall be provided by the division  
1478 summarizing governance of condominium associations. In addition  
1479 to such other information as the division considers helpful to a  
1480 prospective purchaser in understanding association governance,  
1481 the governance form shall address the following subjects:

1482           1. The role of the board in conducting the day-to-day  
1483 affairs of the association on behalf of, and in the best  
1484 interests of, the owners.

1485           2. The board's responsibility to provide advance notice of  
1486 board and membership meetings.

1487           3. The rights of owners to attend and speak at board and  
1488 membership meetings.

1489           4. The responsibility of the board and of owners with  
1490 respect to maintenance of the condominium property.



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

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

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

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

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

1506           10. The voting rights of owners.

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

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



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1520 of this publication.”

1521 Section 12. Paragraph (f) of subsection (24) of section  
1522 718.504, Florida Statutes, is amended, and paragraph (q) is  
1523 added to that subsection, to read:

1524 718.504 Prospectus or offering circular.—Every developer of  
1525 a residential condominium which contains more than 20  
1526 residential units, or which is part of a group of residential  
1527 condominiums which will be served by property to be used in  
1528 common by unit owners of more than 20 residential units, shall  
1529 prepare a prospectus or offering circular and file it with the  
1530 Division of Florida Condominiums, Timeshares, and Mobile Homes  
1531 prior to entering into an enforceable contract of purchase and  
1532 sale of any unit or lease of a unit for more than 5 years and  
1533 shall furnish a copy of the prospectus or offering circular to  
1534 each buyer. In addition to the prospectus or offering circular,  
1535 each buyer shall be furnished a separate page entitled  
1536 “Frequently Asked Questions and Answers,” which shall be in  
1537 accordance with a format approved by the division and a copy of  
1538 the financial information required by s. 718.111. This page  
1539 shall, in readable language, inform prospective purchasers  
1540 regarding their voting rights and unit use restrictions,  
1541 including restrictions on the leasing of a unit; shall indicate  
1542 whether and in what amount the unit owners or the association is  
1543 obligated to pay rent or land use fees for recreational or other  
1544 commonly used facilities; shall contain a statement identifying  
1545 that amount of assessment which, pursuant to the budget, would  
1546 be levied upon each unit type, exclusive of any special  
1547 assessments, and which shall further identify the basis upon  
1548 which assessments are levied, whether monthly, quarterly, or



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1549 otherwise; shall state and identify any court cases in which the  
1550 association is currently a party of record in which the  
1551 association may face liability in excess of \$100,000; and which  
1552 shall further state whether membership in a recreational  
1553 facilities association is mandatory, and if so, shall identify  
1554 the fees currently charged per unit type. The division shall by  
1555 rule require such other disclosure as in its judgment will  
1556 assist prospective purchasers. The prospectus or offering  
1557 circular may include more than one condominium, although not all  
1558 such units are being offered for sale as of the date of the  
1559 prospectus or offering circular. The prospectus or offering  
1560 circular must contain the following information:

1561 (24) Copies of the following, to the extent they are  
1562 applicable, shall be included as exhibits:

1563 (f) The estimated operating budget for the condominium and  
1564 the required schedule of unit owners' expenses, and the most  
1565 recent reserve study required under s. 718.112(2)(f)3., along  
1566 with the statements in the budget indicating the status of the  
1567 reserves required under s. 718.112(2)(f)5., if applicable, or a  
1568 statement in conspicuous type indicating that the association  
1569 has not completed the required reserve study or that the  
1570 association is not required to perform a reserve study, as  
1571 applicable.

1572 (q) A copy of the inspector-prepared summary of the  
1573 milestone inspection report as described in ss. 553.899 and  
1574 718.301(4)(p).

1575 Section 13. Present subsections (1) through (28) of section  
1576 719.103, Florida Statutes, are redesignated as subsections (2)  
1577 through (29), respectively, and a new subsection (1) is added to



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1578 that section, to read:

1579 719.103 Definitions.—As used in this chapter:

1580 (1) "Alternative funding method" means an alternative to  
1581 funding a reserve account which is approved by the division and  
1582 which may reasonably be expected to fully satisfy the  
1583 association's budgetary obligations for deferred maintenance,  
1584 capital expenditure, and any item for which reserves are  
1585 otherwise required, including, but not limited to, payments by a  
1586 developer and the incorporation into the budget of expenses for  
1587 deferred maintenance, capital expenditure, and any item for  
1588 which reserves are otherwise required. The term also includes  
1589 any other alternative approved by the division.

1590 Section 14. Present subsections (5) through (11) of section  
1591 719.104, Florida Statutes, are redesignated as subsections (6)  
1592 through (12), respectively, a new subsection (5) is added to  
1593 that section, and paragraphs (a) and (c) of subsection (2) and  
1594 paragraph (a) of subsection (4) of that section are amended, to  
1595 read:

1596 719.104 Cooperatives; access to units; records; financial  
1597 reports; assessments; purchase of leases.—

1598 (2) OFFICIAL RECORDS.—

1599 (a) From the inception of the association, the association  
1600 shall maintain a copy of each of the following, where  
1601 applicable, which shall constitute the official records of the  
1602 association:

1603 1. The plans, permits, warranties, and other items provided  
1604 by the developer pursuant to s. 719.301(4).

1605 2. A photocopy of the cooperative documents.

1606 3. A copy of the current rules of the association.





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1607           4. A book or books containing the minutes of all meetings  
1608 of the association, of the board of directors, and of the unit  
1609 owners.

1610           5. A current roster of all unit owners and their mailing  
1611 addresses, unit identifications, voting certifications, and, if  
1612 known, telephone numbers. The association shall also maintain  
1613 the e-mail addresses and the numbers designated by unit owners  
1614 for receiving notice sent by electronic transmission of those  
1615 unit owners consenting to receive notice by electronic  
1616 transmission. The e-mail addresses and numbers provided by unit  
1617 owners to receive notice by electronic transmission shall be  
1618 removed from association records when consent to receive notice  
1619 by electronic transmission is revoked. However, the association  
1620 is not liable for an erroneous disclosure of the e-mail address  
1621 or the number for receiving electronic transmission of notices.

1622           6. All current insurance policies of the association.

1623           7. A current copy of any management agreement, lease, or  
1624 other contract to which the association is a party or under  
1625 which the association or the unit owners have an obligation or  
1626 responsibility.

1627           8. Bills of sale or transfer for all property owned by the  
1628 association.

1629           9. Accounting records for the association and separate  
1630 accounting records for each unit it operates, according to good  
1631 accounting practices. The accounting records shall include, but  
1632 not be limited to:

1633           a. Accurate, itemized, and detailed records of all receipts  
1634 and expenditures.

