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Proposed Committee Substitute by the Committee on Rules

A bill to be entitled

An act relating to building safety; creating s.  
553.899, F.S.; providing legislative findings;  
defining the term "milestone inspection"; specifying  
that the purpose of a milestone inspection is not to  
determine compliance with the Florida Building Code or  
the firesafety code; requiring owners of certain  
multifamily residential buildings to have milestone  
inspections performed at specified times; requiring  
condominium and cooperative associations to arrange  
for milestone inspections of condominium buildings and  
cooperative buildings, respectively; specifying that  
such associations are responsible for costs relating  
to milestone inspections; providing applicability;  
requiring that initial milestone inspections for  
certain buildings be performed before a specified  
date; specifying that milestone inspections consist of  
two phases; providing requirements for each phase of a  
milestone inspection; requiring architects and  
engineers performing a milestone inspection to submit  
a sealed copy of the inspection report and a summary  
that includes specified findings and recommendations  
to certain entities; requiring condominium  
associations and cooperative associations to  
distribute and post a copy of each inspection report  
and summary in a specified manner; authorizing local  
enforcement agencies to prescribe timelines and  
penalties relating to milestone inspections; requiring



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29 the Florida Building Commission to develop certain  
30 standards by a specified date and make such standards  
31 available to local governments for adoption; amending  
32 s. 718.103, F.S.; defining the term "alternative  
33 funding method"; amending s. 718.111, F.S.; revising  
34 the types of records that constitute the official  
35 records of a condominium association; requiring  
36 associations to maintain specified records for a  
37 certain timeframe; specifying that renters of a unit  
38 have the right to inspect and copy certain reports;  
39 requiring associations to post a copy of certain  
40 reports and reserve studies on the association's  
41 website; revising rulemaking requirements for the  
42 Division of Florida Condominiums, Timeshares, and  
43 Mobile Homes of the Department of Business and  
44 Professional Regulation; amending s. 718.112, F.S.;  
45 revising certification and education requirements for  
46 directors of association boards; revising requirements  
47 for association budgets; revising applicability;  
48 requiring certain associations to periodically have a  
49 study conducted relating to required reserves after a  
50 specified date; requiring boards to annually review  
51 the results of such study to determine if reserves are  
52 sufficient; requiring the division to adopt rules;  
53 providing requirements for the reserve study; revising  
54 requirements for approval of using reserve funds for a  
55 purpose other than authorized reserve expenditures;  
56 requiring that budgets include specified disclosures  
57 relating to reserve funds under certain circumstances



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58 on or after a specified date; restating requirements  
59 for associations relating to milestone inspections;  
60 amending s. 718.113, F.S.; requiring associations to  
61 provide for the maintenance, repair, and replacement  
62 of condominium property; providing an exception;  
63 requiring associations to perform specified required  
64 maintenance under certain circumstances; specifying  
65 that necessary maintenance, repair, or replacement of  
66 condominium property does not require unit owner  
67 approval; specifying that associations are not liable  
68 for certain expenses if a unit is vacated or access to  
69 a common element is denied for specified reasons;  
70 amending s. 718.115, F.S.; authorizing boards to adopt  
71 a special assessment or borrow money for certain  
72 reasons without unit owner approval; conforming cross-  
73 references; amending s. 718.1255, F.S.; revising the  
74 definition of the term "dispute"; specifying that  
75 certain disputes are not subject to certain nonbinding  
76 arbitration and must be submitted to presuit  
77 mediation; amending s. 718.301, F.S.; revising  
78 reporting requirements relating to the transfer of  
79 association control; amending s. 718.503, F.S.;  
80 revising the documents that must be delivered to a  
81 prospective buyer or lessee of a residential unit;  
82 revising requirements for nondeveloper disclosures;  
83 amending s. 718.504, F.S.; revising requirements for  
84 prospectuses and offering circulars; amending s.  
85 719.103, F.S.; defining the term "alternative funding  
86 method"; amending s. 719.104, F.S.; revising the types



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87 of records that constitute the official records of a  
88 cooperative association; requiring associations to  
89 maintain specified records for a certain timeframe;  
90 specifying that renters of a unit have the right to  
91 inspect and copy certain reports; revising rulemaking  
92 requirements for the division; specifying that  
93 maintenance of the cooperative property and common  
94 areas is the responsibility of associations; providing  
95 an exception; requiring associations to perform  
96 specified required maintenance under certain  
97 circumstances; specifying that necessary maintenance,  
98 repair, or replacement of cooperative property does  
99 not require unit owner approval; specifying that  
100 associations are not liable for certain expenses if  
101 unit must be vacated or if access to a common area is  
102 denied for specified reasons; amending s. 719.106,  
103 F.S.; revising certification and education  
104 requirements for directors of association boards;  
105 revising requirements for association budgets;  
106 revising applicability; revising requirements for the  
107 use of reserve funds for a purpose other than  
108 authorized reverse expenditures; requiring certain  
109 associations to periodically have a study conducted  
110 relating to required reserves after a specified date;  
111 requiring boards to annually review the results of  
112 such study to determine if reserves are sufficient;  
113 requiring the division to adopt rules; providing  
114 requirements for the reserve study; requiring that  
115 budgets include specified disclosures relating to



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116 reserve funds under certain circumstances on or after  
117 a specified date; restating requirements for  
118 associations relating to milestone inspections;  
119 amending s. 719.107, F.S.; authorizing boards to adopt  
120 a special assessment or borrow money for certain  
121 reasons without unit owner approval; amending s.  
122 719.301, F.S.; requiring developers to deliver a  
123 turnover inspection report relating to cooperative  
124 property under certain circumstances; requiring  
125 developers to deliver a copy of certain reserve  
126 studies and statements when relinquishing control of  
127 an association; amending s. 719.503, F.S.; revising  
128 the documents that must be delivered to a prospective  
129 buyer or lessee of a residential unit; revising  
130 nondeveloper disclosure requirements; amending s.  
131 719.504, F.S.; revising requirements for prospectuses  
132 and offering circulars; amending ss. 558.002, 718.116,  
133 718.121, 718.706, and 720.3085, F.S.; conforming  
134 cross-references; reenacting s. 719.1255, F.S.,  
135 relating to alternative resolution of disputes, to  
136 incorporate the amendment made to s. 718.1255, F.S.,  
137 in a reference thereto; providing an effective date.

138

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

140

141 Section 1. Section 553.899, Florida Statutes, is created to  
142 read:

143 553.899 Mandatory structural inspections for multifamily  
144 residential buildings.-



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145       (1) The Legislature finds that maintaining the structural  
146 integrity of a building throughout its service life is of  
147 paramount importance in order to ensure that buildings are  
148 structurally sound so as to not pose a threat to the public  
149 health, safety, or welfare. As such, the Legislature finds that  
150 the imposition of a statewide structural inspection program for  
151 aging multifamily residential buildings in this state is  
152 necessary to ensure that such buildings are safe for continued  
153 use.

154       (2) As used in this section, the term "milestone  
155 inspection" means a structural inspection of a building,  
156 including an inspection of load-bearing walls and the primary  
157 structural members and primary structural systems as those terms  
158 are defined in s. 627.706, by a licensed architect or engineer  
159 authorized to practice in this state for the purposes of  
160 attesting to the life safety and adequacy of the structural  
161 components of the building and, to the extent reasonably  
162 possible, determining the general structural condition of the  
163 building as it affects the safety of such building, including a  
164 determination of any necessary maintenance, repair, or  
165 replacement of any structural component of the building. The  
166 purpose of such inspection is not to determine if the condition  
167 of an existing building is in compliance with the Florida  
168 Building Code or the firesafety code.

169       (3) The owner of a multifamily residential building that is  
170 three stories or more in height must have a milestone inspection  
171 performed by December 31 of the year in which the building  
172 reaches 30 years of age, based on the date the certificate of  
173 occupancy for the building was issued, and every 10 years



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174 thereafter. The owner of a multifamily residential building that  
175 is three stories or more in height and is located within 3 miles  
176 of a coastline as defined in s. 376.031 must have a milestone  
177 inspection performed by December 31 of the year in which the  
178 building reaches 20 years of age, based on the date the  
179 certificate of occupancy for the building was issued, and every  
180 7 years thereafter. If a condominium building or cooperative  
181 building is required to have a milestone inspection performed  
182 pursuant to this section, the condominium association or  
183 cooperative association must arrange for the milestone  
184 inspection to be performed and is responsible for ensuring  
185 compliance with the requirements of this section. The building  
186 owner or condominium association or cooperative association is  
187 responsible for all costs associated with the inspection. This  
188 subsection does not apply to a two-family or three-family  
189 dwelling with three or fewer habitable stories above ground.

190 (4) If a milestone inspection is required under this  
191 section and the building's certificate of occupancy was issued  
192 on or before July 1, 1992, the building's initial milestone  
193 inspection must be performed before December 31, 2024.

194 (5) A milestone inspection consists of two phases:

195 (a) For phase one of the milestone inspection, a licensed  
196 architect or engineer authorized to practice in this state shall  
197 perform a visual examination of habitable and nonhabitable areas  
198 of a building, including the major structural components of a  
199 building, and provide a qualitative assessment of the structural  
200 conditions of the building. Surface imperfections such as  
201 cracks, distortion, sagging, deflections, misalignment, signs of  
202 leakage, or peeling of finishes are not considered signs of



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203 structural distress unless the architect or engineer performing  
204 the inspection determines that such surface imperfections are a  
205 sign of structural distress. If the architect or engineer finds  
206 no signs of structural distress to any building components under  
207 visual examination, phase two of the inspection, as provided in  
208 paragraph (b), is not required. An architect or engineer who  
209 completes a phase one milestone inspection shall prepare and  
210 submit an inspection report pursuant to subsection (6).

211 (b) A phase two of the milestone inspection must be  
212 performed if any structural distress is identified during phase  
213 one. The inspector in charge of a phase two inspection must be a  
214 licensed engineer or licensed architect who has a minimum of 5  
215 years of experience designing the primary structural components  
216 of buildings and a minimum of 5 years of experience inspecting  
217 structural components of existing buildings of a similar size,  
218 scope, and type of construction. A phase two inspection may  
219 involve destructive or nondestructive testing at the inspector's  
220 direction. The inspection may be as extensive or as limited as  
221 necessary to fully assess areas of structural distress in order  
222 to confirm that the building is structurally sound and safe for  
223 its intended use and to recommend a program for fully assessing  
224 and repairing distressed and damaged portions of the building.  
225 When determining testing locations, the inspector must give  
226 preference to locations that are the least disruptive and most  
227 easily repairable while still being representative of the  
228 structure. An inspector who completes a phase two milestone  
229 inspection shall prepare and submit an inspection report  
230 pursuant to subsection (6).

231 (6) Upon completion of a phase one or phase two milestone





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232 inspection, the architect or engineer who performed the  
233 inspection must submit a sealed copy of the inspection report  
234 with a separate summary of, at minimum, the material findings  
235 and recommendations in the inspection report to the building  
236 owner or, if the building is a condominium or cooperative, to  
237 the condominium association or cooperative association, and to  
238 the building official of the local government which has  
239 jurisdiction. For a milestone inspection of a building that is a  
240 condominium or cooperative, the association must distribute a  
241 copy of the inspector-prepared summary of the inspection report  
242 to each condominium unit owner or cooperative unit owner,  
243 regardless of the findings or recommendations in the report, by  
244 United States mail or personal delivery; must post a copy of the  
245 inspector-prepared summary in a conspicuous place on the  
246 condominium or cooperative property; and must publish the full  
247 report and inspector-prepared summary on the association's  
248 website, if the association is required to have a website.

249 (7) A local enforcement agency may prescribe timelines and  
250 penalties with respect to compliance with this section.

251 (8) The commission shall develop comprehensive structural  
252 and life safety standards for maintaining and inspecting  
253 buildings and structures in this state that are three stories or  
254 more in height by December 31, 2022. The standards are in  
255 addition to those provided in this section and must be made  
256 available for local governments to adopt at their discretion.

257 Section 2. Present subsections (1) through (30) of section  
258 718.103, Florida Statutes, are redesignated as subsections (2)  
259 through (31), respectively, and a new subsection (1) is added to  
260 that section, to read:



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261           718.103 Definitions.—As used in this chapter, the term:  
262           (1) "Alternative funding method" means a method for the  
263 funding of a reserve account by other than an assessment or  
264 special assessment which may reasonably be expected to fully  
265 satisfy the association's reserve funding obligations,  
266 including, but not limited to, payments into the reserve account  
267 by a developer who is offering units or any other method  
268 approved by the division.

269           Section 3. Paragraphs (a), (c), and (g) of subsection (12)  
270 and subsection (13) of section 718.111, Florida Statutes, are  
271 amended to read:

272           718.111 The association.—

273           (12) OFFICIAL RECORDS.—

274           (a) From the inception of the association, the association  
275 shall maintain each of the following items, if applicable, which  
276 constitutes the official records of the association:

277           1. A copy of the plans, permits, warranties, and other  
278 items provided by the developer under s. 718.301(4).

279           2. A photocopy of the recorded declaration of condominium  
280 of each condominium operated by the association and each  
281 amendment to each declaration.

282           3. A photocopy of the recorded bylaws of the association  
283 and each amendment to the bylaws.

284           4. A certified copy of the articles of incorporation of the  
285 association, or other documents creating the association, and  
286 each amendment thereto.

287           5. A copy of the current rules of the association.

288           6. A book or books that contain the minutes of all meetings  
289 of the association, the board of administration, and the unit



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290 owners.

291 7. A current roster of all unit owners and their mailing  
292 addresses, unit identifications, voting certifications, and, if  
293 known, telephone numbers. The association shall also maintain  
294 the e-mail addresses and facsimile numbers of unit owners  
295 consenting to receive notice by electronic transmission. The e-  
296 mail addresses and facsimile numbers are not accessible to unit  
297 owners if consent to receive notice by electronic transmission  
298 is not provided in accordance with sub-subparagraph (c)3.e.  
299 However, the association is not liable for an inadvertent  
300 disclosure of the e-mail address or facsimile number for  
301 receiving electronic transmission of notices.

302 8. All current insurance policies of the association and  
303 condominiums operated by the association.

304 9. A current copy of any management agreement, lease, or  
305 other contract to which the association is a party or under  
306 which the association or the unit owners have an obligation or  
307 responsibility.

308 10. Bills of sale or transfer for all property owned by the  
309 association.

310 11. Accounting records for the association and separate  
311 accounting records for each condominium that the association  
312 operates. Any person who knowingly or intentionally defaces or  
313 destroys such records, or who knowingly or intentionally fails  
314 to create or maintain such records, with the intent of causing  
315 harm to the association or one or more of its members, is  
316 personally subject to a civil penalty pursuant to s.  
317 718.501(1)(d). The accounting records must include, but are not  
318 limited to:



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319 a. Accurate, itemized, and detailed records of all receipts  
320 and expenditures.

321 b. A current account and a monthly, bimonthly, or quarterly  
322 statement of the account for each unit designating the name of  
323 the unit owner, the due date and amount of each assessment, the  
324 amount paid on the account, and the balance due.

325 c. All audits, reviews, accounting statements, reserve  
326 studies and reserve funding plans, and financial reports of the  
327 association or condominium.

328 d. All contracts for work to be performed. Bids for work to  
329 be performed are also considered official records and must be  
330 maintained by the association for at least 1 year after receipt  
331 of the bid.

332 12. Ballots, sign-in sheets, voting proxies, and all other  
333 papers and electronic records relating to voting by unit owners,  
334 which must be maintained for 1 year from the date of the  
335 election, vote, or meeting to which the document relates,  
336 notwithstanding paragraph (b).

337 13. All rental records if the association is acting as  
338 agent for the rental of condominium units.

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

341 15. A copy of the inspection reports ~~report~~ as described in  
342 ss. 553.899 and 718.301(4) (p) and any other inspection report  
343 relating to a structural or life safety inspection of  
344 condominium property. Such record must be maintained by the  
345 association for 15 years after receipt of the report s-  
346 718.301(4) (p).

347 16. Bids for materials, equipment, or services.



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348 17. All affirmative acknowledgments made pursuant to s.  
349 718.121(4)(c).

350 18. All other written records of the association not  
351 specifically included in the foregoing which are related to the  
352 operation of the association.

