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LEGISLATIVE ACTION

Senate

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House

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Floor: WD

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03/10/2022 12:39 PM

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Senator Bradley moved the following:

Senate Amendment (with title amendment)

Delete everything after the enacting clause
and insert:

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

553.899 Mandatory structural inspections for multifamily
residential buildings.-

(1) The Legislature finds that maintaining the structural
integrity of a building throughout its service life is of
paramount importance in order to ensure that buildings are



946458

12 structurally sound so as to not pose a threat to the public
13 health, safety, or welfare. As such, the Legislature finds that
14 the imposition of a statewide structural inspection program for
15 aging multifamily residential buildings in this state is
16 necessary to ensure that such buildings are safe for continued
17 use.

18 (2) As used in this section, the term "milestone
19 inspection" means a structural inspection of a building,
20 including an inspection of load-bearing walls and the primary
21 structural members and primary structural systems as those terms
22 are defined in s. 627.706, by a licensed architect or engineer
23 authorized to practice in this state for the purposes of
24 attesting to the life safety and adequacy of the structural
25 components of the building and, to the extent reasonably
26 possible, determining the general structural condition of the
27 building as it affects the safety of such building, including a
28 determination of any necessary maintenance, repair, or
29 replacement of any structural component of the building. The
30 purpose of such inspection is not to determine if the condition
31 of an existing building is in compliance with the Florida
32 Building Code or the firesafety code.

33 (3) The owner of a multifamily residential building that is
34 three stories or more in height must have a milestone inspection
35 performed by December 31 of the year in which the building
36 reaches 30 years of age, based on the date the certificate of
37 occupancy for the building was issued, and every 10 years
38 thereafter. The owner of a multifamily residential building that
39 is three stories or more in height and is located within 3 miles
40 of a coastline as defined in s. 376.031 must have a milestone



946458

41 inspection performed by December 31 of the year in which the
42 building reaches 20 years of age, based on the date the
43 certificate of occupancy for the building was issued, and every
44 7 years thereafter. If a condominium building or cooperative
45 building is required to have a milestone inspection performed
46 pursuant to this section, the condominium association or
47 cooperative association must arrange for the milestone
48 inspection to be performed and is responsible for ensuring
49 compliance with the requirements of this section. The building
50 owner or condominium association or cooperative association is
51 responsible for all costs associated with the inspection. This
52 subsection does not apply to a two-family or three-family
53 dwelling with three or fewer habitable stories above ground.

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

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

59 (a) For phase one of the milestone inspection, a licensed
60 architect or engineer authorized to practice in this state shall
61 perform a visual examination of habitable and nonhabitable areas
62 of a building, including the major structural components of a
63 building, and provide a qualitative assessment of the structural
64 conditions of the building. Surface imperfections such as
65 cracks, distortion, sagging, deflections, misalignment, signs of
66 leakage, or peeling of finishes are not considered signs of
67 structural distress unless the architect or engineer performing
68 the inspection determines that such surface imperfections are a
69 sign of structural distress. If the architect or engineer finds



946458

70 no signs of structural distress to any building components under
71 visual examination, phase two of the inspection, as provided in
72 paragraph (b), is not required. An architect or engineer who
73 completes a phase one milestone inspection shall prepare and
74 submit an inspection report pursuant to subsection (6).

75 (b) A phase two of the milestone inspection must be
76 performed if any structural distress is identified during phase
77 one. The inspector in charge of a phase two inspection must be a
78 licensed engineer or licensed architect who has a minimum of 5
79 years of experience inspecting structural components of existing
80 buildings of a similar size, scope, and type of construction. A
81 phase two inspection may involve destructive or nondestructive
82 testing at the inspector's direction. The inspection may be as
83 extensive or as limited as necessary to fully assess areas of
84 structural distress in order to confirm that the building is
85 structurally sound and safe for its intended use and to
86 recommend a program for fully assessing and repairing distressed
87 and damaged portions of the building. When determining testing
88 locations, the inspector must give preference to locations that
89 are the least disruptive and most easily repairable while still
90 being representative of the structure. An inspector who
91 completes a phase two milestone inspection shall prepare and
92 submit an inspection report pursuant to subsection (6).

93 (6) Upon completion of a phase one or phase two milestone
94 inspection, the architect or engineer who performed the
95 inspection must submit a sealed copy of the inspection report
96 with a separate summary of, at minimum, the material findings
97 and recommendations in the inspection report to the building
98 owner or, if the building is a condominium or cooperative, to



946458

99 the condominium association or cooperative association, and to
100 the building official of the local government which has
101 jurisdiction. For a milestone inspection of a building that is a
102 condominium or cooperative, the association must distribute a
103 copy of the inspector-prepared summary of the inspection report
104 to each condominium unit owner or cooperative unit owner,
105 regardless of the findings or recommendations in the report, by
106 United States mail or personal delivery; must post a copy of the
107 inspector-prepared summary in a conspicuous place on the
108 condominium or cooperative property; and must publish the full
109 report and inspector-prepared summary on the association's
110 website, if the association is required to have a website.

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

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

119 Section 2. Present subsections (1) through (30) of section
120 718.103, Florida Statutes, are redesignated as subsections (2)
121 through (31), respectively, and a new subsection (1) is added to
122 that section, to read:

123 718.103 Definitions.—As used in this chapter, the term:

124 (1) "Alternative funding method" means an alternative to
125 funding a reserve account which is approved by the division and
126 which may reasonably be expected to fully satisfy the
127 association's budgetary obligations for deferred maintenance,



946458

128 capital expenditure, and any item for which reserves are
129 otherwise required, including, but not limited to, payments by a
130 developer and the incorporation into the budget of expenses for
131 deferred maintenance, capital expenditure, and any item for
132 which reserves are otherwise required. The term also includes
133 any other alternative approved by the division.

134 Section 3. Paragraphs (a), (c), and (g) of subsection (12)
135 and subsections (13) and (14) of section 718.111, Florida
136 Statutes, are amended to read:

137 718.111 The association.—

138 (12) OFFICIAL RECORDS.—

139 (a) From the inception of the association, the association
140 shall maintain each of the following items, if applicable, which
141 constitutes the official records of the association:

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

144 2. A photocopy of the recorded declaration of condominium
145 of each condominium operated by the association and each
146 amendment to each declaration.

147 3. A photocopy of the recorded bylaws of the association
148 and each amendment to the bylaws.

149 4. A certified copy of the articles of incorporation of the
150 association, or other documents creating the association, and
151 each amendment thereto.

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

153 6. A book or books that contain the minutes of all meetings
154 of the association, the board of administration, and the unit
155 owners.

156 7. A current roster of all unit owners and their mailing



946458

157 addresses, unit identifications, voting certifications, and, if
158 known, telephone numbers. The association shall also maintain
159 the e-mail addresses and facsimile numbers of unit owners
160 consenting to receive notice by electronic transmission. The e-
161 mail addresses and facsimile numbers are not accessible to unit
162 owners if consent to receive notice by electronic transmission
163 is not provided in accordance with sub-subparagraph (c)3.e.
164 However, the association is not liable for an inadvertent
165 disclosure of the e-mail address or facsimile number for
166 receiving electronic transmission of notices.

167 8. All current insurance policies of the association and
168 condominiums operated by the association.

169 9. A current copy of any management agreement, lease, or
170 other contract to which the association is a party or under
171 which the association or the unit owners have an obligation or
172 responsibility.

173 10. Bills of sale or transfer for all property owned by the
174 association.

175 11. Accounting records for the association and separate
176 accounting records for each condominium that the association
177 operates. Any person who knowingly or intentionally defaces or
178 destroys such records, or who knowingly or intentionally fails
179 to create or maintain such records, with the intent of causing
180 harm to the association or one or more of its members, is
181 personally subject to a civil penalty pursuant to s.
182 718.501(1)(d). The accounting records must include, but are not
183 limited to:

184 a. Accurate, itemized, and detailed records of all receipts
185 and expenditures.



946458

186 b. A current account and a monthly, bimonthly, or quarterly
187 statement of the account for each unit designating the name of
188 the unit owner, the due date and amount of each assessment, the
189 amount paid on the account, and the balance due.

190 c. All audits, reviews, accounting statements, reserve
191 studies and reserve funding plans, and financial reports of the
192 association or condominium.

193 d. All contracts for work to be performed. Bids for work to
194 be performed are also considered official records and must be
195 maintained by the association for at least 1 year after receipt
196 of the bid.

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

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

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

206 15. A copy of the inspection reports ~~report as~~ described in
207 ss. 553.899 and 718.301(4)(p) and any other inspection report
208 relating to a structural or life safety inspection of
209 condominium property. Such record must be maintained by the
210 association for 15 years after receipt of the report ~~s.~~
211 ~~718.301(4)(p).~~

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

213 17. All affirmative acknowledgments made pursuant to s.
214 718.121(4)(c).



946458

215 18. All other written records of the association not
216 specifically included in the foregoing which are related to the
217 operation of the association.

218 (c)1. The official records of the association are open to
219 inspection by any association member or the authorized
220 representative of such member at all reasonable times. The right
221 to inspect the records includes the right to make or obtain
222 copies, at the reasonable expense, if any, of the member or
223 authorized representative of such member. A renter of a unit has
224 a right to inspect and copy only the declaration of condominium,
225 ~~and~~ the association's bylaws and rules, and the inspection
226 reports described in ss. 553.899 and 718.301(4) (p). The
227 association may adopt reasonable rules regarding the frequency,
228 time, location, notice, and manner of record inspections and
229 copying but may not require a member to demonstrate any purpose
230 or state any reason for the inspection. The failure of an
231 association to provide the records within 10 working days after
232 receipt of a written request creates a rebuttable presumption
233 that the association willfully failed to comply with this
234 paragraph. A unit owner who is denied access to official records
235 is entitled to the actual damages or minimum damages for the
236 association's willful failure to comply. Minimum damages are \$50
237 per calendar day for up to 10 days, beginning on the 11th
238 working day after receipt of the written request. The failure to
239 permit inspection entitles any person prevailing in an
240 enforcement action to recover reasonable attorney fees from the
241 person in control of the records who, directly or indirectly,
242 knowingly denied access to the records.

243 2. Any person who knowingly or intentionally defaces or



946458

244 destroys accounting records that are required by this chapter to
245 be maintained during the period for which such records are
246 required to be maintained, or who knowingly or intentionally
247 fails to create or maintain accounting records that are required
248 to be created or maintained, with the intent of causing harm to
249 the association or one or more of its members, is personally
250 subject to a civil penalty pursuant to s. 718.501(1)(d).

251 3. The association shall maintain an adequate number of
252 copies of the declaration, articles of incorporation, bylaws,
253 and rules, and all amendments to each of the foregoing, as well
254 as the question and answer sheet as described in s. 718.504 and
255 year-end financial information required under this section, on
256 the condominium property to ensure their availability to unit
257 owners and prospective purchasers, and may charge its actual
258 costs for preparing and furnishing these documents to those
259 requesting the documents. An association shall allow a member or
260 his or her authorized representative to use a portable device,
261 including a smartphone, tablet, portable scanner, or any other
262 technology capable of scanning or taking photographs, to make an
263 electronic copy of the official records in lieu of the
264 association's providing the member or his or her authorized
265 representative with a copy of such records. The association may
266 not charge a member or his or her authorized representative for
267 the use of a portable device. Notwithstanding this paragraph,
268 the following records are not accessible to unit owners:

269 a. Any record protected by the lawyer-client privilege as
270 described in s. 90.502 and any record protected by the work-
271 product privilege, including a record prepared by an association
272 attorney or prepared at the attorney's express direction, which



946458

273 reflects a mental impression, conclusion, litigation strategy,
274 or legal theory of the attorney or the association, and which
275 was prepared exclusively for civil or criminal litigation or for
276 adversarial administrative proceedings, or which was prepared in
277 anticipation of such litigation or proceedings until the
278 conclusion of the litigation or proceedings.

279 b. Information obtained by an association in connection
280 with the approval of the lease, sale, or other transfer of a
281 unit.

282 c. Personnel records of association or management company
283 employees, including, but not limited to, disciplinary, payroll,
284 health, and insurance records. For purposes of this sub-
285 subparagraph, the term "personnel records" does not include
286 written employment agreements with an association employee or
287 management company, or budgetary or financial records that
288 indicate the compensation paid to an association employee.

289 d. Medical records of unit owners.

290 e. Social security numbers, driver license numbers, credit
291 card numbers, e-mail addresses, telephone numbers, facsimile
292 numbers, emergency contact information, addresses of a unit
293 owner other than as provided to fulfill the association's notice
294 requirements, and other personal identifying information of any
295 person, excluding the person's name, unit designation, mailing
296 address, property address, and any address, e-mail address, or
297 facsimile number provided to the association to fulfill the
298 association's notice requirements. Notwithstanding the
299 restrictions in this sub-subparagraph, an association may print
300 and distribute to unit owners a directory containing the name,
301 unit address, and all telephone numbers of each unit owner.



946458

302 However, an owner may exclude his or her telephone numbers from
303 the directory by so requesting in writing to the association. An
304 owner may consent in writing to the disclosure of other contact
305 information described in this sub-subparagraph. The association
306 is not liable for the inadvertent disclosure of information that
307 is protected under this sub-subparagraph if the information is
308 included in an official record of the association and is
309 voluntarily provided by an owner and not requested by the
310 association.

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

313 g. The software and operating system used by the
314 association which allow the manipulation of data, even if the
315 owner owns a copy of the same software used by the association.
316 The data is part of the official records of the association.

317 h. All affirmative acknowledgments made pursuant to s.
318 718.121(4)(c).

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

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

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

328 (II) A website, application, or web portal operated by a
329 third-party provider with whom the association owns, leases,
330 rents, or otherwise obtains the right to operate a web page,



946458

331 subpage, web portal, collection of subpages or web portals, or
332 an application which is dedicated to the association's
333 activities and on which required notices, records, and documents
334 may be posted or made available by the association.

335 b. The association's website or application must be
336 accessible through the Internet and must contain a subpage, web
337 portal, or other protected electronic location that is
338 inaccessible to the general public and accessible only to unit
339 owners and employees of the association.

340 c. Upon a unit owner's written request, the association
341 must provide the unit owner with a username and password and
342 access to the protected sections of the association's website or
343 application which contain any notices, records, or documents
344 that must be electronically provided.

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

347 a. The recorded declaration of condominium of each
348 condominium operated by the association and each amendment to
349 each declaration.

350 b. The recorded bylaws of the association and each
351 amendment to the bylaws.

352 c. The articles of incorporation of the association, or
353 other documents creating the association, and each amendment to
354 the articles of incorporation or other documents. The copy
355 posted pursuant to this sub-subparagraph must be a copy of the
356 articles of incorporation filed with the Department of State.

357 d. The rules of the association.

358 e. A list of all executory contracts or documents to which
359 the association is a party or under which the association or the



946458

360 unit owners have an obligation or responsibility and, after
361 bidding for the related materials, equipment, or services has
362 closed, a list of bids received by the association within the
363 past year. Summaries of bids for materials, equipment, or
364 services which exceed \$500 must be maintained on the website or
365 application for 1 year. In lieu of summaries, complete copies of
366 the bids may be posted.

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

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

372 h. The certification of each director required by s.
373 718.112(2)(d)4.b.

374 i. All contracts or transactions between the association
375 and any director, officer, corporation, firm, or association
376 that is not an affiliated condominium association or any other
377 entity in which an association director is also a director or
378 officer and financially interested.

