

1 A bill to be entitled
 2 An act relating to structural integrity reserve
 3 studies; amending s. 553.899, F.S.; defining the term
 4 "structural integrity reserve study"; requiring
 5 condominium and cooperative associations that govern a
 6 building of a specified height to conduct a structural
 7 integrity reserve study for a specified purpose;
 8 providing that condominium and cooperative
 9 associations that govern a building that does not meet
 10 such specified height requirement are not required to
 11 conduct a structural integrity reserve study;
 12 authorizing certain condominium and cooperative
 13 associations to elect, by a majority vote of unit
 14 owners, to waive or reduce reserve contributions;
 15 requiring a structural integrity reserve study to
 16 comply with certain standards; amending ss. 718.112,
 17 718.501, 719.106, and 719.501 F.S.; conforming
 18 provisions to changes made by the act; providing an
 19 effective date.

20
 21 Be It Enacted by the Legislature of the State of Florida:

22
 23 **Section 1. Paragraph (b) of subsection (2) of section**
 24 **553.899, Florida Statutes, is redesignated as paragraph (c),**
 25 **subsections (3) through (13) are renumbered as subsections (4)**

26 **through (14), respectively, paragraph (d) of present subsection**
27 **(3) and present subsections (6) and (7) are amended, a new**
28 **paragraph (b) is added to subsection (2), and a new subsection**
29 **(3) is added to that section, to read:**

30 553.899 Mandatory structural inspections for condominium
31 and cooperative buildings.—

32 (2) As used in this section, the terms:

33 (b) "Structural integrity reserve study" has the same
34 meaning as in s. 718.103.

35 (3)(a) Condominium and cooperative associations that
36 govern a building that is six stories or higher in height, as
37 determined by the Florida Building Code, must conduct a
38 structural integrity reserve study of the building for the
39 purpose of estimating future maintenance, repair, and
40 replacement costs of common elements and funding adequate
41 reserves based on the findings of the study.

42 (b) Condominium and cooperative associations that govern a
43 building that is five stories or fewer in height, as determined
44 by the Florida Building Code, are not required to conduct a
45 structural integrity reserve study of the building and may, by a
46 majority vote of the unit owners present at a duly called
47 meeting, elect to waive or reduce reserve contributions.

48 (c) A structural integrity reserve study conducted
49 pursuant to this subsection must comply with the standards
50 established in s. 718.112(2)(g).

51 (4) ~~(3)~~
 52 (d) The local enforcement agency may accept an inspection
 53 report prepared by a licensed engineer or architect for a
 54 structural integrity and condition inspection of a building
 55 performed before July 1, 2022, if the inspection and report
 56 substantially comply with the requirements of this section.
 57 Notwithstanding when such inspection was completed, the
 58 condominium or cooperative association must comply with the unit
 59 owner notice requirements in subsection (10) ~~(9)~~. The inspection
 60 for which an inspection report is accepted by the local
 61 enforcement agency under this paragraph is deemed a milestone
 62 inspection for the applicable requirements in chapters 718 and
 63 719. If a previous inspection and report is accepted by the
 64 local enforcement agency under this paragraph, the deadline for
 65 the building's subsequent 10-year milestone inspection is based
 66 on the date of the accepted previous inspection.

67 (7) ~~(6)~~ Phase one of the milestone inspection must be
 68 completed within 180 days after the owner or owners of the
 69 building receive the written notice under subsection (6) ~~(5)~~.
 70 For purposes of this section, completion of phase one of the
 71 milestone inspection means the licensed engineer or architect
 72 who performed the phase one inspection submitted the inspection
 73 report by e-mail, United States Postal Service, or commercial
 74 delivery service to the local enforcement agency.

75 (8) ~~(7)~~ A milestone inspection consists of two phases:

76 (a) For phase one of the milestone inspection, a licensed
77 architect or engineer authorized to practice in this state shall
78 perform a visual examination of habitable and nonhabitable areas
79 of a building, including the major structural components of a
80 building, and provide a qualitative assessment of the structural
81 conditions of the building. If the architect or engineer finds
82 no signs of substantial structural deterioration to any building
83 components under visual examination, phase two of the
84 inspection, as provided in paragraph (b), is not required. An
85 architect or engineer who completes a phase one milestone
86 inspection shall prepare and submit an inspection report
87 pursuant to subsection (9) ~~(8)~~.

