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By the Appropriations Committee on Agriculture, Environment, and General Government; the Committee on Regulated Industries; and Senators Bradley, Pizzo, and Osgood

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A bill to be entitled An act relating to community associations; amending s. 468.4334, F.S.; requiring community associations or successor community association managers and management firms to return official records of an association within a specified period following termination of a contract; specifying the manner of delivery for the notice of termination; authorizing the manager or management firm to retain records for a specified purpose within a specified timeframe; relieving a manager or management firm from responsibility if the association fails to provide access to the records necessary to complete an ending financial statement or report; providing a rebuttable presumption regarding noncompliance; providing penalties for the failure to timely return official records; creating s. 468.4335, F.S.; requiring community association managers and management firms to provide a written disclosure of certain conflicts of interest to the association's board; providing a rebuttable presumption as to the existence of a conflict; requiring an association to solicit multiple competitive bids for goods or services under certain circumstances; providing requirements for an association to approve any contract or transaction deemed a conflict of interest; authorizing the cancellation of a management contract, subject to certain requirements; specifying liability and nonliability of the association upon cancellation of

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such a contract; authorizing an association to void certain contracts if certain conflicts were not disclosed in accordance with the act; defining the term "relative"; providing applicability; amending s. 468.436, F.S.; revising the list of grounds for which the Department of Business and Professional Regulation may take disciplinary actions against community association managers or firms, to conform to changes made by the act; amending s. 553.8445, F.S.; providing that all residential dwellings must be required to be equipped with a certain reusable device designed for a specified purpose as a condition for the issuance of certain permits and completion of a certain inspection; providing applicability; requiring the Florida Building Commission to adopt certain rules; amending s. 553.899, F.S.; revising applicability; amending s. 718.103, F.S.; revising the definition of the term "alternative funding method" to conform to changes made by the act; defining the term "hurricane protection"; amending s. 718.104, F.S.; requiring that declarations specify the entity responsible for the installation, maintenance, repair, or replacement of hurricane protection; amending s. 718.111, F.S.; defining the term "kickback"; providing criminal penalties for any officer, director, or manager of an association who knowingly solicits, offers to accept, or accepts a kickback; requiring the Division of Florida Condominiums, Timeshares, and Mobile Homes to monitor compliance and issue fines and penalties for

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failure of an association to maintain the required insurance policy or fidelity bonding; revising the list of records that constitute the official records of an association; revising maintenance requirements for official records; revising requirements regarding requests to inspect or copy association records; requiring an association to provide a checklist in response to certain records requests; providing a rebuttable presumption regarding compliance; providing criminal penalties for certain violations regarding noncompliance with records requirements; defining the term "repeatedly"; requiring that copies of certain building permits be posted on an association's website or application; modifying the method of delivery of certain letters regarding association financial reports to unit owners; conforming a provision to changes made by the act; revising circumstances under which an association may prepare certain reports; revising applicable law for criminal penalties for persons who unlawfully use a debit card issued in the name of an association; defining the term "lawful obligation of the association"; revising the threshold for associations that must post certain documents on their websites or through an application; amending s. 718.112, F.S.; requiring the boards of administration of associations consisting of more than a specified number of units to meet a minimum number of times each quarter; revising requirements regarding notice of such meetings; requiring a director of a board of an

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association to provide a written certification and complete an educational requirement upon election or appointment to the board; specifying requirements for the education curriculum; requiring the association to bear the costs of the required educational curriculum and certificate; providing transitional provisions; requiring that an association's budget include reserve amounts for planned maintenance, rather than for deferred maintenance; providing that, upon a determination by a specified local building official that an entire condominium building is uninhabitable due to a natural emergency, the board, upon the approval of a majority of its members, may pause contribution to reserves or reduce reserve funding for a specified period of time; authorizing an association to expend any reserve accounts held by the association to make the building and its structures habitable; requiring the association to immediately resume contributing funds to its reserve once the local building official determines the building and its structures are habitable; providing that a condominium's structural integrity reserve study may recommend a temporary pause in reserve funding under certain circumstances; revising applicability; requiring an association to distribute copies of a structural integrity reserve study to unit owners or deliver a certain notice to them within a specified timeframe; specifying the manner of distribution or delivery; revising the circumstances under which a

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director or an officer must be removed from office after being charged by information or indictment; prohibiting such officers and directors with pending criminal charges from accessing the official records of any association; providing an exception; providing criminal penalties for certain fraudulent voting activities relating to association elections; requiring any person charged to be removed from office and a vacancy be declared; amending s. 718.113, F.S.; providing applicability; authorizing, rather than requiring, certain hurricane protection specifications; specifying that certain actions are not material alterations or substantial additions; authorizing the boards of residential and mixed-use condominiums to install or require the unit owners to install hurricane protection; requiring a vote of the unit owners for the installation of hurricane protection; requiring that such vote be attested to in a certificate and recorded in certain public records; providing requirements for such certificate; providing that the validity or enforceability of a vote of the unit owners is not affected if the board fails to record a certificate or send a copy of the recorded certificate to the unit owners; providing that a vote of the unit owners is not required under certain circumstances; prohibiting installation of the same type of hurricane protection previously installed; providing exceptions; prohibiting the boards of residential and mixed-use condominiums from refusing

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to approve certain hurricane protections; authorizing the board to require owners to adhere to certain quidelines regarding the external appearance of a condominium; revising responsibility for the cost of removal or reinstallation of hurricane protection and certain exterior windows, doors, or apertures in certain circumstances; requiring the board to make a certain determination; providing that costs incurred by the association in connection with such removal or reinstallation completed by the association may not be charged to the unit owner; requiring reimbursement of the unit owner, or application of a credit toward future assessments, in certain circumstances; authorizing the association to collect charges if the association removes or installs hurricane protection and making such charges enforceable as an assessment; amending s. 718.115, F.S.; specifying when the cost of installation of hurricane protection is not a common expense; authorizing certain expenses to be enforceable as assessments; requiring that certain unit owners be excused from certain assessments or to receive a credit for hurricane protection that has been installed; providing credit applicability under certain circumstances; providing for the amount of credit that a unit owner must receive; specifying that certain expenses are common expenses; amending s. 718.121, F.S.; conforming a cross-reference; amending s. 718.1224, F.S.; revising legislative findings and intent to conform to changes made by the act; revising

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the definition of the term "governmental entity"; prohibiting a condominium association from filing strategic lawsuits against public participation; prohibiting an association from taking certain action against a unit owner in response to specified conduct; prohibiting associations from expending association funds in support of certain actions against a unit owner; conforming provisions to changes made by the act; amending s. 718.128, F.S.; authorizing a condominium association to conduct elections and other unit owner votes through an online voting system if a unit owner consents, either electronically or in writing, to online voting; revising applicability; amending s. 718.301, F.S.; revising items that developers are required to deliver to an association upon relinquishing control of the association; amending s. 718.3027, F.S.; revising requirements regarding attendance at a board meeting in the event of a conflict of interest; modifying circumstances under which a contract may be voided; amending s. 718.303, F.S.; requiring that a notice of nonpayment be provided to a unit owner by a specified time before an election; amending s. 718.501, F.S.; revising circumstances under which the Division of Florida Condominiums, Timeshares, and Mobile Homes has jurisdiction to investigate and enforce certain matters; requiring the division to provide official records, without charge, to a unit owner denied access to such records; requiring the division to adopt rules

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related to the approval of educational curriculum providers; requiring the division to refer suspected criminal acts to the appropriate law enforcement authority; authorizing certain division officials to attend association meetings; requiring that an association's annual fee be filed concurrently with the annual certification; specifying requirements for the annual certification; requiring an association to explain on the certification the reasons any certification requirements have not been met; requiring an association to complete the certifications within a specified timeframe; requiring the association to notify the division when the certification is completed; conforming a provision to changes made by the act; amending s. 718.5011, F.S.; specifying that the secretary of the Department of Business and Professional Regulation, rather than the Governor, shall appoint the condominium ombudsman; amending s. 718.618, F.S.; conforming a provision to changes made by the act; amending s. 719.106, F.S.; requiring that a cooperative association's budget include reserve amounts for planned maintenance, rather than for deferred maintenance; providing an exception for certain associations to complete a structural integrity reserve study by a certain date; requiring an association to distribute copies of a structural integrity reserve study to unit owners or deliver a certain notice to them within a specified timeframe; specifying the manner of distribution or

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delivery; conforming provisions to changes made by the act; amending s. 719.129, F.S.; authorizing cooperative associations to conduct elections and other unit owner votes through an online voting system if a unit owner consents, either electronically or in writing, to online voting; revising applicability; amending s. 719.301, F.S.; revising items that developers are required to deliver to a cooperative association upon relinquishing control of association property; amending s. 719.618, F.S.; conforming a provision to changes made by the act; requiring the division to conduct a review of statutory requirements regarding posting of official records on a condominium association's website or application; requiring the division to submit its findings, including any recommendations, to the Governor and the Legislature by a specified date; providing effective dates.

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

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Section 1. Subsection (3) is added to section 468.4334, Florida Statutes, to read:

468.4334 Professional practice standards; liability.-

(3) A community association manager or a community association management firm shall return all community association official records within its possession to the community association or successor community association manager or community association management firm within 20 business days after termination of a contractual agreement to provide

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community association management services to the community association or receipt of a written request for return of the official records, whichever occurs first. A notice of termination of a contractual agreement to provide community association management services must be sent by certified mail, return receipt requested, or in the manner required under such contractual agreement. The community association manager or community association management firm may retain, for up to 20 business days, those records necessary to complete an ending financial statement or report. If an association fails to provide access to or retention of accounting records to prepare an ending financial statement or report, the community association manager or community association management firm is relieved from any further responsibility or liability relating to the preparation of such ending financial statement or report. Failure of a community association manager or a community association management firm to timely return all of the official records within its possession to the community association creates a rebuttable presumption that the community association manager or a community association management firm willfully failed to comply with this subsection. A community association manager or a community association management firm that fails to timely return community association records is subject to suspension of its license under s. 468.436, and a civil penalty of \$1,000 per day for up to 10 business days, assessed beginning on the 21st business day after termination of a contractual agreement to provide community association management services to the community association or receipt of a written request from the association for return of the records, whichever occurs 601-03259-24 20241178c2

first.

Section 2. Section 468.4335, Florida Statutes, is created to read:

468.4335 Conflicts of interest.—

- (1) A community association manager or a community association management firm, including directors, officers, and persons with a financial interest in a community association management firm, or a relative of such persons, must provide a written disclosure to the board of a community association of any activity that may reasonably be construed to be a conflict of interest. A rebuttable presumption of a conflict of interest exists if any of the following occurs without prior notice:
- (a) A community association manager or a community association management firm, including directors, officers, and persons with a financial interest in a community association management firm, or a relative of such persons, enters into a contract with the association for goods or services, other than community association management services.
- (b) A community association manager or a community association management firm, including directors, officers, and persons with a financial interest in a community association management firm, or a relative of such persons, holds an interest in or receives compensation or any thing of value from a corporation, limited liability corporation, partnership, limited liability partnership, or other business entity that conducts business with the association or proposes to enter into a contract or other transaction with the association.
- (2) If the association receives and considers a bid to provide a good or service, other than community association

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management services, from a community association manager or a community association management firm, including directors, officers, and persons with a financial interest in a community association management firm, or a relative of such persons, the association must also solicit multiple competitive bids from other third-party providers of such good or service.

- (3) If a community association manager or a community association management firm, including directors, officers, and persons with a financial interest in a community association management firm, or a relative of such persons, proposes to engage in an activity that is a conflict of interest as described in subsection (1), the proposed activity must be listed on, and all contracts and transactional documents related to the proposed activity must be attached to, the meeting agenda of the next board of administration meeting. The disclosures of a possible conflict of interest must be entered into the written minutes of the meeting. Approval of the contract or other transaction requires an affirmative vote of two-thirds of all directors present. At the next regular or special meeting of the members, the existence of the contract or other transaction must be disclosed to the members.
- (4) If the board finds that a community association manager or a community association management firm, including directors, officers, and persons with a financial interest in a community association management firm, or a relative of such persons, has violated this section, the association may cancel its community association management contract with the community association manager or the community association management firm. If the contract is canceled, the association is liable only for the

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reasonable value of the management services provided up to the time of cancellation and is not liable for any termination fees, liquidated damages, or other form of penalty for such cancellation.

- (5) If an association enters into a contract, other than a contract for community association management services, with a community association manager or a community association management firm, including directors, officers, and persons with a financial interest in a community association management firm, or a relative of such persons, which is a party to or has an interest in an activity that is a possible conflict of interest as described in subsection (1) and that activity has not been properly disclosed as a conflict of interest or potential conflict of interest as required by this section, the contract is voidable and terminates upon the association filing a written notice terminating the contract.
- (6) As used in this section, the term "relative" means a relative within the third degree of consanguinity by blood or marriage.
- (7) The procedures in subsections (2), (3), and (4) do not apply to any activities or the provision of goods and services that are disclosed in the management services contract as a conflict of interest within the meaning of subsection (1).

Section 3. Paragraph (b) of subsection (2) of section 468.436, Florida Statutes, is amended, and subsection (4) of that section is reenacted, to read:

468.436 Disciplinary proceedings.-

(2) The following acts constitute grounds for which the disciplinary actions in subsection (4) may be taken:

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- (b) 1. Violation of any provision of this part.
- 2. Violation of any lawful order or rule rendered or adopted by the department or the council.
- 3. Being convicted of or pleading nolo contendere to a felony in any court in the United States.
- 4. Obtaining a license or certification or any other order, ruling, or authorization by means of fraud, misrepresentation, or concealment of material facts.
- 5. Committing acts of gross misconduct or gross negligence in connection with the profession.
- 6. Contracting, on behalf of an association, with any entity in which the licensee has a financial interest that is not disclosed.
- 7. Failing to disclose any conflict of interest as required by s. 468.4335.
- 8. Violating any provision of chapter 718, chapter 719, or chapter 720 during the course of performing community association management services pursuant to a contract with a community association as defined in s. 468.431(1).
- (4) When the department finds any community association manager or firm guilty of any of the grounds set forth in subsection (2), it may enter an order imposing one or more of the following penalties:
  - (a) Denial of an application for licensure.
  - (b) Revocation or suspension of a license.
- (c) Imposition of an administrative fine not to exceed \$5,000 for each count or separate offense.
  - (d) Issuance of a reprimand.
  - (e) Placement of the community association manager on

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probation for a period of time and subject to such conditions as the department specifies.

- (f) Restriction of the authorized scope of practice by the community association manager.
- Section 4. Section 553.8445, Florida Statutes, is created to read:
- 553.8445 Prevention of water intrusion through the tracks of sliding glass doors.—
- (1) All residential dwellings must be required to be equipped with a reusable device which is attachable to the sliding glass door track and is designed to reduce water intrusion through the tracks of the sliding glass doors by not less than 90 percent with wind not less than 100 miles per hour as a condition for:
- (a) The issuance of a building permit for the construction of a new residential dwelling with an exterior sliding glass door.
- (b) The issuance of a building permit for the installation or repair of an exterior sliding glass door in a residential dwelling.
- (c) The completion of a milestone inspection required by s. 553.899, or a similar local requirement, for any dwelling with an exterior sliding glass door.
- (2) This section shall apply to exterior sliding glass doors contained in any condominium unit, multifamily dwelling, or single-family dwelling.
- (3) By July 1, 2025, the commission shall adopt the requirements of this section into the Florida Building Code pursuant to s. 553.73(8).