379 j. Any contract or document regarding a conflict of
380 interest or possible conflict of interest as provided in ss.
381 468.436(2)(b)6. and 718.3027(3).

382 k. The notice of any unit owner meeting and the agenda for
383 the meeting, as required by s. 718.112(2)(d)3., no later than 14
384 days before the meeting. The notice must be posted in plain view
385 on the front page of the website or application, or on a
386 separate subpage of the website or application labeled "Notices"
387 which is conspicuously visible and linked from the front page.
388 The association must also post on its website or application any



946458

389 document to be considered and voted on by the owners during the
390 meeting or any document listed on the agenda at least 7 days
391 before the meeting at which the document or the information
392 within the document will be considered.

393 1. Notice of any board meeting, the agenda, and any other
394 document required for the meeting as required by s.
395 718.112(2)(c), which must be posted no later than the date
396 required for notice under s. 718.112(2)(c).

397 m. The inspection reports described in ss. 553.899 and
398 718.301(4)(p) and any other inspection report relating to a
399 structural or life safety inspection of condominium property.

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

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

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

414 4. The failure of the association to post information
415 required under subparagraph 2. is not in and of itself
416 sufficient to invalidate any action or decision of the
417 association's board or its committees.



946458

418 (13) FINANCIAL REPORTING.—Within 90 days after the end of
419 the fiscal year, or annually on a date provided in the bylaws,
420 the association shall prepare and complete, or contract for the
421 preparation and completion of, a financial report for the
422 preceding fiscal year. Within 21 days after the final financial
423 report is completed by the association or received from the
424 third party, but not later than 120 days after the end of the
425 fiscal year or other date as provided in the bylaws, the
426 association shall mail to each unit owner at the address last
427 furnished to the association by the unit owner, or hand deliver
428 to each unit owner, a copy of the most recent financial report
429 or a notice that a copy of the most recent financial report will
430 be mailed or hand delivered to the unit owner, without charge,
431 within 5 business days after receipt of a written request from
432 the unit owner. The division shall adopt rules setting forth
433 uniform accounting principles and standards to be used by all
434 associations and addressing the financial reporting requirements
435 for multicondominium associations. The rules must include, but
436 not be limited to, standards for presenting a summary of
437 association reserves, including a good faith estimate disclosing
438 the annual amount of reserve funds that would be necessary for
439 the association to fully fund reserves for each reserve item
440 based on the straight-line ~~accounting~~ method or to fully fund
441 reserves based on the pooling method. ~~This disclosure is not~~
442 ~~applicable to reserves funded via the pooling method.~~ In
443 adopting such rules, the division shall consider the number of
444 members and annual revenues of an association. Financial reports
445 shall be prepared as follows:

446 (a) An association that meets the criteria of this



946458

447 paragraph shall prepare a complete set of financial statements
448 in accordance with generally accepted accounting principles. The
449 financial statements must be based upon the association's total
450 annual revenues, as follows:

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

454 2. An association with total annual revenues of at least
455 \$300,000, but less than \$500,000, shall prepare reviewed
456 financial statements.

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

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

462 2. A report of cash receipts and disbursements must
463 disclose the amount of receipts by accounts and receipt
464 classifications and the amount of expenses by accounts and
465 expense classifications, including, but not limited to, the
466 following, as applicable: costs for security, professional and
467 management fees and expenses, taxes, costs for recreation
468 facilities, expenses for refuse collection and utility services,
469 expenses for lawn care, costs for building maintenance and
470 repair, insurance costs, administration and salary expenses, and
471 reserves accumulated and expended for capital expenditures,
472 deferred maintenance, and any other category for which the
473 association maintains reserves.

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



946458

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

479 2. Reviewed or audited financial statements, if the
480 association is required to prepare compiled financial
481 statements; or

482 3. Audited financial statements if the association is
483 required to prepare reviewed financial statements.

484 (d) If approved by a majority of the voting interests
485 present at a properly called meeting of the association, an
486 association may prepare:

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

489 2. A report of cash receipts and expenditures or a compiled
490 financial statement in lieu of a reviewed or audited financial
491 statement; or

492 3. A report of cash receipts and expenditures, a compiled
493 financial statement, or a reviewed financial statement in lieu
494 of an audited financial statement.

495
496 Such meeting and approval must occur before the end of the
497 fiscal year and is effective only for the fiscal year in which
498 the vote is taken, except that the approval may also be
499 effective for the following fiscal year. If the developer has
500 not turned over control of the association, all unit owners,
501 including the developer, may vote on issues related to the
502 preparation of the association's financial reports, from the
503 date of incorporation of the association through the end of the
504 second fiscal year after the fiscal year in which the



946458

505 certificate of a surveyor and mapper is recorded pursuant to s.
506 718.104(4) (e) or an instrument that transfers title to a unit in
507 the condominium which is not accompanied by a recorded
508 assignment of developer rights in favor of the grantee of such
509 unit is recorded, whichever occurs first. Thereafter, all unit
510 owners except the developer may vote on such issues until
511 control is turned over to the association by the developer. Any
512 audit or review prepared under this section shall be paid for by
513 the developer if done before turnover of control of the
514 association.

515 (e) A unit owner may provide written notice to the division
516 of the association's failure to mail or hand deliver him or her
517 a copy of the most recent financial report within 5 business
518 days after he or she submitted a written request to the
519 association for a copy of such report. If the division
520 determines that the association failed to mail or hand deliver a
521 copy of the most recent financial report to the unit owner, the
522 division shall provide written notice to the association that
523 the association must mail or hand deliver a copy of the most
524 recent financial report to the unit owner and the division
525 within 5 business days after it receives such notice from the
526 division. An association that fails to comply with the
527 division's request may not waive the financial reporting
528 requirement provided in paragraph (d) for the fiscal year in
529 which the unit owner's request was made and the following fiscal
530 year. A financial report received by the division pursuant to
531 this paragraph shall be maintained, and the division shall
532 provide a copy of such report to an association member upon his
533 or her request.



946458

534 (14) COMMINGLING.—All funds collected by an association
535 shall be maintained separately in the association's name. For
536 investment purposes only, reserve funds may be commingled with
537 operating funds of the association. Commingled operating and
538 reserve funds shall be accounted for separately, and a
539 commingled account shall not, at any time, be less than the
540 amount identified as reserve funds. This subsection does not
541 prohibit a multicondominium association from commingling the
542 operating funds of separate condominiums or the reserve funds of
543 separate condominiums. Furthermore, for investment purposes
544 only, a multicondominium association may commingle the operating
545 funds of separate condominiums with the reserve funds of
546 separate condominiums. The Department of Financial Services
547 shall adopt rules establishing guidelines for the investment of
548 reserve funds, including financial reporting requirements and
549 the types of allowable investments. A manager or business entity
550 required to be licensed or registered under s. 468.432, or an
551 agent, employee, officer, or director of an association, shall
552 not commingle any association funds with his or her funds or
553 with the funds of any other condominium association or the funds
554 of a community association as defined in s. 468.431.

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

558 718.112 Bylaws.—

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

562 (d) *Unit owner meetings.*—



946458

563 1. An annual meeting of the unit owners must be held at the
564 location provided in the association bylaws and, if the bylaws
565 are silent as to the location, the meeting must be held within
566 45 miles of the condominium property. However, such distance
567 requirement does not apply to an association governing a
568 timeshare condominium.

569 2. Unless the bylaws provide otherwise, a vacancy on the
570 board caused by the expiration of a director's term must be
571 filled by electing a new board member, and the election must be
572 by secret ballot. An election is not required if the number of
573 vacancies equals or exceeds the number of candidates. For
574 purposes of this paragraph, the term "candidate" means an
575 eligible person who has timely submitted the written notice, as
576 described in sub-subparagraph 4.a., of his or her intention to
577 become a candidate. Except in a timeshare or nonresidential
578 condominium, or if the staggered term of a board member does not
579 expire until a later annual meeting, or if all members' terms
580 would otherwise expire but there are no candidates, the terms of
581 all board members expire at the annual meeting, and such members
582 may stand for reelection unless prohibited by the bylaws. Board
583 members may serve terms longer than 1 year if permitted by the
584 bylaws or articles of incorporation. A board member may not
585 serve more than 8 consecutive years unless approved by an
586 affirmative vote of unit owners representing two-thirds of all
587 votes cast in the election or unless there are not enough
588 eligible candidates to fill the vacancies on the board at the
589 time of the vacancy. Only board service that occurs on or after
590 July 1, 2018, may be used when calculating a board member's term
591 limit. If the number of board members whose terms expire at the



946458

592 annual meeting equals or exceeds the number of candidates, the
593 candidates become members of the board effective upon the
594 adjournment of the annual meeting. Unless the bylaws provide
595 otherwise, any remaining vacancies shall be filled by the
596 affirmative vote of the majority of the directors making up the
597 newly constituted board even if the directors constitute less
598 than a quorum or there is only one director. In a residential
599 condominium association of more than 10 units or in a
600 residential condominium association that does not include
601 timeshare units or timeshare interests, co-owners of a unit may
602 not serve as members of the board of directors at the same time
603 unless they own more than one unit or unless there are not
604 enough eligible candidates to fill the vacancies on the board at
605 the time of the vacancy. A unit owner in a residential
606 condominium desiring to be a candidate for board membership must
607 comply with sub-subparagraph 4.a. and must be eligible to be a
608 candidate to serve on the board of directors at the time of the
609 deadline for submitting a notice of intent to run in order to
610 have his or her name listed as a proper candidate on the ballot
611 or to serve on the board. A person who has been suspended or
612 removed by the division under this chapter, or who is delinquent
613 in the payment of any assessment due to the association, is not
614 eligible to be a candidate for board membership and may not be
615 listed on the ballot. For purposes of this paragraph, a person
616 is delinquent if a payment is not made by the due date as
617 specifically identified in the declaration of condominium,
618 bylaws, or articles of incorporation. If a due date is not
619 specifically identified in the declaration of condominium,
620 bylaws, or articles of incorporation, the due date is the first



946458

621 day of the assessment period. A person who has been convicted of
622 any felony in this state or in a United States District or
623 Territorial Court, or who has been convicted of any offense in
624 another jurisdiction which would be considered a felony if
625 committed in this state, is not eligible for board membership
626 unless such felon's civil rights have been restored for at least
627 5 years as of the date such person seeks election to the board.
628 The validity of an action by the board is not affected if it is
629 later determined that a board member is ineligible for board
630 membership due to having been convicted of a felony. This
631 subparagraph does not limit the term of a member of the board of
632 a nonresidential or timeshare condominium.

633 3. The bylaws must provide the method of calling meetings
634 of unit owners, including annual meetings. Written notice of an
635 annual meeting must include an agenda; be mailed, hand
636 delivered, or electronically transmitted to each unit owner at
637 least 14 days before the annual meeting; and be posted in a
638 conspicuous place on the condominium property or association
639 property at least 14 continuous days before the annual meeting.
640 Written notice of a meeting other than an annual meeting must
641 include an agenda; be mailed, hand delivered, or electronically
642 transmitted to each unit owner; and be posted in a conspicuous
643 place on the condominium property or association property within
644 the timeframe specified in the bylaws. If the bylaws do not
645 specify a timeframe for written notice of a meeting other than
646 an annual meeting, notice must be provided at least 14
647 continuous days before the meeting. Upon notice to the unit
648 owners, the board shall, by duly adopted rule, designate a
649 specific location on the condominium property or association



946458

650 property where all notices of unit owner meetings must be
651 posted. This requirement does not apply if there is no
652 condominium property for posting notices. In lieu of, or in
653 addition to, the physical posting of meeting notices, the
654 association may, by reasonable rule, adopt a procedure for
655 conspicuously posting and repeatedly broadcasting the notice and
656 the agenda on a closed-circuit cable television system serving
657 the condominium association. However, if broadcast notice is
658 used in lieu of a notice posted physically on the condominium
659 property, the notice and agenda must be broadcast at least four
660 times every broadcast hour of each day that a posted notice is
661 otherwise required under this section. If broadcast notice is
662 provided, the notice and agenda must be broadcast in a manner
663 and for a sufficient continuous length of time so as to allow an
664 average reader to observe the notice and read and comprehend the
665 entire content of the notice and the agenda. In addition to any
666 of the authorized means of providing notice of a meeting of the
667 board, the association may, by rule, adopt a procedure for
668 conspicuously posting the meeting notice and the agenda on a
669 website serving the condominium association for at least the
670 minimum period of time for which a notice of a meeting is also
671 required to be physically posted on the condominium property.
672 Any rule adopted shall, in addition to other matters, include a
673 requirement that the association send an electronic notice in
674 the same manner as a notice for a meeting of the members, which
675 must include a hyperlink to the website where the notice is
676 posted, to unit owners whose e-mail addresses are included in
677 the association's official records. Unless a unit owner waives
678 in writing the right to receive notice of the annual meeting,



946458

679 such notice must be hand delivered, mailed, or electronically
680 transmitted to each unit owner. Notice for meetings and notice
681 for all other purposes must be mailed to each unit owner at the
682 address last furnished to the association by the unit owner, or
683 hand delivered to each unit owner. However, if a unit is owned
684 by more than one person, the association must provide notice to
685 the address that the developer identifies for that purpose and
686 thereafter as one or more of the owners of the unit advise the
687 association in writing, or if no address is given or the owners
688 of the unit do not agree, to the address provided on the deed of
689 record. An officer of the association, or the manager or other
690 person providing notice of the association meeting, must provide
691 an affidavit or United States Postal Service certificate of
692 mailing, to be included in the official records of the
693 association affirming that the notice was mailed or hand
694 delivered in accordance with this provision.

695 4. The members of the board of a residential condominium
696 shall be elected by written ballot or voting machine. Proxies
697 may not be used in electing the board in general elections or
698 elections to fill vacancies caused by recall, resignation, or
699 otherwise, unless otherwise provided in this chapter. This
700 subparagraph does not apply to an association governing a
701 timeshare condominium.

702 a. At least 60 days before a scheduled election, the
703 association shall mail, deliver, or electronically transmit, by
704 separate association mailing or included in another association
705 mailing, delivery, or transmission, including regularly
706 published newsletters, to each unit owner entitled to a vote, a
707 first notice of the date of the election. A unit owner or other



946458

708 eligible person desiring to be a candidate for the board must
709 give written notice of his or her intent to be a candidate to
710 the association at least 40 days before a scheduled election.
711 Together with the written notice and agenda as set forth in
712 subparagraph 3., the association shall mail, deliver, or
713 electronically transmit a second notice of the election to all
714 unit owners entitled to vote, together with a ballot that lists
715 all candidates not less than 14 days or more than 34 days before
716 the date of the election. Upon request of a candidate, an
717 information sheet, no larger than 8 1/2 inches by 11 inches,
718 which must be furnished by the candidate at least 35 days before
719 the election, must be included with the mailing, delivery, or
720 transmission of the ballot, with the costs of mailing, delivery,
721 or electronic transmission and copying to be borne by the
722 association. The association is not liable for the contents of
723 the information sheets prepared by the candidates. In order to
724 reduce costs, the association may print or duplicate the
725 information sheets on both sides of the paper. The division
726 shall by rule establish voting procedures consistent with this
727 sub-subparagraph, including rules establishing procedures for
728 giving notice by electronic transmission and rules providing for
729 the secrecy of ballots. Elections shall be decided by a
730 plurality of ballots cast. There is no quorum requirement;
731 however, at least 20 percent of the eligible voters must cast a
732 ballot in order to have a valid election. A unit owner may not
733 authorize any other person to vote his or her ballot, and any
734 ballots improperly cast are invalid. A unit owner who violates
735 this provision may be fined by the association in accordance
736 with s. 718.303. A unit owner who needs assistance in casting



946458

737 the ballot for the reasons stated in s. 101.051 may obtain such
738 assistance. The regular election must occur on the date of the
739 annual meeting. Notwithstanding this sub-subparagraph, an
740 election is not required unless more candidates file notices of
741 intent to run or are nominated than board vacancies exist.

