House

Florida Senate - 2025 Bill No. CS for SB 1742

LEGISLATIVE ACTION

Senate Comm: RCS 04/15/2025

The Appropriations Committee on Agriculture, Environment, and General Government (Bradley) recommended the following:

Senate Amendment (with title amendment)

Delete everything after the enacting clause and insert:

Section 1. Paragraph (h) is added to subsection (2) of section 468.432, Florida Statutes, and subsection (3) is added to that section, to read:

468.432 Licensure of community association managers and community association management firms; exceptions.-

(2) A community association management firm or other

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11 similar organization responsible for the management of more than 12 10 units or a budget of \$100,000 or greater shall not engage or hold itself out to the public as being able to engage in the 13 14 business of community association management in this state unless it is licensed by the department as a community 15 16 association management firm in accordance with the provisions of 17 this part. 18 (h) A person who has had his or her community association 19 manager license revoked may not have an indirect or direct 20 ownership interest in, or be an employee, partner, officer, 21 director, or trustee of, a community association management firm 22 during the 10-year period after the effective date of the 23 revocation. Such person is ineligible to reapply for 24 certification or registration under this part for a period of 10 25 years after the effective date of a revocation. 26 (3) A licensee must create and maintain an online licensure 27 account with the department. Each community association manager 28 must identify on his or her online licensure account the 29 community association management firm for which he or she 30 provides management services and identify each community 31 association for which he or she is the designated on-site community association manager. A licensee must update his or her 32 33 online licensure account with this information within 30 days 34 after any change to the required information. A community 35 association management firm must identify on its online 36 licensure account the community association managers that it 37 employs to provide community association management services. If 38 a community association manager has his or her license suspended 39 or revoked, the department must give written notice of such

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40	suspension or revocation to the community association management
41	firm and the community association for which the manager
42	performs community management services.
43	Section 2. Subsections (1) and (3) of section 468.4334,
44	Florida Statutes, are amended to read:
45	468.4334 Professional practice standards; liability;
46	community association manager requirements; return of records
47	after termination of contract
48	(1)(a) A community association manager or a community
49	association management firm is deemed to act as agent on behalf
50	of a community association as principal within the scope of
51	authority authorized by a written contract or under this
52	chapter. A community association manager or a community
53	association management firm may not knowingly perform any act
54	directed by the community association if such an act violates
55	any state or federal law. A community association manager and a
56	community association management firm shall discharge duties
57	performed on behalf of the association as authorized by this
58	chapter loyally, skillfully, and diligently; dealing honestly
59	and fairly; in good faith; with care and full disclosure to the
60	community association; accounting for all funds; and not
61	charging unreasonable or excessive fees.
62	(b) If a community association manager or a community
63	association management firm has a contract with a community
64	association that is subject to the milestone inspection
65	requirements in s. 553.899, or the structural integrity reserve
66	study requirements in s. 718.112(2)(g) and 719.106(1)(k), the
67	community association manager or the community association
68	management firm must comply with those sections that section as

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69	directed by the board.
70	(c) Each contract between a community association and a
71	community association manager or community association
72	management firm for community association management services
73	must include the following written statement in at least 12-
74	point type, if applicable to the type of management services
75	provided in the contract:
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77	The community association manager shall abide by all
78	professional standards and record keeping requirements
79	imposed pursuant to part VIII of chapter 468, Florida
80	Statutes.
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82	(d) A contract between a community association manager or
83	community association management firm and a community
84	association may not waive or limit the professional practice
85	standards required pursuant to this part.
86	(3) A community association manager or community
87	association management firm that is authorized by contract to
88	provide community association management services to a <u>community</u>
89	homeowners' association shall do all of the following:
90	(a) Attend in person at least one member meeting or board
91	meeting of the community homeowners' association annually.
92	(b) Provide to the members of the <u>community</u> <del>homeowners'</del>
93	association the name and contact information for each community
94	association manager or representative of a community association
95	management firm assigned to the <u>community</u> homeowners'
96	association, the manager's or representative's hours of
97	availability, and a summary of the duties for which the manager

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98 or representative is responsible. The community homeowners' 99 association shall also post this information on the 100 association's website or mobile application, if the association 101 is required to maintain official records on a website or 102 application required under s. 720.303(4)(b). The community 103 association manager or community association management firm 104 shall update the community homeowners' association and its 105 members within 14 business days after any change to such 106 information. 107 (c) Provide to any member upon request a copy of the 108 contract between the community association manager or community 109 association management firm and the community homeowners' 110 association and include such contract with association's 111 official records. 112 Section 3. Subsection (11) and present subsections (12) and 113 (13) of section 553.899, Florida Statutes, are amended, 114 paragraphs (e) and (f) are added to subsection (3) and a new 115 subsection (12) is added to that section, to read: 116 553.899 Mandatory structural inspections for condominium 117 and cooperative buildings.-118 (3) 119 (e) On or before October 1, 2025, and on or before each 120 December 31 thereafter, the local enforcement agency responsible 121 for milestone inspections must provide the department, in an 122 electronic format determined by the department, information that 123 may include, but is not limited to: 124 1. The number of buildings required to have a milestone 125 inspection within the agency's jurisdiction. 126 2. The number of buildings for which a phase one milestone

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127	inspection has been completed.
128	3. The number of buildings granted an extension under
129	paragraph (3)(c).
130	4. The number of buildings required to have a phase two
131	milestone inspection.
132	5. The number of buildings for which a phase two milestone
133	inspection has been completed.
134	6. The number, type, and value of permits applied for to
135	complete repairs pursuant to a phase two milestone inspection.
136	7. A list of buildings deemed to be unsafe or uninhabitable
137	due to a milestone inspection.
138	8. The license number of the building code administrator
139	responsible for milestone inspections for the local enforcement
140	agency.
141	(f) Subject to appropriation, the department shall contract
142	with the University of Florida for the purpose of creating a
143	report that provides comprehensive data, evaluation, and
144	analysis on the milestone inspections performed throughout this
145	state during each calendar year or other time period approved by
146	the department. Every local enforcement agency responsible for
147	milestone inspections must provide the university with a copy of
148	any phase one or phase two milestone inspection report by the
149	date specified by the department in a manner prescribed by the
150	university. The university may request any additional
151	information from a local enforcement agency which the university
152	requires to complete this report. The university shall compile
153	the report, and the department shall transmit the report to the
154	Governor, the President of the Senate, and the Speaker of the
155	House of Representatives.



