



633626

LEGISLATIVE ACTION

Senate

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House

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Floor: WD

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04/10/2023 02:06 PM

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Senator Bradley moved the following:

**Senate Amendment (with title amendment)**

Delete lines 1197 - 1313

and insert:

determine, by a majority vote of the total voting interests of the association ~~at a duly called meeting of the association~~, for a fiscal year to provide no reserves or reserves less adequate than required by this subsection. Before turnover of control of an association by a developer to unit owners other than a developer under s. 719.301, the developer-controlled association may not vote to waive the reserves or reduce funding of the



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12 reserves. For a budget adopted on or after ~~Effective~~ December  
13 31, 2024, a unit-owner-controlled association that must obtain a  
14 structural integrity reserve study may not determine to provide  
15 no reserves or reserves less adequate than required by this  
16 paragraph for items listed in paragraph (k). If a meeting of the  
17 unit owners has been called to determine to provide no reserves,  
18 or reserves less adequate than required, and such result is not  
19 attained or a quorum is not attained, the reserves as included  
20 in the budget shall go into effect.

21 3. Reserve funds and any interest accruing thereon shall  
22 remain in the reserve account or accounts, and shall be used  
23 only for authorized reserve expenditures unless their use for  
24 other purposes is approved in advance by a vote of the majority  
25 of the total voting interests, ~~voting in person or by limited~~  
26 ~~proxy at a duly called meeting~~ of the association. Before  
27 turnover of control of an association by a developer to unit  
28 owners other than the developer under s. 719.301, the developer  
29 may not vote to use reserves for purposes other than that for  
30 which they were intended. For a budget adopted on or after  
31 ~~Effective~~ December 31, 2024, members of a unit-owner-controlled  
32 association that must obtain a structural integrity reserve  
33 study may not vote to use reserve funds, or any interest  
34 accruing thereon, ~~that are reserved for items listed in~~  
35 ~~paragraph (k)~~ for purposes other than the replacement or  
36 deferred maintenance costs of the components listed in paragraph  
37 (k) their intended purpose.

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

39 1. A residential cooperative ~~An~~ association must have a  
40 structural integrity reserve study completed at least every 10



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41 years for each building on the cooperative property that is  
42 three stories or higher in height as determined by the Florida  
43 Building Code that includes, at a minimum, a study of the  
44 following items as related to the structural integrity and  
45 safety of the building:

- 46 a. Roof.
- 47 b. Load-bearing walls or other primary structural members.
- 48 c. ~~Floor.~~
- 49 ~~d.~~ Foundation.
- 50 ~~d.e.~~ Fireproofing and fire protection systems.
- 51 ~~e.f.~~ Plumbing.
- 52 ~~f.g.~~ Electrical systems.
- 53 ~~g.h.~~ Waterproofing and exterior painting.
- 54 ~~h.i.~~ Windows and exterior doors.
- 55 ~~i.j.~~ Any other item that has a deferred maintenance expense  
56 or replacement cost that exceeds \$10,000 and the failure to  
57 replace or maintain such item negatively affects the items  
58 listed in sub-subparagraphs a.-h. ~~sub-subparagraphs a.-i.~~, as  
59 determined by the ~~licensed engineer or architect performing the~~  
60 visual inspection portion of the structural integrity reserve  
61 study.

62 2. A structural integrity reserve study is based on a  
63 visual inspection of the cooperative property. A structural  
64 integrity reserve study may be performed by any person qualified  
65 to perform such study. However, the visual inspection portion of  
66 the structural integrity reserve study must be performed or  
67 verified by an engineer licensed under chapter 471, an architect  
68 licensed under chapter 481, or a person who is certified as a  
69 reserve specialist or professional reserve analyst by the



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70 Community Associations Institute or the Association of  
71 Professional Reserve Analysts.

72 3. At a minimum, a structural integrity reserve study must  
73 identify each item of the cooperative property being visually  
74 inspected, state the estimated remaining useful life and the  
75 estimated replacement cost or deferred maintenance expense of  
76 each item of the cooperative property being visually inspected,  
77 and provide a reserve funding schedule with a recommended annual  
78 reserve amount that achieves the estimated replacement cost or  
79 deferred maintenance expense of each item of cooperative  
80 property being visually inspected by the end of the estimated  
81 remaining useful life of the item. The structural integrity  
82 reserve study may recommend that reserves do not need to be  
83 maintained for any item for which an estimate of useful life and  
84 an estimate of replacement cost or deferred maintenance expense  
85 cannot be determined, or the study may recommend a deferred  
86 maintenance expense amount for such item.

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

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



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99           ~~6.3.~~ Associations existing on or before July 1, 2022, which  
100 are controlled by unit owners other than the developer, must  
101 have a structural integrity reserve study completed by December  
102 31, 2024, for each building on the cooperative property that is  
103 three stories or higher in height. An association that is  
104 required to complete a milestone inspection on or before  
105 December 31, 2026, in accordance with s. 553.899 may complete  
106 the structural integrity reserve study simultaneously with the  
107 milestone inspection. In no event may the structural integrity  
108 reserve study be completed after December 31, 2026.

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

115           ~~8.4.~~ If an association fails to complete a structural  
116 integrity reserve study pursuant to this paragraph, such failure  
117 is a breach of an officer's and director's fiduciary  
118 relationship to the unit owners under s. 719.104(9) ~~s.~~  
119 ~~719.104(8).~~

120           (1) *Mandatory milestone inspections.*—If an association is  
121 required to have a milestone inspection performed pursuant to s.  
122 553.899, the association must arrange for the milestone  
123 inspection to be performed and is responsible for ensuring  
124 compliance with the requirements of s. 553.899. The association  
125 is responsible for all costs associated with the milestone  
126 inspection attributable to the portions of the building which  
127 the association is responsible for maintaining under the



128 governing documents of the association. If the officers or  
129 directors of an association willfully and knowingly fail to have  
130 a milestone inspection performed pursuant to s. 553.899, such  
131 failure is a breach of the officers' and directors' fiduciary  
132 relationship to the unit owners under s. 719.104(9)(a) ~~s.~~  
133 ~~719.104(8)(a).~~ Within 14 days after receipt of a written notice  
134 from the local enforcement agency that a milestone inspection is  
135 required, the association must notify the unit owners of the  
136 required milestone inspection and provide the date by which the  
137 milestone inspection must be completed. Such notice may be given  
138 by electronic submission to unit owners who consent to receive  
139 notice by electronic submission or by posting on the  
140 association's website. Within 45 days after receiving ~~Upon~~  
141 ~~completion of~~ a phase one or phase  
142

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

144 And the title is amended as follows:

145 Delete line 77

146 and insert:

147 structural integrity reserve studies and mandatory  
148 milestone inspections; providing