

Committee on Regulated Industries

HB 6027 — Financial Reporting

by Rep. Williamson (CS/SB 294 by Judiciary Committee and Senator Bracy)

The bill provides substantively identical changes to the annual financial reporting requirements for condominium, cooperative, and homeowners' associations.

Under existing law, these associations must prepare annual financial statements. The complexity of these statements is based on the annual revenues of the association. Associations having larger revenues must prepare more complex financial statements. The members of these associations, however, may vote to allow the association to prepare less complex financial statements than otherwise required by law but not for more than three consecutive years. The bill repeals the three-consecutive-year limit on allowing a condominium or cooperative association to prepare less complex financial statements. Current law does not limit the ability of homeowners' associations to prepare less complex financial statements.

The bill also repeals the provisions of law that require condominium, cooperative, and homeowners' associations having fewer than 50 units or parcels to prepare a report of cash receipts and expenditures. This change will require these associations to prepare annual financial reports based on annual revenues, unless the association votes to prepare a less complex financial statement.

The provisions of this bill are also contained in CS/CS/CS/HB 653 (CS/CS/SB 744 by Judiciary Committee, Regulated Industries Committee, and Senator Passidomo).

In addition, the repeal of the provision of law that requires condominium associations having fewer than 50 units to prepare a report of cash receipts and expenditures is also contained in CS/CS/HB 1237 (CS/CS/SB 1682 by Rules Committee, Regulated Industries Committee, and Senators Garcia, Rodriguez, Artiles, and Campbell).

If approved by the Governor, these provisions take effect July 1, 2017.

Vote: Senate 36-0; House 117-0