156 (11) A board of county commissioners or municipal governing 157 body shall may adopt an ordinance requiring that a condominium 158 or cooperative association and any other owner that is subject 159 to this section schedule or commence repairs for substantial 160 structural deterioration within a specified timeframe after the 161 local enforcement agency receives a phase two inspection report; 162 however, such repairs must be commenced within 365 days after 163 receiving such report. If an owner of the building fails to 164 submit proof to the local enforcement agency that repairs have 165 been scheduled or have commenced for substantial structural 166 deterioration identified in a phase two inspection report within 167 the required timeframe, the local enforcement agency must review 168 and determine if the building is unsafe for human occupancy. 169 (12) A licensed architect or engineer who bids to perform a 170 milestone inspection must disclose in writing to the association 171 his or her intent to bid on any services related to any maintenance, repair, or replacement which may be recommended by 172 173 the milestone inspection. Any design professional as defined in 174 s. 558.002(7) or contractor licensed under chapter 489 who 175 submits a bid to the association for performing any services 176 recommended by the milestone inspection may not have an 177 interest, directly or indirectly, in the firm or entity

178 providing the milestone inspection or be a relative of any 179 person having a direct or indirect interest in such firm, unless 180 such relationship is disclosed to the association in writing. As 181 used in this section, the term "relative" means a relative 182 within the third degree of consanguinity by blood or marriage. A 183 contract for services is voidable and terminates upon the 184 association filing a written notice terminating the contract if

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185 the design professional or licensed contractor failed to provide 186 the written disclosure of the relationship required under this 187 subsection. A design professional or licensed contractor may be 188 subject to discipline under the applicable practice act for his 189 or her profession for failure to provide the written disclosure 190 of the relationship required under this subsection.

(13) (12) By December 31, 2024, the Florida Building 191 192 Commission shall adopt rules pursuant to ss. 120.536(1) and 193 120.54 to establish a building safety program for the 194 implementation of this section within the Florida Building Code: 195 Existing Building. The building inspection program must, at 196 minimum, include inspection criteria, testing protocols, 197 standardized inspection and reporting forms that are adaptable 198 to an electronic format, and record maintenance requirements for 199 the local authority.

200 (14) (13) The Florida Building Commission shall consult with 201 the State Fire Marshal to provide recommendations to the 202 Legislature for the adoption of comprehensive structural and 203 life safety standards for maintaining and inspecting all types 204 of buildings and structures in this state that are three stories 205 or more in height. The commission shall provide a written report 206 of its recommendations to the Governor, the President of the 207 Senate, and the Speaker of the House of Representatives by December 31, 2023. 2.08

209 Section 4. Present subsections (33) and (34) of section 210 718.103, Florida Statutes, are redesignated as subsections (34) 211 and (35), respectively, a new subsection (33) is added to that 212 section, and subsection (1) of that section is amended, to read: 213 718.103 Definitions.—As used in this chapter, the term:



214	(1) "Alternative funding method" means a method approved by
215	the division for funding the capital expenditures and deferred
216	maintenance obligations of the association for a
217	multicondominium association operating at least 25 condominiums
218	which may reasonably be expected to fully satisfy the
219	association's reserve funding obligations by the, including:
220	(a) The allocation of funds in the annual operating budget
221	of a multicondominium; or
222	(b) Any other method defined by rule of the division which
223	may reasonably be expected to fully satisfy the association's
224	reserve funding obligations or fund its capital expenditure and
225	deferred maintenance obligations.
226	(33) "Videoconference" means a real-time audio and video-
227	based meeting between two or more people in different locations
228	using video-enabled and audio-enabled devices. The notice for
229	any meeting that will be conducted by videoconference must have
230	a hyperlink and call-in conference telephone number for unit
231	owners to attend the meeting and must have a physical location
232	where unit owners can also attend the meeting in person. All
233	meetings conducted by videoconference must be recorded and such
234	recording must be maintained as an official record of the
235	association.
236	Section 5. Paragraphs (a) and (g) of subsection (12) and
237	subsection (13) of section 718.111, Florida Statutes, are
238	amended, paragraphs (g), (h), and (i) are added to subsection
239	(3) of that section, and subsection (16) is added to that
240	section, to read:
241	718.111 The association
242	(3) POWER TO MANAGE CONDOMINIUM PROPERTY AND TO CONTRACT,



243 SUE, AND BE SUED; CONFLICT OF INTEREST.-244 (g) If an association contracts with a community 245 association manager or a community association management firm, 246 the community association manager or community association 247 management firm must possess all applicable licenses required by 248 part VIII of chapter 468. All board members or officers of an 249 association that contracts with a community association manager 250 or a community association management firm have a duty to ensure 251 that the community association manager or community association 252 management firm is properly licensed before entering into a 253 contract. 254 (h) If a community association manager has his or her 255 license suspended or revoked during the term of a contract with 256 the association, the association may terminate the contract upon 257 delivery of a written notice to the community association 258 manager whose license has been revoked or suspended, effective 259 on the date the community association manager became unlicensed. 260 (i) If a community association management firm has its license suspended or revoked during the term of a contract with 261 262 the association, the association has the right to terminate the 263 contract upon delivery of a written notice to the community 264 association management firm whose license has been revoked or 265 suspended, effective on the date the community association 266 management firm became unlicensed.

(12) OFFICIAL RECORDS.-

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

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1. A copy of the plans, permits, warranties, and other

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272 items provided by the developer under s. 718.301(4). 273 2. A copy photocopy of the recorded declaration of 274 condominium of each condominium operated by the association and 275 each amendment to each declaration. 276 3. A copy photocopy of the recorded bylaws of the 277 association and each amendment to the bylaws. 278 4. A certified copy of the articles of incorporation of the 279 association, or other documents creating the association, and 280 each amendment thereto. 281 5. A copy of the current rules of the association. 282 6. A book or books or electronic records that contain the 283 minutes of all meetings of the association, the board of 284 administration, any committee, and the unit owners, and a 285 recording of all such meetings that are conducted by 286 videoconference. If there are approved minutes for a meeting 287 held by video conference, recordings of meetings that are 288 conducted by videoconference must be maintained for at least 1 289 year after the date the video recording is posted as required 290 under paragraph (g). 291 7. A current roster of all unit owners and their mailing 292 addresses, unit identifications, voting certifications, and, if 293 known, telephone numbers. The association shall also maintain 294

the e-mail addresses and facsimile numbers of unit owners consenting to receive notice by electronic transmission. In accordance with sub-subparagraph (c)5.e., the e-mail addresses and facsimile numbers are only accessible to unit owners if consent to receive notice by electronic transmission is provided, or if the unit owner has expressly indicated that such personal information can be shared with other unit owners and

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301 the unit owner has not provided the association with a request 302 to opt out of such dissemination with other unit owners. An 303 association must ensure that the e-mail addresses and facsimile 304 numbers are only used for the business operation of the 305 association and may not be sold or shared with outside third 306 parties. If such personal information is included in documents 307 that are released to third parties, other than unit owners, the 308 association must redact such personal information before the document is disseminated. However, the association is not liable 309 310 for an inadvertent disclosure of the e-mail address or facsimile 311 number for receiving electronic transmission of notices unless 312 such disclosure was made with a knowing or intentional disregard 313 of the protected nature of such information.

314 8. All current insurance policies of the association and315 condominiums operated by the association.

316 9. A current copy of any management agreement, lease, or 317 other contract to which the association is a party or under 318 which the association or the unit owners have an obligation or 319 responsibility.

320 10. Bills of sale or transfer for all property owned by the 321 association.

322 11. Accounting records for the association and separate 323 accounting records for each condominium that the association 324 operates. Any person who knowingly or intentionally defaces or 325 destroys such records, or who knowingly or intentionally fails 326 to create or maintain such records, with the intent of causing 327 harm to the association or one or more of its members, is 328 personally subject to a civil penalty pursuant to s. 329 718.501(1)(e). The accounting records must include, but are not

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a. Accurate, itemized, and detailed records of all receipts and expenditures, including all bank statements and ledgers.

