

The Florida Senate
COMMITTEE MEETING EXPANDED AGENDA

REGULATED INDUSTRIES
Senator Bradley, Chair
Senator Pizzo, Vice Chair

MEETING DATE: Tuesday, February 11, 2025
TIME: 4:00—6:00 p.m.
PLACE: *Pat Thomas Committee Room, 412 Knott Building*

MEMBERS: Senator Bradley, Chair; Senator Pizzo, Vice Chair; Senators Bernard, Boyd, Burgess, Calatayud, Fine, Gruters, and Ingoglia

TAB	BILL NO. and INTRODUCER	BILL DESCRIPTION and SENATE COMMITTEE ACTIONS	COMMITTEE ACTION
		Panel discussion on current issues for Condominiums in Florida.	
		Other Related Meeting Documents	

Senate Regulated Industries Committee

Tuesday, February 11, 2025

4:00 – 6:00 p.m.

Room 412 Knott Building

Panel Discussion on Current Issues for Condominiums in Florida

Panelists

Melanie Griffin

Secretary, Department of Business and Professional Regulation
Tallahassee, Florida

Mike Clarkson

Managing Director
Hilb Group of Florida
Clearwater, Florida

Ron Leiseca

Chair, Legislative Committee
Building Officials Association of Florida

Bill Hughes

Research Director, Kelley A. Bergstrom Real Estate Center
Warrington College of Business
University of Florida
Gainesville, Florida

Jaime L. Ballard

Vice President
Management and Associates
Community Association Management
Oldsmar, Florida

Regulated Industries Committee Panel Discussion on Condominiums

Secretary Melanie S. Griffin

Florida Department of Business and Professional Regulation

February 11, 2025



dbpr

DIVISION OF
condominiums, timeshares
& mobile homes

GOVERNOR

Ron DeSantis

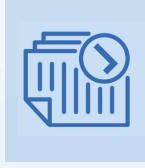
SECRETARY

Melanie S. Griffin

About the Division of Condominiums, Timeshares & Mobile Homes (CTMH)



Oversees five program areas: condominiums, cooperatives, timeshares, mobile homes, and yacht and ship brokers and salespersons.



Oversees the establishment of Florida's regulated communities through the review of governing documents to ensure compliance with Florida Statutes.



Investigates complaints and provides education about the rights and responsibilities of condominium and cooperative associations, board members, and unit owners.



Division of Condominiums, Timeshares & Mobile Homes (CTMH)

Our Services



Education



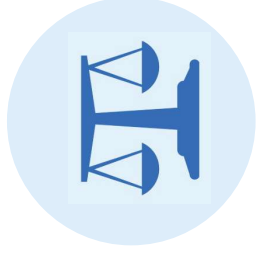
Complaint
Resolution



Dispute
Resolution
(Ombudsman's
Office)



Election
Monitoring and
Meeting
Attendance



Arbitration





HB 1021: The Division's Jurisdiction

Before HB 1021



Restricted authority to take action against non-complaint boards



Limited ability to resolve certain types of complaints



Less stringent transparency requirements and accountability measures



Lack of mandatory board member education requirements

After HB 1021



Expanded enforcement authority and added penalties for severe violations



Ability to investigate new complaint types and take action



Enhanced transparency measures and increased accountability



Mandatory education to ensure board members are informed about their rights and responsibilities



Condominium Quick Stats

Buildings, Cases, and Outreach

27,750 Condominiums Statewide

11,263 Condo Buildings 3 Stories or Higher*

4,300+ Complaints Resolved in FY 23-24

3,000+ Inquiries Handled by the Office of the Ombudsman in FY 23-24

15,500+ Attendees Reached through 130 Education Sessions held in FY 23-24

*self reported pursuant to the requirements of Section 718.501(3)(a), F.S., ([SB 154](#))



HB 1021 Implementation

Staffing and Recruitment Updates

275

Interviews held
since July 1,
2024

81%

Total
Appropriated FTE
Positions Filled

79%

Division of CTMH
Positions Filled

6 of 8

Office of General
Counsel
Positions Filled

100%

Division of
Regulation
Positions Filled



HB 1021 Implementation

Board Member Certification

A Director Must:

- **Submit a certificate** of satisfactory completion of a 4-hour educational curriculum.
- **Certify in writing** having read all governing documents, will work to uphold such documents and policies, and will faithfully discharge their fiduciary responsibility to the members.
- If elected or appointed before July 1, 2024, must comply with above requirements by **June 30, 2025**.
- New board members elected or appointed after July 1, 2024, must comply with the above requirements **within 1 year before being elected or 90 days after the date of election**.
- **Annually thereafter, submit a certificate** of having completed at least **1 hour** of continuing education relating to any recent changes to laws and rules during the past year.

**All requirements above must be submitted to the secretary of the association



HB 1021 Implementation

Free Board Member Certification Course

HB 1021 and **HB 1203** changed the educational requirements for condominium and HOA board members beginning July 1, 2024.

To assist board members in meeting these new requirements, DBPR has developed a free 4-hour Board Member Certification Program that meets new statutory requirements for condominium and HOA board members.

To date, more than **12,000** individuals have attended DBPR's Board Member Certification Course.