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Section 5. Subsection (4) of section 553.899, Florida Statutes, is amended to read:

553.899 Mandatory structural inspections for condominium and cooperative buildings.—

(4) The milestone inspection report must be arranged by a condominium or cooperative association and any owner of any portion of the building which is not subject to the condominium or cooperative form of ownership. The condominium association or cooperative association and any owner of any portion of the building which is not subject to the condominium or cooperative form of ownership are each responsible for ensuring compliance with the requirements of this section. The condominium association or cooperative association is responsible for all costs associated with the milestone inspection attributable to the portions of a building which the association is responsible to maintain under the governing documents of the association. This section does not apply to a single-family, two-family, or four-family dwelling with three or fewer habitable stories above ground.

Section 6. Present subsections (19) through (32) of section 718.103, Florida Statutes, are redesignated as subsections (20) through (33), respectively, a new subsection (19) is added to that section, and subsection (1) of that section is amended, to read:

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

(1) "Alternative funding method" means a method approved by the division for funding the capital expenditures and <u>planned</u> deferred maintenance obligations for a multicondominium association operating at least 25 condominiums which may

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reasonably be expected to fully satisfy the association's reserve funding obligations by the allocation of funds in the annual operating budget.

(19) "Hurricane protection" means hurricane shutters, impact glass, code-compliant windows or doors, and other code-compliant hurricane protection products used to preserve and protect the condominium property or association property.

Section 7. Paragraph (p) is added to subsection (4) of section 718.104, Florida Statutes, to read:

718.104 Creation of condominiums; contents of declaration.— Every condominium created in this state shall be created pursuant to this chapter.

- (4) The declaration must contain or provide for the following matters:
- (p) For both residential condominiums and mixed-use condominiums, a statement that specifies whether the unit owner or the association is responsible for the installation, maintenance, repair, or replacement of hurricane protection that is for the preservation and protection of the condominium property and association property.

Section 8. Paragraph (a) of subsection (1), paragraph (h) of subsection (11), and subsections (12), (13), and (15) of section 718.111, Florida Statutes, are amended to read:

718.111 The association.-

- (1) CORPORATE ENTITY.-
- (a) The operation of the condominium shall be by the association, which must be a Florida corporation for profit or a Florida corporation not for profit. However, any association which was in existence on January 1, 1977, need not be

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incorporated. The owners of units shall be shareholders or members of the association. The officers and directors of the association have a fiduciary relationship to the unit owners. It is the intent of the Legislature that nothing in this paragraph shall be construed as providing for or removing a requirement of a fiduciary relationship between any manager employed by the association and the unit owners. An officer, director, or manager may not solicit, offer to accept, or accept a kickback. As used in this paragraph, the term "kickback" means any thing or service of value or kickback for which consideration has not been provided for an officer's, a director's, or a manager's his or her own benefit or that of his or her immediate family, from any person providing or proposing to provide goods or services to the association. Any such officer, director, or manager who knowingly so solicits, offers to accept, or accepts a any thing or service of value or kickback commits a felony of the third degree, punishable as provided in s. 775.082, s. 775.083, or s. 775.084, and is subject to a civil penalty pursuant to s. 718.501(1)(d) and, if applicable, a criminal penalty as provided in paragraph (d). However, this paragraph does not prohibit an officer, director, or manager from accepting services or items received in connection with trade fairs or education programs. An association may operate more than one condominium.

(11) INSURANCE.—In order to protect the safety, health, and welfare of the people of the State of Florida and to ensure consistency in the provision of insurance coverage to condominiums and their unit owners, this subsection applies to every residential condominium in the state, regardless of the date of its declaration of condominium. It is the intent of the

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Legislature to encourage lower or stable insurance premiums for associations described in this subsection.

- (h) The association shall maintain insurance or fidelity bonding of all persons who control or disburse funds of the association. The insurance policy or fidelity bond must cover the maximum funds that will be in the custody of the association or its management agent at any one time. Upon receipt of a complaint, the division shall monitor compliance with this paragraph and may issue fines and penalties established by the division for failure of an association to maintain the required insurance policy or fidelity bond. As used in this paragraph, the term "persons who control or disburse funds of the association" includes, but is not limited to, those individuals authorized to sign checks on behalf of the association, and the president, secretary, and treasurer of the association. The association shall bear the cost of any such bonding.
  - (12) OFFICIAL RECORDS.-
- (a) From the inception of the association, the association shall maintain each of the following items, if applicable, which constitutes the official records of the association:
- 1. A copy of the plans, permits, warranties, and other items provided by the developer under s. 718.301(4).
- 2. A photocopy of the recorded declaration of condominium of each condominium operated by the association and each amendment to each declaration.
- 3. A photocopy of the recorded bylaws of the association and each amendment to the bylaws.
- 4. A certified copy of the articles of incorporation of the association, or other documents creating the association, and

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each amendment thereto.

- 5. A copy of the current rules of the association.
- 6. A book or books that contain the minutes of all meetings of the association, the board of administration, and the unit owners.
- 7. A current roster of all unit owners and their mailing addresses, unit identifications, voting certifications, and, if known, telephone numbers. The association shall also maintain the e-mail addresses and facsimile numbers of unit owners consenting to receive notice by electronic transmission. The e-mail addresses and facsimile numbers are not accessible to unit owners if consent to receive notice by electronic transmission is not provided in accordance with sub-subparagraph (c)5.e. (c)3.e. However, the association is not liable for an inadvertent disclosure of the e-mail address or facsimile number for receiving electronic transmission of notices.
- 8. All current insurance policies of the association and condominiums operated by the association.
- 9. A current copy of any management agreement, lease, or other contract to which the association is a party or under which the association or the unit owners have an obligation or responsibility.
- 10. Bills of sale or transfer for all property owned by the association.
- 11. Accounting records for the association and separate accounting records for each condominium that the association operates. Any person who knowingly or intentionally defaces or destroys such records, or who knowingly or intentionally fails to create or maintain such records, with the intent of causing

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harm to the association or one or more of its members, is personally subject to a civil penalty pursuant to s. 718.501(1)(d). The accounting records must include, but ar

- 718.501(1)(d). The accounting records must include, but are not limited to:
- a. Accurate, itemized, and detailed records of all receipts and expenditures.
- b. All invoices, transaction receipts, or deposit slips that substantiate any receipt or expenditure of funds by the association.
- <u>c.</u> A current account and a monthly, bimonthly, or quarterly statement of the account for each unit designating the name of the unit owner, the due date and amount of each assessment, the amount paid on the account, and the balance due.
- <u>d.e.</u> All audits, reviews, accounting statements, structural integrity reserve studies, and financial reports of the association or condominium. Structural integrity reserve studies must be maintained for at least 15 years after the study is completed.
- $\underline{\text{e.d.}}$  All contracts for work to be performed. Bids for work to be performed are also considered official records and must be maintained by the association for at least 1 year after receipt of the bid.
- 12. Ballots, sign-in sheets, voting proxies, and all other papers and electronic records relating to voting by unit owners, which must be maintained for 1 year from the date of the election, vote, or meeting to which the document relates, notwithstanding paragraph (b).
- 13. All rental records if the association is acting as agent for the rental of condominium units.

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

- 15. A copy of the inspection reports described in ss. 553.899 and 718.301(4)(p) and any other inspection report relating to a structural or life safety inspection of condominium property. Such record must be maintained by the association for 15 years after receipt of the report.
  - 16. Bids for materials, equipment, or services.
- 17. All affirmative acknowledgments made pursuant to s. 718.121(4)(c).
  - 18. A copy of all building permits.
- $\underline{19.}$  All other written records of the association not specifically included in the foregoing which are related to the operation of the association.
- (b) The official records specified in subparagraphs (a)1.-6. must be permanently maintained from the inception of the association. Bids for work to be performed or for materials, equipment, or services must be maintained for at least 1 year after receipt of the bid. All other official records must be maintained within the state for at least 7 years, unless otherwise provided by general law. The official records must be maintained in a manner that facilitates inspection of the records by a unit owner. In the event that the records are lost, destroyed, or otherwise unavailable, the obligation to maintain official records includes a good faith obligation to recover those records as may be reasonably possible. The records of the association shall be made available to a unit owner within 45 miles of the condominium property or within the county in which the condominium property is located within 10 working days after

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receipt of a written request by the board or its designee. However, such distance requirement does not apply to an association governing a timeshare condominium. This paragraph and paragraph (c) may be complied with by having a copy of the official records of the association available for inspection or copying on the condominium property or association property, or the association may offer the option of making the records available to a unit owner electronically via the Internet as provided under paragraph (g) or by allowing the records to be viewed in electronic format on a computer screen and printed upon request. The association is not responsible for the use or misuse of the information provided to an association member or his or her authorized representative in compliance with this chapter unless the association has an affirmative duty not to disclose such information under this chapter.

(c)1.<u>a.</u> The official records of the association are open to inspection by any association member and any person authorized by an association member as a representative of such member at all reasonable times. The right to inspect the records includes the right to make or obtain copies, at the reasonable expense, if any, of the member and of the person authorized by the association member as a representative of such member. A renter of a unit has a right to inspect and copy only the declaration of condominium, the association's bylaws and rules, and the inspection reports described in ss. 553.899 and 718.301(4)(p). The association may adopt reasonable rules regarding the frequency, time, location, notice, and manner of record inspections and copying but may not require a member to demonstrate any purpose or state any reason for the inspection.

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The failure of an association to provide the records within 10 working days after receipt of a written request creates a rebuttable presumption that the association willfully failed to comply with this paragraph. A unit owner who is denied access to official records is entitled to the actual damages or minimum damages for the association's willful failure to comply. Minimum damages are \$50 per calendar day for up to 10 days, beginning on the 11th working day after receipt of the written request. The failure to permit inspection entitles any person prevailing in an enforcement action to recover reasonable attorney fees from the person in control of the records who, directly or indirectly, knowingly denied access to the records. If the requested records are posted on an association's website, or are available for download through an application on a mobile device, the association may fulfill its obligations as provided under this paragraph by directing all persons authorized to request access to official records pursuant to this paragraph to the website or mobile device application.

- b. In response to a written request to inspect records, the association must simultaneously provide a checklist to the requestor of all records made available for inspection and copying. The checklist must also identify any of the association's official records that were not made available to the requestor. An association must maintain a checklist provided under this sub-subparagraph for 7 years. An association delivering a checklist pursuant to this sub-subparagraph creates a rebuttable presumption that the association has complied with this paragraph.
  - 2. Any director or member of the board or association or a

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community association manager who knowingly, willfully, and repeatedly violates subparagraph 1. with the intent of causing harm to the association or one or more of its members commits a misdemeanor of the second degree, punishable as provided in s. 775.082 or s. 775.083. For purposes of this subparagraph, the term "repeatedly" means two or more violations within a 12-month period.

- 3.2. Any person who knowingly or intentionally defaces or destroys accounting records that are required by this chapter to be maintained during the period for which such records are required to be maintained, or who knowingly or intentionally fails to create or maintain accounting records that are required to be created or maintained, with the intent of causing harm to the association or one or more of its members, commits a misdemeanor of the first degree, punishable as provided in s.

  775.082 or s. 775.083, and is personally subject to a civil penalty pursuant to s. 718.501(1)(d).
- 4. Any person who willfully and knowingly refuses to release or otherwise produce association records with the intent to avoid or escape detection, arrest, trial, or punishment for the commission of a crime, or to assist another person with such avoidance or escape, commits a felony of the third degree, punishable as provided in s. 775.082, s. 775.083, or s. 775.084.
- 5.3. The association shall maintain an adequate number of copies of the declaration, articles of incorporation, bylaws, and rules, and all amendments to each of the foregoing, as well as the question and answer sheet as described in s. 718.504 and year-end financial information required under this section, on the condominium property to ensure their availability to unit

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

- a. Any record protected by the lawyer-client privilege as described in s. 90.502 and any record protected by the work-product privilege, including a record prepared by an association attorney or prepared at the attorney's express direction, which reflects a mental impression, conclusion, litigation strategy, or legal theory of the attorney or the association, and which was prepared exclusively for civil or criminal litigation or for adversarial administrative proceedings, or which was prepared in anticipation of such litigation or proceedings until the conclusion of the litigation or proceedings.
- b. Information obtained by an association in connection with the approval of the lease, sale, or other transfer of a unit.
- c. Personnel records of association or management company employees, including, but not limited to, disciplinary, payroll, health, and insurance records. For purposes of this subsubparagraph, the term "personnel records" does not include

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

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

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

- h. All affirmative acknowledgments made pursuant to s. 718.121(4)(c).
- (d) The association shall prepare a question and answer sheet as described in s. 718.504, and shall update it annually.
- (e)1. The association or its authorized agent is not required to provide a prospective purchaser or lienholder with information about the condominium or the association other than information or documents required by this chapter to be made available or disclosed. The association or its authorized agent may charge a reasonable fee to the prospective purchaser, lienholder, or the current unit owner for providing good faith responses to requests for information by or on behalf of a prospective purchaser or lienholder, other than that required by law, if the fee does not exceed \$150 plus the reasonable cost of photocopying and any attorney's fees incurred by the association in connection with the response.
- 2. An association and its authorized agent are not liable for providing such information in good faith pursuant to a written request if the person providing the information includes a written statement in substantially the following form: "The responses herein are made in good faith and to the best of my ability as to their accuracy."
- (f) An outgoing board or committee member must relinquish all official records and property of the association in his or her possession or under his or her control to the incoming board within 5 days after the election. The division shall impose a civil penalty as set forth in s. 718.501(1)(d)6. against an

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outgoing board or committee member who willfully and knowingly fails to relinquish such records and property.