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

745 (I) Certify in writing to the secretary of the association
746 that he or she has read the association's declaration of
747 condominium, articles of incorporation, bylaws, and current
748 written policies; that he or she will work to uphold such
749 documents and policies to the best of his or her ability; and
750 that he or she will faithfully discharge his or her fiduciary
751 responsibility to the association's members. ~~In lieu of this~~
752 ~~written certification, within 90 days after being elected or~~
753 ~~appointed to the board, the newly elected or appointed director~~
754 ~~may~~

755 (II) Submit a certificate of having satisfactorily
756 completed the educational curriculum administered by a division-
757 approved condominium education provider within 1 year before or
758 90 days after the date of election or appointment. The written
759 certification and ~~or~~ educational certificate are ~~is~~ valid and do
760 ~~does~~ not have to be resubmitted as long as the director serves
761 on the board without interruption.

762
763 A director of an association of a residential condominium who
764 fails to timely file the written certification and ~~or~~
765 educational certificate is suspended from service on the board



946458

766 until he or she complies with this sub-subparagraph. The board
767 may temporarily fill the vacancy during the period of
768 suspension. The secretary shall require ~~cause~~ the association to
769 retain a director's written certification and ~~or~~ educational
770 certificate for inspection by the members for 5 years after a
771 director's election or the duration of the director's
772 uninterrupted tenure, whichever is longer. Failure to have such
773 written certification and ~~or~~ educational certificate on file
774 does not affect the validity of any board action.

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

777 5. Any approval by unit owners called for by this chapter
778 or the applicable declaration or bylaws, including, but not
779 limited to, the approval requirement in s. 718.111(8), must be
780 made at a duly noticed meeting of unit owners and is subject to
781 all requirements of this chapter or the applicable condominium
782 documents relating to unit owner decisionmaking, except that
783 unit owners may take action by written agreement, without
784 meetings, on matters for which action by written agreement
785 without meetings is expressly allowed by the applicable bylaws
786 or declaration or any law that provides for such action.

787 6. Unit owners may waive notice of specific meetings if
788 allowed by the applicable bylaws or declaration or any law.
789 Notice of meetings of the board of administration, unit owner
790 meetings, except unit owner meetings called to recall board
791 members under paragraph (j), and committee meetings may be given
792 by electronic transmission to unit owners who consent to receive
793 notice by electronic transmission. A unit owner who consents to
794 receiving notices by electronic transmission is solely



946458

795 responsible for removing or bypassing filters that block receipt
796 of mass e-mails sent to members on behalf of the association in
797 the course of giving electronic notices.

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

802 8. A unit owner may tape record or videotape a meeting of
803 the unit owners subject to reasonable rules adopted by the
804 division.

805 9. Unless otherwise provided in the bylaws, any vacancy
806 occurring on the board before the expiration of a term may be
807 filled by the affirmative vote of the majority of the remaining
808 directors, even if the remaining directors constitute less than
809 a quorum, or by the sole remaining director. In the alternative,
810 a board may hold an election to fill the vacancy, in which case
811 the election procedures must conform to sub-subparagraph 4.a.
812 unless the association governs 10 units or fewer and has opted
813 out of the statutory election process, in which case the bylaws
814 of the association control. Unless otherwise provided in the
815 bylaws, a board member appointed or elected under this section
816 shall fill the vacancy for the unexpired term of the seat being
817 filled. Filling vacancies created by recall is governed by
818 paragraph (j) and rules adopted by the division.

819 10. This chapter does not limit the use of general or
820 limited proxies, require the use of general or limited proxies,
821 or require the use of a written ballot or voting machine for any
822 agenda item or election at any meeting of a timeshare
823 condominium association or nonresidential condominium



946458

824 association.

825

826 Notwithstanding subparagraph (b)2. and sub-subparagraph 4.a., an
827 association of 10 or fewer units may, by affirmative vote of a
828 majority of the total voting interests, provide for different
829 voting and election procedures in its bylaws, which may be by a
830 proxy specifically delineating the different voting and election
831 procedures. The different voting and election procedures may
832 provide for elections to be conducted by limited or general
833 proxy.

834 (f) *Annual budget.*—

835 1. The proposed annual budget of estimated revenues and
836 expenses must be detailed and must show the amounts budgeted by
837 accounts and expense classifications, including, at a minimum,
838 any applicable expenses listed in s. 718.504(21). The board
839 shall adopt the annual budget at least 14 days prior to the
840 start of the association's fiscal year. In the event that the
841 board fails to timely adopt the annual budget a second time, it
842 shall be deemed a minor violation and the prior year's budget
843 shall continue in effect until a new budget is adopted. A
844 multicondominium association shall adopt a separate budget of
845 common expenses for each condominium the association operates
846 and shall adopt a separate budget of common expenses for the
847 association. In addition, if the association maintains limited
848 common elements with the cost to be shared only by those
849 entitled to use the limited common elements as provided for in
850 s. 718.113(1), the budget or a schedule attached to it must show
851 the amount budgeted for this maintenance. If, after turnover of
852 control of the association to the unit owners, any of the



946458

853 expenses listed in s. 718.504(21) are not applicable, they need
854 not be listed.

855 2.a. In addition to annual operating expenses, the budget
856 must include reserve accounts for capital expenditures and
857 deferred maintenance. These accounts must include, but are not
858 limited to, the maintenance and replacement of the condominium
859 property identified in s. 718.301(4) (p) ~~roof replacement,~~
860 ~~building painting, and pavement resurfacing, regardless of the~~
861 ~~amount of deferred maintenance expense or replacement cost,~~ and
862 any other item that has a deferred maintenance expense or
863 replacement cost that exceeds \$10,000. The amount to be reserved
864 must be computed using a formula based upon estimated remaining
865 useful life and estimated replacement cost or deferred
866 maintenance expense of each reserve item. The association may
867 adjust replacement reserve assessments annually to take into
868 account any changes in estimates or extension of the useful life
869 of a reserve item caused by deferred maintenance. This
870 subsection does not apply to an adopted budget in which the
871 members of an association have determined, by a majority vote of
872 all the voting interests, voting in person or by proxy at a duly
873 called meeting of the association, to provide no reserves or
874 less reserves than required by this subsection. An annual budget
875 adopted on or after January 1, 2024, must, at minimum:

876 (I) Identify all items for which reserves are or will be
877 established;

878 (II) Provide an estimate of the maintenance, repair, and
879 replacement costs for the structural components for which an
880 estimate of useful life may be determined;

881 (III) Identify any structural component for which a reserve



946458

882 account is not established or reserves are not funded, because
883 the useful life of the component cannot be determined;

884 (IV) As of the beginning of the fiscal year for which the
885 budget is prepared, identify the estimated current amount of
886 accumulated funds for each reserve component or, if the pooling
887 method is used, the estimated current amount of the accumulated
888 pooled funds;

889 (V) Provide a description of the manner in which the
890 association plans to fund reserves, including the use of regular
891 assessments, special assessments, and any other alternative
892 funding method; and

893 (VI) Provide a description of the procedures used for
894 estimating the funding of reserves pursuant to this paragraph,
895 including, as applicable, the identity of any independent third
896 party who conducted the reserve study on behalf of the
897 association and the extent to which the association is funding
898 its reserve obligations consistent with the reserve study
899 currently in effect.

900 b. Before turnover of control of an association by a
901 developer to unit owners other than a developer pursuant to s.
902 718.301, the developer may vote the voting interests allocated
903 to its units to waive the reserves or reduce the funding of
904 reserves through the period expiring at the end of the second
905 fiscal year after the fiscal year in which the certificate of a
906 surveyor and mapper is recorded pursuant to s. 718.104(4)(e) or
907 an instrument that transfers title to a unit in the condominium
908 which is not accompanied by a recorded assignment of developer
909 rights in favor of the grantee of such unit is recorded,
910 whichever occurs first, after which time reserves may be waived



946458

911 or reduced only upon the vote of a majority of all nondeveloper
912 voting interests voting in person or by limited proxy at a duly
913 called meeting of the association. If an association is required
914 to perform a reserve study under subparagraph 3., the developer
915 may vote to waive reserve contributions or reduce reserve
916 funding only if the association's reserve obligations are funded
917 consistent with the reserve study currently in effect or if the
918 association provides an alternative funding method for the
919 association's reserve obligations. If a meeting of the unit
920 owners has been called to determine whether to waive or reduce
921 the funding of reserves and no such result is achieved or a
922 quorum is not attained, the reserves included in the budget
923 shall go into effect. After the turnover, the developer may vote
924 its voting interest to waive or reduce the funding of reserves.

925 3. Effective January 1, 2024, an association with a
926 residential condominium building that is three stories or more
927 in height and subject to the milestone inspection requirements
928 in s. 553.899 must conduct a study of the amount of reserve
929 funds needed to fund reserves for the maintenance, repair,
930 replacement, and restoration of the condominium property
931 identified in s. 718.301(4) (p). The reserve study must be
932 conducted at least every 3 years. The board shall review the
933 results of such study at least annually to determine if reserves
934 are sufficient to meet the association's reserve obligations and
935 to make any adjustments the board deems necessary to maintain
936 reserves, as appropriate. The division shall adopt rules setting
937 forth uniform financial standards and forms for reserve studies.
938 The reserve study must include, without limitation:

939 a. A summary of any inspection of the major components of



946458

940 the condominium property identified in s. 718.301(4)(p) and any
941 other portion of the condominium property that the association
942 is obligated to maintain, repair, replace, or restore;

943 b. If applicable, a summary of the findings and
944 recommendations of the milestone inspection report required
945 under s. 553.899 and any other structural or life safety
946 inspection of the condominium property considered in the reserve
947 study;

948 c. An identification of the structural components of the
949 building for which necessary reserves may be reasonably
950 projected and an identification of the structural components of
951 the building with an indefinite useful life for which a
952 reasonable determination of necessary reserves may not be
953 estimated;

954 d. An estimate of the useful life of the structural
955 components of the building identified in s. 718.301(4)(p) for
956 which an estimate of useful life may be determined as attested
957 to by a licensed architect or engineer in the turnover
958 inspection required under s. 718.301(4)(p), a milestone
959 inspection, or any other structural or life safety inspection of
960 the condominium property;

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

964 f. An estimate of the cost of maintenance, repair,
965 replacement, or restoration of each major component of the
966 condominium property identified in s. 718.301(4)(p) and any
967 other portion of the condominium property identified pursuant to
968 sub-subparagraph c.;



946458

969 g. An estimate of the total annual assessment that may be
970 necessary to cover the cost of maintaining, repairing,
971 replacing, or restoring the major components of the condominium
972 property identified in s. 718.301(4) (p) and any other portion of
973 the condominium property identified pursuant to sub-subparagraph
974 c., and an estimate of the funding plan, including any
975 alternative funding method, which may be necessary to provide
976 adequate funding for the required reserves; and

977 h. A schedule for the full funding of reserves. A reserve
978 account is fully funded when the actual or projected reserve
979 balance in the reserve account is equal in direct proportion to
980 the fraction of useful life for a given component or components
981 multiplied by the current replacement costs for the component or
982 components.

983 4.3- Reserve funds and any interest accruing thereon shall
984 remain in the reserve account or accounts, and may be used only
985 for authorized reserve expenditures unless their use for other
986 purposes is approved in advance by a majority vote of all voting
987 interests, voting in person or by limited proxy at a duly called
988 meeting of the association; provided that the use of reserve
989 funds for a purpose other than authorized reserve expenditures
990 is authorized in the exercise of the association's emergency
991 powers under s. 718.1265. Before turnover of control of an
992 association by a developer to unit owners other than the
993 developer pursuant to s. 718.301, the developer-controlled
994 association may not vote to use reserves for purposes other than
995 those for which they were intended without the approval of a
996 majority of all nondeveloper voting interests, voting in person
997 or by limited proxy at a duly called meeting of the association.



946458

998 5.a.4. The only voting interests that are eligible to vote
999 on questions that involve waiving or reducing the funding of
1000 reserves, or using existing reserve funds for purposes other
1001 than purposes for which the reserves were intended, are the
1002 voting interests of the units subject to assessment to fund the
1003 reserves in question. Proxy questions relating to waiving or
1004 reducing the funding of reserves or using existing reserve funds
1005 for purposes other than purposes for which the reserves were
1006 intended must contain the following statement in capitalized,
1007 bold letters in a font size larger than any other used on the
1008 face of the proxy ballot: WAIVING OF RESERVES, IN WHOLE OR IN
1009 PART, OR ALLOWING ALTERNATIVE USES OF EXISTING RESERVES MAY
1010 RESULT IN UNIT OWNER LIABILITY FOR PAYMENT OF UNANTICIPATED
1011 SPECIAL ASSESSMENTS REGARDING THOSE ITEMS.

1012 b. If the association has voted to waive reserves or to use
1013 existing reserve funds for purposes other than the purposes for
1014 which the reserves were intended, the budget must contain the
1015 following statement in conspicuous type: THE OWNERS HAVE ELECTED
1016 TO WAIVE RESERVES, IN WHOLE OR IN PART, OR ALLOWED ALTERNATIVE
1017 USES OF EXISTING RESERVES UNDER SECTION 718.112(2)(f), FLORIDA
1018 STATUTES. THE WAIVING OR ALTERNATIVE USE OF RESERVE FUNDS MAY
1019 RESULT IN UNIT OWNER LIABILITY FOR PAYMENT OF UNANTICIPATED
1020 SPECIAL ASSESSMENTS REGARDING THOSE ITEMS.

1021 c. On or after January 1, 2026, if the association is
1022 required to perform a reserve study under this paragraph and the
1023 budget of the association does not fund the association's
1024 reserve obligations consistent with the reserve study currently
1025 in effect, the budget must also contain the following statement
1026 in conspicuous type: THE ASSOCIATION'S LAST RESERVE STUDY IS



946458

1027 DATED THE RESERVE AMOUNT BUDGETED AND/OR COLLECTED IS LESS
1028 THAN REQUIRED BY THE RESERVE STUDY SCHEDULE. FAILURE TO FUND
1029 RESERVES CONSISTENT WITH THE ASSOCIATION'S RESERVE STUDY MAY
1030 RESULT IN UNANTICIPATED SPECIAL ASSESSMENTS REGARDING THOSE
1031 ITEMS.

1032 (p) *Mandatory milestone inspections.*—If an association is
1033 required to have a milestone inspection performed pursuant to s.
1034 553.899, the association must arrange for the milestone
1035 inspection to be performed and is responsible for ensuring
1036 compliance with the requirements of s. 553.899. The association
1037 is responsible for all costs associated with the inspection.
1038 Upon completion of a phase one or phase two milestone inspection
1039 and receipt of the inspector-prepared summary of the inspection
1040 report from the architect or engineer who performed the
1041 inspection, the association must distribute a copy of the
1042 inspector-prepared summary of the inspection report to each unit
1043 owner, regardless of the findings or recommendations in the
1044 report, by United States mail or personal delivery; must post a
1045 copy of the inspector-prepared summary in a conspicuous place on
1046 the condominium property; and must publish the full report and
1047 inspector-prepared summary on the association's website, if the
1048 association is required to have a website.