353 (c)1. The official records of the association are open to  
354 inspection by any association member or the authorized  
355 representative of such member at all reasonable times. The right  
356 to inspect the records includes the right to make or obtain  
357 copies, at the reasonable expense, if any, of the member or  
358 authorized representative of such member. A renter of a unit has  
359 a right to inspect and copy only the declaration of condominium,  
360 ~~and~~ the association's bylaws and rules, and the inspection  
361 reports described in ss. 553.899 and 718.301(4)(p). The  
362 association may adopt reasonable rules regarding the frequency,  
363 time, location, notice, and manner of record inspections and  
364 copying but may not require a member to demonstrate any purpose  
365 or state any reason for the inspection. The failure of an  
366 association to provide the records within 10 working days after  
367 receipt of a written request creates a rebuttable presumption  
368 that the association willfully failed to comply with this  
369 paragraph. A unit owner who is denied access to official records  
370 is entitled to the actual damages or minimum damages for the  
371 association's willful failure to comply. Minimum damages are \$50  
372 per calendar day for up to 10 days, beginning on the 11th  
373 working day after receipt of the written request. The failure to  
374 permit inspection entitles any person prevailing in an  
375 enforcement action to recover reasonable attorney fees from the  
376 person in control of the records who, directly or indirectly,



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377 knowingly denied access to the records.

378         2. Any person who knowingly or intentionally defaces or  
379 destroys accounting records that are required by this chapter to  
380 be maintained during the period for which such records are  
381 required to be maintained, or who knowingly or intentionally  
382 fails to create or maintain accounting records that are required  
383 to be created or maintained, with the intent of causing harm to  
384 the association or one or more of its members, is personally  
385 subject to a civil penalty pursuant to s. 718.501(1)(d).

386         3. The association shall maintain an adequate number of  
387 copies of the declaration, articles of incorporation, bylaws,  
388 and rules, and all amendments to each of the foregoing, as well  
389 as the question and answer sheet as described in s. 718.504 and  
390 year-end financial information required under this section, on  
391 the condominium property to ensure their availability to unit  
392 owners and prospective purchasers, and may charge its actual  
393 costs for preparing and furnishing these documents to those  
394 requesting the documents. An association shall allow a member or  
395 his or her authorized representative to use a portable device,  
396 including a smartphone, tablet, portable scanner, or any other  
397 technology capable of scanning or taking photographs, to make an  
398 electronic copy of the official records in lieu of the  
399 association's providing the member or his or her authorized  
400 representative with a copy of such records. The association may  
401 not charge a member or his or her authorized representative for  
402 the use of a portable device. Notwithstanding this paragraph,  
403 the following records are not accessible to unit owners:

404         a. Any record protected by the lawyer-client privilege as  
405 described in s. 90.502 and any record protected by the work-



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406 product privilege, including a record prepared by an association  
407 attorney or prepared at the attorney's express direction, which  
408 reflects a mental impression, conclusion, litigation strategy,  
409 or legal theory of the attorney or the association, and which  
410 was prepared exclusively for civil or criminal litigation or for  
411 adversarial administrative proceedings, or which was prepared in  
412 anticipation of such litigation or proceedings until the  
413 conclusion of the litigation or proceedings.

414 b. Information obtained by an association in connection  
415 with the approval of the lease, sale, or other transfer of a  
416 unit.

417 c. Personnel records of association or management company  
418 employees, including, but not limited to, disciplinary, payroll,  
419 health, and insurance records. For purposes of this sub-  
420 subparagraph, the term "personnel records" does not include  
421 written employment agreements with an association employee or  
422 management company, or budgetary or financial records that  
423 indicate the compensation paid to an association employee.

424 d. Medical records of unit owners.

425 e. Social security numbers, driver license numbers, credit  
426 card numbers, e-mail addresses, telephone numbers, facsimile  
427 numbers, emergency contact information, addresses of a unit  
428 owner other than as provided to fulfill the association's notice  
429 requirements, and other personal identifying information of any  
430 person, excluding the person's name, unit designation, mailing  
431 address, property address, and any address, e-mail address, or  
432 facsimile number provided to the association to fulfill the  
433 association's notice requirements. Notwithstanding the  
434 restrictions in this sub-subparagraph, an association may print



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435 and distribute to unit owners a directory containing the name,  
436 unit address, and all telephone numbers of each unit owner.  
437 However, an owner may exclude his or her telephone numbers from  
438 the directory by so requesting in writing to the association. An  
439 owner may consent in writing to the disclosure of other contact  
440 information described in this sub-subparagraph. The association  
441 is not liable for the inadvertent disclosure of information that  
442 is protected under this sub-subparagraph if the information is  
443 included in an official record of the association and is  
444 voluntarily provided by an owner and not requested by the  
445 association.

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

448 g. The software and operating system used by the  
449 association which allow the manipulation of data, even if the  
450 owner owns a copy of the same software used by the association.  
451 The data is part of the official records of the association.

452 h. All affirmative acknowledgments made pursuant to s.  
453 718.121(4)(c).

454 (g)1. By January 1, 2019, an association managing a  
455 condominium with 150 or more units which does not contain  
456 timeshare units shall post digital copies of the documents  
457 specified in subparagraph 2. on its website or make such  
458 documents available through an application that can be  
459 downloaded on a mobile device.

460 a. The association's website or application must be:

461 (I) An independent website, application, or web portal  
462 wholly owned and operated by the association; or

463 (II) A website, application, or web portal operated by a





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464 third-party provider with whom the association owns, leases,  
465 rents, or otherwise obtains the right to operate a web page,  
466 subpage, web portal, collection of subpages or web portals, or  
467 an application which is dedicated to the association's  
468 activities and on which required notices, records, and documents  
469 may be posted or made available by the association.

470 b. The association's website or application must be  
471 accessible through the Internet and must contain a subpage, web  
472 portal, or other protected electronic location that is  
473 inaccessible to the general public and accessible only to unit  
474 owners and employees of the association.

475 c. Upon a unit owner's written request, the association  
476 must provide the unit owner with a username and password and  
477 access to the protected sections of the association's website or  
478 application which contain any notices, records, or documents  
479 that must be electronically provided.

480 2. A current copy of the following documents must be posted  
481 in digital format on the association's website or application:

482 a. The recorded declaration of condominium of each  
483 condominium operated by the association and each amendment to  
484 each declaration.

485 b. The recorded bylaws of the association and each  
486 amendment to the bylaws.

487 c. The articles of incorporation of the association, or  
488 other documents creating the association, and each amendment to  
489 the articles of incorporation or other documents. The copy  
490 posted pursuant to this sub-subparagraph must be a copy of the  
491 articles of incorporation filed with the Department of State.

492 d. The rules of the association.



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493 e. A list of all executory contracts or documents to which  
494 the association is a party or under which the association or the  
495 unit owners have an obligation or responsibility and, after  
496 bidding for the related materials, equipment, or services has  
497 closed, a list of bids received by the association within the  
498 past year. Summaries of bids for materials, equipment, or  
499 services which exceed \$500 must be maintained on the website or  
500 application for 1 year. In lieu of summaries, complete copies of  
501 the bids may be posted.

502 f. The annual budget required by s. 718.112(2)(f) and any  
503 proposed budget to be considered at the annual meeting.

504 g. The financial report required by subsection (13) and any  
505 monthly income or expense statement to be considered at a  
506 meeting.

507 h. The certification of each director required by s.  
508 718.112(2)(d)4.b.

509 i. All contracts or transactions between the association  
510 and any director, officer, corporation, firm, or association  
511 that is not an affiliated condominium association or any other  
512 entity in which an association director is also a director or  
513 officer and financially interested.

514 j. Any contract or document regarding a conflict of  
515 interest or possible conflict of interest as provided in ss.  
516 468.436(2)(b)6. and 718.3027(3).

517 k. The notice of any unit owner meeting and the agenda for  
518 the meeting, as required by s. 718.112(2)(d)3., no later than 14  
519 days before the meeting. The notice must be posted in plain view  
520 on the front page of the website or application, or on a  
521 separate subpage of the website or application labeled "Notices"



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522 which is conspicuously visible and linked from the front page.  
523 The association must also post on its website or application any  
524 document to be considered and voted on by the owners during the  
525 meeting or any document listed on the agenda at least 7 days  
526 before the meeting at which the document or the information  
527 within the document will be considered.

528 1. Notice of any board meeting, the agenda, and any other  
529 document required for the meeting as required by s.  
530 718.112(2)(c), which must be posted no later than the date  
531 required for notice under s. 718.112(2)(c).

532 m. The inspection reports described in ss. 553.899 and  
533 718.301(4)(p) and any other inspection report relating to a  
534 structural or life safety inspection of condominium property.

535 n. The reserve study required under s. 718.112(2).

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

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

549 4. The failure of the association to post information  
550 required under subparagraph 2. is not in and of itself



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551 sufficient to invalidate any action or decision of the  
552 association's board or its committees.

553 (13) FINANCIAL REPORTING.—Within 90 days after the end of  
554 the fiscal year, or annually on a date provided in the bylaws,  
555 the association shall prepare and complete, or contract for the  
556 preparation and completion of, a financial report for the  
557 preceding fiscal year. Within 21 days after the final financial  
558 report is completed by the association or received from the  
559 third party, but not later than 120 days after the end of the  
560 fiscal year or other date as provided in the bylaws, the  
561 association shall mail to each unit owner at the address last  
562 furnished to the association by the unit owner, or hand deliver  
563 to each unit owner, a copy of the most recent financial report  
564 or a notice that a copy of the most recent financial report will  
565 be mailed or hand delivered to the unit owner, without charge,  
566 within 5 business days after receipt of a written request from  
567 the unit owner. The division shall adopt rules setting forth  
568 uniform accounting principles and standards to be used by all  
569 associations and addressing the financial reporting requirements  
570 for multicondominium associations. The rules must include, but  
571 not be limited to, standards for presenting a summary of  
572 association reserves, including a good faith estimate disclosing  
573 the annual amount of reserve funds that would be necessary for  
574 the association to fully fund reserves for each reserve item  
575 based on the straight-line ~~accounting~~ method or to fully fund  
576 reserves based on the pooling method. ~~This disclosure is not~~  
577 ~~applicable to reserves funded via the pooling method.~~ In  
578 adopting such rules, the division shall consider the number of  
579 members and annual revenues of an association. Financial reports



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580 shall be prepared as follows:

581 (a) An association that meets the criteria of this  
582 paragraph shall prepare a complete set of financial statements  
583 in accordance with generally accepted accounting principles. The  
584 financial statements must be based upon the association's total  
585 annual revenues, as follows:

586 1. An association with total annual revenues of \$150,000 or  
587 more, but less than \$300,000, shall prepare compiled financial  
588 statements.

589 2. An association with total annual revenues of at least  
590 \$300,000, but less than \$500,000, shall prepare reviewed  
591 financial statements.

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

594 (b)1. An association with total annual revenues of less  
595 than \$150,000 shall prepare a report of cash receipts and  
596 expenditures.

597 2. A report of cash receipts and disbursements must  
598 disclose the amount of receipts by accounts and receipt  
599 classifications and the amount of expenses by accounts and  
600 expense classifications, including, but not limited to, the  
601 following, as applicable: costs for security, professional and  
602 management fees and expenses, taxes, costs for recreation  
603 facilities, expenses for refuse collection and utility services,  
604 expenses for lawn care, costs for building maintenance and  
605 repair, insurance costs, administration and salary expenses, and  
606 reserves accumulated and expended for capital expenditures,  
607 deferred maintenance, and any other category for which the  
608 association maintains reserves.



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609 (c) An association may prepare, without a meeting of or  
610 approval by the unit owners:

611 1. Compiled, reviewed, or audited financial statements, if  
612 the association is required to prepare a report of cash receipts  
613 and expenditures;

614 2. Reviewed or audited financial statements, if the  
615 association is required to prepare compiled financial  
616 statements; or

617 3. Audited financial statements if the association is  
618 required to prepare reviewed financial statements.

619 (d) If approved by a majority of the voting interests  
620 present at a properly called meeting of the association, an  
621 association may prepare:

622 1. A report of cash receipts and expenditures in lieu of a  
623 compiled, reviewed, or audited financial statement;

624 2. A report of cash receipts and expenditures or a compiled  
625 financial statement in lieu of a reviewed or audited financial  
626 statement; or

627 3. A report of cash receipts and expenditures, a compiled  
628 financial statement, or a reviewed financial statement in lieu  
629 of an audited financial statement.

630

631 Such meeting and approval must occur before the end of the  
632 fiscal year and is effective only for the fiscal year in which  
633 the vote is taken, except that the approval may also be  
634 effective for the following fiscal year. If the developer has  
635 not turned over control of the association, all unit owners,  
636 including the developer, may vote on issues related to the  
637 preparation of the association's financial reports, from the



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638 date of incorporation of the association through the end of the  
639 second fiscal year after the fiscal year in which the  
640 certificate of a surveyor and mapper is recorded pursuant to s.  
641 718.104(4) (e) or an instrument that transfers title to a unit in  
642 the condominium which is not accompanied by a recorded  
643 assignment of developer rights in favor of the grantee of such  
644 unit is recorded, whichever occurs first. Thereafter, all unit  
645 owners except the developer may vote on such issues until  
646 control is turned over to the association by the developer. Any  
647 audit or review prepared under this section shall be paid for by  
648 the developer if done before turnover of control of the  
649 association.

650 (e) A unit owner may provide written notice to the division  
651 of the association's failure to mail or hand deliver him or her  
652 a copy of the most recent financial report within 5 business  
653 days after he or she submitted a written request to the  
654 association for a copy of such report. If the division  
655 determines that the association failed to mail or hand deliver a  
656 copy of the most recent financial report to the unit owner, the  
657 division shall provide written notice to the association that  
658 the association must mail or hand deliver a copy of the most  
659 recent financial report to the unit owner and the division  
660 within 5 business days after it receives such notice from the  
661 division. An association that fails to comply with the  
662 division's request may not waive the financial reporting  
663 requirement provided in paragraph (d) for the fiscal year in  
664 which the unit owner's request was made and the following fiscal  
665 year. A financial report received by the division pursuant to  
666 this paragraph shall be maintained, and the division shall



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667 provide a copy of such report to an association member upon his  
668 or her request.

669 Section 4. Paragraphs (d) and (f) of subsection (2) of  
670 section 718.112, Florida Statutes, are amended, and paragraph  
671 (p) is added to that subsection, to read:

672 718.112 Bylaws.—

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

676 (d) *Unit owner meetings.*—

677 1. An annual meeting of the unit owners must be held at the  
678 location provided in the association bylaws and, if the bylaws  
679 are silent as to the location, the meeting must be held within  
680 45 miles of the condominium property. However, such distance  
681 requirement does not apply to an association governing a  
682 timeshare condominium.