1635           b. A current account and a monthly, bimonthly, or quarterly



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1636 statement of the account for each unit designating the name of  
1637 the unit owner, the due date and amount of each assessment, the  
1638 amount paid upon the account, and the balance due.

1639 c. All audits, reviews, accounting statements, reserve  
1640 studies and reserve funding plans, and financial reports of the  
1641 association.

1642 d. All contracts for work to be performed. Bids for work to  
1643 be performed shall also be considered official records and shall  
1644 be maintained for a period of 1 year.

1645 10. Ballots, sign-in sheets, voting proxies, and all other  
1646 papers and electronic records relating to voting by unit owners,  
1647 which shall be maintained for a period of 1 year after the date  
1648 of the election, vote, or meeting to which the document relates.

1649 11. All rental records where the association is acting as  
1650 agent for the rental of units.

1651 12. A copy of the current question and answer sheet as  
1652 described in s. 719.504.

1653 13. All affirmative acknowledgments made pursuant to s.  
1654 719.108(3)(b)3.

1655 14. A copy of the inspection reports as described in ss.  
1656 553.899 and 719.301(4)(p) and any other inspection report  
1657 relating to a structural or life safety inspection of the  
1658 cooperative property. Such record must be maintained by the  
1659 association for 15 years after receipt of the report.

1660 15. All other written records of the association not  
1661 specifically included in the foregoing which are related to the  
1662 operation of the association.

1663 (c) The official records of the association are open to  
1664 inspection by any association member or the authorized



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1665 representative of such member at all reasonable times. The right  
1666 to inspect the records includes the right to make or obtain  
1667 copies, at the reasonable expense, if any, of the association  
1668 member. A renter of a unit has a right to inspect and copy only  
1669 the association's bylaws and rules and the inspection reports  
1670 described in ss. 553.899 and 719.301(4) (p). The association may  
1671 adopt reasonable rules regarding the frequency, time, location,  
1672 notice, and manner of record inspections and copying, but may  
1673 not require a member to demonstrate any purpose or state any  
1674 reason for the inspection. The failure of an association to  
1675 provide the records within 10 working days after receipt of a  
1676 written request creates a rebuttable presumption that the  
1677 association willfully failed to comply with this paragraph. A  
1678 member who is denied access to official records is entitled to  
1679 the actual damages or minimum damages for the association's  
1680 willful failure to comply. The minimum damages are \$50 per  
1681 calendar day for up to 10 days, beginning on the 11th working  
1682 day after receipt of the written request. The failure to permit  
1683 inspection entitles any person prevailing in an enforcement  
1684 action to recover reasonable attorney fees from the person in  
1685 control of the records who, directly or indirectly, knowingly  
1686 denied access to the records. Any person who knowingly or  
1687 intentionally defaces or destroys accounting records that are  
1688 required by this chapter to be maintained during the period for  
1689 which such records are required to be maintained, or who  
1690 knowingly or intentionally fails to create or maintain  
1691 accounting records that are required to be created or  
1692 maintained, with the intent of causing harm to the association  
1693 or one or more of its members, is personally subject to a civil



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1694 penalty under s. 719.501(1)(d). The association shall maintain  
1695 an adequate number of copies of the declaration, articles of  
1696 incorporation, bylaws, and rules, and all amendments to each of  
1697 the foregoing, as well as the question and answer sheet as  
1698 described in s. 719.504 and year-end financial information  
1699 required by the department, on the cooperative property to  
1700 ensure their availability to members and prospective purchasers,  
1701 and may charge its actual costs for preparing and furnishing  
1702 these documents to those requesting the same. An association  
1703 shall allow a member or his or her authorized representative to  
1704 use a portable device, including a smartphone, tablet, portable  
1705 scanner, or any other technology capable of scanning or taking  
1706 photographs, to make an electronic copy of the official records  
1707 in lieu of the association providing the member or his or her  
1708 authorized representative with a copy of such records. The  
1709 association may not charge a member or his or her authorized  
1710 representative for the use of a portable device. Notwithstanding  
1711 this paragraph, the following records shall not be accessible to  
1712 members:

1713       1. Any record protected by the lawyer-client privilege as  
1714 described in s. 90.502 and any record protected by the work-  
1715 product privilege, including any record prepared by an  
1716 association attorney or prepared at the attorney's express  
1717 direction which reflects a mental impression, conclusion,  
1718 litigation strategy, or legal theory of the attorney or the  
1719 association, and which was prepared exclusively for civil or  
1720 criminal litigation or for adversarial administrative  
1721 proceedings, or which was prepared in anticipation of such  
1722 litigation or proceedings until the conclusion of the litigation



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1723 or proceedings.

1724           2. Information obtained by an association in connection  
1725 with the approval of the lease, sale, or other transfer of a  
1726 unit.

1727           3. Personnel records of association or management company  
1728 employees, including, but not limited to, disciplinary, payroll,  
1729 health, and insurance records. For purposes of this  
1730 subparagraph, the term "personnel records" does not include  
1731 written employment agreements with an association employee or  
1732 management company, or budgetary or financial records that  
1733 indicate the compensation paid to an association employee.

1734           4. Medical records of unit owners.

1735           5. Social security numbers, driver license numbers, credit  
1736 card numbers, e-mail addresses, telephone numbers, facsimile  
1737 numbers, emergency contact information, addresses of a unit  
1738 owner other than as provided to fulfill the association's notice  
1739 requirements, and other personal identifying information of any  
1740 person, excluding the person's name, unit designation, mailing  
1741 address, property address, and any address, e-mail address, or  
1742 facsimile number provided to the association to fulfill the  
1743 association's notice requirements. Notwithstanding the  
1744 restrictions in this subparagraph, an association may print and  
1745 distribute to unit owners a directory containing the name, unit  
1746 address, and all telephone numbers of each unit owner. However,  
1747 an owner may exclude his or her telephone numbers from the  
1748 directory by so requesting in writing to the association. An  
1749 owner may consent in writing to the disclosure of other contact  
1750 information described in this subparagraph. The association is  
1751 not liable for the inadvertent disclosure of information that is



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1752 protected under this subparagraph if the information is included  
1753 in an official record of the association and is voluntarily  
1754 provided by an owner and not requested by the association.

1755 6. Electronic security measures that are used by the  
1756 association to safeguard data, including passwords.

1757 7. The software and operating system used by the  
1758 association which allow the manipulation of data, even if the  
1759 owner owns a copy of the same software used by the association.  
1760 The data is part of the official records of the association.

1761 8. All affirmative acknowledgments made pursuant to s.  
1762 719.108(3)(b)3.