333 b. All invoices, transaction receipts, or deposit slips 334 that substantiate any receipt or expenditure of funds by the 335 association.

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

340 d. All audits, reviews, accounting statements, structural 341 integrity reserve studies, and financial reports of the 342 association or condominium. Structural integrity reserve studies 343 must be maintained for at least 15 years after the study is 344 completed.

345 e. All contracts for work to be performed. Bids for work to 346 be performed are also considered official records and must be 347 maintained by the association for at least 1 year after receipt of the bid. 348

12. Ballots, sign-in sheets, voting proxies, and all other 350 papers and electronic records relating to voting by unit owners, 351 which must be maintained for 1 year from the date of the 352 election, vote, or meeting to which the document relates, 353 notwithstanding paragraph (b).

354 13. All rental records if the association is acting as 355 agent for the rental of condominium units.

356 14. A copy of the current question and answer sheet as 357 described in s. 718.504.

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15. A copy of the inspection reports described in ss.

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359	553.899 and 718.301(4)(p) and any other inspection report
360	relating to a structural or life safety inspection of
361	condominium property. Such record must be maintained by the
362	association for 15 years after receipt of the report.
363	16. Bids for materials, equipment, or services.
364	17. All affirmative acknowledgments made pursuant to s.
365	718.121(4)(c).
366	18. A copy of all building permits.
367	19. A copy of all satisfactorily completed board member
368	educational certificates.
369	20. A copy of all affidavits required by this chapter.
370	21. A copy of all investment policy statements adopted
371	pursuant to paragraph (16)(c), and all financial statements
372	related to the association's investment of funds under
373	subsection (16).
374	22.20. All other written records of the association not
375	specifically included in the foregoing which are related to the
376	operation of the association.
377	(g)1. By January 1, 2019, an association managing a
378	condominium with 150 or more units which does not contain
379	timeshare units shall post digital copies of the documents
380	specified in subparagraph 2. on its website or make such
381	documents available through an application that can be
382	downloaded on a mobile device. <u>Unless a shorter period is</u>
383	otherwise required, a document must be made available on the
384	association's website or made available for download through an
385	application on a mobile device within 30 days after the
386	association receives or creates an official record specified in
387	subparagraph 2.
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a. The association's website or application must be:(I) An independent website, application, or web portal wholly owned and operated by the association; or

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

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

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

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

410 a. The recorded declaration of condominium of each
411 condominium operated by the association and each amendment to
412 each declaration.

b. The recorded bylaws of the association and eachamendment to the bylaws.

415 c. The articles of incorporation of the association, or 416 other documents creating the association, and each amendment to

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417 the articles of incorporation or other documents. The copy 418 posted pursuant to this sub-subparagraph must be a copy of the articles of incorporation filed with the Department of State. 419

d. The rules of the association.

e. The approved minutes of all board of administration 422 meetings over the preceding 12 months.

f. The video recording or a hyperlink to the video recording for all meetings of the association, the board of administration, any committee, and the unit owners which are conducted by videoconference over the preceding 12 months.

q.e. A list of all executory contracts or documents to 428 which the association is a party or under which the association 429 or the unit owners have an obligation or responsibility and, after bidding for the related materials, equipment, or services has closed, a list of bids received by the association within the past year. Summaries of bids for materials, equipment, or services which exceed \$500 must be maintained on the website or 433 application for 1 year. In lieu of summaries, complete copies of 435 the bids may be posted.

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

i.<del>q.</del> The financial report required by subsection (13) and any monthly income or expense statement to be considered at a meeting.

441 j.h. The certification of each director required by s. 442 718.112(2)(d)4.b.

443 k.i. All contracts or transactions between the association 444 and any director, officer, corporation, firm, or association that is not an affiliated condominium association or any other 445



446 entity in which an association director is also a director or 447 officer and financially interested.

<u>l.j.</u> Any contract or document regarding a conflict of interest or possible conflict of interest as provided in ss. 468.4335, 468.436(2)(b)6., and 718.3027(3).

<u>m.k.</u> The notice of any unit owner meeting and the agenda for the meeting, as required by s. 718.112(2)(d)3., no later than 14 days before the meeting. The notice must be posted in plain view on the front page of the website or application, or on a separate subpage of the website or application labeled "Notices" which is conspicuously visible and linked from the front page. The association must also post on its website or application any document to be considered and voted on by the owners during the meeting or any document listed on the agenda at least 7 days before the meeting at which the document or the information within the document will be considered.

<u>n.l.</u> Notice of any board meeting, the agenda, and any other document required for the meeting as required by s. 718.112(2)(c), which must be posted no later than the date required for notice under s. 718.112(2)(c).

<u>o.m.</u> The inspection reports described in ss. 553.899 and 718.301(4)(p) and any other inspection report relating to a structural or life safety inspection of condominium property.

<u>p.n.</u> The association's most recent structural integrity reserve study, if applicable.

q.o. Copies of all building permits issued for ongoing or planned construction.

r. A copy of all affidavits required by this chapter.s. A copy of all investment policy statements adopted

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475 pursuant to paragraph (16)(c), and all financial statements
476 related to the association's investment of funds under
477 subsection (16).

478 3. The association shall ensure that the information and 479 records described in paragraph (c), which are not allowed to be 480 accessible to unit owners, are not posted on the association's website or application. If protected information or information 481 482 restricted from being accessible to unit owners is included in 483 documents that are required to be posted on the association's 484 website or application, the association shall ensure the 485 information is redacted before posting the documents. 486 Notwithstanding the foregoing, the association or its agent is 487 not liable for disclosing information that is protected or 488 restricted under this paragraph unless such disclosure was made 489 with a knowing or intentional disregard of the protected or 490 restricted nature of such information.

491 4. The failure of the association to post information
492 required under subparagraph 2. is not in and of itself
493 sufficient to invalidate any action or decision of the
494 association's board or its committees.

495 (13) FINANCIAL REPORTING.-Within 90 days after the end of 496 the fiscal year, or annually on a date provided in the bylaws, 497 the association shall prepare and complete, or contract for the preparation and completion of, a financial report for the 498 499 preceding fiscal year. Within 21 days after the final financial 500 report is completed by the association or received from the 501 third party, but not later than 180  $\frac{120}{120}$  days after the end of 502 the fiscal year or other date as provided in the bylaws, the association shall deliver to each unit owner by United States 503



504 mail or personal delivery at the mailing address, property 505 address, e-mail address, or facsimile number provided to fulfill 506 the association's notice requirements, a copy of the most recent 507 financial report, or and a notice that a copy of the most recent 508 financial report will be, as requested by the owner, mailed, or 509 hand delivered, or electronically delivered via the Internet to the unit owner, without charge, within 5 business days after 510 511 receipt of a written request from the unit owner. Evidence of compliance with this delivery requirement must be made by an 512 513 affidavit executed by an officer or director of the association. 514 The division shall adopt rules setting forth uniform accounting 515 principles and standards to be used by all associations and 516 addressing the financial reporting requirements for multicondominium associations. The rules must include, but not 517 518 be limited to, standards for presenting a summary of association 519 reserves, including a good faith estimate disclosing the annual 520 amount of reserve funds that would be necessary for the 521 association to fully fund reserves for each reserve item based 522 on the straight-line accounting method. This disclosure is not 523 applicable to reserves funded via the pooling method. In 524 adopting such rules, the division shall consider the number of 525 members and annual revenues of an association. Financial reports 526 shall be prepared as follows:

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

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1. An association with total annual revenues of \$150,000 or

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533 more, but less than \$300,000, shall prepare compiled financial 534 statements.

