

Tab -1	SB 154 by Bradley; Condominium and Cooperative Associations						
590018	A	S	RCS	RI, Bradley	Delete L.162 - 165:	02/22 03:43 PM	
475138	A	S	RCS	RI, Bradley	Delete L.770 - 857:	02/22 03:43 PM	
120426	A	S	RCS	RI, Bradley	Delete L.1215 - 1301:	02/22 03:43 PM	
756888	A	S	RCS	RI, Bradley	Delete L.1381 - 1384:	02/22 03:43 PM	

The Florida Senate
COMMITTEE MEETING EXPANDED AGENDA

REGULATED INDUSTRIES
Senator Gruters, Chair
Senator Hooper, Vice Chair

MEETING DATE: Tuesday, February 21, 2023
TIME: 1:00—3:00 p.m.
PLACE: James E. "Jim" King, Jr Committee Room, 401 Senate Building

MEMBERS: Senator Gruters, Chair; Senator Hooper, Vice Chair; Senators Bradley, Brodeur, Davis, Hutson, Jones, Osgood, Perry, and Simon

TAB	BILL NO. and INTRODUCER	BILL DESCRIPTION and SENATE COMMITTEE ACTIONS	COMMITTEE ACTION
1	SB 154 Bradley	Condominium and Cooperative Associations; Revising the circumstances under which community association managers or management firms must comply with a specified provision; revising the definition of the terms "milestone inspection" and "substantial structural deterioration"; authorizing local enforcement agencies to make certain determinations relating to milestone inspections after a building reaches a specified age; authorizing municipal governing bodies to adopt certain ordinances relating to association repairs; revising the types of policyholders not required to purchase flood insurance as a condition for maintaining certain policies issued by the Citizens Property Insurance Corporation; revising condominium association reserve account requirements, etc. RI 02/21/2023 Fav/CS RC	Fav/CS Yeas 9 Nays 0
2	Other Related Meeting Documents		

The Florida Senate
BILL ANALYSIS AND FISCAL IMPACT STATEMENT

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

Prepared By: The Professional Staff of the Committee on Regulated Industries

BILL: CS/SB 154

INTRODUCER: Regulated Industries Committee and Senator Bradley

SUBJECT: Condominium and Cooperative Associations

DATE: February 21, 2023

REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	<u>Oxamendi</u>	<u>Imhof</u>	<u>RI</u>	<u>Fav/CS</u>
2.	_____	_____	<u>RC</u>	_____

Please see Section IX. for Additional Information:

COMMITTEE SUBSTITUTE - Substantial Changes

I. Summary:

CS/SB 154 revises the milestone inspection requirements for condominium and cooperative buildings that are three or more stories in height to:

- Limit the milestone inspection requirements to buildings that include a residential condominium or cooperative;
- Provide that the milestone inspection requirements apply to buildings that in whole or in part are subject to the condominium or cooperative forms of ownership, such as mixed-use buildings;
- Clarify that all owners of a mixed-use building in which portions of the building are subject to the condominium or cooperative form of ownership are responsible for ensuring compliance and must share the costs of the inspection;
- Delete the 25-year milestone inspection requirements for buildings that are within three miles of the coastline;
- Authorize the local enforcement agencies that are responsible with enforcing the milestone inspection requirements the option to set a 25-year inspection requirement if justified by local environmental conditions, including proximity to seawater;
- Authorize the local enforcement agency to extend the inspection deadline for a building upon a petition showing good cause that the owner or owners of the building have entered into a contract with an architect or engineer to perform the milestone inspection services and the milestone inspection cannot reasonably be completed before the deadline; and
- Provide that the inspection services may be provided by a team of design professionals with an architect or engineer acting as a registered design professional in responsible charge;

- Clarify that an association must distribute a copy of the summary of the inspection reports to unit owners within 30 days of its receipt.

The bill requires the Florida Building Commission to establish by rule a building safety program to implement the milestone inspection requirements within the Florida Building Code. The commission must specify the minimum requirements for the commission's building safety program by December 31, 2024, including inspection criteria, testing protocols, standardized inspection and reporting forms that are adaptable to an electronic format, and record maintenance requirements for the local authority having jurisdiction.

The bill revises the requirement that all personal lines residential policies issued by the Citizens Property Insurance Corporation must include flood coverage to exempt condominium or cooperative units that are in certain flood-risk areas and above specified floors in a building.

The bill clarifies that both the condominium or cooperative unit owner and any person authorized by any owner as his or her representative may inspect the official records of the association.

The bill revises the reserve funding requirements relating to condominium and cooperative associations to:

- Require associations that are subject to the structural integrity reserve study (SIRS) requirement to base a budget adopted on or after January 1, 2025, on the findings and recommendations of the association's most recent SIRS;
- Permit associations that are not subject to the SIRS requirement to waive reserves if approved by a majority vote of all voting interests;
- Permit multicondominium associations to waive reserves if an alternative funding method has been approved by the division; and
- Provide that reserve assessments may be adjusted for inflation.

The bill amends the SIRS requirements to:

- Limit the SIRS requirement to residential condominiums and cooperatives;
- Clarify that the SIRS recommendation must include a reserve funding schedule;
- Delete "floor" from the list of building components that must be visually inspected in the SIRS;
- Permit the visual inspection portion of the SIRS to be verified by an engineer or architect;
- Permit persons who have been certified as a Reserve Specialist, or Professional Reserve Analyst by the Community Associations Institute or the Association of Professional Reserve Analysts to perform or verify the visual inspection portion of the SIRS;
- Exempt from the SIRS requirement:
 - Single-family, two-family, or three-family dwellings with three or fewer habitable stories above ground; and
 - Any portion or component of a building that has not been submitted to the condominium or cooperative form of ownership; or any portion or component of a building that is maintained by a party other than the condominium or cooperative association.

Effective July 1, 2027, the bill permits condominium and cooperative unit owners to use the mediation process in this section for specified disputes related to compliance with the milestone inspection or SIRS requirements.

The bill provides additional presale notice requirements in contracts for sales of a unit by a developer or nondeveloper. This provision is similar to current contract notices to unit owners obligated to furnish certain governing documents to the prospective buyer of a unit more than three days before closing for sales by a nondeveloper or 15 days before closing for sales by a developer. A contract that does not conform to these notice requirements is voidable at the option of the purchaser prior to closing.

Except for the dispute resolution provisions that take effect on July 1, 2027, the bill takes effect upon becoming law.

II. Present Situation:

Building Safety

SB 4-D (Special Session D 2022)

During the Special Session D, 2022, SB 4-D¹ by Senator Boyd was enacted to revise the laws related to building safety. The act required the Florida Building Code to provide that when 25 percent or more of a roofing system or roof section is being repaired, replaced, or recovered, only the portion of the roofing system or roof section undergoing such work need be constructed in accordance with the current Florida Building Code in effect at the time of such work.

The act also provided building safety inspection requirements for condominium and cooperative association buildings, increased the rights of unit owners and prospective unit owners to access information regarding the condition of such buildings, and revised the requirements for associations to fund reserves for the continued maintenance and repair of such buildings.

Regarding safety inspections for a building, the act:

- Required a condominium or cooperative association building that is three or more stories in height to have a “milestone inspection” of the building’s structural integrity by an architect or engineer when a building reaches:
 - 30 years of age and every 10 years thereafter, or
 - 25 years of age and every 10 years thereafter if the building is located within three miles of a coastline.
- Exempted single-family, two-family, and three-family dwellings with three or fewer habitable stories above ground from the milestone inspection requirement.
- Required the building’s initial milestone inspection to be performed before December 31, 2024, if a milestone inspection is required and the building’s certificate of occupancy was issued on or before July 1, 1992.
- Required that a phase one milestone inspection must commence within 180 days after an association receives a written notice from the local enforcement agency.

¹ Chapter 2022-269, Laws of Fla.

- Required a phase two milestone inspection if there is evidence of “substantial structural deterioration” as determined by a phase one inspection.
- Specified the minimum contents of a milestone inspection report.
- Required inspection report results to be provided to local building officials and the affected association, and required an inspector-prepared summary to be provided to unit owners by mail and by email to unit owners who have consented to receive notices by email.
- Required that the contract between an association that is subject to the milestone inspection requirement and a community association manager (CAM) or CAM firm must require compliance with those requirements as directed by the board.
- Required the local enforcement agency to review and determine if a building is safe for human occupancy if an association fails to submit proof that repairs for substantial deterioration have been scheduled or begun within at least 365 days after the local enforcement agency receives a phase two inspection report.
- Required the Florida Building Commission to make recommendations to the Governor and Legislature regarding the inspection requirements in the bill and inspection for other types of buildings and structures that are three stories or higher.
- Provided that a willful and knowing failure by an officer or director of an association to have a milestone inspection performed is a breach of the officer’s and director’s fiduciary relationship to the unit owners.
- Required the developer’s turnover inspection report to comply with the milestone inspection requirements.
- Required associations to report to the Florida Division of Condominiums, Timeshares, and Mobile Homes (division) on or before January 1, 2023, the number of buildings that are three stories or higher in height and the total number of units in such buildings and required the division to publish that information on its website.
- Required developer and non-developer unit owners to give prospective buyers of a unit a copy of the inspector-prepared summary of the milestone inspection report.
- Extended the jurisdiction of the division to investigate complaints to include complaints related to the procedural completion of milestone inspections.

SB 4-D also revised the reserve funding requirements for condominium and cooperative associations.²

The Florida Building Code

In 1974, Florida adopted legislation requiring all local governments to adopt and enforce a minimum building code that would ensure that Florida’s minimum standards were met. Local governments could choose from four separate model codes. The state’s role was limited to adopting all or relevant parts of new editions of the four model codes. Local governments could amend and enforce their local codes, as they desired.³

In 1992, Hurricane Andrew demonstrated that Florida’s system of local codes did not work. Hurricane Andrew destroyed many structures that were allegedly built according to the strongest

² (See *infra* Budgets and Reserves, Condominium and Cooperative Associations).

³ The Florida Building Commission Report to the 2006 Legislature, *Florida Department of Community Affairs*, p. 4, at http://www.floridabuilding.org/fbc/publications/2006_Legislature_Rpt_rev2.pdf (last visited February 15, 2023).

code. The Governor eventually appointed a study commission to review the system of local codes and make recommendations for modernizing the system. The 1998 Legislature adopted the study commission's recommendations for a single state building code and enhanced the oversight role of the state over local code enforcement. The 2000 Legislature authorized implementation of the Florida Building Code (Building Code), and that first edition replaced all local codes on March 1, 2002.⁴ The current edition of the Building Code is the seventh edition, which is referred to as the 2020 Florida Building Code.⁵

Chapter 553, part IV, F.S., is known as the "Florida Building Codes Act" (act). The purpose and intent of the act is to provide a mechanism for the uniform adoption, updating, interpretation, and enforcement of a single, unified state building code. The Building Code must be applied, administered, and enforced uniformly and consistently from jurisdiction to jurisdiction.⁶

The Florida Building Commission (commission) was statutorily created to implement the Building Code. The commission, which is housed within the Department of Business and Professional Regulation (DBPR), is a 19-member technical body made up of design professionals, contractors, and government experts in various disciplines covered by the Building Code.⁷ The commission reviews several International Codes published by the International Code Council,⁸ the National Electric Code, and other nationally adopted model codes to determine if the Building Code needs to be updated, and adopts an updated Building Code every three years.⁹

Local Enforcement of the Florida Building Code

It is the intent of the Legislature that local governments have the power to inspect all buildings, structures, and facilities within their jurisdiction in protection of the public's health, safety, and welfare.¹⁰ Every local government must enforce the Building Code and issue building permits.¹¹ It is unlawful for a person, firm, or corporation to construct, erect, alter, repair, secure, or demolish any building without first obtaining a permit from the local government enforcing agency or from such persons as may, by resolution or regulation, be directed to issue such permit, upon the payment of reasonable fees as set forth in a schedule of fees adopted by the enforcing agency.¹²

Any construction work that requires a building permit also requires plans and inspections to ensure the work complies with the Building Code. The Building Code requires certain building, electrical, plumbing, mechanical, and gas inspections.¹³ Construction work may not be done

⁴ *Id.*; see also DBPR, *Building Code Information System*, at: <https://floridabuilding.org/c/default.aspx#> (last visited Feb. 16, 2023).

⁵ *Id.*

⁶ Section 553.72(1), F.S.

⁷ Section 553.74, F.S.

⁸ The International Code Council (ICC) is an association that develops model codes and standards used in the design, building, and compliance process to "construct safe, sustainable, affordable and resilient structures." International Code Council, *About the ICC*, available at <https://www.iccsafe.org/about/who-we-are/> (last visited Feb. 16, 2023).

⁹ Section 553.73(7), F.S.

¹⁰ Section 553.72, F.S.

¹¹ Sections 125.01(1)(bb), 125.56(1), and 553.80(1), F.S.

¹² Sections 125.56(4)(a) and 553.79(1), F.S.

¹³ 2020 Florida Building Code (7th ed.), s. 110.

beyond a certain point until it passes an inspection. Generally speaking, a permit for construction work that passes the required inspections is considered completed or closed.¹⁴

The Florida Building Code does not contain mandatory requirements for the maintenance and inspection of existing buildings in the state. Mandatory inspections of existing condominium buildings were once required by Florida law, but the law was repealed shortly after enactment. In 2008, the Legislature mandated that every condominium greater than three stories in height be inspected for maintenance, useful life, and replacement costs of the common elements every five years by an engineer or architect licensed in the state.¹⁵ A condominium association could waive this requirement for five years by a majority vote of interests present at a properly called meeting of the association.¹⁶ This provision was repealed in 2010.¹⁷

Building Code Administrators, Inspectors, and Plans Examiners

Building officials, inspectors, and plans examiners are regulated by the Florida Building Code Administrators and Inspectors Board (FBCAIB) within the DBPR. The FBCAIB consists of nine members appointed by the Governor and subject to confirmation by the Senate.¹⁸

A building code administrator, otherwise known as a building official, is a local government employee or a person contracted by a local government who supervises building code activities, including plans review, enforcement, and inspection.¹⁹

A building code inspector (inspector) inspects construction that requires permits to determine compliance with the Building Code and state accessibility laws. Inspectors are divided into several different categories. An inspector's ability to practice is limited to the category or categories in which the inspector has been licensed. The inspector categories are:²⁰

- Building inspector;
- Coastal construction inspector;
- Commercial electrical inspector;
- Residential electrical inspector;
- Mechanical inspector;
- Plumbing inspector;
- Residential inspector; and
- Electrical inspector.

A plans examiner reviews plans submitted for building permits to determine design compliance with construction codes. The term includes a residential plans examiner who is qualified to determine that plans submitted for building permits comply with the applicable residential

¹⁴ Doug Wise, *Closing Inactive & Excluded Building Permits*, Palm Beach County Planning, Zoning & Building Department, Building Division, at: <http://discover.pbcgov.org/pzb/building/BuildingCodes/PBO-126%20%E2%80%9320Closing%20Inactive%20and%20Excluded%20Building%20Permits.pdf> (last visited Feb. 16, 2023).

¹⁵ Ch. 2008-28, Laws of Fla.

¹⁶ *Id.*

¹⁷ Ch. 2010-176, s. 59, Laws of Fla.

¹⁸ Section 468.605, F.S.

¹⁹ Section 468.603(2), F.S.

²⁰ Section 468.603(5), F.S.

building, plumbing, mechanical, electrical, gas, energy, accessibility, and other applicable construction codes. A plans examiner's ability to practice is limited to the category or categories in which the plans examiner has been licensed. The plans examiner categories are:²¹

- Building plans examiner;
- Plumbing plans examiner;
- Mechanical plans examiner; and
- Electrical plans examiner.

Threshold Building Inspections

In 1981, a “five-story Harbour Cay Condominium building in Cocoa Beach, Florida, collapsed during the placement of concrete for the roof slab, killing 11 workers and injuring 23 more.”²² In response to this tragedy, the Legislature instituted threshold building inspections, requiring licensed “special inspectors” to conduct inspections for all threshold buildings.²³ A special inspector is a licensed architect or registered engineer who is certified under chs. 471 or 481, F.S., to conduct inspections of threshold buildings.²⁴

A threshold building is defined as any building which is greater than three stories or 50 feet in height, or which has an assembly occupancy classification, as defined in the Building Code, which exceeds 5,000 square feet in area and an occupant content of greater than 500 persons.²⁵ An enforcing agency must require a special inspector to perform structural inspections on a threshold building during new construction or during repair or restoration projects in which the structural system or structural loading of a building is being modified.²⁶

For a building that qualifies as a threshold building, a structural inspection plan must be submitted by the special inspector and the design professional of record to the enforcing agency prior to the issuance of a building permit for the construction of or modification to the building.²⁷ However, a fee-simple owner may declare a building a threshold building even when it does not meet the definitions.²⁸

The inspection plan for a threshold building provides specific inspection instructions or the adequate inspection of construction. The owner must retain the services of a special inspector who must inspect the building according to the special inspection plan. In addition, the inspector must determine that a professional engineer who specializes in shoring design has inspected the shoring and reshoring for conformance with the shoring and reshoring plans submitted to the

²¹ Section 468.603(8), F.S.

²² National Institute of Standards and Technology, Harbour Cay Condominium Collapse Florida 1981, available at <https://www.nist.gov/el/harbour-cay-condominium-collapse-florida-1981> (last visited Feb. 16, 2023).

²³ Florida Building Commission, Florida Building Construction Standards available at https://www.floridabuilding.org/fbc/commission/FBC_0413/Commission_Education_POC/173/173-1-MATERIAL%20.pdf (last visited Feb. 16, 2023).

²⁴ See s. 553.71, F.S.

²⁵ *Id.*

²⁶ Section 553.79(5)(a), F.S.

²⁷ *Id.*

²⁸ *Id.*

enforcing agency.²⁹ Special inspectors report directly to local building administrators and officials. The role of threshold building inspectors is unique to Florida.³⁰

There were 9,237 active Building Code Administrators/Inspectors licensed in Florida in Fiscal Year 2021-2022.³¹

Local Building Recertification Programs

Florida does not require recertification of buildings or regular inspections of existing buildings, which is consistent with state building codes across the country. Miami-Dade and Broward Counties have amended their local building codes to require a recertification process and inspection of buildings 40 years and older. Miami-Dade's program was established in 1975,³² and Broward County's program was modeled after Miami-Dade's and has been in effect since January 2006.³³

Miami Dade's recertification program states that:

All buildings, except single-family residences, duplexes and minor structures as defined below, shall be recertified in the manner described below where such buildings or structures have been in existence for forty (40) years or longer, as determined by the Building Official, who shall at such time issue a Notice of Required Inspection to the building owner. Subsequent recertification shall be required at ten (10) years interval. In the event a building is determined to be structurally and electrically safe under the conditions set forth herein, and such building or structure is less than forty (40) years of age, recertification shall not be required for a minimum of ten (10) years from that time, or age forty (40), whichever is the longer period of time.³⁴

Inspection procedures shall "conform, in general, to the minimum inspection procedural guidelines" issued by the county, and are for the purpose of determining the general structural condition of the building or structure to the extent reasonably possible which affects the safety of

²⁹ *Id.*

³⁰ Florida Board of Professional Engineers, *What Are Threshold Building Inspectors?*, available at <https://fbpe.org/what-are-threshold-building-inspectors/> (last visited Feb. 16, 2023).

³¹ Department of Business and Professional Regulation, *2021-2022 Annual Report, Division of Certified Public Accounting, Division of Professions, Division of Real Estate, Division of Regulation* at p. 20, at <http://www.myfloridalicense.com/DBPR/os/documents/Division%20Annual%20Report%20FY%2021-22.pdf> (last visited Feb. 16, 2023).

³² Miami-Dade Recertification at <https://www.miamidade.gov/global/economy/building/recertification.page#:~:text=Miami%2DDade%20County%20has%20had,amended%20on%20June%201%2C%202022> (last visited Feb. 19, 2023).

³³ Broward County, Building Safety Inspection Program, available at <https://www.broward.org/CodeAppeals/Documents/Broward%20County%20Building%20Safety%20Inspection%20Program.pdf> (last visited Feb. 16, 2023).

³⁴ See Code of Miami-Dade, ch. 8 Building Code, s. 8-11(f)(ii), at https://library.municode.com/fl/miami_-_dade_county/codes/code_of_ordinances?nodeId=PTIICOOR_CH8BUCO_ARTIAD_S8-11EXBU (last visited Feb. 16, 2023).

the building or structure.³⁵ Miami-Dade’s recertification program exempts buildings under 2,000 square feet,³⁶ and Broward’s program exempts buildings under 3,500 square feet.³⁷ The inspections must be carried out by a professional engineer or architect registered with the State of Florida.³⁸

Following the 2021 tragedy in Surfside, Florida, where a 12-story condominium building, known as Champlain Towers South, unexpectedly experienced structural failure and partially collapsed, resulting in the death of 98 people, the concept of recertification programs gained considerable attention. The City of Boca Raton recently instituted a building recertification program for buildings over 30 years of age that are greater than three stories or 50 feet in height, or greater than 5,000 square feet and have an occupancy greater than 500 people.³⁹

Community Associations

Chapters 718, 719, and 720, F.S.

Chapter 718, F.S., relating to condominiums, ch. 719, F.S., relating to cooperatives, and ch. 720, F.S., relating to homeowners’ associations, provide for the governance of community associations. The chapters delineate requirements for notices of meetings,⁴⁰ recordkeeping requirements, including which records are accessible to the members of the association,⁴¹ and financial reporting.⁴² Timeshare condominiums are generally governed by ch. 721, F.S., the “Florida Vacation Plan and Timesharing Act.”

Division of Florida Condominiums, Timeshares, and Mobile Homes

The Division of Florida Condominiums, Timeshares, and Mobile Homes (division) within the DBPR administers the provisions of chs. 718 and 719, F.S., for condominium and cooperative associations, respectively. The division may investigate complaints and enforce compliance with chs. 718 and 719, F.S., for associations that are still under developer control.⁴³ The division also has the authority to investigate complaints against developers involving improper turnover or failure to transfer control to the association.⁴⁴ After control of the condominium is transferred from the developer to the unit owners, the division has jurisdiction to investigate complaints related to financial issues, elections, and maintenance of and unit owner access to association

³⁵ *Id.* at s. 8-11(f)(i).

³⁶ *Id.* at s. 8-11(f)(ii).

³⁷ Broward County , Building Safety Inspection Program, *available at*:

<https://www.broward.org/CodeAppeals/Documents/Broward%20County%20Building%20Safety%20Inspection%20Program.pdf> (last visited Feb. 16, 2023)

³⁸ *Id.* and *See* Code of Miami-Dade, ch. 8, Building Code, s. 8-11(iv).

³⁹ City of Boca Raton. Ordinance 5589, *available at*: <https://www.myboca.us/DocumentCenter/View/28152/Ordinance-No-5589?bidId=> (last visited Feb. 16, 2023)

⁴⁰ *See* ss. 718.112(2), 719.106(2)(c), and 720.303(2), F.S., for condominium, cooperative, and homeowners’ associations, respectively.

⁴¹ *See* ss. 718.111(12), 719.104(2), and 720.303(4), F.S., for condominium, cooperative, and homeowners’ associations, respectively.

⁴² *See* ss. 718.111(13), 719.104(4), and 720.303(7), F.S., for condominium, cooperative, and homeowners’ associations, respectively.

⁴³ Sections 718.501(1) and 719.501(1), F.S.

⁴⁴ *Id.*

records.⁴⁵ For cooperatives, the division's jurisdiction extends to the development, construction, sale, lease, ownership, operation, and management of residential cooperative units.⁴⁶

As part of the division's authority to investigate complaints, the division may subpoena witnesses, take sworn statements from witnesses, issue cease and desist orders, and impose civil penalties against developers, associations, and association board members.⁴⁷

If the division has reasonable cause to believe that a violation of any provision of ch. 718, F.S., ch. 719, F.S., or a related rule has occurred, the division may institute enforcement proceedings in its name against any developer, bulk assignee, bulk buyer, association, officer, or member of the board of administration, or its assignees or agents. The division may conduct an investigation and issue an order to cease and desist from unlawful practices and to take affirmative action to carry out the purpose of the applicable chapter. Also, Florida law authorizes the division to petition a court to appoint a receiver or conservator to implement a court order or to enforce an injunction or temporary restraining order. The division may also impose civil penalties.⁴⁸ Unlike condominium and cooperative associations, homeowners' associations are not regulated by a state agency. For homeowners' associations, the division's authority is limited to the arbitration of recall election disputes.⁴⁹

Condominiums

A condominium is a "form of ownership of real property created under ch. 718, F.S.,"⁵⁰ the "Condominium Act." Condominium unit owners are in a unique legal position because they are exclusive owners of property within a community, joint owners of community common elements, and members of the condominium association.⁵¹ For unit owners, membership in the association is an unalienable right and required condition of unit ownership.⁵²

A condominium association is administered by a board of directors referred to as a "board of administration."⁵³ The board of administration is comprised of individual unit owners elected by the members of a community to manage community affairs and represent the interests of the association. Association board members must enforce a community's governing documents and are responsible for maintaining a condominium's common elements which are owned in undivided shares by unit owners.⁵⁴

⁴⁵ Section 718.501(1), F.S.

⁴⁶ Section 719.501(1), F.S.

⁴⁷ Sections 718.501(1) and 719.501(1), F.S.

⁴⁸ *Id.*

⁴⁹ *See* ss. 720.303(10)(d) and 720.306(9)(c), F.S.

⁵⁰ Section 718.103(11), F.S.

⁵¹ *See* s. 718.103, F.S., for the terms used in the Condominium Act.

⁵² *Id.*

⁵³ Section 718.103(4), F.S.

⁵⁴ Section 718.103(2), F.S.

There are approximately 1,529,764 condominium units in Florida operated by 27,588 associations.⁵⁵ Approximately 912,376 of these condominium units in Florida are at least 30 years in age.⁵⁶ Further breakdown of the age of condominium units in Florida is as follows:

- 105,404 units – 50 years old or older;
- 479,435 units – 40-50 years old;
- 327,537 units – 30-40 years old;
- 141,773 units – 20-30 years old;
- 428,657 units – 10-20 years old; and
- 46,958 units – 0-10 years old.⁵⁷

It is estimated that there are over 2 million residents occupying condominiums 30 years or older in Florida, based upon census data of an average of approximately 2.2 persons living in a condominium unit.⁵⁸

Cooperatives

Section 719.103(12), F.S., defines a “cooperative” to mean:

[T]hat form of ownership of real property wherein legal title is vested in a corporation or other entity and the beneficial use is evidenced by an ownership interest in the association and a lease or other muniment of title or possession granted by the association as the owner of all the cooperative property.

A cooperative differs from a condominium because, in a cooperative, no unit is individually owned. Instead, a cooperative owner receives an exclusive right to occupy the unit based on their ownership interest in the cooperative entity as a whole. A cooperative owner is either a stockholder or member of a cooperative apartment corporation who is entitled, solely by reason of ownership of stock or membership in the corporation, to occupy an apartment in a building owned by the corporation.⁵⁹ The cooperative holds the legal title to the unit and all common elements. The cooperative association may assess costs for the maintenance of common expenses.⁶⁰ There are 778 cooperative associations in Florida that are registered with the DBPR.⁶¹

⁵⁵ Report of the Florida Bar RPPTL Condominium Law and Policy Life Safety Advisory Task Force (Task Force Report), p. 4, available at: <https://www-media.floridabar.org/uploads/2021/10/Condominium-Law-and-Policy-Life-Safety-Advisory-Task-Force-Report.pdf> (last visited Feb. 16, 2023).

⁵⁶ *Id.*

⁵⁷ *Id.*

⁵⁸ *Id.*

⁵⁹ See *Walters v. Agency for Health Care Administration*, 288 So.3d 1215 (Fla. 3d DCA 2019), review dismissed 2020 WL 3442763 (Fla. 2020).

⁶⁰ See ss. 719.106(1)(g) and 719.107, F.S.

⁶¹ See Task Force Report, pp. 4-5.

