

By Senator Bradley

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A bill to be entitled
An act relating to community associations; amending s. 718.103, F.S.; revising the definition of the term "video conference"; amending s. 718.112, F.S.; revising a requirement that a developer, before turning over control of a condominium association to its unit owners, have a turnover inspection report for all buildings on the condominium property, rather than buildings that are three stories or higher in height; revising the criteria for certain associations requiring a structural integrity reserve study; amending s. 718.128, F.S.; revising how associations that have not adopted electronic voting must receive electronically transmitted ballots; revising how a unit owner may transmit his or her ballot; conforming provisions to changes made by the act; amending s. 719.106, F.S.; revising a requirement that a developer, before turning over control of a cooperative association to unit owners, have a turnover inspection report for all buildings on the cooperative property, rather than buildings that are three stories or higher in height; revising the criteria for certain associations requiring a structural integrity reserve study; providing an effective date.

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

Section 1. Subsection (33) of section 718.103, Florida

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30 Statutes, is amended to read:

31 718.103 Definitions.—As used in this chapter, the term:

32 (33) "Video conference" means a real-time audio- and video-
33 based meeting between two or more people in different locations
34 using video-enabled and audio-enabled devices. The notice for
35 any meeting that is open to the unit owners and will be
36 conducted by video conference must have a hyperlink and call-in
37 conference telephone number for unit owners to attend the
38 meeting and must have a physical location where unit owners can
39 also attend the meeting in person. All meetings conducted by
40 video conference which are open to the unit owners must be
41 recorded, and such recording must be maintained as an official
42 record of the association.

43 Section 2. Paragraph (g) of subsection (2) of section
44 718.112, Florida Statutes, is amended to read:

45 718.112 Bylaws.—

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

49 (g) *Structural integrity reserve study.*—

50 1. A residential condominium association must have a
51 structural integrity reserve study completed at least every 10
52 years after the condominium's creation for each building on the
53 condominium property that is three habitable stories or higher
54 in height, as determined by the Florida Building Code, which
55 includes, at a minimum, a study of the following items as
56 related to the structural integrity and safety of the building:

57 a. Roof.

58 b. Structure, including load-bearing walls and other

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59 primary structural members and primary structural systems as
60 those terms are defined in s. 627.706.

61 c. Fireproofing and fire protection systems.

62 d. Plumbing.

63 e. Electrical systems.

64 f. Waterproofing and exterior painting.

65 g. Windows and exterior doors.

66 h. Any other item that has a deferred maintenance expense
67 or replacement cost that exceeds \$25,000 or the inflation-
68 adjusted amount determined by the division under subparagraph
69 (f) 6., whichever is greater, and the failure to replace or
70 maintain such item negatively affects the items listed in sub-
71 subparagraphs a.-g., as determined by the visual inspection
72 portion of the structural integrity reserve study.

73 2. A structural integrity reserve study is based on a
74 visual inspection of the condominium property.

75 3.a. A structural integrity reserve study, including the
76 visual inspection portion of the structural integrity reserve
77 study, must be performed or verified by an engineer licensed
78 under chapter 471, an architect licensed under chapter 481, or a
79 person certified as a reserve specialist or professional reserve
80 analyst by the Community Associations Institute or the
81 Association of Professional Reserve Analysts.

82 b. Any design professional as defined in s. 558.002 or any
83 contractor licensed under chapter 489 who bids to perform a
84 structural integrity reserve study must disclose in writing to
85 the association his or her intent to bid on any services related
86 to any maintenance, repair, or replacement that may be
87 recommended by the structural integrity reserve study. Any

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88 design professional as defined in s. 558.002 or contractor
89 licensed under chapter 489 who submits a bid to the association
90 for performing any services recommended by the structural
91 integrity reserve study may not have an interest, directly or
92 indirectly, in the firm or entity providing the association's
93 structural integrity reserve study or be a relative of any
94 person having a direct or indirect interest in such firm, unless
95 such relationship is disclosed to the association in writing. As
96 used in this section, the term "relative" means a relative
97 within the third degree of consanguinity by blood or marriage. A
98 contract for services is voidable and terminates upon the
99 association filing a written notice terminating the contract if
100 the design professional or licensed contractor failed to provide
101 the written disclosure of the interests or relationships
102 required under this paragraph. A design professional or licensed
103 contractor may be subject to discipline under the applicable
104 practice act for his or her profession for failure to provide
105 the written disclosure of the interests or relationships
106 required under this paragraph.