535 2. An association with total annual revenues of at least 536 \$300,000, but less than \$500,000, shall prepare reviewed 537 financial statements.

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

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

543 2. A report of cash receipts and disbursements must 544 disclose the amount of receipts by accounts and receipt 545 classifications and the amount of expenses by accounts and 546 expense classifications, including, but not limited to, the 547 following, as applicable: costs for security, professional and 548 management fees and expenses, taxes, costs for recreation 549 facilities, expenses for refuse collection and utility services, 550 expenses for lawn care, costs for building maintenance and repair, insurance costs, administration and salary expenses, and 551 552 reserves accumulated and expended for capital expenditures, 553 deferred maintenance, and any other category for which the association maintains reserves. 554

555 (c) An association may prepare, without a meeting of or 556 approval by the unit owners:

557 1. Compiled, reviewed, or audited financial statements, if 558 the association is required to prepare a report of cash receipts 559 and expenditures;

560 2. Reviewed or audited financial statements, if the 561 association is required to prepare compiled financial



562 statements; or

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

(d) If approved by a majority vote of all the voting 566 interests present at a properly called meeting of the 567 association, an association may prepare:

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

570 2. A report of cash receipts and expenditures or a compiled 571 financial statement in lieu of a reviewed or audited financial 572 statement; or

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

577 Such meeting and approval must occur before the end of the 578 fiscal year and is effective only for the fiscal year in which 579 the vote is taken. An association may not prepare a financial 580 report pursuant to this paragraph for consecutive fiscal years. 581 If the developer has not turned over control of the association, 582 all unit owners, including the developer, may vote on issues 583 related to the preparation of the association's financial 584 reports, from the date of incorporation of the association through the end of the second fiscal year after the fiscal year 585 586 in which the certificate of a surveyor and mapper is recorded 587 pursuant to s. 718.104(4)(e) or an instrument that transfers 588 title to a unit in the condominium which is not accompanied by a 589 recorded assignment of developer rights in favor of the grantee of such unit is recorded, whichever occurs first. Thereafter, 590

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all unit owners except the developer may vote on such issues until control is turned over to the association by the developer. Any audit or review prepared under this section shall be paid for by the developer if done before turnover of control of the association.

596 (e) A unit owner may provide written notice to the division 597 of the association's failure to mail or hand deliver him or her 598 a copy of the most recent financial report within 5 business 599 days after he or she submitted a written request to the 600 association for a copy of such report. If the division 601 determines that the association failed to mail or hand deliver a 602 copy of the most recent financial report to the unit owner, the 603 division shall provide written notice to the association that 604 the association must mail or hand deliver a copy of the most 605 recent financial report to the unit owner and the division 606 within 5 business days after it receives such notice from the 607 division. An association that fails to comply with the 608 division's request may not waive the financial reporting 609 requirement provided in paragraph (d) for the fiscal year in 610 which the unit owner's request was made and the following fiscal year. A financial report received by the division pursuant to 611 612 this paragraph shall be maintained, and the division shall 613 provide a copy of such report to an association member upon his 614 or her request.

615 616 (16) INVESTMENT OF ASSOCIATION FUNDS.-

616 (a) A board shall, in fulfilling its duty to manage
617 operating and reserve funds of its association, use best efforts
618 to make prudent investment decisions that carefully consider
619 risk and return in an effort to maximize returns on invested

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620	funds.
621	(b) An association, including a multicondominium
622	association, may invest reserve funds in one or any combination
623	of certificates of deposit or in depository accounts at a
624	community bank, savings bank, commercial bank, savings and loan
625	association, or credit union. Upon a majority vote of the voting
626	interests, an association may invest reserve funds in
627	investments other than certificates of deposit or depository
628	accounts at a community bank, savings bank, commercial bank,
629	savings and loan association, or credit union, provided the
630	association complies with paragraphs (c)-(g). Notwithstanding
631	any declaration, only funds identified as reserve funds may be
632	invested pursuant to paragraphs (c)-(g). Paragraphs (c)-(g) do
633	not apply to funds invested in one or any combination of
634	certificates of deposit or depository accounts at a community
635	bank, savings bank, commercial bank, savings and loan
636	association, or credit union.
637	(c) The board shall create an investment committee composed
638	of at least two board members and two-unit unit owners who are
639	not board members. The board shall also adopt rules for invested
640	funds, including, but not limited to, rules requiring periodic
641	reviews of any investment manager's performance, the development
642	of an investment policy statement, and that all meetings of the
643	investment committee be recorded and made part of the official
644	records of the association. The investment policy statement
645	developed pursuant to this paragraph must, at a minimum, address
646	risk, liquidity, and benchmark measurements; authorized classes
647	of investments; authorized investment mixes; limitations on
648	authority relating to investment transactions; requirements for

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649 projected reserve expenditures within, at minimum, the next 24 650 months to be held in cash or cash equivalents; projected 651 expenditures relating to a mandatory structural inspection 652 performed pursuant to s. 553.899; and protocols for proxy 653 response. 654 (d) The investment committee shall recommend investment advisers to the board, and the board shall select one of the 655 656 recommended investment advisers to provide services to the 657 association. Such investment advisers must be registered or have 658 notice filed under s. 517.12. The selected investment adviser 659 and any representative or association of the investment adviser 660 may not be related by affinity or consanguinity to, or under 661 common ownership with, any board member, community management 662 company, reserve study provider, or co-owner of a unit with a 663 board member or investment committee member. The investment 664 adviser shall comply with the prudent investor rule in s. 665 518.11. The investment adviser shall act as a fiduciary to the 666 association in compliance with the standards set forth in the 667 Employee Retirement Income Security Act of 1974 at 29 U.S.C. s. 668 1104(a)(1)(A)-(C). In case of conflict with other laws 669 authorizing investments, the investment and fiduciary standards 670 set forth in this subsection must prevail. If at any time the 671 investment committee determines that an investment adviser does 672 not meet the requirements of this section, the investment 673 committee must recommend a replacement investment adviser to the 674 board. 675 (e) At least once each calendar year, or sooner if a 676 substantial financial obligation of the association becomes

677 known to the board, the association must provide the investment

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678 adviser with the association's investment policy statement, the most recent reserve study report, the association's structural 679 680 integrity report, and the financial reports prepared pursuant to 681 subsection (13). If there is no recent reserve study report, the 682 association must provide the investment adviser with a good 683 faith estimate disclosing the annual amount of reserve funds 684 necessary for the association to fund reserves fully for the 685 life of each reserve component and each component's redundancies. The investment adviser shall annually review these 686 687 documents and provide the association with a portfolio 688 allocation model that is suitably structured and prudently 689 designed to match projected annual reserve fund requirements and 690 liability, assets, and liquidity requirements. The investment 691 adviser shall prepare a funding projection for each reserve 692 component, including any of the component's redundancies. The 693 association must have available at all times a minimum of 24 694 months of projected reserves in cash or cash equivalents. 695 (f) Portfolios managed by the investment adviser may 696 contain any type of investment necessary to meet the objectives 697 in the investment policy statement; however, portfolios may not 698 contain stocks, securities, or other obligations that the State 699 Board of Administration is prohibited from investing in under s. 700 215.471, s. 215.4725, or s. 215.473 or that state agencies are 701 prohibited from investing in under s. 215.472, as determined by 702 the investment adviser. Any funds invested by the investment 703 adviser must be held in third-party custodial accounts that are 704 subject to insurance coverage by the Securities Investor 705 Protection Corporation in an amount equal to or greater than the 706 invested amount. The investment adviser may withdraw investment