**View the Course
Schedule & Register**

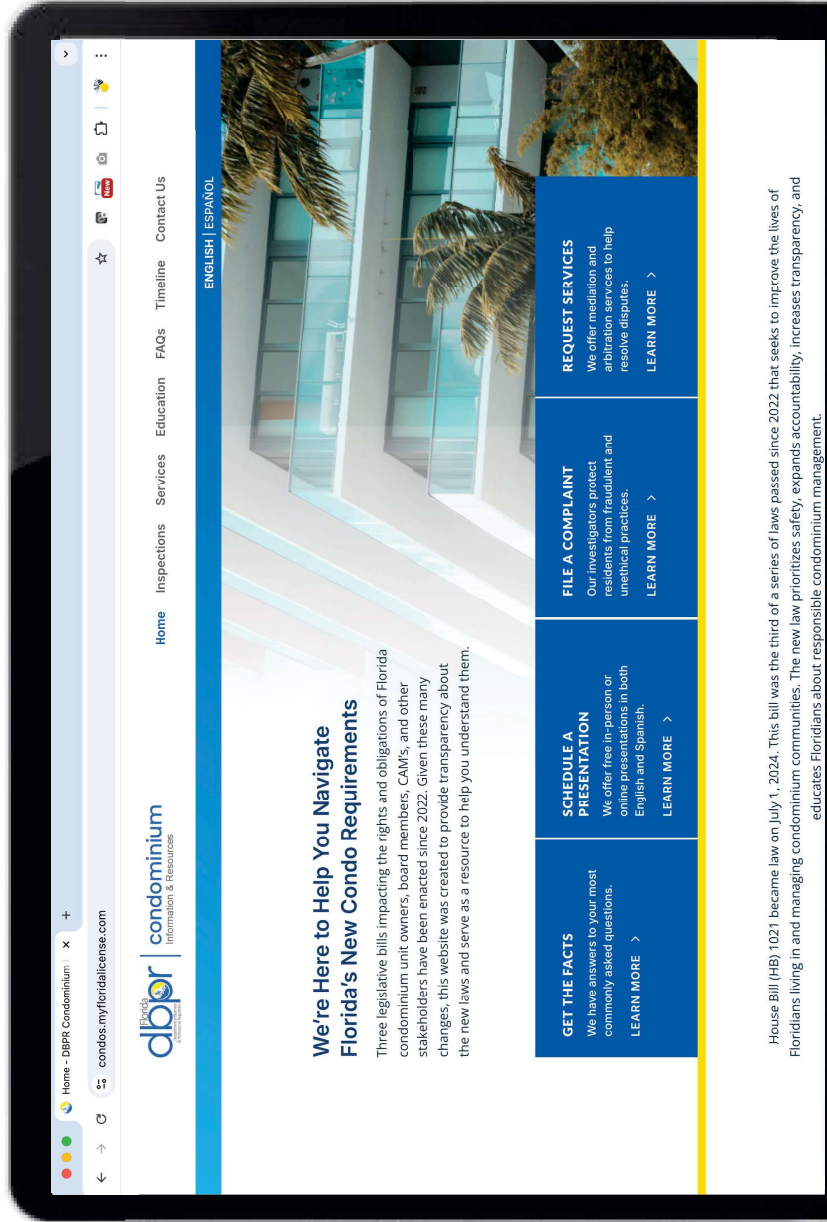




Condominium Information and Resources Website

For more information about Florida's condominium requirements, DBPR's services, education opportunities, FAQs and more, visit:

Condos.MyFloridaLicense.com



Point of Contact

Derek Miller

Director of Legislative Affairs

Derek.Miller@myfloridalicense.com

PH: 850.717.1580





February 6th, 2024

Professional Bio – Insurance Advisor and Agency Owner

Michael Clarkson – Managing Director for the Hilb Group of Florida

Education – St Pete JC – Tulane University

1990 - Started my final agency in Clearwater – All Lines Ins – Specialty Associations

1993 – Invited by the Miami Dade Coalition of Condominiums – 103 Assoc- to address the premium increases of 300-500% - Right after Hurricane Andrew came thru the region

Did presentation to all 103 Assoc – Voted 100-3 to go ahead full steam and create a program to compete with the only Admitted carrier left writing condominium buildings – Ins Corp of New York. Upon arriving back to my office the following day, to my surprise, there were 3 Cease and Desist letters from the DOI, along with a nice invitation (subpoena) to attend the mandatory meeting, so they could conduct an evidentiary hearing. After the 4 hr meeting with Officers of the Surplus Div. and several State attorneys, Carolyn Daniels (the head of the surplus lines division) and the other, voted 7-0 to allow me to bring Surplus Lines Carriers in to compete, against Admitted carriers, which at the time was not allowed per statute. The Florida statute read, that a Surplus Lines Carrier (Lloyds of Lond type) could not compete against Admitted or Domestic markets, if a normal market condition existed. I explained that 1 carrier was not a normal market and they agreed, thus changing the statute to allow Surplus carriers to compete against any other carrier. That statute change still exists today. Upon exiting the meeting and off the record, they told me to dot my I's and cross my T's and go kick their butts – We did just that and brought the premium back to levels, pre Andrew.