683 2. Unless the bylaws provide otherwise, a vacancy on the  
684 board caused by the expiration of a director's term must be  
685 filled by electing a new board member, and the election must be  
686 by secret ballot. An election is not required if the number of  
687 vacancies equals or exceeds the number of candidates. For  
688 purposes of this paragraph, the term "candidate" means an  
689 eligible person who has timely submitted the written notice, as  
690 described in sub-subparagraph 4.a., of his or her intention to  
691 become a candidate. Except in a timeshare or nonresidential  
692 condominium, or if the staggered term of a board member does not  
693 expire until a later annual meeting, or if all members' terms  
694 would otherwise expire but there are no candidates, the terms of  
695 all board members expire at the annual meeting, and such members





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696 may stand for reelection unless prohibited by the bylaws. Board  
697 members may serve terms longer than 1 year if permitted by the  
698 bylaws or articles of incorporation. A board member may not  
699 serve more than 8 consecutive years unless approved by an  
700 affirmative vote of unit owners representing two-thirds of all  
701 votes cast in the election or unless there are not enough  
702 eligible candidates to fill the vacancies on the board at the  
703 time of the vacancy. Only board service that occurs on or after  
704 July 1, 2018, may be used when calculating a board member's term  
705 limit. If the number of board members whose terms expire at the  
706 annual meeting equals or exceeds the number of candidates, the  
707 candidates become members of the board effective upon the  
708 adjournment of the annual meeting. Unless the bylaws provide  
709 otherwise, any remaining vacancies shall be filled by the  
710 affirmative vote of the majority of the directors making up the  
711 newly constituted board even if the directors constitute less  
712 than a quorum or there is only one director. In a residential  
713 condominium association of more than 10 units or in a  
714 residential condominium association that does not include  
715 timeshare units or timeshare interests, co-owners of a unit may  
716 not serve as members of the board of directors at the same time  
717 unless they own more than one unit or unless there are not  
718 enough eligible candidates to fill the vacancies on the board at  
719 the time of the vacancy. A unit owner in a residential  
720 condominium desiring to be a candidate for board membership must  
721 comply with sub-subparagraph 4.a. and must be eligible to be a  
722 candidate to serve on the board of directors at the time of the  
723 deadline for submitting a notice of intent to run in order to  
724 have his or her name listed as a proper candidate on the ballot



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725 or to serve on the board. A person who has been suspended or  
726 removed by the division under this chapter, or who is delinquent  
727 in the payment of any assessment due to the association, is not  
728 eligible to be a candidate for board membership and may not be  
729 listed on the ballot. For purposes of this paragraph, a person  
730 is delinquent if a payment is not made by the due date as  
731 specifically identified in the declaration of condominium,  
732 bylaws, or articles of incorporation. If a due date is not  
733 specifically identified in the declaration of condominium,  
734 bylaws, or articles of incorporation, the due date is the first  
735 day of the assessment period. A person who has been convicted of  
736 any felony in this state or in a United States District or  
737 Territorial Court, or who has been convicted of any offense in  
738 another jurisdiction which would be considered a felony if  
739 committed in this state, is not eligible for board membership  
740 unless such felon's civil rights have been restored for at least  
741 5 years as of the date such person seeks election to the board.  
742 The validity of an action by the board is not affected if it is  
743 later determined that a board member is ineligible for board  
744 membership due to having been convicted of a felony. This  
745 subparagraph does not limit the term of a member of the board of  
746 a nonresidential or timeshare condominium.

747 3. The bylaws must provide the method of calling meetings  
748 of unit owners, including annual meetings. Written notice of an  
749 annual meeting must include an agenda; be mailed, hand  
750 delivered, or electronically transmitted to each unit owner at  
751 least 14 days before the annual meeting; and be posted in a  
752 conspicuous place on the condominium property or association  
753 property at least 14 continuous days before the annual meeting.



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754 Written notice of a meeting other than an annual meeting must  
755 include an agenda; be mailed, hand delivered, or electronically  
756 transmitted to each unit owner; and be posted in a conspicuous  
757 place on the condominium property or association property within  
758 the timeframe specified in the bylaws. If the bylaws do not  
759 specify a timeframe for written notice of a meeting other than  
760 an annual meeting, notice must be provided at least 14  
761 continuous days before the meeting. Upon notice to the unit  
762 owners, the board shall, by duly adopted rule, designate a  
763 specific location on the condominium property or association  
764 property where all notices of unit owner meetings must be  
765 posted. This requirement does not apply if there is no  
766 condominium property for posting notices. In lieu of, or in  
767 addition to, the physical posting of meeting notices, the  
768 association may, by reasonable rule, adopt a procedure for  
769 conspicuously posting and repeatedly broadcasting the notice and  
770 the agenda on a closed-circuit cable television system serving  
771 the condominium association. However, if broadcast notice is  
772 used in lieu of a notice posted physically on the condominium  
773 property, the notice and agenda must be broadcast at least four  
774 times every broadcast hour of each day that a posted notice is  
775 otherwise required under this section. If broadcast notice is  
776 provided, the notice and agenda must be broadcast in a manner  
777 and for a sufficient continuous length of time so as to allow an  
778 average reader to observe the notice and read and comprehend the  
779 entire content of the notice and the agenda. In addition to any  
780 of the authorized means of providing notice of a meeting of the  
781 board, the association may, by rule, adopt a procedure for  
782 conspicuously posting the meeting notice and the agenda on a



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783 website serving the condominium association for at least the  
784 minimum period of time for which a notice of a meeting is also  
785 required to be physically posted on the condominium property.  
786 Any rule adopted shall, in addition to other matters, include a  
787 requirement that the association send an electronic notice in  
788 the same manner as a notice for a meeting of the members, which  
789 must include a hyperlink to the website where the notice is  
790 posted, to unit owners whose e-mail addresses are included in  
791 the association's official records. Unless a unit owner waives  
792 in writing the right to receive notice of the annual meeting,  
793 such notice must be hand delivered, mailed, or electronically  
794 transmitted to each unit owner. Notice for meetings and notice  
795 for all other purposes must be mailed to each unit owner at the  
796 address last furnished to the association by the unit owner, or  
797 hand delivered to each unit owner. However, if a unit is owned  
798 by more than one person, the association must provide notice to  
799 the address that the developer identifies for that purpose and  
800 thereafter as one or more of the owners of the unit advise the  
801 association in writing, or if no address is given or the owners  
802 of the unit do not agree, to the address provided on the deed of  
803 record. An officer of the association, or the manager or other  
804 person providing notice of the association meeting, must provide  
805 an affidavit or United States Postal Service certificate of  
806 mailing, to be included in the official records of the  
807 association affirming that the notice was mailed or hand  
808 delivered in accordance with this provision.

809         4. The members of the board of a residential condominium  
810 shall be elected by written ballot or voting machine. Proxies  
811 may not be used in electing the board in general elections or



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812 elections to fill vacancies caused by recall, resignation, or  
813 otherwise, unless otherwise provided in this chapter. This  
814 subparagraph does not apply to an association governing a  
815 timeshare condominium.

816       a. At least 60 days before a scheduled election, the  
817 association shall mail, deliver, or electronically transmit, by  
818 separate association mailing or included in another association  
819 mailing, delivery, or transmission, including regularly  
820 published newsletters, to each unit owner entitled to a vote, a  
821 first notice of the date of the election. A unit owner or other  
822 eligible person desiring to be a candidate for the board must  
823 give written notice of his or her intent to be a candidate to  
824 the association at least 40 days before a scheduled election.  
825 Together with the written notice and agenda as set forth in  
826 subparagraph 3., the association shall mail, deliver, or  
827 electronically transmit a second notice of the election to all  
828 unit owners entitled to vote, together with a ballot that lists  
829 all candidates not less than 14 days or more than 34 days before  
830 the date of the election. Upon request of a candidate, an  
831 information sheet, no larger than 8 1/2 inches by 11 inches,  
832 which must be furnished by the candidate at least 35 days before  
833 the election, must be included with the mailing, delivery, or  
834 transmission of the ballot, with the costs of mailing, delivery,  
835 or electronic transmission and copying to be borne by the  
836 association. The association is not liable for the contents of  
837 the information sheets prepared by the candidates. In order to  
838 reduce costs, the association may print or duplicate the  
839 information sheets on both sides of the paper. The division  
840 shall by rule establish voting procedures consistent with this



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841 sub-subparagraph, including rules establishing procedures for  
842 giving notice by electronic transmission and rules providing for  
843 the secrecy of ballots. Elections shall be decided by a  
844 plurality of ballots cast. There is no quorum requirement;  
845 however, at least 20 percent of the eligible voters must cast a  
846 ballot in order to have a valid election. A unit owner may not  
847 authorize any other person to vote his or her ballot, and any  
848 ballots improperly cast are invalid. A unit owner who violates  
849 this provision may be fined by the association in accordance  
850 with s. 718.303. A unit owner who needs assistance in casting  
851 the ballot for the reasons stated in s. 101.051 may obtain such  
852 assistance. The regular election must occur on the date of the  
853 annual meeting. Notwithstanding this sub-subparagraph, an  
854 election is not required unless more candidates file notices of  
855 intent to run or are nominated than board vacancies exist.

856 b. Within 90 days after being elected or appointed to the  
857 board of an association of a residential condominium, each newly  
858 elected or appointed director shall do both of the following:

859 (I) Certify by affidavit ~~in writing~~ to the secretary of the  
860 association that he or she has read the association's  
861 declaration of condominium, articles of incorporation, bylaws,  
862 and current written policies; that he or she will work to uphold  
863 such documents and policies to the best of his or her ability;  
864 and that he or she will faithfully discharge his or her  
865 fiduciary responsibility to the association's members. ~~In lieu~~  
866 ~~of this written certification, within 90 days after being~~  
867 ~~elected or appointed to the board, the newly elected or~~  
868 ~~appointed director may~~

869 (II) Submit a certificate of having satisfactorily



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870 completed the educational curriculum administered by a division-  
871 approved condominium education provider within 1 year before or  
872 90 days after the date of election or appointment. The affidavit  
873 and ~~written certification or~~ educational certificate is valid  
874 and does not have to be resubmitted as long as the director  
875 serves on the board without interruption.

876

877 A director of an association of a residential condominium who  
878 fails to timely file the affidavit and ~~written certification or~~  
879 educational certificate is suspended from service on the board  
880 until he or she complies with this sub-subparagraph. The board  
881 may temporarily fill the vacancy during the period of  
882 suspension. The secretary shall require ~~cause~~ the association to  
883 retain a director's affidavit and ~~written certification or~~  
884 educational certificate for inspection by the members for 5  
885 years after a director's election or the duration of the  
886 director's uninterrupted tenure, whichever is longer. Failure to  
887 have such affidavit and ~~written certification or~~ educational  
888 certificate on file does not affect the validity of any board  
889 action.

890 c. Any challenge to the election process must be commenced  
891 within 60 days after the election results are announced.

892 5. Any approval by unit owners called for by this chapter  
893 or the applicable declaration or bylaws, including, but not  
894 limited to, the approval requirement in s. 718.111(8), must be  
895 made at a duly noticed meeting of unit owners and is subject to  
896 all requirements of this chapter or the applicable condominium  
897 documents relating to unit owner decisionmaking, except that  
898 unit owners may take action by written agreement, without



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899 meetings, on matters for which action by written agreement  
900 without meetings is expressly allowed by the applicable bylaws  
901 or declaration or any law that provides for such action.

902         6. Unit owners may waive notice of specific meetings if  
903 allowed by the applicable bylaws or declaration or any law.  
904 Notice of meetings of the board of administration, unit owner  
905 meetings, except unit owner meetings called to recall board  
906 members under paragraph (j), and committee meetings may be given  
907 by electronic transmission to unit owners who consent to receive  
908 notice by electronic transmission. A unit owner who consents to  
909 receiving notices by electronic transmission is solely  
910 responsible for removing or bypassing filters that block receipt  
911 of mass e-mails sent to members on behalf of the association in  
912 the course of giving electronic notices.

913         7. Unit owners have the right to participate in meetings of  
914 unit owners with reference to all designated agenda items.  
915 However, the association may adopt reasonable rules governing  
916 the frequency, duration, and manner of unit owner participation.

917         8. A unit owner may tape record or videotape a meeting of  
918 the unit owners subject to reasonable rules adopted by the  
919 division.

920         9. Unless otherwise provided in the bylaws, any vacancy  
921 occurring on the board before the expiration of a term may be  
922 filled by the affirmative vote of the majority of the remaining  
923 directors, even if the remaining directors constitute less than  
924 a quorum, or by the sole remaining director. In the alternative,  
925 a board may hold an election to fill the vacancy, in which case  
926 the election procedures must conform to sub-subparagraph 4.a.  
927 unless the association governs 10 units or fewer and has opted





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928 out of the statutory election process, in which case the bylaws  
929 of the association control. Unless otherwise provided in the  
930 bylaws, a board member appointed or elected under this section  
931 shall fill the vacancy for the unexpired term of the seat being  
932 filled. Filling vacancies created by recall is governed by  
933 paragraph (j) and rules adopted by the division.

934 10. This chapter does not limit the use of general or  
935 limited proxies, require the use of general or limited proxies,  
936 or require the use of a written ballot or voting machine for any  
937 agenda item or election at any meeting of a timeshare  
938 condominium association or nonresidential condominium  
939 association.

940  
941 Notwithstanding subparagraph (b)2. and sub-subparagraph 4.a., an  
942 association of 10 or fewer units may, by affirmative vote of a  
943 majority of the total voting interests, provide for different  
944 voting and election procedures in its bylaws, which may be by a  
945 proxy specifically delineating the different voting and election  
946 procedures. The different voting and election procedures may  
947 provide for elections to be conducted by limited or general  
948 proxy.

949 (f) *Annual budget.*—

950 1. The proposed annual budget of estimated revenues and  
951 expenses must be detailed and must show the amounts budgeted by  
952 accounts and expense classifications, including, at a minimum,  
953 any applicable expenses listed in s. 718.504(21). The board  
954 shall adopt the annual budget at least 14 days prior to the  
955 start of the association's fiscal year. In the event that the  
956 board fails to timely adopt the annual budget a second time, it



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957 shall be deemed a minor violation and the prior year's budget  
958 shall continue in effect until a new budget is adopted. A  
959 multicondominium association shall adopt a separate budget of  
960 common expenses for each condominium the association operates  
961 and shall adopt a separate budget of common expenses for the  
962 association. In addition, if the association maintains limited  
963 common elements with the cost to be shared only by those  
964 entitled to use the limited common elements as provided for in  
965 s. 718.113(1), the budget or a schedule attached to it must show  
966 the amount budgeted for this maintenance. If, after turnover of  
967 control of the association to the unit owners, any of the  
968 expenses listed in s. 718.504(21) are not applicable, they need  
969 not be listed.

970 2.a. In addition to annual operating expenses, the budget  
971 must include reserve accounts for capital expenditures and  
972 deferred maintenance. These accounts must include, but are not  
973 limited to, the maintenance and replacement of the condominium  
974 property identified in s. 718.301(4)(p) ~~roof replacement,~~  
975 ~~building painting, and pavement resurfacing,~~ regardless of the  
976 amount of deferred maintenance expense or replacement cost, and  
977 any other item that has a deferred maintenance expense or  
978 replacement cost that exceeds \$10,000. The amount to be reserved  
979 must be computed using a formula based upon estimated remaining  
980 useful life and estimated replacement cost or deferred  
981 maintenance expense of each reserve item. The association may  
982 adjust replacement reserve assessments annually to take into  
983 account any changes in estimates or extension of the useful life  
984 of a reserve item caused by deferred maintenance. This  
985 subsection does not apply to an adopted budget in which the



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986 members of an association have determined, by a majority vote of  
987 all the voting interests, voting in person or by proxy at a duly  
988 called meeting of the association, to provide no reserves or  
989 less reserves than required by this subsection.

990 b. Before turnover of control of an association by a  
991 developer to unit owners other than a developer pursuant to s.  
992 718.301, the developer may vote the voting interests allocated  
993 to its units to waive the reserves or reduce the funding of  
994 reserves through the period expiring at the end of the second  
995 fiscal year after the fiscal year in which the certificate of a  
996 surveyor and mapper is recorded pursuant to s. 718.104(4)(e) or  
997 an instrument that transfers title to a unit in the condominium  
998 which is not accompanied by a recorded assignment of developer  
999 rights in favor of the grantee of such unit is recorded,  
1000 whichever occurs first, after which time reserves may be waived  
1001 or reduced only upon the vote of a majority of all nondeveloper  
1002 voting interests voting in person or by limited proxy at a duly  
1003 called meeting of the association. If an association is required  
1004 to perform a reserve study under subparagraph 3., the developer  
1005 may vote to waive reserve contributions or reduce reserve  
1006 funding only if the association's reserve obligations are funded  
1007 consistent with the reserve study currently in effect or if the  
1008 association provides an alternative funding method for the  
1009 association's reserve obligations. If a meeting of the unit  
1010 owners has been called to determine whether to waive or reduce  
1011 the funding of reserves and no such result is achieved or a  
1012 quorum is not attained, the reserves included in the budget  
1013 shall go into effect. After the turnover, the developer may vote  
1014 its voting interest to waive or reduce the funding of reserves.