107 4.a. At a minimum, a structural integrity reserve study
108 must identify each item of the condominium property being
109 visually inspected, state the estimated remaining useful life
110 and the estimated replacement cost or deferred maintenance
111 expense of each item of the condominium property being visually
112 inspected, and provide a reserve funding plan or schedule with a
113 recommended annual reserve amount that achieves the estimated
114 replacement cost or deferred maintenance expense of each item of
115 condominium property being visually inspected by the end of the
116 estimated remaining useful life of the item. At a minimum, the

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117 structural integrity reserve study must include a recommendation
118 for a reserve funding schedule based on a baseline funding plan
119 that provides a reserve funding goal in which the reserve
120 funding for each budget year is sufficient to maintain the
121 reserve cash balance above zero. The study may recommend other
122 types of reserve funding schedules, provided that each
123 recommended schedule is sufficient to meet the association's
124 maintenance obligation.

125 b. The structural integrity reserve study may recommend
126 that reserves do not need to be maintained for any item for
127 which an estimate of useful life and an estimate of replacement
128 cost cannot be determined, or the study may recommend a deferred
129 maintenance expense amount for such item. The structural
130 integrity reserve study may recommend that reserves for
131 replacement costs do not need to be maintained for any item with
132 an estimated remaining useful life of greater than 25 years, but
133 the study may recommend a deferred maintenance expense amount
134 for such item. If the structural integrity reserve study
135 recommends reserves for any item for which reserves are not
136 required under this paragraph, the amount of the recommended
137 reserves for such item must be separately identified in the
138 structural integrity reserve study as an item for which reserves
139 are not required under this paragraph.

140 c. The structural integrity reserve study must take into
141 consideration the funding method or methods used by the
142 association to fund its maintenance and reserve funding
143 obligations through regular assessments, special assessments,
144 lines of credit, or loans. If the structural integrity reserve
145 study is performed before the association has approved a special

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146 assessment or secured a line of credit or a loan, the structural
147 integrity reserve study must be updated to reflect the funding
148 method selected by the association and its effect on the reserve
149 funding schedule, including any anticipated change in the amount
150 of regular assessments. The structural integrity reserve study
151 may be updated to reflect any changes to the useful life of the
152 reserve items after such items are repaired or replaced and the
153 effect such repair or replacement will have on the reserve
154 funding schedule. The association must obtain an updated
155 structural integrity reserve study before adopting any budget in
156 which the reserve funding from regular assessments, special
157 assessments, lines of credit, or loans does not align with the
158 funding plan from the most recent version of the structural
159 integrity reserve study.

160 5. This paragraph does not apply to buildings less than
161 three stories in height; single-family, two-family, three-
162 family, or four-family dwellings with three or fewer habitable
163 stories above ground; any portion or component of a building
164 that has not been submitted to the condominium form of
165 ownership; or any portion or component of a building that is
166 maintained by a party other than the association.

167 6. Before a developer turns over control of an association
168 to unit owners other than the developer, the developer must have
169 a turnover inspection report in compliance with s. 718.301(4)(p)
170 and (q) for each building on the condominium property ~~that is~~
171 ~~three stories or higher in height.~~

172 7. Associations existing on or before July 1, 2022, which
173 are controlled by unit owners other than the developer, must
174 have a structural integrity reserve study completed by December

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175 31, 2025, for each building on the condominium property that is
176 three habitable stories or higher in height. An association that
177 is required to complete a milestone inspection in accordance
178 with s. 553.899 on or before December 31, 2026, may complete the
179 structural integrity reserve study simultaneously with the
180 milestone inspection. In no event may the structural integrity
181 reserve study be completed after December 31, 2026.

182 8. If the milestone inspection required by s. 553.899, or
183 an inspection completed for a similar local requirement, was
184 performed within the past 5 years and meets the requirements of
185 this paragraph, such inspection may be used in place of the
186 visual inspection portion of the structural integrity reserve
187 study.

188 9. If the association completes a milestone inspection
189 required by s. 553.899, or an inspection completed for a similar
190 local requirement, the association may delay performance of a
191 required structural integrity reserve study for no more than the
192 2 consecutive budget years immediately following the milestone
193 inspection in order to allow the association to focus its
194 financial resources on completing the repair and maintenance
195 recommendations of the milestone inspection.