1763 (4) FINANCIAL REPORT.—

1764 (a) Within 90 days following the end of the fiscal or  
1765 calendar year or annually on such date as provided in the bylaws  
1766 of the association, the board of administration shall prepare  
1767 and complete, or contract with a third party to prepare and  
1768 complete, a financial report covering the preceding fiscal or  
1769 calendar year. Within 21 days after the financial report is  
1770 completed by the association or received from the third party,  
1771 but no later than 120 days after the end of the fiscal year,  
1772 calendar year, or other date provided in the bylaws, the  
1773 association shall provide each member with a copy of the annual  
1774 financial report or a written notice that a copy of the  
1775 financial report is available upon request at no charge to the  
1776 member. The division shall adopt rules setting forth uniform  
1777 accounting principles, standards, and reporting requirements.  
1778 The rules must include, but not be limited to, standards for  
1779 presenting a summary of association reserves, including a good  
1780 faith estimate disclosing the annual amount of reserve funds



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1781 that would be necessary for the association to fully fund  
1782 reserves for each reserve item based on the straight-line method  
1783 or to fully fund reserves based on the pooling method. In  
1784 adopting such rules, the division shall consider the number of  
1785 members and annual revenues of an association.

1786 (5) MAINTENANCE.-

1787 (a) Maintenance of the common areas is the responsibility  
1788 of the association, except for any maintenance responsibility  
1789 for limited common areas assigned to the unit owner by the  
1790 cooperative documents. The association shall provide for the  
1791 maintenance, repair, and replacement of the cooperative property  
1792 for which it bears responsibility. After turnover of control of  
1793 the association to the unit owners, the association must perform  
1794 any required maintenance identified by the developer pursuant to  
1795 s. 719.301(4)(p) until the association obtains new maintenance  
1796 protocols from a licensed professional engineer or architect.

1797 (b) The necessary maintenance, repair, or replacement of  
1798 cooperative property is not a material alteration or substantial  
1799 addition requiring unit owner approval.

1800 (c) The association is not liable for alternative housing  
1801 costs, lost rent, or other expenses if a unit must be vacated in  
1802 whole or in part or if access is denied to a common area for  
1803 necessary maintenance, repair, or replacement of cooperative  
1804 property.

1805 Section 15. Paragraphs (d) and (j) of subsection (1) of  
1806 section 719.106, Florida Statutes, are amended, and paragraph  
1807 (n) is added to that subsection, to read:

1808 719.106 Bylaws; cooperative ownership.-

1809 (1) MANDATORY PROVISIONS.-The bylaws or other cooperative



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1810 documents shall provide for the following, and if they do not,  
1811 they shall be deemed to include the following:

1812       (d) *Shareholder meetings.*—There shall be an annual meeting  
1813 of the shareholders. All members of the board of administration  
1814 shall be elected at the annual meeting unless the bylaws provide  
1815 for staggered election terms or for their election at another  
1816 meeting. Any unit owner desiring to be a candidate for board  
1817 membership must comply with subparagraph 1. The bylaws must  
1818 provide the method for calling meetings, including annual  
1819 meetings. Written notice, which must incorporate an  
1820 identification of agenda items, shall be given to each unit  
1821 owner at least 14 days before the annual meeting and posted in a  
1822 conspicuous place on the cooperative property at least 14  
1823 continuous days preceding the annual meeting. Upon notice to the  
1824 unit owners, the board must by duly adopted rule designate a  
1825 specific location on the cooperative property upon which all  
1826 notice of unit owner meetings are posted. In lieu of or in  
1827 addition to the physical posting of the meeting notice, the  
1828 association may, by reasonable rule, adopt a procedure for  
1829 conspicuously posting and repeatedly broadcasting the notice and  
1830 the agenda on a closed-circuit cable television system serving  
1831 the cooperative association. However, if broadcast notice is  
1832 used in lieu of a posted notice, the notice and agenda must be  
1833 broadcast at least four times every broadcast hour of each day  
1834 that a posted notice is otherwise required under this section.  
1835 If broadcast notice is provided, the notice and agenda must be  
1836 broadcast in a manner and for a sufficient continuous length of  
1837 time to allow an average reader to observe the notice and read  
1838 and comprehend the entire content of the notice and the agenda.





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1839 In addition to any of the authorized means of providing notice  
1840 of a meeting of the shareholders, the association may, by rule,  
1841 adopt a procedure for conspicuously posting the meeting notice  
1842 and the agenda on a website serving the cooperative association  
1843 for at least the minimum period of time for which a notice of a  
1844 meeting is also required to be physically posted on the  
1845 cooperative property. Any rule adopted shall, in addition to  
1846 other matters, include a requirement that the association send  
1847 an electronic notice in the same manner as a notice for a  
1848 meeting of the members, which must include a hyperlink to the  
1849 website where the notice is posted, to unit owners whose e-mail  
1850 addresses are included in the association's official records.  
1851 Unless a unit owner waives in writing the right to receive  
1852 notice of the annual meeting, the notice of the annual meeting  
1853 must be sent by mail, hand delivered, or electronically  
1854 transmitted to each unit owner. An officer of the association  
1855 must provide an affidavit or United States Postal Service  
1856 certificate of mailing, to be included in the official records  
1857 of the association, affirming that notices of the association  
1858 meeting were mailed, hand delivered, or electronically  
1859 transmitted, in accordance with this provision, to each unit  
1860 owner at the address last furnished to the association.

1861 1. The board of administration shall be elected by written  
1862 ballot or voting machine. A proxy may not be used in electing  
1863 the board of administration in general elections or elections to  
1864 fill vacancies caused by recall, resignation, or otherwise  
1865 unless otherwise provided in this chapter.

1866 a. At least 60 days before a scheduled election, the  
1867 association shall mail, deliver, or transmit, whether by



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



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1897 his or her ballot, and any such ballots improperly cast are  
1898 invalid. A unit owner who needs assistance in casting the ballot  
1899 for the reasons stated in s. 101.051 may obtain assistance in  
1900 casting the ballot. Any unit owner violating this provision may  
1901 be fined by the association in accordance with s. 719.303. The  
1902 regular election must occur on the date of the annual meeting.  
1903 This subparagraph does not apply to timeshare cooperatives.  
1904 Notwithstanding this subparagraph, an election and balloting are  
1905 not required unless more candidates file a notice of intent to  
1906 run or are nominated than vacancies exist on the board. Any  
1907 challenge to the election process must be commenced within 60  
1908 days after the election results are announced.