1049 Section 5. Present subsections (4) through (9) of section
1050 718.113, Florida Statutes, are redesignated as subsections (5)
1051 through (10), respectively, a new subsection (4) is added to
1052 that section, and subsections (1) and (2) of that section are
1053 amended, to read:

1054 718.113 Maintenance; limitation upon improvement; display
1055 of flag; hurricane shutters and protection; display of religious



946458

1056 decorations.-

1057 (1) Maintenance of the common elements is the
1058 responsibility of the association, except for any maintenance
1059 responsibility for limited common elements assigned to the unit
1060 owner by the declaration. The association shall provide for the
1061 maintenance, repair, and replacement of the condominium property
1062 for which it bears responsibility. After turnover of control of
1063 the association to the unit owners, the association must perform
1064 any required maintenance identified by the developer pursuant to
1065 s. 718.301(4)(p) until the association obtains new maintenance
1066 protocols from a licensed professional engineer or architect.

1067 The declaration may provide that certain limited common elements
1068 shall be maintained by those entitled to use the limited common
1069 elements or that the association shall provide the maintenance,
1070 either as a common expense or with the cost shared only by those
1071 entitled to use the limited common elements. If the maintenance
1072 is to be by the association at the expense of only those
1073 entitled to use the limited common elements, the declaration
1074 shall describe in detail the method of apportioning such costs
1075 among those entitled to use the limited common elements, and the
1076 association may use the provisions of s. 718.116 to enforce
1077 payment of the shares of such costs by the unit owners entitled
1078 to use the limited common elements.

1079 (2) (a) Except as otherwise provided in this section, there
1080 shall be no material alteration or substantial additions to the
1081 common elements or to real property which is association
1082 property, except in a manner provided in the declaration as
1083 originally recorded or as amended under the procedures provided
1084 therein. If the declaration as originally recorded or as amended



946458

1085 under the procedures provided therein does not specify the
1086 procedure for approval of material alterations or substantial
1087 additions, 75 percent of the total voting interests of the
1088 association must approve the alterations or additions before the
1089 material alterations or substantial additions are commenced.
1090 This paragraph is intended to clarify existing law and applies
1091 to associations existing on July 1, 2018.

1092 (b) There shall not be any material alteration of, or
1093 substantial addition to, the common elements of any condominium
1094 operated by a multicondominium association unless approved in
1095 the manner provided in the declaration of the affected
1096 condominium or condominiums as originally recorded or as amended
1097 under the procedures provided therein. If a declaration as
1098 originally recorded or as amended under the procedures provided
1099 therein does not specify a procedure for approving such an
1100 alteration or addition, the approval of 75 percent of the total
1101 voting interests of each affected condominium is required before
1102 the material alterations or substantial additions are commenced.
1103 This subsection does not prohibit a provision in any
1104 declaration, articles of incorporation, or bylaws as originally
1105 recorded or as amended under the procedures provided therein
1106 requiring the approval of unit owners in any condominium
1107 operated by the same association or requiring board approval
1108 before a material alteration or substantial addition to the
1109 common elements is permitted. This paragraph is intended to
1110 clarify existing law and applies to associations existing on
1111 July 1, 2018.

1112 (c) There shall not be any material alteration or
1113 substantial addition made to association real property operated



946458

1114 by a multicondominium association, except as provided in the
1115 declaration, articles of incorporation, or bylaws as originally
1116 recorded or as amended under the procedures provided therein. If
1117 the declaration, articles of incorporation, or bylaws as
1118 originally recorded or as amended under the procedures provided
1119 therein do not specify the procedure for approving an alteration
1120 or addition to association real property, the approval of 75
1121 percent of the total voting interests of the association is
1122 required before the material alterations or substantial
1123 additions are commenced. This paragraph is intended to clarify
1124 existing law and applies to associations existing on July 1,
1125 2018.

1126 (d) The necessary maintenance, repair, or replacement of
1127 condominium property is not a material alteration or substantial
1128 addition requiring unit owner approval.

1129 (4) The association is not liable for alternative housing
1130 costs, lost rent, or other expenses if a unit must be vacated in
1131 whole or in part or if access to a common element is denied for
1132 necessary maintenance, repair, or replacement of condominium
1133 property.

1134 Section 6. Paragraphs (a) and (e) of subsection (1) of
1135 section 718.115, Florida Statutes, are amended to read:

1136 718.115 Common expenses and common surplus.—

1137 (1) (a) Common expenses include the expenses of the
1138 operation, maintenance, repair, replacement, or protection of
1139 the common elements and association property, costs of carrying
1140 out the powers and duties of the association, and any other
1141 expense, whether or not included in the foregoing, designated as
1142 common expense by this chapter, the declaration, the documents



946458

1143 creating the association, or the bylaws. Common expenses also
1144 include reasonable transportation services, insurance for
1145 directors and officers, road maintenance and operation expenses,
1146 in-house communications, and security services, which are
1147 reasonably related to the general benefit of the unit owners
1148 even if such expenses do not attach to the common elements or
1149 property of the condominium. However, such common expenses must
1150 either have been services or items provided on or after the date
1151 control of the association is transferred from the developer to
1152 the unit owners or must be services or items provided for in the
1153 condominium documents or bylaws. Unless the manner of payment or
1154 allocation of expenses is otherwise addressed in the declaration
1155 of condominium, the expenses of any items or services required
1156 by any federal, state, or local governmental entity to be
1157 installed, maintained, or supplied to the condominium property
1158 by the association, including, but not limited to, firesafety
1159 equipment or water and sewer service where a master meter serves
1160 the condominium, shall be common expenses whether or not such
1161 items or services are specifically identified as common expenses
1162 in the declaration of condominium, articles of incorporation, or
1163 bylaws of the association. Notwithstanding any provision in a
1164 declaration, the articles of incorporation, or the bylaws
1165 requiring, prohibiting, or limiting a board of administration's
1166 authority to adopt a special assessment or to borrow money on
1167 behalf of the association, including any provision in a
1168 declaration, the articles of incorporation, or the bylaws
1169 requiring unit owner voting or approval, the board may adopt a
1170 special assessment or borrow money for the necessary
1171 maintenance, repair, or replacement of condominium property.



946458

1172 (e) The expense of installation, replacement, operation,
1173 repair, and maintenance of hurricane shutters, impact glass,
1174 code-compliant windows or doors, or other types of code-
1175 compliant hurricane protection by the board pursuant to s.
1176 718.113(6) ~~s. 718.113(5)~~ constitutes a common expense and shall
1177 be collected as provided in this section if the association is
1178 responsible for the maintenance, repair, and replacement of the
1179 hurricane shutters, impact glass, code-compliant windows or
1180 doors, or other types of code-compliant hurricane protection
1181 pursuant to the declaration of condominium. However, if the
1182 maintenance, repair, and replacement of the hurricane shutters,
1183 impact glass, code-compliant windows or doors, or other types of
1184 code-compliant hurricane protection are the responsibility of
1185 the unit owners pursuant to the declaration of condominium, the
1186 cost of the installation of the hurricane shutters, impact
1187 glass, code-compliant windows or doors, or other types of code-
1188 compliant hurricane protection is not a common expense and shall
1189 be charged individually to the unit owners based on the cost of
1190 installation of the hurricane shutters, impact glass, code-
1191 compliant windows or doors, or other types of code-compliant
1192 hurricane protection appurtenant to the unit. Notwithstanding s.
1193 718.116(9), and regardless of whether or not the declaration
1194 requires the association or unit owners to maintain, repair, or
1195 replace hurricane shutters, impact glass, code-compliant windows
1196 or doors, or other types of code-compliant hurricane protection,
1197 a unit owner who has previously installed hurricane shutters in
1198 accordance with s. 718.113(6) ~~s. 718.113(5)~~ that comply with the
1199 current applicable building code shall receive a credit when the
1200 shutters are installed; a unit owner who has previously



946458

1201 installed impact glass or code-compliant windows or doors that
1202 comply with the current applicable building code shall receive a
1203 credit when the impact glass or code-compliant windows or doors
1204 are installed; and a unit owner who has installed other types of
1205 code-compliant hurricane protection that comply with the current
1206 applicable building code shall receive a credit when the same
1207 type of other code-compliant hurricane protection is installed,
1208 and the credit shall be equal to the pro rata portion of the
1209 assessed installation cost assigned to each unit. However, such
1210 unit owner remains responsible for the pro rata share of
1211 expenses for hurricane shutters, impact glass, code-compliant
1212 windows or doors, or other types of code-compliant hurricane
1213 protection installed on common elements and association property
1214 by the board pursuant to s. 718.113(6) ~~s. 718.113(5)~~ and remains
1215 responsible for a pro rata share of the expense of the
1216 replacement, operation, repair, and maintenance of such
1217 shutters, impact glass, code-compliant windows or doors, or
1218 other types of code-compliant hurricane protection.

1219 Section 7. Subsections (1) and (5) of section 718.1255,
1220 Florida Statutes, are amended to read:

1221 718.1255 Alternative dispute resolution; mediation;
1222 nonbinding arbitration; applicability.-

1223 (1) DEFINITIONS.-As used in this section, the term
1224 "dispute" means any disagreement between two or more parties
1225 that involves:

1226 (a) The authority of the board of directors, under this
1227 chapter or association document, to:

1228 1. Require any owner to take any action, or not to take any
1229 action, involving that owner's unit or the appurtenances



946458

1230 thereto.

1231 2. Alter or add to a common area or element.

1232 (b) The failure of a governing body, when required by this

1233 chapter or an association document, to:

1234 1. Properly conduct elections.

1235 2. Give adequate notice of meetings or other actions.

1236 3. Properly conduct meetings.

1237 4. Allow inspection of books and records.

1238 (c) A plan of termination pursuant to s. 718.117.

1239 (d) The failure of a governing body, when required by this

1240 chapter or an association document, to:

1241 1. Perform a structural or life safety inspection,

1242 including the milestone inspection required under s. 553.899.

1243 2. Perform a reserve study as required by law or the

1244 declaration, articles of incorporation, or bylaws.

1245 3. Fund reserves as required by law or the declaration,

1246 articles of incorporation, or bylaws.

1247 4. Make or provide necessary maintenance or repairs of

1248 condominium property.

1249

1250 "Dispute" does not include any disagreement that primarily

1251 involves: title to any unit or common element; the

1252 interpretation or enforcement of any warranty; the levy of a fee

1253 or assessment, or the collection of an assessment levied against

1254 a party; the eviction or other removal of a tenant from a unit;

1255 alleged breaches of fiduciary duty by one or more directors; or

1256 claims for damages to a unit based upon the alleged failure of

1257 the association to maintain the common elements or condominium

1258 property.



946458

1259 (5) PRESUIT MEDIATION.—In lieu of the initiation of
1260 nonbinding arbitration as provided in subsections (1)-(4), a
1261 party may submit a dispute to presuit mediation in accordance
1262 with s. 720.311; however, election and recall disputes are not
1263 eligible for mediation and such disputes must be arbitrated by
1264 the division or filed in a court of competent jurisdiction.
1265 Disputes identified in paragraph (1) (d) are not subject to
1266 nonbinding arbitration under subsections (1)-(4) and must be
1267 submitted to presuit mediation in accordance with s. 720.311.

1268 Section 8. Paragraph (p) of subsection (4) of section
1269 718.301, Florida Statutes, is amended, and paragraph (r) is
1270 added to that subsection, to read:

1271 718.301 Transfer of association control; claims of defect
1272 by association.—

1273 (4) At the time that unit owners other than the developer
1274 elect a majority of the members of the board of administration
1275 of an association, the developer shall relinquish control of the
1276 association, and the unit owners shall accept control.

1277 Simultaneously, or for the purposes of paragraph (c) not more
1278 than 90 days thereafter, the developer shall deliver to the
1279 association, at the developer's expense, all property of the
1280 unit owners and of the association which is held or controlled
1281 by the developer, including, but not limited to, the following
1282 items, if applicable, as to each condominium operated by the
1283 association:

1284 (p) Notwithstanding when the certificate of occupancy was
1285 issued or the height of the building, a milestone inspection
1286 report in compliance with s. 553.899 included in the official
1287 records, under seal of an architect or engineer authorized to



946458

1288 practice in this state, and attesting to required maintenance,
1289 condition, useful life, and replacement costs of the following
1290 applicable condominium property ~~common elements~~ comprising a
1291 turnover inspection report:

- 1292 1. Roof.
- 1293 2. Structure, including load-bearing walls and primary
1294 structural members and primary structural systems as those terms
1295 are defined in s. 627.706.
- 1296 3. Fireproofing and fire protection systems.
- 1297 4. Elevators.
- 1298 5. Heating and cooling systems.
- 1299 6. Plumbing.
- 1300 7. Electrical systems.
- 1301 8. Swimming pool or spa and equipment.
- 1302 9. Seawalls.
- 1303 10. Pavement and parking areas.
- 1304 11. Drainage systems.
- 1305 12. Painting.
- 1306 13. Irrigation systems.
- 1307 14. Waterproofing.

1308 (r) A copy of the most recent reserve study required under
1309 s. 718.112(2)(f)3., along with the statements indicating the
1310 status of the reserves required under s. 718.112(2)(f)5., if
1311 applicable, or a statement in conspicuous type indicating that
1312 the association has not completed the required reserve study or
1313 that the association is not required to perform a reserve study,
1314 as applicable.

1315 Section 9. Present paragraphs (b) and (c) of subsection (2)
1316 of section 718.503, Florida Statutes, are redesignated as



946458

1317 paragraphs (c) and (d), respectively, a new paragraph (b) is
1318 added to that subsection, and paragraph (b) of subsection (1)
1319 and paragraph (a) of subsection (2) of that section are amended,
1320 to read:

1321 718.503 Developer disclosure prior to sale; nondeveloper
1322 unit owner disclosure prior to sale; voidability.—

1323 (1) DEVELOPER DISCLOSURE.—

1324 (b) *Copies of documents to be furnished to prospective*
1325 *buyer or lessee.*—Until such time as the developer has furnished
1326 the documents listed below to a person who has entered into a
1327 contract to purchase a residential unit or lease it for more
1328 than 5 years, the contract may be voided by that person,
1329 entitling the person to a refund of any deposit together with
1330 interest thereon as provided in s. 718.202. The contract may be
1331 terminated by written notice from the proposed buyer or lessee
1332 delivered to the developer within 15 days after the buyer or
1333 lessee receives all of the documents required by this section.
1334 The developer may not close for 15 days after ~~following~~ the
1335 execution of the agreement and delivery of the documents to the
1336 buyer as evidenced by a signed receipt for documents unless the
1337 buyer is informed in the 15-day voidability period and agrees to
1338 close before ~~prior to~~ the expiration of the 15 days. The
1339 developer shall retain in his or her records a separate
1340 agreement signed by the buyer as proof of the buyer's agreement
1341 to close before ~~prior to~~ the expiration of the ~~said~~ voidability
1342 period. The developer must retain such ~~said~~ proof ~~shall be~~
1343 ~~retained~~ for a period of 5 years after the date of the closing
1344 of the transaction. The documents to be delivered to the
1345 prospective buyer are the prospectus or disclosure statement



946458

1346 with all exhibits, if the development is subject to ~~the~~
1347 ~~provisions of~~ s. 718.504, or, if not, then copies of the
1348 following which are applicable:

1349 1. The question and answer sheet described in s. 718.504,
1350 and declaration of condominium, or the proposed declaration if
1351 the declaration has not been recorded, which shall include the
1352 certificate of a surveyor approximately representing the
1353 locations required by s. 718.104.

1354 2. The documents creating the association.