Official Records – Condominium and Cooperative Associations

Florida law specifies the official records that condominium and cooperative associations must maintain.⁶² Generally, the official records must be maintained in Florida for at least seven years.⁶³ Certain of these records must be accessible to the members of an association.⁶⁴ Additionally, certain records are protected or restricted from disclosure to members, such as records protected by attorney-client privilege, personnel records, and personal identifying records of owners.⁶⁵

SB 4-D gave unit owners in condominium and cooperative associations the right to inspect and copy, as official records, the milestone inspection report and all other inspection reports relating to structural or life safety. SB 4-D also gave renters the right to inspect the milestone inspection reports.⁶⁶

A condominium association with 150 or more units is required to post digital copies of specified documents on its website or make such documents available through an application that can be downloaded on a mobile device.⁶⁷ Cooperative associations are not required to maintain such a website.

Budgets and Reserves – Florida Condominium and Cooperative Associations

Condominium and cooperative associations must have a budget of estimated revenues and expenses.⁶⁸ The board must adopt the annual budget at least 14 days before the start of the association's fiscal year.⁶⁹

In addition to annual operating expenses, the budget must include reserve accounts for capital expenditures and deferred maintenance. Reserve accounts must include, but are not limited to, roof replacement, building painting, and pavement resurfacing, regardless of the amount of deferred maintenance expense or replacement cost, and any other item that has a deferred maintenance expense or replacement cost that exceeds \$10,000.

The amount to be reserved must be computed using a formula based upon the estimated remaining useful life and estimated replacement cost or deferred maintenance expense of each reserve item. Replacement reserve assessments may be adjusted annually to take into account any changes in estimates or extension of the useful life of a reserve item caused by deferred maintenance.⁷⁰

⁶² See ss. 718.111(12) and 719.104(2), F.S., relating to condominium and cooperative associations, respectively.

⁶³ See ss. 718.111(12)(b) and 719.104(2)(b), F.S., relating to condominium and cooperative associations, respectively.

⁶⁴ See ss. 718.111(12)(a) and 719.104(2)(a), F.S., relating to condominium and cooperative associations, respectively.

⁶⁵ See ss. 718.111(12)(c) and 719.104(2)(c), F.S., relating to condominium and cooperative associations, respectively.

⁶⁶ *Id.*

⁶⁷ Section 718.111(12)(g), F.S.

⁶⁸ Sections 718.112(2)(f) and 719.106(1)(j), F.S., relating to the annual budget for condominium and cooperative associations, respectively.

⁶⁹ *Id.*

⁷⁰ Sections 718.112(2)(f)2.a. and 719.106(1)(j)2., F.S., relating to condominium and cooperative associations, respectively.

Regarding the funding of reserves for the continued maintenance and repair of condominium and cooperative buildings, SB 4-D created ss. 718.112(2) and 719.106(1), F.S., relating to condominium and cooperative associations, to:

- Require condominium associations and cooperative associations to complete a structural integrity reserve study every 10 years for each building in an association that is three stories or higher in height.
- Require associations existing on or before July 1, 2022, that are controlled by non-developer unit owners, to have a structural integrity reserve study completed by December 31, 2024.
- Define “structural integrity reserve study” (SIRS) as a study of the reserve funds required for future major repairs and replacement of the common elements based on a visual inspection of the common elements.
- Require that the study include a visual inspection, and state the estimated remaining useful life and the estimated replacement cost of the following items (structural integrity items): roof, load bearing walls or other primary structural members, floor, foundation, fireproofing and fire protection systems, plumbing, and any item with a deferred maintenance or replacement cost that exceeds \$10,000.
- Require the visual inspection to be performed by a person licensed as an engineer or an architect. However, any qualified person or entity may perform the other components of a SIRS.
- Require a developer to have a SIRS completed for each building in the association that is three stories or more in height before turning over control of an association to the non-developer unit owners.
- Provide that it is a breach of a board member or officer’s fiduciary duty if an association fails to complete a SIRS.

After December 31, 2024, condominium and cooperative associations may not waive reserves. This prohibition applies to all associations, regardless of building height. Associations also may not opt to provide less reserves or no reserves than are required for the structural integrity items. Nor may those reserves be used for any other purpose than their intended purpose.⁷¹

Reserve Studies

Ten other states require a reserve study or a reserve schedule for condominium associations, but only Florida uses the term “structural integrity reserve study.”⁷² A reserve study determines how much an association needs to collect in annual reserve contributions for the board to afford capital projects when they are needed. A reserve study includes a physical inspection of the association’s property and a financial analysis of the association’s current reserves, payments by unit or homeowners into the association’s reserve account, and anticipated future expenditures, thus allowing the community to pay for capital projects as they become necessary.⁷³

⁷¹ Sections 718.112(2)(f) and 719.106(1)(j), F.S., relating to condominium and cooperative associations, respectively.

⁷² See Community Association Institute, *Reserve Requirements and Funding*, at: <https://www.caionline.org/Advocacy/Priorities/ReserveStudy/Pages/default.aspx> (last visited Jan. 29, 2020). The nine states are: California, Colorado, Delaware, Hawaii, Nevada, Oregon, Utah, Virginia, and Washington State.

⁷³ See Community Association Institute, *Understanding and Utilizing Your Reserve Study to Ensure Long-Term Success*, at: <https://www.caicd.org/understanding-and-utilizing-your-reserve-study-to-ensure-long-term-success/> (last visited Feb. 16, 2023).

The Community Associations Institute⁷⁴ and the Association of Professional Reserve Analysts⁷⁵ provide certification standards to certify persons to perform reserve studies.

Financial Reporting - Condominium and Cooperative Associations

Sections 718.11(13), 719.104(4), and 720.303(7), F.S., provide comparable financial reporting requirements for condominium, cooperative, and homeowners' associations, respectively.

Within 90 days following the end of the fiscal or calendar year, or annually on such date as provided in the association's bylaws, the governing board of the association must complete, or contract with a third party to complete, the financial report. Within 21 days after the financial report is completed by the board or received from the third party, but no later than 120 days after the end of the fiscal year, the board must provide each member of the association a copy of the financial report or a notice that it is available at no charge upon a written request.

The division is required to adopt rules setting forth uniform accounting principles, standards, and reporting requirements for cooperative associations.⁷⁶ For condominium associations, the division's rulemaking authority is broader; the division must adopt rules setting forth uniform accounting principles and standards to be used by all condominium associations and addressing the financial reporting requirements for multicondominium associations. For condominium associations, the division's 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.⁷⁷

Pre-sale Disclosures - Condominium and Cooperative Associations

Developers and nondeveloper owners of condominium or cooperative units must give certain documents to a prospective buyer or lessee before the execution of a contract for the sale of a residential unit, including a copy of the inspector prepared summary of the milestone inspection report as described in ss. 553.899 and 718.301(4), F.S., and a copy of the most recent SIRS or a statement that the association has not completed a SIRS.⁷⁸ Current law does not require the developer to provide a statement that a required milestone inspection has not been completed or that such an inspection is not required. Current law also does not provide for a statement if a SIRS is not required.

⁷⁴ See Community Association Institute, *Reserve Specialist*, <https://www.caionline.org/LearningCenter/credentials/Pages/RS.aspx> (last visited Feb. 17, 2023).

⁷⁵ See Association of Professional Reserve Analysts, <https://www.apra-usa.com/> (last visited Feb. 17, 2023).

⁷⁶ Section 719.104(4)(a), F.S.

⁷⁷ Section 718.111(13), F.S. See also s. 719.104(4)(a), F.S., which requires the division to adopt rules setting forth uniform accounting principles, standards, and reporting requirements for cooperative associations. Sections 718.501(1)(f) and 719.501(1)(f), F.S., also authorize the division to adopt rules to administer and enforce chs. 718 and 719, F.S.

⁷⁸ Sections 718.503(1) and 719.503(1), F.S.

The developer may not close for 15 days following the execution of a purchase contract, or execution of a lease of a residential unit for an unexpired term of more than five years, and the delivery of the required documents to the buyer, including the documents creating the association, the bylaws, and the estimated operating budget of the association. A prospective purchaser may void the contract within 15 days of his or her receipt of all the required documents.⁷⁹

A nondeveloper unit owner must provide the prospective buyer or lessee certain information, including the articles of incorporation, bylaws and rules, a copy of the most recent financial information, and a “Frequently Asked Questions and Answers” document.⁸⁰ These documents must be provided more than three days, excluding Saturdays, Sundays, and legal holidays, before the execution of the contract, or the sales contract is voidable by the prospective purchaser. These disclosures do not apply to the leasing of a residential unit by a nondeveloper owner.⁸¹

Each contract for sale of a residential unit must contain in conspicuous type a statement acknowledging that the purchaser has received the document and his or her right to void the contract if the required documents are not provided more than three days, excluding Saturdays, Sundays, and legal holidays, before the execution of the contract.

Prospectus or Offering Circular - Condominium and Cooperative Associations

Every developer of a residential condominium or cooperative which contains more than 20 residential units, or which is part of a group of residential condominiums or cooperatives which will be served by property to be used in common by unit owners of more than 20 residential units, must prepare a prospectus or offering circular and file it with the division prior to entering into an enforceable contract of purchase and sale of any unit or lease of a unit for more than five years. A copy of the prospectus or offering circular must be provided to each buyer.⁸²

The prospectus or offering circular must contain certain information about the condominium or cooperative, including an estimated operating budget for the condominium and the association, and a schedule of the unit owner's expenses.⁸³

Alternative Dispute Resolution - Condominium and Cooperative Associations

Section 718.1255, F.S., provides an alternative dispute resolution process for certain disputes between unit owners and condominium associations. Before the institution of court litigation, other than an election or recall dispute, a party to a dispute must either petition the division for

⁷⁹ Sections 718.503(1) and 719.503(1), F.S., providing the developer disclosures before the sale or lease of a residential condominium or cooperative unit, respectively.

⁸⁰ See ss. 718.503(2) and 719.503(2), F.S., providing the nondeveloper disclosures before the sale of a residential condominium or cooperative unit, respectively.

⁸¹ *Id.*

⁸² Sections 718.504 and 719.504, F.S., requiring a prospectus or offering circular for a residential condominium or cooperative unit, respectively.

⁸³ See ss. 718.504(21) and 719.504(20) and (21), F.S., requiring certain budget information for the condominium or cooperative be included in the prospectus or offering circular, respectively.

nonbinding arbitration or initiate presuit mediation. Unit owners in cooperative associations are also subject to the dispute resolution requirements in s. 718.1255, F.S.⁸⁴

Disputes in cooperative associations, including recall election disputes, are subject to the same alternative dispute resolution requirements and procedures applicable to condominiums as set forth in s. 718.1255, F.S.⁸⁵

Alternative dispute resolution offers a more efficient, cost-effective option to court litigation, but alternative dispute resolution should not be used as a mechanism to encourage the filing of frivolous or nuisance suits.⁸⁶

Alternative dispute resolution is required for any disagreements between two or more parties that involves:⁸⁷

- The authority of the board of directors to require an owner to take any action, or not to take any action, involving that owner's unit or the appurtenance thereto and the authority of the board of directors to alter or add to common areas or elements;⁸⁸
- The board of directors' failure to:
 - Properly conduct elections;
 - Give adequate notice of meetings;
 - Properly conduct meetings;
 - Provide access to association books and records; and
- A plan of termination pursuant to s. 718.117, F.S.

The division does not have jurisdiction to arbitrate or mediate disputes between a unit owner and an association that involve:⁸⁹

- Title to any unit or common element;
- The interpretation or enforcement of any warranty;
- The levy of a fee or assessment, or the collection of an assessment levied against a party;
- The eviction or other removal of a tenant from a unit;
- Alleged breaches of fiduciary duty by one or more directors; or
- Claims for damages to a unit based upon the alleged failure of the association to maintain the common elements or condominium property.

Recall and election disputes in condominium, cooperative, and homeowners' associations are not eligible for presuit mediation and must be arbitrated by the division or filed directly with a court of competent jurisdiction.⁹⁰

⁸⁴ See s. 719.1255, F.S.

⁸⁵ Sections 719.1255 and 719.106(1)(f), F.S.

⁸⁶ Section 718.1255(3)(b), F.S., providing legislative findings regarding the advantages of pre-suit alternative dispute resolution.

⁸⁷ Section 718.1255(1)(a), F.S., defining the term "dispute."

⁸⁸ *Id.*

⁸⁹ *Id.*

⁹⁰ Section 718.1255(5), F.S.

Arbitration is binding on the parties if all parties in arbitration agree to be bound in a writing filed in the arbitration,⁹¹ or if a complaint for a trial de novo is not filed in a court of competent jurisdiction in which the condominium is located within 30 days after the arbitration decision is rendered.⁹²

The filing fee for a petition to the division to initiate nonbinding arbitration or presuit mediation is \$50.⁹³ The division employs full-time arbitrators and may certify private attorneys to conduct mandatory nonbinding arbitration.

Current law also encourages parties to a condominium dispute to participate in voluntary mediation through a Citizen Dispute Settlement Center as provided in s. 44.201, F.S.⁹⁴

The mediation of disputes in condominium and cooperative associations is regulated under s. 720.311, F.S., which also provides for the mediation of the certain homeowners' association disputes under ch. 720, F.S. An aggrieved party in a dispute must initiate the mediation proceedings by serving a written petition for mediation to the opposing party. The petition must be in the format provided in s. 720.311, F.S., and must identify the specific nature of the dispute and the basis for the alleged violations. The written offer must include five certified mediators that the aggrieved party believes to be neutral. The serving of the petition tolls the statute of limitations for the dispute. If emergency relief is required, a temporary injunction may be sought in court before the mediation.⁹⁵

The opposing party has 20 days to respond to the petition. If the opposing party fails to respond or refuses to mediate, the aggrieved party may proceed to civil court. If the parties agree to mediation, the mediator must hold the mediation within 90 days after the petition is sent to the opposing parties. The parties share the costs of mediation except for the cost of attorney's fees. Mediation is confidential, and persons who are not parties to the dispute (other than attorneys or a designated representative for the association) may not attend the mediation conference.⁹⁶

The bylaws for condominium and cooperative associations must provide for mandatory dispute resolution.⁹⁷

Insurance

Citizens Property Insurance Corporation—Overview

Citizens Property Insurance Corporation (Citizens or corporation) is a state-created, not-for-profit, tax-exempt governmental entity whose public purpose is to provide property insurance coverage to those unable to find affordable coverage in the voluntary admitted market.⁹⁸ Citizens

⁹¹ Section 718.1255(4)(a), F.S.

⁹² Section 718.1255(4)(k), F.S.

⁹³ Section 718.1255(4)(a), F.S.

⁹⁴ Section 718.1255(2), F.S.

⁹⁵ *Id.*

⁹⁶ Section 720.311(2)(b), F.S.

⁹⁷ Sections 718.112(2)(k) and 719.106(1)(l), F.S., relating to condominium and cooperative associations, respectively.

⁹⁸ The term "admitted market" means insurance companies licensed to transact insurance in Florida.

is not a private insurance company.⁹⁹ Citizens was statutorily created in 2002 when the Florida Legislature combined the state's two insurers of last resort, the Florida Residential Property and Casualty Joint Underwriting Association (RPCJUA) and the Florida Windstorm Underwriting Association (FWUA).¹⁰⁰

Citizens operates in accordance with the provisions in s. 627.351(6), F.S., and is governed by an eight member Board of Governors (board) that administers its Plan of Operations. The Plan of Operations is reviewed and approved by the Financial Services Commission.¹⁰¹ The Governor, President of the Senate, Speaker of the House of Representatives, and Chief Financial Officer each appoint two members to the board.¹⁰² Citizens is subject to regulation by the Office of Insurance Regulation.

Citizens offers property insurance through three different accounts: a personal lines account, a commercial lines account, and a coastal account.

The Personal Lines Account (PLA) offers personal lines residential policies that provide comprehensive, multi-peril coverage statewide, except for those areas contained in the Coastal Account. The PLA also writes policies that exclude coverage for wind damage in areas contained within the Coastal Account. Personal lines residential coverage consists of the types of coverage provided to homeowners, mobile home owners, dwellings, tenants, and condominium unit owners policies.¹⁰³

The Commercial Lines Account (CLA) offers commercial lines residential and non-residential policies that provide basic perils coverage statewide, except for those areas contained in the Coastal Account. The CLA also writes policies that exclude coverage for wind in areas contained within the Coastal Account. Commercial lines coverage includes commercial residential policies covering condominium associations, homeowners' associations, and apartment buildings. The coverage also includes commercial non-residential policies covering business properties.¹⁰⁴

The Coastal Account offers personal residential, commercial residential, and commercial non-residential policies in coastal areas of the state. Citizens must offer policies that solely cover the peril of wind (wind only policies) and may offer multi-peril policies.¹⁰⁵

Flood Insurance

The Flood Disaster Protection Act of 1973 (FDPA)¹⁰⁶ prohibits lending institutions from making, increasing, extending, or renewing any loan secured by improved real estate or a mobile home located in special flood hazard areas and in which flood insurance has been made available

⁹⁹ Section 627.351(6)(a)1., F.S.

¹⁰⁰ Section 2, ch. 2002-240, Laws of Fla.

¹⁰¹ Section 627.351(6)(a)2., F.S.

¹⁰² Section 627.351(6)(c)4.a., F.S.

¹⁰³ See s. 627.351(6)(b)2.a., F.S.; Citizens, *Account History and Characteristics*,

<https://www.citizensfla.com/documents/20702/1183352/20160315+05A+Citizens+Account+History.pdf/31f51358-7105-40e9-aa75-597f51a99563> (Mar. 2016) (last visited Feb. 16, 2023).

¹⁰⁴ *Id.*

¹⁰⁵ *Id.*

¹⁰⁶ 42 U.S.C. s. 4012a.(b).

under federal law, unless the building or mobile home is covered by flood insurance in an amount equal to the outstanding principal balance of the loan or the maximum limit of coverage available.

Under Florida law, an authorized insurer may issue a policy for flood insurance coverage,¹⁰⁷ but homeowners' insurance policies typically do not cover flood losses.¹⁰⁸ Although private flood insurance may be obtained by endorsement or a separate policy, this requirement is generally satisfied with coverage obtained through the National Flood Insurance Program (NFIP) which is managed by Federal Emergency Management Agency (FEMA).¹⁰⁹ The NFIP offers flood insurance coverage for buildings and content which must be purchased separately with separate deductibles. For residential property, the maximum coverage amount is \$250,000 for the building and \$100,000 for the contents and, for commercial property, the maximum coverage for building and building contents is \$500,000 each.¹¹⁰

Flood Zones

The National Flood Insurance Program with the Federal Emergency Management Administration (FEMA) maintains flood maps to show a community's risk of flooding. The map provides flood zones to designate the flooding risks. Flood risk areas that are designated with the letters B, C, and X on the FEMA flood maps are moderate to low-risk flood areas and have a reduced but not completely removed flood risk. One in three insurance claims come from moderate to low-risk flood areas. Flood risk areas that are designated with the letters A or V on the FEMA flood maps have the highest risk of flooding. Owners of properties that are in a high-risk zone and have a federally backed mortgage are required to purchase flood insurance as a condition of the loan.¹¹¹

Flood Notice

An insurer that issues or renews a homeowner's insurance policy without flood coverage must include the following statement with the policy documents:

“FLOOD INSURANCE: YOU MAY ALSO NEED TO CONSIDER THE PURCHASE OF FLOOD INSURANCE. YOUR HOMEOWNER’S INSURANCE POLICY DOES NOT INCLUDE COVERAGE FOR DAMAGE RESULTING FROM FLOOD EVEN IF HURRICANE WINDS AND RAIN CAUSED THE FLOOD TO OCCUR. WITHOUT SEPARATE FLOOD INSURANCE COVERAGE, YOU MAY HAVE UNCOVERED LOSSES CAUSED BY FLOOD. PLEASE DISCUSS THE NEED TO PURCHASE SEPARATE FLOOD INSURANCE COVERAGE WITH YOUR INSURANCE AGENT.”

¹⁰⁷ Section 627.715(1), F.S.

¹⁰⁸ Disaster Rally, *National Flood Insurance Program – How to Be Eligible*, [National Flood Insurance Program - How to Be Eligible \(disasterrally.com\)](https://www.nationalfloodinsuranceprogram.com/how-to-be-eligible) (last visited Feb. 20, 2023).

¹⁰⁹ The Office of the Comptroller of the Currency, *Flood Disaster Protection Act: Guidance Regarding Lapse and Extension of FEMA’s Authority to Issue Flood Insurance Contracts*, Jun. 9, 2010, [Flood Disaster Protection Act: Guidance Regarding Lapse and Extension of FEMA’s Authority to Issue Flood Insurance Contracts | OCC \(ots.gov\)](https://www.ots.gov/press-releases/2010/06/09/flood-disaster-protection-act-guidance-regarding-lapse-and-extension-of-fema-s-authority-to-issue-flood-insurance-contracts) (last visited Feb. 16, 2023).

¹¹⁰ The FEMA, National Flood Insurance Program, *Understanding Your Policy Terms*, [Flood Insurance Coverage, Deductibles Explained \(floodsmart.gov\)](https://www.floodsmart.gov/understanding-your-policy-terms) (last visited Feb. 16, 2023).

¹¹¹ The FEMA, National Flood Insurance Program, *What is a flood map?*, [FEMA Flood Maps Explained \(floodsmart.gov\)](https://www.floodsmart.gov/what-is-a-flood-map) (last visited Feb. 17, 2023).

Citizens Flood Insurance Requirement

Section 627.351(6)(aa), F.S., requires Citizens personal lines residential policyholders to secure and maintain flood insurance that meets certain requirements as a condition of eligibility for Citizens coverage. There is a timetable for implementation of the flood insurance coverage requirement for personal lines residential Citizens policyholders. For Citizens personal lines residential policyholders whose property is located within special hazard flood zones defined by the FEMA, flood coverage must be obtained by:

- April 1, 2023 for Citizens' new policies.
- July 1, 2023 for Citizens' renewal policies.

For all other risks, the requirement to obtain flood insurance must be implemented for specified Citizens' policyholders as follows:

- March 1, 2024, for policies insuring property to a limit of \$600,000 or more.
- March 1, 2025, for policies insuring property to a limit of at least \$500,000 but less than \$600,000.
- March 1, 2026, for policies insuring property to a limit of at least \$400,000 but less than \$500,000.
- March 1, 2027, for all other policyholders.

III. Effect of Proposed Changes:

Community Association Managers

Section 468.4334(1), F.S., requires a community association manager or firm that has a contract with a community association that has a building on the association's property that is subject to s. 553.899, F.S., to comply with that section as directed by the board. The bill amends that section to delete the redundant term "that has a building on the association's property."

Milestone Inspections

The bill amends s, 553.899, F.S., to revise the milestone inspection requirements to:

- Limit the milestone inspection requirements to residential condominium and cooperative buildings;
- Provide that the milestone inspection requirements apply to buildings that in whole or in part are subject to the condominium or cooperative forms of ownership, such as mixed-use buildings;
- Clarify that in mix-use buildings, in which portions of the building are not subject to the condominium or cooperative form of ownership, all of the owners of the building are responsible for ensuring compliance and must share the costs of the inspection;
- Provide that the condominium or cooperative association is responsible for all costs associated with the inspection attributable to the portions of the building for which it is responsible under the governing documents of the association;
- Delete the 25-year milestone inspection requirement for buildings that are within three miles of the coastline;

- Provide an option for local enforcement agencies that are responsible with enforcing the milestone inspection requirements to set a 25-year inspection requirement if justified by local environmental conditions, including proximity to seawater;
- Authorize the local enforcement agency to extend the inspection deadline for a building upon a petition showing good cause that the owner or owners of the building have entered into a contract with an architect or engineer to perform the milestone inspection services and the milestone inspection cannot be reasonably completed before the deadline;
- Clarify various terms, such as referencing the “life of the building” instead of “its service life;”
- Provide that the inspection services may be provided by a team of design professionals with an architect or engineer acting as a registered design professional in responsible charge;¹¹²
- Revise the definition of the term “substantial structural deterioration” to include “structural weakness;”
- Require the milestone inspection report to be given to any other owner of the building that is not a condominium or cooperative association;
- Require the milestone inspector to submit a phase two progress report to the local enforcement agency within 180 days of submitting the phase one inspection report; and
- Clarify that the association must distribute a copy of the summary of the inspection reports to unit owners within 30 days of its receipt.

Regarding the Florida Building Commission, the bill requires the commission to establish by rule a building safety program to implement the milestone inspection requirements within the Florida Building Code. The commission must specify the minimum requirements for the commission’s building safety program by December 31, 2024, including inspection criteria, testing protocols, standardized inspection and reporting forms that are adaptable to an electronic format, and record maintenance requirements for the local authority having jurisdiction.

Flood Insurance

The bill amends s. 627.351, F.S., to exempt from the flood insurance requirement any unit that is insured for personal property under a master policy covering flood or if the unit is above a certain floor based on the unit’s location within, or outside of, a special flood hazard area.

A unit in a coastal V-zone of a special flood hazard area is exempt if it is on the fifth floor or above.

A unit in a coastal A-zone of a special flood hazard area is exempt if it is on the third floor or above.

¹¹² Fla. Admin. Code R. 61G15-18.011 defines the term “responsible charge” to mean “that degree of control an engineer is required to maintain over engineering decisions made personally or by others over which the engineer exercises supervisory direction and control authority. The engineer in responsible charge is the Engineer of Record as defined in subsection 61G15-30.002(1), F.A.C.” *See also* Florida Board of Professional Engineers, Engineer Interns and Responsible Charge at <https://fbpe.org/engineering-interns-and-responsible-charge/> (last visited Feb. 21, 2023).

A unit that is not in a special flood hazard area is exempt if it is on the second floor or above. Flooding can happen in almost any area in Florida, so outside of a Special Flood Hazard Zone the requirement is imposed on the first floor.

Access to Records

The bill amends ss. 718.111(12)(c) and 719.104(2)(c), F.S., relating to the access to official records for condominium and cooperative associations, respectively, to clarify that both any association member and any person authorized by the association member as a representative may inspect the official records of the association. It clarifies that the association does not have the right to choose which party, the member or their representative, has the right to inspect the official records of the association.

Reserves and the Structural Integrity Reserve Study

Definitions

The bill creates s. 718.103(1), F.S., to define the term “alternative funding method” to mean a method approved by the division for funding the capital expenditures and deferred maintenance obligations for a multicondominium association. The method must reasonably be expected to fully satisfy the association’s reserve funding obligations. A division-approved method includes, but is not limited to, the allocation of funds in the annual operating budget. The bill does not provide a comparable provision for cooperative associations because current law does not authorize “multi-cooperative associations.”

The bill also revises the definition of the term “structural integrity reserve study” in ss. 718.103(25) and 719.103(24), F.S., to move the substantive SIRS requirements for condominiums and cooperatives, respectively, from the definition subsection to the SIRS provisions in ss. 718.112(2)(g) and 719.106(1)(k), F.S., as amended by the bill.

Reserve Funding Requirements

The bill revises the reserve funding requirements in ss. 718.112(2)(f) and 719.106(1)(j), F.S., relating to condominiums and cooperative associations, respectively, to:

- Require associations that are subject to the SIRS requirement to base a budget adopted on or after January 1, 2025, on the findings and recommendations of the most recent SIRS;
- Distinguish the reserve accounting requirements for associations that are subject to the SIRS requirements and those associations that are not subject to those requirements by:
 - Limiting the prohibition against the waiving of reserves and the use of reserves for other purposes to the associations that must perform the SIRS;
 - Permitting unit owners in nondeveloper-controlled associations that are not required to have a SIRS, to vote to not provide reserves, reduce the funding of reserves, or to use reserves for other than their intended purpose, if approved by a majority vote of all voting interests.¹¹³

¹¹³ Under current law, until December 31, 2024, when the waiver prohibition in SB 4-D takes effect, the required vote to waive reserves is by a majority of association members voting in person at a meeting in person or by proxy.

- Permit multicondominium associations to waive reserves if an alternative funding method has been approved by the division;
- Provide that reserve assessments may be adjusted for inflation; and
- Prohibit the uses of reserve funds for the SIRS items for other purposes other than the “replacement or deferred maintenance costs of the SIRS components” instead of “their intended purposes.”