1909       b. Within 90 days after being elected or appointed to the  
1910 board, each new director shall do both of the following:

1911       (I) Certify in writing to the secretary of the association  
1912 that he or she has read the association's bylaws, articles of  
1913 incorporation, proprietary lease, and current written policies;  
1914 that he or she will work to uphold such documents and policies  
1915 to the best of his or her ability; and that he or she will  
1916 faithfully discharge his or her fiduciary responsibility to the  
1917 association's members. ~~Within 90 days after being elected or~~  
1918 ~~appointed to the board, in lieu of this written certification,~~  
1919 ~~the newly elected or appointed director may~~

1920       (II) Submit a certificate of having satisfactorily  
1921 completed the educational curriculum administered by an  
1922 education provider as approved by the division pursuant to the  
1923 requirements established in chapter 718 within 1 year before or  
1924 90 days after the date of election or appointment. The  
1925 educational certificate is valid and does not have to be



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1926 resubmitted as long as the director serves on the board without  
1927 interruption.

1928  
1929 A director who fails to timely file the written certification  
1930 and ~~or~~ educational certificate is suspended from service on the  
1931 board until he or she complies with this sub-subparagraph. The  
1932 board may temporarily fill the vacancy during the period of  
1933 suspension. The secretary of the association shall require ~~cause~~  
1934 the association to retain a director's written certification and  
1935 ~~or~~ educational certificate for inspection by the members for 5  
1936 years after a director's election or the duration of the  
1937 director's uninterrupted tenure, whichever is longer. Failure to  
1938 have such written certification and ~~or~~ educational certificate  
1939 on file does not affect the validity of any board action.

1940 2. Any approval by unit owners called for by this chapter,  
1941 or the applicable cooperative documents, must be made at a duly  
1942 noticed meeting of unit owners and is subject to this chapter or  
1943 the applicable cooperative documents relating to unit owner  
1944 decisionmaking, except that unit owners may take action by  
1945 written agreement, without meetings, on matters for which action  
1946 by written agreement without meetings is expressly allowed by  
1947 the applicable cooperative documents or law which provides for  
1948 the unit owner action.

1949 3. Unit owners may waive notice of specific meetings if  
1950 allowed by the applicable cooperative documents or law. Notice  
1951 of meetings of the board of administration, shareholder  
1952 meetings, except shareholder meetings called to recall board  
1953 members under paragraph (f), and committee meetings may be given  
1954 by electronic transmission to unit owners who consent to receive



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1955 notice by electronic transmission. A unit owner who consents to  
1956 receiving notices by electronic transmission is solely  
1957 responsible for removing or bypassing filters that may block  
1958 receipt of mass emails sent to members on behalf of the  
1959 association in the course of giving electronic notices.

1960         4. Unit owners have the right to participate in meetings of  
1961 unit owners with reference to all designated agenda items.  
1962 However, the association may adopt reasonable rules governing  
1963 the frequency, duration, and manner of unit owner participation.

1964         5. Any unit owner may tape record or videotape meetings of  
1965 the unit owners subject to reasonable rules adopted by the  
1966 division.

1967         6. Unless otherwise provided in the bylaws, a vacancy  
1968 occurring on the board before the expiration of a term may be  
1969 filled by the affirmative vote of the majority of the remaining  
1970 directors, even if the remaining directors constitute less than  
1971 a quorum, or by the sole remaining director. In the alternative,  
1972 a board may hold an election to fill the vacancy, in which case  
1973 the election procedures must conform to the requirements of  
1974 subparagraph 1. unless the association has opted out of the  
1975 statutory election process, in which case the bylaws of the  
1976 association control. Unless otherwise provided in the bylaws, a  
1977 board member appointed or elected under this subparagraph shall  
1978 fill the vacancy for the unexpired term of the seat being  
1979 filled. Filling vacancies created by recall is governed by  
1980 paragraph (f) and rules adopted by the division.

1981  
1982 Notwithstanding subparagraphs (b)2. and (d)1., an association  
1983 may, by the affirmative vote of a majority of the total voting



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1984 interests, provide for a different voting and election procedure  
1985 in its bylaws, which vote may be by a proxy specifically  
1986 delineating the different voting and election procedures. The  
1987 different voting and election procedures may provide for  
1988 elections to be conducted by limited or general proxy.

1989 (j) *Annual budget.*—

1990 1. The proposed annual budget of common expenses shall be  
1991 detailed and shall show the amounts budgeted by accounts and  
1992 expense classifications, including, if applicable, but not  
1993 limited to, those expenses listed in s. 719.504(20). The board  
1994 of administration shall adopt the annual budget at least 14 days  
1995 prior to the start of the association's fiscal year. In the  
1996 event that the board fails to timely adopt the annual budget a  
1997 second time, it shall be deemed a minor violation and the prior  
1998 year's budget shall continue in effect until a new budget is  
1999 adopted.

2000 2. In addition to annual operating expenses, the budget  
2001 shall include reserve accounts for capital expenditures and  
2002 deferred maintenance. These accounts shall include, but not be  
2003 limited to, the maintenance and replacement of the cooperative  
2004 property identified in s. 719.301(4)(p) which are the  
2005 maintenance responsibility of the association pursuant to the  
2006 declaration ~~roof replacement, building painting, and pavement~~  
2007 ~~resurfacing, regardless of the amount of deferred maintenance~~  
2008 ~~expense or replacement cost,~~ and for any other items for which  
2009 the deferred maintenance expense or replacement cost exceeds  
2010 \$10,000. The amount to be reserved shall be computed by means of  
2011 a formula which is based upon estimated remaining useful life  
2012 and estimated replacement cost or deferred maintenance expense



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2013 of each reserve item. The association may adjust replacement  
2014 reserve assessments annually to take into account any changes in  
2015 estimates or extension of the useful life of a reserve item  
2016 caused by deferred maintenance. This paragraph shall not apply  
2017 to any budget in which the members of an association have, at a  
2018 duly called meeting of the association and by a two-thirds vote  
2019 of all the voting interests, voting in person or by proxy,  
2020 determined for a fiscal year to provide no reserves or reserves  
2021 less adequate than required by this subsection. An annual budget  
2022 adopted on or after January 1, 2024, must, at minimum:

2023 a. Identify all items for which reserves are or will be  
2024 established;

2025 b. Provide an estimate of the maintenance, repair, and  
2026 replacement costs for the structural components for which an  
2027 estimate of useful life may be determined;

2028 c. Identify any structural component for which a reserve  
2029 account is not established or reserves are not funded, because  
2030 the useful life of the component cannot be determined;

2031 d. As of the beginning of the fiscal year for which the  
2032 budget is prepared, identify the estimated current amount of  
2033 accumulated funds for each reserve component or, if the pooling  
2034 method is used, the estimated current amount of the accumulated  
2035 pooled funds;

2036 e. Provide a description of the manner in which the  
2037 association plans to fund reserves, including the use of regular  
2038 assessments, special assessments, and any other alternative  
2039 funding method; and

2040 f. Provide a description of the procedures used for  
2041 estimating the funding of reserves pursuant to this paragraph,



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2042 including, as applicable, the identity of any independent third  
2043 party who conducted the reserve study on behalf of the  
2044 association and the extent to which the association is funding  
2045 its reserve obligations consistent with the reserve study  
2046 currently in effect.