1355 3. The bylaws.

1356 4. The ground lease or other underlying lease of the
1357 condominium.

1358 5. The management contract, maintenance contract, and other
1359 contracts for management of the association and operation of the
1360 condominium and facilities used by the unit owners having a
1361 service term in excess of 1 year, and any management contracts
1362 that are renewable.

1363 6. The estimated operating budget for the condominium and a
1364 schedule of expenses for each type of unit, including fees
1365 assessed pursuant to s. 718.113(1) for the maintenance of
1366 limited common elements where such costs are shared only by
1367 those entitled to use the limited common elements.

1368 7. The lease of recreational and other facilities that will
1369 be used only by unit owners of the subject condominium.

1370 8. The lease of recreational and other common facilities
1371 that will be used by unit owners in common with unit owners of
1372 other condominiums.

1373 9. The form of unit lease if the offer is of a leasehold.

1374 10. Any declaration of servitude of properties serving the



946458

1375 condominium but not owned by unit owners or leased to them or
1376 the association.

1377 11. If the development is to be built in phases or if the
1378 association is to manage more than one condominium, a
1379 description of the plan of phase development or the arrangements
1380 for the association to manage two or more condominiums.

1381 12. If the condominium is a conversion of existing
1382 improvements, the statements and disclosure required by s.
1383 718.616.

1384 13. The form of agreement for sale or lease of units.

1385 14. A copy of the floor plan of the unit and the plot plan
1386 showing the location of the residential buildings and the
1387 recreation and other common areas.

1388 15. A copy of all covenants and restrictions that ~~which~~
1389 will affect the use of the property and ~~which~~ are not contained
1390 in the foregoing.

1391 16. If the developer is required by state or local
1392 authorities to obtain acceptance or approval of any dock or
1393 marina facilities intended to serve the condominium, a copy of
1394 any such acceptance or approval acquired by the time of filing
1395 with the division under s. 718.502(1), or a statement that such
1396 acceptance or approval has not been acquired or received.

1397 17. Evidence demonstrating that the developer has an
1398 ownership, leasehold, or contractual interest in the land upon
1399 which the condominium is to be developed.

1400 18. A copy of the most recent reserve study required under
1401 s. 718.112(2)(f)3., along with the statements in the budget
1402 indicating the status of the reserves required under s.
1403 718.112(2)(f)5., if applicable, or a statement in conspicuous



946458

1404 type indicating that the association has not completed the
1405 required reserve study or that the association is not required
1406 to perform a reserve study, as applicable.

1407 19. A copy of the inspector-prepared summary of the
1408 milestone inspection report as described in ss. 553.899 and
1409 718.301(4)(p).

1410 (2) NONDEVELOPER DISCLOSURE.—

1411 (a) Each unit owner who is not a developer as defined by
1412 this chapter must ~~shall~~ comply with ~~the provisions of this~~
1413 subsection before ~~prior to~~ the sale of his or her unit. Each
1414 prospective purchaser who has entered into a contract for the
1415 purchase of a condominium unit is entitled, at the seller's
1416 expense, to a current copy of all of the following:

1417 1. The declaration of condominium.┐

1418 2. Articles of incorporation of the association.┐

1419 3. Bylaws and rules of the association.┐

1420 4. Financial information required by s. 718.111.┐

1421 5. A copy of the most recent reserve study required under

1422 s. 718.112(2)(f)3., along with the statements in the budget

1423 indicating the status of the reserves required under s.

1424 718.112(2)(f)5., if applicable, or a statement in conspicuous

1425 type indicating that the association has not completed the

1426 required reserve study or that the association is not required

1427 to perform a reserve study, as applicable.

1428 6. A copy of the inspector-prepared summary of the

1429 milestone inspection report as described in ss. 553.899 and

1430 718.301(4)(p).

1431 7. and The document entitled "Frequently Asked Questions
1432 and Answers" required by s. 718.504.



946458

1433 (b) ~~On and after January 1, 2009,~~ The prospective purchaser
1434 ~~is shall~~ also ~~be~~ entitled to receive from the seller a copy of a
1435 governance form. Such form shall be provided by the division
1436 summarizing governance of condominium associations. In addition
1437 to such other information as the division considers helpful to a
1438 prospective purchaser in understanding association governance,
1439 the governance form shall address the following subjects:

1440 1. The role of the board in conducting the day-to-day
1441 affairs of the association on behalf of, and in the best
1442 interests of, the owners.

1443 2. The board's responsibility to provide advance notice of
1444 board and membership meetings.

1445 3. The rights of owners to attend and speak at board and
1446 membership meetings.

1447 4. The responsibility of the board and of owners with
1448 respect to maintenance of the condominium property.

1449 5. The responsibility of the board and owners to abide by
1450 the condominium documents, this chapter, rules adopted by the
1451 division, and reasonable rules adopted by the board.

1452 6. Owners' rights to inspect and copy association records
1453 and the limitations on such rights.

1454 7. Remedies available to owners with respect to actions by
1455 the board which may be abusive or beyond the board's power and
1456 authority.

1457 8. The right of the board to hire a property management
1458 firm, subject to its own primary responsibility for such
1459 management.

1460 9. The responsibility of owners with regard to payment of
1461 regular or special assessments necessary for the operation of



946458

1462 the property and the potential consequences of failure to pay
1463 such assessments.

1464 10. The voting rights of owners.

1465 11. Rights and obligations of the board in enforcement of
1466 rules in the condominium documents and rules adopted by the
1467 board.

1468

1469 The governance form shall also include the following statement
1470 in conspicuous type: "This publication is intended as an
1471 informal educational overview of condominium governance. In the
1472 event of a conflict, the provisions of chapter 718, Florida
1473 Statutes, rules adopted by the Division of Florida Condominiums,
1474 Timeshares, and Mobile Homes of the Department of Business and
1475 Professional Regulation, the provisions of the condominium
1476 documents, and reasonable rules adopted by the condominium
1477 association's board of administration prevail over the contents
1478 of this publication."

1479 Section 10. Paragraph (f) of subsection (24) of section
1480 718.504, Florida Statutes, is amended, and paragraph (q) is
1481 added to that subsection, to read:

1482 718.504 Prospectus or offering circular.—Every developer of
1483 a residential condominium which contains more than 20
1484 residential units, or which is part of a group of residential
1485 condominiums which will be served by property to be used in
1486 common by unit owners of more than 20 residential units, shall
1487 prepare a prospectus or offering circular and file it with the
1488 Division of Florida Condominiums, Timeshares, and Mobile Homes
1489 prior to entering into an enforceable contract of purchase and
1490 sale of any unit or lease of a unit for more than 5 years and



946458

1491 shall furnish a copy of the prospectus or offering circular to
1492 each buyer. In addition to the prospectus or offering circular,
1493 each buyer shall be furnished a separate page entitled
1494 "Frequently Asked Questions and Answers," which shall be in
1495 accordance with a format approved by the division and a copy of
1496 the financial information required by s. 718.111. This page
1497 shall, in readable language, inform prospective purchasers
1498 regarding their voting rights and unit use restrictions,
1499 including restrictions on the leasing of a unit; shall indicate
1500 whether and in what amount the unit owners or the association is
1501 obligated to pay rent or land use fees for recreational or other
1502 commonly used facilities; shall contain a statement identifying
1503 that amount of assessment which, pursuant to the budget, would
1504 be levied upon each unit type, exclusive of any special
1505 assessments, and which shall further identify the basis upon
1506 which assessments are levied, whether monthly, quarterly, or
1507 otherwise; shall state and identify any court cases in which the
1508 association is currently a party of record in which the
1509 association may face liability in excess of \$100,000; and which
1510 shall further state whether membership in a recreational
1511 facilities association is mandatory, and if so, shall identify
1512 the fees currently charged per unit type. The division shall by
1513 rule require such other disclosure as in its judgment will
1514 assist prospective purchasers. The prospectus or offering
1515 circular may include more than one condominium, although not all
1516 such units are being offered for sale as of the date of the
1517 prospectus or offering circular. The prospectus or offering
1518 circular must contain the following information:

1519 (24) Copies of the following, to the extent they are



946458

1520 applicable, shall be included as exhibits:

1521 (f) The estimated operating budget for the condominium and
1522 the required schedule of unit owners' expenses, and the most
1523 recent reserve study required under s. 718.112(2)(f)3., along
1524 with the statements in the budget indicating the status of the
1525 reserves required under s. 718.112(2)(f)5., if applicable, or a
1526 statement in conspicuous type indicating that the association
1527 has not completed the required reserve study or that the
1528 association is not required to perform a reserve study, as
1529 applicable.

1530 (q) A copy of the inspector-prepared summary of the
1531 milestone inspection report as described in ss. 553.899 and
1532 718.301(4)(p).

1533 Section 11. Present subsections (1) through (28) of section
1534 719.103, Florida Statutes, are redesignated as subsections (2)
1535 through (29), respectively, and a new subsection (1) is added to
1536 that section, to read:

1537 719.103 Definitions.—As used in this chapter:

1538 (1) "Alternative funding method" means an alternative to
1539 funding a reserve account which is approved by the division and
1540 which may reasonably be expected to fully satisfy the
1541 association's budgetary obligations for deferred maintenance,
1542 capital expenditure, and any item for which reserves are
1543 otherwise required, including, but not limited to, payments by a
1544 developer and the incorporation into the budget of expenses for
1545 deferred maintenance, capital expenditure, and any item for
1546 which reserves are otherwise required. The term also includes
1547 any other alternative approved by the division.

1548 Section 12. Present subsections (5) through (11) of section



946458

1549 719.104, Florida Statutes, are redesignated as subsections (6)
1550 through (12), respectively, a new subsection (5) is added to
1551 that section, and paragraphs (a) and (c) of subsection (2),
1552 paragraph (a) of subsection (4), and present subsection (7) of
1553 that section are amended, to read:

1554 719.104 Cooperatives; access to units; records; financial
1555 reports; assessments; purchase of leases.—

1556 (2) OFFICIAL RECORDS.—

1557 (a) From the inception of the association, the association
1558 shall maintain a copy of each of the following, where
1559 applicable, which shall constitute the official records of the
1560 association:

1561 1. The plans, permits, warranties, and other items provided
1562 by the developer pursuant to s. 719.301(4).

1563 2. A photocopy of the cooperative documents.

1564 3. A copy of the current rules of the association.

1565 4. A book or books containing the minutes of all meetings
1566 of the association, of the board of directors, and of the unit
1567 owners.

1568 5. A current roster of all unit owners and their mailing
1569 addresses, unit identifications, voting certifications, and, if
1570 known, telephone numbers. The association shall also maintain
1571 the e-mail addresses and the numbers designated by unit owners
1572 for receiving notice sent by electronic transmission of those
1573 unit owners consenting to receive notice by electronic
1574 transmission. The e-mail addresses and numbers provided by unit
1575 owners to receive notice by electronic transmission shall be
1576 removed from association records when consent to receive notice
1577 by electronic transmission is revoked. However, the association



946458

1578 is not liable for an erroneous disclosure of the e-mail address
1579 or the number for receiving electronic transmission of notices.

1580 6. All current insurance policies of the association.

1581 7. A current copy of any management agreement, lease, or
1582 other contract to which the association is a party or under
1583 which the association or the unit owners have an obligation or
1584 responsibility.

1585 8. Bills of sale or transfer for all property owned by the
1586 association.

1587 9. Accounting records for the association and separate
1588 accounting records for each unit it operates, according to good
1589 accounting practices. The accounting records shall include, but
1590 not be limited to:

1591 a. Accurate, itemized, and detailed records of all receipts
1592 and expenditures.

1593 b. A current account and a monthly, bimonthly, or quarterly
1594 statement of the account for each unit designating the name of
1595 the unit owner, the due date and amount of each assessment, the
1596 amount paid upon the account, and the balance due.

1597 c. All audits, reviews, accounting statements, reserve
1598 studies and reserve funding plans, and financial reports of the
1599 association.

1600 d. All contracts for work to be performed. Bids for work to
1601 be performed shall also be considered official records and shall
1602 be maintained for a period of 1 year.

1603 10. Ballots, sign-in sheets, voting proxies, and all other
1604 papers and electronic records relating to voting by unit owners,
1605 which shall be maintained for a period of 1 year after the date
1606 of the election, vote, or meeting to which the document relates.



946458

1607 11. All rental records where the association is acting as
1608 agent for the rental of units.

1609 12. A copy of the current question and answer sheet as
1610 described in s. 719.504.

1611 13. All affirmative acknowledgments made pursuant to s.
1612 719.108(3)(b)3.

1613 14. A copy of the inspection reports as described in ss.
1614 553.899 and 719.301(4)(p) and any other inspection report
1615 relating to a structural or life safety inspection of the
1616 cooperative property. Such record must be maintained by the
1617 association for 15 years after receipt of the report.

1618 15. All other written records of the association not
1619 specifically included in the foregoing which are related to the
1620 operation of the association.

1621 (c) The official records of the association are open to
1622 inspection by any association member or the authorized
1623 representative of such member at all reasonable times. The right
1624 to inspect the records includes the right to make or obtain
1625 copies, at the reasonable expense, if any, of the association
1626 member. A renter of a unit has a right to inspect and copy only
1627 the association's bylaws and rules and the inspection reports
1628 described in ss. 553.899 and 719.301(4)(p). The association may
1629 adopt reasonable rules regarding the frequency, time, location,
1630 notice, and manner of record inspections and copying, but may
1631 not require a member to demonstrate any purpose or state any
1632 reason for the inspection. The failure of an association to
1633 provide the records within 10 working days after receipt of a
1634 written request creates a rebuttable presumption that the
1635 association willfully failed to comply with this paragraph. A



946458

1636 member who is denied access to official records is entitled to
1637 the actual damages or minimum damages for the association's
1638 willful failure to comply. The minimum damages are \$50 per
1639 calendar day for up to 10 days, beginning on the 11th working
1640 day after receipt of the written request. The failure to permit
1641 inspection entitles any person prevailing in an enforcement
1642 action to recover reasonable attorney fees from the person in
1643 control of the records who, directly or indirectly, knowingly
1644 denied access to the records. Any person who knowingly or
1645 intentionally defaces or destroys accounting records that are
1646 required by this chapter to be maintained during the period for
1647 which such records are required to be maintained, or who
1648 knowingly or intentionally fails to create or maintain
1649 accounting records that are required to be created or
1650 maintained, with the intent of causing harm to the association
1651 or one or more of its members, is personally subject to a civil
1652 penalty under s. 719.501(1)(d). The association shall maintain
1653 an adequate number of copies of the declaration, articles of
1654 incorporation, bylaws, and rules, and all amendments to each of
1655 the foregoing, as well as the question and answer sheet as
1656 described in s. 719.504 and year-end financial information
1657 required by the department, on the cooperative property to
1658 ensure their availability to members and prospective purchasers,
1659 and may charge its actual costs for preparing and furnishing
1660 these documents to those requesting the same. An association
1661 shall allow a member or his or her authorized representative to
1662 use a portable device, including a smartphone, tablet, portable
1663 scanner, or any other technology capable of scanning or taking
1664 photographs, to make an electronic copy of the official records



946458

1665 in lieu of the association providing the member or his or her
1666 authorized representative with a copy of such records. The
1667 association may not charge a member or his or her authorized
1668 representative for the use of a portable device. Notwithstanding
1669 this paragraph, the following records shall not be accessible to
1670 members:

1671 1. Any record protected by the lawyer-client privilege as
1672 described in s. 90.502 and any record protected by the work-
1673 product privilege, including any record prepared by an
1674 association attorney or prepared at the attorney's express
1675 direction which reflects a mental impression, conclusion,
1676 litigation strategy, or legal theory of the attorney or the
1677 association, and which was prepared exclusively for civil or
1678 criminal litigation or for adversarial administrative
1679 proceedings, or which was prepared in anticipation of such
1680 litigation or proceedings until the conclusion of the litigation
1681 or proceedings.