Structural Integrity Reserve Studies

The bill amends the SIRS requirements in ss. 718.112(2)(g) and 719.106(1)(j), F.S., relating to condominiums and cooperative associations, respectively, to:

- Limit the SIRS requirement to residential condominium and cooperatives;
- Replace the term “common areas” with “condominium property” or “cooperative property,” where appropriate;
- Clarify that the SIRS recommendation must include a reserve funding schedule;
- Delete “floor” from the list of building components that must be visually inspected in the SIRS;
- Permit the visual inspection portion of the SIRS to be verified by an engineer or architect;
- Permit persons who have been certified as a Reserve Specialist, or Professional Reserve Analyst by the Community Associations Institute or the Association of Professional Reserve Analysts to perform or verify the visual inspection portion of the SIRS;
- Clarify that the SIRS 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 or deferred maintenance expense cannot be determined;
- Require reserves for deferred maintenance for the amount recommended by the SIRS, including for items for which there is no ascertainable estimate of useful life;
- Exempt from the SIRS requirement:
 - Buildings less than three stories in height, building;
 - Single-family, two-family, or three-family dwellings with three or fewer habitable stories above ground; and
 - Any portion or component of a building that has not been submitted to the condominium or cooperative form of ownership; or any portion or component of a building that is maintained by a party other than the condominium or cooperative association.

Dispute Resolution

Effective July 1, 2027, the bill amends the dispute resolution provision in s. 718.1255, F.S., to redefine the term “dispute” to permit unit owners in condominium and cooperative associations to utilize the mediation process in s. 720.311, F.S., related to disputes in homeowners’ associations. Under the bill, condominium and cooperative unit owners may use the mediation process in this section for disputes related to failure of a governing body to perform a required structural or life safety inspection, including the milestone inspection, perform a structural integrity reserve study, fund reserves, or make or provide necessary maintenance or repairs of association property as recommended by the milestone inspection or SIRS.

Effective July 1, 2027, the bill reenacts s. 719.1255, F.S., relating to cooperative association disputes, to incorporate the amendments made to s. 718.1255, F.S.

Maintenance Obligations of the Association

The bill amends s. 718.113, F.S., which provides that maintenance of the common elements is the responsibility of the condominium association and details the maintenance obligations for condominium boards, to provide that:

- The association shall provide for the maintenance, repair, and replacement of the applicable condominium property identified in s. 718.301(4)(p), F.S., except for any maintenance responsibility for limited common elements¹¹⁴ assigned to the unit by the declaration; and
- After turnover of control to the unit owners, the association must perform any required maintenance for which it bears responsibility identified by the developer in the turnover report until the association obtains new maintenance protocols from a licensed professional engineer or architect.

The bill creates s. 719.105(5), F.S., to provide identical obligations for maintenance of the cooperative property by the cooperative association.

In addition, the bill provides that maintenance of cooperative property is the responsibility of the association, which is identical to the provision in current law in s. 718.113(1), F.S., for condominium associations.

Presale Disclosures

The bill amends ss. 718.503(1)(b) and 719.503(1)(b), F.S., for condominium and cooperative associations, respectively, to require developers to give prospective buyers of a unit a statement in conspicuous type indicating that the association has not completed the milestone inspection or is not required to complete a milestone inspection, if applicable.

Sections ss. 718.503(1)(b) and 719.503(1)(b), F.S., for condominium and cooperative associations, respectively, are also amended to provide that the statement that the required reserve study has not been completed must be in conspicuous type, if applicable. It also requires a statement that the association is not required to complete a reserve study, if applicable.

The bill creates ss. 718.503(1)(d) and 719.503(1)(d), F.S., relating to condominium and cooperative associations, to provide additional presale notice requirements in contracts for sales of a unit by a developer or nondeveloper. This provision is similar to current contract notices related to developer and nondeveloper unit owners' obligations to furnish certain governing documents to the prospective buyer of a unit more than three days before execution of the contract for sales by a nondeveloper or 15 days before execution of the contract for sales by a developer. The bill:

- Requires a presale contract notice advising that the association has failed to complete a required milestone inspection or SIRS, as appropriate, or advising that the association is not required to have a milestone inspection or SIRS;
- Creates a contract notice for associations that have completed the milestone inspection and SIRS in which the prospective buyer acknowledges that he or she has been provided a copy

¹¹⁴ Section 718.103, F.S., defines "limited common elements" to mean those common elements which are reserved for the use of a certain unit or units to the exclusion of all other units, as specified in the declaration.

of the most recent structural integrity reserve study and milestone inspection report, if applicable;

- Creates a contract notice that advises the prospective buyer that the sales contract is voidable if the buyer has not been provided with a current copy of the SIRS or the inspector-prepared summary more than 15 days before the execution of a contract with a developer or three days before the execution of the contract with a nondeveloper; and
- Provides that a contract that does not conform to these notice requirements is voidable at the option of the purchaser prior to closing.

Rulemaking

The bill reenacts the existing rulemaking authority of the Division of Florida Condominiums, Timeshares, and Mobile Homes in ss. 718.501(1)(f) and 719.501(1)(f), F.S., relating to condominium and cooperative associations.

Effective Dates

The bill takes effect upon becoming law. However, the dispute resolution provision in s. 718.1255, F.S., and the reenacting of s. 719.1255, F.S., take effect on July 1, 2027.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

D. State Tax or Fee Increases:

None.

E. Other Constitutional Issues:

None.

V. Fiscal Impact Statement:

A. Tax/Fee Issues:

None.

B. Private Sector Impact:

Under the bill, condominium and cooperative associations and unit owners in those communities may incur additional expenses related to the required conduct of a milestone inspection and reserve study. However, the associations and unit owners may benefit from the long-term financial planning benefits of a reserve study and from the maintenance or repair of association property.

The agency analysis from the Florida Building Commission for SB 1702 (Reg. Sess. 2022), which provided a similar milestone inspection requirement, noted that the comparable recertification and building safety inspections currently being conducted in Miami-Dade and Broward counties can cost as much as \$20,000 to \$40,000 for the inspection of a 15 to 20 story condominium, and between \$2,000 and \$4,000 for the inspection of a small commercial building. Any remedial work to remedy issues identified during the inspection would be in addition to these costs.¹¹⁵ The agency analysis for this bill did not mention this information.¹¹⁶

Providers of reserve studies and architects and engineers who offer milestone inspections may benefit from additional business due to the required milestone inspections and reserve studies.

C. Government Sector Impact:

The Department of Business and Professional Regulation (DBPR) estimates that the Florida Building Commission (commission) may need to appoint a workgroup and hire a group of experts to research and assist with the development of minimum standards and protocols for the implementation of the building safety program. The commission staff estimates this could cost between \$200,000 and \$250,000 for fiscal years 2023-2024 and 2024-2025. The Division of Condominium, Timeshares, and Mobile Homes (division) states that it will incur additional expenses related to the number of full-time employees (FTE) required to review and analyze the new reserve requirements. The division will also need funding to contract for the review and analysis of the alternative funding methods with licensed professionals.¹¹⁷ The division estimates it will need 10 additional staff (8 FTE and 2 supervisors) and associated costs.¹¹⁸

VI. Technical Deficiencies:

None.

¹¹⁵ See Department of Business and Professional Regulation, *2022 Agency Legislative Bill Analysis for SB 1702* at p. 7 (Jan. 7, 2022) (on file with the Senate Regulated Industries Committee).

¹¹⁶ See Department of Business and Professional Regulation, *2023 Agency Legislative Bill Analysis for SB 154* (Feb. 14, 2023) (on file with the Senate Regulated Industries Committee).

¹¹⁷ *Id.*

¹¹⁸ *Id.*

VII. Related Issues:

Fannie Mae¹¹⁹ and the Federal Housing Administration¹²⁰ have altered their requirements for loans secured by condominiums and cooperatives in response to the Champlain Towers collapse, including requiring:

- The association to have assessments sufficient to fund any repairs; and
- That at least 10 percent of the association's assessments are dedicated to budget reserves.

Fannie Mae also provides that condominiums and cooperatives with significant deferred maintenance or that have received a directive from a regulatory authority or inspection agency to make repairs due to unsafe conditions are not eligible for purchase until the repairs are made.¹²¹ Although the underwriting standard was adopted before the Champlain Towers South collapse, Freddie Mac also requires that at least 10 percent of a condominium association's assessments are dedicated to budget reserves.¹²²

VIII. Statutes Affected:

This bill substantially amends the following sections of the Florida Statutes: 468.4334, 553.899, 627.351, 718.103, 718.111, 718.112, 718.1255, 718.113, 718.503, 719.103, 719.104, 719.106, 719.503, 558.002, 718.116, 720.3085, and 719.1255.

This bill reenacts the following sections of the Florida Statutes: 718.501 and 719.501.

IX. Additional Information:

- A. **Committee Substitute – Statement of Substantial Changes:**
(Summarizing differences between the Committee Substitute and the prior version of the bill.)

CS by Regulated Industries on February 21, 2023:

The CS:

- Amends s. 553.899(3), F.S., to clarify that in a mixed-use building the condominium or cooperative associations and the other owners of the building are equally responsible for arranging the milestone inspection;
- Amends ss. 718.503(1)(b) and 719.503(1)(b), F.S., for condominium and cooperative associations, respectively, to revise the types of documents the developer must give prospective buyers of a unit;
- Amends ss. 718.503(1)(d) and 719.503(1)(d), F.S., relating to condominium and cooperative associations, respectively, to specify the number of days before execution of the contract that the documents must be provided to the prospective purchaser; and

¹¹⁹ Fannie Mae, Lender Letter (LL-20221-14), Oct. 12, 2021, available at: <https://singlefamily.fanniemae.com/media/29411/display> (last visited Feb. 21, 2023).

¹²⁰ Freddie Mac, *Handbook 4000.1, FHA Single Family Housing Policy Handbook, Condominium Project Approval*, sec. II.C.2.vi., p. 530, available at: <https://www.hud.gov/sites/dfiles/OCHCO/documents/4000.1hsg-102021.pdf> (last visited Feb. 21, 2023).

¹²¹ *Supra* n. 116.

¹²² Freddie Mac, *Established Condominium Projects*, Effective June 1, 2022, available at: <https://guide.freddiemac.com/app/guide/section/5701.5> (last visited Feb. 21, 2023).

- Replaces the rulemaking provision in the bill with a reenacting of the existing rulemaking authority of the Division of Florida Condominiums, Timeshares, and Mobile Homes in ss. 718.501(1)(f) and 719.501(1)(f), F.S, relating to condominium and cooperative associations, respectively.

B. Amendments:

None.

This Senate Bill Analysis does not reflect the intent or official position of the bill's introducer or the Florida Senate.



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LEGISLATIVE ACTION

Senate	.	House
Comm: RCS	.	
02/22/2023	.	
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The Committee on Regulated Industries (Bradley) recommended the following:

Senate Amendment

Delete lines 162 - 165
and insert:
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 owner or owners of the building, including the



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LEGISLATIVE ACTION

Senate	.	House
Comm: RCS	.	
02/22/2023	.	
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The Committee on Regulated Industries (Bradley) recommended the following:

Senate Amendment (with title amendment)

Delete lines 770 - 857

and insert:

Section 9. Paragraph (b) of subsection (1) of section 718.503, Florida Statutes, is amended, and paragraph (d) is added to that subsection and paragraph (e) is added to subsection (2) of that section, to read:

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



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11 (1) DEVELOPER DISCLOSURE.—

12 (b) *Copies of documents to be furnished to prospective*
13 *buyer or lessee.*—Until such time as the developer has furnished
14 the documents listed below to a person who has entered into a
15 contract to purchase a residential unit or lease it for more
16 than 5 years, the contract may be voided by that person,
17 entitling the person to a refund of any deposit together with
18 interest thereon as provided in s. 718.202. The contract may be
19 terminated by written notice from the proposed buyer or lessee
20 delivered to the developer within 15 days after the buyer or
21 lessee receives all of the documents required by this section.
22 The developer may not close for 15 days after the execution of
23 the agreement and delivery of the documents to the buyer as
24 evidenced by a signed receipt for documents unless the buyer is
25 informed in the 15-day voidability period and agrees to close
26 before the expiration of the 15 days. The developer shall retain
27 in his or her records a separate agreement signed by the buyer
28 as proof of the buyer's agreement to close before the expiration
29 of the voidability period. The developer must retain such proof
30 for a period of 5 years after the date of the closing of the
31 transaction. The documents to be delivered to the prospective
32 buyer are the prospectus or disclosure statement with all
33 exhibits, if the development is subject to s. 718.504, or, if
34 not, then copies of the following which are applicable:

35 1. The question and answer sheet described in s. 718.504,
36 and declaration of condominium, or the proposed declaration if
37 the declaration has not been recorded, which shall include the
38 certificate of a surveyor approximately representing the
39 locations required by s. 718.104.



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- 40 2. The documents creating the association.
- 41 3. The bylaws.
- 42 4. The ground lease or other underlying lease of the
43 condominium.
- 44 5. The management contract, maintenance contract, and other
45 contracts for management of the association and operation of the
46 condominium and facilities used by the unit owners having a
47 service term in excess of 1 year, and any management contracts
48 that are renewable.
- 49 6. The estimated operating budget for the condominium and a
50 schedule of expenses for each type of unit, including fees
51 assessed pursuant to s. 718.113(1) for the maintenance of
52 limited common elements where such costs are shared only by
53 those entitled to use the limited common elements.
- 54 7. The lease of recreational and other facilities that will
55 be used only by unit owners of the subject condominium.
- 56 8. The lease of recreational and other common facilities
57 that will be used by unit owners in common with unit owners of
58 other condominiums.
- 59 9. The form of unit lease if the offer is of a leasehold.
- 60 10. Any declaration of servitude of properties serving the
61 condominium but not owned by unit owners or leased to them or
62 the association.
- 63 11. If the development is to be built in phases or if the
64 association is to manage more than one condominium, a
65 description of the plan of phase development or the arrangements
66 for the association to manage two or more condominiums.
- 67 12. If the condominium is a conversion of existing
68 improvements, the statements and disclosure required by s.



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69 718.616.

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

71 14. A copy of the floor plan of the unit and the plot plan
72 showing the location of the residential buildings and the
73 recreation and other common areas.

74 15. A copy of all covenants and restrictions that will
75 affect the use of the property and are not contained in the
76 foregoing.

77 16. If the developer is required by state or local
78 authorities to obtain acceptance or approval of any dock or
79 marina facilities intended to serve the condominium, a copy of
80 any such acceptance or approval acquired by the time of filing
81 with the division under s. 718.502(1), or a statement that such
82 acceptance or approval has not been acquired or received.

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

86 18. A copy of the inspector-prepared summary of the
87 milestone inspection report as described in ss. 553.899 and
88 718.301(4)(p) or a statement in conspicuous type indicating that
89 the association has not completed the milestone inspection
90 described in ss. 553.899 and 718.301(4)(p) or that the
91 association is not required to perform a milestone inspection,
92 as applicable.

93 19. A copy of the association's most recent structural
94 integrity reserve study or a statement in conspicuous type
95 indicating that the association has not completed a structural
96 integrity reserve study or that the association is not required
97 to perform a structural integrity reserve study, as applicable.



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98 (d) Milestone inspection or structural integrity reserve
99 study.—If the association is required to have completed a
100 milestone inspection as described in ss. 553.899 and
101 718.301(4) (p) or a structural integrity reserve study, and the
102 association has failed to complete the milestone inspection or
103 the structural integrity reserve study, each contract entered
104 into after December 31, 2024, for the sale of a residential unit
105 shall contain in conspicuous type a statement indicating that
106 the association is required to have a milestone inspection or a
107 structural integrity reserve study and has failed to complete
108 such inspection or study, as appropriate. If the association is
109 not required to have a milestone inspection as described in ss.
110 553.899 and 718.301(4) (p) or a structural integrity reserve
111 study, each contract entered into after December 31, 2024, for
112 the sale of a residential unit shall contain in conspicuous type
113 a statement indicating that the association is not required to
114 have a milestone inspection or a structural integrity reserve
115 study, as appropriate. If the association is required to have
116 completed a milestone inspection as described in ss. 553.899 and
117 718.301(4) (p) or a structural integrity reserve study, each
118 contract entered into after December 31, 2024, for the sale of a
119 residential unit shall contain in conspicuous type:

120 1. A clause which states: THE BUYER HEREBY ACKNOWLEDGES
121 THAT BUYER HAS BEEN PROVIDED A CURRENT COPY OF THE INSPECTOR-
122 PREPARED SUMMARY OF THE MILESTONE INSPECTION REPORT AS DESCRIBED
123 IN SECTIONS 553.899 AND 718.301(4) (p), FLORIDA STATUTES; AND A
124 COPY OF THE ASSOCIATION'S MOST RECENT STRUCTURAL INTEGRITY
125 RESERVE STUDY DESCRIBED IN SECTIONS 718.103(26) AND
126 718.112(2) (g), FLORIDA STATUTES, MORE THAN 15 DAYS, EXCLUDING



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127 SATURDAYS, SUNDAYS, AND LEGAL HOLIDAYS, PRIOR TO EXECUTION OF
128 THIS CONTRACT; and
129 2. A clause which states: THIS AGREEMENT IS VOIDABLE BY
130 BUYER BY DELIVERING WRITTEN NOTICE OF THE BUYER'S INTENTION TO
131 CANCEL WITHIN 15 DAYS, EXCLUDING SATURDAYS, SUNDAYS, AND LEGAL
132 HOLIDAYS, AFTER THE DATE OF EXECUTION OF THIS AGREEMENT BY THE
133 BUYER AND RECEIPT BY BUYER OF A CURRENT COPY OF THE INSPECTOR-
134 PREPARED SUMMARY OF THE MILESTONE INSPECTION REPORT AS DESCRIBED
135 IN SECTIONS 553.899 AND 718.301(4) (p), FLORIDA STATUTES; AND A
136 COPY OF THE ASSOCIATION'S MOST RECENT STRUCTURAL INTEGRITY
137 RESERVE STUDY DESCRIBED IN SECTIONS 718.103(26) AND
138 718.112(2) (g), FLORIDA STATUTES. ANY PURPORTED WAIVER OF THESE
139 VOIDABILITY RIGHTS SHALL BE OF NO EFFECT. BUYER MAY EXTEND THE
140 TIME FOR CLOSING FOR A PERIOD OF NOT MORE THAN 15 DAYS,
141 EXCLUDING SATURDAYS, SUNDAYS, AND LEGAL HOLIDAYS, AFTER THE
142 BUYER RECEIVES A CURRENT COPY OF THE INSPECTOR-PREPARED SUMMARY
143 OF THE MILESTONE INSPECTION REPORT AS DESCRIBED IN SECTIONS
144 553.899 AND 718.301(4) (p), FLORIDA STATUTES; AND A COPY OF THE
145 ASSOCIATION'S MOST RECENT STRUCTURAL INTEGRITY RESERVE STUDY
146 DESCRIBED IN SECTIONS 718.103(26) AND 718.112(2) (g), FLORIDA
147 STATUTES, IF REQUESTED IN WRITING. BUYER'S RIGHT TO VOID THIS
148 AGREEMENT SHALL TERMINATE AT CLOSING.
149
150 A contract that does not conform to the requirements of this
151 paragraph is voidable at the option of the purchaser prior to
152 closing.
153 (2) NONDEVELOPER DISCLOSURE.—
154 (e) If the association is required to have completed a
155 milestone inspection as described in ss. 553.899 and



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156 718.301(4) (p) or a structural integrity reserve study, and the
157 association has failed to complete the milestone inspection or
158 the structural integrity reserve study, each contract entered
159 into after December 31, 2024, for the sale of a residential unit
160 shall contain in conspicuous type a statement indicating that
161 the association is required to have a milestone inspection or a
162 structural integrity reserve study and has failed to complete
163 such inspection or study, as appropriate. If the association is
164 not required to have a milestone inspection as described in ss.
165 553.899 and 718.301(4) (p) or a structural integrity reserve
166 study, each contract entered into after December 31, 2024, for
167 the sale of a residential unit shall contain in conspicuous type
168 a statement indicating that the association is not required to
169 have a milestone inspection or a structural integrity reserve
170 study, as appropriate. If the association is required to have
171 completed a milestone inspection as described in ss. 553.899 and
172 718.301(4) (p) or a structural integrity reserve study, each
173 contract entered into after December 31, 2024, for the resale of
174 a residential unit shall contain in conspicuous type:

175 1. A clause which states: THE BUYER HEREBY ACKNOWLEDGES
176 THAT BUYER HAS BEEN PROVIDED A CURRENT COPY OF THE INSPECTOR-
177 PREPARED SUMMARY OF THE MILESTONE INSPECTION REPORT AS DESCRIBED
178 IN SECTIONS 553.899 AND 718.301(4) (p), FLORIDA STATUTES; AND A
179 COPY OF THE ASSOCIATION'S MOST RECENT STRUCTURAL INTEGRITY
180 RESERVE STUDY DESCRIBED IN SECTIONS 718.103(26) AND
181 718.112(2) (g), FLORIDA STATUTES, MORE THAN 3 DAYS, EXCLUDING
182 SATURDAYS, SUNDAYS, AND LEGAL HOLIDAYS, PRIOR TO EXECUTION OF
183 THIS CONTRACT; and
184



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

186 And the title is amended as follows:

187 Delete line 55

188 and insert:

189 property; amending s. 718.503, F.S.; revising the
190 documents developers are required to provide to
191 prospective buyers or lessees; requiring



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LEGISLATIVE ACTION

Senate	.	House
Comm: RCS	.	
02/22/2023	.	
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The Committee on Regulated Industries (Bradley) recommended the following:

Senate Amendment (with title amendment)

Delete lines 1215 - 1301

and insert:

Section 13. Paragraph (b) of subsection (1) of section 719.503, Florida Statutes, is amended, paragraph (d) is added to that subsection, and paragraph (d) is added to subsection (2) of that section, to read:

719.503 Disclosure prior to sale.—

(1) DEVELOPER DISCLOSURE.—



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11 (b) *Copies of documents to be furnished to prospective*
12 *buyer or lessee.*—Until such time as the developer has furnished
13 the documents listed below to a person who has entered into a
14 contract to purchase a unit or lease it for more than 5 years,
15 the contract may be voided by that person, entitling the person
16 to a refund of any deposit together with interest thereon as
17 provided in s. 719.202. The contract may be terminated by
18 written notice from the proposed buyer or lessee delivered to
19 the developer within 15 days after the buyer or lessee receives
20 all of the documents required by this section. The developer may
21 not close for 15 days after the execution of the agreement and
22 delivery of the documents to the buyer as evidenced by a receipt
23 for documents signed by the buyer unless the buyer is informed
24 in the 15-day voidability period and agrees to close before the
25 expiration of the 15 days. The developer shall retain in his or
26 her records a separate signed agreement as proof of the buyer's
27 agreement to close before the expiration of the voidability
28 period. The developer must retain such proof for a period of 5
29 years after the date of the closing transaction. The documents
30 to be delivered to the prospective buyer are the prospectus or
31 disclosure statement with all exhibits, if the development is
32 subject to s. 719.504, or, if not, then copies of the following
33 which are applicable:

34 1. The question and answer sheet described in s. 719.504,
35 and cooperative documents, or the proposed cooperative documents
36 if the documents have not been recorded, which shall include the
37 certificate of a surveyor approximately representing the
38 locations required by s. 719.104.

39 2. The documents creating the association.



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40 3. The bylaws.

41 4. The ground lease or other underlying lease of the
42 cooperative.

43 5. The management contract, maintenance contract, and other
44 contracts for management of the association and operation of the
45 cooperative and facilities used by the unit owners having a
46 service term in excess of 1 year, and any management contracts
47 that are renewable.

48 6. The estimated operating budget for the cooperative and a
49 schedule of expenses for each type of unit, including fees
50 assessed to a shareholder who has exclusive use of limited
51 common areas, where such costs are shared only by those entitled
52 to use such limited common areas.

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

55 8. The lease of recreational and other common areas that
56 will be used by unit owners in common with unit owners of other
57 cooperatives.

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

59 10. Any declaration of servitude of properties serving the
60 cooperative but not owned by unit owners or leased to them or
61 the association.

62 11. If the development is to be built in phases or if the
63 association is to manage more than one cooperative, a
64 description of the plan of phase development or the arrangements
65 for the association to manage two or more cooperatives.

66 12. If the cooperative is a conversion of existing
67 improvements, the statements and disclosure required by s.
68 719.616.



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- 69 13. The form of agreement for sale or lease of units.
- 70 14. A copy of the floor plan of the unit and the plot plan
71 showing the location of the residential buildings and the
72 recreation and other common areas.
- 73 15. A copy of all covenants and restrictions that will
74 affect the use of the property and are not contained in the
75 foregoing.
- 76 16. If the developer is required by state or local
77 authorities to obtain acceptance or approval of any dock or
78 marina facilities intended to serve the cooperative, a copy of
79 any such acceptance or approval acquired by the time of filing
80 with the division pursuant to s. 719.502(1) or a statement that
81 such acceptance or approval has not been acquired or received.
- 82 17. Evidence demonstrating that the developer has an
83 ownership, leasehold, or contractual interest in the land upon
84 which the cooperative is to be developed.
- 85 18. A copy of the inspector-prepared summary of the
86 milestone inspection report as described in ss. 553.899 and
87 719.301(4)(p), or a statement in conspicuous type indicating
88 that the association has not completed the milestone inspection
89 described in ss. 553.899 and 719.301(4)(p) or that the
90 association is not required to perform a milestone inspection,
91 as ~~if~~ applicable.
- 92 19. A copy of the association's most recent structural
93 integrity reserve study or a statement in conspicuous type
94 indicating that the association has not completed a structural
95 integrity reserve study or that the association is not required
96 to perform a structural integrity reserve study, as applicable.
- 97 (d) Milestone inspection or structural integrity reserve



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98 study.-If the association is required to have completed a
99 milestone inspection as described in ss. 553.899 and
100 719.301(4) (p) or a structural integrity reserve study, and the
101 association has failed to complete the milestone inspection or
102 the structural integrity reserve study, each contract entered
103 into after December 31, 2024, for the sale of a residential unit
104 shall contain in conspicuous type a statement indicating that
105 the association is required to have a milestone inspection or a
106 structural integrity reserve study and has failed to complete
107 such inspection or study, as appropriate. If the association is
108 not required to have a milestone inspection as described in ss.
109 553.899 and 719.301(4) (p) or a structural integrity reserve
110 study, each contract entered into after December 31, 2024, for
111 the sale of a residential unit shall contain in conspicuous type
112 a statement indicating that the association is not required to
113 have a milestone inspection or a structural integrity reserve
114 study, as appropriate. If the association is required to have
115 completed a milestone inspection as described in ss. 553.899 and
116 719.301(4) (p) or a structural integrity reserve study, each
117 contract entered into after December 31, 2024, for the sale of a
118 residential unit shall contain in conspicuous type:

119 1. A clause which states: THE BUYER HEREBY ACKNOWLEDGES
120 THAT BUYER HAS BEEN PROVIDED A CURRENT COPY OF THE INSPECTOR-
121 PREPARED SUMMARY OF THE MILESTONE INSPECTION REPORT AS DESCRIBED
122 IN SECTIONS 553.899 AND 719.301(4) (p), FLORIDA STATUTES; AND A
123 COPY OF THE ASSOCIATION'S MOST RECENT STRUCTURAL INTEGRITY
124 RESERVE STUDY DESCRIBED IN SECTIONS 719.103(24) AND
125 719.106(1) (k), FLORIDA STATUTES, MORE THAN 15 DAYS, EXCLUDING
126 SATURDAYS, SUNDAYS, AND LEGAL HOLIDAYS, PRIOR TO EXECUTION OF



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127 THIS CONTRACT; and
128 2. A clause which states: THIS AGREEMENT IS VOIDABLE BY
129 BUYER BY DELIVERING WRITTEN NOTICE OF THE BUYER'S INTENTION TO
130 CANCEL WITHIN 15 DAYS, EXCLUDING SATURDAYS, SUNDAYS, AND LEGAL
131 HOLIDAYS, AFTER THE DATE OF EXECUTION OF THIS AGREEMENT BY THE
132 BUYER AND RECEIPT BY BUYER OF A CURRENT COPY OF THE INSPECTOR-
133 PREPARED SUMMARY OF THE MILESTONE INSPECTION REPORT AS DESCRIBED
134 IN SECTIONS 553.899 AND 719.301(4) (p), FLORIDA STATUTES; AND A
135 COPY OF THE ASSOCIATION'S MOST RECENT STRUCTURAL INTEGRITY
136 RESERVE STUDY DESCRIBED IN SECTIONS 719.103(24) AND
137 719.106(1) (k), FLORIDA STATUTES. ANY PURPORTED WAIVER OF THESE
138 VOIDABILITY RIGHTS SHALL BE OF NO EFFECT. BUYER MAY EXTEND THE
139 TIME FOR CLOSING FOR A PERIOD OF NOT MORE THAN 15 DAYS,
140 EXCLUDING SATURDAYS, SUNDAYS, AND LEGAL HOLIDAYS, AFTER THE
141 BUYER RECEIVES A CURRENT COPY OF THE INSPECTOR-PREPARED SUMMARY
142 OF THE MILESTONE INSPECTION REPORT AS DESCRIBED IN SECTIONS
143 553.899 AND 719.301(4) (p), FLORIDA STATUTES; AND A COPY OF THE
144 ASSOCIATION'S MOST RECENT STRUCTURAL INTEGRITY RESERVE STUDY
145 DESCRIBED IN SECTIONS 719.103(24) AND 719.106(1) (k), FLORIDA
146 STATUTES, IF REQUESTED IN WRITING. BUYER'S RIGHT TO VOID THIS
147 AGREEMENT SHALL TERMINATE AT CLOSING.

