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LEGISLATIVE ACTION

Senate

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House

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Senator Bradley moved the following:

**Senate Amendment**

Delete lines 575 - 710

and insert:

determine, by a majority vote of the total voting interests of  
the association ~~at a duly called meeting of the association,~~ to  
provide no reserves or less reserves than required by this  
subsection. For a budget adopted on or after ~~Effective~~ December  
31, 2024, the members of a unit-owner-controlled association



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11 that must obtain a structural integrity reserve study may not  
12 determine to provide no reserves or less reserves than required  
13 by this subsection for items listed in paragraph (g), except  
14 that members of an association operating a multicondominium may  
15 determine to provide no reserves or less reserves than required  
16 by this subsection if an alternative funding method has been  
17 approved by the division.

18       b. Before turnover of control of an association by a  
19 developer to unit owners other than a developer under s.  
20 718.301, the developer-controlled association may not vote to  
21 waive the reserves or reduce funding of the reserves. If a  
22 meeting of the unit owners has been called to determine whether  
23 to waive or reduce the funding of reserves and no such result is  
24 achieved or a quorum is not attained, the reserves included in  
25 the budget shall go into effect. After the turnover, the  
26 developer may vote its voting interest to waive or reduce the  
27 funding of reserves.

28       3. Reserve funds and any interest accruing thereon shall  
29 remain in the reserve account or accounts, and may be used only  
30 for authorized reserve expenditures unless their use for other  
31 purposes is approved in advance by a majority vote of all the  
32 total voting interests ~~at a duly called meeting~~ of the  
33 association. Before turnover of control of an association by a  
34 developer to unit owners other than the developer pursuant to s.  
35 718.301, the developer-controlled association may not vote to  
36 use reserves for purposes other than those for which they were  
37 intended. For a budget adopted on or after ~~Effective~~ December  
38 31, 2024, members of a unit-owner-controlled association that  
39 must obtain a structural integrity reserve study may not vote to



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use reserve funds, or any interest accruing thereon, ~~that are reserved for items listed in paragraph (g)~~ for any other purpose other than the replacement or deferred maintenance costs of the components listed in paragraph (g) ~~their intended purpose.~~

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

(g) *Structural integrity reserve study.*—

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

- a. Roof.
- b. Load-bearing walls or other primary structural members.
- c. ~~Floor.~~



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69       ~~d.~~ Foundation.  
70       ~~d.e.~~ Fireproofing and fire protection systems.  
71       ~~e.f.~~ Plumbing.  
72       ~~f.g.~~ Electrical systems.  
73       ~~g.h.~~ Waterproofing and exterior painting.  
74       ~~h.i.~~ Windows and exterior doors.  
75       ~~i.j.~~ Any other item that has a deferred maintenance expense  
76 or replacement cost that exceeds \$10,000 and the failure to  
77 replace or maintain such item negatively affects the items  
78 listed in sub-subparagraphs a.-h. ~~sub-subparagraphs a.-i.~~, as  
79 determined by the ~~licensed engineer or architect performing the~~  
80 visual inspection portion of the structural integrity reserve  
81 study.

82       2. A structural integrity reserve study is based on a  
83 visual inspection of the condominium property. A structural  
84 integrity reserve study may be performed by any person qualified  
85 to perform such study. However, the visual inspection portion of  
86 the structural integrity reserve study must be performed or  
87 verified by an engineer licensed under chapter 471, an architect  
88 licensed under chapter 481, or a person who is certified as a  
89 reserve specialist or professional reserve analyst by the  
90 Community Associations Institute or the Association of  
91 Professional Reserve Analysts.

92       3. At a minimum, a structural integrity reserve study must  
93 identify each item of the condominium property being visually  
94 inspected, state the estimated remaining useful life and the  
95 estimated replacement cost or deferred maintenance expense of  
96 each item of the condominium property being visually inspected,  
97 and provide a reserve funding schedule with a recommended annual



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reserve amount that achieves the estimated replacement cost or deferred maintenance expense of each item of condominium property being visually inspected by the end of the estimated remaining useful life of the item. The structural integrity reserve study may recommend that reserves do not need to be maintained for any item for which an estimate of useful life and an estimate of replacement cost or deferred maintenance expense cannot be determined, or the study may recommend a deferred maintenance expense amount for such item.

4. This paragraph does not apply to buildings less than three stories in height; single-family, two-family, or three-family dwellings with three or fewer habitable stories above ground; any portion or component of a building that has not been submitted to the condominium form of ownership; or any portion or component of a building that is maintained by a party other than the association.

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

~~6.3.~~ Associations existing on or before July 1, 2022, which are controlled by unit owners other than the developer, must have a structural integrity reserve study completed by December 31, 2024, for each building on the condominium property that is three stories or higher in height. An association that is required to complete a milestone inspection in accordance with s. 553.899 on or before December 31, 2026, may complete the structural integrity reserve study simultaneously with the



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milestone inspection. In no event may the structural integrity reserve study be completed after December 31, 2026.

7. If the milestone inspection required by s. 553.899, or an inspection completed for a similar local requirement, was performed within the past 5 years and meets the requirements of this paragraph, such inspection may be used in place of the visual inspection portion of the structural integrity reserve study.

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

(h) *Mandatory milestone inspections.*—If an association is required to have a milestone inspection performed pursuant to s. 553.899, the association must arrange for the milestone inspection to be performed and is responsible for ensuring compliance with the requirements of s. 553.899. The association is responsible for all costs associated with the milestone inspection attributable to the portions of the building which the association is responsible for maintaining under the governing documents of the association. If the officers or directors of an association willfully and knowingly fail to have a milestone inspection performed pursuant to s. 553.899, such failure is a breach of the officers' and directors' fiduciary relationship to the unit owners under s. 718.111(1)(a). Within 14 days after receipt of a written notice from the local enforcement agency that a milestone inspection is required, the association must notify the unit owners of the required milestone inspection and provide the date by which the milestone



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156 inspection must be completed. Such notice may be given by  
157 electronic submission to unit owners who consent to receive  
158 notice by electronic submission or by posting on the  
159 association's website. Within 45 days after receiving ~~Upon~~  
160 ~~completion of~~ a phase one or phase