1682 2. Information obtained by an association in connection
1683 with the approval of the lease, sale, or other transfer of a
1684 unit.

1685 3. Personnel records of association or management company
1686 employees, including, but not limited to, disciplinary, payroll,
1687 health, and insurance records. For purposes of this
1688 subparagraph, the term "personnel records" does not include
1689 written employment agreements with an association employee or
1690 management company, or budgetary or financial records that
1691 indicate the compensation paid to an association employee.

1692 4. Medical records of unit owners.

1693 5. Social security numbers, driver license numbers, credit



946458

1694 card numbers, e-mail addresses, telephone numbers, facsimile
1695 numbers, emergency contact information, addresses of a unit
1696 owner other than as provided to fulfill the association's notice
1697 requirements, and other personal identifying information of any
1698 person, excluding the person's name, unit designation, mailing
1699 address, property address, and any address, e-mail address, or
1700 facsimile number provided to the association to fulfill the
1701 association's notice requirements. Notwithstanding the
1702 restrictions in this subparagraph, an association may print and
1703 distribute to unit owners a directory containing the name, unit
1704 address, and all telephone numbers of each unit owner. However,
1705 an owner may exclude his or her telephone numbers from the
1706 directory by so requesting in writing to the association. An
1707 owner may consent in writing to the disclosure of other contact
1708 information described in this subparagraph. The association is
1709 not liable for the inadvertent disclosure of information that is
1710 protected under this subparagraph if the information is included
1711 in an official record of the association and is voluntarily
1712 provided by an owner and not requested by the association.

1713 6. Electronic security measures that are used by the
1714 association to safeguard data, including passwords.

1715 7. The software and operating system used by the
1716 association which allow the manipulation of data, even if the
1717 owner owns a copy of the same software used by the association.
1718 The data is part of the official records of the association.

1719 8. All affirmative acknowledgments made pursuant to s.
1720 719.108(3)(b)3.

1721 (4) FINANCIAL REPORT.—

1722 (a) Within 90 days following the end of the fiscal or



946458

1723 calendar year or annually on such date as provided in the bylaws
1724 of the association, the board of administration shall prepare
1725 and complete, or contract with a third party to prepare and
1726 complete, a financial report covering the preceding fiscal or
1727 calendar year. Within 21 days after the financial report is
1728 completed by the association or received from the third party,
1729 but no later than 120 days after the end of the fiscal year,
1730 calendar year, or other date provided in the bylaws, the
1731 association shall provide each member with a copy of the annual
1732 financial report or a written notice that a copy of the
1733 financial report is available upon request at no charge to the
1734 member. The division shall adopt rules setting forth uniform
1735 accounting principles, standards, and reporting requirements.
1736 The rules must include, but not be limited to, standards for
1737 presenting a summary of association reserves, including a good
1738 faith estimate disclosing the annual amount of reserve funds
1739 that would be necessary for the association to fully fund
1740 reserves for each reserve item based on the straight-line method
1741 or to fully fund reserves based on the pooling method. In
1742 adopting such rules, the division shall consider the number of
1743 members and annual revenues of an association.

1744 (5) MAINTENANCE.—

1745 (a) Maintenance of the common areas is the responsibility
1746 of the association, except for any maintenance responsibility
1747 for limited common areas assigned to the unit owner by the
1748 cooperative documents. The association shall provide for the
1749 maintenance, repair, and replacement of the cooperative property
1750 for which it bears responsibility. After turnover of control of
1751 the association to the unit owners, the association must perform



946458

1752 any required maintenance identified by the developer pursuant to
1753 s. 719.301(4) (p) until the association obtains new maintenance
1754 protocols from a licensed professional engineer or architect.

1755 (b) The necessary maintenance, repair, or replacement of
1756 cooperative property is not a material alteration or substantial
1757 addition requiring unit owner approval.

1758 (c) The association is not liable for alternative housing
1759 costs, lost rent, or other expenses if a unit must be vacated in
1760 whole or in part or if access is denied to a common area for
1761 necessary maintenance, repair, or replacement of cooperative
1762 property.

1763 (8) ~~(7)~~ COMMINGLING.—All funds shall be maintained
1764 separately in the association's name. Reserve and operating
1765 funds of the association shall not be commingled unless combined
1766 for investment purposes. This subsection is not meant to
1767 prohibit prudent investment of association funds even if
1768 combined with operating or other reserve funds of the same
1769 association, but such funds must be accounted for separately,
1770 and the combined account balance may not, at any time, be less
1771 than the amount identified as reserve funds in the combined
1772 account. The Department of Financial Services shall adopt rules
1773 establishing guidelines for the investment of reserve funds,
1774 including financial reporting requirements and the types of
1775 allowable investments. No manager or business entity required to
1776 be licensed or registered under s. 468.432, or an agent,
1777 employee, officer, or director of a cooperative association may
1778 commingle any association funds with his or her own funds or
1779 with the funds of any other cooperative association or community
1780 association as defined in s. 468.431.



946458

1781 Section 13. Paragraphs (d) and (j) of subsection (1) of
1782 section 719.106, Florida Statutes, are amended, and paragraph
1783 (n) is added to that subsection, to read:

1784 719.106 Bylaws; cooperative ownership.-

1785 (1) MANDATORY PROVISIONS.-The bylaws or other cooperative
1786 documents shall provide for the following, and if they do not,
1787 they shall be deemed to include the following:

1788 (d) *Shareholder meetings*.-There shall be an annual meeting
1789 of the shareholders. All members of the board of administration
1790 shall be elected at the annual meeting unless the bylaws provide
1791 for staggered election terms or for their election at another
1792 meeting. Any unit owner desiring to be a candidate for board
1793 membership must comply with subparagraph 1. The bylaws must
1794 provide the method for calling meetings, including annual
1795 meetings. Written notice, which must incorporate an
1796 identification of agenda items, shall be given to each unit
1797 owner at least 14 days before the annual meeting and posted in a
1798 conspicuous place on the cooperative property at least 14
1799 continuous days preceding the annual meeting. Upon notice to the
1800 unit owners, the board must by duly adopted rule designate a
1801 specific location on the cooperative property upon which all
1802 notice of unit owner meetings are posted. In lieu of or in
1803 addition to the physical posting of the meeting notice, the
1804 association may, by reasonable rule, adopt a procedure for
1805 conspicuously posting and repeatedly broadcasting the notice and
1806 the agenda on a closed-circuit cable television system serving
1807 the cooperative association. However, if broadcast notice is
1808 used in lieu of a posted notice, the notice and agenda must be
1809 broadcast at least four times every broadcast hour of each day



946458

1810 that a posted notice is otherwise required under this section.
1811 If broadcast notice is provided, the notice and agenda must be
1812 broadcast in a manner and for a sufficient continuous length of
1813 time to allow an average reader to observe the notice and read
1814 and comprehend the entire content of the notice and the agenda.
1815 In addition to any of the authorized means of providing notice
1816 of a meeting of the shareholders, the association may, by rule,
1817 adopt a procedure for conspicuously posting the meeting notice
1818 and the agenda on a website serving the cooperative association
1819 for at least the minimum period of time for which a notice of a
1820 meeting is also required to be physically posted on the
1821 cooperative property. Any rule adopted shall, in addition to
1822 other matters, include a requirement that the association send
1823 an electronic notice in the same manner as a notice for a
1824 meeting of the members, which must include a hyperlink to the
1825 website where the notice is posted, to unit owners whose e-mail
1826 addresses are included in the association's official records.
1827 Unless a unit owner waives in writing the right to receive
1828 notice of the annual meeting, the notice of the annual meeting
1829 must be sent by mail, hand delivered, or electronically
1830 transmitted to each unit owner. An officer of the association
1831 must provide an affidavit or United States Postal Service
1832 certificate of mailing, to be included in the official records
1833 of the association, affirming that notices of the association
1834 meeting were mailed, hand delivered, or electronically
1835 transmitted, in accordance with this provision, to each unit
1836 owner at the address last furnished to the association.

1837 1. The board of administration shall be elected by written
1838 ballot or voting machine. A proxy may not be used in electing



946458

1839 the board of administration in general elections or elections to
1840 fill vacancies caused by recall, resignation, or otherwise
1841 unless otherwise provided in this chapter.

1842 a. At least 60 days before a scheduled election, the
1843 association shall mail, deliver, or transmit, whether by
1844 separate association mailing, delivery, or electronic
1845 transmission or included in another association mailing,
1846 delivery, or electronic transmission, including regularly
1847 published newsletters, to each unit owner entitled to vote, a
1848 first notice of the date of the election. Any unit owner or
1849 other eligible person desiring to be a candidate for the board
1850 of administration must give written notice to the association at
1851 least 40 days before a scheduled election. Together with the
1852 written notice and agenda as set forth in this section, the
1853 association shall mail, deliver, or electronically transmit a
1854 second notice of election to all unit owners entitled to vote,
1855 together with a ballot that lists all candidates. Upon request
1856 of a candidate, the association shall include an information
1857 sheet, no larger than 8 1/2 inches by 11 inches, which must be
1858 furnished by the candidate at least 35 days before the election,
1859 to be included with the mailing, delivery, or electronic
1860 transmission of the ballot, with the costs of mailing, delivery,
1861 or transmission and copying to be borne by the association. The
1862 association is not liable for the contents of the information
1863 sheets provided by the candidates. In order to reduce costs, the
1864 association may print or duplicate the information sheets on
1865 both sides of the paper. The division shall by rule establish
1866 voting procedures consistent with this subparagraph, including
1867 rules establishing procedures for giving notice by electronic



946458

1868 transmission and rules providing for the secrecy of ballots.
1869 Elections shall be decided by a plurality of those ballots cast.
1870 There is no quorum requirement. However, at least 20 percent of
1871 the eligible voters must cast a ballot in order to have a valid
1872 election. A unit owner may not permit any other person to vote
1873 his or her ballot, and any such ballots improperly cast are
1874 invalid. A unit owner who needs assistance in casting the ballot
1875 for the reasons stated in s. 101.051 may obtain assistance in
1876 casting the ballot. Any unit owner violating this provision may
1877 be fined by the association in accordance with s. 719.303. The
1878 regular election must occur on the date of the annual meeting.
1879 This subparagraph does not apply to timeshare cooperatives.
1880 Notwithstanding this subparagraph, an election and balloting are
1881 not required unless more candidates file a notice of intent to
1882 run or are nominated than vacancies exist on the board. Any
1883 challenge to the election process must be commenced within 60
1884 days after the election results are announced.

1885 b. Within 90 days after being elected or appointed to the
1886 board, each new director shall do both of the following:

1887 (I) Certify in writing to the secretary of the association
1888 that he or she has read the association's bylaws, articles of
1889 incorporation, proprietary lease, and current written policies;
1890 that he or she will work to uphold such documents and policies
1891 to the best of his or her ability; and that he or she will
1892 faithfully discharge his or her fiduciary responsibility to the
1893 association's members. ~~Within 90 days after being elected or~~
1894 ~~appointed to the board, in lieu of this written certification,~~
1895 ~~the newly elected or appointed director may~~

1896 (II) Submit a certificate of having satisfactorily



946458

1897 completed the educational curriculum administered by an
1898 education provider as approved by the division pursuant to the
1899 requirements established in chapter 718 within 1 year before or
1900 90 days after the date of election or appointment. The
1901 educational certificate is valid and does not have to be
1902 resubmitted as long as the director serves on the board without
1903 interruption.

1904
1905 A director who fails to timely file the written certification
1906 and ~~or~~ educational certificate is suspended from service on the
1907 board until he or she complies with this sub-subparagraph. The
1908 board may temporarily fill the vacancy during the period of
1909 suspension. The secretary of the association shall require ~~cause~~
1910 the association to retain a director's written certification and
1911 ~~or~~ educational certificate for inspection by the members for 5
1912 years after a director's election or the duration of the
1913 director's uninterrupted tenure, whichever is longer. Failure to
1914 have such written certification and ~~or~~ educational certificate
1915 on file does not affect the validity of any board action.

1916 2. Any approval by unit owners called for by this chapter,
1917 or the applicable cooperative documents, must be made at a duly
1918 noticed meeting of unit owners and is subject to this chapter or
1919 the applicable cooperative documents relating to unit owner
1920 decisionmaking, except that unit owners may take action by
1921 written agreement, without meetings, on matters for which action
1922 by written agreement without meetings is expressly allowed by
1923 the applicable cooperative documents or law which provides for
1924 the unit owner action.

1925 3. Unit owners may waive notice of specific meetings if



946458

1926 allowed by the applicable cooperative documents or law. Notice
1927 of meetings of the board of administration, shareholder
1928 meetings, except shareholder meetings called to recall board
1929 members under paragraph (f), and committee meetings may be given
1930 by electronic transmission to unit owners who consent to receive
1931 notice by electronic transmission. A unit owner who consents to
1932 receiving notices by electronic transmission is solely
1933 responsible for removing or bypassing filters that may block
1934 receipt of mass emails sent to members on behalf of the
1935 association in the course of giving electronic notices.

1936 4. Unit owners have the right to participate in meetings of
1937 unit owners with reference to all designated agenda items.
1938 However, the association may adopt reasonable rules governing
1939 the frequency, duration, and manner of unit owner participation.

1940 5. Any unit owner may tape record or videotape meetings of
1941 the unit owners subject to reasonable rules adopted by the
1942 division.

1943 6. Unless otherwise provided in the bylaws, a vacancy
1944 occurring on the board before the expiration of a term may be
1945 filled by the affirmative vote of the majority of the remaining
1946 directors, even if the remaining directors constitute less than
1947 a quorum, or by the sole remaining director. In the alternative,
1948 a board may hold an election to fill the vacancy, in which case
1949 the election procedures must conform to the requirements of
1950 subparagraph 1. unless the association has opted out of the
1951 statutory election process, in which case the bylaws of the
1952 association control. Unless otherwise provided in the bylaws, a
1953 board member appointed or elected under this subparagraph shall
1954 fill the vacancy for the unexpired term of the seat being



946458

1955 filled. Filling vacancies created by recall is governed by
1956 paragraph (f) and rules adopted by the division.

1957
1958 Notwithstanding subparagraphs (b)2. and (d)1., an association
1959 may, by the affirmative vote of a majority of the total voting
1960 interests, provide for a different voting and election procedure
1961 in its bylaws, which vote may be by a proxy specifically
1962 delineating the different voting and election procedures. The
1963 different voting and election procedures may provide for
1964 elections to be conducted by limited or general proxy.

1965 (j) *Annual budget.*—

1966 1. The proposed annual budget of common expenses shall be
1967 detailed and shall show the amounts budgeted by accounts and
1968 expense classifications, including, if applicable, but not
1969 limited to, those expenses listed in s. 719.504(20). The board
1970 of administration shall adopt the annual budget at least 14 days
1971 prior to the start of the association's fiscal year. In the
1972 event that the board fails to timely adopt the annual budget a
1973 second time, it shall be deemed a minor violation and the prior
1974 year's budget shall continue in effect until a new budget is
1975 adopted.