196 10. If the officers or directors of an association
197 willfully and knowingly fail to complete a structural integrity
198 reserve study pursuant to this paragraph, such failure is a
199 breach of an officer's or a director's fiduciary relationship to
200 the unit owners under s. 718.111(1). An officer or a director of
201 an association must sign an affidavit acknowledging receipt of
202 the completed structural integrity reserve study.

203 11. Within 45 days after receiving the structural integrity

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204 reserve study, the association must distribute a copy of the
205 study to each unit owner or deliver to each unit owner a notice
206 that the completed study is available for inspection and copying
207 upon a written request. Distribution of a copy of the study or
208 notice must be made by United States mail or personal delivery
209 to the mailing address, property address, or any other address
210 of the owner provided to fulfill the association's notice
211 requirements under this chapter, or by electronic transmission
212 to the e-mail address or facsimile number provided to fulfill
213 the association's notice requirements to unit owners who
214 previously consented to receive notice by electronic
215 transmission.

216 12. Within 45 days after receiving the structural integrity
217 reserve study, the association must provide the division with a
218 statement indicating that the study was completed and that the
219 association provided or made available such study to each unit
220 owner in accordance with this section. The statement must be
221 provided to the division in the manner established by the
222 division using a form posted on the division's website.

223 13. The division shall adopt by rule the form for the
224 structural integrity reserve study in coordination with the
225 Florida Building Commission.

226 Section 3. Subsection (7) of section 718.128, Florida
227 Statutes, is amended to read:

228 718.128 Electronic voting.—The association may conduct
229 elections and other unit owner votes through an Internet-based
230 online voting system if a unit owner consents, electronically or
231 in writing, to online voting and if the following requirements
232 are met:

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233 (7) (a) Unless the association has adopted electronic voting
234 in accordance with subsections (1)-(6), the association must
235 designate an e-mail address, independent website, application,
236 or Internet web portal for receipt of electronically transmitted
237 ballots. Electronically transmitted ballots must meet all the
238 requirements of this subsection.

239 (b) A unit owner may electronically transmit a ballot to
240 the e-mail address, independent website, application, or
241 Internet web portal designated by the association without
242 complying with s. 718.112(2)(d)4. or the rules providing for the
243 secrecy of ballots adopted by the division. The association must
244 count completed ballots that are electronically transmitted to
245 the designated e-mail address, independent website, application,
246 or Internet web portal provided the completed ballots comply
247 with the requirements of this subsection.

248 (c) A ballot that is electronically transmitted to the
249 association must include all of the following:

250 1. A space for the unit owner to type in his or her unit
251 number.

252 2. A space for the unit owner to type in his or her first
253 and last name, which also functions as the signature of the unit
254 owner for purposes of signing the ballot.

255 3. The following statement in capitalized letters and in a
256 font size larger than any other font size used in the electronic
257 transmission e-mail from the association to the unit owner:

258
259 WAIVING THE SECRECY OF YOUR BALLOT IS YOUR CHOICE. YOU
260 DO NOT HAVE TO WAIVE THE SECRECY OF YOUR BALLOT IN
261 ORDER TO VOTE. BY TRANSMITTING YOUR COMPLETED BALLOT

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262 THROUGH ELECTRONIC MEANS E-MAIL TO THE ASSOCIATION,
263 YOU WAIVE THE SECRECY OF YOUR COMPLETED BALLOT. IF YOU
264 DO NOT WISH TO WAIVE YOUR SECRECY BUT WISH TO
265 PARTICIPATE IN THE VOTE THAT IS THE SUBJECT OF THIS
266 BALLOT, PLEASE ATTEND THE IN-PERSON MEETING DURING
267 WHICH THE MATTER WILL BE VOTED ON.

268

269 (d) A unit owner must transmit his or her completed ballot
270 to the e-mail address, independent website, application, or
271 Internet web portal designated by the association no later than
272 the scheduled date and time of the meeting during which the
273 matter is being voted on.

274 (e) There is a rebuttable presumption that an association
275 has reviewed all folders associated with the e-mail address, independent website, application, or Internet web portal
276 designated by the association to receive ballots if a board
277 member, an officer, or an agent of the association, or a manager
278 licensed under part VIII of chapter 468, provides a sworn
279 affidavit attesting to such review.