2047 3. However, Prior to turnover of control of an association  
2048 by a developer to unit owners other than a developer pursuant to  
2049 s. 719.301, the developer may not vote to waive the reserves or  
2050 reduce the funding of reserves. ~~for the first 2 years of the~~  
2051 ~~operation of the association after which time~~ Reserves may only  
2052 be waived or reduced upon the vote of two-thirds ~~a majority~~ of  
2053 all nondeveloper voting interests, voting in person or by  
2054 limited proxy at a duly called meeting of the association. If a  
2055 meeting of the unit owners has been called to determine to  
2056 provide no reserves, or reserves less adequate than required,  
2057 and such result is not attained or a quorum is not attained, the  
2058 reserves as included in the budget shall go into effect.

2059 ~~4.3.~~ Reserve funds and any interest accruing thereon shall  
2060 remain in the reserve account or accounts, and shall be used  
2061 only for authorized reserve expenditures unless their use for  
2062 other purposes is approved in advance by a vote of two-thirds  
2063 ~~the majority of all the~~ voting interests, voting in person or by  
2064 limited proxy at a duly called meeting of the association;  
2065 provided that the use of reserve funds for a purpose other than  
2066 authorized reserve expenditures is authorized in the exercise of  
2067 the association's emergency powers under s. 719.128. Prior to  
2068 turnover of control of an association by a developer to unit  
2069 owners other than the developer under s. 719.301, the developer  
2070 may not vote to use reserves for purposes other than that for





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2071 which they were intended without the approval of two-thirds a  
2072 ~~majority~~ of all nondeveloper voting interests, voting in person  
2073 or by limited proxy at a duly called meeting of the association.

2074 5. Effective January 1, 2024, an association with a  
2075 residential cooperative building that is three stories or more  
2076 in height and subject to the milestone inspection requirements  
2077 in s. 553.899 must conduct a study of the amount of reserve  
2078 funds needed to fund reserves for the maintenance, repair,  
2079 replacement, and restoration of the cooperative property. The  
2080 reserve study must be conducted at least every 5 years. The  
2081 board shall review the results of such study at least annually  
2082 to determine if reserves are sufficient to meet the  
2083 association's reserve obligations and to make any adjustments  
2084 the board deems necessary to maintain reserves, as appropriate.  
2085 The division shall adopt rules setting forth uniform financial  
2086 standards and forms for reserve studies. The reserve study must  
2087 include, without limitation:

2088 a. A visual inspection by a licensed architect, engineer,  
2089 or other independent professional with demonstrated experience  
2090 or knowledge preparing reserve studies for the purpose of  
2091 estimating the useful life and estimated replacement cost or  
2092 deferred maintenance expense. The visual inspection shall be  
2093 performed on or before January 1, 2024, and at least once every  
2094 10 years thereafter. The inspection may be the milestone  
2095 inspection required under s. 553.899;

2096 b. A summary of any inspection of the major components of  
2097 the cooperative property identified in sub-subparagraph a. and  
2098 any other portion of the cooperative property for which the  
2099 association is required to establish a reserve account or



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2100 accounts;  
2101 c. If applicable, a summary of the findings and  
2102 recommendations of the milestone inspection report required  
2103 under s. 553.899 and any other structural or life safety  
2104 inspection of the cooperative property considered in the reserve  
2105 study;  
2106 d. An identification of the structural components of the  
2107 building for which necessary reserves may be reasonably  
2108 projected and an identification of the structural components of  
2109 the building with an indefinite useful life for which a  
2110 reasonable determination of necessary reserves may not be  
2111 estimated;  
2112 e. An estimate of the useful life of the structural  
2113 components of the building identified in sub-subparagraph a. for  
2114 which an estimate of useful life may be determined as attested  
2115 to by a licensed architect or engineer in the turnover  
2116 inspection required under s. 719.301(4)(p), a milestone  
2117 inspection, or any other structural or life safety inspection of  
2118 the cooperative property by a licensed architect or engineer,  
2119 whichever is most recent;  
2120 f. An estimate of the remaining useful life of any other  
2121 portion of the cooperative property for which the association is  
2122 required to establish a reserve account or accounts;  
2123 g. An estimate of the cost of maintenance, repair,  
2124 replacement, or restoration of each major component of the  
2125 condominium property identified in s. 719.301(4)(p) and any  
2126 other portion of the condominium property identified pursuant to  
2127 sub-subparagraph d.;  
2128 h. An estimate of the total annual assessment that may be



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2129 necessary to cover the cost of maintaining, repairing,  
2130 replacing, or restoring the major components of the cooperative  
2131 property identified in sub-subparagraph a. and any other portion  
2132 of the cooperative property identified pursuant to sub-  
2133 subparagraph f.;

2134 i. A description of the funding plan, including any  
2135 alternative funding method, to provide adequate funding for the  
2136 required reserves; and

2137 j. A schedule for the full funding of reserves. A reserve  
2138 account is fully funded when the actual or projected reserve  
2139 balance in the reserve account is equal in direct proportion to  
2140 the fraction of useful life that has expired for a given  
2141 component or components multiplied by the current replacement  
2142 costs for the component or components.

2143 6. If the association has voted to waive reserves or to use  
2144 existing reserve funds for purposes other than the purposes for  
2145 which the reserves were intended, the budget must contain the  
2146 following statement in conspicuous type: THE OWNERS HAVE ELECTED  
2147 TO WAIVE RESERVES, IN WHOLE OR IN PART, OR ALLOWED ALTERNATIVE  
2148 USES OF EXISTING RESERVES UNDER SECTION 719.106(1)(j), FLORIDA  
2149 STATUTES. THE WAIVING OR ALTERNATIVE USE OF RESERVE FUNDS MAY  
2150 RESULT IN UNIT OWNER LIABILITY FOR PAYMENT OF UNANTICIPATED  
2151 SPECIAL ASSESSMENTS REGARDING THOSE ITEMS.