- (g)1. By January 1, 2019, an association managing a condominium with 150 or more units which does not contain timeshare units shall post digital copies of the documents specified in subparagraph 2. on its website or make such documents available through an application that can be downloaded on a mobile device.
  - a. The association's website or application must be:
- (I) An independent website, application, or web portal wholly owned and operated by the association; or
- (II) A website, application, or web portal operated by a third-party provider with whom the association owns, leases, rents, or otherwise obtains the right to operate a web page, subpage, web portal, collection of subpages or web portals, or an application which is dedicated to the association's activities and on which required notices, records, and documents may be posted or made available by the association.
- b. The association's website or application must be accessible through the Internet and must contain a subpage, web portal, or other protected electronic location that is inaccessible to the general public and accessible only to unit owners and employees of the association.
- c. Upon a unit owner's written request, the association must provide the unit owner with a username and password and access to the protected sections of the association's website or application which contain any notices, records, or documents that must be electronically provided.
  - 2. A current copy of the following documents must be posted

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in digital format on the association's website or application:

- a. The recorded declaration of condominium of each condominium operated by the association and each amendment to each declaration.
- b. The recorded bylaws of the association and each amendment to the bylaws.
- c. The articles of incorporation of the association, or other documents creating the association, and each amendment to the articles of incorporation or other documents. The copy posted pursuant to this sub-subparagraph must be a copy of the articles of incorporation filed with the Department of State.
  - d. The rules of the association.
- e. A list of all executory contracts or documents to which the association is a party or under which the association or the unit owners have an obligation or responsibility and, after bidding for the related materials, equipment, or services has closed, a list of bids received by the association within the past year. Summaries of bids for materials, equipment, or services which exceed \$500 must be maintained on the website or application for 1 year. In lieu of summaries, complete copies of the bids may be posted.
- f. The annual budget required by s. 718.112(2)(f) and any proposed budget to be considered at the annual meeting.
- g. The financial report required by subsection (13) and any monthly income or expense statement to be considered at a meeting.
- h. The certification of each director required by s. 718.112(2)(d)4.b.
  - i. All contracts or transactions between the association

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

- j. Any contract or document regarding a conflict of interest or possible conflict of interest as provided in ss. 468.435, 468.436(2)(b)6., and 718.3027(3).
- k. The notice of any unit owner meeting and the agenda for the meeting, as required by s. 718.112(2)(d)3., no later than 14 days before the meeting. The notice must be posted in plain view on the front page of the website or application, or on a separate subpage of the website or application labeled "Notices" which is conspicuously visible and linked from the front page. The association must also post on its website or application any document to be considered and voted on by the owners during the meeting or any document listed on the agenda at least 7 days before the meeting at which the document or the information within the document will be considered.
- 1. Notice of any board meeting, the agenda, and any other document required for the meeting as required by s. 718.112(2)(c), which must be posted no later than the date required for notice under s. 718.112(2)(c).
- m. The inspection reports described in ss. 553.899 and 718.301(4)(p) and any other inspection report relating to a structural or life safety inspection of condominium property.
- n. The association's most recent structural integrity reserve study, if applicable.
- o. Copies of all building permits issued for ongoing or planned construction.

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

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

- 4. The failure of the association to post information required under subparagraph 2. is not in and of itself sufficient to invalidate any action or decision of the association's board or its committees.
- (13) FINANCIAL REPORTING.—Within 90 days after the end of the fiscal year, or annually on a date provided in the bylaws, the association shall prepare and complete, or contract for the preparation and completion of, a financial report for the preceding fiscal year. Within 21 days after the final financial report is completed by the association or received from the third party, but not later than 120 days after the end of the fiscal year or other date as provided in the bylaws, the association shall deliver mail to each unit owner, by United States mail or personal delivery at the mailing address, property address, e-mail address, or facsimile number provided to fulfill the association's notice requirements at the address

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last furnished to the association by the unit owner, or hand deliver to each unit owner, a copy of the most recent financial report or a notice that a copy of the most recent financial report will be mailed or hand delivered to the unit owner, without charge, within 5 business days after receipt of a written request from the unit owner. The division shall adopt rules setting forth uniform accounting principles and standards to be used by all associations and addressing the financial reporting requirements for multicondominium associations. The rules must include, but not be limited to, standards for presenting a summary of association reserves, including a good faith estimate disclosing the annual amount of reserve funds that would be necessary for the association to fully fund reserves for each reserve item based on the straight-line accounting method. This disclosure is not applicable to reserves funded via the pooling method. In adopting such rules, the division shall consider the number of members and annual revenues of an association. Financial reports shall be prepared as follows:

- (a) An association that meets the criteria of this paragraph shall prepare a complete set of financial statements in accordance with generally accepted accounting principles. The financial statements must be based upon the association's total annual revenues, as follows:
- 1. An association with total annual revenues of \$150,000 or more, but less than \$300,000, shall prepare compiled financial statements.
- 2. An association with total annual revenues of at least \$300,000, but less than \$500,000, shall prepare reviewed

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financial statements.

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

- (b) 1. An association with total annual revenues of less than \$150,000 shall prepare a report of cash receipts and expenditures.
- 2. A report of cash receipts and disbursements must disclose the amount of receipts by accounts and receipt classifications and the amount of expenses by accounts and expense classifications, including, but not limited to, the following, as applicable: costs for security, professional and management fees and expenses, taxes, costs for recreation facilities, expenses for refuse collection and utility services, expenses for lawn care, costs for building maintenance and repair, insurance costs, administration and salary expenses, and reserves accumulated and expended for capital expenditures, planned deferred maintenance, and any other category for which the association maintains reserves.
- (c) An association may prepare, without a meeting of or approval by the unit owners:
- 1. Compiled, reviewed, or audited financial statements, if the association is required to prepare a report of cash receipts and expenditures;
- 2. Reviewed or audited financial statements, if the association is required to prepare compiled financial statements; or
- 3. Audited financial statements if the association is required to prepare reviewed financial statements.
  - (d) If approved by a majority of the voting interests

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present at a properly called meeting of the association, an association may prepare:

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

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

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section shall be paid for by the developer if done before turnover of control of the association.

- (e) A unit owner may provide written notice to the division of the association's failure to mail or hand deliver him or her a copy of the most recent financial report within 5 business days after he or she submitted a written request to the association for a copy of such report. If the division determines that the association failed to mail or hand deliver a copy of the most recent financial report to the unit owner, the division shall provide written notice to the association that the association must mail or hand deliver a copy of the most recent financial report to the unit owner and the division within 5 business days after it receives such notice from the division. An association that fails to comply with the division's request may not waive the financial reporting requirement provided in paragraph (d) for the fiscal year in which the unit owner's request was made and the following fiscal year. A financial report received by the division pursuant to this paragraph shall be maintained, and the division shall provide a copy of such report to an association member upon his or her request.
  - (15) DEBIT CARDS.—
- (a) An association and its officers, directors, employees, and agents may not use a debit card issued in the name of the association, or billed directly to the association, for the payment of any association expense.
- (b) A person who uses Use of a debit card issued in the name of the association, or billed directly to the association, for any expense that is not a lawful obligation of the

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association commits theft under s. 812.014. For the purposes of this paragraph, the term "lawful obligation of the association" means an obligation that has been properly preapproved by the board and is reflected in the meeting minutes or the written budget may be prosecuted as credit card fraud pursuant to s. 817.61.

Section 9. Effective January 1, 2026, paragraph (g) of subsection (12) of section 718.111, Florida Statutes, as amended by this act, is amended to read:

- 718.111 The association.-
- (12) OFFICIAL RECORDS. -
- (g)1. By January 1, 2019, An association managing a condominium with  $\underline{25}$   $\underline{150}$  or more units which does not contain timeshare units shall post digital copies of the documents specified in subparagraph 2. on its website or make such documents available through an application that can be downloaded on a mobile device.
  - a. The association's website or application must be:
- (I) An independent website, application, or web portal wholly owned and operated by the association; or
- (II) A website, application, or web portal operated by a third-party provider with whom the association owns, leases, rents, or otherwise obtains the right to operate a web page, subpage, web portal, collection of subpages or web portals, or an application which is dedicated to the association's activities and on which required notices, records, and documents may be posted or made available by the association.
- b. The association's website or application must be accessible through the Internet and must contain a subpage, web

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portal, or other protected electronic location that is inaccessible to the general public and accessible only to unit owners and employees of the association.

- c. Upon a unit owner's written request, the association must provide the unit owner with a username and password and access to the protected sections of the association's website or application which contain any notices, records, or documents that must be electronically provided.
- 2. A current copy of the following documents must be posted in digital format on the association's website or application:
- a. The recorded declaration of condominium of each condominium operated by the association and each amendment to each declaration.
- b. The recorded bylaws of the association and each amendment to the bylaws.
- c. The articles of incorporation of the association, or other documents creating the association, and each amendment to the articles of incorporation or other documents. The copy posted pursuant to this sub-subparagraph must be a copy of the articles of incorporation filed with the Department of State.
  - d. The rules of the association.
- e. A list of all executory contracts or documents to which the association is a party or under which the association or the unit owners have an obligation or responsibility and, after bidding for the related materials, equipment, or services has closed, a list of bids received by the association within the past year. Summaries of bids for materials, equipment, or services which exceed \$500 must be maintained on the website or application for 1 year. In lieu of summaries, complete copies of

1103 the bids may be posted.

- f. The annual budget required by s. 718.112(2)(f) and any proposed budget to be considered at the annual meeting.
- g. The financial report required by subsection (13) and any monthly income or expense statement to be considered at a meeting.
- h. The certification of each director required by s. 718.112(2)(d)4.b.
  - i. All contracts or transactions between the association and any director, officer, corporation, firm, or association that is not an affiliated condominium association or any other entity in which an association director is also a director or officer and financially interested.
  - j. Any contract or document regarding a conflict of interest or possible conflict of interest as provided in ss. 468.435, 468.436(2)(b)6., and 718.3027(3).
  - k. The notice of any unit owner meeting and the agenda for the meeting, as required by s. 718.112(2)(d)3., no later than 14 days before the meeting. The notice must be posted in plain view on the front page of the website or application, or on a separate subpage of the website or application labeled "Notices" which is conspicuously visible and linked from the front page. The association must also post on its website or application any document to be considered and voted on by the owners during the meeting or any document listed on the agenda at least 7 days before the meeting at which the document or the information within the document will be considered.
  - 1. Notice of any board meeting, the agenda, and any other document required for the meeting as required by s.

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718.112(2)(c), which must be posted no later than the date required for notice under s. 718.112(2)(c).

- m. The inspection reports described in ss. 553.899 and 718.301(4)(p) and any other inspection report relating to a structural or life safety inspection of condominium property.
- n. The association's most recent structural integrity reserve study, if applicable.
- o. Copies of all building permits issued for ongoing or planned construction.
- 3. The association shall ensure that the information and records described in paragraph (c), which are not allowed to be accessible to unit owners, are not posted on the association's website or application. If protected information or information restricted from being accessible to unit owners is included in documents that are required to be posted on the association's website or application, the association shall ensure the information is redacted before posting the documents.

  Notwithstanding the foregoing, the association or its agent is not liable for disclosing information that is protected or restricted under this paragraph unless such disclosure was made with a knowing or intentional disregard of the protected or restricted nature of such information.
- 4. The failure of the association to post information required under subparagraph 2. is not in and of itself sufficient to invalidate any action or decision of the association's board or its committees.
- Section 10. Paragraphs (c), (d), (f), (g), and (q) of subsection (2) of section 718.112, Florida Statutes, are amended, and paragraph (r) is added to that subsection, to read:

718.112 Bylaws.-

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- (2) REQUIRED PROVISIONS.—The bylaws shall provide for the following and, if they do not do so, shall be deemed to include the following:
- (c) Board of administration meetings.—In a residential condominium association of more than 10 units, the board of administration shall meet at least once each quarter. At least four times each year, the meeting agenda must include an opportunity for members to ask questions. Meetings of the board of administration at which a quorum of the members is present are open to all unit owners. Members of the board of administration may use e-mail as a means of communication but may not cast a vote on an association matter via e-mail. A unit owner may tape record or videotape the meetings. The right to attend such meetings includes the right to speak at such meetings with reference to all designated agenda items, and the right to ask questions with respect to reports on the status of construction or repair projects, status of revenues and expenditures during the current fiscal year, and other issues affecting the condominium. The division shall adopt reasonable rules governing the tape recording and videotaping of the meeting. The association may adopt written reasonable rules governing the frequency, duration, and manner of unit owner statements.
- 1. Adequate notice of all board meetings, which must specifically identify all agenda items, must be posted conspicuously on the condominium property at least 48 continuous hours before the meeting except in an emergency. If 20 percent of the voting interests petition the board to address an item of

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business, the board, within 60 days after receipt of the petition, shall place the item on the agenda at its next regular board meeting or at a special meeting called for that purpose. An item not included on the notice may be taken up on an emergency basis by a vote of at least a majority plus one of the board members. Such emergency action must be noticed and ratified at the next regular board meeting. Written notice of a meeting at which a nonemergency special assessment or an amendment to rules regarding unit use will be considered must be mailed, delivered, or electronically transmitted to the unit owners and posted conspicuously on the condominium property at least 14 days before the meeting. Evidence of compliance with this 14-day notice requirement must be made by an affidavit executed by the person providing the notice and filed with the official records of the association. Notice of any meeting in which regular or special assessments against unit owners are to be considered must specifically state that assessments will be considered and provide the estimated cost and description of the purposes for such assessments.

Question notice to the unit owners, the board shall, by duly adopted rule, designate a specific location on the condominium property where all notices of board meetings must be posted. If there is no condominium property where notices can be posted, notices shall be mailed, delivered, or electronically transmitted to each unit owner at least 14 days before the meeting. In lieu of or in addition to the physical posting of the notice on the condominium property, the association may, by reasonable rule, adopt a procedure for conspicuously posting and repeatedly broadcasting the notice and the agenda on a closed-

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

3. Notice of any meeting in which regular or special assessments against unit owners are to be considered must specifically state that assessments will be considered and provide the estimated cost and description of the purposes for such assessments. If an agenda item relates to the approval of a contract for goods or services, a copy of the contract must be provided with the notice, made available for inspection and

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copying upon a written request from a unit owner, or made available on the association's website or through an application that can be downloaded on a mobile device.