1993-current – Specializing in Assoc Insurance – Currently, insuring approx. 1100 Assoc – 5400 buildings and 270,000 Units.

2015 – Acquired by the Hilb Group – Currently the 17th largest insurance agency in the US.. Continue to do Annual/Biannual meetings with Citizens in Jax still today

Oct 2022 – Met with Kelly Booten – COO at Citizens to discuss the idea of Citizens to write wind coverage anywhere in Florida, as a single coverage. I explained by combining the 3 Citizens entities into 1, they would then have the ability to do this down the road. Citizens did file and have all 3 entities combined to 1 and lower the possible assessment from 45% to 15%.

Dec 2022- held zoom meeting with Co of Citizens to remove the law of all condo units must carry flood insurance. Explained the Assoc policy (RCBAP) covered all interior components , so there was no need for unit owners to carry personal flood. Citizens agreed and removed that requirement going forward.

Oct 2023 – Had a meeting with Senator Bradley, Lobbyist Travis Moore and between the 3 of us, the idea of Save Your Florida Condo program was born – Bill Filed by Desiglie and went into law July 2024.

Dec 2024 – Invited and participated in the Condo Summitt at FAU – Davey Complex

Over the years, I have either been interviewed or quoted in such publications as, The Insurance Journal, Washington Post, Wall Street Journal, Miami Herald, Orlando Sentinel, to name a few.



Condominium Inspections

Brief Update Overview

Phase 1 and 2 Notifications

- Database challenges for some jurisdictions
- DBPR challenges
 - Current Department of Condominiums – did not include relevant data
 - Voluntary database update requirement
- Property Assessor database not inclusive of relevant information
 - Was not set up to reflect needed information

Flexibility

- Date of CO controls initial and next inspection due date in cycle
- In some cases, due to gathering of information initial due date extended
- If Condo/Coop hampered due to availability of qualified architect or engineer for Phase 1 inspections, evidence of schedule or requests for professional services allowed extension
- On Phase 2, if delays due to securing qualified contractors, AHJ would work with them for extension, within reason

Where is the Data?

- Not a stated requirement nor a central repository at State level
- Unfunded mandate
- Locally, no organized breakdown
 - To get the data, report by report analysis required including that for Phase 2 to categorize by repair types required
- Older programs in Miami-Dade and Broward do not segregate information, only compliance or follow-up due dates if compliance is not reported

Trend

- Established programs in Miami-Dade and Broward only mention some confusion tied to SIR requirements
- Other areas have typical questions about who does observations, what is role of AHJ, and impact if Phase 2 is required
 - Customer Service shares information and some jurisdictions have education outreach via mailers with notices and via front desk personnel
- Depending on type of construction and age, certain types have higher Phase 2 follow up requirements
 - OSB sheathing
 - Indications of maintenance habits or lack thereof
- Repairs
 - Timing – when do we have to get them done
 - Costs
- SIR and questions on AHJ involvement
- 30-year versus 25-year initial timeline option

Other Observations

- Updating database
- We have an unsafe structure issue
 - By professional doing observation
 - By tenant/owner
- Process
 - AHJ in most cases refers this to Unsafe Structures or Code Enforcement if that is the set-up by local governmental unit
 - In a minority of cases, the complaint is referred to local Administration for action
 - Building Official **MUST** refer the complaint in an expedited manner
 - How the complaint is routed initially may delay the process

Possible Improvements

- Possible added items for initial and follow-up observations (similar to Miami-Dade approach)
- Life safety protection
 - Fire Marshal wish list on fire related features being part of review scope
- Unified survey on key issues and comments
 - Record keeping of maintenance activity
 - Equipment log
 - Key contact defined

Topics not Addressed

- Central depository of reports for statistical analysis
 - Who gets to do it and foot the bill
 - What information are you trying to gather
 - Will this benefit our Code approach

Cautions

- This is still early stages, so need to be careful on abrupt changes as they cause confusion
- Do not overload the system
- Educate, not confuse