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07	fees, expenses, and commissions from invested funds.
8	(g) The investment adviser shall:
	1. Annually provide the association with a written
(	certification of compliance with this section and a list of
<u>,</u>	stocks, securities, and other obligations that are prohibited
-	from being in association portfolios under paragraph (f); and
	2. Submit monthly, quarterly, and annual reports to the
ć	association which are prepared in accordance with established
_	financial industry standards and in accordance with chapter 517.
	(h) Any principal, earnings, or interest managed under this
2	subsection must be available at no cost or charge to the
ć	association within 15 business days after delivery of the
ć	association's written or electronic request.
	(i) Unallocated income earned on reserve fund investments
r	nust be spent only on capital expenditures, planned maintenance,
	structural repairs, or other items for which the reserve
ć	accounts have been established. Any surplus of funds which
e	exceeds the amount required to maintain reasonably funded
1	reserves must be managed pursuant to s. 718.115.
	Section 6. Paragraphs (b) through (g) of subsection (2) of
	section 718.112, Florida Statutes, are amended to read:
	718.112 Bylaws
	(2) REQUIRED PROVISIONS.—The bylaws shall provide for the
-	following and, if they do not do so, shall be deemed to include
1	the following:
	(b) Quorum; voting requirements; proxies
	1. Unless a lower number is provided in the bylaws, the
ł	percentage of voting interests required to constitute a quorum
ð	at a meeting of the members is a majority of the voting
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interests. Unless otherwise provided in this chapter or in the declaration, articles of incorporation, or bylaws, and except as provided in subparagraph (d)4., decisions shall be made by a majority of the voting interests represented at a meeting at which a quorum is present.

741 2. Except as specifically otherwise provided herein, unit 742 owners in a residential condominium may not vote by general 743 proxy, but may vote by limited proxies substantially conforming 744 to a limited proxy form adopted by the division. A voting 745 interest or consent right allocated to a unit owned by the 746 association may not be exercised or considered for any purpose, 747 whether for a quorum, an election, or otherwise. Limited proxies 748 and general proxies may be used to establish a quorum. Limited 749 proxies shall be used for votes taken to waive or reduce 750 reserves in accordance with subparagraph (f)2.; for votes taken 751 to waive the financial reporting requirements of s. 718.111(13); 752 for votes taken to amend the declaration pursuant to s. 718.110; 753 for votes taken to amend the articles of incorporation or bylaws 754 pursuant to this section; and for any other matter for which 755 this chapter requires or permits a vote of the unit owners. Except as provided in paragraph (d), a proxy, limited or 756 757 general, may not be used in the election of board members in a 758 residential condominium. General proxies may be used for other 759 matters for which limited proxies are not required, and may be 760 used in voting for nonsubstantive changes to items for which a 761 limited proxy is required and given. Notwithstanding this 762 subparagraph, unit owners may vote in person at unit owner 763 meetings. This subparagraph does not limit the use of general 764 proxies or require the use of limited proxies for any agenda

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765 item or election at any meeting of a timeshare condominium 766 association or a nonresidential condominium association.

767 3. A proxy given is effective only for the specific meeting 768 for which originally given and any lawfully adjourned meetings 769 thereof. A proxy is not valid longer than 90 days after the date 770 of the first meeting for which it was given. Each proxy is 771 revocable at any time at the pleasure of the unit owner 772 executing it.

4. A member of the board of administration or a committee may submit in writing his or her agreement or disagreement with any action taken at a meeting that the member did not attend. This agreement or disagreement may not be used as a vote for or against the action taken or to create a quorum.

5. <u>A board meeting may be conducted in person or by</u> <u>videoconference.</u> A board or committee member's participation in a meeting via telephone, real-time videoconferencing, or similar real-time electronic or video communication counts toward a quorum, and such member may vote as if physically present. A speaker must be used so that the conversation of such members may be heard by the board or committee members attending in person as well as by any unit owners present at a meeting. <u>The</u> <u>division shall adopt rules pursuant to ss. 120.536 and 120.54</u> governing the requirements for meetings.

(c) Board of administration meetings.—In a residential condominium association of more than 10 units, the board of administration shall meet at least once each quarter. At least four times each year, the meeting agenda must include an opportunity for members to ask questions of the board. Meetings of the board of administration at which a quorum of the members

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794 is present are open to all unit owners. Members of the board of 795 administration may use e-mail as a means of communication but 796 may not cast a vote on an association matter via e-mail. A unit 797 owner may tape record or videotape the meetings. The right to 798 attend such meetings includes the right to speak at such 799 meetings with reference to all designated agenda items and the 800 right to ask questions relating to reports on the status of 801 construction or repair projects, the status of revenues and 802 expenditures during the current fiscal year, and other issues 803 affecting the condominium. The division shall adopt reasonable 804 rules governing the tape recording and videotaping of the 805 meeting. The association may adopt written reasonable rules 806 governing the frequency, duration, and manner of unit owner 807 statements.

808 1. Adequate notice of all board meetings, which must 809 specifically identify all agenda items, must be posted 810 conspicuously on the condominium property at least 48 continuous 811 hours before the meeting except in an emergency. If the board 812 meeting is to be conducted via videoconference, the notice must 813 state that such meeting will be via videoconference and must 814 include a hyperlink and a conference telephone number for unit 815 owners to attend the meeting via videoconference, as well as the 816 address of the physical location where the unit owners can 817 attend the meeting in person. If the meeting is conducted via 818 videoconference, it must be recorded and such recording must be maintained as an official record of the association. If 20 819 820 percent of the voting interests petition the board to address an 821 item of business, the board, within 60 days after receipt of the 822 petition, shall place the item on the agenda at its next regular

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823 board meeting or at a special meeting called for that purpose. 824 An item not included on the notice may be taken up on an 825 emergency basis by a vote of at least a majority plus one of the 826 board members. Such emergency action must be noticed and 827 ratified at the next regular board meeting. Written notice of a meeting at which a nonemergency special assessment or an 828 829 amendment to rules regarding unit use will be considered must be 830 mailed, delivered, or electronically transmitted to the unit 831 owners and posted conspicuously on the condominium property at 832 least 14 days before the meeting. Evidence of compliance with 833 this 14-day notice requirement must be made by an affidavit 834 executed by the person providing the notice and filed with the 835 official records of the association.