1976 2. In addition to annual operating expenses, the budget
1977 shall include reserve accounts for capital expenditures and
1978 deferred maintenance. These accounts shall include, but not be
1979 limited to, the maintenance and replacement of the cooperative
1980 property identified in s. 719.301(4)(p) ~~roof replacement,~~
1981 building painting, and pavement resurfacing, regardless of the
1982 amount of deferred maintenance expense or replacement cost, and
1983 ~~for~~ any other items for which the deferred maintenance expense



946458

1984 or replacement cost exceeds \$10,000. The amount to be reserved
1985 shall be computed by means of a formula which is based upon
1986 estimated remaining useful life and estimated replacement cost
1987 or deferred maintenance expense of each reserve item. The
1988 association may adjust replacement reserve assessments annually
1989 to take into account any changes in estimates or extension of
1990 the useful life of a reserve item caused by deferred
1991 maintenance. This paragraph shall not apply to any budget in
1992 which the members of an association have, at a duly called
1993 meeting of the association and by a majority vote of all the
1994 voting interests, voting in person or by proxy, determined for a
1995 fiscal year to provide no reserves or reserves less adequate
1996 than required by this subsection. An annual budget adopted on or
1997 after January 1, 2024, must, at minimum:

1998 a. Identify all items for which reserves are or will be
1999 established;

2000 b. Provide an estimate of the maintenance, repair, and
2001 replacement costs for the structural components for which an
2002 estimate of useful life may be determined;

2003 c. Identify any structural component for which a reserve
2004 account is not established or reserves are not funded, because
2005 the useful life of the component cannot be determined;

2006 d. As of the beginning of the fiscal year for which the
2007 budget is prepared, identify the estimated current amount of
2008 accumulated funds for each reserve component or, if the pooling
2009 method is used, the estimated current amount of the accumulated
2010 pooled funds;

2011 e. Provide a description of the manner in which the
2012 association plans to fund reserves, including the use of regular



946458

2013 assessments, special assessments, and any other alternative
2014 funding method; and

2015 f. Provide a description of the procedures used for
2016 estimating the funding of reserves pursuant to this paragraph,
2017 including, as applicable, the identity of any independent third
2018 party who conducted the reserve study on behalf of the
2019 association and the extent to which the association is funding
2020 its reserve obligations consistent with the reserve study
2021 currently in effect.

2022 3. ~~However,~~ Prior to turnover of control of an association
2023 by a developer to unit owners other than a developer pursuant to
2024 s. 719.301, the developer may vote to waive the reserves or
2025 reduce the funding of reserves for the first 2 years of the
2026 operation of the association after which time reserves may only
2027 be waived or reduced upon the vote of a majority of all
2028 nondeveloper voting interests voting in person or by limited
2029 proxy at a duly called meeting of the association. If a meeting
2030 of the unit owners has been called to determine to provide no
2031 reserves, or reserves less adequate than required, and such
2032 result is not attained or a quorum is not attained, the reserves
2033 as included in the budget shall go into effect. For an
2034 association that is required to perform a reserve study under
2035 this paragraph, the developer may only vote to waive reserve
2036 contributions or reduce reserve funding if the association's
2037 reserve obligations are funded consistent with the reserve study
2038 currently in effect or if the association provides an
2039 alternative funding method for the association's reserve
2040 obligations.

2041 4.3. Reserve funds and any interest accruing thereon shall



946458

2042 remain in the reserve account or accounts, and shall be used
2043 only for authorized reserve expenditures unless their use for
2044 other purposes is approved in advance by a vote of the majority
2045 of all ~~the~~ voting interests, voting in person or by limited
2046 proxy at a duly called meeting of the association; provided that
2047 the use of reserve funds for a purpose other than authorized
2048 reserve expenditures is authorized in the exercise of the
2049 association's emergency powers under s. 719.128. Prior to
2050 turnover of control of an association by a developer to unit
2051 owners other than the developer under s. 719.301, the developer
2052 may not vote to use reserves for purposes other than that for
2053 which they were intended without the approval of a majority of
2054 all nondeveloper voting interests, voting in person or by
2055 limited proxy at a duly called meeting of the association.

2056 5. Effective January 1, 2024, an association with a
2057 residential cooperative building that is three stories or more
2058 in height and subject to the milestone inspection requirements
2059 in s. 553.899 must conduct a study of the amount of reserve
2060 funds needed to fund reserves for the maintenance, repair,
2061 replacement, and restoration of the cooperative property
2062 identified in s. 719.301(4) (p). The reserve study must be
2063 conducted at least every 3 years. The board shall review the
2064 results of such study at least annually to determine if reserves
2065 are sufficient to meet the association's reserve obligations and
2066 to make any adjustments the board deems necessary to maintain
2067 reserves, as appropriate. The division shall adopt rules setting
2068 forth uniform financial standards and forms for reserve studies.
2069 The reserve study must include, without limitation:

2070 a. A summary of any inspection of the major components of



946458

2071 the cooperative property identified in s. 719.301(4) (p) and any
2072 other portion of the cooperative property that the association
2073 is obligated to maintain, repair, replace, or restore;
2074 b. If applicable, a summary of the findings and
2075 recommendations of the milestone inspection report required
2076 under s. 553.899 and any other structural or life safety
2077 inspection of the cooperative property considered in the reserve
2078 study;
2079 c. An identification of the structural components of the
2080 building for which necessary reserves may be reasonably
2081 projected and an identification of the structural components of
2082 the building with an indefinite useful life for which a
2083 reasonable determination of necessary reserves may not be
2084 estimated;
2085 d. An estimate of the useful life of the structural
2086 components of the building identified in s. 719.301(4) (p) for
2087 which an estimate of useful life may be determined as attested
2088 to by a licensed architect or engineer in the turnover
2089 inspection required under s. 719.301(4) (p), a milestone
2090 inspection, or any other structural or life safety inspection of
2091 the cooperative property;
2092 e. An estimate of the remaining useful life of any other
2093 portion of the cooperative property that the association is
2094 obligated to maintain, repair, replace, or restore;
2095 f. An estimate of the cost of maintenance, repair,
2096 replacement, or restoration of each major component of the
2097 cooperative property identified in s. 719.301(4) (p) and any
2098 other portion of the cooperative property identified pursuant to
2099 sub-subparagraph c.;



946458

2100 g. An estimate of the total annual assessment that may be
2101 necessary to cover the cost of maintaining, repairing,
2102 replacing, or restoring the major components of the cooperative
2103 property identified in s. 719.301(4) (p) and any other portion of
2104 the cooperative property identified pursuant to sub-subparagraph
2105 c., and an estimate of the funding plan, including any
2106 alternative funding method, which may be necessary to provide
2107 adequate funding for the required reserves; and

2108 h. A schedule for the full funding of reserves. A reserve
2109 account is fully funded when the actual or projected reserve
2110 balance in the reserve account is equal in direct proportion to
2111 the fraction of useful life for a given component or components
2112 multiplied by the current replacement costs for the component or
2113 components.

2114 6. If the association has voted to waive reserves or to use
2115 existing reserve funds for purposes other than the purposes for
2116 which the reserves were intended, the budget must contain the
2117 following statement in conspicuous type: THE OWNERS HAVE ELECTED
2118 TO WAIVE RESERVES, IN WHOLE OR IN PART, OR ALLOWED ALTERNATIVE
2119 USES OF EXISTING RESERVES UNDER SECTION 719.106(1) (j), FLORIDA
2120 STATUTES. THE WAIVING OR ALTERNATIVE USE OF RESERVE FUNDS MAY
2121 RESULT IN UNIT OWNER LIABILITY FOR PAYMENT OF UNANTICIPATED
2122 SPECIAL ASSESSMENTS REGARDING THOSE ITEMS.

2123 7. On or after January 1, 2026, if the association is
2124 required to perform a reserve study under this paragraph and the
2125 budget of the association does not fund the association's
2126 reserve obligations consistent with the reserve study currently
2127 in effect, the budget must also contain the following statement
2128 in conspicuous type: THE ASSOCIATION'S LAST RESERVE STUDY IS



946458

2129 DATED THE RESERVE AMOUNT BUDGETED AND/OR COLLECTED IS LESS
2130 THAN REQUIRED BY THE RESERVE STUDY SCHEDULE. THE BUDGET OF THE
2131 ASSOCIATION DOES NOT PROVIDE FOR FULLY FUNDED RESERVE ACCOUNTS
2132 FOR CAPITAL EXPENDITURES AND DEFERRED MAINTENANCE CONSISTENT
2133 WITH THE ASSOCIATION'S RESERVE STUDY. FAILURE TO FUND RESERVES
2134 CONSISTENT WITH THE ASSOCIATION'S RESERVE STUDY MAY RESULT IN
2135 UNANTICIPATED SPECIAL ASSESSMENTS REGARDING THOSE ITEMS.

2136 (n) *Mandatory milestone inspections.*—If an association is
2137 required to have a milestone inspection performed pursuant to s.
2138 553.899, the association must arrange for the milestone
2139 inspection to be performed and is responsible for ensuring
2140 compliance with the requirements of s. 553.899. The association
2141 is responsible for all costs associated with the inspection.
2142 Upon completion of a phase one or phase two milestone inspection
2143 and receipt of the inspector-prepared summary of the inspection
2144 report from the architect or engineer who performed the
2145 inspection, the association must distribute a copy of the
2146 inspector-prepared summary of the inspection report to each unit
2147 owner, regardless of the findings or recommendations in the
2148 report, by United States mail or personal delivery; must post a
2149 copy of the inspector-prepared summary in a conspicuous place on
2150 the cooperative property; and must publish the full report and
2151 inspector-prepared summary on the association's website, if the
2152 association is required to have a website.

2153 Section 14. Paragraph (f) is added to subsection (1) of
2154 section 719.107, Florida Statutes, to read:

2155 719.107 Common expenses; assessment.—

2156 (1)

2157 (f) Notwithstanding any provision in the cooperative



946458

2158 documents requiring, prohibiting, or limiting a board of
2159 administration's authority to adopt a special assessment or to
2160 borrow money on behalf of the association, including any
2161 provision in the cooperative documents requiring unit owner
2162 voting or approval, the board may adopt a special assessment or
2163 borrow money for the necessary maintenance, repair, or
2164 replacement of the cooperative property.

2165 Section 15. Paragraphs (p) and (q) are added to subsection
2166 (4) of section 719.301, Florida Statutes, to read:

2167 719.301 Transfer of association control.—

2168 (4) When unit owners other than the developer elect a
2169 majority of the members of the board of administration of an
2170 association, the developer shall relinquish control of the
2171 association, and the unit owners shall accept control.
2172 Simultaneously, or for the purpose of paragraph (c) not more
2173 than 90 days thereafter, the developer shall deliver to the
2174 association, at the developer's expense, all property of the
2175 unit owners and of the association held or controlled by the
2176 developer, including, but not limited to, the following items,
2177 if applicable, as to each cooperative operated by the
2178 association:

2179 (p) Notwithstanding when the certificate of occupancy was
2180 issued or the height of the building, a milestone inspection
2181 report in compliance with s. 553.899 included in the official
2182 records, under seal of an architect or engineer authorized to
2183 practice in this state, attesting to required maintenance,
2184 condition, useful life, and replacement costs of the following
2185 applicable cooperative property comprising a turnover inspection
2186 report:



946458

- 2187 1. Roof.
- 2188 2. Structure, including load-bearing walls and primary
2189 structural members and primary structural systems as those terms
2190 are defined in s. 627.706.
- 2191 3. Fireproofing and fire protection systems.
- 2192 4. Elevators.
- 2193 5. Heating and cooling systems.
- 2194 6. Plumbing.
- 2195 7. Electrical systems.
- 2196 8. Swimming pool or spa and equipment.
- 2197 9. Seawalls.
- 2198 10. Pavement and parking areas.
- 2199 11. Drainage systems.
- 2200 12. Painting.
- 2201 13. Irrigation systems.
- 2202 14. Waterproofing.
- 2203 (q) A copy of the most recent reserve study required under
2204 s. 719.106(1)(j), along with the statements indicating the
2205 status of the reserves required under s. 719.106(1)(j)6. and 7.,
2206 if applicable, or a statement in conspicuous type indicating
2207 that the association has not completed the required reserve
2208 study or that the association is not required to perform a
2209 reserve study, as applicable.
- 2210 Section 16. Paragraph (b) of subsection (1) and paragraph
2211 (a) of subsection (2) of section 719.503, Florida Statutes, are
2212 amended to read:
- 2213 719.503 Disclosure prior to sale.—
- 2214 (1) DEVELOPER DISCLOSURE.—
- 2215 (b) *Copies of documents to be furnished to prospective*



946458

2216 *buyer or lessee.*—Until such time as the developer has furnished
2217 the documents listed below to a person who has entered into a
2218 contract to purchase a unit or lease it for more than 5 years,
2219 the contract may be voided by that person, entitling the person
2220 to a refund of any deposit together with interest thereon as
2221 provided in s. 719.202. The contract may be terminated by
2222 written notice from the proposed buyer or lessee delivered to
2223 the developer within 15 days after the buyer or lessee receives
2224 all of the documents required by this section. The developer may
2225 ~~shall~~ not close for 15 days after ~~following~~ the execution of the
2226 agreement and delivery of the documents to the buyer as
2227 evidenced by a receipt for documents signed by the buyer unless
2228 the buyer is informed in the 15-day voidability period and
2229 agrees to close before ~~prior to~~ the expiration of the 15 days.
2230 The developer shall retain in his or her records a separate
2231 signed agreement as proof of the buyer's agreement to close
2232 before ~~prior to~~ the expiration of the ~~said~~ voidability period.
2233 The developer must retain such ~~Said~~ proof ~~shall be retained~~ for
2234 a period of 5 years after the date of the closing transaction.
2235 The documents to be delivered to the prospective buyer are the
2236 prospectus or disclosure statement with all exhibits, if the
2237 development is subject to ~~the provisions of~~ s. 719.504, or, if
2238 not, then copies of the following which are applicable:
2239 1. The question and answer sheet described in s. 719.504,
2240 and cooperative documents, or the proposed cooperative documents
2241 if the documents have not been recorded, which shall include the
2242 certificate of a surveyor approximately representing the
2243 locations required by s. 719.104.
2244 2. The documents creating the association.



- 2245 3. The bylaws.
- 2246 4. The ground lease or other underlying lease of the
2247 cooperative.
- 2248 5. The management contract, maintenance contract, and other
2249 contracts for management of the association and operation of the
2250 cooperative and facilities used by the unit owners having a
2251 service term in excess of 1 year, and any management contracts
2252 that are renewable.
- 2253 6. The estimated operating budget for the cooperative and a
2254 schedule of expenses for each type of unit, including fees
2255 assessed to a shareholder who has exclusive use of limited
2256 common areas, where such costs are shared only by those entitled
2257 to use such limited common areas.
- 2258 7. The lease of recreational and other facilities that will
2259 be used only by unit owners of the subject cooperative.
- 2260 8. The lease of recreational and other common areas that
2261 will be used by unit owners in common with unit owners of other
2262 cooperatives.
- 2263 9. The form of unit lease if the offer is of a leasehold.
- 2264 10. Any declaration of servitude of properties serving the
2265 cooperative but not owned by unit owners or leased to them or
2266 the association.
- 2267 11. If the development is to be built in phases or if the
2268 association is to manage more than one cooperative, a
2269 description of the plan of phase development or the arrangements
2270 for the association to manage two or more cooperatives.
- 2271 12. If the cooperative is a conversion of existing
2272 improvements, the statements and disclosure required by s.
2273 719.616.



946458

2274 13. The form of agreement for sale or lease of units.