Thank you for your time

RJ (Ron) Leiseca, BOAF, CSI, AIA Allied
Chair – BOAF Legislative Committee

O – 904-261-3327

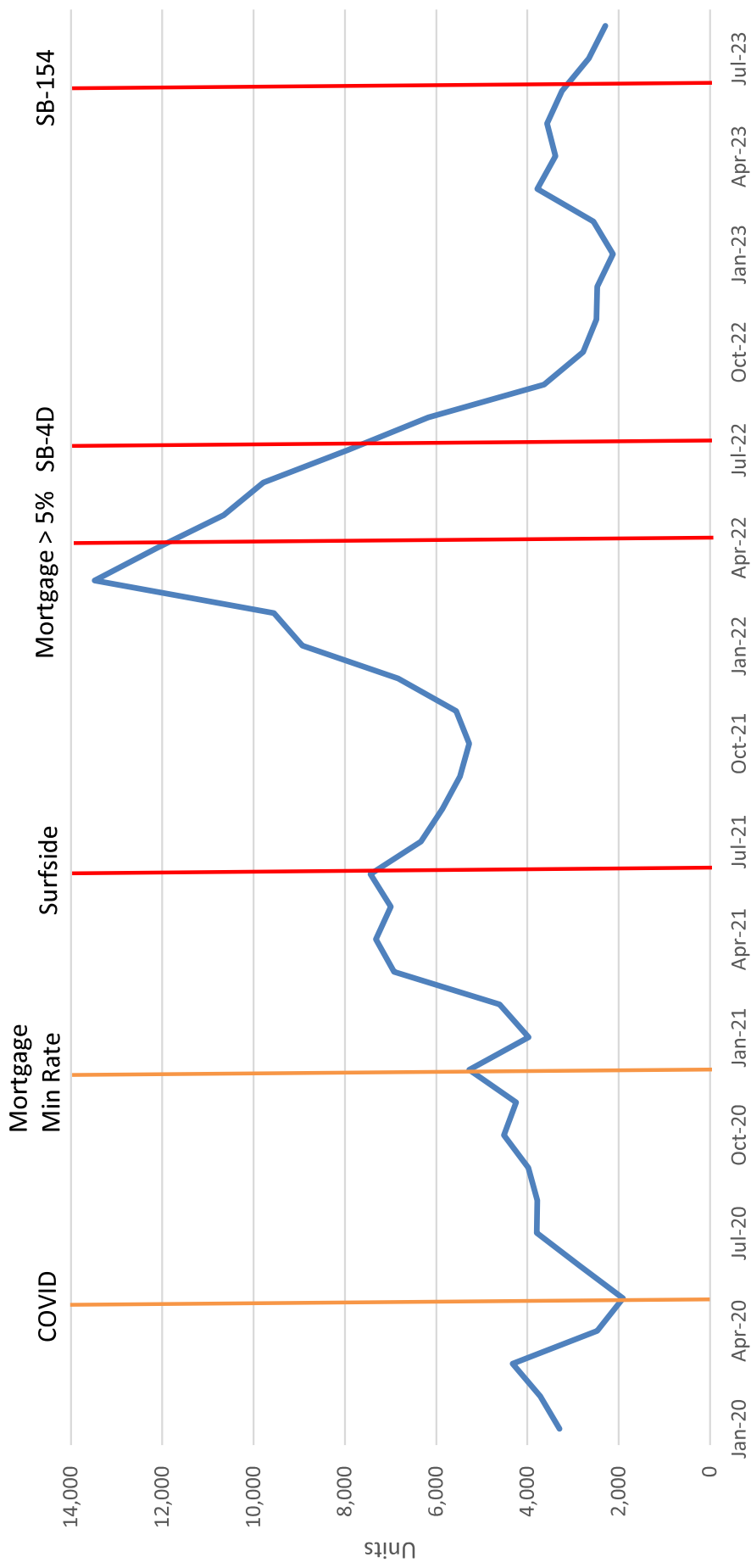
E – ron@rjassoc.com

Impact of Recent Condo Laws

Bill Hughes
Executive Director of Research