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1015           3. Effective January 1, 2024, unless the declaration of  
1016 condominium, articles of incorporation, or bylaws provide for a  
1017 more frequent reserve study, an association with a residential  
1018 condominium building that is three stories or more in height and  
1019 subject to the milestone inspection requirements in s. 553.899  
1020 must have a study conducted of the reserves required to  
1021 maintain, repair, replace, and restore the condominium property  
1022 identified in s. 718.301(4) (p) at least every 3 years. The board  
1023 shall review the results of such study at least annually to  
1024 determine if reserves are sufficient to meet the association's  
1025 reserve obligations and to make any adjustments the board deems  
1026 necessary to maintain reserves, as appropriate. The division  
1027 shall adopt rules setting forth uniform financial standards and  
1028 forms for reserve studies. The reserve study must include,  
1029 without limitation:

1030           a. A summary of any inspection of the major components of  
1031 the condominium property identified in s. 718.301(4) (p) and any  
1032 other portion of the condominium property that the association  
1033 is obligated to maintain, repair, replace, or restore;

1034           b. If applicable, a summary of the findings and  
1035 recommendations of the milestone inspection report required  
1036 under s. 553.899 and any other structural or life safety  
1037 inspection of the condominium property considered in the reserve  
1038 study;

1039           c. An identification of the structural components of the  
1040 building for which necessary reserves may be reasonably  
1041 projected and an identification of the structural components of  
1042 the building with an indefinite useful life for which a  
1043 reasonable determination of necessary reserves may not be



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1044 estimated;

1045 d. An estimate of the useful life of the structural  
1046 components of the building identified in s. 718.301(4) (p) for  
1047 which an estimate of useful life may be determined as attested  
1048 to by a licensed architect or engineer in the turnover  
1049 inspection required under s. 718.301(4) (p), a milestone  
1050 inspection, or any other structural or life safety inspection of  
1051 the condominium property;

1052 e. An estimate of the remaining useful life of any other  
1053 portion of the condominium property that the association is  
1054 obligated to maintain, repair, replace, or restore;

1055 f. An estimate of the cost of maintenance, repair,  
1056 replacement, or restoration of each major component of the  
1057 condominium property identified in s. 718.301(4) (p) and any  
1058 other portion of the condominium property identified pursuant to  
1059 sub-subparagraph c.;

1060 g. An estimate of the total annual assessment that may be  
1061 necessary to cover the cost of maintaining, repairing,  
1062 replacing, or restoring the major components of the condominium  
1063 property identified in s. 718.301(4) (p) and any other portion of  
1064 the condominium property identified pursuant to sub-subparagraph  
1065 c., and an estimate of the funding plan, including any  
1066 alternative funding method, which may be necessary to provide  
1067 adequate funding for the required reserves; and

1068 h. A schedule for the full funding of reserves. A reserve  
1069 account is fully funded when the actual or projected reserve  
1070 balance in the reserve account is equal in direct proportion to  
1071 the fraction of useful life for a given component or components  
1072 multiplied by the current replacement costs for the component or



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1073 components.  
1074 4. The annual budget must, at minimum:  
1075 a. Identify all items for which reserves are or will be  
1076 established;  
1077 b. Provide an estimate of the maintenance, repair, and  
1078 replacement costs for the structural components for which an  
1079 estimate of useful life may be determined;  
1080 c. Identify any structural component for which a reserve  
1081 account is not established or reserves are not funded, because  
1082 the useful life of the component cannot be determined;  
1083 d. As of the beginning of the fiscal year for which the  
1084 budget is prepared, the current amount of accumulated funds for  
1085 each reserve component or, if the pooling method is used, the  
1086 amount of the accumulated pooled funds;  
1087 e. A description of the funding plan for the reserve  
1088 funding obligations of the association, including the use of  
1089 regular assessments, special assessments, and any other  
1090 alternative funding method; and  
1091 f. A description of the procedures used for the estimation  
1092 and accumulation of reserves pursuant to this paragraph, the  
1093 identity of any independent third party who conducted the  
1094 reserve study on behalf of the association, and the extent to  
1095 which the association is funding its reserve obligations  
1096 consistent with the reserve study currently in effect.  
1097 5.3. Reserve funds and any interest accruing thereon shall  
1098 remain in the reserve account or accounts, and may be used only  
1099 for authorized reserve expenditures unless their use for other  
1100 purposes is approved in advance by a majority vote of all voting  
1101 interests, voting in person or by limited proxy at a duly called



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1102 meeting of the association; provided that the use of reserve  
1103 funds for a purpose other than authorized reserve expenditures  
1104 is authorized in the exercise of the association's emergency  
1105 powers under s. 718.1265. Before turnover of control of an  
1106 association by a developer to unit owners other than the  
1107 developer pursuant to s. 718.301, the developer-controlled  
1108 association may not vote to use reserves for purposes other than  
1109 those for which they were intended without the approval of a  
1110 majority of all nondeveloper voting interests, voting in person  
1111 or by limited proxy at a duly called meeting of the association.

1112 6.a.4. The only voting interests that are eligible to vote  
1113 on questions that involve waiving or reducing the funding of  
1114 reserves, or using existing reserve funds for purposes other  
1115 than purposes for which the reserves were intended, are the  
1116 voting interests of the units subject to assessment to fund the  
1117 reserves in question. Proxy questions relating to waiving or  
1118 reducing the funding of reserves or using existing reserve funds  
1119 for purposes other than purposes for which the reserves were  
1120 intended must contain the following statement in capitalized,  
1121 bold letters in a font size larger than any other used on the  
1122 face of the proxy ballot: WAIVING OF RESERVES, IN WHOLE OR IN  
1123 PART, OR ALLOWING ALTERNATIVE USES OF EXISTING RESERVES MAY  
1124 RESULT IN UNIT OWNER LIABILITY FOR PAYMENT OF UNANTICIPATED  
1125 SPECIAL ASSESSMENTS REGARDING THOSE ITEMS.

1126 b. If the association has voted to waive reserves or to use  
1127 existing reserve funds for purposes other than purposes for  
1128 which the reserves were intended, the budget must contain the  
1129 following statement in conspicuous type: THE OWNERS HAVE ELECTED  
1130 TO WAIVE RESERVES, IN WHOLE OR IN PART, OR ALLOWED ALTERNATIVE



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1131 USES OF EXISTING RESERVES UNDER SECTION 718.112(2)(f), FLORIDA  
1132 STATUTES. THE WAIVING OR ALTERNATIVE USE OF RESERVE FUNDS MAY  
1133 RESULT IN UNIT OWNER LIABILITY FOR PAYMENT OF UNANTICIPATED  
1134 SPECIAL ASSESSMENTS REGARDING THOSE ITEMS.

1135 c. On or after January 1, 2026, if the association is  
1136 required to perform a reserve study under this paragraph and the  
1137 budget of the association does not fund the association's  
1138 reserve obligations consistent with the reserve study currently  
1139 in effect, the budget must also contain the following statement  
1140 in conspicuous type: THE ASSOCIATION'S LAST RESERVE STUDY IS  
1141 DATED . . . . THE RESERVE AMOUNT BUDGETED AND/OR COLLECTED IS LESS  
1142 THAN REQUIRED BY THE RESERVE STUDY SCHEDULE. FAILURE TO FUND  
1143 RESERVES CONSISTENT WITH THE ASSOCIATION'S RESERVE STUDY MAY  
1144 RESULT IN UNANTICIPATED SPECIAL ASSESSMENTS REGARDING THOSE  
1145 ITEMS.

1146 (p) *Mandatory milestone inspections.*—If an association is  
1147 required to have a milestone inspection performed pursuant to s.  
1148 553.899, the association must arrange for the milestone  
1149 inspection to be performed and is responsible for ensuring  
1150 compliance with the requirements of s. 553.899. The association  
1151 is responsible for all costs associated with the inspection.  
1152 Upon completion of a phase one or phase two milestone inspection  
1153 and receipt of the inspector-prepared summary of the inspection  
1154 report from the architect or engineer who performed the  
1155 inspection, the association must distribute a copy of the  
1156 inspector-prepared summary of the inspection report to each unit  
1157 owner, regardless of the findings or recommendations in the  
1158 report, by United States mail or personal delivery; must post a  
1159 copy of the inspector-prepared summary in a conspicuous place on





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1160 the condominium property; and must publish the full report and  
1161 inspector-prepared summary on the association's website, if the  
1162 association is required to have a website.

1163 Section 5. Present subsections (4) through (9) of section  
1164 718.113, Florida Statutes, are redesignated as subsections (5)  
1165 through (10), respectively, a new subsection (4) is added to  
1166 that section, and subsections (1) and (2) of that section are  
1167 amended, to read:

1168 718.113 Maintenance; limitation upon improvement; display  
1169 of flag; hurricane shutters and protection; display of religious  
1170 decorations.-

1171 (1) Maintenance of the common elements is the  
1172 responsibility of the association, except for any maintenance  
1173 responsibility for limited common elements assigned to the unit  
1174 owner by the declaration. The association shall provide for the  
1175 maintenance, repair, and replacement of the condominium property  
1176 for which it bears responsibility. After turnover of control of  
1177 the association to the unit owners, the association must perform  
1178 any required maintenance identified by the developer pursuant to  
1179 s. 718.301(4)(p) until the association obtains new maintenance  
1180 protocols from a licensed professional engineer or architect.

1181 The declaration may provide that certain limited common elements  
1182 shall be maintained by those entitled to use the limited common  
1183 elements or that the association shall provide the maintenance,  
1184 either as a common expense or with the cost shared only by those  
1185 entitled to use the limited common elements. If the maintenance  
1186 is to be by the association at the expense of only those  
1187 entitled to use the limited common elements, the declaration  
1188 shall describe in detail the method of apportioning such costs



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1189 among those entitled to use the limited common elements, and the  
1190 association may use the provisions of s. 718.116 to enforce  
1191 payment of the shares of such costs by the unit owners entitled  
1192 to use the limited common elements.

1193 (2) (a) Except as otherwise provided in this section, there  
1194 shall be no material alteration or substantial additions to the  
1195 common elements or to real property which is association  
1196 property, except in a manner provided in the declaration as  
1197 originally recorded or as amended under the procedures provided  
1198 therein. If the declaration as originally recorded or as amended  
1199 under the procedures provided therein does not specify the  
1200 procedure for approval of material alterations or substantial  
1201 additions, 75 percent of the total voting interests of the  
1202 association must approve the alterations or additions before the  
1203 material alterations or substantial additions are commenced.  
1204 This paragraph is intended to clarify existing law and applies  
1205 to associations existing on July 1, 2018.

1206 (b) There shall not be any material alteration of, or  
1207 substantial addition to, the common elements of any condominium  
1208 operated by a multicondominium association unless approved in  
1209 the manner provided in the declaration of the affected  
1210 condominium or condominiums as originally recorded or as amended  
1211 under the procedures provided therein. If a declaration as  
1212 originally recorded or as amended under the procedures provided  
1213 therein does not specify a procedure for approving such an  
1214 alteration or addition, the approval of 75 percent of the total  
1215 voting interests of each affected condominium is required before  
1216 the material alterations or substantial additions are commenced.  
1217 This subsection does not prohibit a provision in any



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1218 declaration, articles of incorporation, or bylaws as originally  
1219 recorded or as amended under the procedures provided therein  
1220 requiring the approval of unit owners in any condominium  
1221 operated by the same association or requiring board approval  
1222 before a material alteration or substantial addition to the  
1223 common elements is permitted. This paragraph is intended to  
1224 clarify existing law and applies to associations existing on  
1225 July 1, 2018.

1226 (c) There shall not be any material alteration or  
1227 substantial addition made to association real property operated  
1228 by a multicondominium association, except as provided in the  
1229 declaration, articles of incorporation, or bylaws as originally  
1230 recorded or as amended under the procedures provided therein. If  
1231 the declaration, articles of incorporation, or bylaws as  
1232 originally recorded or as amended under the procedures provided  
1233 therein do not specify the procedure for approving an alteration  
1234 or addition to association real property, the approval of 75  
1235 percent of the total voting interests of the association is  
1236 required before the material alterations or substantial  
1237 additions are commenced. This paragraph is intended to clarify  
1238 existing law and applies to associations existing on July 1,  
1239 2018.

1240 (d) The necessary maintenance, repair, or replacement of  
1241 condominium property is not a material alteration or substantial  
1242 addition requiring unit owner approval.

1243 (4) The association is not liable for alternative housing  
1244 costs, lost rent, or other expenses if a unit must be vacated in  
1245 whole or in part or if access to a common element is denied for  
1246 necessary maintenance, repair, or replacement of condominium



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1247 property.

1248 Section 6. Paragraphs (a) and (e) of subsection (1) of  
1249 section 718.115, Florida Statutes, are amended to read:

1250 718.115 Common expenses and common surplus.—

1251 (1) (a) Common expenses include the expenses of the  
1252 operation, maintenance, repair, replacement, or protection of  
1253 the common elements and association property, costs of carrying  
1254 out the powers and duties of the association, and any other  
1255 expense, whether or not included in the foregoing, designated as  
1256 common expense by this chapter, the declaration, the documents  
1257 creating the association, or the bylaws. Common expenses also  
1258 include reasonable transportation services, insurance for  
1259 directors and officers, road maintenance and operation expenses,  
1260 in-house communications, and security services, which are  
1261 reasonably related to the general benefit of the unit owners  
1262 even if such expenses do not attach to the common elements or  
1263 property of the condominium. However, such common expenses must  
1264 either have been services or items provided on or after the date  
1265 control of the association is transferred from the developer to  
1266 the unit owners or must be services or items provided for in the  
1267 condominium documents or bylaws. Unless the manner of payment or  
1268 allocation of expenses is otherwise addressed in the declaration  
1269 of condominium, the expenses of any items or services required  
1270 by any federal, state, or local governmental entity to be  
1271 installed, maintained, or supplied to the condominium property  
1272 by the association, including, but not limited to, firesafety  
1273 equipment or water and sewer service where a master meter serves  
1274 the condominium, shall be common expenses whether or not such  
1275 items or services are specifically identified as common expenses



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1276 in the declaration of condominium, articles of incorporation, or  
1277 bylaws of the association. Notwithstanding any provision in a  
1278 declaration, the articles of incorporation, or the bylaws  
1279 requiring, prohibiting, or limiting a board of administration's  
1280 authority to adopt a special assessment or to borrow money on  
1281 behalf of the association, including any provision in a  
1282 declaration, the articles of incorporation, or the bylaws  
1283 requiring unit owner voting or approval, the board may adopt a  
1284 special assessment or borrow money for the necessary  
1285 maintenance, repair, or replacement of condominium property.

1286 (e) The expense of installation, replacement, operation,  
1287 repair, and maintenance of hurricane shutters, impact glass,  
1288 code-compliant windows or doors, or other types of code-  
1289 compliant hurricane protection by the board pursuant to s.  
1290 718.113(6) ~~s. 718.113(5)~~ constitutes a common expense and shall  
1291 be collected as provided in this section if the association is  
1292 responsible for the maintenance, repair, and replacement of the  
1293 hurricane shutters, impact glass, code-compliant windows or  
1294 doors, or other types of code-compliant hurricane protection  
1295 pursuant to the declaration of condominium. However, if the  
1296 maintenance, repair, and replacement of the hurricane shutters,  
1297 impact glass, code-compliant windows or doors, or other types of  
1298 code-compliant hurricane protection are the responsibility of  
1299 the unit owners pursuant to the declaration of condominium, the  
1300 cost of the installation of the hurricane shutters, impact  
1301 glass, code-compliant windows or doors, or other types of code-  
1302 compliant hurricane protection is not a common expense and shall  
1303 be charged individually to the unit owners based on the cost of  
1304 installation of the hurricane shutters, impact glass, code-



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1305 compliant windows or doors, or other types of code-compliant  
1306 hurricane protection appurtenant to the unit. Notwithstanding s.  
1307 718.116(9), and regardless of whether or not the declaration  
1308 requires the association or unit owners to maintain, repair, or  
1309 replace hurricane shutters, impact glass, code-compliant windows  
1310 or doors, or other types of code-compliant hurricane protection,  
1311 a unit owner who has previously installed hurricane shutters in  
1312 accordance with s. 718.113(6) ~~s. 718.113(5)~~ that comply with the  
1313 current applicable building code shall receive a credit when the  
1314 shutters are installed; a unit owner who has previously  
1315 installed impact glass or code-compliant windows or doors that  
1316 comply with the current applicable building code shall receive a  
1317 credit when the impact glass or code-compliant windows or doors  
1318 are installed; and a unit owner who has installed other types of  
1319 code-compliant hurricane protection that comply with the current  
1320 applicable building code shall receive a credit when the same  
1321 type of other code-compliant hurricane protection is installed,  
1322 and the credit shall be equal to the pro rata portion of the  
1323 assessed installation cost assigned to each unit. However, such  
1324 unit owner remains responsible for the pro rata share of  
1325 expenses for hurricane shutters, impact glass, code-compliant  
1326 windows or doors, or other types of code-compliant hurricane  
1327 protection installed on common elements and association property  
1328 by the board pursuant to s. 718.113(6) ~~s. 718.113(5)~~ and remains  
1329 responsible for a pro rata share of the expense of the  
1330 replacement, operation, repair, and maintenance of such  
1331 shutters, impact glass, code-compliant windows or doors, or  
1332 other types of code-compliant hurricane protection.