88 (b) A phase two of the milestone inspection must be
89 performed if any substantial structural deterioration is
90 identified during phase one. A phase two inspection may involve
91 destructive or nondestructive testing at the inspector's
92 direction. The inspection may be as extensive or as limited as
93 necessary to fully assess areas of structural distress in order
94 to confirm that the building is structurally sound and safe for
95 its intended use and to recommend a program for fully assessing
96 and repairing distressed and damaged portions of the building.
97 When determining testing locations, the inspector must give
98 preference to locations that are the least disruptive and most
99 easily repairable while still being representative of the
100 structure. If a phase two inspection is required, within 180

101 days after submitting a phase one inspection report the
102 architect or engineer performing the phase two inspection must
103 submit a phase two progress report to the local enforcement
104 agency with a timeline for completion of the phase two
105 inspection. An inspector who completes a phase two milestone
106 inspection shall prepare and submit an inspection report
107 pursuant to subsection (9) ~~(8)~~.

108 **Section 2. Paragraph (g) of subsection (2) of section**
109 **718.112, Florida Statutes, is amended to read:**

110 718.112 Bylaws.—

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

114 (g) Structural integrity reserve study.—

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

122 a. Roof.

123 b. Structure, including load-bearing walls and other
124 primary structural members and primary structural systems as
125 those terms are defined in s. 627.706.

- 126 c. Fireproofing and fire protection systems.
- 127 d. Plumbing.
- 128 e. Electrical systems.
- 129 f. Waterproofing and exterior painting.
- 130 g. Windows and exterior doors.

131 h. Any other item that has a deferred maintenance expense
 132 or replacement cost that exceeds \$10,000 and the failure to
 133 replace or maintain such item negatively affects the items
 134 listed in sub-subparagraphs a.-g., as determined by the visual
 135 inspection portion of the structural integrity reserve study.

136 2. A structural integrity reserve study is based on a
 137 visual inspection of the condominium property. A structural
 138 integrity reserve study may be performed by any person qualified
 139 to perform such study. However, the visual inspection portion of
 140 the structural integrity reserve study must be performed or
 141 verified by an engineer licensed under chapter 471, an architect
 142 licensed under chapter 481, or a person certified as a reserve
 143 specialist or professional reserve analyst by the Community
 144 Associations Institute or the Association of Professional
 145 Reserve Analysts.

146 3. At a minimum, a structural integrity reserve study must
 147 identify each item of the condominium property being visually
 148 inspected, state the estimated remaining useful life and the
 149 estimated replacement cost or deferred maintenance expense of
 150 each item of the condominium property being visually inspected,

151 and provide a reserve funding schedule with a recommended annual
152 reserve amount that achieves the estimated replacement cost or
153 deferred maintenance expense of each item of condominium
154 property being visually inspected by the end of the estimated
155 remaining useful life of the item. The structural integrity
156 reserve study may recommend that reserves do not need to be
157 maintained for any item for which an estimate of useful life and
158 an estimate of replacement cost cannot be determined, or the
159 study may recommend a deferred maintenance expense amount for
160 such item. The structural integrity reserve study may recommend
161 that reserves for replacement costs do not need to be maintained
162 for any item with an estimated remaining useful life of greater
163 than 25 years, but the study may recommend a deferred
164 maintenance expense amount for such item.

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

172 5. Before a developer turns over control of an association
173 to unit owners other than the developer, the developer must have
174 a turnover inspection report in compliance with s. 718.301(4)(p)
175 and (q) for each building on the condominium property ~~that is~~

176 ~~three stories or higher in height.~~

177 6. Associations existing on or before July 1, 2022, which
178 are controlled by unit owners other than the developer, must
179 have a structural integrity reserve study completed by December
180 31, 2024, for each building on the condominium property that is
181 six ~~three~~ stories or higher in height. An association that is
182 required to complete a milestone inspection in accordance with
183 s. 553.899 on or before December 31, 2026, may complete the
184 structural integrity reserve study simultaneously with the
185 milestone inspection. In no event may the structural integrity
186 reserve study be completed after December 31, 2026.