148
149 A contract that does not conform to the requirements of this
150 paragraph is voidable at the option of the purchaser prior to
151 closing.

152 (2) NONDEVELOPER DISCLOSURE.—

153 (d) If the association is required to have completed a
154 milestone inspection as described in ss. 553.899 and
155 719.301(4) (p) or a structural integrity reserve study, and the



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156 association has failed to complete the milestone inspection or
157 the structural integrity reserve study, each contract entered
158 into after December 31, 2024, for the sale of a residential unit
159 shall contain in conspicuous type a statement indicating that
160 the association is required to have a milestone inspection or a
161 structural integrity reserve study and has failed to complete
162 such inspection or study, as appropriate. If the association is
163 not required to have a milestone inspection as described in ss.
164 553.899 and 719.301(4) (p) or a structural integrity reserve
165 study, each contract entered into after December 31, 2024, for
166 the sale of a residential unit shall contain in conspicuous type
167 a statement indicating that the association is not required to
168 have a milestone inspection or a structural integrity reserve
169 study, as appropriate. If the association is required to have
170 completed a milestone inspection as described in ss. 553.899 and
171 719.301(4) (p) or a structural integrity reserve study, each
172 contract entered into after December 31, 2024, for the resale of
173 a residential unit shall contain in conspicuous type:

174 1. A clause which states: THE BUYER HEREBY ACKNOWLEDGES
175 THAT BUYER HAS BEEN PROVIDED A CURRENT COPY OF THE INSPECTOR-
176 PREPARED SUMMARY OF THE MILESTONE INSPECTION REPORT AS DESCRIBED
177 IN SECTIONS 553.899 AND 719.301(4) (p), FLORIDA STATUTES; AND A
178 COPY OF THE ASSOCIATION'S MOST RECENT STRUCTURAL INTEGRITY
179 RESERVE STUDY DESCRIBED IN SECTIONS 719.103(24) AND
180 719.106(1) (k), FLORIDA STATUTES, MORE THAN 3 DAYS, EXCLUDING
181 SATURDAYS, SUNDAYS, AND LEGAL HOLIDAYS, PRIOR TO EXECUTION OF
182 THIS CONTRACT; and

183
184 ===== T I T L E A M E N D M E N T =====



185 And the title is amended as follows:
186 Delete line 73
187 and insert:
188 by the act; amending s. 719.503, F.S.; revising the
189 types of documents developers are required to provide
190 to prospective buyers and lessees; requiring



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LEGISLATIVE ACTION

Senate	.	House
Comm: RCS	.	
02/22/2023	.	
	.	
	.	
	.	

The Committee on Regulated Industries (Bradley) recommended the following:

Senate Amendment (with title amendment)

Delete lines 1381 - 1384

and insert:

Section 18. Paragraph (f) of subsection (1) of section 718.501, Florida Statutes, is reenacted 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 this chapter and rules relating to the development,



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11 construction, sale, lease, ownership, operation, and management
12 of residential condominium units and complaints related to the
13 procedural completion of milestone inspections under s. 553.899.
14 In performing its duties, the division has complete jurisdiction
15 to investigate complaints and enforce compliance with respect to
16 associations that are still under developer control or the
17 control of a bulk assignee or bulk buyer pursuant to part VII of
18 this chapter and complaints against developers, bulk assignees,
19 or bulk buyers involving improper turnover or failure to
20 turnover, pursuant to s. 718.301. However, after turnover has
21 occurred, the division has jurisdiction to investigate
22 complaints related only to financial issues, elections, and the
23 maintenance of and unit owner access to association records
24 under s. 718.111(12), and the procedural completion of
25 structural integrity reserve studies under s. 718.112(2)(g).

26 (f) The division may adopt rules to administer and enforce
27 this chapter.

28 Section 19. Paragraph (f) of subsection (1) of section
29 719.501, Florida Statutes, is reenacted to read:

30 719.501 Powers and duties of Division of Florida
31 Condominiums, Timeshares, and Mobile Homes.—

32 (1) The Division of Florida Condominiums, Timeshares, and
33 Mobile Homes of the Department of Business and Professional
34 Regulation, referred to as the "division" in this part, in
35 addition to other powers and duties prescribed by chapter 718,
36 has the power to enforce and ensure compliance with this chapter
37 and adopted rules relating to the development, construction,
38 sale, lease, ownership, operation, and management of residential
39 cooperative units; complaints related to the procedural



40 completion of the structural integrity reserve studies under s.
41 719.106(1)(k); and complaints related to the procedural
42 completion of milestone inspections under s. 553.899. In
43 performing its duties, the division shall have the following
44 powers and duties:

45 (f) The division has authority to adopt rules pursuant to
46 ss. 120.536(1) and 120.54 to implement and enforce the
47 provisions of this chapter.

48
49 ===== T I T L E A M E N D M E N T =====

50 And the title is amended as follows:

51 Delete lines 81 - 84

52 and insert:

53 718.1255, F.S., in a reference thereto; reenacting ss.
54 718.501(1)(f) and 719.501(1)(f), F.S., relating to the
55 rulemaking authority of the Division of Florida
56 Condominiums, Timeshares, and Mobile Homes of the
57 Department of Business and Professional Regulation;
58 providing

By Senator Bradley

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1 A bill to be entitled
 2 An act relating to condominium and cooperative
 3 associations; amending s. 468.4334, F.S.; revising the
 4 circumstances under which community association
 5 managers or management firms must comply with a
 6 specified provision; amending s. 553.899, F.S.;
 7 revising legislative findings; revising the definition
 8 of the terms "milestone inspection" and "substantial
 9 structural deterioration"; revising who must have
 10 milestone inspections performed for buildings;
 11 authorizing local enforcement agencies to make certain
 12 determinations relating to milestone inspections after
 13 a building reaches a specified age; revising costs
 14 that condominium and cooperative associations are
 15 responsible for; requiring certain parties to obtain
 16 milestone inspection reports; authorizing local
 17 enforcement agencies to extend deadlines for milestone
 18 inspections under certain circumstances; revising
 19 requirements relating to written notice of required
 20 inspections; requiring architects or engineers
 21 performing milestone inspections to submit a specified
 22 progress report to a local enforcement agency within a
 23 specified timeframe under certain circumstances;
 24 specifying that associations must distribute copies of
 25 certain inspection reports within a specified
 26 timeframe and in a specified manner; authorizing
 27 municipal governing bodies to adopt certain ordinances
 28 relating to association repairs; requiring the Florida
 29 Building Commission to adopt rules by a specified

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30 date; providing requirements for such rules;
 31 conforming provisions; amending s. 627.351, F.S.;
 32 revising the types of policyholders not required to
 33 purchase flood insurance as a condition for
 34 maintaining certain policies issued by the Citizens
 35 Property Insurance Corporation; amending s. 718.103,
 36 F.S.; defining the term "alternative funding method";
 37 revising the definition of the term "structural
 38 integrity reserve study"; amending s. 718.111, F.S.;
 39 making a technical change; amending s. 718.112, F.S.;
 40 revising condominium association reserve account
 41 requirements; revising requirements relating to
 42 waiving reserve requirements or providing less
 43 reserves than required by law; revising requirements
 44 relating to using reserve funds or interest accrued on
 45 reserve funds for certain purposes; revising
 46 requirements for structural integrity reserve studies;
 47 providing applicability; conforming provisions to
 48 changes made by the act; amending s. 718.1255, F.S.;
 49 revising the definition of the term "dispute";
 50 specifying that certain disputes are not subject to
 51 nonbinding arbitration and must be submitted to
 52 presuit mediation; amending s. 718.113, F.S.; revising
 53 requirements relating to maintenance, repair, and
 54 replacement of common elements and condominium
 55 property; amending s. 718.503, F.S.; requiring
 56 specified disclosures relating to milestone
 57 inspections and structural integrity reserve studies
 58 for certain contracts entered into after a specified

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59 date; amending s. 719.103, F.S.; revising the
 60 definition of the term "structural integrity reserve
 61 study"; amending s. 719.104, F.S.; revising rights
 62 relating to the official records of a cooperative
 63 association; providing maintenance requirements for
 64 cooperative associations; amending s. 719.106, F.S.;
 65 revising cooperative association reserve account
 66 requirements; revising requirements relating to
 67 waiving reserve requirements or providing less
 68 reserves than required by law; revising a prohibition
 69 on using reserve funds or interest accrued on reserve
 70 funds for certain purposes; revising requirements for
 71 structural integrity reserve studies; providing
 72 applicability; conforming provisions to changes made
 73 by the act; amending s. 719.503, F.S.; requiring
 74 specified disclosures relating to milestone
 75 inspections and structural integrity reserve studies
 76 for certain contracts entered into after a specified
 77 date; amending ss. 558.002, 718.116, and 720.3085,
 78 F.S.; conforming cross-references; reenacting s.
 79 719.1255, F.S., relating to alternative resolution of
 80 disputes, to incorporate amendments made to s.
 81 718.1255, F.S., in a reference thereto; authorizing
 82 the Division of Florida Condominiums, Timeshares, and
 83 Mobile Homes of the Department of Business and
 84 Professional Regulation to adopt rules; providing
 85 effective dates.

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

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88
 89 Section 1. Paragraph (b) of subsection (1) of section
 90 468.4334, Florida Statutes, is amended to read:
 91 468.4334 Professional practice standards; liability.—
 92 (1)
 93 (b) If a community association manager or a community
 94 association management firm has a contract with a community
 95 association that ~~has a building on the association's property~~
 96 ~~that~~ is subject to s. 553.899, the community association manager
 97 or the community association management firm must comply with
 98 that section as directed by the board.
 99 Section 2. Subsections (1) through (6), paragraph (b) of
 100 subsection (7), and subsections (8), (9), (11), and (12) of
 101 section 553.899, Florida Statutes, are amended to read:
 102 553.899 Mandatory structural inspections for condominium
 103 and cooperative buildings.—
 104 (1) The Legislature finds that maintaining the structural
 105 integrity of a building throughout the life of the building ~~its~~
 106 ~~service life~~ is of paramount importance in order to ensure that
 107 buildings are structurally sound so as to not pose a threat to
 108 the public health, safety, or welfare. As such, the Legislature
 109 finds that the imposition of a statewide structural inspection
 110 program for aging condominium and cooperative buildings in this
 111 state is necessary to ensure that such buildings are safe for
 112 continued use.
 113 (2) As used in this section, the terms:
 114 (a) "Milestone inspection" means a structural inspection of
 115 a building, including an inspection of load-bearing elements
 116 ~~walls~~ and the primary structural members and primary structural

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117 systems as those terms are defined in s. 627.706, by an a
 118 ~~licensed~~ architect licensed under chapter 481 or engineer
 119 licensed under chapter 471 authorized to practice in this state
 120 for the purposes of attesting to the life safety and adequacy of
 121 the structural components of the building and, to the extent
 122 reasonably possible, determining the general structural
 123 condition of the building as it affects the safety of such
 124 building, including a determination of any necessary
 125 maintenance, repair, or replacement of any structural component
 126 of the building. The purpose of such inspection is not to
 127 determine if the condition of an existing building is in
 128 compliance with the Florida Building Code or the firesafety
 129 code. The milestone inspection services may be provided by a
 130 team of professionals with an architect or engineer acting as a
 131 registered design professional in responsible charge with all
 132 work and reports signed and sealed by the appropriate qualified
 133 team member.

134 (b) "Substantial structural deterioration" means
 135 substantial structural distress or substantial structural
 136 weakness that negatively affects a building's general structural
 137 condition and integrity. The term does not include surface
 138 imperfections such as cracks, distortion, sagging, deflections,
 139 misalignment, signs of leakage, or peeling of finishes unless
 140 the licensed engineer or architect performing the phase one or
 141 phase two inspection determines that such surface imperfections
 142 are a sign of substantial structural deterioration.

143 (3) An owner or owners of a building that is three stories
 144 or more in height that is subject, in whole or in part, to the
 145 condominium or cooperative form of ownership as a residential

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146 condominium ~~association~~ under chapter 718 or and a residential
 147 cooperative ~~association~~ under chapter 719 must have a milestone
 148 inspection performed ~~for each building that is three stories or~~
 149 ~~more in height~~ by December 31 of the year in which the building
 150 reaches 30 years of age, based on the date the certificate of
 151 occupancy for the building was issued, and every 10 years
 152 thereafter. The local enforcement agency may determine that
 153 local circumstances, including environmental conditions such as
 154 proximity to salt water as defined in s. 379.101, require that
 155 ~~If the building is located within 3 miles of a coastline as~~
 156 ~~defined in s. 376.031, the condominium association or~~
 157 cooperative association must have a milestone inspection must be
 158 performed by December 31 of the year in which the building
 159 reaches 25 years of age, based on the date the certificate of
 160 occupancy for the building was issued, and every 10 years
 161 thereafter. The milestone inspection report must be arranged by
 162 the party or parties responsible for the operation, maintenance,
 163 repair, and replacement of the structural components of the
 164 building, if other than the condominium or cooperative
 165 association. The owner or owners of the building, including the
 166 condominium association or cooperative association, are each
 167 ~~must arrange for the milestone inspection to be performed and is~~
 168 responsible for ensuring compliance with the requirements of
 169 this section. The condominium association or cooperative
 170 association is responsible for all costs associated with the
 171 milestone inspection attributable to the portions of a building
 172 which the association is responsible to maintain under the
 173 governing documents of the association. This subsection does not
 174 apply to a single-family, two-family, or three-family dwelling

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175 with three or fewer habitable stories above ground.

176 (4) If a milestone inspection is required under this
 177 section and the building's certificate of occupancy was issued
 178 on or before July 1, 1992, the building's initial milestone
 179 inspection must be performed before December 31, 2024. The local
 180 enforcement agency may extend the deadline for a building's
 181 initial milestone inspection upon a showing of good cause by the
 182 owner or owners of the building that the inspection cannot be
 183 timely completed if the owner or owners have entered into a
 184 contract with an architect or engineer to perform the milestone
 185 inspection and the inspection cannot reasonably be completed
 186 before the deadline or other circumstance to justify an
 187 extension. If the date of issuance for the certificate of
 188 occupancy is not available, the date of issuance of the
 189 building's certificate of occupancy shall be the date of
 190 occupancy evidenced in any record of the local building
 191 official.

192 (5) Upon determining that a building must have a milestone
 193 inspection, the local enforcement agency must provide written
 194 notice of such required inspection to the condominium
 195 association or cooperative association and to any other owner of
 196 the building by certified mail, return receipt requested.

197 (6) Phase one of the milestone inspection must be completed
 198 within 180 days after the owner or owners of the building
 199 receive receiving the written notice under subsection (5), ~~the~~
 200 ~~condominium association or cooperative association must complete~~
 201 ~~phase one of the milestone inspection.~~ For purposes of this
 202 section, completion of phase one of the milestone inspection
 203 means the licensed engineer or architect who performed the phase

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204 one inspection submitted the inspection report by e-mail, United
 205 States Postal Service, or commercial delivery service to the
 206 local enforcement agency.

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

208 (b) A phase two of the milestone inspection must be
 209 performed if any substantial structural deterioration is
 210 identified during phase one. A phase two inspection may involve
 211 destructive or nondestructive testing at the inspector's
 212 direction. The inspection may be as extensive or as limited as
 213 necessary to fully assess areas of structural distress in order
 214 to confirm that the building is structurally sound and safe for
 215 its intended use and to recommend a program for fully assessing
 216 and repairing distressed and damaged portions of the building.
 217 When determining testing locations, the inspector must give
 218 preference to locations that are the least disruptive and most
 219 easily repairable while still being representative of the
 220 structure. If a phase two inspection is required, within 180
 221 days after submitting a phase one inspection report the
 222 architect or engineer performing the phase two inspection must
 223 submit a phase two progress report to the local enforcement
 224 agency with a timeline for completion of the phase two
 225 inspection. An inspector who completes a phase two milestone
 226 inspection shall prepare and submit an inspection report
 227 pursuant to subsection (8).

228 (8) Upon completion of a phase one or phase two milestone
 229 inspection, the architect or engineer who performed the
 230 inspection must submit a sealed copy of the inspection report
 231 with a separate summary of, at minimum, the material findings
 232 and recommendations in the inspection report to the condominium

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233 association or cooperative association, to any other owner of
 234 the building, and to the building official of the local
 235 government which has jurisdiction. The inspection report must,
 236 at a minimum, meet all of the following criteria:

237 (a) Bear the seal and signature, or the electronic
 238 signature, of the licensed engineer or architect who performed
 239 the inspection.

240 (b) Indicate the manner and type of inspection forming the
 241 basis for the inspection report.

242 (c) Identify any substantial structural deterioration,
 243 within a reasonable professional probability based on the scope
 244 of the inspection, describe the extent of such deterioration,
 245 and identify any recommended repairs for such deterioration.

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

248 (e) Recommend any remedial or preventive repair for any
 249 items that are damaged but are not substantial structural
 250 deterioration.

251 (f) Identify and describe any items requiring further
 252 inspection.

253 (9) Within 30 days after receiving the applicable
 254 inspection report, the condominium or cooperative association
 255 must distribute a copy of the inspector-prepared summary of the
 256 inspection report to each condominium unit owner or cooperative
 257 unit owner, regardless of the findings or recommendations in the
 258 report, by United States mail or personal delivery at the
 259 mailing address, property address, or any other address of the
 260 owner provided to fulfill the association's notice requirements
 261 under chapter 718 or chapter 719, as applicable, and by

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262 electronic transmission to the e-mail address or facsimile
 263 number provided to fulfill the association's notice requirements
 264 to unit owners who previously consented to receive notice by
 265 electronic transmission; must post a copy of the inspector-
 266 prepared summary in a conspicuous place on the condominium or
 267 cooperative property; and must publish the full report and
 268 inspector-prepared summary on the association's website, if the
 269 association is required to have a website.

270 (11) A board of county commissioners or municipal governing
 271 body may adopt an ordinance requiring that a condominium or
 272 cooperative association and any other owner that is subject to
 273 this section schedule or commence repairs for substantial
 274 structural deterioration within a specified timeframe after the
 275 local enforcement agency receives a phase two inspection report;
 276 however, such repairs must be commenced within 365 days after
 277 receiving such report. If an owner of the building association
 278 fails to submit proof to the local enforcement agency that
 279 repairs have been scheduled or have commenced for substantial
 280 structural deterioration identified in a phase two inspection
 281 report within the required timeframe, the local enforcement
 282 agency must review and determine if the building is unsafe for
 283 human occupancy.

284 (12) By December 31, 2024, the Florida Building Commission
 285 shall adopt rules pursuant to ss. 120.536(1) and 120.54 to
 286 establish a building safety program for the implementation of
 287 this section within the Florida Building Code: Existing
 288 Building. The building inspection program must, at minimum,
 289 include inspection criteria, testing protocols, standardized
 290 inspection and reporting forms that are adaptable to an

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 291 ~~electronic format, and record maintenance requirements for the~~
 292 ~~local authority review the milestone inspection requirements~~
 293 ~~under this section and make recommendations, if any, to the~~
 294 ~~Legislature to ensure inspections are sufficient to determine~~
 295 ~~the structural integrity of a building. The commission must~~
 296 ~~provide a written report of any recommendations to the Governor,~~
 297 ~~the President of the Senate, and the Speaker of the House of~~
 298 ~~Representatives by December 31, 2022.~~

299 Section 3. Paragraph (aa) of subsection (6) of section
 300 627.351, Florida Statutes, is amended to read:

301 627.351 Insurance risk apportionment plans.—

302 (6) CITIZENS PROPERTY INSURANCE CORPORATION.—

303 (aa) Except as otherwise provided in this paragraph, the
 304 corporation shall require the securing and maintaining of flood
 305 insurance as a condition of coverage of a personal lines
 306 residential risk. The insured or applicant must execute a form
 307 approved by the office affirming that flood insurance is not
 308 provided by the corporation and that if flood insurance is not
 309 secured by the applicant or insured from an insurer other than
 310 the corporation and in addition to coverage by the corporation,
 311 the risk will not be eligible for coverage by the corporation.
 312 The corporation may deny coverage of a personal lines
 313 residential risk to an applicant or insured who refuses to
 314 secure and maintain flood insurance. The requirement to purchase
 315 flood insurance shall be implemented as follows:

316 1. Except as provided in subparagraphs 2. and 3., all
 317 personal lines residential policyholders must have flood
 318 coverage in place for policies effective on or after:

319 a. January 1, 2024, for property valued at \$600,000 or

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 320 more.
 321 b. January 1, 2025, for property valued at \$500,000 or
 322 more.
 323 c. January 1, 2026, for property valued at \$400,000 or
 324 more.
 325 d. January 1, 2027, for all other personal lines
 326 residential property insured by the corporation.
 327 2. All personal lines residential policyholders whose
 328 property insured by the corporation is located within the
 329 special flood hazard area defined by the Federal Emergency
 330 Management Agency must have flood coverage in place:
 331 a. At the time of initial policy issuance for all new
 332 personal lines residential policies issued by the corporation on
 333 or after April 1, 2023.
 334 b. By the time of the policy renewal for all personal lines
 335 residential policies renewing on or after July 1, 2023.
 336 3. Policyholders ~~whose policies issued by the corporation~~
 337 ~~do not provide coverage for the peril of wind~~ are not required
 338 to purchase flood insurance as a condition for maintaining the
 339 following their policies issued by with the corporation:
 340 a. Policies that do not provide coverage for the peril of
 341 wind.
 342 b. Policies that provide coverage under a condominium unit
 343 owners form if the risk insured by the policy is:
 344 (I) Insured under a master policy that provides flood
 345 coverage for personal property within the unit; or
 346 (II) Located within an area designated by the Federal
 347 Emergency Management Agency:
 348 (A) As a V-zone special flood hazard area, and the risk is

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349 on the fifth floor or above;

350 (B) As an A-zone special flood hazard area, and the risk is
 351 on the third floor or above; or

352 (C) As being outside of a special flood hazard area, and
 353 the risk is on the second floor or above.

354
 355 The flood insurance required under this paragraph must meet, at
 356 a minimum, the coverage available from the National Flood
 357 Insurance Program or the requirements of subparagraphs s.
 358 627.715(1)(a)1., 2., and 3.

359 Section 4. Present subsections (1) through (31) of section
 360 718.103, Florida Statutes, are redesignated as subsections (2)
 361 through (32), respectively, a new subsection (1) is added to
 362 that section, and present subsection (25) of that section is
 363 amended, to read:

364 718.103 Definitions.—As used in this chapter, the term:

365 (1) "Alternative funding method" means a method approved by
 366 the division for funding the capital expenditures and deferred
 367 maintenance obligations for a multicondominium association which
 368 may reasonably be expected to fully satisfy the association's
 369 reserve funding obligations, including, but not limited to, the
 370 allocation of funds in the annual operating budget.

371 ~~(26)-(25)~~ "Structural integrity reserve study" means a study
 372 of the reserve funds required for future major repairs and
 373 replacement of the condominium property performed as required
 374 under s. 718.112(2)(g) common areas based on a visual inspection
 375 of the common areas. A structural integrity reserve study may be
 376 performed by any person qualified to perform such study.
 377 ~~However, the visual inspection portion of the structural~~

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378 ~~integrity reserve study must be performed by an engineer~~
 379 ~~licensed under chapter 471 or an architect licensed under~~
 380 ~~chapter 481. At a minimum, a structural integrity reserve study~~
 381 ~~must identify the common areas being visually inspected, state~~
 382 ~~the estimated remaining useful life and the estimated~~
 383 ~~replacement cost or deferred maintenance expense of the common~~
 384 ~~areas being visually inspected, and provide a recommended annual~~
 385 ~~reserve amount that achieves the estimated replacement cost or~~
 386 ~~deferred maintenance expense of each common area being visually~~
 387 ~~inspected by the end of the estimated remaining useful life of~~
 388 ~~each common area.~~

389 Section 5. Paragraph (c) of subsection (12) of section
 390 718.111, Florida Statutes, is amended to read:

391 718.111 The association.—

392 (12) OFFICIAL RECORDS.—

393 (c)1. The official records of the association are open to
 394 inspection by any association member and any person authorized
 395 by an association member as a ~~or the authorized~~ representative
 396 of such member at all reasonable times. The right to inspect the
 397 records includes the right to make or obtain copies, at the
 398 reasonable expense, if any, of the member and of the person
 399 authorized by the association member as a ~~or authorized~~
 400 representative of such member. A renter of a unit has a right to
 401 inspect and copy only the declaration of condominium, the
 402 association's bylaws and rules, and the inspection reports
 403 described in ss. 553.899 and 718.301(4)(p). The association may
 404 adopt reasonable rules regarding the frequency, time, location,
 405 notice, and manner of record inspections and copying but may not
 406 require a member to demonstrate any purpose or state any reason

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407 for the inspection. The failure of an association to provide the
 408 records within 10 working days after receipt of a written
 409 request creates a rebuttable presumption that the association
 410 willfully failed to comply with this paragraph. A unit owner who
 411 is denied access to official records is entitled to the actual
 412 damages or minimum damages for the association's willful failure
 413 to comply. Minimum damages are \$50 per calendar day for up to 10
 414 days, beginning on the 11th working day after receipt of the
 415 written request. The failure to permit inspection entitles any
 416 person prevailing in an enforcement action to recover reasonable
 417 attorney fees from the person in control of the records who,
 418 directly or indirectly, knowingly denied access to the records.

419 2. Any person who knowingly or intentionally defaces or
 420 destroys accounting records that are required by this chapter to
 421 be maintained during the period for which such records are
 422 required to be maintained, or who knowingly or intentionally
 423 fails to create or maintain accounting records that are required
 424 to be created or maintained, with the intent of causing harm to
 425 the association or one or more of its members, is personally
 426 subject to a civil penalty pursuant to s. 718.501(1)(d).

427 3. The association shall maintain an adequate number of
 428 copies of the declaration, articles of incorporation, bylaws,
 429 and rules, and all amendments to each of the foregoing, as well
 430 as the question and answer sheet as described in s. 718.504 and
 431 year-end financial information required under this section, on
 432 the condominium property to ensure their availability to unit
 433 owners and prospective purchasers, and may charge its actual
 434 costs for preparing and furnishing these documents to those
 435 requesting the documents. An association shall allow a member or

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436 his or her authorized representative to use a portable device,
 437 including a smartphone, tablet, portable scanner, or any other
 438 technology capable of scanning or taking photographs, to make an
 439 electronic copy of the official records in lieu of the
 440 association's providing the member or his or her authorized
 441 representative with a copy of such records. The association may
 442 not charge a member or his or her authorized representative for
 443 the use of a portable device. Notwithstanding this paragraph,
 444 the following records are not accessible to unit owners:

445 a. Any record protected by the lawyer-client privilege as
 446 described in s. 90.502 and any record protected by the work-
 447 product privilege, including a record prepared by an association
 448 attorney or prepared at the attorney's express direction, which
 449 reflects a mental impression, conclusion, litigation strategy,
 450 or legal theory of the attorney or the association, and which
 451 was prepared exclusively for civil or criminal litigation or for
 452 adversarial administrative proceedings, or which was prepared in
 453 anticipation of such litigation or proceedings until the
 454 conclusion of the litigation or proceedings.

455 b. Information obtained by an association in connection
 456 with the approval of the lease, sale, or other transfer of a
 457 unit.

458 c. Personnel records of association or management company
 459 employees, including, but not limited to, disciplinary, payroll,
 460 health, and insurance records. For purposes of this sub-
 461 subparagraph, the term "personnel records" does not include
 462 written employment agreements with an association employee or
 463 management company, or budgetary or financial records that
 464 indicate the compensation paid to an association employee.