2152 7. On or after January 1, 2026, if the association is  
2153 required to perform a reserve study under this paragraph and the  
2154 budget of the association does not fund the association's  
2155 reserve obligations consistent with the reserve study currently  
2156 in effect, the budget must also contain the following statement  
2157 in conspicuous type: THE ASSOCIATION'S LAST RESERVE STUDY IS



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2158 DATED . . . . . THE RESERVE AMOUNT BUDGETED AND/OR COLLECTED IS LESS  
2159 THAN REQUIRED BY THE RESERVE STUDY SCHEDULE. THE BUDGET OF THE  
2160 ASSOCIATION DOES NOT PROVIDE FOR FULLY FUNDED RESERVE ACCOUNTS  
2161 FOR CAPITAL EXPENDITURES AND DEFERRED MAINTENANCE CONSISTENT  
2162 WITH THE ASSOCIATION'S RESERVE STUDY. FAILURE TO FUND RESERVES  
2163 CONSISTENT WITH THE ASSOCIATION'S RESERVE STUDY MAY RESULT IN  
2164 UNANTICIPATED SPECIAL ASSESSMENTS REGARDING THOSE ITEMS.

2165 (n) *Mandatory milestone inspections.*—If an association is  
2166 required to have a milestone inspection performed pursuant to s.  
2167 553.899, the association must arrange for the milestone  
2168 inspection to be performed and is responsible for ensuring  
2169 compliance with the requirements of s. 553.899. The association  
2170 is responsible for all costs associated with the inspection. If  
2171 the officers or directors of an association willfully and  
2172 knowingly fail to have a milestone inspection performed pursuant  
2173 to s. 553.899, such failure is a breach of the officers' and  
2174 directors' fiduciary relationship to the unit owners under s.  
2175 719.104(8)(a). Upon completion of a phase one or phase two  
2176 milestone inspection and receipt of the inspector-prepared  
2177 summary of the inspection report from the architect or engineer  
2178 who performed the inspection, the association must distribute a  
2179 copy of the inspector-prepared summary of the inspection report  
2180 to each unit owner, regardless of the findings or  
2181 recommendations in the report, by United States mail or personal  
2182 delivery and by electronic transmission to unit owners who  
2183 previously consented to receive notice by electronic  
2184 transmission; must post a copy of the inspector-prepared summary  
2185 in a conspicuous place on the cooperative property; and must  
2186 publish the full report and inspector-prepared summary on the



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2187 association's website, if the association is required to have a  
2188 website.

2189 Section 16. Paragraphs (p) and (q) are added to subsection  
2190 (4) of section 719.301, Florida Statutes, to read:

2191 719.301 Transfer of association control.—

2192 (4) When unit owners other than the developer elect a  
2193 majority of the members of the board of administration of an  
2194 association, the developer shall relinquish control of the  
2195 association, and the unit owners shall accept control.

2196 Simultaneously, or for the purpose of paragraph (c) not more  
2197 than 90 days thereafter, the developer shall deliver to the  
2198 association, at the developer's expense, all property of the  
2199 unit owners and of the association held or controlled by the  
2200 developer, including, but not limited to, the following items,  
2201 if applicable, as to each cooperative operated by the  
2202 association:

2203 (p) Notwithstanding when the certificate of occupancy was  
2204 issued or the height of the building, a milestone inspection  
2205 report in compliance with s. 553.899 included in the official  
2206 records, under seal of an architect or engineer authorized to  
2207 practice in this state, attesting to required maintenance,  
2208 condition, useful life, and replacement costs of the following  
2209 applicable cooperative property comprising a turnover inspection  
2210 report:

2211 1. Roof.

2212 2. Structure, including load-bearing walls and primary  
2213 structural members and primary structural systems as those terms  
2214 are defined in s. 627.706.

2215 3. Fireproofing and fire protection systems.



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2216           4. Elevators.  
2217           5. Heating and cooling systems.  
2218           6. Plumbing.  
2219           7. Electrical systems.  
2220           8. Swimming pool or spa and equipment.  
2221           9. Seawalls.  
2222           10. Pavement and parking areas.  
2223           11. Drainage systems.  
2224           12. Painting.  
2225           13. Irrigation systems.  
2226           14. Waterproofing.  
2227           (q) A copy of the most recent reserve study required under  
2228 s. 719.106(1)(j), along with the statements indicating the  
2229 status of the reserves required under s. 719.106(1)(j)6. and 7.,  
2230 if applicable, or a statement in conspicuous type indicating  
2231 that the association has not completed the required reserve  
2232 study or that the association is not required to perform a  
2233 reserve study, as applicable.  
2234           Section 17. Subsection (3) is added to section 719.501,  
2235 Florida Statutes, to read:  
2236           719.501 Powers and duties of Division of Florida  
2237 Condominiums, Timeshares, and Mobile Homes.—  
2238           (3) (a) On or before January 1, 2023, cooperative  
2239 associations existing on or before July 1, 2022, must provide  
2240 the following information to the division in writing, by e-mail,  
2241 United States Postal Service, commercial delivery service, or  
2242 hand delivery, at a physical address or e-mail address provided  
2243 by the division and on a form posted on the division's website:  
2244           1. The number of buildings on the cooperative property that



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2245 are three stories or higher in height.

2246 2. The total number of units in all such buildings.

2247 3. The addresses of all such buildings.

2248 4. The counties in which all such buildings are located.

2249 (b) The division must compile a list of the number of

2250 buildings on cooperative property that are three stories or

2251 higher in height, which is searchable by county, and must post

2252 the list on the division's website. This list must include all

2253 of the following information:

2254 1. The name of each association with buildings on the

2255 cooperative property that are three stories or higher in height.

2256 2. The number of such buildings on each association's

2257 property.

2258 3. The addresses of all such buildings.

2259 4. The counties in which all such buildings are located.

2260 (c) An association must provide an update in writing to the

2261 division if there are any changes to the information in the list

2262 under paragraph (b) within 6 months after the change.

2263 Section 18. Paragraph (b) of subsection (1) and paragraph

2264 (a) of subsection (2) of section 719.503, Florida Statutes, are

2265 amended to read:

2266 719.503 Disclosure prior to sale.—

2267 (1) DEVELOPER DISCLOSURE.—

2268 (b) *Copies of documents to be furnished to prospective*

2269 *buyer or lessee.*—Until such time as the developer has furnished

2270 the documents listed below to a person who has entered into a

2271 contract to purchase a unit or lease it for more than 5 years,

2272 the contract may be voided by that person, entitling the person

2273 to a refund of any deposit together with interest thereon as



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2274 provided in s. 719.202. The contract may be terminated by  
2275 written notice from the proposed buyer or lessee delivered to  
2276 the developer within 15 days after the buyer or lessee receives  
2277 all of the documents required by this section. The developer may  
2278 ~~shall~~ not close for 15 days after ~~following~~ the execution of the  
2279 agreement and delivery of the documents to the buyer as  
2280 evidenced by a receipt for documents signed by the buyer unless  
2281 the buyer is informed in the 15-day voidability period and  
2282 agrees to close before ~~prior to~~ the expiration of the 15 days.  
2283 The developer shall retain in his or her records a separate  
2284 signed agreement as proof of the buyer's agreement to close  
2285 before ~~prior to~~ the expiration of the ~~said~~ voidability period.  
2286 The developer must retain such ~~Said~~ proof ~~shall be retained~~ for  
2287 a period of 5 years after the date of the closing transaction.  
2288 The documents to be delivered to the prospective buyer are the  
2289 prospectus or disclosure statement with all exhibits, if the  
2290 development is subject to ~~the provisions of~~ s. 719.504, or, if  
2291 not, then copies of the following which are applicable:  
2292         1. The question and answer sheet described in s. 719.504,  
2293 and cooperative documents, or the proposed cooperative documents  
2294 if the documents have not been recorded, which shall include the  
2295 certificate of a surveyor approximately representing the  
2296 locations required by s. 719.104.  
2297         2. The documents creating the association.  
2298         3. The bylaws.  
2299         4. The ground lease or other underlying lease of the  
2300 cooperative.  
2301         5. The management contract, maintenance contract, and other  
2302 contracts for management of the association and operation of the