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

193 8. If the officers or directors of an association
194 willfully and knowingly fail to complete a structural integrity
195 reserve study pursuant to this paragraph, such failure is a
196 breach of an officer's and director's fiduciary relationship to
197 the unit owners under s. 718.111(1).

198 9. Within 45 days after receiving the structural integrity
199 reserve study, the association must distribute a copy of the
200 study to each unit owner or deliver to each unit owner a notice

201 that the completed study is available for inspection and copying
 202 upon a written request. Distribution of a copy of the study or
 203 notice must be made by United States mail or personal delivery
 204 to the mailing address, property address, or any other address
 205 of the owner provided to fulfill the association's notice
 206 requirements under this chapter, or by electronic transmission
 207 to the e-mail address or facsimile number provided to fulfill
 208 the association's notice requirements to unit owners who
 209 previously consented to receive notice by electronic
 210 transmission.

211 10. Within 45 days after receiving the structural
 212 integrity reserve study, the association must provide the
 213 division with a statement indicating that the study was
 214 completed and that the association provided or made available
 215 such study to each unit owner in accordance with this section.
 216 The statement must be provided to the division in the manner
 217 established by the division using a form posted on the
 218 division's website.

219 **Section 3. Paragraphs (a) and (b) of subsection (3) of**
 220 **section 718.501, Florida Statutes, are amended to read:**

221 718.501 Authority, responsibility, and duties of Division
 222 of Florida Condominiums, Timeshares, and Mobile Homes.—

223 (3) (a) On or before January 1, 2026 ~~2023~~, condominium
 224 associations existing on or before July 1, 2025 ~~2022~~, must
 225 provide the following information to the division in writing, by

226 e-mail, United States Postal Service, commercial delivery
 227 service, or hand delivery, at a physical address or e-mail
 228 address provided by the division and on a form posted on the
 229 division's website:

230 1. The number of buildings on the condominium property
 231 that are three stories or higher in height and six stories or
 232 higher in height.

233 2. The total number of units in all such buildings.

234 3. The addresses of all such buildings.

235 4. The counties in which all such buildings are located.

236 (b) The division must compile a list, which is searchable
 237 by county, of the number of buildings on condominium property
 238 that are three stories or higher in height and six stories or
 239 higher in height, ~~which is searchable by county,~~ and must post
 240 the list on the division's website. This list must include all
 241 of the following information:

242 1. The name of each association with buildings on the
 243 condominium property that are three stories or higher in height
 244 and six stories or higher in height.

245 2. The number of such buildings on each association's
 246 property.

247 3. The addresses of all such buildings.

248 4. The counties in which all such buildings are located.

249 **Section 4. Paragraph (k) of subsection (1) of section**
 250 **719.106, Florida Statutes, is amended to read:**

251 719.106 Bylaws; cooperative ownership.—

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

255 (k) Structural integrity reserve study.—

256 1. A residential cooperative association must have a
 257 structural integrity reserve study completed at least every 10
 258 years for each building on the cooperative property that is six
 259 ~~three~~ stories or higher in height, as determined by the Florida
 260 Building Code, that includes, at a minimum, a study of the
 261 following items as related to the structural integrity and
 262 safety of the building:

263 a. Roof.

264 b. Structure, including load-bearing walls and other
 265 primary structural members and primary structural systems as
 266 those terms are defined in s. 627.706.

267 c. Fireproofing and fire protection systems.

268 d. Plumbing.

269 e. Electrical systems.

270 f. Waterproofing and exterior painting.

271 g. Windows and exterior doors.

272 h. Any other item that has a deferred maintenance expense
 273 or replacement cost that exceeds \$10,000 and the failure to
 274 replace or maintain such item negatively affects the items
 275 listed in sub-subparagraphs a.-g., as determined by the visual

276 inspection portion of the structural integrity reserve study.

277 2. A structural integrity reserve study is based on a
278 visual inspection of the cooperative property. A structural
279 integrity reserve study may be performed by any person qualified
280 to perform such study. However, the visual inspection portion of
281 the structural integrity reserve study must be performed or
282 verified by an engineer licensed under chapter 471, an architect
283 licensed under chapter 481, or a person certified as a reserve
284 specialist or professional reserve analyst by the Community
285 Associations Institute or the Association of Professional
286 Reserve Analysts.