- 4.2. Meetings of a committee to take final action on behalf of the board or make recommendations to the board regarding the association budget are subject to this paragraph. Meetings of a committee that does not take final action on behalf of the board or make recommendations to the board regarding the association budget are subject to this section, unless those meetings are exempted from this section by the bylaws of the association.
- 5.3. Notwithstanding any other law, the requirement that board meetings and committee meetings be open to the unit owners does not apply to:
- a. Meetings between the board or a committee and the association's attorney, with respect to proposed or pending litigation, if the meeting is held for the purpose of seeking or rendering legal advice; or
- b. Board meetings held for the purpose of discussing personnel matters.
  - (d) Unit owner meetings.-
- 1. An annual meeting of the unit owners must be held at the location provided in the association bylaws and, if the bylaws are silent as to the location, the meeting must be held within 45 miles of the condominium property. However, such distance requirement does not apply to an association governing a timeshare condominium.
- 2. Unless the bylaws provide otherwise, a vacancy on the board caused by the expiration of a director's term must be filled by electing a new board member, and the election must be

1277 by secret ballot. An election is not required if the number of 1278 vacancies equals or exceeds the number of candidates. For 1279 purposes of this paragraph, the term "candidate" means an 1280 eligible person who has timely submitted the written notice, as 1281 described in sub-subparagraph 4.a., of his or her intention to 1282 become a candidate. Except in a timeshare or nonresidential 1283 condominium, or if the staggered term of a board member does not 1284 expire until a later annual meeting, or if all members' terms 1285 would otherwise expire but there are no candidates, the terms of 1286 all board members expire at the annual meeting, and such members 1287 may stand for reelection unless prohibited by the bylaws. Board 1288 members may serve terms longer than 1 year if permitted by the 1289 bylaws or articles of incorporation. A board member may not 1290 serve more than 8 consecutive years unless approved by an 1291 affirmative vote of unit owners representing two-thirds of all 1292 votes cast in the election or unless there are not enough 1293 eligible candidates to fill the vacancies on the board at the 1294 time of the vacancy. Only board service that occurs on or after 1295 July 1, 2018, may be used when calculating a board member's term 1296 limit. If the number of board members whose terms expire at the 1297 annual meeting equals or exceeds the number of candidates, the 1298 candidates become members of the board effective upon the 1299 adjournment of the annual meeting. Unless the bylaws provide 1300 otherwise, any remaining vacancies shall be filled by the 1301 affirmative vote of the majority of the directors making up the 1302 newly constituted board even if the directors constitute less 1303 than a quorum or there is only one director. In a residential condominium association of more than 10 units or in a 1304 1305 residential condominium association that does not include

1306 timeshare units or timeshare interests, co-owners of a unit may not serve as members of the board of directors at the same time 1307 1308 unless they own more than one unit or unless there are not 1309 enough eligible candidates to fill the vacancies on the board at 1310 the time of the vacancy. A unit owner in a residential 1311 condominium desiring to be a candidate for board membership must 1312 comply with sub-subparagraph 4.a. and must be eligible to be a 1313 candidate to serve on the board of directors at the time of the deadline for submitting a notice of intent to run in order to 1314 1315 have his or her name listed as a proper candidate on the ballot 1316 or to serve on the board. A person who has been suspended or 1317 removed by the division under this chapter, or who is delinquent 1318 in the payment of any assessment due to the association, is not 1319 eligible to be a candidate for board membership and may not be 1320 listed on the ballot. For purposes of this paragraph, a person 1321 is delinquent if a payment is not made by the due date as 1322 specifically identified in the declaration of condominium, 1323 bylaws, or articles of incorporation. If a due date is not 1324 specifically identified in the declaration of condominium, 1325 bylaws, or articles of incorporation, the due date is the first 1326 day of the assessment period. A person who has been convicted of 1327 any felony in this state or in a United States District or 1328 Territorial Court, or who has been convicted of any offense in 1329 another jurisdiction which would be considered a felony if 1330 committed in this state, is not eligible for board membership 1331 unless such felon's civil rights have been restored for at least 1332 5 years as of the date such person seeks election to the board. 1333 The validity of an action by the board is not affected if it is 1334 later determined that a board member is ineligible for board

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membership due to having been convicted of a felony. This subparagraph does not limit the term of a member of the board of a nonresidential or timeshare condominium.

3. The bylaws must provide the method of calling meetings of unit owners, including annual meetings. Written notice of an annual meeting must include an agenda; be mailed, hand delivered, or electronically transmitted to each unit owner at least 14 days before the annual meeting; and be posted in a conspicuous place on the condominium property or association property at least 14 continuous days before the annual meeting. Written notice of a meeting other than an annual meeting must include an agenda; be mailed, hand delivered, or electronically transmitted to each unit owner; and be posted in a conspicuous place on the condominium property or association property within the timeframe specified in the bylaws. If the bylaws do not specify a timeframe for written notice of a meeting other than an annual meeting, notice must be provided at least 14 continuous days before the meeting. Upon notice to the unit owners, the board shall, by duly adopted rule, designate a specific location on the condominium property or association property where all notices of unit owner meetings must be posted. This requirement does not apply if there is no condominium property for posting notices. In lieu of, or in addition to, the physical posting of meeting notices, the association may, by reasonable rule, adopt a procedure for conspicuously posting and repeatedly broadcasting the notice and the agenda on a closed-circuit cable television system serving the condominium association. However, if broadcast notice is used in lieu of a notice posted physically on the condominium

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property, the notice and agenda must be broadcast at least four times every broadcast hour of each day that a posted notice is otherwise required under this section. If broadcast notice is provided, the notice and agenda must be broadcast in a manner and for a sufficient continuous length of time so as to allow an average reader to observe the notice and read and comprehend the entire content of the notice and the agenda. In addition to any of the authorized means of providing notice of a meeting of the board, the association may, by rule, adopt a procedure for conspicuously posting the meeting notice and the agenda on a website serving the condominium association for at least the minimum period of time for which a notice of a meeting is also required to be physically posted on the condominium property. Any rule adopted shall, in addition to other matters, include a requirement that the association send an electronic notice in the same manner as a notice for a meeting of the members, which must include a hyperlink to the website where the notice is posted, to unit owners whose e-mail addresses are included in the association's official records. Unless a unit owner waives in writing the right to receive notice of the annual meeting, such notice must be hand delivered, mailed, or electronically transmitted to each unit owner. Notice for meetings and notice for all other purposes must be mailed to each unit owner at the address last furnished to the association by the unit owner, or hand delivered to each unit owner. However, if a unit is owned by more than one person, the association must provide notice to the address that the developer identifies for that purpose and thereafter as one or more of the owners of the unit advise the association in writing, or if no address is given or the owners

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of the unit do not agree, to the address provided on the deed of record. An officer of the association, or the manager or other person providing notice of the association meeting, must provide an affidavit or United States Postal Service certificate of mailing, to be included in the official records of the association affirming that the notice was mailed or hand delivered in accordance with this provision.

- 4. The members of the board of a residential condominium shall be elected by written ballot or voting machine. Proxies may not be used in electing the board in general elections or elections to fill vacancies caused by recall, resignation, or otherwise, unless otherwise provided in this chapter. This subparagraph does not apply to an association governing a timeshare condominium.
- a. At least 60 days before a scheduled election, the association shall mail, deliver, or electronically transmit, by separate association mailing or included in another association mailing, delivery, or transmission, including regularly published newsletters, to each unit owner entitled to a vote, a first notice of the date of the election. A unit owner or other eligible person desiring to be a candidate for the board must give written notice of his or her intent to be a candidate to the association at least 40 days before a scheduled election. Together with the written notice and agenda as set forth in subparagraph 3., the association shall mail, deliver, or electronically transmit a second notice of the election to all unit owners entitled to vote, together with a ballot that lists all candidates not less than 14 days or more than 34 days before the date of the election. Upon request of a candidate, an

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

- b. A director of a Within 90 days after being elected or appointed to the board of an association of a residential condominium, each newly elected or appointed director shall:
  - (I) Certify in writing to the secretary of the association

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

(II) Submit to the secretary of the association a certificate of having satisfactorily completed the educational curriculum administered by a division-approved condominium education provider within 1 year before or 90 days after the date of election or appointment. The education curriculum must be least 4 hours long and address director and officer fiduciary duty, milestone inspections under s. 553.899, structural integrity reserve studies, and at least four of the following topics: budgets and reserves; elections; financial reporting; condominium operations; records maintenance, including unit owner access to records; dispute resolution; and bids and contracts.

Each newly elected or appointed director must submit the written certification and educational certificate to the secretary of the association within 1 year before being elected or appointed or within 90 days after the date of election or appointment. A director of an association of a residential condominium who was elected or appointed before July 1, 2024, shall comply with the written certification and educational certificate requirements

1480 in this sub-subparagraph by June 30, 2025. The written 1481 certification and or educational certificate is valid for 7 1482 years from the date of issuance and does not have to be 1483 resubmitted as long as the director serves on the board without 1484 interruption during the 7-year period. A director who is 1485 appointed by the developer may satisfy the educational 1486 certificate requirement in sub-sub-subparagraph (II) for any 1487 subsequent appointment to a board by a developer within 7 years after the date of issuance of the most recent educational 1488 1489 certificate, including any interruption of service on a board or 1490 an appointment to a board in another association within that 7-1491 year period. Additionally, one year after submission of the most 1492 recent written certification and educational certificate, and 1493 annually thereafter, a director of an association of a 1494 residential condominium must submit to the secretary of the 1495 association a certificate of having satisfactorily completed an 1496 educational curriculum administered by a division-approved condominium education provider, relating to any recent changes 1497 1498 to this chapter and the related administrative rules, during the 1499 past year. The cost of a required educational curriculum and 1500 certificate is an expense of the association which the 1501 association may pay on behalf of the director or reimburse the 1502 director for his or her expense. A director of an association of 1503 a residential condominium who fails to timely file the written 1504 certification and or educational certificate is suspended from 1505 service on the board until he or she complies with this sub-1506 subparagraph. The board may temporarily fill the vacancy during 1507 the period of suspension. The secretary shall cause the 1508 association to retain a director's written certification and or

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educational certificate for inspection by the members for  $\frac{7}{5}$  years after a director's election or the duration of the director's uninterrupted tenure, whichever is longer. Failure to have such written certification and  $\frac{1}{5}$  educational certificate on file does not affect the validity of any board action.

- c. Any challenge to the election process must be commenced within 60 days after the election results are announced.
- 5. Any approval by unit owners called for by this chapter or the applicable declaration or bylaws, including, but not limited to, the approval requirement in s. 718.111(8), must be made at a duly noticed meeting of unit owners and is subject to all requirements of this chapter or the applicable condominium documents relating to unit owner decisionmaking, except that unit owners may take action by written agreement, without meetings, on matters for which action by written agreement without meetings is expressly allowed by the applicable bylaws or declaration or any law that provides for such action.
- 6. Unit owners may waive notice of specific meetings if allowed by the applicable bylaws or declaration or any law. Notice of meetings of the board of administration; unit owner meetings, except unit owner meetings called to recall board members under paragraph (1); and committee meetings may be given by electronic transmission to unit owners who consent to receive notice by electronic transmission. A unit owner who consents to receiving notices by electronic transmission is solely responsible for removing or bypassing filters that block receipt of mass e-mails sent to members on behalf of the association in the course of giving electronic notices.
  - 7. Unit owners have the right to participate in meetings of

unit owners with reference to all designated agenda items.

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

- 8. A unit owner may tape record or videotape a meeting of the unit owners subject to reasonable rules adopted by the division.
- 9. Unless otherwise provided in the bylaws, any vacancy occurring on the board before the expiration of a term may be filled by the affirmative vote of the majority of the remaining directors, even if the remaining directors constitute less than a quorum, or by the sole remaining director. In the alternative, a board may hold an election to fill the vacancy, in which case the election procedures must conform to sub-subparagraph 4.a. unless the association governs 10 units or fewer and has opted out of the statutory election process, in which case the bylaws of the association control. Unless otherwise provided in the bylaws, a board member appointed or elected under this section shall fill the vacancy for the unexpired term of the seat being filled. Filling vacancies created by recall is governed by paragraph (1) and rules adopted by the division.
- 10. This chapter does not limit the use of general or limited proxies, require the use of general or limited proxies, or require the use of a written ballot or voting machine for any agenda item or election at any meeting of a timeshare condominium association or nonresidential condominium association.

Notwithstanding subparagraph (b) 2. and sub-subparagraph 4.a., an association of 10 or fewer units may, by affirmative vote of a

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

## (f) Annual budget.-

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

1596 planned deferred maintenance. These accounts must include, but 1597 are not limited to, roof replacement, building painting, and 1598 pavement resurfacing, regardless of the amount of planned 1599 deferred maintenance expense or replacement cost, and any other 1600 item that has a planned deferred maintenance expense or 1601 replacement cost that exceeds \$10,000. The amount to be reserved 1602 must be computed using a formula based upon estimated remaining 1603 useful life and estimated replacement cost or planned deferred 1604 maintenance expense of the reserve item. In a budget adopted by 1605 an association that is required to obtain a structural integrity 1606 reserve study, reserves must be maintained for the items 1607 identified in paragraph (g) for which the association is 1608 responsible pursuant to the declaration of condominium, and the 1609 reserve amount for such items must be based on the findings and recommendations of the association's most recent structural 1610 1611 integrity reserve study. With respect to items for which an 1612 estimate of useful life is not readily ascertainable or with an 1613 estimated remaining useful life of greater than 25 years, an 1614 association is not required to reserve replacement costs for 1615 such items, but an association must reserve the amount of 1616 planned deferred maintenance expense, if any, which is 1617 recommended by the structural integrity reserve study for such 1618 items. The association may adjust replacement reserve 1619 assessments annually to take into account an inflation 1620 adjustment and any changes in estimates or extension of the 1621 useful life of a reserve item caused by planned deferred 1622 maintenance. The members of a unit-owner-controlled association 1623 may determine, by a majority vote of the total voting interests of the association, to provide no reserves or less reserves than 1624

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required by this subsection. For a budget adopted on or after December 31, 2024, the members of a unit-owner-controlled association that must obtain a structural integrity reserve study may not determine to provide no reserves or less reserves than required by this subsection for items listed in paragraph (g), except that members of an association operating a multicondominium may determine to provide no reserves or less reserves than required by this subsection if an alternative funding method has been approved by the division. If the local building official, as defined in s. 468.603, determines that the entire condominium building is uninhabitable due to a natural emergency, as defined in s. 252.34, the board, upon the approval of a majority of its members, may pause the contribution to its reserves or reduce reserve funding until the local building official determines that the condominium building is habitable. Any reserve account funds held by the association may be expended, pursuant to the board's determination, to make the condominium building and its structures habitable. Upon the determination by the local building official that the condominium building and its structures are habitable, the association must immediately resume contributing funds to its reserves.

b. Before turnover of control of an association by a developer to unit owners other than a developer under s. 718.301, the developer-controlled association may not vote to waive the reserves or reduce funding of the reserves. If a meeting of the unit owners has been called to determine whether to waive or reduce the funding of reserves and no such result is achieved or a quorum is not attained, the reserves included in

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the budget shall go into effect. After the turnover, the developer may vote its voting interest to waive or reduce the funding of reserves.

- 3. Reserve funds and any interest accruing thereon shall remain in the reserve account or accounts, and may be used only for authorized reserve expenditures unless their use for other purposes is approved in advance by a majority vote of all the total voting interests of the association. Before turnover of control of an association by a developer to unit owners other than the developer pursuant to s. 718.301, the developer—controlled association may not vote to use reserves for purposes other than those for which they were intended. For a budget adopted on or after December 31, 2024, members of a unit-owner—controlled association that must obtain a structural integrity reserve study may not vote to use reserve funds, or any interest accruing thereon, for any other purpose other than the replacement or planned deferred maintenance costs of the components listed in paragraph (g).
- 4. The only voting interests that are eligible to vote on questions that involve waiving or reducing the funding of reserves, or using existing reserve funds for purposes other than purposes for which the reserves were intended, are the voting interests of the units subject to assessment to fund the reserves in question. Proxy questions relating to waiving or reducing the funding of reserves or using existing reserve funds for purposes other than purposes for which the reserves were intended must contain the following statement in capitalized, bold letters in a font size larger than any other used on the face of the proxy ballot: WAIVING OF RESERVES, IN WHOLE OR IN

PART, OR ALLOWING ALTERNATIVE USES OF EXISTING RESERVES MAY RESULT IN UNIT OWNER LIABILITY FOR PAYMENT OF UNANTICIPATED SPECIAL ASSESSMENTS REGARDING THOSE ITEMS.