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465 d. Medical records of unit owners.

466 e. Social security numbers, driver license numbers, credit
467 card numbers, e-mail addresses, telephone numbers, facsimile
468 numbers, emergency contact information, addresses of a unit
469 owner other than as provided to fulfill the association's notice
470 requirements, and other personal identifying information of any
471 person, excluding the person's name, unit designation, mailing
472 address, property address, and any address, e-mail address, or
473 facsimile number provided to the association to fulfill the
474 association's notice requirements. Notwithstanding the
475 restrictions in this sub-subparagraph, an association may print
476 and distribute to unit owners a directory containing the name,
477 unit address, and all telephone numbers of each unit owner.
478 However, an owner may exclude his or her telephone numbers from
479 the directory by so requesting in writing to the association. An
480 owner may consent in writing to the disclosure of other contact
481 information described in this sub-subparagraph. The association
482 is not liable for the inadvertent disclosure of information that
483 is protected under this sub-subparagraph if the information is
484 included in an official record of the association and is
485 voluntarily provided by an owner and not requested by the
486 association.

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

489 g. The software and operating system used by the
490 association which allow the manipulation of data, even if the
491 owner owns a copy of the same software used by the association.
492 The data is part of the official records of the association.

493 h. All affirmative acknowledgments made pursuant to s.

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494 718.121(4)(c).

495 Section 6. Paragraphs (f), (g), and (h) of subsection (2)
496 of section 718.112, Florida Statutes, are amended to read:
497 718.112 Bylaws.—
498 (2) REQUIRED PROVISIONS.—The bylaws shall provide for the
499 following and, if they do not do so, shall be deemed to include
500 the following:
501 (f) *Annual budget*.—
502 1. The proposed annual budget of estimated revenues and
503 expenses must be detailed and must show the amounts budgeted by
504 accounts and expense classifications, including, at a minimum,
505 any applicable expenses listed in s. 718.504(21). The board
506 shall adopt the annual budget at least 14 days before the start
507 of the association's fiscal year. In the event that the board
508 fails to timely adopt the annual budget a second time, it is
509 deemed a minor violation and the prior year's budget shall
510 continue in effect until a new budget is adopted. A
511 multicondominium association must adopt a separate budget of
512 common expenses for each condominium the association operates
513 and must adopt a separate budget of common expenses for the
514 association. In addition, if the association maintains limited
515 common elements with the cost to be shared only by those
516 entitled to use the limited common elements as provided for in
517 s. 718.113(1), the budget or a schedule attached to it must show
518 the amount budgeted for this maintenance. If, after turnover of
519 control of the association to the unit owners, any of the
520 expenses listed in s. 718.504(21) are not applicable, they do
521 not need to be listed.

522 2.a. In addition to annual operating expenses, the budget

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523 must include reserve accounts for capital expenditures and
 524 deferred maintenance. These accounts must include, but are not
 525 limited to, roof replacement, building painting, and pavement
 526 resurfacing, regardless of the amount of deferred maintenance
 527 expense or replacement cost, and any other item that has a
 528 deferred maintenance expense or replacement cost that exceeds
 529 \$10,000. The amount to be reserved ~~for an item is determined by~~
 530 ~~the association's most recent structural integrity reserve study~~
 531 ~~that must be completed by December 31, 2024. If the amount to be~~
 532 ~~reserved for an item is not in the association's initial or most~~
 533 ~~recent structural integrity reserve study or the association has~~
 534 ~~not completed a structural integrity reserve study, the amount~~
 535 must be computed using a formula based upon estimated remaining
 536 useful life and estimated replacement cost or deferred
 537 maintenance expense of the reserve item. In a budget adopted by
 538 an association that is required to obtain a structural integrity
 539 reserve study, reserves must be maintained for the items
 540 identified in paragraph (g) and the reserve amount for such
 541 items must be based on the findings and recommendations of the
 542 association's most recent structural integrity reserve study.
 543 With respect to items for which an estimate of useful life is
 544 not readily ascertainable, an association must reserve the
 545 amount of deferred maintenance expense, if any, which is
 546 recommended by the structural integrity reserve study for such
 547 items. The association may adjust replacement reserve
 548 assessments annually to take into account an inflation
 549 adjustment and any changes in estimates or extension of the
 550 useful life of a reserve item caused by deferred maintenance.
 551 The members of a unit-owner-controlled association may

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552 determine, by a majority vote of all the voting interests of the
 553 association, voting in person or by proxy at a duly called
 554 meeting of the association, to provide no reserves or less
 555 reserves than required by this subsection. For a budget adopted
 556 on or after ~~Effective~~ December 31, 2024, the members of a unit-
 557 owner-controlled association that must obtain a structural
 558 integrity reserve study may not determine to provide no reserves
 559 or less reserves than required by this subsection for items
 560 listed in paragraph (g), except that members of an association
 561 operating a multicondominium may determine to provide no
 562 reserves or less reserves than required by this subsection if an
 563 alternative funding method has been approved by the division.
 564 b. Before turnover of control of an association by a
 565 developer to unit owners other than a developer under s.
 566 718.301, the developer-controlled association may not vote to
 567 waive the reserves or reduce funding of the reserves. If a
 568 meeting of the unit owners has been called to determine whether
 569 to waive or reduce the funding of reserves and no such result is
 570 achieved or a quorum is not attained, the reserves included in
 571 the budget shall go into effect. After the turnover, the
 572 developer may vote its voting interest to waive or reduce the
 573 funding of reserves.
 574 3. Reserve funds and any interest accruing thereon shall
 575 remain in the reserve account or accounts, and may be used only
 576 for authorized reserve expenditures unless their use for other
 577 purposes is approved in advance by a majority vote of all the
 578 voting interests of the association, voting in person or by
 579 proxy at a duly called meeting of the association. Before
 580 turnover of control of an association by a developer to unit

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581 owners other than the developer pursuant to s. 718.301, the
 582 developer-controlled association may not vote to use reserves
 583 for purposes other than those for which they were intended. For
 584 a budget adopted on or after ~~Effective~~ December 31, 2024,
 585 members of a unit-owner-controlled association that must obtain
 586 a structural integrity reserve study may not vote to use reserve
 587 funds, or any interest accruing thereon, ~~that are reserved for~~
 588 ~~items listed in paragraph (g)~~ for any other purpose other than
 589 the replacement or deferred maintenance costs of the components
 590 listed in paragraph (g) their intended purpose.

591 4. The only voting interests that are eligible to vote on
 592 questions that involve waiving or reducing the funding of
 593 reserves, or using existing reserve funds for purposes other
 594 than purposes for which the reserves were intended, are the
 595 voting interests of the units subject to assessment to fund the
 596 reserves in question. Proxy questions relating to waiving or
 597 reducing the funding of reserves or using existing reserve funds
 598 for purposes other than purposes for which the reserves were
 599 intended must contain the following statement in capitalized,
 600 bold letters in a font size larger than any other used on the
 601 face of the proxy ballot: WAIVING OF RESERVES, IN WHOLE OR IN
 602 PART, OR ALLOWING ALTERNATIVE USES OF EXISTING RESERVES MAY
 603 RESULT IN UNIT OWNER LIABILITY FOR PAYMENT OF UNANTICIPATED
 604 SPECIAL ASSESSMENTS REGARDING THOSE ITEMS.

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

606 1. A residential condominium ~~As~~ association must have a
 607 structural integrity reserve study completed at least every 10
 608 years after the condominium's creation for each building on the
 609 condominium property that is three stories or higher in height

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610 which includes, at a minimum, a study of the following items as
 611 related to the structural integrity and safety of the building:
 612 a. Roof.
 613 b. Load-bearing walls or other primary structural members.
 614 c. ~~Floor.~~
 615 ~~d.~~ Foundation.
 616 ~~d.e.~~ Fireproofing and fire protection systems.
 617 ~~e.f.~~ Plumbing.
 618 ~~f.g.~~ Electrical systems.
 619 ~~g.h.~~ Waterproofing and exterior painting.
 620 ~~h.i.~~ Windows.
 621 ~~i.j.~~ Any other item that has a deferred maintenance expense
 622 or replacement cost that exceeds \$10,000 and the failure to
 623 replace or maintain such item negatively affects the items
 624 listed in sub-subparagraphs a.-h. ~~sub-subparagraphs a.-i.~~, as
 625 determined by the ~~licensed engineer or architect~~ performing the
 626 visual inspection portion of the structural integrity reserve
 627 study.
 628 2. A structural integrity reserve study is based on a
 629 visual inspection of the condominium property. A structural
 630 integrity reserve study may be performed by any person qualified
 631 to perform such study. However, the visual inspection portion of
 632 the structural integrity reserve study must be performed or
 633 verified by an engineer licensed under chapter 471, an architect
 634 licensed under chapter 481, or a person who is certified as a
 635 reserve specialist or professional reserve analyst by the
 636 Community Associations Institute or the Association of
 637 Professional Reserve Analysts. At a minimum, a structural
 638 integrity reserve study must identify each item of the

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639 condominium property being visually inspected, state the
 640 estimated remaining useful life and the estimated replacement
 641 cost or deferred maintenance expense of each item of the
 642 condominium property being visually inspected, and provide a
 643 reserve funding schedule with a recommended annual reserve
 644 amount that achieves the estimated replacement cost or deferred
 645 maintenance expense of each item of condominium property being
 646 visually inspected by the end of the estimated remaining useful
 647 life of the item. The structural integrity reserve study may
 648 recommend that reserves do not need to be maintained for any
 649 item for which an estimate of useful life and an estimate of
 650 replacement cost or deferred maintenance expense cannot be
 651 determined, or the study may recommend a deferred maintenance
 652 expense amount for such item. This paragraph does not apply to
 653 buildings less than three stories in height; single-family, two-
 654 family, or three-family dwellings with three or fewer habitable
 655 stories above ground; any portion or component of a building
 656 that has not been submitted to the condominium form of
 657 ownership; or any portion or component of a building that is
 658 maintained by a party other than the association.

659 3. Before a developer turns over control of an association
 660 to unit owners other than the developer, the developer must have
 661 a structural integrity reserve study completed for each building
 662 on the condominium property that is three stories or higher in
 663 height.

664 4.3- Associations existing on or before July 1, 2022, which
 665 are controlled by unit owners other than the developer, must
 666 have a structural integrity reserve study completed by December
 667 31, 2024, for each building on the condominium property that is

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668 three stories or higher in height.

669 5.4- If an association fails to complete a structural
 670 integrity reserve study pursuant to this paragraph, such failure
 671 is a breach of an officer's and director's fiduciary
 672 relationship to the unit owners under s. 718.111(1).

673 (h) Mandatory milestone inspections.—If an association is
 674 required to have a milestone inspection performed pursuant to s.
 675 553.899, the association must arrange for the milestone
 676 inspection to be performed and is responsible for ensuring
 677 compliance with the requirements of s. 553.899. The association
 678 is responsible for all costs associated with the milestone
 679 inspection attributable to the portions of the building which
 680 the association is responsible for maintaining under the
 681 governing documents of the association. If the officers or
 682 directors of an association willfully and knowingly fail to have
 683 a milestone inspection performed pursuant to s. 553.899, such
 684 failure is a breach of the officers' and directors' fiduciary
 685 relationship to the unit owners under s. 718.111(1)(a). Within
 686 30 days after receiving ~~Upon completion of~~ a phase one or phase
 687 ~~two milestone inspection and receipt of the inspector-prepared~~
 688 ~~summary of the inspection~~ report from the architect or engineer
 689 who performed the inspection, the association must distribute a
 690 copy of the inspector-prepared summary of the inspection report
 691 to each unit owner, regardless of the findings or
 692 recommendations in the report, by United States mail or personal
 693 delivery at the mailing address, property address, or any other
 694 address of the owner provided to fulfill the association's
 695 notice requirements under this chapter and by electronic
 696 transmission to the e-mail address or facsimile number provided

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697 to fulfill the association's notice requirements to unit owners
 698 who previously consented to receive notice by electronic
 699 transmission; must post a copy of the inspector-prepared summary
 700 in a conspicuous place on the condominium property; and must
 701 publish the full report and inspector-prepared summary on the
 702 association's website, if the association is required to have a
 703 website.

704 Section 7. Effective July 1, 2027, subsection (5) of
 705 section 718.1255, Florida Statutes, is amended, and paragraph
 706 (d) is added to subsection (1) of that section, to read:

707 718.1255 Alternative dispute resolution; mediation;
 708 nonbinding arbitration; applicability.—

709 (1) DEFINITIONS.—As used in this section, the term
 710 "dispute" means any disagreement between two or more parties
 711 that involves:

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

714 1. Obtain the milestone inspection required under s.
 715 553.899.

716 2. Obtain a structural integrity reserve study required
 717 under s. 718.112(2)(g).

718 3. Fund reserves as required for an item identified in s.
 719 718.112(2)(g).

720 4. Make or provide necessary maintenance or repairs of
 721 condominium property recommended by a milestone inspection or a
 722 structural integrity reserve study.

723
 724 "Dispute" does not include any disagreement that primarily
 725 involves: title to any unit or common element; the

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726 interpretation or enforcement of any warranty; the levy of a fee
 727 or assessment, or the collection of an assessment levied against
 728 a party; the eviction or other removal of a tenant from a unit;
 729 alleged breaches of fiduciary duty by one or more directors; or
 730 claims for damages to a unit based upon the alleged failure of
 731 the association to maintain the common elements or condominium
 732 property.

733 (5) PRESUIT MEDIATION.—In lieu of the initiation of
 734 nonbinding arbitration as provided in subsections (1)-(4), a
 735 party may submit a dispute to presuit mediation in accordance
 736 with s. 720.311; however, election and recall disputes are not
 737 eligible for mediation and such disputes must be arbitrated by
 738 the division or filed in a court of competent jurisdiction.
 739 Disputes identified in paragraph (1)(d) are not subject to
 740 nonbinding arbitration under subsection (4) and must be
 741 submitted to presuit mediation in accordance with s. 720.311.

742 Section 8. Subsection (1) of section 718.113, Florida
 743 Statutes, is amended to read:

744 718.113 Maintenance; limitation upon improvement; display
 745 of flag; hurricane shutters and protection; display of religious
 746 decorations.—

747 (1) Maintenance of the common elements is the
 748 responsibility of the association, except for any maintenance
 749 responsibility for limited common elements assigned to the unit
 750 owner by the declaration. The association shall provide for the
 751 maintenance, repair, and replacement of the condominium property
 752 for which it bears responsibility pursuant to the declaration of
 753 condominium. After turnover of control of the association to the
 754 unit owners, the association must perform any required

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755 maintenance identified by the developer pursuant to s.
 756 718.301(4) (p) until the association obtains new maintenance
 757 protocols from a licensed professional engineer or architect.
 758 The declaration may provide that certain limited common elements
 759 shall be maintained by those entitled to use the limited common
 760 elements or that the association shall provide the maintenance,
 761 either as a common expense or with the cost shared only by those
 762 entitled to use the limited common elements. If the maintenance
 763 is to be by the association at the expense of only those
 764 entitled to use the limited common elements, the declaration
 765 shall describe in detail the method of apportioning such costs
 766 among those entitled to use the limited common elements, and the
 767 association may use the provisions of s. 718.116 to enforce
 768 payment of the shares of such costs by the unit owners entitled
 769 to use the limited common elements.

770 Section 9. Paragraph (d) is added to subsection (1) and
 771 paragraph (e) is added to subsection (2) of section 718.503,
 772 Florida Statutes, to read:

773 718.503 Developer disclosure prior to sale; nondeveloper
 774 unit owner disclosure prior to sale; voidability.—

775 (1) DEVELOPER DISCLOSURE.—

776 (d) Milestone inspection or structural integrity reserve
 777 study.—If the association is required to have completed a
 778 milestone inspection as described in ss. 553.899 and
 779 718.301(4) (p) or a structural integrity reserve study, and the
 780 association has failed to complete the milestone inspection or
 781 the structural integrity reserve study, each contract entered
 782 into after December 31, 2024, for the sale of a residential unit
 783 shall contain in conspicuous type a statement indicating that

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784 the association is required to have a milestone inspection or a
 785 structural integrity reserve study and has failed to complete
 786 such inspection or study, as appropriate. If the association is
 787 not required to have a milestone inspection as described in ss.
 788 553.899 and 718.301(4) (p) or a structural integrity reserve
 789 study, each contract entered into after December 31, 2024, for
 790 the sale of a residential unit shall contain in conspicuous type
 791 a statement indicating that the association is not required to
 792 have a milestone inspection or a structural integrity reserve
 793 study, as appropriate. If the association is required to have
 794 completed a milestone inspection as described in ss. 553.899 and
 795 718.301(4) (p) or a structural integrity reserve study, each
 796 contract entered into after December 31, 2024, for the sale of a
 797 residential unit shall contain in conspicuous type:

798 1. A clause which states: THE BUYER HEREBY ACKNOWLEDGES
 799 THAT BUYER HAS BEEN PROVIDED A CURRENT COPY OF THE INSPECTOR-
 800 PREPARED SUMMARY OF THE MILESTONE INSPECTION REPORT AS DESCRIBED
 801 IN SECTIONS 553.899 AND 718.301(4) (p), FLORIDA STATUTES; AND A
 802 COPY OF THE ASSOCIATION'S MOST RECENT STRUCTURAL INTEGRITY
 803 RESERVE STUDY DESCRIBED IN SECTIONS 718.103(26) AND
 804 718.112(2) (g), FLORIDA STATUTES; and

805 2. A clause which states: THIS AGREEMENT IS VOIDABLE BY
 806 BUYER BY DELIVERING WRITTEN NOTICE OF THE BUYER'S INTENTION TO
 807 CANCEL WITHIN 15 DAYS, EXCLUDING SATURDAYS, SUNDAYS, AND LEGAL
 808 HOLIDAYS, AFTER THE DATE OF EXECUTION OF THIS AGREEMENT BY THE
 809 BUYER AND RECEIPT BY BUYER OF A CURRENT COPY OF THE INSPECTOR-
 810 PREPARED SUMMARY OF THE MILESTONE INSPECTION REPORT AS DESCRIBED
 811 IN SECTIONS 553.899 AND 718.301(4) (p), FLORIDA STATUTES; AND A
 812 COPY OF THE ASSOCIATION'S MOST RECENT STRUCTURAL INTEGRITY

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813 RESERVE STUDY DESCRIBED IN SECTIONS 718.103(26) AND
 814 718.112(2)(g), FLORIDA STATUTES. ANY PURPORTED WAIVER OF THESE
 815 VOIDABILITY RIGHTS SHALL BE OF NO EFFECT. BUYER MAY EXTEND THE
 816 TIME FOR CLOSING FOR A PERIOD OF NOT MORE THAN 15 DAYS,
 817 EXCLUDING SATURDAYS, SUNDAYS, AND LEGAL HOLIDAYS, AFTER THE
 818 BUYER RECEIVES A CURRENT COPY OF THE INSPECTOR-PREPARED SUMMARY
 819 OF THE MILESTONE INSPECTION REPORT AS DESCRIBED IN SECTIONS
 820 553.899 AND 718.301(4)(p), FLORIDA STATUTES; AND A COPY OF THE
 821 ASSOCIATION'S MOST RECENT STRUCTURAL INTEGRITY RESERVE STUDY
 822 DESCRIBED IN SECTIONS 718.103(26) AND 718.112(2)(g), FLORIDA
 823 STATUTES, IF REQUESTED IN WRITING. BUYER'S RIGHT TO VOID THIS
 824 AGREEMENT SHALL TERMINATE AT CLOSING.

825

826 A contract that does not conform to the requirements of this
 827 paragraph is voidable at the option of the purchaser prior to
 828 closing.

829 (2) NONDEVELOPER DISCLOSURE.—

830 (e) If the association is required to have completed a
 831 milestone inspection as described in ss. 553.899 and
 832 718.301(4)(p) or a structural integrity reserve study, and the
 833 association has failed to complete the milestone inspection or
 834 the structural integrity reserve study, each contract entered
 835 into after December 31, 2024, for the sale of a residential unit
 836 shall contain in conspicuous type a statement indicating that
 837 the association is required to have a milestone inspection or a
 838 structural integrity reserve study and has failed to complete
 839 such inspection or study, as appropriate. If the association is
 840 not required to have a milestone inspection as described in ss.
 841 553.899 and 718.301(4)(p) or a structural integrity reserve

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842 study, each contract entered into after December 31, 2024, for
 843 the sale of a residential unit shall contain in conspicuous type
 844 a statement indicating that the association is not required to
 845 have a milestone inspection or a structural integrity reserve
 846 study, as appropriate. If the association is required to have
 847 completed a milestone inspection as described in ss. 553.899 and
 848 718.301(4)(p) or a structural integrity reserve study, each
 849 contract entered into after December 31, 2024, for the resale of
 850 a residential unit shall contain in conspicuous type:

851 1. A clause which states: THE BUYER HEREBY ACKNOWLEDGES
 852 THAT BUYER HAS BEEN PROVIDED A CURRENT COPY OF THE INSPECTOR-
 853 PREPARED SUMMARY OF THE MILESTONE INSPECTION REPORT AS DESCRIBED
 854 IN SECTIONS 553.899 AND 718.301(4)(p), FLORIDA STATUTES; AND A
 855 COPY OF THE ASSOCIATION'S MOST RECENT STRUCTURAL INTEGRITY
 856 RESERVE STUDY DESCRIBED IN SECTIONS 718.103(26) AND
 857 718.112(2)(g), FLORIDA STATUTES; and

858 2. A clause which states: THIS AGREEMENT IS VOIDABLE BY
 859 BUYER BY DELIVERING WRITTEN NOTICE OF THE BUYER'S INTENTION TO
 860 CANCEL WITHIN 3 DAYS, EXCLUDING SATURDAYS, SUNDAYS, AND LEGAL
 861 HOLIDAYS, AFTER THE DATE OF EXECUTION OF THIS AGREEMENT BY THE
 862 BUYER AND RECEIPT BY BUYER OF A CURRENT COPY OF THE INSPECTOR-
 863 PREPARED SUMMARY OF THE MILESTONE INSPECTION REPORT AS DESCRIBED
 864 IN SECTIONS 553.899 AND 718.301(4)(p), FLORIDA STATUTES; AND A
 865 COPY OF THE ASSOCIATION'S MOST RECENT STRUCTURAL INTEGRITY
 866 RESERVE STUDY DESCRIBED IN SECTIONS 718.103(26) AND
 867 718.112(2)(g), FLORIDA STATUTES. ANY PURPORTED WAIVER OF THESE
 868 VOIDABILITY RIGHTS SHALL BE OF NO EFFECT. BUYER MAY EXTEND THE
 869 TIME FOR CLOSING FOR A PERIOD OF NOT MORE THAN 3 DAYS, EXCLUDING
 870 SATURDAYS, SUNDAYS, AND LEGAL HOLIDAYS, AFTER THE BUYER RECEIVES

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871 A CURRENT COPY OF THE INSPECTOR-PREPARED SUMMARY OF THE
 872 MILESTONE INSPECTION REPORT AS DESCRIBED IN SECTIONS 553.899 AND
 873 718.301(4) (p), FLORIDA STATUTES; AND A COPY OF THE ASSOCIATION'S
 874 MOST RECENT STRUCTURAL INTEGRITY RESERVE STUDY DESCRIBED IN
 875 SECTIONS 718.103(26) AND 718.112(2) (g) FLORIDA STATUTES, IF
 876 REQUESTED IN WRITING. BUYER'S RIGHT TO VOID THIS AGREEMENT SHALL
 877 TERMINATE AT CLOSING.

878
 879 A contract that does not conform to the requirements of this
 880 paragraph is voidable at the option of the purchaser prior to
 881 closing.

882 Section 10. Subsection (24) of section 719.103, Florida
 883 Statutes, is amended to read:

884 719.103 Definitions.—As used in this chapter:

885 (24) "Structural integrity reserve study" means a study of
 886 the reserve funds required for future major repairs and
 887 replacement of the cooperative property performed as required
 888 under s. 719.106(1) (k) common areas based on a visual inspection
 889 of the common areas. A structural integrity reserve study may be
 890 performed by any person qualified to perform such study.
 891 However, the visual inspection portion of the structural
 892 integrity reserve study must be performed by an engineer
 893 licensed under chapter 471 or an architect licensed under
 894 chapter 481. At a minimum, a structural integrity reserve study
 895 must identify the common areas being visually inspected, state
 896 the estimated remaining useful life and the estimated
 897 replacement cost or deferred maintenance expense of the common
 898 areas being visually inspected, and provide a recommended annual
 899 reserve amount that achieves the estimated replacement cost or

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900 ~~deferred maintenance expense of each common area being visually~~
 901 ~~inspected by the end of the estimated remaining useful life of~~
 902 ~~each common area.~~

903 Section 11. Present subsections (5) through (11) of section
 904 719.104, Florida Statutes, are redesignated as subsections (6)
 905 through (12), respectively, a new subsection (5) is added to
 906 that section, and paragraph (c) of subsection (2) of that
 907 section is amended, to read:

908 719.104 Cooperatives; access to units; records; financial
 909 reports; assessments; purchase of leases.—

910 (2) OFFICIAL RECORDS.—

911 (c) The official records of the association are open to
 912 inspection by any association member and any person authorized
 913 by an association member as a ~~or the authorized~~ representative
 914 of such member at all reasonable times. The right to inspect the
 915 records includes the right to make or obtain copies, at the
 916 reasonable expense, if any, of the association member and of the
 917 person authorized by the association member as a representative
 918 of such member. A renter of a unit has a right to inspect and
 919 copy only the association's bylaws and rules and the inspection
 920 reports described in ss. 553.899 and 719.301(4) (p). The
 921 association may adopt reasonable rules regarding the frequency,
 922 time, location, notice, and manner of record inspections and
 923 copying, but may not require a member to demonstrate any purpose
 924 or state any reason for the inspection. The failure of an
 925 association to provide the records within 10 working days after
 926 receipt of a written request creates a rebuttable presumption
 927 that the association willfully failed to comply with this
 928 paragraph. A member who is denied access to official records is

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929 entitled to the actual damages or minimum damages for the
 930 association's willful failure to comply. The minimum damages are
 931 \$50 per calendar day for up to 10 days, beginning on the 11th
 932 working day after receipt of the written request. The failure to
 933 permit inspection entitles any person prevailing in an
 934 enforcement action to recover reasonable attorney fees from the
 935 person in control of the records who, directly or indirectly,
 936 knowingly denied access to the records. Any person who knowingly
 937 or intentionally defaces or destroys accounting records that are
 938 required by this chapter to be maintained during the period for
 939 which such records are required to be maintained, or who
 940 knowingly or intentionally fails to create or maintain
 941 accounting records that are required to be created or
 942 maintained, with the intent of causing harm to the association
 943 or one or more of its members, is personally subject to a civil
 944 penalty under s. 719.501(1)(d). The association shall maintain
 945 an adequate number of copies of the declaration, articles of
 946 incorporation, bylaws, and rules, and all amendments to each of
 947 the foregoing, as well as the question and answer sheet as
 948 described in s. 719.504 and year-end financial information
 949 required by the department, on the cooperative property to
 950 ensure their availability to members and prospective purchasers,
 951 and may charge its actual costs for preparing and furnishing
 952 these documents to those requesting the same. An association
 953 shall allow a member or his or her authorized representative to
 954 use a portable device, including a smartphone, tablet, portable
 955 scanner, or any other technology capable of scanning or taking
 956 photographs, to make an electronic copy of the official records
 957 in lieu of the association providing the member or his or her

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958 authorized representative with a copy of such records. The
 959 association may not charge a member or his or her authorized
 960 representative for the use of a portable device. Notwithstanding
 961 this paragraph, the following records shall not be accessible to
 962 members:

963 1. Any record protected by the lawyer-client privilege as
 964 described in s. 90.502 and any record protected by the work-
 965 product privilege, including any record prepared by an
 966 association attorney or prepared at the attorney's express
 967 direction which reflects a mental impression, conclusion,
 968 litigation strategy, or legal theory of the attorney or the
 969 association, and which was prepared exclusively for civil or
 970 criminal litigation or for adversarial administrative
 971 proceedings, or which was prepared in anticipation of such
 972 litigation or proceedings until the conclusion of the litigation
 973 or proceedings.