1333 Section 7. Subsections (1) and (5) of section 718.1255,



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1334 Florida Statutes, are amended to read:

1335 718.1255 Alternative dispute resolution; mediation;  
1336 nonbinding arbitration; applicability.—

1337 (1) DEFINITIONS.—As used in this section, the term  
1338 “dispute” means any disagreement between two or more parties  
1339 that involves:

1340 (a) The authority of the board of directors, under this  
1341 chapter or association document, to:

1342 1. Require any owner to take any action, or not to take any  
1343 action, involving that owner’s unit or the appurtenances  
1344 thereto.

1345 2. Alter or add to a common area or element.

1346 (b) The failure of a governing body, when required by this  
1347 chapter or an association document, to:

1348 1. Properly conduct elections.

1349 2. Give adequate notice of meetings or other actions.

1350 3. Properly conduct meetings.

1351 4. Allow inspection of books and records.

1352 (c) A plan of termination pursuant to s. 718.117.

1353 (d) The failure of a governing body, when required by this  
1354 chapter or an association document, to:

1355 1. Perform a structural or life safety inspection,  
1356 including the milestone inspection required under s. 553.899.

1357 2. Perform a reserve study as required by law or the  
1358 declaration, articles of incorporation, or bylaws.

1359 3. Fund reserves as required by law or the declaration,  
1360 articles of incorporation, or bylaws.

1361 4. Make or provide necessary maintenance or repairs of  
1362 condominium property.



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1363  
1364 "Dispute" does not include any disagreement that primarily  
1365 involves: title to any unit or common element; the  
1366 interpretation or enforcement of any warranty; the levy of a fee  
1367 or assessment, or the collection of an assessment levied against  
1368 a party; the eviction or other removal of a tenant from a unit;  
1369 alleged breaches of fiduciary duty by one or more directors; or  
1370 claims for damages to a unit based upon the alleged failure of  
1371 the association to maintain the common elements or condominium  
1372 property.

1373 (5) PRESUIT MEDIATION.—In lieu of the initiation of  
1374 nonbinding arbitration as provided in subsections (1)-(4), a  
1375 party may submit a dispute to presuit mediation in accordance  
1376 with s. 720.311; however, election and recall disputes are not  
1377 eligible for mediation and such disputes must be arbitrated by  
1378 the division or filed in a court of competent jurisdiction.  
1379 Disputes identified in paragraph (1)(d) are not subject to  
1380 nonbinding arbitration under subsections (1)-(4) and must be  
1381 submitted to presuit mediation in accordance with s. 720.311.

1382 Section 8. Paragraph (p) of subsection (4) of section  
1383 718.301, Florida Statutes, is amended, and paragraph (r) is  
1384 added to that subsection, to read:

1385 718.301 Transfer of association control; claims of defect  
1386 by association.—

1387 (4) At the time that unit owners other than the developer  
1388 elect a majority of the members of the board of administration  
1389 of an association, the developer shall relinquish control of the  
1390 association, and the unit owners shall accept control.  
1391 Simultaneously, or for the purposes of paragraph (c) not more





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1392 than 90 days thereafter, the developer shall deliver to the  
1393 association, at the developer's expense, all property of the  
1394 unit owners and of the association which is held or controlled  
1395 by the developer, including, but not limited to, the following  
1396 items, if applicable, as to each condominium operated by the  
1397 association:

1398 (p) Notwithstanding when the certificate of occupancy was  
1399 issued or the height of the building, a milestone inspection  
1400 report in compliance with s. 553.899 included in the official  
1401 records, under seal of an architect or engineer authorized to  
1402 practice in this state, and attesting to required maintenance,  
1403 condition, useful life, and replacement costs of the following  
1404 applicable condominium property ~~common elements~~ comprising a  
1405 turnover inspection report:

- 1406 1. Roof.
- 1407 2. Structure, including load-bearing walls and primary  
1408 structural members and primary structural systems as those terms  
1409 are defined in s. 627.706.
- 1410 3. Fireproofing and fire protection systems.
- 1411 4. Elevators.
- 1412 5. Heating and cooling systems.
- 1413 6. Plumbing.
- 1414 7. Electrical systems.
- 1415 8. Swimming pool or spa and equipment.
- 1416 9. Seawalls.
- 1417 10. Pavement and parking areas.
- 1418 11. Drainage systems.
- 1419 12. Painting.
- 1420 13. Irrigation systems.



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1421 14. Waterproofing.

1422 (r) A copy of the most recent reserve study required under  
1423 s. 718.112(2)(f)3., along with the statements indicating the  
1424 status of the reserves required under s. 718.112(2)(f)6., if  
1425 applicable, or a statement in conspicuous type indicating that  
1426 the association has not completed the required reserve study or  
1427 that the association is not required to perform a reserve study,  
1428 as applicable.

1429 Section 9. Present paragraphs (b) and (c) of subsection (2)  
1430 of section 718.503, Florida Statutes, are redesignated as  
1431 paragraphs (c) and (d), respectively, a new paragraph (b) is  
1432 added to that subsection, and paragraph (b) of subsection (1)  
1433 and paragraph (a) of subsection (2) of that section are amended,  
1434 to read:

1435 718.503 Developer disclosure prior to sale; nondeveloper  
1436 unit owner disclosure prior to sale; voidability.—

1437 (1) DEVELOPER DISCLOSURE.—

1438 (b) *Copies of documents to be furnished to prospective*  
1439 *buyer or lessee.*—Until such time as the developer has furnished  
1440 the documents listed below to a person who has entered into a  
1441 contract to purchase a residential unit or lease it for more  
1442 than 5 years, the contract may be voided by that person,  
1443 entitling the person to a refund of any deposit together with  
1444 interest thereon as provided in s. 718.202. The contract may be  
1445 terminated by written notice from the proposed buyer or lessee  
1446 delivered to the developer within 15 days after the buyer or  
1447 lessee receives all of the documents required by this section.  
1448 The developer may not close for 15 days after ~~following~~ the  
1449 execution of the agreement and delivery of the documents to the



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1450 buyer as evidenced by a signed receipt for documents unless the  
1451 buyer is informed in the 15-day voidability period and agrees to  
1452 close before ~~prior to~~ the expiration of the 15 days. The  
1453 developer shall retain in his or her records a separate  
1454 agreement signed by the buyer as proof of the buyer's agreement  
1455 to close before ~~prior to~~ the expiration of the said voidability  
1456 period. The developer must retain such said proof shall be  
1457 ~~retained~~ for a period of 5 years after the date of the closing  
1458 of the transaction. The documents to be delivered to the  
1459 prospective buyer are the prospectus or disclosure statement  
1460 with all exhibits, if the development is subject to ~~the~~  
1461 ~~provisions of~~ s. 718.504, or, if not, then copies of the  
1462 following which are applicable:

1463 1. The question and answer sheet described in s. 718.504,  
1464 and declaration of condominium, or the proposed declaration if  
1465 the declaration has not been recorded, which shall include the  
1466 certificate of a surveyor approximately representing the  
1467 locations required by s. 718.104.

1468 2. The documents creating the association.

1469 3. The bylaws.

1470 4. The ground lease or other underlying lease of the  
1471 condominium.

1472 5. The management contract, maintenance contract, and other  
1473 contracts for management of the association and operation of the  
1474 condominium and facilities used by the unit owners having a  
1475 service term in excess of 1 year, and any management contracts  
1476 that are renewable.

1477 6. The estimated operating budget for the condominium and a  
1478 schedule of expenses for each type of unit, including fees



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1479 assessed pursuant to s. 718.113(1) for the maintenance of  
1480 limited common elements where such costs are shared only by  
1481 those entitled to use the limited common elements.

1482 7. The lease of recreational and other facilities that will  
1483 be used only by unit owners of the subject condominium.

1484 8. The lease of recreational and other common facilities  
1485 that will be used by unit owners in common with unit owners of  
1486 other condominiums.

1487 9. The form of unit lease if the offer is of a leasehold.

1488 10. Any declaration of servitude of properties serving the  
1489 condominium but not owned by unit owners or leased to them or  
1490 the association.

1491 11. If the development is to be built in phases or if the  
1492 association is to manage more than one condominium, a  
1493 description of the plan of phase development or the arrangements  
1494 for the association to manage two or more condominiums.

1495 12. If the condominium is a conversion of existing  
1496 improvements, the statements and disclosure required by s.  
1497 718.616.

1498 13. The form of agreement for sale or lease of units.

1499 14. A copy of the floor plan of the unit and the plot plan  
1500 showing the location of the residential buildings and the  
1501 recreation and other common areas.

1502 15. A copy of all covenants and restrictions that ~~which~~  
1503 will affect the use of the property and ~~which~~ are not contained  
1504 in the foregoing.

1505 16. If the developer is required by state or local  
1506 authorities to obtain acceptance or approval of any dock or  
1507 marina facilities intended to serve the condominium, a copy of



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1508 any such acceptance or approval acquired by the time of filing  
1509 with the division under s. 718.502(1), or a statement that such  
1510 acceptance or approval has not been acquired or received.

1511 17. Evidence demonstrating that the developer has an  
1512 ownership, leasehold, or contractual interest in the land upon  
1513 which the condominium is to be developed.

1514 18. A copy of the most recent reserve study required under  
1515 s. 718.112(2)(f)3., along with the statements in the budget  
1516 indicating the status of the reserves required under s.  
1517 718.112(2)(f)6., if applicable, or a statement in conspicuous  
1518 type indicating that the association has not completed the  
1519 required reserve study or that the association is not required  
1520 to perform a reserve study, as applicable.

1521 19. A copy of the inspector-prepared summary of the  
1522 milestone inspection report as described in ss. 553.899 and  
1523 718.301(4)(p).

1524 (2) NONDEVELOPER DISCLOSURE.—

1525 (a) Each unit owner who is not a developer as defined by  
1526 this chapter must ~~shall~~ comply with ~~the provisions of~~ this  
1527 subsection before ~~prior to~~ the sale of his or her unit. Each  
1528 prospective purchaser who has entered into a contract for the  
1529 purchase of a condominium unit is entitled, at the seller's  
1530 expense, to a current copy of all of the following:

1531 1. The declaration of condominium.₪

1532 2. Articles of incorporation of the association.₪

1533 3. Bylaws and rules of the association.₪

1534 4. Financial information required by s. 718.111.₪

1535 5. A copy of the most recent reserve study required under  
1536 s. 718.112(2)(f)3., along with the statements in the budget



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1537 indicating the status of the reserves required under s.  
1538 718.112(2)(f)6., if applicable, or a statement in conspicuous  
1539 type indicating that the association has not completed the  
1540 required reserve study or that the association is not required  
1541 to perform a reserve study, as applicable.

1542 6. A copy of the inspector-prepared summary of the  
1543 milestone inspection report as described in ss. 553.899 and  
1544 718.301(4)(p).

1545 7. and The document entitled "Frequently Asked Questions  
1546 and Answers" required by s. 718.504.

1547 (b) On and after January 1, 2009, The prospective purchaser  
1548 is shall also be entitled to receive from the seller a copy of a  
1549 governance form. Such form shall be provided by the division  
1550 summarizing governance of condominium associations. In addition  
1551 to such other information as the division considers helpful to a  
1552 prospective purchaser in understanding association governance,  
1553 the governance form shall address the following subjects:

1554 1. The role of the board in conducting the day-to-day  
1555 affairs of the association on behalf of, and in the best  
1556 interests of, the owners.

1557 2. The board's responsibility to provide advance notice of  
1558 board and membership meetings.

1559 3. The rights of owners to attend and speak at board and  
1560 membership meetings.

1561 4. The responsibility of the board and of owners with  
1562 respect to maintenance of the condominium property.

1563 5. The responsibility of the board and owners to abide by  
1564 the condominium documents, this chapter, rules adopted by the  
1565 division, and reasonable rules adopted by the board.



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1566           6. Owners' rights to inspect and copy association records  
1567 and the limitations on such rights.

1568           7. Remedies available to owners with respect to actions by  
1569 the board which may be abusive or beyond the board's power and  
1570 authority.

1571           8. The right of the board to hire a property management  
1572 firm, subject to its own primary responsibility for such  
1573 management.

1574           9. The responsibility of owners with regard to payment of  
1575 regular or special assessments necessary for the operation of  
1576 the property and the potential consequences of failure to pay  
1577 such assessments.

1578           10. The voting rights of owners.

1579           11. Rights and obligations of the board in enforcement of  
1580 rules in the condominium documents and rules adopted by the  
1581 board.

1582  
1583 The governance form shall also include the following statement  
1584 in conspicuous type: "This publication is intended as an  
1585 informal educational overview of condominium governance. In the  
1586 event of a conflict, the provisions of chapter 718, Florida  
1587 Statutes, rules adopted by the Division of Florida Condominiums,  
1588 Timeshares, and Mobile Homes of the Department of Business and  
1589 Professional Regulation, the provisions of the condominium  
1590 documents, and reasonable rules adopted by the condominium  
1591 association's board of administration prevail over the contents  
1592 of this publication."

1593           Section 10. Paragraph (f) of subsection (24) of section  
1594 718.504, Florida Statutes, is amended, and paragraph (q) is



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1595 added to that subsection, to read:

1596           718.504 Prospectus or offering circular.—Every developer of  
1597 a residential condominium which contains more than 20  
1598 residential units, or which is part of a group of residential  
1599 condominiums which will be served by property to be used in  
1600 common by unit owners of more than 20 residential units, shall  
1601 prepare a prospectus or offering circular and file it with the  
1602 Division of Florida Condominiums, Timeshares, and Mobile Homes  
1603 prior to entering into an enforceable contract of purchase and  
1604 sale of any unit or lease of a unit for more than 5 years and  
1605 shall furnish a copy of the prospectus or offering circular to  
1606 each buyer. In addition to the prospectus or offering circular,  
1607 each buyer shall be furnished a separate page entitled  
1608 “Frequently Asked Questions and Answers,” which shall be in  
1609 accordance with a format approved by the division and a copy of  
1610 the financial information required by s. 718.111. This page  
1611 shall, in readable language, inform prospective purchasers  
1612 regarding their voting rights and unit use restrictions,  
1613 including restrictions on the leasing of a unit; shall indicate  
1614 whether and in what amount the unit owners or the association is  
1615 obligated to pay rent or land use fees for recreational or other  
1616 commonly used facilities; shall contain a statement identifying  
1617 that amount of assessment which, pursuant to the budget, would  
1618 be levied upon each unit type, exclusive of any special  
1619 assessments, and which shall further identify the basis upon  
1620 which assessments are levied, whether monthly, quarterly, or  
1621 otherwise; shall state and identify any court cases in which the  
1622 association is currently a party of record in which the  
1623 association may face liability in excess of \$100,000; and which





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1624 shall further state whether membership in a recreational  
1625 facilities association is mandatory, and if so, shall identify  
1626 the fees currently charged per unit type. The division shall by  
1627 rule require such other disclosure as in its judgment will  
1628 assist prospective purchasers. The prospectus or offering  
1629 circular may include more than one condominium, although not all  
1630 such units are being offered for sale as of the date of the  
1631 prospectus or offering circular. The prospectus or offering  
1632 circular must contain the following information:

1633 (24) Copies of the following, to the extent they are  
1634 applicable, shall be included as exhibits:

1635 (f) The estimated operating budget for the condominium and  
1636 the required schedule of unit owners' expenses, and the most  
1637 recent reserve study required under s. 718.112(2)(f)3., along  
1638 with the statements in the budget indicating the status of the  
1639 reserves required under s. 718.112(2)(f)6., if applicable, or a  
1640 statement in conspicuous type indicating that the association  
1641 has not completed the required reserve study or that the  
1642 association is not required to perform a reserve study, as  
1643 applicable.