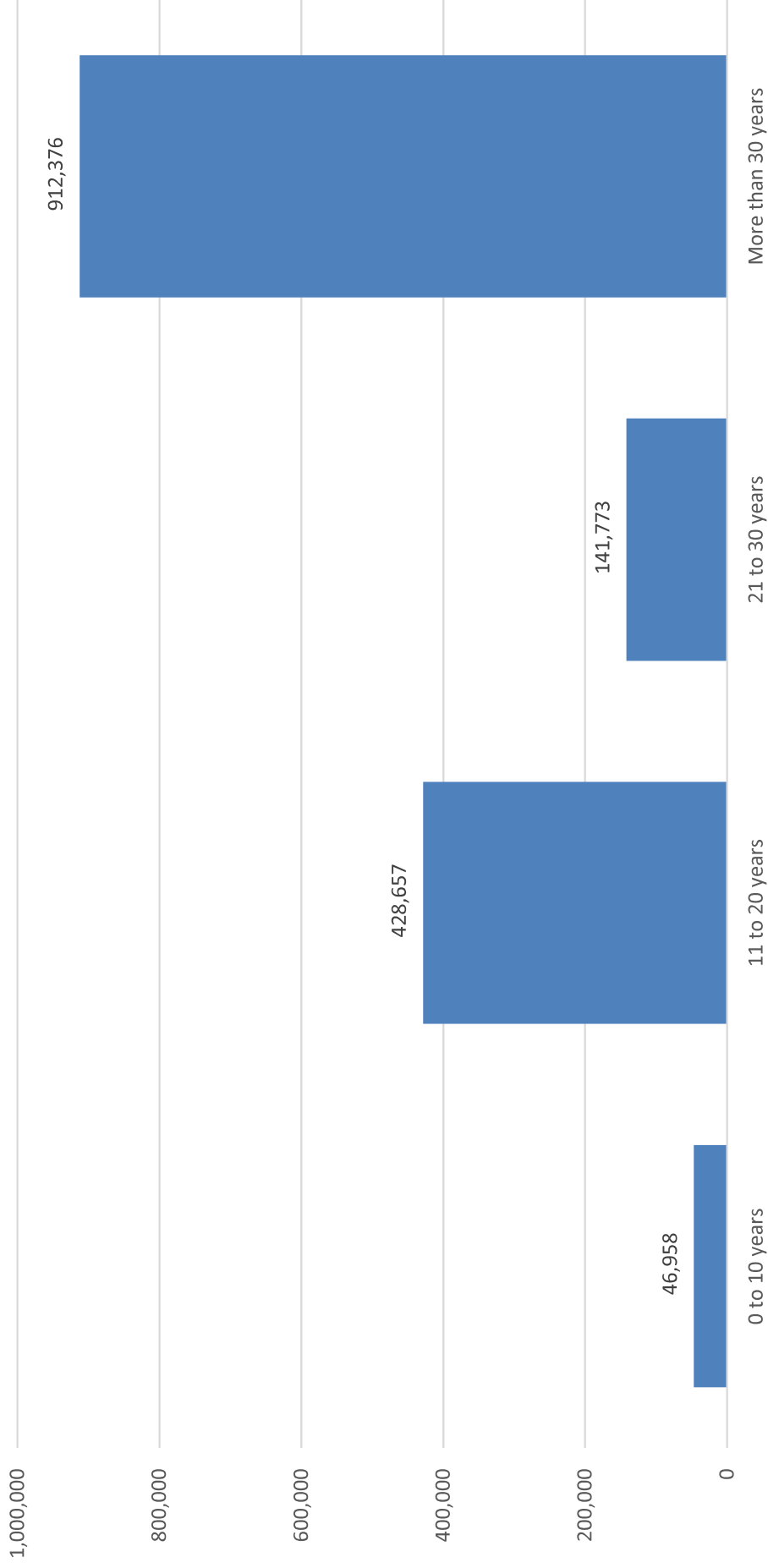
February 11, 2025

South Florida Condo Sales Volume



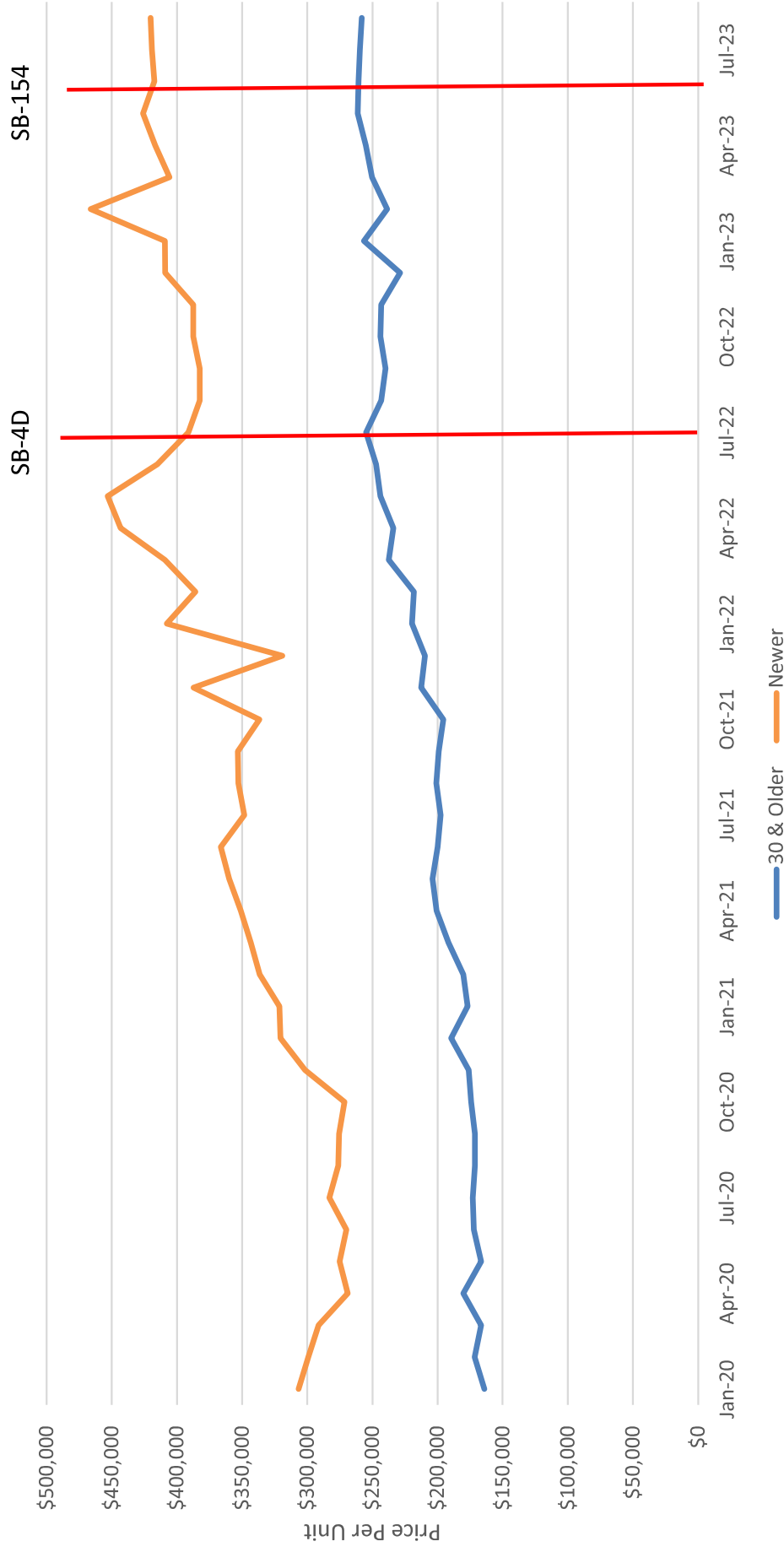
Taken directly from "Cause and Effect of Florida's New Condo Law," *Due Diligence, Spring 2024*