974 2. Information obtained by an association in connection
 975 with the approval of the lease, sale, or other transfer of a
 976 unit.

977 3. Personnel records of association or management company
 978 employees, including, but not limited to, disciplinary, payroll,
 979 health, and insurance records. For purposes of this
 980 subparagraph, the term "personnel records" does not include
 981 written employment agreements with an association employee or
 982 management company, or budgetary or financial records that
 983 indicate the compensation paid to an association employee.

984 4. Medical records of unit owners.

985 5. Social security numbers, driver license numbers, credit
 986 card numbers, e-mail addresses, telephone numbers, facsimile

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987 numbers, emergency contact information, addresses of a unit
 988 owner other than as provided to fulfill the association's notice
 989 requirements, and other personal identifying information of any
 990 person, excluding the person's name, unit designation, mailing
 991 address, property address, and any address, e-mail address, or
 992 facsimile number provided to the association to fulfill the
 993 association's notice requirements. Notwithstanding the
 994 restrictions in this subparagraph, an association may print and
 995 distribute to unit owners a directory containing the name, unit
 996 address, and all telephone numbers of each unit owner. However,
 997 an owner may exclude his or her telephone numbers from the
 998 directory by so requesting in writing to the association. An
 999 owner may consent in writing to the disclosure of other contact
 1000 information described in this subparagraph. The association is
 1001 not liable for the inadvertent disclosure of information that is
 1002 protected under this subparagraph if the information is included
 1003 in an official record of the association and is voluntarily
 1004 provided by an owner and not requested by the association.

1005 6. Electronic security measures that are used by the
 1006 association to safeguard data, including passwords.

1007 7. The software and operating system used by the
 1008 association which allow the manipulation of data, even if the
 1009 owner owns a copy of the same software used by the association.
 1010 The data is part of the official records of the association.

1011 8. All affirmative acknowledgments made pursuant to s.
 1012 719.108(3)(b)3.

1013 (5) MAINTENANCE.—Maintenance of the common elements is the
 1014 responsibility of the association, except for any maintenance
 1015 responsibility for limited common elements assigned to the unit

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1016 owner by the declaration. The association shall provide for the
 1017 maintenance, repair, and replacement of the cooperative property
 1018 for which it bears responsibility pursuant to the declaration of
 1019 cooperative. After turnover of control of the association to the
 1020 unit owners, the association must perform any required
 1021 maintenance identified by the developer pursuant to s.
 1022 719.301(4)(p) until the association obtains new maintenance
 1023 protocols from a licensed professional engineer or architect.
 1024 The declaration may provide that certain limited common elements
 1025 shall be maintained by those entitled to use the limited common
 1026 elements or that the association shall provide the maintenance,
 1027 either as a common expense or with the cost shared only by those
 1028 entitled to use the limited common elements. If the maintenance
 1029 is to be by the association at the expense of only those
 1030 entitled to use the limited common elements, the declaration
 1031 shall describe in detail the method of apportioning such costs
 1032 among those entitled to use the limited common elements, and the
 1033 association may use the provisions of s. 719.108 to enforce
 1034 payment of the shares of such costs by the unit owners entitled
 1035 to use the limited common elements.

1036 Section 12. Paragraphs (j), (k), and (l) of subsection (1)
 1037 of section 719.106, Florida Statutes, are amended to read:

1038 719.106 Bylaws; cooperative ownership.—

1039 (1) MANDATORY PROVISIONS.—The bylaws or other cooperative
 1040 documents shall provide for the following, and if they do not,
 1041 they shall be deemed to include the following:

1042 (j) *Annual budget.*—

1043 1. The proposed annual budget of common expenses must be
 1044 detailed and must show the amounts budgeted by accounts and

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1045 expense classifications, including, if applicable, but not
 1046 limited to, those expenses listed in s. 719.504(20). The board
 1047 of administration shall adopt the annual budget at least 14 days
 1048 before the start of the association's fiscal year. In the event
 1049 that the board fails to timely adopt the annual budget a second
 1050 time, it is deemed a minor violation and the prior year's budget
 1051 shall continue in effect until a new budget is adopted.

1052 2. In addition to annual operating expenses, the budget
 1053 must include reserve accounts for capital expenditures and
 1054 deferred maintenance. These accounts must include, but not be
 1055 limited to, roof replacement, building painting, and pavement
 1056 resurfacing, regardless of the amount of deferred maintenance
 1057 expense or replacement cost, and for any other items for which
 1058 the deferred maintenance expense or replacement cost exceeds
 1059 \$10,000. The amount to be reserved ~~for an item is determined by~~
 1060 ~~the association's most recent structural integrity reserve study~~
 1061 ~~that must be completed by December 31, 2024. If the amount to be~~
 1062 ~~reserved for an item is not in the association's initial or most~~
 1063 ~~recent structural integrity reserve study or the association has~~
 1064 ~~not completed a structural integrity reserve study, the amount~~
 1065 must be computed by means of a formula which is based upon
 1066 estimated remaining useful life and estimated replacement cost
 1067 or deferred maintenance expense of the reserve item. In a budget
 1068 adopted by an association that is required to obtain a
 1069 structural integrity reserve study, reserves must be maintained
 1070 for the items identified in paragraph (k) and the reserve amount
 1071 for such items must be based on the findings and recommendations
 1072 of the association's most recent structural integrity reserve
 1073 study. With respect to items for which an estimate of useful

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1074 life is not readily ascertainable, an association must reserve
 1075 the amount of deferred maintenance expense, if any, which is
 1076 recommended by the structural integrity reserve study for such
 1077 items. The association may adjust replacement reserve
 1078 assessments annually to take into account an inflation
 1079 adjustment and any changes in estimates or extension of the
 1080 useful life of a reserve item caused by deferred maintenance.
 1081 The members of a unit-owner-controlled association may
 1082 determine, by a majority vote of all the voting interests of the
 1083 association, voting in person or by proxy at a duly called
 1084 meeting of the association, for a fiscal year to provide no
 1085 reserves or reserves less adequate than required by this
 1086 subsection. Before turnover of control of an association by a
 1087 developer to unit owners other than a developer under s.
 1088 719.301, the developer-controlled association may not vote to
 1089 waive the reserves or reduce funding of the reserves. For a
 1090 budget adopted on or after Effective December 31, 2024, a unit-
 1091 owner-controlled association that must obtain a structural
 1092 integrity reserve study may not determine to provide no reserves
 1093 or reserves less adequate than required by this paragraph for
 1094 items listed in paragraph (k). If a meeting of the unit owners
 1095 has been called to determine to provide no reserves, or reserves
 1096 less adequate than required, and such result is not attained or
 1097 a quorum is not attained, the reserves as included in the budget
 1098 shall go into effect.

1099 3. Reserve funds and any interest accruing thereon shall
 1100 remain in the reserve account or accounts, and shall be used
 1101 only for authorized reserve expenditures unless their use for
 1102 other purposes is approved in advance by a vote of the majority

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1103 of the voting interests, voting in person or by limited proxy at
 1104 a duly called meeting of the association. Before turnover of
 1105 control of an association by a developer to unit owners other
 1106 than the developer under s. 719.301, the developer may not vote
 1107 to use reserves for purposes other than that for which they were
 1108 intended. For a budget adopted on or after ~~Effective~~ December
 1109 31, 2024, members of a unit-owner-controlled association that
 1110 must obtain a structural integrity reserve study may not vote to
 1111 use reserve funds, or any interest accruing thereon, ~~that are~~
 1112 ~~reserved for items listed in paragraph (k)~~ for purposes other
 1113 than the replacement or deferred maintenance costs of the
 1114 components listed in paragraph (k) their intended purpose.

1115 (k) *Structural integrity reserve study.*—

1116 1. A residential cooperative ~~A~~ association must have a
 1117 structural integrity reserve study completed at least every 10
 1118 years for each building on the cooperative property that is
 1119 three stories or higher in height that includes, at a minimum, a
 1120 study of the following items as related to the structural
 1121 integrity and safety of the building:

- 1122 a. Roof.
- 1123 b. Load-bearing walls or other primary structural members.
- 1124 c. ~~Floor.~~
- 1125 ~~d.~~ Foundation.
- 1126 ~~d.e.~~ Fireproofing and fire protection systems.
- 1127 ~~e.f.~~ Plumbing.
- 1128 ~~f.g.~~ Electrical systems.
- 1129 ~~g.h.~~ Waterproofing and exterior painting.
- 1130 ~~h.i.~~ Windows.
- 1131 ~~i.j.~~ Any other item that has a deferred maintenance expense

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1132 or replacement cost that exceeds \$10,000 and the failure to
 1133 replace or maintain such item negatively affects the items
 1134 listed in ~~sub-subparagraphs a.-h.~~ sub-subparagraphs a.-i., as
 1135 determined by the ~~licensed engineer or architect performing the~~
 1136 visual inspection portion of the structural integrity reserve
 1137 study.

1138 2. A structural integrity reserve study is based on a
 1139 visual inspection of the cooperative property. A structural
 1140 integrity reserve study may be performed by any person qualified
 1141 to perform such study. However, the visual inspection portion of
 1142 the structural integrity reserve study must be performed or
 1143 verified by an engineer licensed under chapter 471, an architect
 1144 licensed under chapter 481, or a person who is certified as a
 1145 reserve specialist or professional reserve analyst by the
 1146 Community Associations Institute or the Association of
 1147 Professional Reserve Analysts. At a minimum, a structural
 1148 integrity reserve study must identify each item of the
 1149 cooperative property being visually inspected, state the
 1150 estimated remaining useful life and the estimated replacement
 1151 cost or deferred maintenance expense of each item of the
 1152 cooperative property being visually inspected, and provide a
 1153 reserve funding schedule with a recommended annual reserve
 1154 amount that achieves the estimated replacement cost or deferred
 1155 maintenance expense of each item of cooperative property being
 1156 visually inspected by the end of the estimated remaining useful
 1157 life of the item. The structural integrity reserve study may
 1158 recommend that reserves do not need to be maintained for any
 1159 item for which an estimate of useful life and an estimate of
 1160 replacement cost or deferred maintenance expense cannot be

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1161 determined, or the study may recommend a deferred maintenance
 1162 expense amount for such item. This paragraph does not apply to
 1163 buildings less than three stories in height; single-family, two-
 1164 family, or three-family dwellings with three or fewer habitable
 1165 stories above ground; any portion or component of a building
 1166 that has not been submitted to the cooperative form of
 1167 ownership; or any portion or component of a building that is
 1168 maintained by a party other than the association.

1169 3. Before a developer turns over control of an association
 1170 to unit owners other than the developer, the developer must have
 1171 a structural integrity reserve study completed for each building
 1172 on the cooperative property that is three stories or higher in
 1173 height.

1174 4.3. Associations existing on or before July 1, 2022, which
 1175 are controlled by unit owners other than the developer, must
 1176 have a structural integrity reserve study completed by December
 1177 31, 2024, for each building on the cooperative property that is
 1178 three stories or higher in height.

1179 5.4. If an association fails to complete a structural
 1180 integrity reserve study pursuant to this paragraph, such failure
 1181 is a breach of an officer's and director's fiduciary
 1182 relationship to the unit owners under s. 719.104(9) ~~s.~~
 1183 ~~719.104(8).~~

1184 (1) *Mandatory milestone inspections.*—If an association is
 1185 required to have a milestone inspection performed pursuant to s.
 1186 553.899, the association must arrange for the milestone
 1187 inspection to be performed and is responsible for ensuring
 1188 compliance with the requirements of s. 553.899. The association
 1189 is responsible for all costs associated with the milestone

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1190 inspection attributable to the portions of the building which
 1191 the association is responsible to maintain under the governing
 1192 documents of the association. If the officers or directors of an
 1193 association willfully and knowingly fail to have a milestone
 1194 inspection performed pursuant to s. 553.899, such failure is a
 1195 breach of the officers' and directors' fiduciary relationship to
 1196 the unit owners under s. 719.104(9)(a) ~~s. 719.104(8)(a).~~ Within
 1197 30 days after receiving ~~Upon completion of~~ a phase one or phase
 1198 two milestone inspection ~~and receipt of the inspector-prepared~~
 1199 ~~summary of the inspection~~ report from the architect or engineer
 1200 who performed the inspection, the association must distribute a
 1201 copy of the inspector-prepared summary of the inspection report
 1202 to each unit owner, regardless of the findings or
 1203 recommendations in the report, by United States mail or personal
 1204 delivery at the mailing address, property address, or any other
 1205 address of the owner provided to fulfill the association's
 1206 notice requirements under this chapter and by electronic
 1207 transmission to the e-mail address or facsimile number provided
 1208 to fulfill the association's notice requirements to unit owners
 1209 who previously consented to receive notice by electronic
 1210 transmission; must post a copy of the inspector-prepared summary
 1211 in a conspicuous place on the cooperative property; and must
 1212 publish the full report and inspector-prepared summary on the
 1213 association's website, if the association is required to have a
 1214 website.

1215 Section 13. Paragraph (d) is added to subsection (1) and
 1216 paragraph (d) is added to subsection (2) of section 719.503,
 1217 Florida Statutes, to read:

1218 719.503 Disclosure prior to sale.—

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1219 (1) DEVELOPER DISCLOSURE.—

1220 (d) Milestone inspection or structural integrity reserve

1221 study.—If the association is required to have completed a

1222 milestone inspection as described in ss. 553.899 and

1223 719.301(4) (p) or a structural integrity reserve study, and the

1224 association has failed to complete the milestone inspection or

1225 the structural integrity reserve study, each contract entered

1226 into after December 31, 2024, for the sale of a residential unit

1227 shall contain in conspicuous type a statement indicating that

1228 the association is required to have a milestone inspection or a

1229 structural integrity reserve study and has failed to complete

1230 such inspection or study, as appropriate. If the association is

1231 not required to have a milestone inspection as described in ss.

1232 553.899 and 719.301(4) (p) or a structural integrity reserve

1233 study, each contract entered into after December 31, 2024, for

1234 the sale of a residential unit shall contain in conspicuous type

1235 a statement indicating that the association is not required to

1236 have a milestone inspection or a structural integrity reserve

1237 study, as appropriate. If the association is required to have

1238 completed a milestone inspection as described in ss. 553.899 and

1239 719.301(4) (p) or a structural integrity reserve study, each

1240 contract entered into after December 31, 2024, for the sale of a

1241 residential unit shall contain in conspicuous type:

1242 1. A clause which states: THE BUYER HEREBY ACKNOWLEDGES

1243 THAT BUYER HAS BEEN PROVIDED A CURRENT COPY OF THE INSPECTOR-

1244 PREPARED SUMMARY OF THE MILESTONE INSPECTION REPORT AS DESCRIBED

1245 IN SECTIONS 553.899 AND 719.301(4) (p), FLORIDA STATUTES; AND A

1246 COPY OF THE ASSOCIATION'S MOST RECENT STRUCTURAL INTEGRITY

1247 RESERVE STUDY DESCRIBED IN SECTIONS 719.103(24) AND

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1248 719.106(1) (k), FLORIDA STATUTES; and

1249 2. A clause which states: THIS AGREEMENT IS VOIDABLE BY

1250 BUYER BY DELIVERING WRITTEN NOTICE OF THE BUYER'S INTENTION TO

1251 CANCEL WITHIN 15 DAYS, EXCLUDING SATURDAYS, SUNDAYS, AND LEGAL

1252 HOLIDAYS, AFTER THE DATE OF EXECUTION OF THIS AGREEMENT BY THE

1253 BUYER AND RECEIPT BY BUYER OF A CURRENT COPY OF THE INSPECTOR-

1254 PREPARED SUMMARY OF THE MILESTONE INSPECTION REPORT AS DESCRIBED

1255 IN SECTIONS 553.899 AND 719.301(4) (p), FLORIDA STATUTES; AND A

1256 COPY OF THE ASSOCIATION'S MOST RECENT STRUCTURAL INTEGRITY

1257 RESERVE STUDY DESCRIBED IN SECTIONS 719.103(24) AND

1258 719.106(1) (k), FLORIDA STATUTES. ANY PURPORTED WAIVER OF THESE

1259 VOIDABILITY RIGHTS SHALL BE OF NO EFFECT. BUYER MAY EXTEND THE

1260 TIME FOR CLOSING FOR A PERIOD OF NOT MORE THAN 15 DAYS,

1261 EXCLUDING SATURDAYS, SUNDAYS, AND LEGAL HOLIDAYS, AFTER THE

1262 BUYER RECEIVES A CURRENT COPY OF THE INSPECTOR-PREPARED SUMMARY

1263 OF THE MILESTONE INSPECTION REPORT AS DESCRIBED IN SECTIONS

1264 553.899 AND 719.301(4) (p), FLORIDA STATUTES; AND A COPY OF THE

1265 ASSOCIATION'S MOST RECENT STRUCTURAL INTEGRITY RESERVE STUDY

1266 DESCRIBED IN SECTIONS 719.103(24) AND 719.106(1) (k), FLORIDA

1267 STATUTES, IF REQUESTED IN WRITING. BUYER'S RIGHT TO VOID THIS

1268 AGREEMENT SHALL TERMINATE AT CLOSING.

1269 A contract that does not conform to the requirements of this

1270 paragraph is voidable at the option of the purchaser prior to

1271 closing.

1272 (2) NONDEVELOPER DISCLOSURE.—

1273 (d) If the association is required to have completed a

1274 milestone inspection as described in ss. 553.899 and

1275 719.301(4) (p) or a structural integrity reserve study, and the

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1277 association has failed to complete the milestone inspection or
 1278 the structural integrity reserve study, each contract entered
 1279 into after December 31, 2024, for the sale of a residential unit
 1280 shall contain in conspicuous type a statement indicating that
 1281 the association is required to have a milestone inspection or a
 1282 structural integrity reserve study and has failed to complete
 1283 such inspection or study, as appropriate. If the association is
 1284 not required to have a milestone inspection as described in ss.
 1285 553.899 and 719.301(4) (p) or a structural integrity reserve
 1286 study, each contract entered into after December 31, 2024, for
 1287 the sale of a residential unit shall contain in conspicuous type
 1288 a statement indicating that the association is not required to
 1289 have a milestone inspection or a structural integrity reserve
 1290 study, as appropriate. If the association is required to have
 1291 completed a milestone inspection as described in ss. 553.899 and
 1292 719.301(4) (p) or a structural integrity reserve study, each
 1293 contract entered into after December 31, 2024, for the resale of
 1294 a residential unit shall contain in conspicuous type:

1295 1. A clause which states: THE BUYER HEREBY ACKNOWLEDGES
 1296 THAT BUYER HAS BEEN PROVIDED A CURRENT COPY OF THE INSPECTOR-
 1297 PREPARED SUMMARY OF THE MILESTONE INSPECTION REPORT AS DESCRIBED
 1298 IN SECTIONS 553.899 AND 719.301(4) (p), FLORIDA STATUTES; AND A
 1299 COPY OF THE ASSOCIATION'S MOST RECENT STRUCTURAL INTEGRITY
 1300 RESERVE STUDY DESCRIBED IN SECTIONS 719.103(24) AND
 1301 719.106(1) (k), FLORIDA STATUTES; and

1302 2. A clause which states: THIS AGREEMENT IS VOIDABLE BY
 1303 BUYER BY DELIVERING WRITTEN NOTICE OF THE BUYER'S INTENTION TO
 1304 CANCEL WITHIN 3 DAYS, EXCLUDING SATURDAYS, SUNDAYS, AND LEGAL
 1305 HOLIDAYS, AFTER THE DATE OF EXECUTION OF THIS AGREEMENT BY THE

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1306 BUYER AND RECEIPT BY BUYER OF A CURRENT COPY OF THE INSPECTOR-
 1307 PREPARED SUMMARY OF THE MILESTONE INSPECTION REPORT AS DESCRIBED
 1308 IN SECTIONS 553.899 AND 719.301(4) (p), FLORIDA STATUTES; AND A
 1309 COPY OF THE ASSOCIATION'S MOST RECENT STRUCTURAL INTEGRITY
 1310 RESERVE STUDY DESCRIBED IN SECTIONS 719.103(24) AND
 1311 719.106(1) (k), FLORIDA STATUTES. ANY PURPORTED WAIVER OF THESE
 1312 VOIDABILITY RIGHTS SHALL BE OF NO EFFECT. BUYER MAY EXTEND THE
 1313 TIME FOR CLOSING FOR A PERIOD OF NOT MORE THAN 3 DAYS, EXCLUDING
 1314 SATURDAYS, SUNDAYS, AND LEGAL HOLIDAYS, AFTER THE BUYER RECEIVES
 1315 A CURRENT COPY OF THE INSPECTOR-PREPARED SUMMARY OF THE
 1316 MILESTONE INSPECTION REPORT AS DESCRIBED IN SECTIONS 553.899 AND
 1317 719.301(4) (p), FLORIDA STATUTES; AND A COPY OF THE ASSOCIATION'S
 1318 MOST RECENT STRUCTURAL INTEGRITY RESERVE STUDY DESCRIBED IN
 1319 SECTIONS 719.103(24) AND 719.106(1) (k), FLORIDA STATUTES, IF
 1320 REQUESTED IN WRITING. BUYER'S RIGHT TO VOID THIS AGREEMENT SHALL
 1321 TERMINATE AT CLOSING.

1322
 1323 A contract that does not conform to the requirements of this
 1324 paragraph is voidable at the option of the purchaser prior to
 1325 closing.

1326 Section 14. Subsection (2) of section 558.002, Florida
 1327 Statutes, is amended to read:

1328 558.002 Definitions.—As used in this chapter, the term:
 1329 (2) "Association" has the same meaning as in s. 718.103 ~~or~~
 1330 ~~718.103(2)~~, s. 719.103(2), s. 720.301(9), or s. 723.075.

1331 Section 15. Paragraph (b) of subsection (1) of section
 1332 718.116, Florida Statutes, is amended to read:

1333 718.116 Assessments; liability; lien and priority;
 1334 interest; collection.—

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1335 (1)

1336 (b)1. The liability of a first mortgagee or its successor

1337 or assignees who acquire title to a unit by foreclosure or by

1338 deed in lieu of foreclosure for the unpaid assessments that

1339 became due before the mortgagee's acquisition of title is

1340 limited to the lesser of:

1341 a. The unit's unpaid common expenses and regular periodic

1342 assessments which accrued or came due during the 12 months

1343 immediately preceding the acquisition of title and for which

1344 payment in full has not been received by the association; or

1345 b. One percent of the original mortgage debt. The

1346 provisions of this paragraph apply only if the first mortgagee

1347 joined the association as a defendant in the foreclosure action.

1348 Joinder of the association is not required if, on the date the

1349 complaint is filed, the association was dissolved or did not

1350 maintain an office or agent for service of process at a location

1351 which was known to or reasonably discoverable by the mortgagee.

1352 2. An association, or its successor or assignee, that

1353 acquires title to a unit through the foreclosure of its lien for

1354 assessments is not liable for any unpaid assessments, late fees,

1355 interest, or reasonable attorney's fees and costs that came due

1356 before the association's acquisition of title in favor of any

1357 other association, as defined in s. 718.103 ~~s. 718.103(2)~~ or s.

1358 720.301(9), which holds a superior lien interest on the unit.

1359 This subparagraph is intended to clarify existing law.

1360 Section 16. Paragraph (d) of subsection (2) of section

1361 720.3085, Florida Statutes, is amended to read:

1362 720.3085 Payment for assessments; lien claims.—

1363 (2)

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1364 (d) An association, or its successor or assignee, that

1365 acquires title to a parcel through the foreclosure of its lien

1366 for assessments is not liable for any unpaid assessments, late

1367 fees, interest, or reasonable attorney's fees and costs that

1368 came due before the association's acquisition of title in favor

1369 of any other association, as defined in s. 718.103 ~~s. 718.103(2)~~

1370 or s. 720.301(9), which holds a superior lien interest on the

1371 parcel. This paragraph is intended to clarify existing law.

1372 Section 17. Effective July 1, 2027, for the purpose of

1373 incorporating the amendments made by this act to section

1374 718.1255, Florida Statutes, in a reference thereto, section

1375 719.1255, Florida Statutes, is reenacted to read:

1376 719.1255 Alternative resolution of disputes.—The Division

1377 of Florida Condominiums, Timeshares, and Mobile Homes of the

1378 Department of Business and Professional Regulation shall provide

1379 for alternative dispute resolution in accordance with s.

1380 718.1255.

1381 Section 18. The Division of Florida Condominiums,

1382 Timeshares, and Mobile Homes of the Department of Business and

1383 Professional Regulation may adopt rules to implement the changes

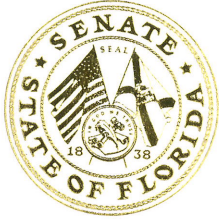
1384 made by this act to chapters 718 and 719, Florida Statutes.

1385 Section 19. Except as otherwise expressly provided in this

1386 act, this act shall take effect upon becoming a law.

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CODING: Words ~~stricken~~ are deletions; words underlined are additions.



THE FLORIDA SENATE

Tallahassee, Florida 32399-1100

SENATOR JENNIFER BRADLEY
6th District

COMMITTEES:
Appropriations Committee on Criminal
and Civil Justice, *Chair*
Criminal Justice, *Vice Chair*
Appropriations
Appropriations Committee on Health
and Human Services
Children, Families, and Elder Affairs
Community Affairs
Regulated Industries

SELECT COMMITTEE:
Select Committee on Resiliency

February 10, 2023

Senator Joe Gruters, Chairman
Committee on Regulated Industries
316 Senate Building
404 South Monroe Street
Tallahassee, FL 32399-1100

Dear Chairman Gruters:

I respectfully request that Senate Bill 154 be placed on the committee's agenda at your earliest convenience. This bill includes revisions to the condominium milestone inspection program and structural integrity reserve study requirements adopted during Special Session D. Additionally, the bill includes language related to flood insurance requirements for residential condominium buildings.

Thank you for your consideration of this request.

Sincerely,

Jennifer Bradley

REPLY TO:

- 1845 East West Parkway, Suite 5, Fleming Island, Florida 32003 (904) 278-2085
- 410 Senate Building, 404 South Monroe Street, Tallahassee, Florida 32399-1100 (850) 487-5006

Senate's Website: www.flsenate.gov

KATHLEEN PASSIDOMO
President of the Senate

DENNIS BAXLEY
President Pro Tempore



ANALYSIS

2023 AGENCY LEGISLATIVE BILL

The AGENCY: Department of Business & Professional Regulation

BILL INFORMATION

BILL NUMBER:	SB 154
BILL TITLE:	Condominium and Cooperative Associations
BILL SPONSOR:	Sen. Bradley
EFFECTIVE DATE:	Upon becoming a law

COMMITTEES OF REFERENCE

1) Regulated Industries
2) Rules
3) Click or tap here to enter text.
4) Click or tap here to enter text.
5) Click or tap here to enter text.

CURRENT COMMITTEE

Regulated Industries

SIMILAR BILLS

BILL NUMBER:	Click or tap here to enter text.
SPONSOR:	Click or tap here to enter text.

PREVIOUS LEGISLATION

BILL NUMBER:	Click or tap here to enter text.
SPONSOR:	Click or tap here to enter text.
YEAR:	Click or tap here to enter text.
LAST ACTION:	Click or tap here to enter text.

IDENTICAL BILLS

BILL NUMBER:	Click or tap here to enter text.
SPONSOR:	Click or tap here to enter text.

Is this bill part of an agency package?

No

BILL ANALYSIS INFORMATION

DATE OF ANALYSIS:	2/14/2023
LEAD AGENCY ANALYST:	Jeff Kelly, Director; Division of Professions
ADDITIONAL ANALYST(S):	Chevonne Christian, CTMH Director George Ayrish, Director, DSO Jerry Wilson, Regulation

	Daniel Brackett, OGC Rules Robin Jordan, Technology W. Justin Vogel (for OGC Rules)
LEGAL ANALYST:	Daniel Brackett
FISCAL ANALYST:	Garrett Blanton, Office of Planning and Budget

POLICY ANALYSIS

1. EXECUTIVE SUMMARY

The bill revises circumstances under which community association managers and firms must comply with specified provisions, and revises definitions of “milestone inspection” and “substantial structural deterioration”. The bill authorizes local enforcement agencies to make certain determinations relating to milestone inspections after a building reaches a specified age, and authorizes municipal governing bodies to adopt certain ordinances relating to association repairs. The bill revises the types of policyholders not required to purchase flood insurance as a condition for maintaining certain policies issued by Citizens Property Insurance Corporation, and revises condominium reserve account requirements.