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2303 cooperative and facilities used by the unit owners having a  
2304 service term in excess of 1 year, and any management contracts  
2305 that are renewable.

2306 6. The estimated operating budget for the cooperative and a  
2307 schedule of expenses for each type of unit, including fees  
2308 assessed to a shareholder who has exclusive use of limited  
2309 common areas, where such costs are shared only by those entitled  
2310 to use such limited common areas.

2311 7. The lease of recreational and other facilities that will  
2312 be used only by unit owners of the subject cooperative.

2313 8. The lease of recreational and other common areas that  
2314 will be used by unit owners in common with unit owners of other  
2315 cooperatives.

2316 9. The form of unit lease if the offer is of a leasehold.

2317 10. Any declaration of servitude of properties serving the  
2318 cooperative but not owned by unit owners or leased to them or  
2319 the association.

2320 11. If the development is to be built in phases or if the  
2321 association is to manage more than one cooperative, a  
2322 description of the plan of phase development or the arrangements  
2323 for the association to manage two or more cooperatives.

2324 12. If the cooperative is a conversion of existing  
2325 improvements, the statements and disclosure required by s.  
2326 719.616.

2327 13. The form of agreement for sale or lease of units.

2328 14. A copy of the floor plan of the unit and the plot plan  
2329 showing the location of the residential buildings and the  
2330 recreation and other common areas.

2331 15. A copy of all covenants and restrictions that ~~which~~



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2332 will affect the use of the property and ~~which~~ are not contained  
2333 in the foregoing.

2334 16. If the developer is required by state or local  
2335 authorities to obtain acceptance or approval of any dock or  
2336 marina facilities intended to serve the cooperative, a copy of  
2337 any such acceptance or approval acquired by the time of filing  
2338 with the division pursuant to s. 719.502(1) or a statement that  
2339 such acceptance or approval has not been acquired or received.

2340 17. Evidence demonstrating that the developer has an  
2341 ownership, leasehold, or contractual interest in the land upon  
2342 which the cooperative is to be developed.

2343 18. A copy of the most recent reserve study required under  
2344 s. 719.106(1)(j), along with the statements indicating the  
2345 status of the reserves required under s. 719.106(1)(j)6. and 7.,  
2346 if applicable, or a statement in conspicuous type indicating  
2347 that the association has not completed the required reserve  
2348 study or that the association is not required to perform a  
2349 reserve study, as applicable.

2350 19. A copy of the inspector-prepared summary of the  
2351 milestone inspection report as described in ss. 553.899 and  
2352 719.301(4)(p).

2353 (2) NONDEVELOPER DISCLOSURE.—

2354 (a) Each unit owner who is not a developer as defined by  
2355 this chapter must comply with ~~the provisions of~~ this subsection  
2356 before ~~prior to~~ the sale of his or her interest in the  
2357 association. Each prospective purchaser who has entered into a  
2358 contract for the purchase of an interest in a cooperative is  
2359 entitled, at the seller's expense, to a current copy of all of  
2360 the following:



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



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2390 "Frequently Asked Questions and Answers," which must be in  
2391 accordance with a format approved by the division. This page  
2392 must, in readable language: inform prospective purchasers  
2393 regarding their voting rights and unit use restrictions,  
2394 including restrictions on the leasing of a unit; indicate  
2395 whether and in what amount the unit owners or the association is  
2396 obligated to pay rent or land use fees for recreational or other  
2397 commonly used facilities; contain a statement identifying that  
2398 amount of assessment which, pursuant to the budget, would be  
2399 levied upon each unit type, exclusive of any special  
2400 assessments, and which identifies the basis upon which  
2401 assessments are levied, whether monthly, quarterly, or  
2402 otherwise; state and identify any court cases in which the  
2403 association is currently a party of record in which the  
2404 association may face liability in excess of \$100,000; and state  
2405 whether membership in a recreational facilities association is  
2406 mandatory and, if so, identify the fees currently charged per  
2407 unit type. The division shall by rule require such other  
2408 disclosure as in its judgment will assist prospective  
2409 purchasers. The prospectus or offering circular may include more  
2410 than one cooperative, although not all such units are being  
2411 offered for sale as of the date of the prospectus or offering  
2412 circular. The prospectus or offering circular must contain the  
2413 following information:

2414 (23) Copies of the following, to the extent they are  
2415 applicable, shall be included as exhibits:

2416 (f) The estimated operating budget for the cooperative and  
2417 the required schedule of unit owners' expenses, and the most  
2418 recent reserve study required under s. 719.106(1)(j), along with



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2419 the statements in the budget indicating the status of the  
2420 reserves required under s. 719.106(1)(j)6. and 7., if  
2421 applicable, or a statement in conspicuous type indicating that  
2422 the association has not completed the required reserve study or  
2423 that the association is not required to perform a reserve study,  
2424 as applicable.

2425 (q) A copy of the inspector-prepared summary of the  
2426 milestone inspection report as described in ss. 553.899 and  
2427 719.301(4)(p).

2428 Section 20. Subsection (2) of section 558.002, Florida  
2429 Statutes, is amended to read:

2430 558.002 Definitions.—As used in this chapter, the term:

2431 (2) "Association" has the same meaning as in s. 718.103(3)  
2432 ~~s. 718.103(2)~~, s. 719.103(3) ~~s. 719.103(2)~~, s. 720.301(9), or s.  
2433 723.075.