Florida Condos by Age



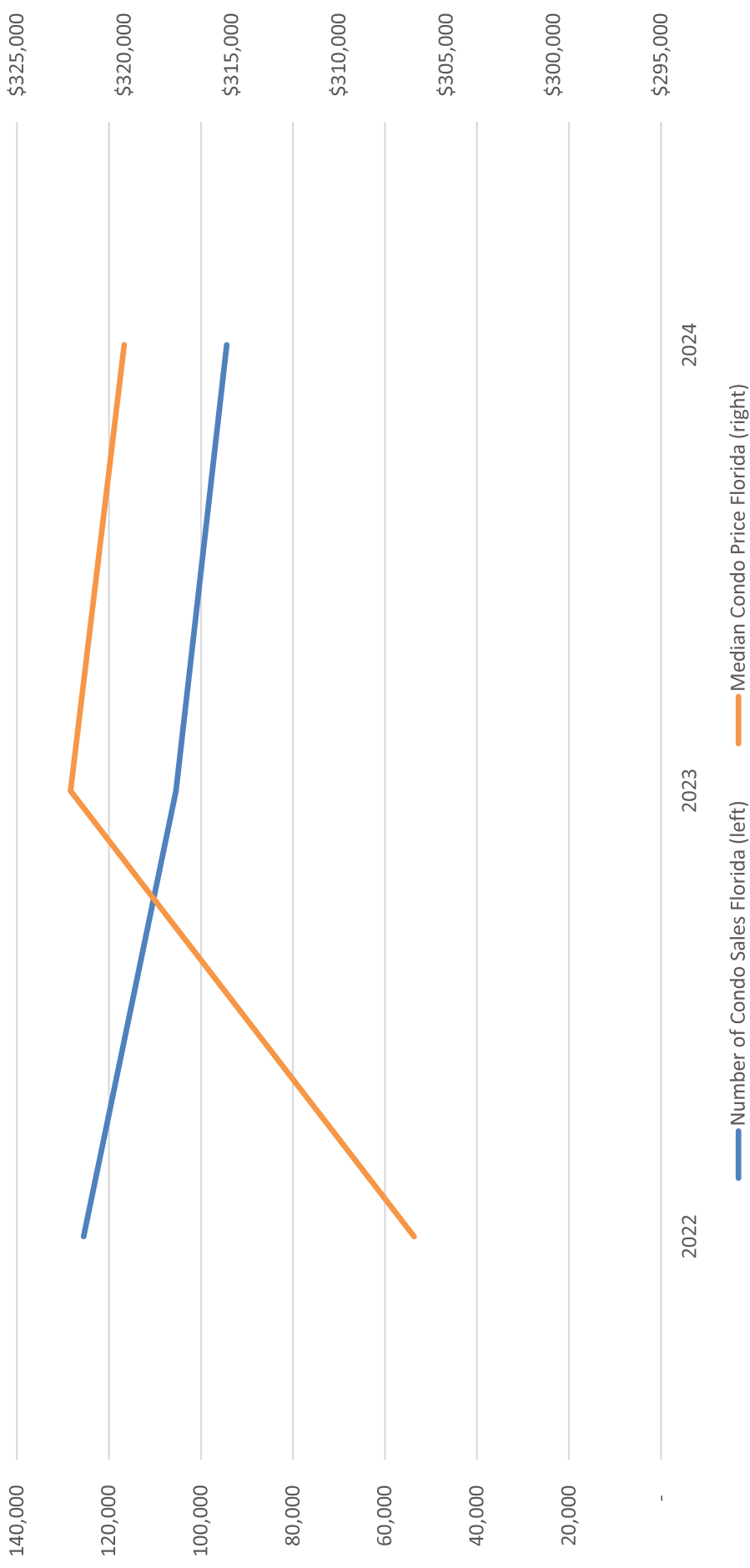
Taken directly from "Florida's New Condo Laws Recognize the Total Price of Living on the Beach," *Due Diligence*, Fall 2024

South Florida Median Condo Price



Taken directly from "Cause and Effect of Florida's New Condo Law," Due Diligence, Spring 2024