2. SUBSTANTIVE BILL ANALYSIS

1. PRESENT SITUATION:

Professions

Section 468.4334, F.S., requires that a community association manager or firm that has a contract with a community association which is subject to the requirements of s. 553.899, F.S., comply with the provisions of s. 553.899, F.S.

Section 553.899, F.S., requires that condominium or cooperative associations under chapters 718 and 719, respectively, have milestone inspections performed for each building that is three or more stories in height by December 31 of the year the building reaches 30 years of age, and every 10 years thereafter (25 years, and every 10 years thereafter, for buildings within 3 miles of the coastline). Buildings that were completed before July 1, 1992, must have milestone inspections completed by December 31, 2024.

Milestone inspections consist of two phases. A phase one inspection requires a licensed architect or engineer to perform a visual examination of habitable and nonhabitable areas of a building, including the major structural components of the building. If there are no signs of substantial structural deterioration to any building components under visual examination, a phase two inspection is not required. However, if such deterioration is detected, then a phase two inspection must be performed, which may involve destructive or nondestructive testing at the inspector’s direction. Both phase one and phase two inspections include the architect or engineer submitting a sealed copy of the inspection report to the local enforcement agency. The report shall comply with certain minimum requirements. Additionally, the architect or engineer is required to provide a separate summary of, at a minimum, the material findings and recommendations in the inspection report, to the condominium or cooperative association, and the building official of the local government that has jurisdiction.

Upon determining that a building must have a milestone inspection, local enforcement agencies must provide written notice of the required inspection to the condominium or cooperative association. Within 180 days of receiving such notice, phase one of the milestone inspection must be completed and the architect or engineer must have submitted the inspection report to the local enforcement agency via email, U.S. mail, or commercial delivery service. Local enforcement agencies may also prescribe timelines and penalties with respect to compliance with s. 553.899, F.S.

As required by Section 553.899, F.S., the Florida Building Commission reviewed the milestone inspection requirements contained within s. 553.899, F.S. and submitted a written report with several recommendations that was due by December 31, 2022. The Florida Building Commission is also required to consult with the State Fire Marshal to provide recommendations to the Legislature for adoption of comprehensive structural and life safety standards for maintaining and inspecting all types of buildings and structures within the state that are three or more stories in height. A written report with such recommendations is due by December 31, 2023.

Division of CTMH

Chapter 718, F.S.:

Section 718.103, F.S., does not have a term or definition of “Alternative funding method”. Section 718.103, F.S., defines a “structural integrity reserve study” as a study of the reserve funds for future repairs and replacement of the

common areas are based on a visual inspection of the common areas. Further, the definition states “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 by an engineer licensed under chapter 471 or an architect licensed under chapter 481. At a minimum, a structural integrity reserve study must identify the common areas being visually inspected, state the estimated remaining useful life and the estimated replacement cost or deferred maintenance expense of the common areas being visually inspected, and provide a recommended annual reserve amount that achieves the estimated replacement cost or deferred maintenance expense of each common area being visually inspected by the end of the estimated remaining useful life of each common area.”

Section 718.111(12)(c)1., F.S., identifies that the official records of the association are open to any association member or the authorized representative of such member. Additionally, any association member or the authorized representative of such member has the right to make or obtain copies of such records.

Section 718.112(2)(f), F.S., requires that the budget must include reserve accounts for capital expenditures and deferred maintenance and the amount to be reserve for an item is determined by the association’s most recent structural integrity reserve study that must be completed by December 31, 2024. Section 718.112(2), F.S., further states that if the amount to be reserved for an item is not in the association’s initial or most recent structural integrity reserve study or the association has not completed a structural integrity reserve study, the amount must be computed using a formula based on the estimated remaining useful life and estimated replacement cost or deferred maintenance expense of the reserve item. Section 718.112(2), F.S., does not indicate that the association may take inflation into account when adjusting replacement reserve assessments annually. Section 718.112(2), F.S., does not allow a waiver or reduction of funding of reserves for associations, furthermore, does not allow using reserve funds for other than their intended purposes.

Section 718.112(2)(g), F.S., specifies that an association must have a structural integrity reserve study completed. Additionally, “floor” is a required item to be included in the structural integrity reserve study. Further, section 718.112(2)(g), F.S., does not include the definition of a structural integrity reserve study.

Section 718.112(2)(h), F.S., requires that the association is responsible for all costs associated with the inspection and does not include a timeframe for when the association must distribute a copy of the inspection report to each unit owner or specific what address to send to.

Section 718.1255(1), F.S., does not include any reference to a milestone inspection, structural integrity reserve study, funding of reserves, or maintenance or repair of the property based off the milestone inspection or structural integrity reserve study, in its definition of “dispute”.

Section 718.1255(5), F.S., does not require any “dispute” to be submitted to presuit mediation in accordance with s. 720.311.

Section 718.113(1), F.S., does not include exceptions for maintenance of the common elements being the responsibility of the association.

Section 718.503(1), F.S., does not require a contract for the sale of a residential unit owner from a developer to include a statement or clause indicating that a milestone inspection or structural integrity reserve study failed to complete such inspection or study.

Section 718.503(2), F.S., does not require a contract for the sale of a residential unit from a non-developer to include a statement or clause indicating that a milestone inspection or structural integrity reserve study failed to complete such inspection or study.

Chapter 719, F.S.:

Section 719.103(24), F.S., defines a “structural integrity reserve study” as a study of the reserve funds for future repairs and replacement of the common areas are based on a visual inspection of the common areas. Further, the definition states “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 by an engineer licensed under chapter 471 or an architect licensed under chapter 481. At a minimum, a structural integrity reserve study must identify the common areas being visually inspected, state the estimated remaining useful life and the estimated replacement cost or deferred maintenance expense of the common areas being visually inspected, and provide a recommended annual reserve amount that achieves the estimated replacement cost or deferred maintenance expense of each common area being visually inspected by the end of the estimated remaining useful life of each common area.”

Section 719.104(2)(c), F.S., identifies that the official records of the association are open to any association member or the authorized representative of such member. Additionally, any association member or the authorized representative of such member has the right to make or obtain copies of such records.

Section 719.104, F.S., does not identify that maintenance of the common elements is the responsibility of the association and does not include any exceptions.

Section 719.106(1)(j), F.S., requires that the budget must include reserve accounts for capital expenditures and deferred maintenance and the amount to be reserve for an item is determined by the association's most recent structural integrity reserve study that must be completed by December 31, 2024. Section 718.112(2), F.S., further states that if the amount to be reserved for an item is not in the association's initial or most recent structural integrity reserve study or the association has not completed a structural integrity reserve study, the amount must be computed using a formula based on the estimated remaining useful life and estimated replacement cost or deferred maintenance expense of the reserve item. Section 718.112(2), F.S., does not indicate that the association may take inflation into account when adjusting replacement reserve assessments annually. Section 718.112(2), F.S., does not allow a waiver or reduction of funding of reserves for associations, furthermore, does not allow using reserve funds for other than their intended purposes.

Section 719.106(1)(k), F.S., specifies that an association must have a structural integrity reserve study completed. Additionally, "floor" is a required item to be included in the structural integrity reserve study. Further, section 719.106(1)(k) F.S., does not include the definition of a structural integrity reserve study.

Section 719.106(1)(l), F.S., requires that the association is responsible for all costs associated with the inspection and does not include a timeframe for when the association must distribute a copy of the inspection report to each unit owner or specific what address to send to.

Section 719.503(1), F.S., does not require a contract for the sale of a residential unit owner from a developer to include a statement or clause indicating that a milestone inspection or structural integrity reserve study failed to complete such inspection or study.

Section 719.503(2), F.S., does not require a contract for the sale of a residential unit from a non-developer to include a statement or clause indicating that a milestone inspection or structural integrity reserve study failed to complete such inspection or study.

2. EFFECT OF THE BILL:

Professions

Sections 1-2

The bill eliminates unnecessary language from Section 468.4334(1)(b), F.S. and amends Section 553.899, F.S. by replacing certain terms such as "service life" with "life of the building", and "load-bearing walls" with "load-bearing elements".

The bill also amends section 553.899, F.S., by clarifying that milestone inspection services may be provided by a team of professionals with an architect or engineer acting as the registered design professional in responsible charge with all work and reports signed and sealed by the appropriate qualified team member.

The bill clarifies that an owner or owners of a building that is three stories or more in height that is subject, in whole or in part, to the condominium or cooperative form of ownership as a residential condominium under chapter 718 or chapter 719, must have a milestone inspection performed by December 31 of the year in which the building reaches 30 years of age, and every 10 years thereafter.

The bill removes the statewide requirement that buildings within three miles of the coastline must have milestone inspections performed when the bill reaches 25 years of age, but authorizes local enforcement agencies to maintain this requirement for buildings based on local circumstances, including environmental conditions such as proximity to salt water as defined in s. 379.101, F.S.

The bill requires that milestone inspection reports must be arranged by the party or parties responsible for the operation, maintenance, repair, and replacement of the structural components of the building, if other than the condominium or cooperative association, and clarifies that the owner or owners of a building, including the condominium or cooperative association, are each responsible for ensuring compliance with the requirements of section 553.899, F.S. Additionally, condominium and cooperative associations are responsible for all costs associated with the milestone inspection attributable to the portions of the building which the association is responsible to maintain under the governing documents of the association.

The bill authorizes local enforcement agencies to extend the deadline for a building's initial milestone inspection upon a showing of good cause by the owner or owners of the building that the inspection cannot be timely completed if the owner or owners have entered into a contract with an architect or engineer to perform the milestone inspection and the inspection cannot reasonably be completed before the deadline or other circumstance to justify an extension. The bill further clarifies that local enforcement agencies must provide written notice that a milestone inspection is required to condominium and cooperative associations, as well as any other owner of the building, by certified mail, return

receipt requested, and that phase one milestone inspections must be completed within 180 days after the owner(s) of the building receive such notice.

The bill requires that, when phase two inspections are required, the architect or engineer performing the phase two inspection must submit a phase two progress report to the local enforcement agency within 180 days after the phase one inspection report was submitted. The phase two progress report must contain a timeline for completion of the phase two inspection. The bill also clarifies that architects or engineers must submit sealed copies of the phase one and two inspection reports to the condominium or cooperative associations, as well as any other owners of the building, in addition to the building official of the local government which has jurisdiction.

The bill requires that condominium and cooperative associations must distribute copies of the inspector-prepared summary to each unit owner, within 30 days after receiving the applicable inspection report, and clarifies that delivery can be established using the mailing address, property address, any other address of the owner, used to fulfill the association's notice requirements under chapters 718 or 719, and email address or facsimile number provided by unit owners who previously consented to receive notice via electronic transmission.

The bill authorizes and clarifies that a municipal governing body, in addition to a board of county commissioners, to adopt ordinances requiring that condominium or cooperative association and any other owner to schedule or commence repairs for substantial structural deterioration within a specified timeframe after a phase two inspection report is received. The bill further clarifies that, if the owner of the building fails to submit proof that repairs have been scheduled or have commenced for any substantial structural deterioration identified in a phase two inspection report within the required timeframe, the local enforcement agency must review and determine if the building is unsafe for human occupancy.

The bill requires that, by December 31, 2024, the Florida Building Commission shall adopt rules to establish a building safety program within the Florida Building Code; Existing Building Volume. The building inspection program must, at a minimum, include inspection criteria, testing protocols, standardized inspection and reporting forms that are adaptable to an electronic format, and record maintenance requirements for the local authorities.

Division of CTMH

The bill amends chapter 468, F.S.; however, the division does not have authority over chapter 468, F.S., so an analysis was not prepared.

The bill amends chapter 553, F.S.; however, the division does not have authority over chapter 553, F.S., so an analysis was not prepared.

The bill amends chapter 627, F.S.; however, the division does not have authority over chapter 627, F.S., so an analysis was not prepared.

The bill amends section 718.103, F.S., by creating the phrase, "alternative funding method" as well as defining the phrase as a method approved by the division for funding the capital expenditures and deferred maintenance obligations for a multicondominium association which may reasonably be expected to fully satisfy the association's reserve funding obligations, including, but not limited to, the allocation of funds in the annual operating budget.

Significantly, the division has never performed such a review (of an alternative method of funding reserves) and is ill-equipped to approve any such alternatives to reserve funding because such a determination requires highly specific and technical financial forecasting and financial planning ability and expertise, uniquely characteristic to trained, licensed or certified professionals, such as certified public accountants and certified financial planners. If the division must be in receipt of an alternative method of funding reserves request, it must have the capacity to hire/contract with the aforementioned licensed professionals so that the licensed professional may perform an adequate and appropriate review of the multicondominium's proposed alternative method of funding so as to ensure that the funding mechanism selected by the association is adequate.

The CPA or CFP would conduct their review and then make a final determination. In reliance upon the professional's final determination, the division would either approve or disapprove the multicondominium's alternative method of funding reserves.

It is also unclear as to the method or process by which an association would request a review and approval of an alternative funding method by the division. Additionally, it is unclear as to how often an association would be required to request an approval of an alternative funding method. Or said differently, the length of time for which an alternative funding method approval is good. Further, the bill does not specify within what timeframe multicondominium associations would be required to request the approval from the division and how long the division would have to approve the alternative funding method.

The bill amends ss. 718.103 and 719.103(24), F.S., to add that a structural integrity reserve study is a study of the reserve funds required for future major repairs and replacement of the condominium or cooperative property

performed as required under ss. 718.112(2)(g) and 719.106(1)(k), F.S. The bill removes the previous definition of a “structural integrity reserve study”.

The bill amends ss. 718.111(12)(c) and 719.104(2)(c), F.S., to replace “authorized representative” with “any person authorized by an association member as a representative”.

The bill amends ss. 718.112(2)(f) and 719.106(1)(j), F.S., to remove the requirement that the amount to be reserved for an item is determined by the association’s most recent structural integrity reserve study which must be completed by December 31, 2024. The bill then clarifies that 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 (g) and (k) and the reserve amount for such items must be based on the findings and recommendations of the association’s most recent structural integrity reserve study. Additionally, the bill adds that, with respect to items for which an estimate of useful life is not readily ascertainable, an association must reserve the amount of deferred maintenance expense, if any, which is recommended by the structural integrity reserve study for such items. Further, the bill adds that associations may take inflation adjustments into account when adjusting replacement reserve assessments annually, which the division believes would be helpful in providing clarity to those who are performing SIRS.

The bill amends ss. 718.112(2)(f) and 719.106(1)(j), F.S., to allow a majority of all voting interests of an association, voting in person or by proxy at a duly called meeting, to provide no reserves or less reserves than required by this subsection. Additionally, the bill clarifies that for associations who obtain a structural integrity reserve study for a budget effective December 31, 2024, the members may not determine to provide no reserves or less reserves than required by this subsection for items listed in paragraph (g) and (k). The bill adds an exception in s. 718.112(2)(f), F.S., for multicondominiums to provide no reserves or less reserves than required by this subsection, if an alternative funding method has been approved by the division. The bill amends ss. 718.112(2)(f)3 and 719.106(1)(j)3, F.S., to add, 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 for other purposes other than the replacement or deferred maintenance costs of the components listed in paragraph (g) and (k).

The bill amends ss. 718.503(1) and 719.503(1), F.S., to add the following to Developer Disclosures “If the association is required to have completed a milestone inspection as described in ss. 553.899 and 718.301(4)(p) / 719.301(4)(p), or a structural integrity reserve study, and the association has failed to complete the milestone inspection or the structural integrity reserve study, each contract entered into after December 31, 2024, for the sale of a residential unit shall contain in conspicuous type a statement indicating that the association is required to have a milestone inspection or a structural integrity reserve study and has failed to complete such inspection or study, as appropriate. If the association is not required to have a milestone inspection as described in ss. 553.899 and 718.301(4)(p) / 719.301(4)(p), or a structural integrity reserve study, each contract entered into after December 31, 2024, for the sale of a residential unit shall contain in conspicuous type a statement indicating that the association is not required to have a milestone inspection or a structural integrity reserve study, as appropriate. If the association is required to have completed a milestone inspection as described in ss. 553.899 and 718.301(4)(p) / 719.301(4)(p), or a structural integrity reserve study, each contract entered into after December 31, 2024, for the sale of a residential unit shall contain in conspicuous type ...”. The bill continues to add two separate clauses as a requirement to be included in a contract offered by a developer. The bill further adds that a contract that does not conform to the requirements of this paragraph is voidable at the option of the purchaser prior to closing. The division’s bureau of standards and registration would need to update their checklists to ensure the disclosure and clause language is included in declarations.

The bill amends ss. 718.503(2) and 719.503(2), F.S., to update Nondeveloper Disclosures. The division does not have jurisdictional authority.

The bill adds that the division may adopt rules to implement the changes made by this act to chapters 718 and 719, Florida Statutes. The division will utilize this newly added provision to go into rule-making to implement certain portions of these statutory changes.

3. DOES THE BILL DIRECT OR ALLOW THE AGENCY/BOARD/COMMISSION/DEPARTMENT TO DEVELOP, ADOPT, OR ELIMINATE RULES, REGULATIONS, POLICIES, OR PROCEDURES?

<p>If yes, explain:</p>	<p>Section 2 of the bill requires the Florida Building Commission to establish a building safety program for the implementation of Section 553.899, F.S., within the Florida Building Code; Existing Building Volume.</p> <p>CTMH – there will be a newly created statutory provision providing the Division with rulemaking authority to implement the provisions, as necessary.</p>
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Is the change consistent with the agency's core mission?	<input checked="" type="checkbox"/> Y <input type="checkbox"/> N
Rule(s) impacted (provide references to F.A.C., etc.):	61G20-1.001

4. WHAT IS THE POSITION OF AFFECTED CITIZENS OR STAKEHOLDER GROUPS?

Proponents and summary of position:	Unknown
Opponents and summary of position:	Unknown

5. ARE THERE ANY REPORTS OR STUDIES REQUIRED BY THIS BILL?Y N

If yes, provide a description:	
Date Due:	Click or tap here to enter text.
Bill Section Number(s):	Click or tap here to enter text.

6. ARE THERE ANY NEW GUBERNATORIAL APPOINTMENTS OR CHANGES TO EXISTING BOARDS, TASK FORCES, COUNCILS, COMMISSIONS, ETC. REQUIRED BY THIS BILL?Y N

Board:	Click or tap here to enter text.
Board Purpose:	Click or tap here to enter text.
Who Appoints:	Click or tap here to enter text.
Changes:	Click or tap here to enter text.
Bill Section Number(s):	Click or tap here to enter text.

FISCAL ANALYSIS

1. DOES THE BILL HAVE A FISCAL IMPACT TO LOCAL GOVERNMENT?Y N

Revenues:	N/A
Expenditures:	There may be additional costs associated with maintaining records of milestone inspections. Additionally, there may be costs associated with the enforcement of timelines and penalties for noncompliance with the requirements of the bill.

Does the legislation increase local taxes or fees? If yes, explain.	No
If yes, does the legislation provide for a local referendum or local governing body public vote prior to implementation of the tax or fee increase?	N/A

2. DOES THE BILL HAVE A FISCAL IMPACT TO STATE GOVERNMENT?Y N

Revenues:	N/A
Expenditures:	The Florida Building Commission may need to appoint a workgroup and hire a group of experts to research and assist with the development of minimum standards and protocols for the implementation of the building safety program. Commission staff estimates this could cost \$200,000.00-\$250,000.00 for fiscal years 2023-2024 and 2024-2025. CTMH – there will be additional expenses related to the number of FTE required for the review and analysis of the newly updated reserve requirements. The Division will also need funding to contract for the review and analysis of the alternative funding methods with licensed professionals.
Does the legislation contain a State Government appropriation?	No
If yes, was this appropriated last year?	Click or tap here to enter text.

3. DOES THE BILL HAVE A FISCAL IMPACT TO THE PRIVATE SECTOR?Y N

Revenues:	N/A
Expenditures:	Yes. Indeterminate.
Other:	Yes. Indeterminate.

4. DOES THE BILL INCREASE OR DECREASE TAXES, FEES, OR FINES?Y N

If yes, explain impact.	N/A
Bill Section Number:	N/A

TECHNOLOGY IMPACT

1. DOES THE BILL IMPACT THE AGENCY’S TECHNOLOGY SYSTEMS (I.E. IT SUPPORT, LICENSING SOFTWARE, DATA STORAGE, ETC.)? Y N

<p>If yes, describe the anticipated impact to the agency including any fiscal impact.</p>	<p>The bill will require updates to the applicant checklist for the department’s licensing system and online portal. Updates will also be required to update workflow in the document management system. This can be done with existing resources.</p> <ul style="list-style-type: none"> - Versa: Regulation – 8 hours - Versa: Online – 8 hours - OnBase – 8 hours <p><u>Infrastructure and Licensing Costs</u> Additional staffing required to implement the provisions of this bill (see Additional Comments below) would result in technology infrastructure and licensing costs. Assuming employees are located in office space outside of existing offices, additional undetermined infrastructure costs will be incurred based on number, location and suitability</p> <ul style="list-style-type: none"> • For 10 additional CTMH staff (8 FTEs and 2 Supervisors): <ul style="list-style-type: none"> o Non-recurring costs for network drop - \$1,500.00 o Non-recurring costs software licenses – \$16,941.50 o Recurring software license maintenance - \$3,012.60 <p>If specialized software and hardware is required for the additional CTMH staff, additional costs could be incurred.</p>
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FEDERAL IMPACT

1. DOES THE BILL HAVE A FEDERAL IMPACT (I.E. FEDERAL COMPLIANCE, FEDERAL FUNDING, FEDERAL AGENCY INVOLVEMENT, ETC.)? Y N

<p>If yes, describe the anticipated impact including any fiscal impact.</p>	<p>Click or tap here to enter text.</p>
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ADDITIONAL COMMENTS

Professions: It is unclear whether a local enforcement agency’s ability to extend the deadline for milestone inspection only pertains to buildings for which a certificate of occupancy was issued on or before July 1, 1992, and where the milestone inspection is due by December 31, 2024.

Section 553.899, F.S., as well as the bill, provides a deadline of December 31, 2024 for buildings which received a certificate of occupancy prior to July 1, 1992. However, buildings which received a certificate of occupancy on July 2, 1992 or anytime in 1993, would be required to have a milestone inspection by the end of 2022 or 2023, respectively. It remains unclear whether this is the intent. A potential solution to this issue would be to move the statutory date from July 1, 1992 to December 31, 1993.

Lines 143-152 contain the requirements for when a milestone inspection must be performed. However, it is unclear whether performance of a milestone inspection only pertains to completion of a phase 1 inspection or requires both a phase 1 and phase 2 inspection to be completed when a phase 2 inspection is warranted.

Lines 192-196 require local enforcement agencies to notify the condominium association, the cooperative association, and “any other owner of the building” that a milestone inspection is due for their building. Does the added term “any other

owner of the building” include the individual condominium/cooperative unit owners themselves? This new term could potentially lead to confusion and create a significant administrative burden on local enforcement agencies depending on how “any other owner of the building” is interpreted.

Lines 197-201 require the owner or owners of a building to complete phase one of a milestone inspection within 180 days of receiving notice from the local enforcement agency that their building must have a milestone inspection conducted. Additionally, Lines 143-152 require that by December 31 of the year in which a building turns thirty years old a milestone inspection must be performed. What would happen if a local enforcement agency didn't notify the owners of a building that they needed a milestone inspection until October 1, of the year the building turned 30 years old? Which provision would control? To address this concern the legislature could require local governments to notify all buildings due for a milestone inspection by January 1st of the year they reach 30 years old and give the building owner until December 31st of that year to have their milestone inspection performed.

For ease of enforcement a specific definition of the term “story” could be beneficial. The Florida Building Code's definition of story is as follows:

That portion of a building included between the upper surface of a floor and the upper surface of the floor or roof next above (see “Basement,” “Building height,” “Grade plane” and “Mezzanine”). A story is measured as the vertical distance from top to top of two successive tiers of beams or finished floor surfaces and, for the topmost story, from the top of the floor finish to the top of the ceiling joists or, where there is not a ceiling, to the top of the roof rafters.

Additionally, it could be helpful to add some additional clarity to subsection 553.899(5), F.S., by clearly stating it is the responsibility of the local enforcement agency to determine if a building needs to undergo a milestone inspection.

Division of Service Operations: No impact on the division.

Division of Regulation: Complaints and investigations of Community Association Managers (CAMs) pursuant to Chapter 468, Part VIII, are handled by the Division of Regulation. While additional complaints and investigations may come as a result of this bill, the Division will be able to handle with existing staff.

OGC Rules: No additional comments.

Division of Condominiums, Timeshares and Mobile Homes: With the language passed last year, the division's review of these types of complaints would have required more time due to the number of reserve components requiring review having been tripled, but that review would have been a bit more clear-cut because the prior language was applicable to all condominiums, notwithstanding whether they were a multicondominium association or the association's various building heights. However, with the newly proposed above-referenced language involving the reserve funding requirements, the division must now conduct an even more in-depth, time intensive review and analysis of each complaint received alleging a budget or reserve violation. The bases for the division's investigators' more time intensive review, which differs from the prior language's review process for investigators, includes, but is not limited to: 1) determining and conducting research on whether the complaint is referencing a multicondominium; 2) determining and conducting research on whether any building(s) on the multicondominium's property are three (3) stories or higher in height; 3) determining what specific reserve items were waived, if any, and whether the waived items that were allowed to be waived based on the building height and the type of condominium; and 4) if reserves were waived, determining whether the reserve items were legally waived in procedural compliance with chapter 718, F.S. The division may also receive an increase in complaints since the new reserve requirements entail a more complex process to prepare a reserve schedule and waive reserves.

Additionally, if the legislative intent is to continue to allow the pooling method of reserves, two separate pooled reserve schedules should be required because the investigator, in their review and analysis of the budget and reserves of the association, would need to be able to differentiate the items that must be fully funded pursuant to subsection (g) versus the items that may still be waived or used for other than intended purposes. However, if the subsection (g) items are permitted to be pooled rather than reflected in straight line, those components may be used for other than intended purposes because they are pooled. As a result, the division would not be able to discern if one reserve item is being used to pay for another. If the intent is that pooled reserve items in subsection (g) cannot be used for other than intended purposes, associations should be required to prepare a straight line reserve schedule for items in subsection (g) so that it is discernible whether subsection (g) item reserve funds are being used for other than intended purposes.

Overall, in addition to the previously requested four (4) positions for Senate Bill 4D (FY 2023-24 Legislative Budget Request), the division will need additional staff to facilitate the more in-depth review of reserve schedules to ensure a timely investigation and to appropriately ensure statutory compliance with the newly amended reserve requirements. The division would need to add a financial examiner/analyst in each of the central Florida offices (Tampa and Orlando). Additionally, the division would need an additional financial examiner/analyst position in the Tallahassee office and an additional financial examiner/analyst supervisor to improve the supervisor to staff ratio. Further, the division would need a financial examiner/analyst in Doral.

Importantly, condominium and cooperative unit owners will need to be apprised of and understand these new reserve requirements. The division's Education Section is charged with educating its constituency to help proactively ensure compliance with chapter 718, F.S. In an effort to continue this mission, and in light of the evolution of the new legal requirements, the division requests to expand the Bureau of Compliance's Education Section to include an additional research and training specialist supervisor and four (4) research and training specialists. Of the four (4) research and training specialists, one would be designated for each of the division's offices that do not currently have a research and training specialist: Tallahassee, Tampa, Orlando, and Doral. Additionally, the division would utilize the Education Section staff to educate internal staff regarding these legal requirements. Finally, this staff would be utilized to aid in facilitating assistance and providing information to constituents who have reached out to the division with questions related to these new legal requirements and the division's review of association's budget and reserves.

The bill amends ss. 718.112(2)(g) and 719.106(1)(k), F.S., removing "floor" as being a required item included in the structural integrity reserve study. The bill includes, "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 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 who is certified as a reserve specialist or professional reserve analyst by the Community Associations Institute or the Association of Professional Reserve Analysts."