1644 (q) A copy of the inspector-prepared summary of the  
1645 milestone inspection report as described in ss. 553.899 and  
1646 718.301(4)(p).

1647 Section 11. Present subsections (1) through (28) of section  
1648 719.103, Florida Statutes, are redesignated as subsections (2)  
1649 through (29), respectively, and a new subsection (1) is added to  
1650 that section, to read:

1651 719.103 Definitions.—As used in this chapter:

1652 (1) "Alternative funding method" means a method for the



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1653 funding of a reserve account by other than an assessment or  
1654 special assessment which may reasonably be expected to fully  
1655 satisfy the association's reserve funding obligations,  
1656 including, but not limited to, payments into the reserve account  
1657 by a developer who is offering units, or any other method  
1658 approved by the division.

1659 Section 12. Present subsections (5) through (11) of section  
1660 719.104, Florida Statutes, are redesignated as subsections (6)  
1661 through (12), respectively, a new subsection (5) is added to  
1662 that section, and paragraphs (a) and (c) of subsection (2) and  
1663 paragraph (a) of subsection (4) of that section are amended, to  
1664 read:

1665 719.104 Cooperatives; access to units; records; financial  
1666 reports; assessments; purchase of leases.—

1667 (2) OFFICIAL RECORDS.—

1668 (a) From the inception of the association, the association  
1669 shall maintain a copy of each of the following, where  
1670 applicable, which shall constitute the official records of the  
1671 association:

1672 1. The plans, permits, warranties, and other items provided  
1673 by the developer pursuant to s. 719.301(4).

1674 2. A photocopy of the cooperative documents.

1675 3. A copy of the current rules of the association.

1676 4. A book or books containing the minutes of all meetings  
1677 of the association, of the board of directors, and of the unit  
1678 owners.

1679 5. A current roster of all unit owners and their mailing  
1680 addresses, unit identifications, voting certifications, and, if  
1681 known, telephone numbers. The association shall also maintain



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1682 the e-mail addresses and the numbers designated by unit owners  
1683 for receiving notice sent by electronic transmission of those  
1684 unit owners consenting to receive notice by electronic  
1685 transmission. The e-mail addresses and numbers provided by unit  
1686 owners to receive notice by electronic transmission shall be  
1687 removed from association records when consent to receive notice  
1688 by electronic transmission is revoked. However, the association  
1689 is not liable for an erroneous disclosure of the e-mail address  
1690 or the number for receiving electronic transmission of notices.

1691 6. All current insurance policies of the association.

1692 7. A current copy of any management agreement, lease, or  
1693 other contract to which the association is a party or under  
1694 which the association or the unit owners have an obligation or  
1695 responsibility.

1696 8. Bills of sale or transfer for all property owned by the  
1697 association.

1698 9. Accounting records for the association and separate  
1699 accounting records for each unit it operates, according to good  
1700 accounting practices. The accounting records shall include, but  
1701 not be limited to:

1702 a. Accurate, itemized, and detailed records of all receipts  
1703 and expenditures.

1704 b. A current account and a monthly, bimonthly, or quarterly  
1705 statement of the account for each unit designating the name of  
1706 the unit owner, the due date and amount of each assessment, the  
1707 amount paid upon the account, and the balance due.

1708 c. All audits, reviews, accounting statements, reserve  
1709 studies and reserve funding plans, and financial reports of the  
1710 association.



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1711 d. All contracts for work to be performed. Bids for work to  
1712 be performed shall also be considered official records and shall  
1713 be maintained for a period of 1 year.

1714 10. Ballots, sign-in sheets, voting proxies, and all other  
1715 papers and electronic records relating to voting by unit owners,  
1716 which shall be maintained for a period of 1 year after the date  
1717 of the election, vote, or meeting to which the document relates.

1718 11. All rental records where the association is acting as  
1719 agent for the rental of units.

1720 12. A copy of the current question and answer sheet as  
1721 described in s. 719.504.

1722 13. All affirmative acknowledgments made pursuant to s.  
1723 719.108(3)(b)3.

1724 14. A copy of the inspection reports as described in ss.  
1725 553.899 and 719.301(4)(p) and any other inspection report  
1726 relating to a structural or life safety inspection of the  
1727 cooperative property. Such record must be maintained by the  
1728 association for 15 years after receipt of the report.

1729 15. All other written records of the association not  
1730 specifically included in the foregoing which are related to the  
1731 operation of the association.

1732 (c) The official records of the association are open to  
1733 inspection by any association member or the authorized  
1734 representative of such member at all reasonable times. The right  
1735 to inspect the records includes the right to make or obtain  
1736 copies, at the reasonable expense, if any, of the association  
1737 member. A renter of a unit has a right to inspect and copy only  
1738 the association's bylaws and rules and the inspection reports  
1739 described in ss. 553.899 and 719.301(4)(p). The association may



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1740 adopt reasonable rules regarding the frequency, time, location,  
1741 notice, and manner of record inspections and copying, but may  
1742 not require a member to demonstrate any purpose or state any  
1743 reason for the inspection. The failure of an association to  
1744 provide the records within 10 working days after receipt of a  
1745 written request creates a rebuttable presumption that the  
1746 association willfully failed to comply with this paragraph. A  
1747 member who is denied access to official records is entitled to  
1748 the actual damages or minimum damages for the association's  
1749 willful failure to comply. The minimum damages are \$50 per  
1750 calendar day for up to 10 days, beginning on the 11th working  
1751 day after receipt of the written request. The failure to permit  
1752 inspection entitles any person prevailing in an enforcement  
1753 action to recover reasonable attorney fees from the person in  
1754 control of the records who, directly or indirectly, knowingly  
1755 denied access to the records. Any person who knowingly or  
1756 intentionally defaces or destroys accounting records that are  
1757 required by this chapter to be maintained during the period for  
1758 which such records are required to be maintained, or who  
1759 knowingly or intentionally fails to create or maintain  
1760 accounting records that are required to be created or  
1761 maintained, with the intent of causing harm to the association  
1762 or one or more of its members, is personally subject to a civil  
1763 penalty under s. 719.501(1)(d). The association shall maintain  
1764 an adequate number of copies of the declaration, articles of  
1765 incorporation, bylaws, and rules, and all amendments to each of  
1766 the foregoing, as well as the question and answer sheet as  
1767 described in s. 719.504 and year-end financial information  
1768 required by the department, on the cooperative property to



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1769 ensure their availability to members and prospective purchasers,  
1770 and may charge its actual costs for preparing and furnishing  
1771 these documents to those requesting the same. An association  
1772 shall allow a member or his or her authorized representative to  
1773 use a portable device, including a smartphone, tablet, portable  
1774 scanner, or any other technology capable of scanning or taking  
1775 photographs, to make an electronic copy of the official records  
1776 in lieu of the association providing the member or his or her  
1777 authorized representative with a copy of such records. The  
1778 association may not charge a member or his or her authorized  
1779 representative for the use of a portable device. Notwithstanding  
1780 this paragraph, the following records shall not be accessible to  
1781 members:

1782         1. Any record protected by the lawyer-client privilege as  
1783 described in s. 90.502 and any record protected by the work-  
1784 product privilege, including any record prepared by an  
1785 association attorney or prepared at the attorney's express  
1786 direction which reflects a mental impression, conclusion,  
1787 litigation strategy, or legal theory of the attorney or the  
1788 association, and which was prepared exclusively for civil or  
1789 criminal litigation or for adversarial administrative  
1790 proceedings, or which was prepared in anticipation of such  
1791 litigation or proceedings until the conclusion of the litigation  
1792 or proceedings.

1793         2. Information obtained by an association in connection  
1794 with the approval of the lease, sale, or other transfer of a  
1795 unit.

1796         3. Personnel records of association or management company  
1797 employees, including, but not limited to, disciplinary, payroll,



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1798 health, and insurance records. For purposes of this  
1799 subparagraph, the term "personnel records" does not include  
1800 written employment agreements with an association employee or  
1801 management company, or budgetary or financial records that  
1802 indicate the compensation paid to an association employee.

1803 4. Medical records of unit owners.

1804 5. Social security numbers, driver license numbers, credit  
1805 card numbers, e-mail addresses, telephone numbers, facsimile  
1806 numbers, emergency contact information, addresses of a unit  
1807 owner other than as provided to fulfill the association's notice  
1808 requirements, and other personal identifying information of any  
1809 person, excluding the person's name, unit designation, mailing  
1810 address, property address, and any address, e-mail address, or  
1811 facsimile number provided to the association to fulfill the  
1812 association's notice requirements. Notwithstanding the  
1813 restrictions in this subparagraph, an association may print and  
1814 distribute to unit owners a directory containing the name, unit  
1815 address, and all telephone numbers of each unit owner. However,  
1816 an owner may exclude his or her telephone numbers from the  
1817 directory by so requesting in writing to the association. An  
1818 owner may consent in writing to the disclosure of other contact  
1819 information described in this subparagraph. The association is  
1820 not liable for the inadvertent disclosure of information that is  
1821 protected under this subparagraph if the information is included  
1822 in an official record of the association and is voluntarily  
1823 provided by an owner and not requested by the association.

1824 6. Electronic security measures that are used by the  
1825 association to safeguard data, including passwords.

1826 7. The software and operating system used by the



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1827 association which allow the manipulation of data, even if the  
1828 owner owns a copy of the same software used by the association.  
1829 The data is part of the official records of the association.

1830 8. All affirmative acknowledgments made pursuant to s.  
1831 719.108(3)(b)3.

1832 (4) FINANCIAL REPORT.—

1833 (a) Within 90 days following the end of the fiscal or  
1834 calendar year or annually on such date as provided in the bylaws  
1835 of the association, the board of administration shall prepare  
1836 and complete, or contract with a third party to prepare and  
1837 complete, a financial report covering the preceding fiscal or  
1838 calendar year. Within 21 days after the financial report is  
1839 completed by the association or received from the third party,  
1840 but no later than 120 days after the end of the fiscal year,  
1841 calendar year, or other date provided in the bylaws, the  
1842 association shall provide each member with a copy of the annual  
1843 financial report or a written notice that a copy of the  
1844 financial report is available upon request at no charge to the  
1845 member. The division shall adopt rules setting forth uniform  
1846 accounting principles, standards, and reporting requirements.  
1847 The rules must include, but not be limited to, standards for  
1848 presenting a summary of association reserves, including a good  
1849 faith estimate disclosing the annual amount of reserve funds  
1850 that would be necessary for the association to fully fund  
1851 reserves for each reserve item based on the straight-line method  
1852 or to fully fund reserves based on the pooling method. In  
1853 adopting such rules, the division shall consider the number of  
1854 members and annual revenues of an association.

1855 (5) MAINTENANCE.—





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1856       (a) Maintenance of the common areas is the responsibility  
1857 of the association, except for any maintenance responsibility  
1858 for limited common areas assigned to the unit owner by the  
1859 cooperative documents. The association shall provide for the  
1860 maintenance, repair, and replacement of the cooperative property  
1861 for which it bears responsibility. After turnover of control of  
1862 the association to the unit owners, the association must perform  
1863 any required maintenance identified by the developer pursuant to  
1864 s. 719.301(4) (p) until the association obtains new maintenance  
1865 protocols from a licensed professional engineer or architect.

1866       (b) The necessary maintenance, repair, or replacement of  
1867 cooperative property is not a material alteration or substantial  
1868 addition requiring unit owner approval.

1869       (c) The association is not liable for alternative housing  
1870 costs, lost rent, or other expenses if a unit must be vacated in  
1871 whole or in part or if access is denied to a common area for  
1872 necessary maintenance, repair, or replacement of cooperative  
1873 property.

1874       Section 13. Paragraphs (d) and (j) of subsection (1) of  
1875 section 719.106, Florida Statutes, are amended, and paragraph  
1876 (n) is added to that subsection, to read:

1877       719.106 Bylaws; cooperative ownership.—

1878       (1) MANDATORY PROVISIONS.—The bylaws or other cooperative  
1879 documents shall provide for the following, and if they do not,  
1880 they shall be deemed to include the following:

1881       (d) *Shareholder meetings*.—There shall be an annual meeting  
1882 of the shareholders. All members of the board of administration  
1883 shall be elected at the annual meeting unless the bylaws provide  
1884 for staggered election terms or for their election at another



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1885 meeting. Any unit owner desiring to be a candidate for board  
1886 membership must comply with subparagraph 1. The bylaws must  
1887 provide the method for calling meetings, including annual  
1888 meetings. Written notice, which must incorporate an  
1889 identification of agenda items, shall be given to each unit  
1890 owner at least 14 days before the annual meeting and posted in a  
1891 conspicuous place on the cooperative property at least 14  
1892 continuous days preceding the annual meeting. Upon notice to the  
1893 unit owners, the board must by duly adopted rule designate a  
1894 specific location on the cooperative property upon which all  
1895 notice of unit owner meetings are posted. In lieu of or in  
1896 addition to the physical posting of the meeting notice, the  
1897 association may, by reasonable rule, adopt a procedure for  
1898 conspicuously posting and repeatedly broadcasting the notice and  
1899 the agenda on a closed-circuit cable television system serving  
1900 the cooperative association. However, if broadcast notice is  
1901 used in lieu of a posted notice, the notice and agenda must be  
1902 broadcast at least four times every broadcast hour of each day  
1903 that a posted notice is otherwise required under this section.  
1904 If broadcast notice is provided, the notice and agenda must be  
1905 broadcast in a manner and for a sufficient continuous length of  
1906 time to allow an average reader to observe the notice and read  
1907 and comprehend the entire content of the notice and the agenda.  
1908 In addition to any of the authorized means of providing notice  
1909 of a meeting of the shareholders, the association may, by rule,  
1910 adopt a procedure for conspicuously posting the meeting notice  
1911 and the agenda on a website serving the cooperative association  
1912 for at least the minimum period of time for which a notice of a  
1913 meeting is also required to be physically posted on the



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1914 cooperative property. Any rule adopted shall, in addition to  
1915 other matters, include a requirement that the association send  
1916 an electronic notice in the same manner as a notice for a  
1917 meeting of the members, which must include a hyperlink to the  
1918 website where the notice is posted, to unit owners whose e-mail  
1919 addresses are included in the association's official records.  
1920 Unless a unit owner waives in writing the right to receive  
1921 notice of the annual meeting, the notice of the annual meeting  
1922 must be sent by mail, hand delivered, or electronically  
1923 transmitted to each unit owner. An officer of the association  
1924 must provide an affidavit or United States Postal Service  
1925 certificate of mailing, to be included in the official records  
1926 of the association, affirming that notices of the association  
1927 meeting were mailed, hand delivered, or electronically  
1928 transmitted, in accordance with this provision, to each unit  
1929 owner at the address last furnished to the association.

1930       1. The board of administration shall be elected by written  
1931 ballot or voting machine. A proxy may not be used in electing  
1932 the board of administration in general elections or elections to  
1933 fill vacancies caused by recall, resignation, or otherwise  
1934 unless otherwise provided in this chapter.

1935       a. At least 60 days before a scheduled election, the  
1936 association shall mail, deliver, or transmit, whether by  
1937 separate association mailing, delivery, or electronic  
1938 transmission or included in another association mailing,  
1939 delivery, or electronic transmission, including regularly  
1940 published newsletters, to each unit owner entitled to vote, a  
1941 first notice of the date of the election. Any unit owner or  
1942 other eligible person desiring to be a candidate for the board



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1943 of administration must give written notice to the association at  
1944 least 40 days before a scheduled election. Together with the  
1945 written notice and agenda as set forth in this section, the  
1946 association shall mail, deliver, or electronically transmit a  
1947 second notice of election to all unit owners entitled to vote,  
1948 together with a ballot that lists all candidates. Upon request  
1949 of a candidate, the association shall include an information  
1950 sheet, no larger than 8 1/2 inches by 11 inches, which must be  
1951 furnished by the candidate at least 35 days before the election,  
1952 to be included with the mailing, delivery, or electronic  
1953 transmission of the ballot, with the costs of mailing, delivery,  
1954 or transmission and copying to be borne by the association. The  
1955 association is not liable for the contents of the information  
1956 sheets provided by the candidates. In order to reduce costs, the  
1957 association may print or duplicate the information sheets on  
1958 both sides of the paper. The division shall by rule establish  
1959 voting procedures consistent with this subparagraph, including  
1960 rules establishing procedures for giving notice by electronic  
1961 transmission and rules providing for the secrecy of ballots.  
1962 Elections shall be decided by a plurality of those ballots cast.  
1963 There is no quorum requirement. However, at least 20 percent of  
1964 the eligible voters must cast a ballot in order to have a valid  
1965 election. A unit owner may not permit any other person to vote  
1966 his or her ballot, and any such ballots improperly cast are  
1967 invalid. A unit owner who needs assistance in casting the ballot  
1968 for the reasons stated in s. 101.051 may obtain assistance in  
1969 casting the ballot. Any unit owner violating this provision may  
1970 be fined by the association in accordance with s. 719.303. The  
1971 regular election must occur on the date of the annual meeting.