Florida Sales Volume & Median Price



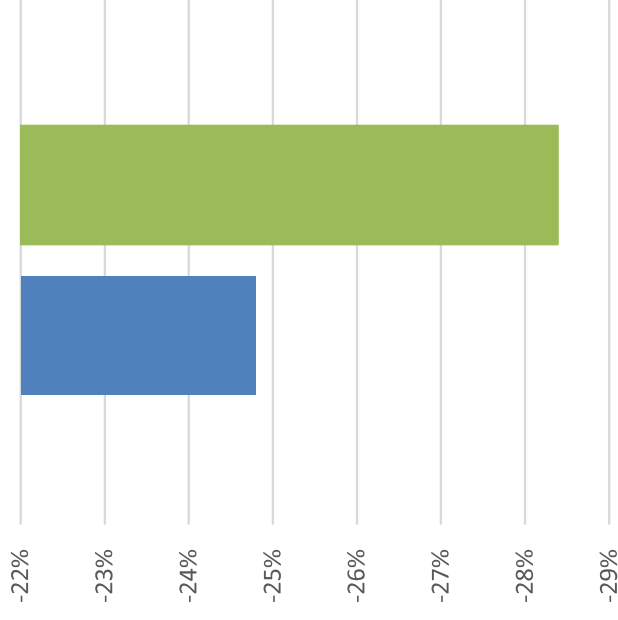
Source: Florida Realtors

Florida vs National Sales Volume

Number of Condo Sales



Change in Sales '22 - '24



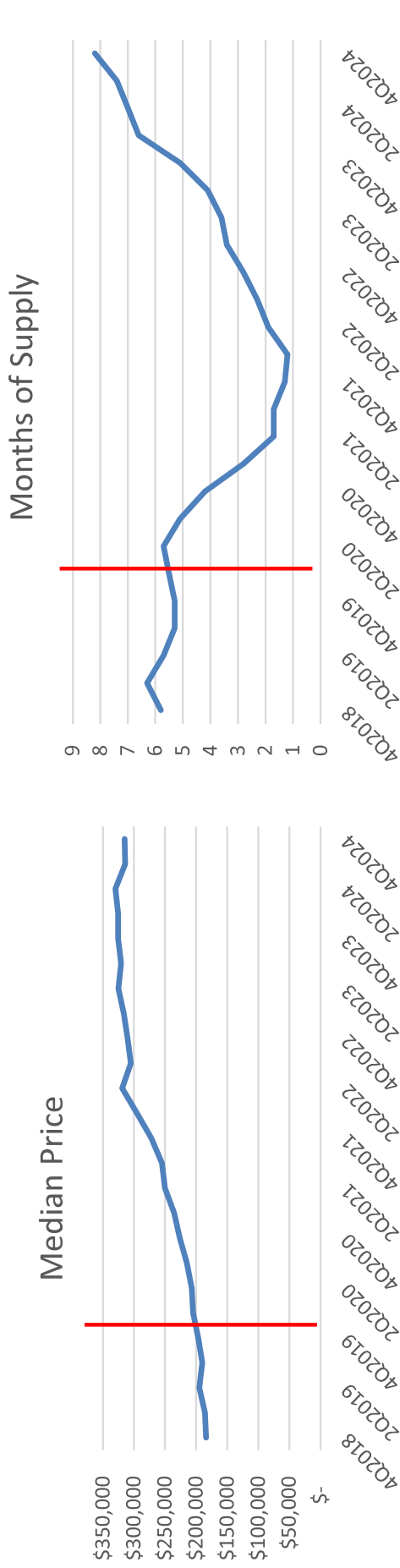
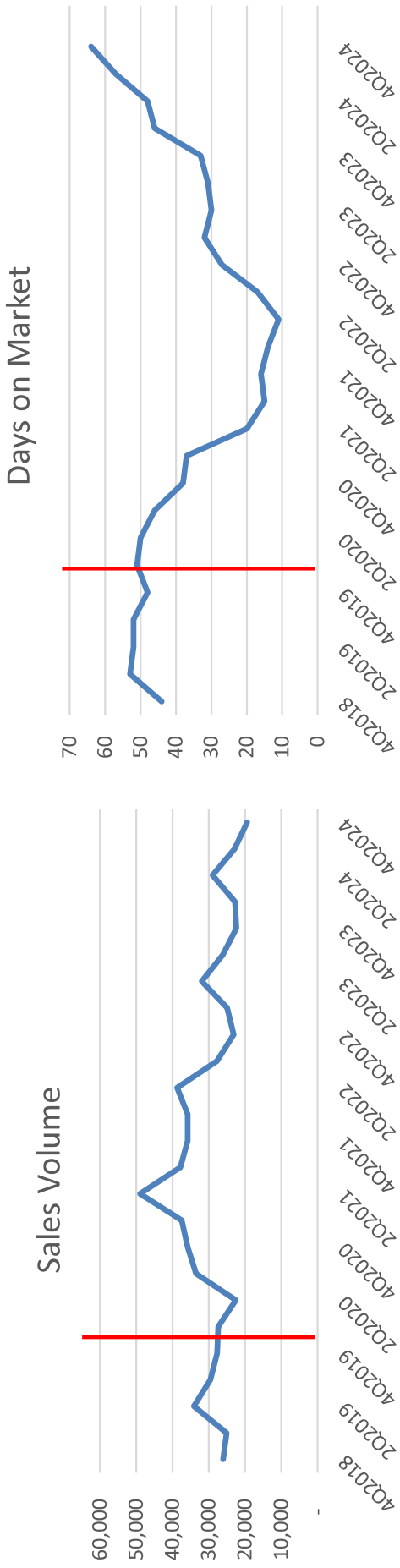
Source: Florida Realtors and National Association of Realtors