- (q) Structural integrity reserve study.-
- 1. A residential condominium association must have a structural integrity reserve study completed at least every 10 years after the condominium's creation for each building on the condominium property that is three stories or higher in height, as determined by the Florida Building Code, which includes, at a minimum, a study of the following items as related to the structural integrity and safety of the building:
  - a. Roof.

- b. Structure, including load-bearing walls and other primary structural members and primary structural systems as those terms are defined in s. 627.706.
  - c. Fireproofing and fire protection systems.
  - d. Plumbing.
    - e. Electrical systems.
    - f. Waterproofing and exterior painting.
    - q. Windows and exterior doors.
- h. Any other item that has a <u>planned</u> deferred maintenance expense or replacement cost that exceeds \$10,000 and the failure to replace or maintain such item negatively affects the items listed in sub-subparagraphs a.-g., as determined by the visual inspection portion of the structural integrity reserve study.
- 2. A structural integrity reserve study is based on a visual inspection of the condominium property. A structural integrity reserve study may be performed by any person qualified to perform such study. However, the visual inspection portion of

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the structural integrity reserve study must be performed or verified by an engineer licensed under chapter 471, an architect licensed under chapter 481, or a person certified as a reserve specialist or professional reserve analyst by the Community Associations Institute or the Association of Professional Reserve Analysts.

3. At a minimum, a structural integrity reserve study must identify each item of the condominium property being visually inspected, state the estimated remaining useful life and the estimated replacement cost or planned deferred maintenance expense of each item of the condominium property being visually inspected, and provide a reserve funding schedule with a recommended annual reserve amount that achieves the estimated replacement cost or planned deferred maintenance expense of each item of condominium property being visually inspected by the end of the estimated remaining useful life of the item. The structural integrity reserve study may recommend that reserves do not need to be maintained for any item for which an estimate of useful life and an estimate of replacement cost cannot be determined, or the study may recommend a planned deferred maintenance expense amount for such item. The structural integrity reserve study may recommend that reserves for replacement costs do not need to be maintained for any item with an estimated remaining useful life of greater than 25 years, but the study may recommend a planned deferred maintenance expense amount for such item. If the condominium building or units are unsafe and uninhabitable due to substantial damage or loss as determined by the local enforcement agency, as defined in s. 533.71(5), and it is in the best interests of the association to

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repairs to make the building safe and habitable, the structural integrity reserve study may recommend a temporary pause in reserve funding or reduced reserve funding, but the association may not pause reserve funding after the building has been declared safe for occupancy by the local enforcement agency.

- 4. This paragraph does not apply to buildings less than three stories in height; single-family, two-family, or three-family, or four-family dwellings with three or fewer habitable stories above ground; any portion or component of a building that has not been submitted to the condominium form of ownership; or any portion or component of a building that is maintained by a party other than the association.
- 5. Before a developer turns over control of an association to unit owners other than the developer, the developer must have a turnover inspection report in compliance with s. 718.301(4)(p) and (q) for each building on the condominium property that is three stories or higher in height.
- 6. Associations existing on or before July 1, 2022, which are controlled by unit owners other than the developer, must have a structural integrity reserve study completed by December 31, 2024, for each building on the condominium property that is three stories or higher in height. An association that is required to complete a milestone inspection in accordance with s. 553.899 on or before December 31, 2026, may complete the structural integrity reserve study simultaneously with the milestone inspection. In no event may the structural integrity reserve study be completed after December 31, 2026.
  - 7. If the milestone inspection required by s. 553.899, or

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an inspection completed for a similar local requirement, was performed within the past 5 years and meets the requirements of this paragraph, such inspection may be used in place of the visual inspection portion of the structural integrity reserve study.

- 8. If the officers or directors of an association willfully and knowingly fail to complete a structural integrity reserve study pursuant to this paragraph, such failure is a breach of an officer's and director's fiduciary relationship to the unit owners under s. 718.111(1).
- 9. Within 45 days after receiving the structural integrity reserve study, the association must distribute a copy of the study to each unit owner or deliver to each unit owner a notice that the completed study is available for inspection and copying upon a written request. Distribution of a copy of the study or notice must be made by United States mail or personal delivery at the mailing address, property address, or any other address of the owner provided to fulfill the association's notice requirements under this chapter, or by electronic transmission to the e-mail address or facsimile number provided to fulfill the association's notice requirements to unit owners who previously consented to receive notice by electronic transmission.
  - (q) Director or officer offenses.-
- 1. A director or <u>an</u> officer charged by information or indictment with <u>any of the following crimes is deemed removed</u> from office and a vacancy declared:
- a. Forgery of a ballot envelope or voting certificate used in a condominium association election as provided in s. 831.01.

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b. Theft or embezzlement involving the association's funds or property as provided in s. 812.014.

- c. Destruction of, or the refusal to allow inspection or copying of, an official record of a condominium association which is accessible to unit owners within the time periods required by general law, in furtherance of any crime. Such act constitutes tampering with physical evidence as provided in s. 918.13.
  - d. Obstruction of justice under chapter 843.
  - e. Any criminal violation under this chapter.
- 2. The board shall fill the vacancy in accordance with paragraph (2)(d) a felony theft or embezzlement offense involving the association's funds or property must be removed from office, creating a vacancy in the office to be filled according to law until the end of the period of the suspension or the end of the director's term of office, whichever occurs first. While such director or officer has such criminal charge pending, he or she may not be appointed or elected to a position as a director or an officer of any association and may not have access to the official records of any association, except pursuant to a court order. However, if the charges are resolved without a finding of guilt, the director or officer shall be reinstated for the remainder of his or her term of office, if any.
- <u>(r) Fraudulent voting activities relating to association</u> elections; penalties.—
- 1. A person who engages in the following acts of fraudulent voting activity relating to association elections commits a misdemeanor of the first degree, punishable as provided in s.

775.082 or s. 775.083:

- a. Willfully and falsely swearing to or affirming an oath or affirmation, or willfully procuring another person to falsely swear to or affirm an oath or affirmation, in connection with or arising out of voting activities.
- b. Perpetrating or attempting to perpetrate, or aiding in the perpetration of, fraud in connection with a vote cast, to be cast, or attempted to be cast.
- c. Preventing a member from voting or preventing a member from voting as he or she intended by fraudulently changing or attempting to change a ballot, ballot envelope, vote, or voting certificate of the member.
- d. Menacing, threatening, or using bribery or any other corruption to attempt, directly or indirectly, to influence, deceive, or deter a member when the member is voting.
- e. Giving or promising, directly or indirectly, anything of value to another member with the intent to buy the vote of that member or another member or to corruptly influence that member or another member in casting his or her vote. This subsection does not apply to any food served which is to be consumed at an election rally or a meeting or to any item of nominal value which is used as an election advertisement, including a campaign message designed to be worn by a member.
- f. Using or threatening to use, directly or indirectly, force, violence, or intimidation or any tactic of coercion or intimidation to induce or compel a member to vote or refrain from voting in an election or on a particular ballot measure.
- 2. Each of the following acts constitutes a misdemeanor of the first degree, punishable as provided in s. 775.082 or s.

1857 775.083:

a. Knowingly aiding, abetting, or advising a person in the commission of a fraudulent voting activity related to association elections.

- b. Agreeing, conspiring, combining, or confederating with at least one other person to commit a fraudulent voting activity related to association elections.
- c. Having knowledge of a fraudulent voting activity related to association elections and giving any aid to the offender with intent that the offender avoid or escape detection, arrest, trial, or punishment.

This subparagraph does not apply to a licensed attorney giving legal advice to a client.

3. Any person charged by information or indictment for any of the crimes in this paragraph shall be deemed removed from office and a vacancy declared.

Section 11. Subsection (5) of section 718.113, Florida Statutes, is amended to read:

- 718.113 Maintenance; limitation upon improvement; display of flag; hurricane shutters and protection; display of religious decorations.—
- (5) To protect the health, safety, and welfare of the people of this state and to ensure uniformity and consistency in the hurricane protections installed by condominium associations and unit owners, this subsection applies to all residential and mixed-use condominiums in this state, regardless of when the condominium is created pursuant to the declaration of condominium. Each board of administration of a residential

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condominium or mixed-use condominium shall adopt hurricane protection shutter specifications for each building within each condominium operated by the association which may shall include color, style, and other factors deemed relevant by the board. All specifications adopted by the board must comply with the applicable building code. The installation, maintenance, repair, replacement, and operation of hurricane protection in accordance with this subsection is not considered a material alterations or substantial additions to the common elements or association property within the meaning of this section.

(a) The board may, subject to s. 718.3026 and the approval of a majority of voting interests of the residential condominium or mixed-use condominium, install or require that unit owners install hurricane shutters, impact glass, code-compliant windows or doors, or other types of code-compliant hurricane protection that complies <del>comply</del> with or exceeds <del>exceed</del> the applicable building code. A vote of the unit owners to require the installation of hurricane protection must be set forth in a certificate attesting to such vote and include the date that the hurricane protection must be installed. The board must record the certificate in the public records of the county where the condominium is located. The certificate must include the recording data identifying the declaration of condominium and must be executed in the form required for the execution of a deed. Once the certificate is recorded, the board must mail or hand deliver a copy of the recorded certificate to the unit owners at the owners' addresses, as reflected in the records of the association. The board may provide a copy of the recorded certificate by electronic transmission to unit owners who

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previously consented to receive notice by electronic transmission. The failure to record the certificate or send a copy of the recorded certificate to the unit owners does not affect the validity or enforceability of the vote of the unit owners. However, A vote of the unit owners under this paragraph is not required if the installation, maintenance, repair, and replacement of the hurricane shutters, impact glass, codecompliant windows or doors, or other types of code-compliant hurricane protection, or any exterior windows, doors, or other apertures protected by the hurricane protection, is are the responsibility of the association pursuant to the declaration of condominium as originally recorded or as amended, or if the unit owners are required to install hurricane protection pursuant to the declaration of condominium as originally recorded or as amended. If hurricane protection or laminated glass or window film architecturally designed to function as hurricane protection that complies with or exceeds the current applicable building code has been previously installed, the board may not install the same type of hurricane shutters, impact glass, codecompliant windows or doors, or other types of code-compliant hurricane protection or require that unit owners install the same type of hurricane protection unless the installed hurricane protection has reached the end of its useful life or unless it is necessary to prevent damage to the common elements or to a unit except upon approval by a majority vote of the voting interests.

(b) The association is responsible for the maintenance, repair, and replacement of the hurricane shutters, impact glass, code-compliant windows or doors, or other types of code-

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compliant hurricane protection authorized by this subsection if such property is the responsibility of the association pursuant to the declaration of condominium. If the hurricane shutters, impact glass, code-compliant windows or doors, or other types of code-compliant hurricane protection are the responsibility of the unit owners pursuant to the declaration of condominium, the maintenance, repair, and replacement of such items are the responsibility of the unit owner.

(b) (c) The board may operate shutters, impact glass, codecompliant windows or doors, or other types of code-compliant
hurricane protection installed pursuant to this subsection
without permission of the unit owners only if such operation is
necessary to preserve and protect the condominium property or
and association property. The installation, replacement,
operation, repair, and maintenance of such shutters, impact
glass, code-compliant windows or doors, or other types of codecompliant hurricane protection in accordance with the procedures
set forth in this paragraph are not a material alteration to the
common elements or association property within the meaning of
this section.

(c) (d) Notwithstanding any other provision in the residential condominium or mixed-use condominium documents, if approval is required by the documents, a board may not refuse to approve the installation or replacement of hurricane shutters, impact glass, code-compliant windows or doors, or other types of code-compliant hurricane protection by a unit owner which conforms conforming to the specifications adopted by the board. However, a board may require the unit owner to adhere to an existing unified building scheme regarding the external

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appearance of the condominium.

(d) Unless otherwise provided in a declaration of condominium recorded in the public record before July 1, 2024, a unit owner is not responsible for the cost of any removal or reinstallation of hurricane protection, and any exterior window, door, or other aperture protected by the hurricane protection, if its removal is necessary for the maintenance, repair, or replacement of other condominium property or association property for which the association is responsible. The board shall determine if the removal or reinstallation of hurricane protection must be completed by the unit owner or the association. If such removal or reinstallation is completed by the association, the costs incurred by the association may not be charged to the unit owner. If such removal or reinstallation is completed by the unit owner, the association must reimburse the unit owner for the cost of the removal or reinstallation or the association must apply the unit owner's cost of removal or reinstallation as a credit toward future assessments.

(e) If the removal or installation of hurricane protection or of any exterior windows, doors, or other apertures protected by the hurricane protection are the responsibility of the unit owner, such removal or installation is completed by the association, and the association then charges the unit owner for such removal or installation, such charges are enforceable as an assessment and may be collected in the manner provided under s. 718.116.

Section 12. Paragraph (e) of subsection (1) of section 718.115, Florida Statutes, is amended to read:

718.115 Common expenses and common surplus.

2002 (1)

(e) 1. Except as provided in s. $/18.113(5)(d)$ The expense of
installation, replacement, operation, repair, and maintenance of
hurricane shutters, impact glass, code-compliant windows or
doors, or other types of code-compliant hurricane protection by
the board pursuant to s. 718.113(5) constitutes a common expense
and shall be collected as provided in this section if the
association is responsible for the maintenance, repair, and
replacement of the hurricane shutters, impact glass, code-
compliant windows or doors, or other types of code-compliant
hurricane protection pursuant to the declaration of condominium.
However, if the installation of maintenance, repair, and
replacement of the hurricane shutters, impact glass, code-
compliant windows or doors, or other types of code-compliant
hurricane protection $\underline{is}$ are the responsibility of the unit
owners pursuant to the declaration of condominium or a vote of
the unit owners under s. 718.113(5), the cost of the
installation of the hurricane shutters, impact glass, code-
compliant windows or doors, or other types of code-compliant
hurricane protection $\underline{\text{by the association}}$ is not a common expense
and $\underline{\text{must}}$ $\underline{\text{shall}}$ be charged individually to the unit owners based
on the cost of installation of the hurricane shutters, impact
glass, code-compliant windows or doors, or other types of code-
$\frac{\text{compliant}}{\text{compliant}}$ hurricane protection appurtenant to the unit. $\frac{\text{The}}{\text{compliant}}$
costs of installation of hurricane protection are enforceable as
an assessment and may be collected in the manner provided under
s. 718.116.