836 2. Upon notice to the unit owners, the board shall, by duly 837 adopted rule, designate a specific location on the condominium 838 property at which all notices of board meetings must be posted. 839 If there is no condominium property at which notices can be posted, Notices shall be mailed, delivered, or electronically 840 841 transmitted to each unit owner who has consented to receive 842 electronic notifications at least 14 days before the meeting. In 843 lieu of or in addition to the physical posting of the notice on 844 the condominium property and mailing, delivering, or 845 electronically transmitting the notice, the association may, by 846 reasonable rule, adopt a procedure for conspicuously posting and 847 repeatedly broadcasting the notice and the agenda on a closed-848 circuit cable television system serving the condominium 849 association. However, if broadcast notice is used in lieu of a 850 notice physically posted on condominium property, the notice and 851 agenda must be broadcast at least four times every broadcast

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852 hour of each day that a posted notice is otherwise required 853 under this section. If broadcast notice is provided, the notice 854 and agenda must be broadcast in a manner and for a sufficient 855 continuous length of time so as to allow an average reader to 856 observe the notice and read and comprehend the entire content of 857 the notice and the agenda. In addition to any of the authorized 858 means of providing notice of a meeting of the board, the 859 association may, by rule, adopt a procedure for conspicuously 860 posting the meeting notice and the agenda on a website serving 861 the condominium association for at least the minimum period of 862 time for which a notice of a meeting is also required to be 863 physically posted on the condominium property. Any rule adopted 864 shall, in addition to other matters, include a requirement that 865 the association send an electronic notice in the same manner as 866 a notice for a meeting of the members, which must include a 867 hyperlink to the website at which the notice is posted, to unit 868 owners whose e-mail addresses are included in the association's 869 official records.

870 3. Notice of any meeting in which regular or special 871 assessments against unit owners are to be considered must 872 specifically state that assessments will be considered and 873 provide the estimated cost and description of the purposes for 874 such assessments. If an agenda item relates to the approval of a 875 contract for goods or services, a copy of the contract must be 876 provided with the notice and be made available for inspection 877 and copying upon a written request from a unit owner or made 878 available on the association's website or through an application 879 that can be downloaded on a mobile device.

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4. Meetings of a committee to take final action on behalf



881 of the board or make recommendations to the board regarding the 882 association budget are subject to this paragraph. Meetings of a 883 committee that does not take final action on behalf of the board 884 or make recommendations to the board regarding the association 885 budget are subject to this section, unless those meetings are 886 exempted from this section by the bylaws of the association.

887 5. Notwithstanding any other law, the requirement that board meetings and committee meetings be open to the unit owners 889 does not apply to:

890 a. Meetings between the board or a committee and the 891 association's attorney, with respect to proposed or pending 892 litigation, if the meeting is held for the purpose of seeking or 893 rendering legal advice; or

b. Board meetings held for the purpose of discussing 895 personnel matters.

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(d) Unit owner meetings.-

897 1. An annual meeting of the unit owners must be held at the 898 location provided in the association bylaws and, if the bylaws 899 are silent as to the location, the meeting must be held within 900 15 miles 45 miles of the condominium property or within the same 901 county as the condominium property. However, such distance 902 requirement does not apply to an association governing a 903 timeshare condominium. If a unit owner meeting is conducted via 904 videoconference, a unit owner may vote electronically in the 905 manner provided in s. 718.128.

906 2. Unit owner meetings, including the annual meeting of the unit owners, may be conducted in person or via videoconference. 907 908 If the annual meeting of the unit owners is conducted via 909 videoconference, a quorum of the members of the board of

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910 administration must be physically present at the physical 911 location where unit owners can attend the meeting. The location must be provided in the association bylaws and, if the bylaws 912 913 are silent as to the location, the meeting must be held within 914 10 miles of the condominium property. If the unit owner meeting 915 is conducted via videoconference, the videoconference must be 916 recorded and such recording must be maintained as an official 917 record of the association. The division shall adopt rules 918 pursuant to ss. 120.536 and 120.54 governing the requirements 919 for meetings.

920 3.2. Unless the bylaws provide otherwise, a vacancy on the 921 board caused by the expiration of a director's term must be 922 filled by electing a new board member, and the election must be 923 by secret ballot. An election is not required if the number of 924 vacancies equals or exceeds the number of candidates. For 925 purposes of this paragraph, the term "candidate" means an 926 eligible person who has timely submitted the written notice, as 927 described in sub-subparagraph 4.a., of his or her intention to 928 become a candidate. Except in a timeshare or nonresidential 929 condominium, or if the staggered term of a board member does not 930 expire until a later annual meeting, or if all members' terms 931 would otherwise expire but there are no candidates, the terms of 932 all board members expire at the annual meeting, and such members 933 may stand for reelection unless prohibited by the bylaws. Board 934 members may serve terms longer than 1 year if permitted by the 935 bylaws or articles of incorporation. A board member may not 936 serve more than 8 consecutive years unless approved by an 937 affirmative vote of unit owners representing two-thirds of all 938 votes cast in the election or unless there are not enough

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939 eligible candidates to fill the vacancies on the board at the 940 time of the vacancy. Only board service that occurs on or after 941 July 1, 2018, may be used when calculating a board member's term 942 limit. If the number of board members whose terms expire at the 943 annual meeting equals or exceeds the number of candidates, the 944 candidates become members of the board effective upon the 945 adjournment of the annual meeting. Unless the bylaws provide 946 otherwise, any remaining vacancies shall be filled by the 947 affirmative vote of the majority of the directors making up the 948 newly constituted board even if the directors constitute less 949 than a quorum or there is only one director. In a residential 950 condominium association of more than 10 units or in a 951 residential condominium association that does not include 952 timeshare units or timeshare interests, co-owners of a unit may 953 not serve as members of the board of directors at the same time 954 unless they own more than one unit or unless there are not 955 enough eligible candidates to fill the vacancies on the board at 956 the time of the vacancy. A unit owner in a residential 957 condominium desiring to be a candidate for board membership must 958 comply with sub-subparagraph 4.a. and must be eligible to be a 959 candidate to serve on the board of directors at the time of the 960 deadline for submitting a notice of intent to run in order to 961 have his or her name listed as a proper candidate on the ballot 962 or to serve on the board. A person who has been suspended or 963 removed by the division under this chapter, or who is delinquent 964 in the payment of any assessment due to the association, is not 965 eligible to be a candidate for board membership and may not be 966 listed on the ballot. For purposes of this paragraph, a person 967 is delinquent if a payment is not made by the due date as

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968 specifically identified in the declaration of condominium, 969 bylaws, or articles of incorporation. If a due date is not 970 specifically identified in the declaration of condominium, 971 bylaws, or articles of incorporation, the due date is the first 972 day of the assessment period. A person who has been convicted of 973 any felony in this state or in a United States District or 974 Territorial Court, or who has been convicted of any offense in 975 another jurisdiction which would be considered a felony if 976 committed in this state, is not eligible for board membership 977 unless such felon's civil rights have been restored for at least 978 5 years as of the date such person seeks election to the board. 979 The validity of an action by the board is not affected if it is 980 later determined that a board member is ineligible for board 981 membership due to having been convicted of a felony. This 982 subparagraph does not limit the term of a member of the board of 983 a nonresidential or timeshare condominium.