281 Section 4. Paragraph (k) of subsection (1) of section
282 719.106, Florida Statutes, is amended to read:

283 719.106 Bylaws; cooperative ownership.—

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

287 (k) *Structural integrity reserve study.*—

288 1. A residential cooperative association must have a
289 structural integrity reserve study completed at least every 10
290 years for each building on the cooperative property that is

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291 three habitable stories or higher in height, as determined by
292 the Florida Building Code, that includes, at a minimum, a study
293 of the following items as related to the structural integrity
294 and safety of the building:

295 a. Roof.

296 b. Structure, including load-bearing walls and other
297 primary structural members and primary structural systems as
298 those terms are defined in s. 627.706.

299 c. Fireproofing and fire protection systems.

300 d. Plumbing.

301 e. Electrical systems.

302 f. Waterproofing and exterior painting.

303 g. Windows and exterior doors.

304 h. Any other item that has a deferred maintenance expense
305 or replacement cost that exceeds \$25,000 or the inflation-
306 adjusted amount determined by the division under subparagraph
307 (j)6., whichever is greater, and the failure to replace or
308 maintain such item negatively affects the items listed in sub-
309 subparagraphs a.-g., as determined by the visual inspection
310 portion of the structural integrity reserve study.

311 2. A structural integrity reserve study is based on a
312 visual inspection of the cooperative property.

313 3.a. A structural integrity reserve study, including the
314 visual inspection portion of the structural integrity reserve
315 study, must be performed or verified by an engineer licensed
316 under chapter 471, an architect licensed under chapter 481, or a
317 person certified as a reserve specialist or professional reserve
318 analyst by the Community Associations Institute or the
319 Association of Professional Reserve Analysts.

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320 b. Any design professional as defined in s. 558.002(7) or
321 contractor licensed under chapter 489 who bids to perform a
322 structural integrity reserve study must disclose in writing to
323 the association his or her intent to bid on any services related
324 to any maintenance, repair, or replacement that may be
325 recommended by the structural integrity reserve study. Any
326 design professional as defined in s. 558.002 or contractor
327 licensed under chapter 489 who submits a bid to the association
328 for performing any services recommended by the structural
329 integrity reserve study may not have an interest, directly or
330 indirectly, in the firm or entity providing the association's
331 structural integrity reserve study or be a relative of any
332 person having a direct or indirect interest in such firm, unless
333 such relationship is disclosed to the association in writing. As
334 used in this section, the term "relative" means a relative
335 within the third degree of consanguinity by blood or marriage. A
336 contract for services is voidable and terminates upon the
337 association filing a written notice terminating the contract if
338 the design professional or licensed contractor failed to provide
339 the written disclosure of the relationship required under this
340 paragraph. A design professional or licensed contractor may be
341 subject to discipline under the applicable practice act for his
342 or her profession for failure to provide the written disclosure
343 of the relationship required under this subparagraph.

344 4.a. At a minimum, a structural integrity reserve study
345 must identify each item of the cooperative property being
346 visually inspected, state the estimated remaining useful life
347 and the estimated replacement cost or deferred maintenance
348 expense of each item of the cooperative property being visually

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349 inspected, and provide a reserve funding schedule with a
350 recommended annual reserve amount that achieves the estimated
351 replacement cost or deferred maintenance expense of each item of
352 cooperative property being visually inspected by the end of the
353 estimated remaining useful life of the item. The structural
354 integrity reserve study may recommend that reserves do not need
355 to be maintained for any item for which an estimate of useful
356 life and an estimate of replacement cost cannot be determined,
357 or the study may recommend a deferred maintenance expense amount
358 for such item. At a minimum, the structural integrity reserve
359 study must include a recommendation for a reserve funding
360 schedule based on a baseline funding plan that provides a
361 reserve funding goal in which the reserve funding for each
362 budget year is sufficient to maintain the reserve cash balance
363 above zero. The study may recommend other types of reserve
364 funding schedules, provided that each recommended schedule is
365 sufficient to meet the association's maintenance obligation.

366 b. The structural integrity reserve study may recommend
367 that reserves for replacement costs do not need to be maintained
368 for any item with an estimated remaining useful life of greater
369 than 25 years, but the study may recommend a deferred
370 maintenance expense amount for such item. If the structural
371 integrity reserve study recommends reserves for any item for
372 which reserves are not required under this paragraph, the amount
373 of the recommended reserves for such item must be separately
374 identified in the structural integrity reserve study as an item
375 for which reserves are not required under this paragraph.