2275 14. A copy of the floor plan of the unit and the plot plan
2276 showing the location of the residential buildings and the
2277 recreation and other common areas.

2278 15. A copy of all covenants and restrictions that ~~which~~
2279 will affect the use of the property and ~~which~~ are not contained
2280 in the foregoing.

2281 16. If the developer is required by state or local
2282 authorities to obtain acceptance or approval of any dock or
2283 marina facilities intended to serve the cooperative, a copy of
2284 any such acceptance or approval acquired by the time of filing
2285 with the division pursuant to s. 719.502(1) or a statement that
2286 such acceptance or approval has not been acquired or received.

2287 17. Evidence demonstrating that the developer has an
2288 ownership, leasehold, or contractual interest in the land upon
2289 which the cooperative is to be developed.

2290 18. A copy of the most recent reserve study required under
2291 s. 719.106(1)(j), along with the statements indicating the
2292 status of the reserves required under s. 719.106(1)(j)6. and 7.,
2293 if applicable, or a statement in conspicuous type indicating
2294 that the association has not completed the required reserve
2295 study or that the association is not required to perform a
2296 reserve study, as applicable.

2297 19. A copy of the inspector-prepared summary of the
2298 milestone inspection report as described in ss. 553.899 and
2299 719.301(4)(p).

2300 (2) NONDEVELOPER DISCLOSURE.—

2301 (a) Each unit owner who is not a developer as defined by
2302 this chapter must comply with ~~the provisions of~~ this subsection



946458

2303 before ~~prior to~~ the sale of his or her interest in the
2304 association. Each prospective purchaser who has entered into a
2305 contract for the purchase of an interest in a cooperative is
2306 entitled, at the seller's expense, to a current copy of all of
2307 the following:

2308 1. The articles of incorporation of the association.~~7~~

2309 2. The bylaws~~7~~ and rules of the association.

2310 3. ~~as well as~~ A copy of the question and answer sheet as
2311 provided in s. 719.504.

2312 4. A copy of the most recent reserve study required under
2313 s. 719.106(1)(j), along with the statements in the budget
2314 indicating the status of the reserves required under s. 719.106
2315 (1)(j)6. and 7., if applicable, or a statement in conspicuous
2316 type indicating that the association has not completed the
2317 required reserve study or that the association is not required
2318 to perform a reserve study, as applicable.

2319 5. A copy of the inspector-prepared summary of the
2320 milestone inspection report as described in ss. 553.899 and
2321 719.301(4)(p).

2322 Section 17. Paragraph (f) of subsection (23) of section
2323 719.504, Florida Statutes, is amended, and paragraph (q) is
2324 added to that subsection, to read:

2325 719.504 Prospectus or offering circular.—Every developer of
2326 a residential cooperative which contains more than 20
2327 residential units, or which is part of a group of residential
2328 cooperatives which will be served by property to be used in
2329 common by unit owners of more than 20 residential units, shall
2330 prepare a prospectus or offering circular and file it with the
2331 Division of Florida Condominiums, Timeshares, and Mobile Homes



946458

2332 prior to entering into an enforceable contract of purchase and
2333 sale of any unit or lease of a unit for more than 5 years and
2334 shall furnish a copy of the prospectus or offering circular to
2335 each buyer. In addition to the prospectus or offering circular,
2336 each buyer shall be furnished a separate page entitled
2337 "Frequently Asked Questions and Answers," which must be in
2338 accordance with a format approved by the division. This page
2339 must, in readable language: inform prospective purchasers
2340 regarding their voting rights and unit use restrictions,
2341 including restrictions on the leasing of a unit; indicate
2342 whether and in what amount the unit owners or the association is
2343 obligated to pay rent or land use fees for recreational or other
2344 commonly used facilities; contain a statement identifying that
2345 amount of assessment which, pursuant to the budget, would be
2346 levied upon each unit type, exclusive of any special
2347 assessments, and which identifies the basis upon which
2348 assessments are levied, whether monthly, quarterly, or
2349 otherwise; state and identify any court cases in which the
2350 association is currently a party of record in which the
2351 association may face liability in excess of \$100,000; and state
2352 whether membership in a recreational facilities association is
2353 mandatory and, if so, identify the fees currently charged per
2354 unit type. The division shall by rule require such other
2355 disclosure as in its judgment will assist prospective
2356 purchasers. The prospectus or offering circular may include more
2357 than one cooperative, although not all such units are being
2358 offered for sale as of the date of the prospectus or offering
2359 circular. The prospectus or offering circular must contain the
2360 following information:



946458

2361 (23) Copies of the following, to the extent they are
2362 applicable, shall be included as exhibits:

2363 (f) The estimated operating budget for the cooperative and
2364 the required schedule of unit owners' expenses, and the most
2365 recent reserve study required under s. 719.106(1)(j), along with
2366 the statements in the budget indicating the status of the
2367 reserves required under s. 719.106(1)(j)6. and 7., if
2368 applicable, or a statement in conspicuous type indicating that
2369 the association has not completed the required reserve study or
2370 that the association is not required to perform a reserve study,
2371 as applicable.

2372 (q) A copy of the inspector-prepared summary of the
2373 milestone inspection report as described in ss. 553.899 and
2374 719.301(4)(p).

2375 Section 18. Subsection (2) of section 558.002, Florida
2376 Statutes, is amended to read:

2377 558.002 Definitions.—As used in this chapter, the term:

2378 (2) "Association" has the same meaning as in s. 718.103(3)
2379 s. 718.103(2), s. 719.103(3) s. 719.103(2), s. 720.301(9), or s.
2380 723.075.

2381 Section 19. Paragraph (b) of subsection (1) of section
2382 718.116, Florida Statutes, is amended to read:

2383 718.116 Assessments; liability; lien and priority;
2384 interest; collection.—

2385 (1)

2386 (b)1. The liability of a first mortgagee or its successor
2387 or assignees who acquire title to a unit by foreclosure or by
2388 deed in lieu of foreclosure for the unpaid assessments that
2389 became due before the mortgagee's acquisition of title is



946458

2390 limited to the lesser of:

2391 a. The unit's unpaid common expenses and regular periodic
2392 assessments which accrued or came due during the 12 months
2393 immediately preceding the acquisition of title and for which
2394 payment in full has not been received by the association; or

2395 b. One percent of the original mortgage debt. The
2396 provisions of this paragraph apply only if the first mortgagee
2397 joined the association as a defendant in the foreclosure action.
2398 Joinder of the association is not required if, on the date the
2399 complaint is filed, the association was dissolved or did not
2400 maintain an office or agent for service of process at a location
2401 which was known to or reasonably discoverable by the mortgagee.

2402 2. An association, or its successor or assignee, that
2403 acquires title to a unit through the foreclosure of its lien for
2404 assessments is not liable for any unpaid assessments, late fees,
2405 interest, or reasonable attorney's fees and costs that came due
2406 before the association's acquisition of title in favor of any
2407 other association, as defined in s. 718.103(3) ~~s. 718.103(2)~~ or
2408 s. 720.301(9), which holds a superior lien interest on the unit.
2409 This subparagraph is intended to clarify existing law.

2410 Section 20. Subsection (2) of section 718.121, Florida
2411 Statutes, is amended to read:

2412 718.121 Liens.—

2413 (2) Labor performed on or materials furnished to a unit may
2414 not be the basis for the filing of a lien under part I of
2415 chapter 713, the Construction Lien Law, against the unit or
2416 condominium parcel of any unit owner not expressly consenting to
2417 or requesting the labor or materials. Labor performed on or
2418 materials furnished for the installation of a natural gas fuel



946458

2419 station or an electric vehicle charging station under s.
2420 718.113(9) ~~s. 718.113(8)~~ may not be the basis for filing a lien
2421 under part I of chapter 713 against the association, but such a
2422 lien may be filed against the unit owner. Labor performed on or
2423 materials furnished to the common elements are not the basis for
2424 a lien on the common elements, but if authorized by the
2425 association, the labor or materials are deemed to be performed
2426 or furnished with the express consent of each unit owner and may
2427 be the basis for the filing of a lien against all condominium
2428 parcels in the proportions for which the owners are liable for
2429 common expenses.

2430 Section 21. Subsection (3) of section 718.706, Florida
2431 Statutes, is amended to read:

2432 718.706 Specific provisions pertaining to offering of units
2433 by a bulk assignee or bulk buyer.—

2434 (3) A bulk assignee, while in control of the board of
2435 administration of the association, may not authorize, on behalf
2436 of the association:

2437 (a) The waiver of reserves or the reduction of funding of
2438 the reserves pursuant to s. 718.112(2)(f)2., unless approved by
2439 a majority of the voting interests not controlled by the
2440 developer, bulk assignee, and bulk buyer; or

2441 (b) The use of reserve expenditures for other purposes
2442 pursuant to s. 718.112(2)(f)4. ~~s. 718.112(2)(f)3.~~, unless
2443 approved by a majority of the voting interests not controlled by
2444 the developer, bulk assignee, and bulk buyer.

2445 Section 22. Paragraph (d) of subsection (2) of section
2446 720.3085, Florida Statutes, is amended to read:

2447 720.3085 Payment for assessments; lien claims.—



946458

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

Section 23. For the purpose of incorporating the amendment made by this act to section 718.1255, Florida Statutes, in a reference thereto, section 719.1255, Florida Statutes, is reenacted to read:

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

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

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

And the title is amended as follows:

Delete everything before the enacting clause and insert:

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



946458

2477 that the purpose of a milestone inspection is not to
2478 determine compliance with the Florida Building Code or
2479 the firesafety code; requiring owners of certain
2480 multifamily residential buildings to have milestone
2481 inspections performed at specified times; requiring
2482 condominium and cooperative associations to arrange
2483 for milestone inspections of condominium buildings and
2484 cooperative buildings, respectively; specifying that
2485 such associations are responsible for costs relating
2486 to milestone inspections; providing applicability;
2487 requiring that initial milestone inspections for
2488 certain buildings be performed before a specified
2489 date; specifying that milestone inspections consist of
2490 two phases; providing requirements for each phase of a
2491 milestone inspection; requiring architects and
2492 engineers performing a milestone inspection to submit
2493 a sealed copy of the inspection report and a summary
2494 that includes specified findings and recommendations
2495 to certain entities; requiring condominium
2496 associations and cooperative associations to
2497 distribute and post a copy of each inspection report
2498 and summary in a specified manner; authorizing local
2499 enforcement agencies to prescribe timelines and
2500 penalties relating to milestone inspections; requiring
2501 the Florida Building Commission to develop certain
2502 standards by a specified date and make such standards
2503 available to local governments for adoption; amending
2504 s. 718.103, F.S.; defining the term "alternative
2505 funding method"; amending s. 718.111, F.S.; revising



946458

2506 the types of records that constitute the official
2507 records of a condominium association; requiring
2508 associations to maintain specified records for a
2509 certain timeframe; specifying that renters of a unit
2510 have the right to inspect and copy certain reports;
2511 requiring associations to post a copy of certain
2512 reports and reserve studies on the association's
2513 website; revising rulemaking requirements for the
2514 Division of Florida Condominiums, Timeshares, and
2515 Mobile Homes of the Department of Business and
2516 Professional Regulation; requiring the Department of
2517 Financial Services to adopt rules; amending s.
2518 718.112, F.S.; revising certification and education
2519 requirements for directors of association boards;
2520 revising requirements for association budgets;
2521 revising applicability; requiring certain associations
2522 to periodically conduct a study relating to reserves
2523 after a specified date; requiring boards to annually
2524 review the results of such study to determine if
2525 reserves are sufficient; requiring the division to
2526 adopt rules; providing requirements for the reserve
2527 study; revising requirements for approval of using
2528 reserve funds for a purpose other than authorized
2529 reserve expenditures; requiring that budgets include
2530 specified disclosures relating to reserve funds under
2531 certain circumstances on or after a specified date;
2532 restating requirements for associations relating to
2533 milestone inspections; amending s. 718.113, F.S.;
2534 requiring associations to provide for the maintenance,



946458

2535 repair, and replacement of condominium property;
2536 providing an exception; requiring associations to
2537 perform specified required maintenance under certain
2538 circumstances; specifying that necessary maintenance,
2539 repair, or replacement of condominium property does
2540 not require unit owner approval; specifying that
2541 associations are not liable for certain expenses if a
2542 unit is vacated or access to a common element is
2543 denied for specified reasons; amending s. 718.115,
2544 F.S.; authorizing boards to adopt a special assessment
2545 or borrow money for certain reasons without unit owner
2546 approval; conforming cross-references; amending s.
2547 718.1255, F.S.; revising the definition of the term
2548 "dispute"; specifying that certain disputes are not
2549 subject to certain nonbinding arbitration and must be
2550 submitted to presuit mediation; amending s. 718.301,
2551 F.S.; revising reporting requirements relating to the
2552 transfer of association control; amending s. 718.503,
2553 F.S.; revising the documents that must be delivered to
2554 a prospective buyer or lessee of a residential unit;
2555 revising requirements for nondeveloper disclosures;
2556 amending s. 718.504, F.S.; revising requirements for
2557 prospectuses and offering circulars; amending s.
2558 719.103, F.S.; defining the term "alternative funding
2559 method"; amending s. 719.104, F.S.; revising the types
2560 of records that constitute the official records of a
2561 cooperative association; requiring associations to
2562 maintain specified records for a certain timeframe;
2563 specifying that renters of a unit have the right to



2564 inspect and copy certain reports; revising rulemaking
2565 requirements for the division; specifying that
2566 maintenance of the cooperative property and common
2567 areas is the responsibility of associations; providing
2568 an exception; requiring associations to perform
2569 specified required maintenance under certain
2570 circumstances; specifying that necessary maintenance,
2571 repair, or replacement of cooperative property does
2572 not require unit owner approval; specifying that
2573 associations are not liable for certain expenses if a
2574 unit must be vacated or if access to a common area is
2575 denied for specified reasons; requiring the department
2576 to adopt rules; amending s. 719.106, F.S.; revising
2577 certification and education requirements for directors
2578 of association boards; revising requirements for
2579 association budgets; revising applicability; revising
2580 requirements for the use of reserve funds for a
2581 purpose other than authorized reverse expenditures;
2582 requiring certain associations to periodically conduct
2583 a study relating to reserves after a specified date;
2584 requiring boards to annually review the results of
2585 such study to determine if reserves are sufficient;
2586 requiring the division to adopt rules; providing
2587 requirements for the reserve study; requiring that
2588 budgets include specified disclosures relating to
2589 reserve funds under certain circumstances on or after
2590 a specified date; restating requirements for
2591 associations relating to milestone inspections;
2592 amending s. 719.107, F.S.; authorizing boards to adopt



946458

2593 a special assessment or borrow money for certain
2594 reasons without unit owner approval; amending s.
2595 719.301, F.S.; requiring developers to deliver a
2596 turnover inspection report relating to cooperative
2597 property under certain circumstances; requiring
2598 developers to deliver a copy of certain reserve
2599 studies and statements when relinquishing control of
2600 an association; amending s. 719.503, F.S.; revising
2601 the documents that must be delivered to a prospective
2602 buyer or lessee of a residential unit; revising
2603 nondeveloper disclosure requirements; amending s.
2604 719.504, F.S.; revising requirements for prospectuses
2605 and offering circulars; amending ss. 558.002, 718.116,
2606 718.121, 718.706, and 720.3085, F.S.; conforming
2607 cross-references; reenacting s. 719.1255, F.S.,
2608 relating to alternative resolution of disputes, to
2609 incorporate the amendment made to s. 718.1255, F.S.,
2610 in a reference thereto; providing an effective date.