984 4.3. The bylaws must provide the method of calling meetings 985 of unit owners, including annual meetings. Written notice of an 986 annual meeting must include an agenda; be mailed, hand 987 delivered, or electronically transmitted to each unit owner at 988 least 14 days before the annual meeting; and be posted in a conspicuous place on the condominium property or association 989 990 property at least 14 continuous days before the annual meeting. Written notice of a meeting other than an annual meeting must 991 992 include an agenda; be mailed, hand delivered, or electronically 993 transmitted to each unit owner; and be posted in a conspicuous 994 place on the condominium property or association property within 995 the timeframe specified in the bylaws. If the bylaws do not 996 specify a timeframe for written notice of a meeting other than

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997 an annual meeting, notice must be provided at least 14 998 continuous days before the meeting. Upon notice to the unit owners, the board shall, by duly adopted rule, designate a 999 1000 specific location on the condominium property or association 1001 property at which all notices of unit owner meetings must be 1002 posted. This requirement does not apply if there is no condominium property for posting notices. In lieu of, or in In 1003 1004 addition to, the physical posting of meeting notices, the 1005 association may, by reasonable rule, adopt a procedure for 1006 conspicuously posting and repeatedly broadcasting the notice and 1007 the agenda on a closed-circuit cable television system serving 1008 the condominium association. However, if broadcast notice is 1009 used in lieu of a notice posted physically on the condominium 1010 property, the notice and agenda must be broadcast at least four 1011 times every broadcast hour of each day that a posted notice is 1012 otherwise required under this section. If broadcast notice is 1013 provided, the notice and agenda must be broadcast in a manner 1014 and for a sufficient continuous length of time so as to allow an 1015 average reader to observe the notice and read and comprehend the 1016 entire content of the notice and the agenda. In addition to any 1017 of the authorized means of providing notice of a meeting of the 1018 board, the association may, by rule, adopt a procedure for 1019 conspicuously posting the meeting notice and the agenda on a 1020 website serving the condominium association for at least the 1021 minimum period of time for which a notice of a meeting is also 1022 required to be physically posted on the condominium property. 1023 Any rule adopted shall, in addition to other matters, include a 1024 requirement that the association send an electronic notice in the same manner as a notice for a meeting of the members, which 1025



1026 must include a hyperlink to the website at which the notice is 1027 posted, to unit owners whose e-mail addresses are included in 1028 the association's official records. Unless a unit owner waives 1029 in writing the right to receive notice of the annual meeting, 1030 such notice must be hand delivered, mailed, or electronically 1031 transmitted to each unit owner. Notice for meetings and notice 1032 for all other purposes must be mailed to each unit owner at the 1033 address last furnished to the association by the unit owner, or 1034 hand delivered to each unit owner. However, if a unit is owned 1035 by more than one person, the association must provide notice to 1036 the address that the developer identifies for that purpose and 1037 thereafter as one or more of the owners of the unit advise the 1038 association in writing, or if no address is given or the owners 1039 of the unit do not agree, to the address provided on the deed of 1040 record. An officer of the association, or the manager or other 1041 person providing notice of the association meeting, must provide 1042 an affidavit or United States Postal Service certificate of 1043 mailing, to be included in the official records of the 1044 association affirming that the notice was mailed or hand 1045 delivered in accordance with this provision.

1046 <u>5.4.</u> The members of the board of a residential condominium 1047 shall be elected by written ballot or voting machine. Proxies 1048 may not be used in electing the board in general elections or 1049 elections to fill vacancies caused by recall, resignation, or 1050 otherwise, unless otherwise provided in this chapter. This 1051 subparagraph does not apply to an association governing a 1052 timeshare condominium.

1053 a. At least 60 days before a scheduled election, the1054 association shall mail, deliver, or electronically transmit, by



1055 separate association mailing or included in another association 1056 mailing, delivery, or transmission, including regularly 1057 published newsletters, to each unit owner entitled to a vote, a 1058 first notice of the date of the election. A unit owner or other 1059 eligible person desiring to be a candidate for the board must 1060 give written notice of his or her intent to be a candidate to 1061 the association at least 40 days before a scheduled election. 1062 Together with the written notice and agenda as set forth in 1063 subparagraph 3., the association shall mail, deliver, or 1064 electronically transmit a second notice of the election to all 1065 unit owners entitled to vote, together with a ballot that lists 1066 all candidates not less than 14 days or more than 34 days before 1067 the date of the election. Upon request of a candidate, an 1068 information sheet, no larger than 8 1/2 inches by 11 inches, 1069 which must be furnished by the candidate at least 35 days before 1070 the election, must be included with the mailing, delivery, or transmission of the ballot, with the costs of mailing, delivery, 1071 1072 or electronic transmission and copying to be borne by the 1073 association. The association is not liable for the contents of 1074 the information sheets prepared by the candidates. In order to 1075 reduce costs, the association may print or duplicate the 1076 information sheets on both sides of the paper. The division 1077 shall by rule establish voting procedures consistent with this 1078 sub-subparagraph, including rules establishing procedures for 1079 giving notice by electronic transmission and rules providing for the secrecy of ballots. Elections shall be decided by a 1080 1081 plurality of ballots cast. There is no quorum requirement; however, at least 20 percent of the eligible voters must cast a 1082 1083 ballot in order to have a valid election. A unit owner may not

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1084 authorize any other person to vote his or her ballot, and any 1085 ballots improperly cast are invalid. A unit owner who violates this provision may be fined by the association in accordance 1086 1087 with s. 718.303. A unit owner who needs assistance in casting 1088 the ballot for the reasons stated in s. 101.051 may obtain such 1089 assistance. The regular election must occur on the date of the 1090 annual meeting. Notwithstanding this sub-subparagraph, an 1091 election is not required unless more candidates file notices of 1092 intent to run or are nominated than board vacancies exist.

b. A director of a board of an association of a residential condominium shall:

(I) Certify in writing to the secretary of the association that he or she has read the association's declaration of condominium, articles of incorporation, bylaws, and current written policies; that he or she will work to uphold such documents and policies to the best of his or her ability; and that he or she will faithfully discharge his or her fiduciary responsibility to the association's members.

1102 (II) Submit to the secretary of the association a 1103 certificate of having satisfactorily completed the educational 1104 curriculum administered by the division or a division-approved condominium education provider. The educational curriculum must 1105 1106 be at least 4 hours long and include instruction on milestone 1107 inspections, structural integrity reserve studies, elections, 1108 recordkeeping, financial literacy and transparency, levying of 1109 fines, and notice and meeting requirements.