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1972 This subparagraph does not apply to timeshare cooperatives.  
1973 Notwithstanding this subparagraph, an election and balloting are  
1974 not required unless more candidates file a notice of intent to  
1975 run or are nominated than vacancies exist on the board. Any  
1976 challenge to the election process must be commenced within 60  
1977 days after the election results are announced.

1978 b. Within 90 days after being elected or appointed to the  
1979 board, each new director shall do both of the following:

1980 (I) Certify by affidavit ~~in writing~~ to the secretary of the  
1981 association that he or she has read the association's bylaws,  
1982 articles of incorporation, proprietary lease, and current  
1983 written policies; that he or she will work to uphold such  
1984 documents and policies to the best of his or her ability; and  
1985 that he or she will faithfully discharge his or her fiduciary  
1986 responsibility to the association's members. ~~Within 90 days~~  
1987 ~~after being elected or appointed to the board, in lieu of this~~  
1988 ~~written certification, the newly elected or appointed director~~  
1989 ~~may~~

1990 (II) Submit a certificate of having satisfactorily  
1991 completed the educational curriculum administered by an  
1992 education provider as approved by the division pursuant to the  
1993 requirements established in chapter 718 within 1 year before or  
1994 90 days after the date of election or appointment. The  
1995 educational certificate is valid and does not have to be  
1996 resubmitted as long as the director serves on the board without  
1997 interruption.

1998  
1999 A director who fails to timely file the affidavit and ~~written~~  
2000 ~~certification or~~ educational certificate is suspended from



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2001 service on the board until he or she complies with this sub-  
2002 subparagraph. The board may temporarily fill the vacancy during  
2003 the period of suspension. The secretary of the association shall  
2004 require ~~cause~~ the association to retain a director's affidavit  
2005 and ~~written certification or~~ educational certificate for  
2006 inspection by the members for 5 years after a director's  
2007 election or the duration of the director's uninterrupted tenure,  
2008 whichever is longer. Failure to have such affidavit and ~~written~~  
2009 ~~certification or~~ educational certificate on file does not affect  
2010 the validity of any board action.

2011 2. Any approval by unit owners called for by this chapter,  
2012 or the applicable cooperative documents, must be made at a duly  
2013 noticed meeting of unit owners and is subject to this chapter or  
2014 the applicable cooperative documents relating to unit owner  
2015 decisionmaking, except that unit owners may take action by  
2016 written agreement, without meetings, on matters for which action  
2017 by written agreement without meetings is expressly allowed by  
2018 the applicable cooperative documents or law which provides for  
2019 the unit owner action.

2020 3. Unit owners may waive notice of specific meetings if  
2021 allowed by the applicable cooperative documents or law. Notice  
2022 of meetings of the board of administration, shareholder  
2023 meetings, except shareholder meetings called to recall board  
2024 members under paragraph (f), and committee meetings may be given  
2025 by electronic transmission to unit owners who consent to receive  
2026 notice by electronic transmission. A unit owner who consents to  
2027 receiving notices by electronic transmission is solely  
2028 responsible for removing or bypassing filters that may block  
2029 receipt of mass emails sent to members on behalf of the



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2030 association in the course of giving electronic notices.

2031 4. Unit owners have the right to participate in meetings of  
2032 unit owners with reference to all designated agenda items.

2033 However, the association may adopt reasonable rules governing  
2034 the frequency, duration, and manner of unit owner participation.

2035 5. Any unit owner may tape record or videotape meetings of  
2036 the unit owners subject to reasonable rules adopted by the  
2037 division.

2038 6. Unless otherwise provided in the bylaws, a vacancy  
2039 occurring on the board before the expiration of a term may be  
2040 filled by the affirmative vote of the majority of the remaining  
2041 directors, even if the remaining directors constitute less than  
2042 a quorum, or by the sole remaining director. In the alternative,  
2043 a board may hold an election to fill the vacancy, in which case  
2044 the election procedures must conform to the requirements of  
2045 subparagraph 1. unless the association has opted out of the  
2046 statutory election process, in which case the bylaws of the  
2047 association control. Unless otherwise provided in the bylaws, a  
2048 board member appointed or elected under this subparagraph shall  
2049 fill the vacancy for the unexpired term of the seat being  
2050 filled. Filling vacancies created by recall is governed by  
2051 paragraph (f) and rules adopted by the division.

2052  
2053 Notwithstanding subparagraphs (b)2. and (d)1., an association  
2054 may, by the affirmative vote of a majority of the total voting  
2055 interests, provide for a different voting and election procedure  
2056 in its bylaws, which vote may be by a proxy specifically  
2057 delineating the different voting and election procedures. The  
2058 different voting and election procedures may provide for



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2059 elections to be conducted by limited or general proxy.

2060 (j) *Annual budget.*—

2061 1. The proposed annual budget of common expenses shall be  
2062 detailed and shall show the amounts budgeted by accounts and  
2063 expense classifications, including, if applicable, but not  
2064 limited to, those expenses listed in s. 719.504(20). The board  
2065 of administration shall adopt the annual budget at least 14 days  
2066 prior to the start of the association's fiscal year. In the  
2067 event that the board fails to timely adopt the annual budget a  
2068 second time, it shall be deemed a minor violation and the prior  
2069 year's budget shall continue in effect until a new budget is  
2070 adopted.

2071 2. In addition to annual operating expenses, the budget  
2072 shall include reserve accounts for capital expenditures and  
2073 deferred maintenance. These accounts shall include, but not be  
2074 limited to, the maintenance and replacement of the cooperative  
2075 property identified in s. 719.301(4)(p) ~~roof replacement,~~  
2076 ~~building painting, and pavement resurfacing,~~ regardless of the  
2077 amount of deferred maintenance expense or replacement cost, and  
2078 for any other items for which the deferred maintenance expense  
2079 or replacement cost exceeds \$10,000. The amount to be reserved  
2080 shall be computed by means of a formula which is based upon  
2081 estimated remaining useful life and estimated replacement cost  
2082 or deferred maintenance expense of each reserve item. The  
2083 association may adjust replacement reserve assessments annually  
2084 to take into account any changes in estimates or extension of  
2085 the useful life of a reserve item caused by deferred  
2086 maintenance. This paragraph shall not apply to any budget in  
2087 which the members of an association have, at a duly called





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2088 meeting of the association and by a majority vote of all the  
2089 voting interests, voting in person or by proxy, determined for a  
2090 fiscal year to provide no reserves or reserves less adequate  
2091 than required by this subsection.

2092 3. ~~However,~~ Prior to turnover of control of an association  
2093 by a developer to unit owners other than a developer pursuant to  
2094 s. 719.301, the developer may vote to waive the reserves or  
2095 reduce the funding of reserves for the first 2 years of the  
2096 operation of the association after which time reserves may only  
2097 be waived or reduced upon the vote of a majority of all  
2098 nondeveloper voting interests voting in person or by limited  
2099 proxy at a duly called meeting of the association. If a meeting  
2100 of the unit owners has been called to determine to provide no  
2101 reserves, or reserves less adequate than required, and such  
2102 result is not attained or a quorum is not attained, the reserves  
2103 as included in the budget shall go into effect. For an  
2104 association that is required to perform a reserve study under  
2105 this paragraph, the developer may only vote to waive reserve  
2106 contributions or reduce reserve funding if the association's  
2107 reserve obligations are funded consistent with the reserve study  
2108 currently in effect or if the association provides an  
2109 alternative funding method for the association's reserve  
2110 obligations.

2111 4.3. Reserve funds and any interest accruing thereon shall  
2112 remain in the reserve account or accounts, and shall be used  
2113 only for authorized reserve expenditures unless their use for  
2114 other purposes is approved in advance by a vote of the majority  
2115 of all ~~the~~ voting interests, voting in person or by limited  
2116 proxy at a duly called meeting of the association; provided that



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2117 the use of reserve funds for a purpose other than authorized  
2118 reserve expenditures is authorized in the exercise of the  
2119 association's emergency powers under s. 719.128. Prior to  
2120 turnover of control of an association by a developer to unit  
2121 owners other than the developer under s. 719.301, the developer  
2122 may not vote to use reserves for purposes other than that for  
2123 which they were intended without the approval of a majority of  
2124 all nondeveloper voting interests, voting in person or by  
2125 limited proxy at a duly called meeting of the association.

2126 5. Effective January 1, 2024, unless the cooperative  
2127 documents provide for a more frequent reserve study, an  
2128 association with a residential cooperative building that is  
2129 three stories or more in height and subject to the milestone  
2130 inspection requirements in s. 553.899 must have a study  
2131 conducted of the reserves required to repair, replace, and  
2132 restore the cooperative property identified in s. 719.301(4)(p)  
2133 at least every 3 years. The board shall review the results of  
2134 such study at least annually to determine if reserves are  
2135 sufficient to meet the association's reserve obligations and to  
2136 make any adjustments the board deems necessary to maintain  
2137 reserves, as appropriate. The division shall adopt rules setting  
2138 forth uniform financial standards and forms for reserve studies.  
2139 The reserve study must include, without limitation:

2140 a. A summary of any inspection of the major components of  
2141 the cooperative property identified in s. 719.301(4)(p) and any  
2142 other portion of the cooperative property that the association  
2143 is obligated to maintain, repair, replace, or restore;

2144 b. If applicable, a summary of the findings and  
2145 recommendations of the milestone inspection report required



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2146 under s. 553.899 and any other structural or life safety  
2147 inspection of the cooperative property considered in the reserve  
2148 study;

2149 c. An identification of the structural components of the  
2150 building for which necessary reserves may be reasonably  
2151 projected and an identification of the structural components of  
2152 the building with an indefinite useful life for which a  
2153 reasonable determination of necessary reserves may not be  
2154 estimated;

2155 d. An estimate of the useful life of the structural  
2156 components of the building identified in s. 719.301(4) (p) for  
2157 which an estimate of useful life may be determined as attested  
2158 to by a licensed architect or engineer in the turnover  
2159 inspection required under s. 719.301(4) (p), a milestone  
2160 inspection, or any other structural or life safety inspection of  
2161 the cooperative property;

2162 e. An estimate of the remaining useful life of any other  
2163 portion of the cooperative property that the association is  
2164 obligated to maintain, repair, replace, or restore;

2165 f. An estimate of the cost of maintenance, repair,  
2166 replacement, or restoration of each major component of the  
2167 cooperative property identified in s. 719.301(4) (p) and any  
2168 other portion of the cooperative property identified pursuant to  
2169 sub-subparagraph c.;

2170 g. An estimate of the total annual assessment that may be  
2171 necessary to cover the cost of maintaining, repairing,  
2172 replacing, or restoring the major components of the cooperative  
2173 property identified in s. 719.301(4) (p) and any other portion of  
2174 the cooperative property identified pursuant to sub-subparagraph



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2175 c., and an estimate of the funding plan, including any  
2176 alternative funding method, which may be necessary to provide  
2177 adequate funding for the required reserves; and

2178 h. A schedule for the full funding of reserves. A reserve  
2179 account is fully funded when the actual or projected reserve  
2180 balance in the reserve account is equal in direct proportion to  
2181 the fraction of useful life for a given component or components  
2182 multiplied by the current replacement costs for the component or  
2183 components.

2184 6. The annual budget must, at minimum:

2185 a. Identify all items for which reserves are or will be  
2186 established;

2187 b. Provide an estimate of the maintenance, repair, and  
2188 replacement costs for the structural components for which an  
2189 estimate of useful life may be determined;

2190 c. Identify any structural component for which a reserve  
2191 account is not established or reserves are not funded, because  
2192 the useful life of the component cannot be determined;

2193 d. As of the beginning of the fiscal year for which the  
2194 budget is prepared, the current amount of accumulated funds for  
2195 each reserve component or, if the pooling method is used, the  
2196 amount of the accumulated pooled funds;

2197 e. A description of the funding plan for the reserve  
2198 funding obligations of the association, including the use of  
2199 regular assessments, special assessments, and any other  
2200 alternative funding method; and

2201 f. A description of the procedures used for the estimation  
2202 and accumulation of reserves pursuant to this paragraph, the  
2203 identity of any independent third party who conducted the



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2204 reserve study on behalf of the association, and the extent to  
2205 which the association is funding its reserve obligations  
2206 consistent with the reserve study currently in effect.

2207 7. If the association has voted to waive reserves or to use  
2208 existing reserve funds for purposes other than purposes for  
2209 which the reserves were intended, the budget must contain the  
2210 following statement in conspicuous type: THE OWNERS HAVE ELECTED  
2211 TO WAIVE RESERVES, IN WHOLE OR IN PART, OR ALLOWED ALTERNATIVE  
2212 USES OF EXISTING RESERVES UNDER SECTION 719.106(1)(j), FLORIDA  
2213 STATUTES. THE WAIVING OR ALTERNATIVE USE OF RESERVE FUNDS MAY  
2214 RESULT IN UNIT OWNER LIABILITY FOR PAYMENT OF UNANTICIPATED  
2215 SPECIAL ASSESSMENTS REGARDING THOSE ITEMS.

2216 8. On or after January 1, 2026, if the association is  
2217 required to perform a reserve study under this paragraph and the  
2218 budget of the association does not fund the association's  
2219 reserve obligations consistent with the reserve study currently  
2220 in effect, the budget must also contain the following statement  
2221 in conspicuous type: THE ASSOCIATION'S LAST RESERVE STUDY IS  
2222 DATED ..... THE RESERVE AMOUNT BUDGETED AND/OR COLLECTED IS LESS  
2223 THAN REQUIRED BY THE RESERVE STUDY SCHEDULE. THE BUDGET OF THE  
2224 ASSOCIATION DOES NOT PROVIDE FOR FULLY FUNDED RESERVE ACCOUNTS  
2225 FOR CAPITAL EXPENDITURES AND DEFERRED MAINTENANCE CONSISTENT  
2226 WITH THE ASSOCIATION'S RESERVE STUDY. FAILURE TO FUND RESERVES  
2227 CONSISTENT WITH THE ASSOCIATION'S RESERVE STUDY MAY RESULT IN  
2228 UNANTICIPATED SPECIAL ASSESSMENTS REGARDING THOSE ITEMS.

2229 (n) *Mandatory milestone inspections.*—If an association is  
2230 required to have a milestone inspection performed pursuant to s.  
2231 553.899, the association must arrange for the milestone  
2232 inspection to be performed and is responsible for ensuring



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2233 compliance with the requirements of s. 553.899. The association  
2234 is responsible for all costs associated with the inspection.  
2235 Upon completion of a phase one or phase two milestone inspection  
2236 and receipt of the inspector-prepared summary of the inspection  
2237 report from the architect or engineer who performed the  
2238 inspection, the association must distribute a copy of the  
2239 inspector-prepared summary of the inspection report to each unit  
2240 owner, regardless of the findings or recommendations in the  
2241 report, by United States mail or personal delivery; must post a  
2242 copy of the inspector-prepared summary in a conspicuous place on  
2243 the cooperative property; and must publish the full report and  
2244 inspector-prepared summary on the association's website, if the  
2245 association is required to have a website.