Florida vs National Median Price



Source: Florida Realtors and National Association of Realtors

Pre-Covid Comparison for Florida



Source: Florida Realtors

Considerations

- Graphs used aggregated or median data - no consideration has been given for individual circumstances
- Legal focus has been on older buildings but the problematic condition originates at the formation of the association
- Presentation has an overall market focus – measuring subsectors may be insightful

Introduction to the Florida Senate Committee

Good afternoon, Madame Chair Senator Bradley, Vice Chair Senator Pizzo, and members of the committee. My name is Jaime Lynn Ballard, and I am honored to be here today. I currently serve as Vice President at Management and Associates, where I have dedicated my career to the field of community association management. Since becoming a Licensed Community Association Manager in 1998 and joining our family-owned business, Management and Associates, in 2005, my passion for this industry has only grown.

Beyond my professional responsibilities, I am deeply committed to advancing the field of community management. I proudly serve as President of the Community Association Institute (CAI), Suncoast Chapter and hold roles as a CAI National Faculty Member, CAI Suncoast Chapter's Florida Delegate, and Vice Chair of the Florida Legislative Alliance. Additionally, I contribute to local leadership as Treasurer for Pasco County CONA, a Director for the Council of North County Neighborhoods, and as the Past Chair of the Upper Tampa Bay Chamber of Commerce.

My dedication to excellence is reflected in my credentials—I hold CMCA (Certified Manager of Community Associations), AMS (Association Management Specialist), and the prestigious PCAM (Professional Community Association Manager) designation, the highest achievement in our industry. I also earned an MBA from St. Leo University, equipping me with the skills to navigate the complexities of community association management effectively.

I appreciate the opportunity to speak before you today and share insights from my experience. Together, we can work toward solutions that strengthen and support community associations across Florida.

I was unsure of what would be discussed here today and felt it important to address issues that are currently affecting our communities as a starting point of conversation.

The Broader Financial Challenges Facing Florida's Community Associations

As a Community Association Manager, I have witnessed firsthand that Florida's condominium crisis goes beyond the costs associated with the Structural Integrity Reserve Study (SIRS). While securing reserve funding for necessary repairs is essential, it's equally important to establish state-wide guidelines to ensure that all parties use a standardized approach when conducting these studies. This would help prevent the extreme variations in reporting we are currently seeing. From my perspective, however, the most immediate financial challenges for associations and unit owners stem from two key issues:

1. Premature Roof Replacement Requirements

Recent legislation mandates many condominium associations to replace their roofs earlier than expected, even when they remain in good condition.

Many associations had not budgeted for early replacements, forcing boards to levy special assessments or take out loans—placing significant financial strain on unit owners.

2. Skyrocketing Insurance Costs

Over the past three years, insurance premiums for Florida condominiums have doubled or even tripled.

Increased hurricane claims, rising reinsurance costs, and insurers leaving the state have fueled this crisis.

Some associations struggle to find coverage at all, while others face major policy restrictions that further drive-up costs.

The reality is that Florida’s community associations are working hard to manage these challenges, but rising costs are making it increasingly difficult for many owners to keep up.

Concerns Over the Continuing Education (CE) Exemption for CAMs

As of July 1, 2024, Florida has implemented an exemption from continuing education (CE) requirements for licensed Community Association Managers (CAMs) who:

Hold an active license issued by the Florida Department of Business and Professional Regulation (DBPR).

Have continuously maintained their license for at least 10 years.

Have no disciplinary actions on their record.

This change, enacted through Senate Bill 382, raises concerns about misinformation and lack of preparedness. In an industry where regulations and best practices are constantly evolving, ongoing education is essential. As a CAM with over 20 years of experience and a clean disciplinary record, CE requirements ensure we remain up to date and equipped to serve our communities effectively.

Key Legislative Updates for Community Association Managers

Recent legislative changes, including House Bills 1021 and 1203, as well as amendments to Chapter 468 of the Florida Statutes, introduced several important regulations:

Staying informed about these legislative changes is vital for CAMs to maintain compliance and uphold best practices.

The Growing Challenges of Board Service & Industry Regulations

We recognize the importance of well-prepared Board members and fully support the Board Certification Course requirement. However, the additional CE requirements and the increasingly hostile regulatory environment have made it harder to find individuals willing to serve. These challenges place added pressure on both Board members and community managers, making it more difficult to attract and retain qualified individuals.

It is crucial to acknowledge that the 2024 legislative changes have already been implemented, and community managers, Board members, and management firms are working diligently to meet these new requirements. While there were concerns that led to these legislative actions, I can say that the vast majority of Board members, managers, and management firms act in the best interest of their communities.

Moving forward, we urge a period of stability—allowing these new regulations to take effect before introducing additional legislative changes. Our focus should return to what we do best: managing and improving communities.

Conclusion

Florida's community associations are facing unprecedented financial and regulatory challenges. However, with collaboration, thoughtful policy, and a focus on long-term solutions, we can ensure a sustainable future for condominium and homeowners' associations across the state.

I appreciate the opportunity to speak today and look forward to answering any questions that you may have. I further look forward to working together to support the communities we serve. Thank you.