 $\underline{2.}$  Notwithstanding s. 718.116(9), and regardless of whether  $\underline{\text{or not}}$  the declaration requires the association or unit owners

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to install, maintain, repair, or replace hurricane shutters, 2032 impact glass, code-compliant windows or doors, or other types of code-compliant hurricane protection, the a unit owner of a unit 2033 2034 where who has previously installed hurricane shutters in 2035 accordance with s. 718.113(5) that comply with the current applicable building code shall receive a credit when the 2036 2037 shutters are installed; a unit owner who has previously 2038 installed impact glass or code-compliant windows or doors that 2039 comply with the current applicable building code shall receive a credit when the impact glass or code-compliant windows or doors are installed; and a unit owner who has installed other types of 2042 code-compliant hurricane protection that complies comply with 2043 the current applicable building code has been installed is excused from any assessment levied by the association or shall 2045 receive a credit if when the same type of other code-compliant 2046 hurricane protection is installed by the association, and the 2047 credit shall be equal to the pro rata portion of the assessed installation cost assigned to each unit. A credit is applicable 2049 if the installation of hurricane protection is for all other units that do not have hurricane protection and the cost of such installation is funded by the association's budget, including the use of reserve funds. The credit must be equal to the amount 2053 that the unit owner would have been assessed to install the 2054 hurricane protection. However, such unit owner remains 2055 responsible for the pro rata share of expenses for hurricane 2056 shutters, impact glass, code-compliant windows or doors, or 2057 other types of code-compliant hurricane protection installed on 2058 common elements and association property by the board pursuant 2059 to s. 718.113(5) and remains responsible for a pro rata share of

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the expense of the replacement, operation, repair, and maintenance of such shutters, impact glass, code-compliant windows or doors, or other types of code-compliant hurricane protection. Expenses for the installation, replacement, operation, repair, or maintenance of hurricane protection on common elements and association property are common expenses.

Section 13. Paragraph (a) of subsection (4) of section 718.121, Florida Statutes, is amended to read:

718.121 Liens.-

(4) (a) If an association sends out an invoice for assessments or a unit's statement of the account described in <u>s.</u> 718.111(12)(a)11.c. <u>s. 718.111(12)(a)11.b.</u>, the invoice for assessments or the unit's statement of account must be delivered to the unit owner by first-class United States mail or by electronic transmission to the unit owner's e-mail address maintained in the association's official records.

Section 14. Section 718.1224, Florida Statutes, is amended to read:

718.1224 Prohibition against SLAPP suits; other prohibited actions.—

(1) It is the intent of the Legislature to protect the right of condominium unit owners to exercise their rights to instruct their representatives and petition for redress of grievances before their condominium association and the various governmental entities of this state as protected by the First Amendment to the United States Constitution and s. 5, Art. I of the State Constitution. The Legislature recognizes that strategic lawsuits against public participation, or "SLAPP suits," as they are typically referred to, have occurred when

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2089 association members are sued by condominium associations, 2090 individuals, business entities, or governmental entities arising 2091 out of a condominium unit owner's appearance and presentation 2092 before the board of the condominium association or a 2093 governmental entity on matters related to the condominium 2094 association. However, it is the public policy of this state that 2095 condominium associations, governmental entities, business 2096 organizations, and individuals not engage in SLAPP suits, 2097 because such actions are inconsistent with the right of 2098 condominium unit owners to participate in their condominium 2099 association and in the state's institutions of government. 2100 Therefore, the Legislature finds and declares that prohibiting 2101 such lawsuits by condominium associations, governmental 2102 entities, business entities, and individuals against condominium 2103 unit owners who address matters concerning their condominium 2104 association will preserve this fundamental state policy, 2105 preserve the constitutional rights of condominium unit owners, 2106 and ensure the continuation of representative government in this 2107 state, and ensure unit owner participation in condominium 2108 associations. It is the intent of the Legislature that such 2109 lawsuits be expeditiously disposed of by the courts. As used in 2110 this subsection, the term "governmental entity" means the state, 2111 including the executive, legislative, and judicial branches of 2112 government; law enforcement agencies; the independent 2113 establishments of the state, counties, municipalities, 2114 districts, authorities, boards, or commissions; or any agencies 2115 of these branches that are subject to chapter 286.

business organization, or  $\underline{an}$  individual in this state may not

(2) A condominium association, a governmental entity, a

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file or cause to be filed through its employees or agents any lawsuit, cause of action, claim, cross-claim, or counterclaim against a condominium unit owner without merit and solely because such condominium unit owner has exercised the right to instruct his or her representatives or the right to petition for redress of grievances before the condominium association or the various governmental entities of this state, as protected by the First Amendment to the United States Constitution and s. 5, Art. I of the State Constitution.

- discriminatorily increase a unit owner's assessments or discriminatorily decrease services to a unit owner, or bring or threaten to bring an action for possession or other civil action, including a defamation, libel, slander, or tortious interference action, based on conduct described in paragraphs (a)-(f). In order for the unit owner to raise the defense of retaliatory conduct, the unit owner must have acted in good faith and not for any improper purposes, such as to harass or to cause unnecessary delay or for frivolous purpose or needless increase in the cost of litigation. Examples of conduct for which a condominium association, officer, director, or agent of an association may not retaliate include, but are not limited to, situations where:
- (a) The unit owner has in good faith complained to a governmental agency charged with responsibility for enforcement of a building, housing, or health code of a suspected violation applicable to the condominium;
- (b) The unit owner has organized, encouraged, or participated in a unit owners' organization;

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(c) The unit owner submitted information or filed a complaint alleging criminal violations or violations of this chapter or the rules of the division with the division, the Office of the Condominium Ombudsman, a law enforcement agency, a state attorney, the Attorney General, or any other governmental agency;

- (d) The unit owner has exercised his or her rights under this chapter;
- (e) The unit owner has complained to the association or any of its representatives for their failure to comply with this chapter or chapter 617; or
- (f) The unit owner has made public statements critical of the operation or management of the association.
- (4) Evidence of retaliatory conduct may be raised by the unit owner as a defense in any action brought against him or her for possession.
- (5) A condominium unit owner sued by a condominium association, governmental entity, business organization, or individual in violation of this section has a right to an expeditious resolution of a claim that the suit is in violation of this section. A condominium unit owner may petition the court for an order dismissing the action or granting final judgment in favor of that condominium unit owner. The petitioner may file a motion for summary judgment, together with supplemental affidavits, seeking a determination that the condominium association's, governmental entity's, business organization's, or individual's lawsuit has been brought in violation of this section. The condominium association, governmental entity, business organization, or individual shall thereafter file its

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response and any supplemental affidavits. As soon as practicable, the court shall set a hearing on the petitioner's motion, which shall be held at the earliest possible time after the filing of the condominium association's, governmental entity's, business organization's, or individual's response. The court may award the condominium unit owner sued by the condominium association, governmental entity, business organization, or individual actual damages arising from the condominium association's, governmental entity's, individual's, or business organization's violation of this section. A court may treble the damages awarded to a prevailing condominium unit owner and shall state the basis for the treble damages award in its judgment. The court shall award the prevailing party reasonable attorney's fees and costs incurred in connection with a claim that an action was filed in violation of this section.

- $\underline{(6)}$  (4) Condominium associations may not expend association funds in prosecuting a SLAPP suit against a condominium unit owner.
- (7) Condominium associations may not expend association funds in support of a defamation, libel, slander, or tortious interference action against a unit owner or any other claim against a unit owner based on conduct described in paragraphs (3) (a)-(f).

Section 15. Section 718.128, Florida Statutes, is amended to read:

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

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2205 are met:

- (1) The association provides each unit owner with:
- (a) A method to authenticate the unit owner's identity to the online voting system.
- (b) For elections of the board, a method to transmit an electronic ballot to the online voting system that ensures the secrecy and integrity of each ballot.
- (c) A method to confirm, at least 14 days before the voting deadline, that the unit owner's electronic device can successfully communicate with the online voting system.
  - (2) The association uses an online voting system that is:
  - (a) Able to authenticate the unit owner's identity.
- (b) Able to authenticate the validity of each electronic vote to ensure that the vote is not altered in transit.
- (c) Able to transmit a receipt from the online voting system to each unit owner who casts an electronic vote.
- (d) For elections of the board of administration, able to permanently separate any authentication or identifying information from the electronic election ballot, rendering it impossible to tie an election ballot to a specific unit owner.
- (e) Able to store and keep electronic votes accessible to election officials for recount, inspection, and review purposes.
- (3) A unit owner voting electronically pursuant to this section shall be counted as being in attendance at the meeting for purposes of determining a quorum. A substantive vote of the unit owners may not be taken on any issue other than the issues specifically identified in the electronic vote, when a quorum is established based on unit owners voting electronically pursuant to this section.

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(4) This section applies to an association that provides for and authorizes an online voting system pursuant to this section by a board resolution. The board resolution must provide that unit owners receive notice of the opportunity to vote through an online voting system, must establish reasonable procedures and deadlines for unit owners to consent, electronically or in writing, to online voting, and must establish reasonable procedures and deadlines for unit owners to opt out of online voting after giving consent. Written notice of a meeting at which the resolution will be considered must be mailed, delivered, or electronically transmitted to the unit owners and posted conspicuously on the condominium property or association property at least 14 days before the meeting. Evidence of compliance with the 14-day notice requirement must be made by an affidavit executed by the person providing the notice and filed with the official records of the association.

- (5) A unit owner's consent to online voting is valid until the unit owner opts out of online voting according to the procedures established by the board of administration pursuant to subsection (4).
- (6) This section may apply to any matter that requires a vote of the unit owners who are not members of a timeshare condominium association.
- Section 16. Paragraph (p) of subsection (4) of section 718.301, Florida Statutes, is amended to read:
- 718.301 Transfer of association control; claims of defect by association.—
- (4) At the time that unit owners other than the developer elect a majority of the members of the board of administration

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

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

- (p) Notwithstanding when the certificate of occupancy was issued or the height of the building, a turnover inspection report included in the official records, under seal of an architect or engineer authorized to practice in this state or a person certified as a reserve specialist or professional reserve analyst by the Community Associations Institute or the Association of Professional Reserve Analysts, and consisting of a structural integrity reserve study attesting to required maintenance, condition, useful life, and replacement costs of the following applicable condominium property:
  - 1. Roof.
- 2. Structure, including load-bearing walls and primary structural members and primary structural systems as those terms are defined in s. 627.706.
  - 3. Fireproofing and fire protection systems.
  - 4. Plumbing.
    - 5. Electrical systems.
    - 6. Waterproofing and exterior painting.
- 7. Windows and exterior doors.
- 2291 Section 17. Subsections (4) and (5) of section 718.3027,

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Florida Statutes, are amended to read:

718.3027 Conflicts of interest.-

- (4) A director or an officer, or a relative of a director or an officer, who is a party to, or has an interest in, an activity that is a possible conflict of interest, as described in subsection (1), may attend the meeting at which the activity is considered by the board and is authorized to make a presentation to the board regarding the activity. After the presentation, the director or officer, and any or the relative of the director or officer, must leave the meeting during the discussion of, and the vote on, the activity. A director or an officer who is a party to, or has an interest in, the activity must recuse himself or herself from the vote. The attendance of a director with a possible conflict of interest at the meeting of the board is sufficient to constitute a quorum for the meeting and the vote in his or her absence on the proposed activity.
- (5) A contract entered into between a director or an officer, or a relative of a director or an officer, and the association, which is not a timeshare condominium association, that has not been properly disclosed as a conflict of interest or potential conflict of interest as required by this section or s. 617.0832 s. 718.111(12)(g) is voidable and terminates upon the filing of a written notice terminating the contract with the board of directors which contains the consent of at least 20 percent of the voting interests of the association.

Section 18. Subsection (5) of section 718.303, Florida Statutes, is amended to read:

718.303 Obligations of owners and occupants; remedies.-

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(5) An association may suspend the voting rights of a unit owner or member due to nonpayment of any fee, fine, or other monetary obligation due to the association which is more than \$1,000 and more than 90 days delinquent. Proof of such obligation must be provided to the unit owner or member 30 days before such suspension takes effect. Notice of such obligation must also be provided to the unit owner at least 90 days before an election. A voting interest or consent right allocated to a unit owner or member which has been suspended by the association shall be subtracted from the total number of voting interests in the association, which shall be reduced by the number of suspended voting interests when calculating the total percentage or number of all voting interests available to take or approve any action, and the suspended voting interests shall not be considered for any purpose, including, but not limited to, the percentage or number of voting interests necessary to constitute a quorum, the percentage or number of voting interests required to conduct an election, or the percentage or number of voting interests required to approve an action under this chapter or pursuant to the declaration, articles of incorporation, or bylaws. The suspension ends upon full payment of all obligations currently due or overdue the association. The notice and hearing requirements under subsection (3) do not apply to a suspension imposed under this subsection.

Section 19. Subsections (1) and (2) of section 718.501, Florida Statutes, are amended to read:

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

(1) The division may enforce and ensure compliance with

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this chapter and rules relating to the development, construction, sale, lease, ownership, operation, and management of residential condominium units and complaints related to the procedural completion of milestone inspections under s. 553.899. In performing its duties, the division has complete jurisdiction to investigate complaints and enforce compliance with respect to associations that are still under developer control or the control of a bulk assignee or bulk buyer pursuant to part VII of this chapter and complaints against developers, bulk assignees, or bulk buyers involving improper turnover or failure to turnover, pursuant to s. 718.301. However, after turnover has occurred, the division has jurisdiction to investigate complaints related only to financial issues, elections, and the maintenance of and unit owner access to association records under s. 718.111(12), allegations of criminal violations under this chapter, the removal of a director or an officer under s. 718.112(2)(q), and the procedural completion of structural integrity reserve studies under s. 718.112(2)(g).

- (a)1. The division may make necessary public or private investigations within or outside this state to determine whether any person has violated this chapter or any rule or order hereunder, to aid in the enforcement of this chapter, or to aid in the adoption of rules or forms.
- 2. The division may submit any official written report, worksheet, or other related paper, or a duly certified copy thereof, compiled, prepared, drafted, or otherwise made by and duly authenticated by a financial examiner or analyst to be admitted as competent evidence in any hearing in which the financial examiner or analyst is available for cross-examination

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and attests under oath that such documents were prepared as a result of an examination or inspection conducted pursuant to this chapter.

- (b) The division may require or permit any person to file a statement in writing, under oath or otherwise, as the division determines, as to the facts and circumstances concerning a matter to be investigated.
- (c) For the purpose of any investigation under this chapter, the division director or any officer or employee designated by the division director may administer oaths or affirmations, subpoena witnesses and compel their attendance, take evidence, and require the production of any matter which is relevant to the investigation, including the existence, description, nature, custody, condition, and location of any books, documents, or other tangible things and the identity and location of persons having knowledge of relevant facts or any other matter reasonably calculated to lead to the discovery of material evidence. Upon the failure by a person to obey a subpoena or to answer questions propounded by the investigating officer and upon reasonable notice to all affected persons, the division may apply to the circuit court for an order compelling compliance.
- (d) Notwithstanding any remedies available to unit owners and associations, if the division has reasonable cause to believe that a violation of any provision of this chapter or related rule has occurred, the division may institute enforcement proceedings in its own name against any developer, bulk assignee, bulk buyer, association, officer, or member of the board of administration, or its assignees or agents, as

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1. The division may permit a person whose conduct or actions may be under investigation to waive formal proceedings and enter into a consent proceeding whereby orders, rules, or letters of censure or warning, whether formal or informal, may be entered against the person.