2246 Section 14. Paragraph (f) is added to subsection (1) of  
2247 section 719.107, Florida Statutes, to read:

2248 719.107 Common expenses; assessment.—

2249 (1)

2250 (f) Notwithstanding any provision in the cooperative  
2251 documents requiring, prohibiting, or limiting a board of  
2252 administration's authority to adopt a special assessment or to  
2253 borrow money on behalf of the association, including any  
2254 provision in the cooperative documents requiring unit owner  
2255 voting or approval, the board may adopt a special assessment or  
2256 borrow money for the necessary maintenance, repair, or  
2257 replacement of the cooperative property.

2258 Section 15. Paragraphs (p) and (q) are added to subsection  
2259 (4) of section 719.301, Florida Statutes, to read:

2260 719.301 Transfer of association control.—

2261 (4) When unit owners other than the developer elect a



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2262 majority of the members of the board of administration of an  
2263 association, the developer shall relinquish control of the  
2264 association, and the unit owners shall accept control.  
2265 Simultaneously, or for the purpose of paragraph (c) not more  
2266 than 90 days thereafter, the developer shall deliver to the  
2267 association, at the developer's expense, all property of the  
2268 unit owners and of the association held or controlled by the  
2269 developer, including, but not limited to, the following items,  
2270 if applicable, as to each cooperative operated by the  
2271 association:

2272 (p) Notwithstanding when the certificate of occupancy was  
2273 issued or the height of the building, a milestone inspection  
2274 report in compliance with s. 553.899 included in the official  
2275 records, under seal of an architect or engineer authorized to  
2276 practice in this state, attesting to required maintenance,  
2277 condition, useful life, and replacement costs of the following  
2278 applicable cooperative property comprising a turnover inspection  
2279 report:

- 2280 1. Roof.
- 2281 2. Structure, including load-bearing walls and primary  
2282 structural members and primary structural systems as those terms  
2283 defined in s. 627.706.
- 2284 3. Fireproofing and fire protection systems.
- 2285 4. Elevators.
- 2286 5. Heating and cooling systems.
- 2287 6. Plumbing.
- 2288 7. Electrical systems.
- 2289 8. Swimming pool or spa and equipment.
- 2290 9. Seawalls.



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2291 10. Pavement and parking areas.

2292 11. Drainage systems.

2293 12. Painting.

2294 13. Irrigation systems.

2295 14. Waterproofing.

2296 (q) A copy of the most recent reserve study required under  
2297 s. 719.106(1)(j), along with the statements indicating the  
2298 status of the reserves required under s. 719.106(1)(j)7. and 8.,  
2299 if applicable, or a statement in conspicuous type indicating  
2300 that the association has not completed the required reserve  
2301 study or that the association is not required to perform a  
2302 reserve study, as applicable.

2303 Section 16. Paragraph (b) of subsection (1) and paragraph  
2304 (a) of subsection (2) of section 719.503, Florida Statutes, are  
2305 amended to read:

2306 719.503 Disclosure prior to sale.—

2307 (1) DEVELOPER DISCLOSURE.—

2308 (b) *Copies of documents to be furnished to prospective*  
2309 *buyer or lessee.*—Until such time as the developer has furnished  
2310 the documents listed below to a person who has entered into a  
2311 contract to purchase a unit or lease it for more than 5 years,  
2312 the contract may be voided by that person, entitling the person  
2313 to a refund of any deposit together with interest thereon as  
2314 provided in s. 719.202. The contract may be terminated by  
2315 written notice from the proposed buyer or lessee delivered to  
2316 the developer within 15 days after the buyer or lessee receives  
2317 all of the documents required by this section. The developer may  
2318 ~~shall~~ not close for 15 days after ~~following~~ the execution of the  
2319 agreement and delivery of the documents to the buyer as





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2320 evidenced by a receipt for documents signed by the buyer unless  
2321 the buyer is informed in the 15-day voidability period and  
2322 agrees to close before ~~prior to~~ the expiration of the 15 days.

2323 The developer shall retain in his or her records a separate  
2324 signed agreement as proof of the buyer's agreement to close  
2325 before ~~prior to~~ the expiration of the ~~said~~ voidability period.

2326 The developer must retain such ~~Said~~ proof ~~shall be retained~~ for  
2327 a period of 5 years after the date of the closing transaction.

2328 The documents to be delivered to the prospective buyer are the  
2329 prospectus or disclosure statement with all exhibits, if the  
2330 development is subject to ~~the provisions of~~ s. 719.504, or, if  
2331 not, then copies of the following which are applicable:

2332 1. The question and answer sheet described in s. 719.504,  
2333 and cooperative documents, or the proposed cooperative documents  
2334 if the documents have not been recorded, which shall include the  
2335 certificate of a surveyor approximately representing the  
2336 locations required by s. 719.104.

2337 2. The documents creating the association.

2338 3. The bylaws.

2339 4. The ground lease or other underlying lease of the  
2340 cooperative.

2341 5. The management contract, maintenance contract, and other  
2342 contracts for management of the association and operation of the  
2343 cooperative and facilities used by the unit owners having a  
2344 service term in excess of 1 year, and any management contracts  
2345 that are renewable.

2346 6. The estimated operating budget for the cooperative and a  
2347 schedule of expenses for each type of unit, including fees  
2348 assessed to a shareholder who has exclusive use of limited



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2349 common areas, where such costs are shared only by those entitled  
2350 to use such limited common areas.

2351 7. The lease of recreational and other facilities that will  
2352 be used only by unit owners of the subject cooperative.

2353 8. The lease of recreational and other common areas that  
2354 will be used by unit owners in common with unit owners of other  
2355 cooperatives.

2356 9. The form of unit lease if the offer is of a leasehold.

2357 10. Any declaration of servitude of properties serving the  
2358 cooperative but not owned by unit owners or leased to them or  
2359 the association.

2360 11. If the development is to be built in phases or if the  
2361 association is to manage more than one cooperative, a  
2362 description of the plan of phase development or the arrangements  
2363 for the association to manage two or more cooperatives.

2364 12. If the cooperative is a conversion of existing  
2365 improvements, the statements and disclosure required by s.  
2366 719.616.

2367 13. The form of agreement for sale or lease of units.

2368 14. A copy of the floor plan of the unit and the plot plan  
2369 showing the location of the residential buildings and the  
2370 recreation and other common areas.

2371 15. A copy of all covenants and restrictions that ~~which~~  
2372 will affect the use of the property and ~~which~~ are not contained  
2373 in the foregoing.

2374 16. If the developer is required by state or local  
2375 authorities to obtain acceptance or approval of any dock or  
2376 marina facilities intended to serve the cooperative, a copy of  
2377 any such acceptance or approval acquired by the time of filing



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2378 with the division pursuant to s. 719.502(1) or a statement that  
2379 such acceptance or approval has not been acquired or received.

2380 17. Evidence demonstrating that the developer has an  
2381 ownership, leasehold, or contractual interest in the land upon  
2382 which the cooperative is to be developed.

2383 18. A copy of the most recent reserve study required under  
2384 s. 719.106(1)(j), along with the statements indicating the  
2385 status of the reserves required under s. 719.106(1)(j)7. and 8.,  
2386 if applicable, or a statement in conspicuous type indicating  
2387 that the association has not completed the required reserve  
2388 study or that the association is not required to perform a  
2389 reserve study, as applicable.

2390 19. A copy of the inspector-prepared summary of the  
2391 milestone inspection report as described in ss. 553.899 and  
2392 719.301(4)(p).

2393 (2) NONDEVELOPER DISCLOSURE.—

2394 (a) Each unit owner who is not a developer as defined by  
2395 this chapter must comply with ~~the provisions of~~ this subsection  
2396 before ~~prior to~~ the sale of his or her interest in the  
2397 association. Each prospective purchaser who has entered into a  
2398 contract for the purchase of an interest in a cooperative is  
2399 entitled, at the seller's expense, to a current copy of all of  
2400 the following:

2401 1. The articles of incorporation of the association.7

2402 2. The bylaws7 and rules of the association.

2403 3. ~~as well as~~ A copy of the question and answer sheet as  
2404 provided in s. 719.504.

2405 4. A copy of the most recent reserve study required under  
2406 s. 719.106(1)(j), along with the statements in the budget



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2407 indicating the status of the reserves required under s. 719.106  
2408 (1)(j)7. and 8., if applicable, or a statement in conspicuous  
2409 type indicating that the association has not completed the  
2410 required reserve study or that the association is not required  
2411 to perform a reserve study, as applicable.

2412 5. A copy of the inspector-prepared summary of the  
2413 milestone inspection report as described in ss. 553.899 and  
2414 719.301(4)(p).

2415 Section 17. Paragraph (f) of subsection (23) of section  
2416 719.504, Florida Statutes, is amended, and paragraph (q) is  
2417 added to that subsection, to read:

2418 719.504 Prospectus or offering circular.—Every developer of  
2419 a residential cooperative which contains more than 20  
2420 residential units, or which is part of a group of residential  
2421 cooperatives which will be served by property to be used in  
2422 common by unit owners of more than 20 residential units, shall  
2423 prepare a prospectus or offering circular and file it with the  
2424 Division of Florida Condominiums, Timeshares, and Mobile Homes  
2425 prior to entering into an enforceable contract of purchase and  
2426 sale of any unit or lease of a unit for more than 5 years and  
2427 shall furnish a copy of the prospectus or offering circular to  
2428 each buyer. In addition to the prospectus or offering circular,  
2429 each buyer shall be furnished a separate page entitled  
2430 "Frequently Asked Questions and Answers," which must be in  
2431 accordance with a format approved by the division. This page  
2432 must, in readable language: inform prospective purchasers  
2433 regarding their voting rights and unit use restrictions,  
2434 including restrictions on the leasing of a unit; indicate  
2435 whether and in what amount the unit owners or the association is



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2436 obligated to pay rent or land use fees for recreational or other  
2437 commonly used facilities; contain a statement identifying that  
2438 amount of assessment which, pursuant to the budget, would be  
2439 levied upon each unit type, exclusive of any special  
2440 assessments, and which identifies the basis upon which  
2441 assessments are levied, whether monthly, quarterly, or  
2442 otherwise; state and identify any court cases in which the  
2443 association is currently a party of record in which the  
2444 association may face liability in excess of \$100,000; and state  
2445 whether membership in a recreational facilities association is  
2446 mandatory and, if so, identify the fees currently charged per  
2447 unit type. The division shall by rule require such other  
2448 disclosure as in its judgment will assist prospective  
2449 purchasers. The prospectus or offering circular may include more  
2450 than one cooperative, although not all such units are being  
2451 offered for sale as of the date of the prospectus or offering  
2452 circular. The prospectus or offering circular must contain the  
2453 following information:

2454 (23) Copies of the following, to the extent they are  
2455 applicable, shall be included as exhibits:

2456 (f) The estimated operating budget for the cooperative and  
2457 the required schedule of unit owners' expenses, and the most  
2458 recent reserve study required under s. 719.106(1)(j), along with  
2459 the statements in the budget indicating the status of the  
2460 reserves required under s. 719.106(1)(j)7. and 8., if  
2461 applicable, or a statement in conspicuous type indicating that  
2462 the association has not completed the required reserve study or  
2463 that the association is not required to perform a reserve study,  
2464 as applicable.



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2465           (q) A copy of the inspector-prepared summary of the  
2466 milestone inspection report as described in ss. 553.899 and  
2467 719.301(4)(p).

2468           Section 18. Subsection (2) of section 558.002, Florida  
2469 Statutes, is amended to read:

2470           558.002 Definitions.—As used in this chapter, the term:

2471           (2) "Association" has the same meaning as in s. 718.103(3)  
2472 ~~s. 718.103(2)~~, s. 719.103(3) ~~s. 719.103(2)~~, s. 720.301(9), or s.  
2473 723.075.

2474           Section 19. Paragraph (b) of subsection (1) of section  
2475 718.116, Florida Statutes, is amended to read:

2476           718.116 Assessments; liability; lien and priority;  
2477 interest; collection.—

2478           (1)

2479           (b)1. The liability of a first mortgagee or its successor  
2480 or assignees who acquire title to a unit by foreclosure or by  
2481 deed in lieu of foreclosure for the unpaid assessments that  
2482 became due before the mortgagee's acquisition of title is  
2483 limited to the lesser of:

2484           a. The unit's unpaid common expenses and regular periodic  
2485 assessments which accrued or came due during the 12 months  
2486 immediately preceding the acquisition of title and for which  
2487 payment in full has not been received by the association; or

2488           b. One percent of the original mortgage debt. The  
2489 provisions of this paragraph apply only if the first mortgagee  
2490 joined the association as a defendant in the foreclosure action.  
2491 Joinder of the association is not required if, on the date the  
2492 complaint is filed, the association was dissolved or did not  
2493 maintain an office or agent for service of process at a location



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2494 which was known to or reasonably discoverable by the mortgagee.

2495         2. An association, or its successor or assignee, that  
2496 acquires title to a unit through the foreclosure of its lien for  
2497 assessments is not liable for any unpaid assessments, late fees,  
2498 interest, or reasonable attorney's fees and costs that came due  
2499 before the association's acquisition of title in favor of any  
2500 other association, as defined in s. 718.103(3) ~~s. 718.103(2)~~ or  
2501 s. 720.301(9), which holds a superior lien interest on the unit.  
2502 This subparagraph is intended to clarify existing law.

2503         Section 20. Subsection (2) of section 718.121, Florida  
2504 Statutes, is amended to read:

2505             718.121 Liens.—

2506             (2) Labor performed on or materials furnished to a unit may  
2507 not be the basis for the filing of a lien under part I of  
2508 chapter 713, the Construction Lien Law, against the unit or  
2509 condominium parcel of any unit owner not expressly consenting to  
2510 or requesting the labor or materials. Labor performed on or  
2511 materials furnished for the installation of a natural gas fuel  
2512 station or an electric vehicle charging station under s.  
2513 718.113(9) ~~s. 718.113(8)~~ may not be the basis for filing a lien  
2514 under part I of chapter 713 against the association, but such a  
2515 lien may be filed against the unit owner. Labor performed on or  
2516 materials furnished to the common elements are not the basis for  
2517 a lien on the common elements, but if authorized by the  
2518 association, the labor or materials are deemed to be performed  
2519 or furnished with the express consent of each unit owner and may  
2520 be the basis for the filing of a lien against all condominium  
2521 parcels in the proportions for which the owners are liable for  
2522 common expenses.



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2523 Section 21. Subsection (3) of section 718.706, Florida  
2524 Statutes, is amended to read:

2525 718.706 Specific provisions pertaining to offering of units  
2526 by a bulk assignee or bulk buyer.—

2527 (3) A bulk assignee, while in control of the board of  
2528 administration of the association, may not authorize, on behalf  
2529 of the association:

2530 (a) The waiver of reserves or the reduction of funding of  
2531 the reserves pursuant to s. 718.112(2)(f)2., unless approved by  
2532 a majority of the voting interests not controlled by the  
2533 developer, bulk assignee, and bulk buyer; or

2534 (b) The use of reserve expenditures for other purposes  
2535 pursuant to s. 718.112(2)(f)5. ~~s. 718.112(2)(f)3.~~, unless  
2536 approved by a majority of the voting interests not controlled by  
2537 the developer, bulk assignee, and bulk buyer.

2538 Section 22. Paragraph (d) of subsection (2) of section  
2539 720.3085, Florida Statutes, is amended to read:

2540 720.3085 Payment for assessments; lien claims.—

2541 (2)

2542 (d) An association, or its successor or assignee, that  
2543 acquires title to a parcel through the foreclosure of its lien  
2544 for assessments is not liable for any unpaid assessments, late  
2545 fees, interest, or reasonable attorney's fees and costs that  
2546 came due before the association's acquisition of title in favor  
2547 of any other association, as defined in s. 718.103(3) ~~s.~~  
2548 ~~718.103(2)~~ or s. 720.301(9), which holds a superior lien  
2549 interest on the parcel. This paragraph is intended to clarify  
2550 existing law.

2551 Section 23. For the purpose of incorporating the amendment





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2552 made by this act to section 718.1255, Florida Statutes, in a  
2553 reference thereto, section 719.1255, Florida Statutes, is  
2554 reenacted to read:

2555       719.1255 Alternative resolution of disputes.—The Division  
2556 of Florida Condominiums, Timeshares, and Mobile Homes of the  
2557 Department of Business and Professional Regulation shall provide  
2558 for alternative dispute resolution in accordance with s.  
2559 718.1255.

2560       Section 24. This act shall take effect July 1, 2022.