287 3. At a minimum, a structural integrity reserve study must
288 identify each item of the cooperative property being visually
289 inspected, state the estimated remaining useful life and the
290 estimated replacement cost or deferred maintenance expense of
291 each item of the cooperative property being visually inspected,
292 and provide a reserve funding schedule with a recommended annual
293 reserve amount that achieves the estimated replacement cost or
294 deferred maintenance expense of each item of cooperative
295 property being visually inspected by the end of the estimated
296 remaining useful life of the item. The structural integrity
297 reserve study may recommend that reserves do not need to be
298 maintained for any item for which an estimate of useful life and
299 an estimate of replacement cost cannot be determined, or the
300 study may recommend a deferred maintenance expense amount for

301 such item. The structural integrity reserve study may recommend
302 that reserves for replacement costs do not need to be maintained
303 for any item with an estimated remaining useful life of greater
304 than 25 years, but the study may recommend a deferred
305 maintenance expense amount for such item.

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

313 5. Before a developer turns over control of an association
314 to unit owners other than the developer, the developer must have
315 a turnover inspection report in compliance with s. 719.301(4)(p)
316 and (q) for each building on the cooperative property ~~that is~~
317 ~~three stories or higher in height.~~

318 6. Associations existing on or before July 1, 2022, which
319 are controlled by unit owners other than the developer, must
320 have a structural integrity reserve study completed by December
321 31, 2024, for each building on the cooperative property that is
322 six ~~three~~ stories or higher in height. An association that is
323 required to complete a milestone inspection on or before
324 December 31, 2026, in accordance with s. 553.899 may complete
325 the structural integrity reserve study simultaneously with the

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

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

334 8. If the officers or directors of an association
335 willfully and knowingly fail to complete a structural integrity
336 reserve study pursuant to this paragraph, such failure is a
337 breach of an officer's and director's fiduciary relationship to
338 the unit owners under s. 719.104(9).

339 9. Within 45 days after receiving the structural integrity
340 reserve study, the association must distribute a copy of the
341 study to each unit owner or deliver to each unit owner a notice
342 that the completed study is available for inspection and copying
343 upon a written request. Distribution of a copy of the study or
344 notice must be made by United States mail or personal delivery
345 at the mailing address, property address, or any other address
346 of the owner provided to fulfill the association's notice
347 requirements under this chapter, or by electronic transmission
348 to the e-mail address or facsimile number provided to fulfill
349 the association's notice requirements to unit owners who
350 previously consented to receive notice by electronic

351 transmission.

352 10. Within 45 days after receiving the structural
353 integrity reserve study, the association must provide the
354 division with a statement indicating that the study was
355 completed and that the association provided or made available
356 such study to each unit owner in accordance with this section.
357 Such statement must be provided to the division in the manner
358 established by the division using a form posted on the
359 division's website.

360 **Section 5. Paragraphs (a) and (b) of subsection (3) of**
361 **section 719.501, Florida Statutes, are amended to read:**

362 719.501 Powers and duties of Division of Florida
363 Condominiums, Timeshares, and Mobile Homes.—

364 (3) (a) On or before January 1, 2026 ~~2023~~, cooperative
365 associations existing on or before July 1, 2025 ~~2022~~, must
366 provide the following information to the division in writing, by
367 e-mail, United States Postal Service, commercial delivery
368 service, or hand delivery, at a physical address or e-mail
369 address provided by the division and on a form posted on the
370 division's website:

371 1. The number of buildings on the cooperative property
372 that are three stories or higher in height and six stories or
373 higher in height.

374 2. The total number of units in all such buildings.

375 3. The addresses of all such buildings.

376 4. The counties in which all such buildings are located.

377 (b) The division must compile a list, which is searchable
 378 by county, of the number of buildings on cooperative property
 379 that are three stories or higher in height and six stories or
 380 higher in height, ~~which is searchable by county~~, and must post
 381 the list on the division's website. This list must include all
 382 of the following information:

383 1. The name of each association with buildings on the
 384 cooperative property that are three stories or higher in height.

385 2. The number of such buildings on each association's
 386 property.

387 3. The addresses of all such buildings.

388 4. The counties in which all such buildings are located.

389 **Section 6.** This act shall take effect July 1, 2025.