- 2. The division may issue an order requiring the developer, bulk assignee, bulk buyer, association, developer-designated officer, or developer-designated member of the board of administration, developer-designated assignees or agents, bulk assignee-designated assignees or agents, bulk buyer-designated assignees or agents, community association manager, or community association management firm to cease and desist from the unlawful practice and take such affirmative action as in the judgment of the division carry out the purposes of this chapter. If the division finds that a developer, bulk assignee, bulk buyer, association, officer, or member of the board of administration, or its assignees or agents, is violating or is about to violate any provision of this chapter, any rule adopted or order issued by the division, or any written agreement entered into with the division, and presents an immediate danger to the public requiring an immediate final order, it may issue an emergency cease and desist order reciting with particularity the facts underlying such findings. The emergency cease and desist order is effective for 90 days. If the division begins nonemergency cease and desist proceedings, the emergency cease and desist order remains effective until the conclusion of the proceedings under ss. 120.569 and 120.57.
  - 3. If a developer, bulk assignee, or bulk buyer fails to

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pay any restitution determined by the division to be owed, plus any accrued interest at the highest rate permitted by law, within 30 days after expiration of any appellate time period of a final order requiring payment of restitution or the conclusion of any appeal thereof, whichever is later, the division must bring an action in circuit or county court on behalf of any association, class of unit owners, lessees, or purchasers for restitution, declaratory relief, injunctive relief, or any other available remedy. The division may also temporarily revoke its acceptance of the filing for the developer to which the restitution relates until payment of restitution is made.

- 4. The division may petition the court for appointment of a receiver or conservator. If appointed, the receiver or conservator may take action to implement the court order to ensure the performance of the order and to remedy any breach thereof. In addition to all other means provided by law for the enforcement of an injunction or temporary restraining order, the circuit court may impound or sequester the property of a party defendant, including books, papers, documents, and related records, and allow the examination and use of the property by the division and a court-appointed receiver or conservator.
- 5. The division may apply to the circuit court for an order of restitution whereby the defendant in an action brought under subparagraph 4. is ordered to make restitution of those sums shown by the division to have been obtained by the defendant in violation of this chapter. At the option of the court, such restitution is payable to the conservator or receiver appointed under subparagraph 4. or directly to the persons whose funds or assets were obtained in violation of this chapter.

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6. The division may impose a civil penalty against a developer, bulk assignee, or bulk buyer, or association, or its assignee or agent, for any violation of this chapter, or related rule, or chapter 617. The division may impose a civil penalty individually against an officer or board member who willfully and knowingly violates this chapter, an adopted rule, or a final order of the division; may order the removal of such individual as an officer or from the board of administration or as an officer of the association; and may prohibit such individual from serving as an officer or on the board of a community association for a period of time. The term "willfully and knowingly" means that the division informed the officer or board member that his or her action or intended action violates this chapter, a rule adopted under this chapter, or a final order of the division and that the officer or board member refused to comply with the requirements of this chapter, a rule adopted under this chapter, or a final order of the division. The division, before initiating formal agency action under chapter 120, must afford the officer or board member an opportunity to voluntarily comply, and an officer or board member who complies within 10 days is not subject to a civil penalty. A penalty may be imposed on the basis of each day of continuing violation, but the penalty for any offense may not exceed \$5,000. The division shall adopt, by rule, penalty guidelines applicable to possible violations or to categories of violations of this chapter or rules adopted by the division. The guidelines must specify a meaningful range of civil penalties for each such violation of the statute and rules and must be based upon the harm caused by the violation, upon the repetition of the violation, and upon

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such other factors deemed relevant by the division. For example, the division may consider whether the violations were committed by a developer, bulk assignee, or bulk buyer, or ownercontrolled association, the size of the association, and other factors. The guidelines must designate the possible mitigating or aggravating circumstances that justify a departure from the range of penalties provided by the rules. It is the legislative intent that minor violations be distinguished from those which endanger the health, safety, or welfare of the condominium residents or other persons and that such guidelines provide reasonable and meaningful notice to the public of likely penalties that may be imposed for proscribed conduct. This subsection does not limit the ability of the division to informally dispose of administrative actions or complaints by stipulation, agreed settlement, or consent order. All amounts collected shall be deposited with the Chief Financial Officer to the credit of the Division of Florida Condominiums, Timeshares, and Mobile Homes Trust Fund. If a developer, bulk assignee, or bulk buyer fails to pay the civil penalty and the amount deemed to be owed to the association, the division shall issue an order directing that such developer, bulk assignee, or bulk buyer cease and desist from further operation until such time as the civil penalty is paid or may pursue enforcement of the penalty in a court of competent jurisdiction. If an association fails to pay the civil penalty, the division shall pursue enforcement in a court of competent jurisdiction, and the order imposing the civil penalty or the cease and desist order is not effective until 20 days after the date of such order. Any action commenced by the division shall be brought in the county in which the

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division has its executive offices or in the county where the violation occurred.

- 7. If a unit owner presents the division with proof that the unit owner has requested access to official records in writing by certified mail, and that after 10 days the unit owner again made the same request for access to official records in writing by certified mail, and that more than 10 days has elapsed since the second request and the association has still failed or refused to provide access to official records as required by this chapter, the division shall issue a subpoena requiring production of the requested records where the records are kept pursuant to s. 718.112. Upon receipt of the records, the division shall provide without charge the produced official records to the unit owner who was denied access to such records.
- 8. In addition to subparagraph 6., the division may seek the imposition of a civil penalty through the circuit court for any violation for which the division may issue a notice to show cause under paragraph  $\underline{(s)}$   $\underline{(r)}$ . The civil penalty shall be at least \$500 but no more than \$5,000 for each violation. The court may also award to the prevailing party court costs and reasonable attorney fees and, if the division prevails, may also award reasonable costs of investigation.
- (e) The division may prepare and disseminate a prospectus and other information to assist prospective owners, purchasers, lessees, and developers of residential condominiums in assessing the rights, privileges, and duties pertaining thereto.
- (f) The division may adopt rules to administer and enforce this chapter.
  - (g) The division shall establish procedures for providing

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notice to an association and the developer, bulk assignee, or bulk buyer during the period in which the developer, bulk assignee, or bulk buyer controls the association if the division is considering the issuance of a declaratory statement with respect to the declaration of condominium or any related document governing such condominium community.

- (h) The division shall furnish each association that pays the fees required by paragraph (2)(a) a copy of this chapter, as amended, and the rules adopted thereto on an annual basis.
- (i) The division shall annually provide each association with a summary of declaratory statements and formal legal opinions relating to the operations of condominiums which were rendered by the division during the previous year.
- (j) The division shall provide training and educational programs for condominium association board members and unit owners. The training may, in the division's discretion, include web-based electronic media and live training and seminars in various locations throughout the state. The division may review and approve education and training programs for board members and unit owners offered by providers and shall maintain a current list of approved programs and providers and make such list available to board members and unit owners in a reasonable and cost-effective manner. The division shall adopt by rule the educational curriculum required under s. 718.112(2)(d) for its approval of condominium education providers.
- (k) The division shall maintain a toll-free telephone number accessible to condominium unit owners.
- (1) The division shall develop a program to certify both volunteer and paid mediators to provide mediation of condominium

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disputes. The division shall provide, upon request, a list of such mediators to any association, unit owner, or other participant in alternative dispute resolution proceedings under s. 718.1255 requesting a copy of the list. The division shall include on the list of volunteer mediators only the names of persons who have received at least 20 hours of training in mediation techniques or who have mediated at least 20 disputes. In order to become initially certified by the division, paid mediators must be certified by the Supreme Court to mediate court cases in county or circuit courts. However, the division may adopt, by rule, additional factors for the certification of paid mediators, which must be related to experience, education, or background. Any person initially certified as a paid mediator by the division must, in order to continue to be certified, comply with the factors or requirements adopted by rule.

(m) If a complaint is made, the division must conduct its inquiry with due regard for the interests of the affected parties. Within 30 days after receipt of a complaint, the division shall acknowledge the complaint in writing and notify the complainant whether the complaint is within the jurisdiction of the division and whether additional information is needed by the division from the complainant. The division shall conduct its investigation and, within 90 days after receipt of the original complaint or of timely requested additional information, take action upon the complaint. However, the failure to complete the investigation within 90 days does not prevent the division from continuing the investigation, accepting or considering evidence obtained or received after 90 days, or taking administrative action if reasonable cause exists

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to believe that a violation of this chapter or a rule has occurred. If an investigation is not completed within the time limits established in this paragraph, the division shall, on a monthly basis, notify the complainant in writing of the status of the investigation. When reporting its action to the complainant, the division shall inform the complainant of any right to a hearing under ss. 120.569 and 120.57. The division may adopt rules regarding the submission of a complaint against an association.

- (n) Condominium association directors, officers, and employees; condominium developers; bulk assignees, bulk buyers, and community association managers; and community association management firms have an ongoing duty to reasonably cooperate with the division in any investigation under this section. The division shall refer to local law enforcement authorities any person whom the division believes has altered, destroyed, concealed, or removed any record, document, or thing required to be kept or maintained by this chapter with the purpose to impair its verity or availability in the department's investigation.

  The division shall refer to local law enforcement authorities any person whom the division believes has engaged in fraud, theft, embezzlement, or other criminal activity or when the division has cause to believe that fraud, theft, embezzlement, or other criminal activity, embezzlement, or other criminal activity, embezzlement, or other criminal activity has occurred.
- (o) The division director or any officer or employee of the division, and the condominium ombudsman or an employee of the Office of the Condominium Ombudsman, may attend and observe any meeting of the board of administration or unit owner meeting, including any meeting of a subcommittee or special committee,

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that is open to members of the association for the purpose of performing the duties of the division or the Office of the Condominium Ombudsman under this chapter.

- (p) The division may:
- 1. Contract with agencies in this state or other jurisdictions to perform investigative functions; or
  - 2. Accept grants-in-aid from any source.
- $\underline{(q)}$  (p) The division shall cooperate with similar agencies in other jurisdictions to establish uniform filing procedures and forms, public offering statements, advertising standards, and rules and common administrative practices.
- $\underline{\text{(r)}}$  The division shall consider notice to a developer, bulk assignee, or bulk buyer to be complete when it is delivered to the address of the developer, bulk assignee, or bulk buyer currently on file with the division.
- $\underline{\text{(s)}_{\text{(r)}}}$  In addition to its enforcement authority, the division may issue a notice to show cause, which must provide for a hearing, upon written request, in accordance with chapter 120.
- (t) (s) The division shall submit to the Governor, the President of the Senate, the Speaker of the House of Representatives, and the chairs of the legislative appropriations committees an annual report that includes, but need not be limited to, the number of training programs provided for condominium association board members and unit owners, the number of complaints received by type, the number and percent of complaints acknowledged in writing within 30 days and the number and percent of investigations acted upon within 90 days in accordance with paragraph (m), and the number of investigations

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exceeding the 90-day requirement. The annual report must also include an evaluation of the division's core business processes and make recommendations for improvements, including statutory changes. The report shall be submitted by September 30 following the end of the fiscal year.

- (2) (a) Each condominium association which operates more than two units shall pay to the division an annual fee in the amount of \$4 for each residential unit in condominiums operated by the association. The annual fee must be filed together with the annual certification described in paragraph (c). If the fee is not paid by March 1, the association shall be assessed a penalty of 10 percent of the amount due, and the association will not have standing to maintain or defend any action in the courts of this state until the amount due, plus any penalty, is paid.
- (b) All fees shall be deposited in the Division of Florida Condominiums, Timeshares, and Mobile Homes Trust Fund as provided by law.
- (c) On the certification form provided by rule of the division, the directors of the association shall certify that all directors of the association have or have not completed the written certification and educational certificate requirements in s. 718.112(2)(d)4.b. If the association certifies that a director has not completed the written certification and educational certificate requirements, the association must explain on the certification form the reasons the written certification and educational certificate requirements have not been met and provide the date by which the requirements will be met, which may not be more than 60 days after the date the

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certification form required under this paragraph is submitted to the division. Upon completion of the requirements in s.

718.112(2)(d)4.b., the association must notify the division, on a form adopted by rule of the division, that the requirements have been met.

Section 20. Subsection (2) of section 718.5011, Florida Statutes, is amended to read:

718.5011 Ombudsman; appointment; administration.-

(2) The secretary of the Department of Business and Professional Regulation Governor shall appoint the ombudsman-The ombudsman must be an attorney admitted to practice before the Florida Supreme Court who and shall serve at the pleasure of the secretary Governor. A vacancy in the office shall be filled in the same manner as the original appointment. An officer or full-time employee of the ombudsman's office may not actively engage in any other business or profession that directly or indirectly relates to or conflicts with his or her work in the ombudsman's office; serve as the representative of any political party, executive committee, or other governing body of a political party; serve as an executive, officer, or employee of a political party; receive remuneration for activities on behalf of any candidate for public office; or engage in soliciting votes or other activities on behalf of a candidate for public office. The ombudsman or any employee of his or her office may not become a candidate for election to public office unless he or she first resigns from his or her office or employment.