376 c. The structural integrity reserve study must take into
377 consideration the funding method or methods used by the

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378 association to fund its maintenance and reserve funding
379 obligations through regular assessments, special assessments,
380 lines of credit, or loans. If the structural integrity reserve
381 study is performed before the association has approved a special
382 assessment or secured a line of credit or a loan, the structural
383 integrity reserve study must be updated to reflect the funding
384 method selected by the association and its effect on the reserve
385 funding schedule, including any anticipated change in the amount
386 of regular assessments. The structural integrity reserve study
387 may be updated to reflect any changes to the useful life of the
388 reserve items after such items are repaired or replaced, and the
389 effect such repair or replacement will have on the reserve
390 funding schedule. The association must obtain an updated
391 structural integrity reserve study before adopting any budget in
392 which the reserve funding from regular assessments, special
393 assessments, lines of credit, or loans does not align with the
394 funding plan from the most recent version of the structural
395 integrity reserve study.

396 5. This paragraph does not apply to buildings less than
397 three stories in height; single-family, two-family, three-
398 family, or four-family dwellings with three or fewer habitable
399 stories above ground; any portion or component of a building
400 that has not been submitted to the cooperative form of
401 ownership; or any portion or component of a building that is
402 maintained by a party other than the association.

403 6. Before a developer turns over control of an association
404 to unit owners other than the developer, the developer must have
405 a turnover inspection report in compliance with s. 719.301(4)(p)
406 and (q) for each building on the cooperative property ~~that is~~

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~~three stories or higher in height.~~

407 7. Associations existing on or before July 1, 2022, which
408 are controlled by unit owners other than the developer, must
409 have a structural integrity reserve study completed by December
410 31, 2024, for each building on the cooperative property that is
411 three habitable stories or higher in height. An association that
412 is required to complete a milestone inspection on or before
413 December 31, 2026, in accordance with s. 553.899 may complete
414 the structural integrity reserve study simultaneously with the
415 milestone inspection. In no event may the structural integrity
416 reserve study be completed after December 31, 2026.

417 8. If the milestone inspection required by s. 553.899, or
418 an inspection completed for a similar local requirement, was
419 performed within the past 5 years and meets the requirements of
420 this paragraph, such inspection may be used in place of the
421 visual inspection portion of the structural integrity reserve
422 study.

423 9. If the association completes a milestone inspection
424 required by s. 553.899, or an inspection completed for a similar
425 local requirement, the association may delay performance of a
426 required structural integrity reserve study for no more than the
427 2 consecutive budget years immediately following the milestone
428 inspection in order to allow the association to focus its
429 financial resources on completing the repair and maintenance
430 recommendations of the milestone inspection.

431 10. If the officers or directors of an association
432 willfully and knowingly fail to complete a structural integrity
433 reserve study pursuant to this paragraph, such failure is a
434 breach of an officer's and director's fiduciary relationship to

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436 the unit owners under s. 719.104(9). An officer or a director of
437 the association must sign an affidavit acknowledging receipt of
438 the completed structural integrity reserve study.

439 11. Within 45 days after receiving the structural integrity
440 reserve study, the association must distribute a copy of the
441 study to each unit owner or deliver to each unit owner a notice
442 that the completed study is available for inspection and copying
443 upon a written request. Distribution of a copy of the study or
444 notice must be made by United States mail or personal delivery
445 at the mailing address, property address, or any other address
446 of the owner provided to fulfill the association's notice
447 requirements under this chapter, or by electronic transmission
448 to the e-mail address or facsimile number provided to fulfill
449 the association's notice requirements to unit owners who
450 previously consented to receive notice by electronic
451 transmission.

452 12. Within 45 days after receiving the structural integrity
453 reserve study, the association must provide the division with a
454 statement indicating that the study was completed and that the
455 association provided or made available such study to each unit
456 owner in accordance with this section. Such statement must be
457 provided to the division in the manner established by the
458 division using a form posted on the division's website.

459 13. The division shall adopt by rule the form for the
460 structural integrity reserve study in coordination with the
461 Florida Building Commission.

462 Section 5. This act shall take effect July 1, 2026.