Notably, the newly amended language allows for reserve specialists and analysts, which are not regulated designations, to perform the structural integrity reserve study. Presumably, if the reserve specialist or analyst is also a licensed community association manager (CAM), the Division of Regulation would be able to pursue enforcement action through their licensure. However, if a reserve specialist or analyst is not also a licensed CAM, there is no way to enforce that the professional performs the structural integrity reserve study correctly. Additionally, as it stands, there is no existing way in which the division may verify whether the reserve specialist or professional reserve analyst is certified through Community Associations Institute and the Association of Professional Reserve Analysts, as the statutory language requires. Perhaps one way to determine whether the reserve specialists and analysts are certified through Community Associations Institute and the Association of Professional Reserve Analysts would be based on requiring both organizations to maintain a publicly searchable database of all of the certified reserve specialists and analysts in the state of Florida so that there is a way in which the condominium and cooperative unit owners as well as the division may confirm said certification.

Office of Planning and Budget: There is an anticipated budget need to implement the provisions outlined within this bill both in the Florida Building Commission and in the Division of Condominiums, Timeshares, and Mobile Homes.

The Florida Building Commission will need \$250,000 of contracted services budget in order to hire outside professional experts that will assist in the plan review and implementation of the building safety program within the Florida Building Code.

The Division of Condominiums Timeshares and Mobile Homes will need an additional 14 FTE with a corresponding 662,846 of rate and \$990,993 of Salaries and Benefits budget authority and \$186,500 of Expense budget authority.

The Division of Condominiums Timeshares and Mobile Homes will also need \$260,000 of contracted services budget authority in order to hire outside financial experts to verify "alternative funding sources" in the bill.

TOTAL FISCAL IMPACT of \$1,687,433 of budget authority (\$1,593,224 recurring and \$94,209 nonrecurring).

LEGAL - GENERAL COUNSEL'S OFFICE REVIEW

Issues/concerns/comments:	No additional comments.
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2022 AGENCY LEGISLATIVE BILL ANALYSIS

AGENCY: Department of Business & Professional Regulation

BILL INFORMATION

BILL NUMBER:	<u>SB 1702</u>
BILL TITLE:	<u>Mandatory Building Inspections</u>
BILL SPONSOR:	<u>Sen. Bradley</u>
EFFECTIVE DATE:	<u>07/01/2022</u>

COMMITTEES OF REFERENCE

1) Community Affairs
2) Regulated Industries
3) Rules
4) Click or tap here to enter text.
5) Click or tap here to enter text.

CURRENT COMMITTEE

N/A

SIMILAR BILLS

BILL NUMBER:	HB 1391 (compare), SB 1780 (compare)
SPONSOR:	Rep. Geller, Sen. Pizzo

PREVIOUS LEGISLATION

BILL NUMBER:	Click or tap here to enter text.
SPONSOR:	Click or tap here to enter text.
YEAR:	Click or tap here to enter text.
LAST ACTION:	Click or tap here to enter text.

IDENTICAL BILLS

BILL NUMBER:	N/A
SPONSOR:	Click or tap here to enter text.

Is this bill part of an agency package?

No

BILL ANALYSIS INFORMATION

DATE OF ANALYSIS:	January 7, 2022
LEAD AGENCY ANALYST:	Thomas Campbell, Executive Director, Florida Building Commission
ADDITIONAL ANALYST(S):	W. Justin Vogel, Legal Counsel, Florida Building Commission Chevonne Christian, CTMH Director Darrell Garvey, OGC Rules Robin Jordan, Technology

LEGAL ANALYST:	Brandee Miller, Deputy General Counsel – Professions Ross Marshman, Deputy General Counsel – Business
FISCAL ANALYST:	Raleigh Close, Budget Office

POLICY ANALYSIS

1. EXECUTIVE SUMMARY

The bill creates a mandatory statewide structural and lifesafety inspection program for multifamily residential buildings that are taller than three stories. The bill tasks the Commission with developing comprehensive structural and lifesafety standards for all building types by December 31, 2022. The standards developed by the Florida Building Commission will not be mandatory unless adopted by a local government.

2. SUBSTANTIVE BILL ANALYSIS

1. PRESENT SITUATION:

Florida Building Commission

Section 376.031, Florida Statutes, defines “coastline” as the line of mean low water along the portion of the coast that is in direct contact with the open sea and the line marking the seaward limit of inland waters, as determined under the Convention on Territorial Seas and the Contiguous Zone, 15 U.S.T. (Pt. 2) 1606.

Section 553.73(1) (a), F.S., states that the Florida Building Commission shall adopt, by rule pursuant to ss. 120.536(1) and 120.54, the Florida Building Code which shall contain or incorporate by reference all laws and rules which pertain to and govern the design, construction, erection, alteration, modification, repair, and demolition of public and private buildings, structures, and facilities and enforcement of such laws and rules, except as otherwise provided in this section.

Section 553.73(4) (a)-(b), F.S., empowers local jurisdictions to adopt local administrative and local technical amendments to the Florida Building Code as long as the amendments meet certain statutory requirements.

The Florida Building Code does not contain requirements for the maintenance and inspection of existing buildings. Requirements for the maintenance and inspection of existing buildings are adopted by local jurisdictions as they deem appropriate. Local jurisdictions have used the following standards to aid in their adoption of local requirements for the maintenance and inspections of existing buildings: the International Property Maintenance Code, the Standard Housing Code, and the Standard Unsafe Building Abatement Code, or some combination thereof.

Miami-Dade and Broward Counties have both adopted local administrative amendments to the Florida Building Code that require certain types of buildings to undergo a recertification/building safety inspection every 40 years and then every ten years thereafter. The requirements for Miami-Dade’s 40 year building recertification program can be found in Section 8-11 of the Miami Dade Code of Ordinances. The requirements for the Broward County Building Safety Inspection Program can be found in Section 110.15 of Broward County’s local amendments to the Florida Building Code, 7th Edition, (2020), and in the Broward County Board of Rules and Appeals Policy #05-05.

Chapter 1 of the Florida Building Code contains permitting and inspection requirements for the construction of buildings and structures regulated by the Florida Building Code. Additionally, it also contains the inspection requirements for “threshold buildings” pursuant to Section 553.79, F.S. Section 553.71, F.S., defines a “threshold building” as any building which is greater than three stories or 50 feet in height, or which has an assembly occupancy classification as defined in the Florida Building Code which exceeds 5,000 square feet in area and an occupant content of greater than 500 persons. Only a “special inspector” may perform inspections required by Section 553.79, F.S., on threshold buildings. Section 553.71, F.S., defines a “special inspector” as a licensed architect or engineer who is certified under Ch. 471, or Ch. 481, F.S., to conduct the inspections required by Section 553.79, F.S., on threshold buildings.

Chapter 3 of the Florida Building Code contains the use and occupancy classifications used for buildings throughout Florida. There are 21 unique building groups described in Chapter 3 of the Florida Building Code. Additionally, many of the building groups contain multiple subgroups of buildings as well.

Section 310 of the Florida Building Code contains the use and occupancy classifications for Residential Group R buildings. Residential Group R buildings include, among others, the use or structure, or a portion thereof, for sleeping purposes when not classified as an Institutional Group I or when not regulated by the Florida Building Code, Residential.

Section 310.3 of the Florida Building Code contains the definition for Residential Group R-1 buildings which includes occupancies containing sleeping units where the occupants are primarily transient in nature such as boarding houses (transient) with more than 10 occupants, congregate living facilities (transient) with more than 10 occupants, hotels (transient), and motels (transient).

Section 310.4 of the Florida Building Code contains the definition for Residential Group R-2 buildings which includes occupancies containing sleeping units or more than two dwelling units where the occupants are primarily permanent in nature including apartment houses, boarding houses (nontransient), congregate living facilities (nontransient) with more than 16 occupants, convents, dormitories, fraternities and sororities, hotels (nontransient), live/work units, monasteries, motels (nontransient), and vacation timeshare properties.

Section 310.5 of the Florida Building Code contains the definition for Residential Group R-3 buildings which includes occupancies where the occupants are primarily permanent in nature and not classified as Group R-1, R-2, R-4 or I, including buildings that do not contain more than two dwelling units, boarding houses (nontransient) with 16 or fewer occupants, boarding houses (transient) with 10 or fewer occupants, care facilities that provide accommodations for five or fewer persons receiving care, congregate living facilities (nontransient) with 16 or fewer occupants, congregate living facilities (transient) with 10 or fewer occupants, owner-occupied lodging houses with five or fewer guest rooms and 10 or fewer occupants.

Section 310.6 of the Florida Building Code contains the definition for Residential Group R-4 buildings which includes buildings, structures or portions thereof for more than five but not more than 16 persons, excluding staff, who reside on a 24-hour basis in a supervised residential environment and receive custodial care. Buildings of Group R-4 shall be classified as one of the occupancy conditions specified in Section 310.6.1 or 310.6.2. This group shall include, but not be limited to, the following: alcohol and drug centers, assisted living facilities, congregate care facilities, group homes, halfway houses, residential board and custodial care facilities, and social rehabilitation facilities.

The Florida Building Code defines “story” as that portion of a building included between the upper surface of a floor and the upper surface of the floor or roof next above (see “Basement,” “Building height,” “Grade plane” and “Mezzanine”). A story is measured as the vertical distance from top to top of two successive tiers of beams or finished floor surfaces and, for the topmost story, from the top of the floor finish to the top of the ceiling joists or, where there is not a ceiling, to the top of the roof rafters.

The Florida Building Code defines “story above grade plane” as any story having its finished floor surface entirely above grade plane, or in which the finished surface of the floor next above is:

1. More than 6 feet (1829 mm) above grade plane; or
2. More than 12 feet (3658 mm) above the finished ground level at any point.

Section 633.218, F.S., requires the State Fire Marshal to inspect state owned buildings on a recurring basis and to ensure that the life safety systems of high hazard occupancies are inspected at least annually.

Division of Florida Condominiums, Timeshares and Mobile Homes:

Chapter 718, F.S., does not have a requirement to maintain an inspection report as official records or to an inspection report distribute to unit owners. Further, 718, F.S., does not have a requirement that an inspection report be disclosed with a contract for the resale of a residential unit of a condominium.

Chapter 719 F.S., does not have a requirement to maintain an inspection report as official records or to an inspection report distribute to unit owners. Further, 719, F.S., does not have a requirement that an inspection report be disclosed with a contract for the resale of a cooperative unit.

2. EFFECT OF THE BILL:

Florida Building Commission

The bill creates Section 553.899, F.S., pertaining to mandatory structural inspections for multifamily residential buildings.

Subsection 553.899(2), F.S., defines “milestone inspection” as “a structural inspection of a building by a Florida licensed architect or engineer for the purpose of attesting to the lifesafety and adequacy of structural components of a building.” Additionally, the milestone inspection includes, to the extent reasonably possible, determining the general structural condition of the building as it affects the safety of such building. The purpose of the inspection is not to determine compliance with the Florida Building Code.

Subsection 553.899(3), F.S., states that the owner of a multifamily residential building that is greater than 3 stories in height must have a milestone inspection completed by December 31st of the year in which the building is thirty years of age and every ten years thereafter. Additionally, the owner of a multifamily residential building that is greater than 3 stories in height that is within 3 miles of a coastline as defined by section 376.031, F.S., must have a milestone

inspection completed by December 31st of the year the building becomes 20 years of age and every 7 years thereafter. The age of a building is determined by the date the certificate of occupancy was issued. This subsection does not apply to two family dwellings or to buildings less than 3,500 square feet.

Furthermore, if a condominium building or cooperative building is required to have a milestone inspection performed pursuant to this section, the board of administration of the condominium association or cooperative association must arrange for the milestone inspection, is responsible for all associated costs, and is responsible for ensuring compliance with this section.

Subsection 553.899(4), F.S., states that if a milestone inspection is required and the certificate of occupancy was issued on or before July 1, 1992, the building's initial milestone inspection must be performed before December 31, 2024.

Paragraph 553.899(5)(a), F.S., states that a milestone inspection shall consist of two phases:

- The first phase consists of an inspection by a Florida licensed architect or engineer. The Florida licensed architect or engineer shall perform a visual examination of all habitable and nonhabitable areas of a building and provide a qualitative assessment of the structural conditions of the building. Surface imperfections like cracks, distortion, sagging, excessive deflections, significant misalignment, signs of leakage, or peeling of finishes constitute signs of structural distress. If no structural distress is found on any of the components then the second phase of the milestone inspection is not required. The Florida licensed architect or engineer shall then prepare and submit an inspection report pursuant to subsection (6).
- Paragraph 553.899(5)(b), F.S., states that a phase two inspection must be performed if any structural distress is found during the phase 1 inspection. Only a special inspector as defined in section 553.71, F.S., may perform a phase two inspection. A phase two inspection may involve destructive or nondestructive testing at the special inspector's discretion. The phase 2 inspection may be as extensive or as limited as necessary to fully assess damaged areas of the building in order to confirm that the building is safe for its intended use or to recommend a program for fully assessing and repairing damaged portions of the building. When determining testing locations those that are the least disruptive and easily repairable while still being representative of the structure should be used. A special inspector who completes a phase 2 inspection shall prepare and submit an inspection report pursuant to subsection (6).

Subsection 553.899(6), F.S., requires a Florida licensed architect or engineer who has performed a phase 1 or phase 2 inspection to provide a copy of the sealed inspection report to the building owner, the board of administration of the condominium or cooperative if the building is condominium, and to the building official of the local government having jurisdiction. For any milestone inspection of a condominium or cooperative, the board of administration must distribute a copy of each inspection report to each condominium owner or cooperative unit owner, regardless of whether deficiencies are reported. Additionally, if the association is required by law to have a website, the report must be published on the association's website.

Subsection 553.899(7), F.S., empowers local governments to prescribe timelines and penalties with respect to compliance with this subsection.

Subsection 553.899(8), F.S., requires the Florida Building Commission to develop comprehensive structural and life safety standards for maintaining and inspecting all building types and structures in this state by December 31, 2022. The standards are in addition to those provided for by the bill and must be made available to local governments to adopt at their discretion. The standards will not be mandatory unless adopted by a local government.

Division of Florida Condominiums, Timeshares and Mobile Homes:

The bill amends s. 553.899(6), F.S., requiring that the board distribute a copy of each inspection report to each condominium unit owner or cooperative unit owner, regardless of whether there are deficiencies reported.

The bill further states that if the association is required by law to have a website, the association's board of administration must publish the report on its website.

Additionally, the bill amends s. 718.111(12)(a), F.S., to add that all milestone inspection reports required by s. 553.899, F.S., are considered an official record of the association.

The bill amends s. 718.503(2)(c)1-2., F.S., to state that each contract entered into for the resale of a residential unit of a condominium shall amend two clauses in the non-developer disclosures. The first clause shall state, in part, that the buyer has been provided a copy of all milestone inspection reports required by s. 553.899, F.S., in addition to the existing non-developer disclosure requirements. The second clause shall state, in part, that the agreement is voidable by the buyer by delivering written notice of the buyer's intention to cancel after the date of execution of the agreement and receipt of the milestone inspection reports required by s. 553.899, F.S., in addition to the existing non-developer disclosure requirements.

The bill amends s. 719.104(2)(a), F.S., to add that all milestone inspection reports required by s. 553.899, F.S., are considered an official record of the association. The division currently has jurisdiction over access to and maintenance of official records.

The bill further amends s. 719.503(2)(a), F.S., to require that a prospective purchaser who has entered into a contract for the purchase of an interest in a cooperative pertaining to nondeveloper transactions, is entitled to all milestone inspection reports required by s. 553.899, F.S.

The bill's effective date is July 1, 2022.

3. DOES THE BILL DIRECT OR ALLOW THE AGENCY/BOARD/COMMISSION/DEPARTMENT TO DEVELOP, ADOPT, OR ELIMINATE RULES, REGULATIONS, POLICIES, OR PROCEDURES? Y N

If yes, explain:	The bill is directing the Commission to develop procedures for the maintenance and inspection of existing buildings. These procedures would need to be adopted into the Florida Building Code as an appendix.
Is the change consistent with the agency's core mission?	Y <input checked="" type="checkbox"/> N <input type="checkbox"/>
Rule(s) impacted (provide references to F.A.C., etc.):	61G20-1.001

4. WHAT IS THE POSITION OF AFFECTED CITIZENS OR STAKEHOLDER GROUPS?

Proponents and summary of position:	N/A
Opponents and summary of position:	N/A

5. ARE THERE ANY REPORTS OR STUDIES REQUIRED BY THIS BILL?

Y N

If yes, provide a description:	The Florida Building Commission must develop comprehensive structural and lifesafety inspection standards for all building types by December 31, 2022.
Date Due:	December 31, 2022
Bill Section Number(s):	Section 1

6. ARE THERE ANY NEW GUBERNATORIAL APPOINTMENTS OR CHANGES TO EXISTING BOARDS, TASK FORCES, COUNCILS, COMMISSIONS, ETC. REQUIRED BY THIS BILL? Y N

Board:	N/A
Board Purpose:	N/A
Who Appoints:	N/A
Changes:	N/A
Bill Section Number(s):	N/A

FISCAL ANALYSIS

1. DOES THE BILL HAVE A FISCAL IMPACT TO LOCAL GOVERNMENT?Y N

Revenues:	N/A
Expenditures:	There may be additional costs associated with maintaining records of milestone inspections. Additionally, there may be costs associated with the enforcement of timelines and penalties for noncompliance with the requirements of the bill.
Does the legislation increase local taxes or fees? If yes, explain.	No.
If yes, does the legislation provide for a local referendum or local governing body public vote prior to implementation of the tax or fee increase?	N/A

2. DOES THE BILL HAVE A FISCAL IMPACT TO STATE GOVERNMENT?Y N

Revenues:	N/A
Expenditures:	The workgroup appointed to develop the standards will likely need to have 2-3 onsite meetings. The onsite meetings are estimated to cost between \$5,000 and \$10,000.00 based on the cost of previous onsite Florida Building Commission meetings. The Florida Building Commission will likely need to hire a group of experts to assist with the development of the comprehensive structural and lifesafety inspections of buildings in Florida. This cost is indeterminate.
Does the legislation contain a State Government appropriation?	No.
If yes, was this appropriated last year?	N/A

3. DOES THE BILL HAVE A FISCAL IMPACT TO THE PRIVATE SECTOR?Y N

Revenues:	Yes. Indeterminate.
Expenditures:	Yes. Indeterminate.
Other:	N/A

4. DOES THE BILL INCREASE OR DECREASE TAXES, FEES, OR FINES?Y N

If yes, explain impact.	N/A
Bill Section Number:	N/A

TECHNOLOGY IMPACT

1. DOES THE BILL IMPACT THE AGENCY'S TECHNOLOGY SYSTEMS (I.E. IT SUPPORT, LICENSING SOFTWARE, DATA STORAGE, ETC.)? Y N

If yes, describe the anticipated impact to the agency including any fiscal impact.	N/A
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FEDERAL IMPACT

1. DOES THE BILL HAVE A FEDERAL IMPACT (I.E. FEDERAL COMPLIANCE, FEDERAL FUNDING, FEDERAL AGENCY INVOLVEMENT, ETC.)? Y N

If yes, describe the anticipated impact including any fiscal impact.	N/A
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ADDITIONAL COMMENTS

Florida Building Commission:

Subsection 553.899(8), F.S., requires the Florida Building Commission to develop comprehensive structural and life safety standards for maintaining and inspecting all building types and structures in this state by December 31, 2022. Chapter 3 of the Florida Building Code contains twenty unique building types. It is unclear whether the Commission needs to develop unique standards for each building/structure type, or one uniform comprehensive structural and life safety standard that applies to all buildings. If the Commission does need to develop unique standards for each building type, it may be difficult to develop all those unique standards by the December 31, 2022, deadline. Additionally, the requirement that the Florida Building Commission adopt comprehensive lifesafety standards for maintaining and inspecting buildings could create a conflict with Section 633.218, F.S. which outlines the State Fire Marshall's responsibility to ensure the safety of life regarding the inspections of buildings.

The Chairman of the Florida Building Commission will likely appoint a workgroup to develop the standard/standards required by the bill. Typically, workgroups consist of 10-12 members. The membership is usually comprised of members of the Florida Building Commission, members of the Florida Building Commission's technical advisory committees, and members from various stakeholder/industry groups. The workgroup will meet as often as necessary to develop the standard/standards. The workgroup would primarily meet online but would also likely need to have at least 2-3 onsite meetings while developing the standard/standards. Once the workgroup is satisfied with the standard/standards, the standard/standards will be sent to the Florida Building Commission for final approval.

Furthermore, the Commission will likely need to assemble and contract with a group of experts to assist the workgroup. The group of experts would consist of individuals and groups with extensive experience in the maintenance and inspection of existing buildings. The group of experts would be tasked with reviewing existing building inspection programs and would provide their expertise to the workgroup on technical issues related to the development of the standard/standards. This cost is indeterminate.

The bill does not have any grandfathering provisions for buildings that have already been conducting substantially similar inspections or more stringent inspections voluntarily.

The cost of these types of inspections will vary considerably based on the size of the building. The recertification and building safety inspections currently being conducted in Miami-Dade and Broward counties can cost as much as \$20,000.00-\$40,000.00 for the inspection of a 15-20 story condominium to between \$2,000.00 and \$4,000.00 for the inspection of a small commercial building. The cost estimates provided here are for the inspection only. Any remedial work to remedy issues identified during the inspection would be in addition to the costs listed here.

Division of Florida Condominiums, Timeshares and Mobile Homes:

The bill amends s. 553.899(6), F.S., requiring that the board distribute a copy of each inspection report to each condominium unit owner or cooperative unit owner, regardless of whether there are deficiencies reported. The bill does not specify a timeframe or manner in which the inspection report should be distributed to the unit owners of the association, which would make such a mandate challenging to enforce.

The bill does not amend s. 718.111(12)(g), F.S., which lists the required documents of an association website. Without this, the division would not have the ability to enforce an association's failure to publish the inspection report on its website.

The bill amends s. 719.503(2)(a), F.S., to require that a prospective purchaser who has entered into a contract for the purchase of an interest in a cooperative pertaining to nondeveloper transactions, is entitled to all milestone inspection reports required by s. 553.899, F.S. The division has full jurisdiction over ch. 719, F.S. Nevertheless, this could be challenging to enforce without a requirement regarding how in which the inspection report is distributed to prospective purchasers.

OGC Rules: No additional comments.

LEGAL - GENERAL COUNSEL'S OFFICE REVIEW

Issues/concerns/comments:	No additional comments.
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The Florida Senate

APPEARANCE RECORD

SB 154

2-21-23

Meeting Date

Bill Number or Topic

Reg. Industries

Committee

Deliver both copies of this form to Senate professional staff conducting the meeting

Amendment Barcode (if applicable)

Name TRAVIS MOORE

Phone 727.421.6902

Address P.O. Box 2020

Email travis@moore-relations.com

Street

St. Petersburg FL

33731

City

State

Zip

Speaking:

For

Against

Information

OR

Waive Speaking:

In Support

Against

PLEASE CHECK ONE OF THE FOLLOWING:

I am appearing without compensation or sponsorship.

I am a registered lobbyist, representing:

I am not a lobbyist, but received something of value for my appearance (travel, meals, lodging, etc.), sponsored by:

Community Associations Institute
+ First Service Residential

While it is a tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this hearing. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard. If you have questions about registering to lobby please see Fla. Stat. §11.045 and Joint Rule 1. [2020-2022JointRules.pdf \(flsenate.gov\)](#)

This form is part of the public record for this meeting.

S-001 (08/10/2021)

The Florida Senate

APPEARANCE RECORD

Deliver both copies of this form to Senate professional staff conducting the meeting

2/21/23

Meeting Date

SB 154

Bill Number or Topic

Reg. Industries

Committee

Amendment Barcode (if applicable)

Name Josh Burkett

Phone 727-656-3316

Address 110 S. Monroe St

Email josh@consultanderson.com

Street

Tallahassee

FL

32301

City

State

Zip

Speaking:

For

Against

Information

OR

Waive Speaking:

In Support

Against

PLEASE CHECK ONE OF THE FOLLOWING:

I am appearing without compensation or sponsorship.

I am a registered lobbyist, representing:

I am not a lobbyist, but received something of value for my appearance (travel, meals, lodging, etc.), sponsored by:

Association Reserves

While it is a tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this hearing. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard. If you have questions about registering to lobby please see Fla. Stat. §11.045 and Joint Rule 1. [2020-2022 Joint Rules.pdf \(flsenate.gov\)](#)

This form is part of the public record for this meeting.

S-001 (08/10/2021)

The Florida Senate

APPEARANCE RECORD

Deliver both copies of this form to Senate professional staff conducting the meeting

SB 154

Bill Number or Topic

2/21/23

Meeting Date

Reg. Industries

Committee

Amendment Barcode (if applicable)

Name Mark Anderson

Phone 813-205-0658

Address 110 S. Monroe St

Email mark@consultanderson.com

Street

Tallahassee

FL

32301

City

State

Zip

Speaking: For Against Information

OR

Waive Speaking: In Support Against

PLEASE CHECK ONE OF THE FOLLOWING:

I am appearing without compensation or sponsorship.

I am a registered lobbyist, representing:

I am not a lobbyist, but received something of value for my appearance (travel, meals, lodging, etc.), sponsored by:

Chief Executive Officers of Management Companies (CEOMC)

While it is a tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this hearing. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard. If you have questions about registering to lobby please see Fla. Stat. §11.045 and Joint Rule 1. [2020-2022 Joint Rules.pdf \(flsenate.gov\)](https://www.flsenate.gov/2020-2022-JointRules.pdf)

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S-001 (08/10/2021)

The Florida Senate

APPEARANCE RECORD

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2-21-23

Meeting Date

154

Bill Number or Topic

Reg Ind

Committee

Amendment Barcode (if applicable)

Name

LISA Miller

Phone

Address

Monroe Street

Email

lismiller@lismiller

assoc.

Street

Tallahassee

City

State

Zip

Speaking:

For

Against

Information

OR

Waive Speaking:

In Support

Against

PLEASE CHECK ONE OF THE FOLLOWING:

I am appearing without compensation or sponsorship.

I am a registered lobbyist, representing:

Lisa Miller & Associates

I am not a lobbyist, but received something of value for my appearance (travel, meals, lodging, etc.), sponsored by:

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This form is part of the public record for this meeting.

S-001 (08/10/2021)

The Florida Senate
COMMITTEE VOTE RECORD

COMMITTEE: Regulated Industries
ITEM: SB 154
FINAL ACTION: Favorable with Committee Substitute
MEETING DATE: Tuesday, February 21, 2023
TIME: 1:00—3:00 p.m.
PLACE: 401 Senate Building

FINAL VOTE		SENATORS	2/21/2023 1 Amendment 590018		2/21/2023 2 Amendment 475138		2/21/2023 3 Amendment 120426	
			Bradley	Bradley	Bradley	Bradley	Yea	Nay
Yea	Nay		Yea	Nay	Yea	Nay	Yea	Nay
X		Bradley						
X		Brodeur						
X		Davis						
		Hutson						
X		Jones						
X		Osgood						
X		Perry						
X		Simon						
X		Hooper, VICE CHAIR						
X		Gruters, CHAIR						
9	0	TOTALS	RCS	-	RCS	-	RCS	-
Yea	Nay		Yea	Nay	Yea	Nay	Yea	Nay

CODES: FAV=Favorable UNF=Unfavorable -R=Reconsidered	RCS=Replaced by Committee Substitute RE=Replaced by Engrossed Amendment RS=Replaced by Substitute Amendment	TP=Temporarily Postponed VA=Vote After Roll Call VC=Vote Change After Roll Call	WD=Withdrawn OO=Out of Order AV=Abstain from Voting
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The Florida Senate COMMITTEE VOTE RECORD

COMMITTEE: Regulated Industries
ITEM: SB 154
FINAL ACTION: Favorable with Committee Substitute
MEETING DATE: Tuesday, February 21, 2023
TIME: 1:00—3:00 p.m.
PLACE: 401 Senate Building

SENATORS	2/21/2023 ⁴ Amendment 756888							
	Bradley							
	Yea	Nay	Yea	Nay	Yea	Nay	Yea	Nay
Bradley								
Brodeur								
Davis								
Hutson								
Jones								
Osgood								
Perry								
Simon								
Hooper, VICE CHAIR								
Gruters, CHAIR								
TOTALS	RCS	-						
	Yea	Nay	Yea	Nay	Yea	Nay	Yea	Nay

CODES: FAV=Favorable RCS=Replaced by Committee Substitute TP=Temporarily Postponed WD=Withdrawn
 UNF=Unfavorable RE=Replaced by Engrossed Amendment VA=Vote After Roll Call OO=Out of Order
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