Section 21. Subsection (1) of section 718.618, Florida Statutes, is amended to read:

718.618 Converter reserve accounts; warranties.-

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(1) When existing improvements are converted to ownership as a residential condominium, the developer shall establish converter reserve accounts for capital expenditures and <u>planned deferred</u> maintenance, or give warranties as provided by subsection (6), or post a surety bond as provided by subsection (7). The developer shall fund the converter reserve accounts in amounts calculated as follows:

- (a)1. When the existing improvements include an air-conditioning system serving more than one unit or property which the association is responsible to repair, maintain, or replace, the developer shall fund an air-conditioning reserve account. The amount of the reserve account shall be the product of the estimated current replacement cost of the system, as disclosed and substantiated pursuant to s. 718.616(3)(b), multiplied by a fraction, the numerator of which shall be the lesser of the age of the system in years or 9, and the denominator of which shall be 10. When such air-conditioning system is within 1,000 yards of the seacoast, the numerator shall be the lesser of the age of the system in years or 3, and the denominator shall be 4.
- 2. The developer shall fund a plumbing reserve account. The amount of the funding shall be the product of the estimated current replacement cost of the plumbing component, as disclosed and substantiated pursuant to s. 718.616(3)(b), multiplied by a fraction, the numerator of which shall be the lesser of the age of the plumbing in years or 36, and the denominator of which shall be 40.
- 3. The developer shall fund a roof reserve account. The amount of the funding shall be the product of the estimated current replacement cost of the roofing component, as disclosed

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2756	and substantiated pursuant to s. $718.616(3)(b)$ , multiplied by a					
2757	fraction, the numerator of which shall be the lesser of the age					
2758	of the	roof in years or the nu	umerator listed in	the following		
2759	table.	The denominator of the	fraction shall be	determined based		
2760	on the	<pre>roof type, as follows:</pre>				
2761						
		Roof Type	Numerator	Denominator		
2762						
	a.	Built-up roof	4	5		
		without insulation				
2763						
	b.	Built-up roof with	4	5		
		insulation				
2764						
	С.	Cement tile roof	45	50		
2765						
	d.	Asphalt shingle	14	15		
		roof				
2766						
	е.	Copper roof				
2767						
	f.	Wood shingle roof	9	10		
2768						
	g.	All other types	18	20		
2769						
2770						
2771	(b) The age of any component or structure for which the					
2772	developer is required to fund a reserve account shall be					
2773	measured in years, rounded to the nearest whole year. The amount					

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of converter reserves to be funded by the developer for each structure or component shall be based on the age of the structure or component as disclosed in the inspection report. The architect or engineer shall determine the age of the component from the later of:

- 1. The date when the component or structure was replaced or substantially renewed, if the replacement or renewal of the component at least met the requirements of the then-applicable building code; or
- 2. The date when the installation or construction of the existing component or structure was completed.
- (c) When the age of a component or structure is to be measured from the date of replacement or renewal, the developer shall provide the division with a certificate, under the seal of an architect or engineer authorized to practice in this state, verifying:
  - 1. The date of the replacement or renewal; and
- 2. That the replacement or renewal at least met the requirements of the then-applicable building code.
- (d) In addition to establishing the reserve accounts specified above, the developer shall establish those other reserve accounts required by s. 718.112(2)(f), and shall fund those accounts in accordance with the formula provided therein. The vote to waive or reduce the funding or reserves required by s. 718.112(2)(f) does not affect or negate the obligations arising under this section.
- Section 22. Paragraphs (j) and (k) of subsection (1) of section 719.106, Florida Statutes, are amended to read:
  - 719.106 Bylaws; cooperative ownership.-

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

- (j) Annual budget.-
- 1. The proposed annual budget of common expenses must be detailed and must show the amounts budgeted by accounts and expense classifications, including, if applicable, but not limited to, those expenses listed in s. 719.504(20). The board of administration shall adopt the annual budget at least 14 days before the start of the association's fiscal year. In the event that the board fails to timely adopt the annual budget a second time, it is deemed a minor violation and the prior year's budget shall continue in effect until a new budget is adopted.
- 2. In addition to annual operating expenses, the budget must include reserve accounts for capital expenditures and planned deferred maintenance. These accounts must include, but not be limited to, roof replacement, building painting, and pavement resurfacing, regardless of the amount of planned deferred maintenance expense or replacement cost, and for any other items for which the planned deferred maintenance expense or replacement cost exceeds \$10,000. The amount to be reserved must be computed by means of a formula which is based upon estimated remaining useful life and estimated replacement cost or planned deferred maintenance expense of the reserve item. In a budget adopted by an association that is required to obtain a structural integrity reserve study, reserves must be maintained for the items identified in paragraph (k) for which the association is responsible pursuant to the declaration, and the reserve amount for such items must be based on the findings and

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recommendations of the association's most recent structural integrity reserve study. With respect to items for which an estimate of useful life is not readily ascertainable or with an estimated remaining useful life of greater than 25 years, an association is not required to reserve replacement costs for such items, but an association must reserve the amount of planned <del>deferred</del> maintenance expense, if any, which is recommended by the structural integrity reserve study for such items. The association may adjust replacement reserve assessments annually to take into account an inflation adjustment and any changes in estimates or extension of the useful life of a reserve item caused by planned deferred maintenance. The members of a unit-owner-controlled association may determine, by a majority vote of the total voting interests of the association, for a fiscal year to provide no reserves or reserves less adequate than required by this subsection. Before turnover of control of an association by a developer to unit owners other than a developer under s. 719.301, the developercontrolled association may not vote to waive the reserves or reduce funding of the reserves. For a budget adopted on or after December 31, 2024, a unit-owner-controlled association that must obtain a structural integrity reserve study may not determine to provide no reserves or reserves less adequate than required by this paragraph for items listed in paragraph (k). If a meeting of the unit owners has been called to determine to provide no reserves, or reserves less adequate than required, and such result is not attained or a quorum is not attained, the reserves as included in the budget shall go into effect.

3. Reserve funds and any interest accruing thereon shall

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remain in the reserve account or accounts, and shall be used only for authorized reserve expenditures unless their use for other purposes is approved in advance by a vote of the majority of the total voting interests of the association. Before turnover of control of an association by a developer to unit owners other than the developer under s. 719.301, the developer may not vote to use reserves for purposes other than that for which they were intended. For a budget adopted on or after December 31, 2024, members of a unit-owner-controlled association that must obtain a structural integrity reserve study may not vote to use reserve funds, or any interest accruing thereon, for purposes other than the replacement or planned deferred maintenance costs of the components listed in paragraph (k).

- (k) Structural integrity reserve study.-
- 1. A residential cooperative association must have a structural integrity reserve study completed at least every 10 years for each building on the cooperative property that is three stories or higher in height, as determined by the Florida Building Code, that includes, at a minimum, a study of the following items as related to the structural integrity and safety of the building:
  - a. Roof.
- b. Structure, including load-bearing walls and other primary structural members and primary structural systems as those terms are defined in s. 627.706.
  - c. Fireproofing and fire protection systems.
  - d. Plumbing.
    - e. Electrical systems.

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f. Waterproofing and exterior painting.

- g. Windows and exterior doors.
- h. Any other item that has a <u>planned</u> deferred maintenance expense or replacement cost that exceeds \$10,000 and the failure to replace or maintain such item negatively affects the items listed in sub-subparagraphs a.-g., as determined by the visual inspection portion of the structural integrity reserve study.
- 2. A structural integrity reserve study is based on a visual inspection of the cooperative property. A structural integrity reserve study may be performed by any person qualified to perform such study. However, the visual inspection portion of the structural integrity reserve study must be performed or verified by an engineer licensed under chapter 471, an architect licensed under chapter 481, or a person certified as a reserve specialist or professional reserve analyst by the Community Associations Institute or the Association of Professional Reserve Analysts.
- 3. At a minimum, a structural integrity reserve study must identify each item of the cooperative property being visually inspected, state the estimated remaining useful life and the estimated replacement cost or planned deferred maintenance expense of each item of the cooperative property being visually inspected, and provide a reserve funding schedule with a recommended annual reserve amount that achieves the estimated replacement cost or planned deferred maintenance expense of each item of cooperative property being visually inspected by the end of the estimated remaining useful life of the item. The structural integrity reserve study may recommend that reserves do not need to be maintained for any item for which an estimate

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of useful life and an estimate of replacement cost cannot be determined, or the study may recommend a <u>planned</u> deferred maintenance expense amount for such item. The structural integrity reserve study may recommend that reserves for replacement costs do not need to be maintained for any item with an estimated remaining useful life of greater than 25 years, but the study may recommend a <u>planned</u> deferred maintenance expense amount for such item.

- 4. This paragraph does not apply to buildings less than three stories in height; single-family, two-family, or three-family, or four-family dwellings with three or fewer habitable stories above ground; any portion or component of a building that has not been submitted to the cooperative form of ownership; or any portion or component of a building that is maintained by a party other than the association.
- 5. Before a developer turns over control of an association to unit owners other than the developer, the developer must have a turnover inspection report in compliance with s. 719.301(4)(p) and (q) for each building on the cooperative property that is three stories or higher in height.
- 6. Associations existing on or before July 1, 2022, which are controlled by unit owners other than the developer, must have a structural integrity reserve study completed by December 31, 2024, for each building on the cooperative property that is three stories or higher in height. An association that is required to complete a milestone inspection on or before December 31, 2026, in accordance with s. 553.899 may complete the structural integrity reserve study simultaneously with the milestone inspection. In no event may the structural integrity

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reserve study be completed after December 31, 2026.

- 7. If the milestone inspection required by s. 553.899, or an inspection completed for a similar local requirement, was performed within the past 5 years and meets the requirements of this paragraph, such inspection may be used in place of the visual inspection portion of the structural integrity reserve study.
- 8. If the officers or directors of an association willfully and knowingly fail to complete a structural integrity reserve study pursuant to this paragraph, such failure is a breach of an officer's and director's fiduciary relationship to the unit owners under s. 719.104(9).
- 9. Within 45 days after receiving the structural integrity reserve study, the association shall distribute a copy of the study to each unit owner or deliver to each unit owner a notice that the completed study is available for inspection and copying upon a written request. Distribution of a copy of the study or notice must be made by United States mail or personal delivery at the mailing address, property address, or any other address of the owner provided to fulfill the association's notice requirements under this chapter, or by electronic transmission to the e-mail address or facsimile number provided to fulfill the association's notice requirements to unit owners who previously consented to receive notice by electronic transmission.

Section 23. Section 719.129, Florida Statutes, is amended to read:

719.129 Electronic voting.—The association may conduct elections and other unit owner votes through an Internet-based

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online voting system if a unit owner consents, <u>electronically or</u> in writing, to online voting and if the following requirements are met:

- (1) The association provides each unit owner with:
- (a) A method to authenticate the unit owner's identity to the online voting system.
- (b) For elections of the board, a method to transmit an electronic ballot to the online voting system that ensures the secrecy and integrity of each ballot.
- (c) A method to confirm, at least 14 days before the voting deadline, that the unit owner's electronic device can successfully communicate with the online voting system.
  - (2) The association uses an online voting system that is:
  - (a) Able to authenticate the unit owner's identity.
- (b) Able to authenticate the validity of each electronic vote to ensure that the vote is not altered in transit.
- (c) Able to transmit a receipt from the online voting system to each unit owner who casts an electronic vote.
- (d) For elections of the board of administration, able to permanently separate any authentication or identifying information from the electronic election ballot, rendering it impossible to tie an election ballot to a specific unit owner.
- (e) Able to store and keep electronic votes accessible to election officials for recount, inspection, and review purposes.
- (3) A unit owner voting electronically pursuant to this section shall be counted as being in attendance at the meeting for purposes of determining a quorum. A substantive vote of the unit owners may not be taken on any issue other than the issues specifically identified in the electronic vote, when a quorum is

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established based on unit owners voting electronically pursuant to this section.

- (4) This section applies to an association that provides for and authorizes an online voting system pursuant to this section by a board resolution. The board resolution must provide that unit owners receive notice of the opportunity to vote through an online voting system, must establish reasonable procedures and deadlines for unit owners to consent, electronically or in writing, to online voting, and must establish reasonable procedures and deadlines for unit owners to opt out of online voting after giving consent. Written notice of a meeting at which the resolution will be considered must be mailed, delivered, or electronically transmitted to the unit owners and posted conspicuously on the condominium property or association property at least 14 days before the meeting. Evidence of compliance with the 14-day notice requirement must be made by an affidavit executed by the person providing the notice and filed with the official records of the association.
- (5) A unit owner's consent to online voting is valid until the unit owner opts out of online voting pursuant to the procedures established by the board of administration pursuant to subsection (4).
- (6) This section may apply to any matter that requires a vote of the unit owners who are not members of a timeshare cooperative association.
- Section 24. Paragraph (p) of subsection (4) of section 719.301, Florida Statutes, is amended to read:
  - 719.301 Transfer of association control.-
  - (4) When unit owners other than the developer elect a

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

- (p) Notwithstanding when the certificate of occupancy was issued or the height of the building, a turnover inspection report included in the official records, under seal of an architect or engineer authorized to practice in this state or a person certified as a reserve specialist or professional reserve analyst by the Community Associations Institute or the Association of Professional Reserve Analysts, consisting of a structural integrity reserve study attesting to required maintenance, condition, useful life, and replacement costs of the following applicable cooperative property:
  - 1. Roof.
- 2. Structure, including load-bearing walls and primary structural members and primary structural systems as those terms are defined in s. 627.706.
  - 3. Fireproofing and fire protection systems.
- 4. Plumbing.
  - 5. Electrical systems.
  - 6. Waterproofing and exterior painting.
  - 7. Windows and exterior doors.

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Section 25. Subsection (1) of section 719.618, Florida Statutes, is amended to read:

719.618 Converter reserve accounts; warranties.-

- (1) When existing improvements are converted to ownership as a residential cooperative, the developer shall establish planned reserve accounts for capital expenditures and deferred maintenance, or give warranties as provided by subsection (6), or post a surety bond as provided by subsection (7). The developer shall fund the reserve accounts in amounts calculated as follows:
- (a)1. When the existing improvements include an air-conditioning system serving more than one unit or property which the association is responsible to repair, maintain, or replace, the developer shall fund an air-conditioning reserve account. The amount of the reserve account shall be the product of the estimated current replacement cost of the system, as disclosed and substantiated pursuant to s. 719.616(3)(b), multiplied by a fraction, the numerator of which shall be the lesser of the age of the system in years or 9, and the denominator of which shall be 10. When such air-conditioning system is within 1,000 yards of the seacoast, the numerator shall be the lesser of the age of the system in years or 3, and the denominator shall be 4.
- 2. The developer shall fund a plumbing reserve account. The amount of the funding shall be the product of the estimated current replacement cost of the plumbing component, as disclosed and substantiated pursuant to s. 719.616(3)(b), multiplied by a fraction, the numerator of which shall be the lesser of the age of the plumbing in years or 36, and the denominator of which shall be 40.

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3. The developer shall fund a roof reserve account. The amount of the funding shall be the product of the estimated current replacement cost of the roofing component, as disclosed and substantiated pursuant to s. 719.616(3)(b), multiplied by a fraction, the numerator of which shall be the lesser of the age of the roof in years or the numerator listed in the following table. The denominator of the fraction shall be determined based on the roof type, as follows:

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		Roof Type	Numerator	Denominator
3102				
	a.	Built-up roof	4	5
		without insulation		
3103				
	b.	Built-up roof with	4	5
		insulation		
3104				
	С.	Cement tile roof	45	50
3105				
	d.	Asphalt shingle	14	15
		roof		
3106				
	е.	Copper roof		
3107	_			
0.1.0.0	f.	Wood shingle roof	9	10
3108			1.0	
2100	g.	All other types	18	20
3109				
3110				

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(b) The age of any component or structure for which the developer is required to fund a reserve account shall be measured in years from the later of:

- 1. The date when the component or structure was replaced or substantially renewed, if the replacement or renewal of the component at least met the requirements of the then-applicable building code; or
- 2. The date when the installation or construction of the existing component or structure was completed.
- (c) When the age of a component or structure is to be measured from the date of replacement or renewal, the developer shall provide the division with a certificate, under the seal of an architect or engineer authorized to practice in this state, verifying:
  - 1. The date of the replacement or renewal; and
- 2. That the replacement or renewal at least met the requirements of the then-applicable building code.

Section 26. The Division of Florida Condominiums,
Timeshares, and Mobile Homes of the Department of Business and
Professional Regulation shall complete a review of the website
or application requirements for official records under s.
718.111(12)(g), Florida Statutes, and make recommendations
regarding any additional official records of a condominium
association which should be included in the records maintenance
requirement in the statute. The division shall submit the
findings of its review to the Governor, the President of the
Senate, the Speaker of the House of Representatives, and the
chairs of the legislative appropriations committees and
appropriate substantive committees with jurisdiction over

601-03259-24 20241178c2 3140 chapter 718, Florida Statutes, by February 1, 2025. Section 27. Except as otherwise expressly provided in this 3141 act, this act shall take effect July 1, 2024. 3142