2434 Section 21. Paragraph (e) of subsection (1) of section  
2435 718.115, Florida Statutes, is amended to read:

2436 718.115 Common expenses and common surplus.—

2437 (1)

2438 (e) The expense of installation, replacement, operation,  
2439 repair, and maintenance of hurricane shutters, impact glass,  
2440 code-compliant windows or doors, or other types of code-  
2441 compliant hurricane protection by the board pursuant to s.  
2442 718.113(6) ~~s. 718.113(5)~~ constitutes a common expense and shall  
2443 be collected as provided in this section if the association is  
2444 responsible for the maintenance, repair, and replacement of the  
2445 hurricane shutters, impact glass, code-compliant windows or  
2446 doors, or other types of code-compliant hurricane protection  
2447 pursuant to the declaration of condominium. However, if the



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



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2477 expenses for hurricane shutters, impact glass, code-compliant  
2478 windows or doors, or other types of code-compliant hurricane  
2479 protection installed on common elements and association property  
2480 by the board pursuant to s. 718.113(6) ~~s. 718.113(5)~~ and remains  
2481 responsible for a pro rata share of the expense of the  
2482 replacement, operation, repair, and maintenance of such  
2483 shutters, impact glass, code-compliant windows or doors, or  
2484 other types of code-compliant hurricane protection.

2485 Section 22. Paragraph (b) of subsection (1) of section  
2486 718.116, Florida Statutes, is amended to read:

2487 718.116 Assessments; liability; lien and priority;  
2488 interest; collection.-

2489 (1)

2490 (b)1. The liability of a first mortgagee or its successor  
2491 or assignees who acquire title to a unit by foreclosure or by  
2492 deed in lieu of foreclosure for the unpaid assessments that  
2493 became due before the mortgagee's acquisition of title is  
2494 limited to the lesser of:

2495 a. The unit's unpaid common expenses and regular periodic  
2496 assessments which accrued or came due during the 12 months  
2497 immediately preceding the acquisition of title and for which  
2498 payment in full has not been received by the association; or

2499 b. One percent of the original mortgage debt. The  
2500 provisions of this paragraph apply only if the first mortgagee  
2501 joined the association as a defendant in the foreclosure action.  
2502 Joinder of the association is not required if, on the date the  
2503 complaint is filed, the association was dissolved or did not  
2504 maintain an office or agent for service of process at a location  
2505 which was known to or reasonably discoverable by the mortgagee.



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2506           2. An association, or its successor or assignee, that  
2507 acquires title to a unit through the foreclosure of its lien for  
2508 assessments is not liable for any unpaid assessments, late fees,  
2509 interest, or reasonable attorney's fees and costs that came due  
2510 before the association's acquisition of title in favor of any  
2511 other association, as defined in s. 718.103(3) ~~s. 718.103(2)~~ or  
2512 s. 720.301(9), which holds a superior lien interest on the unit.  
2513 This subparagraph is intended to clarify existing law.

2514           Section 23. Subsection (2) of section 718.121, Florida  
2515 Statutes, is amended to read:

2516           718.121 Liens.—

2517           (2) Labor performed on or materials furnished to a unit may  
2518 not be the basis for the filing of a lien under part I of  
2519 chapter 713, the Construction Lien Law, against the unit or  
2520 condominium parcel of any unit owner not expressly consenting to  
2521 or requesting the labor or materials. Labor performed on or  
2522 materials furnished for the installation of a natural gas fuel  
2523 station or an electric vehicle charging station under s.  
2524 718.113(9) ~~s. 718.113(8)~~ may not be the basis for filing a lien  
2525 under part I of chapter 713 against the association, but such a  
2526 lien may be filed against the unit owner. Labor performed on or  
2527 materials furnished to the common elements are not the basis for  
2528 a lien on the common elements, but if authorized by the  
2529 association, the labor or materials are deemed to be performed  
2530 or furnished with the express consent of each unit owner and may  
2531 be the basis for the filing of a lien against all condominium  
2532 parcels in the proportions for which the owners are liable for  
2533 common expenses.

2534           Section 24. Subsection (3) of section 718.706, Florida





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2535 Statutes, is amended to read:

2536           718.706 Specific provisions pertaining to offering of units  
2537 by a bulk assignee or bulk buyer.—

2538           (3) A bulk assignee, while in control of the board of  
2539 administration of the association, may not authorize, on behalf  
2540 of the association:

2541           (a) The waiver of reserves or the reduction of funding of  
2542 the reserves pursuant to s. 718.112(2)(f)2., unless approved by  
2543 a majority of the voting interests not controlled by the  
2544 developer, bulk assignee, and bulk buyer; or

2545           (b) The use of reserve expenditures for other purposes  
2546 pursuant to s. 718.112(2)(f)4. ~~s. 718.112(2)(f)3.~~, unless  
2547 approved by a majority of the voting interests not controlled by  
2548 the developer, bulk assignee, and bulk buyer.

2549           Section 25. Paragraph (d) of subsection (2) of section  
2550 720.3085, Florida Statutes, is amended to read:

2551           720.3085 Payment for assessments; lien claims.—

2552           (2)

2553           (d) An association, or its successor or assignee, that  
2554 acquires title to a parcel through the foreclosure of its lien  
2555 for assessments is not liable for any unpaid assessments, late  
2556 fees, interest, or reasonable attorney's fees and costs that  
2557 came due before the association's acquisition of title in favor  
2558 of any other association, as defined in s. 718.103(3) ~~s.~~  
2559 ~~718.103(2)~~ or s. 720.301(9), which holds a superior lien  
2560 interest on the parcel. This paragraph is intended to clarify  
2561 existing law.

2562           Section 26. For the purpose of incorporating the amendment  
2563 made by this act to section 718.1255, Florida Statutes, in a



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2564 reference thereto, section 719.1255, Florida Statutes, is  
2565 reenacted to read:

2566         719.1255 Alternative resolution of disputes.—The Division  
2567 of Florida Condominiums, Timeshares, and Mobile Homes of the  
2568 Department of Business and Professional Regulation shall provide  
2569 for alternative dispute resolution in accordance with s.  
2570 718.1255.

2571         Section 27. This act shall take effect July 1, 2022.

2572

2573 ===== T I T L E   A M E N D M E N T =====

2574 And the title is amended as follows:

2575         Delete everything before the enacting clause  
2576 and insert:

2577                         A bill to be entitled  
2578         An act relating to community associations; amending s.  
2579         163.04, F.S.; authorizing certain entities to prohibit  
2580         the installation of solar collectors under certain  
2581         circumstances; amending s. 468.4334, F.S.; requiring  
2582         community association managers and community  
2583         association management firms to comply with a  
2584         specified provision under certain circumstances;  
2585         creating s. 553.899, F.S.; providing legislative  
2586         findings; defining the terms "milestone inspection"  
2587         and "substantial structural deterioration"; specifying  
2588         that the purpose of a milestone inspection is not to  
2589         determine compliance with the Florida Building Code or  
2590         the firesafety code; requiring condominium  
2591         associations and cooperative associations to have  
2592         milestone inspections performed on certain buildings



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



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



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



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



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



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