1111 Each newly elected or appointed director must submit to the 1112 secretary of the association the written certification and

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1113 educational certificate within 1 year before being elected or 1114 appointed or 90 days after the date of election or appointment. 1115 A director of an association of a residential condominium who 1116 was elected or appointed before July 1, 2024, must comply with 1117 the written certification and educational certificate 1118 requirements in this sub-subparagraph by June 30, 2025. The 1119 written certification and educational certificate is valid for 7 1120 years after the date of issuance and does not have to be 1121 resubmitted as long as the director serves on the board without 1122 interruption during the 7-year period. A director who is 1123 appointed by the developer may satisfy the educational 1124 certificate requirement in sub-sub-subparagraph (II) for any 1125 subsequent appointment to a board by a developer within 7 years 1126 after the date of issuance of the most recent educational 1127 certificate, including any interruption of service on a board or 1128 appointment to a board in another association within that 7-year 1129 period. One year after submission of the most recent written 1130 certification and educational certificate, and annually 1131 thereafter, a director of an association of a residential 1132 condominium must submit to the secretary of the association a 1133 certificate of having satisfactorily completed at least 1 hour 1134 of continuing education administered by the division, or a 1135 division-approved condominium education provider, relating to 1136 any recent changes to this chapter and the related 1137 administrative rules during the past year. A director of an 1138 association of a residential condominium who fails to timely 1139 file the written certification and educational certificate is suspended from service on the board until he or she complies 1140 with this sub-subparagraph. The board may temporarily fill the 1141

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COMMITTEE AMENDMENT

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1142 vacancy during the period of suspension. The secretary shall cause the association to retain a director's written 1143 1144 certification and educational certificate for inspection by the 1145 members for 7 years after a director's election or the duration 1146 of the director's uninterrupted tenure, whichever is longer. 1147 Failure to have such written certification and educational 1148 certificate on file does not affect the validity of any board 1149 action.

c. Any challenge to the election process must be commencedwithin 60 days after the election results are announced.

<u>6.5.</u> Any approval by unit owners called for by this chapter or the applicable declaration or bylaws, including, but not limited to, the approval requirement in s. 718.111(8), must be made at a duly noticed meeting of unit owners and is subject to all requirements of this chapter or the applicable condominium documents relating to unit owner decisionmaking, except that unit owners may take action by written agreement, without meetings, on matters for which action by written agreement without meetings is expressly allowed by the applicable bylaws or declaration or any law that provides for such action.

1162 7.6. Unit owners may waive notice of specific meetings if allowed by the applicable bylaws or declaration or any law. 1163 1164 Notice of meetings of the board of administration; unit owner 1165 meetings, except unit owner meetings called to recall board 1166 members under paragraph (1); and committee meetings may be given by electronic transmission to unit owners who consent to receive 1167 1168 notice by electronic transmission. A unit owner who consents to receiving notices by electronic transmission is solely 1169 1170 responsible for removing or bypassing filters that block receipt

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1171 of mass e-mails sent to members on behalf of the association in 1172 the course of giving electronic notices.

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

<u>9.8.</u> A unit owner may tape record or videotape a meeting of the unit owners subject to reasonable rules adopted by the division.

1180 10.9. Unless otherwise provided in the bylaws, any vacancy occurring on the board before the expiration of a term may be 1181 1182 filled by the affirmative vote of the majority of the remaining 1183 directors, even if the remaining directors constitute less than 1184 a quorum, or by the sole remaining director. In the alternative, 1185 a board may hold an election to fill the vacancy, in which case 1186 the election procedures must conform to sub-subparagraph 4.a. 1187 unless the association governs 10 units or fewer and has opted out of the statutory election process, in which case the bylaws 1188 1189 of the association control. Unless otherwise provided in the 1190 bylaws, a board member appointed or elected under this section 1191 shall fill the vacancy for the unexpired term of the seat being 1192 filled. Filling vacancies created by recall is governed by 1193 paragraph (1) and rules adopted by the division.

1194 <u>11.10.</u> This chapter does not limit the use of general or 1195 limited proxies, require the use of general or limited proxies, 1196 or require the use of a written ballot or voting machine for any 1197 agenda item or election at any meeting of a timeshare 1198 condominium association or nonresidential condominium 1199 association.



1200 1201 Notwithstanding subparagraph (b)2. and sub-subparagraph 4.a., an 1202 association of 10 or fewer units may, by affirmative vote of a 1203 majority of the total voting interests, provide for different 1204 voting and election procedures in its bylaws, which may be by a 1205 proxy specifically delineating the different voting and election 1206 procedures. The different voting and election procedures may 1207 provide for elections to be conducted by limited or general 1208 proxy.

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(e) Budget meeting.-

1210 1. Any meeting at which a proposed annual budget of an 1211 association will be considered by the board or unit owners shall 1212 be open to all unit owners. A meeting of the board or unit 1213 owners at which a proposed annual association budget will be 1214 considered may be conducted by videoconference. The division 1215 shall adopt rules pursuant to ss. 120.536 and 120.54 governing 1216 the requirements for such meetings. A sound transmitting device 1217 must be used so that the conversation of such members may be 1218 heard by the board or committee members attending in person, as 1219 well as any unit owners present at the meeting. At least 14 days 1220 before prior to such a meeting, the board shall hand deliver to 1221 each unit owner, mail to each unit owner at the address last 1222 furnished to the association by the unit owner, or 1223 electronically transmit to the location furnished by the unit 1224 owner for that purpose a notice of such meeting and a copy of 1225 the proposed annual budget. An officer or manager of the 1226 association, or other person providing notice of such meeting, 1227 shall execute an affidavit evidencing compliance with such 1228 notice requirement, and such affidavit shall be filed among the

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official records of the association.



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1230 2.a. If a board proposes adopts in any fiscal year an annual budget which requires assessments against unit owners 1231 1232 which exceed 115 percent of assessments for the preceding fiscal 1233 year, the board shall simultaneously propose a substitute budget 1234 that does not include any discretionary expenditures that are not required to be in the budget. The substitute budget must be 1235 1236 proposed at the budget meeting before the adoption of the annual 1237 budget conduct a special meeting of the unit owners to consider 1238 a substitute budget if the board receives, within 21 days after 1239 adoption of the annual budget, a written request for a special 1240 meeting from at least 10 percent of all voting interests. The 1241 special meeting shall be conducted within 60 days after adoption 1242 of the annual budget. At least 14 days before such budget 1243 meeting in which a substitute budget will be proposed prior to 1244 such special meeting, the board shall hand deliver to each unit 1245 owner, or mail to each unit owner at the address last furnished 1246 to the association, a notice of the meeting. An officer or 1247 manager of the association, or other person providing notice of 1248 such meeting shall execute an affidavit evidencing compliance 1249 with this notice requirement, and such affidavit shall be filed 1250 among the official records of the association. Unit owners must 1251 may consider and may adopt a substitute budget at the special 1252 meeting. A substitute budget is adopted if approved by a 1253 majority of all voting interests unless the bylaws require 1254 adoption by a greater percentage of voting interests. If there 1255 is not a quorum at the special meeting or a substitute budget is 1256 not adopted, the annual budget previously initially proposed adopted by the board may be adopted shall take effect as 1257

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b. Any determination of whether assessments exceed 115 percent of assessments for the prior fiscal year shall exclude any authorized provision for <u>required reasonable</u> reserves for repair or replacement of the condominium property, anticipated expenses of the association which the board does not expect to be incurred on a regular or annual basis <u>for the repair</u>, <u>maintenance</u>, or replacement of the items listed in paragraph (g), and insurance premiums, or assessments for betterments to the condominium property.

c. If the developer controls the board, assessments <u>may</u> <del>shall</del> not exceed 115 percent of assessments for the prior fiscal year unless approved by a majority of all voting interests.

(f) Annual budget.-

1272 1. The proposed annual budget of estimated revenues and expenses must be detailed and must show the amounts budgeted by 1273 1274 accounts and expense classifications, including, at a minimum, 1275 any applicable expenses listed in s. 718.504(21). The board 1276 shall adopt the annual budget at least 14 days before the start 1277 of the association's fiscal year. In the event that the board 1278 fails to timely adopt the annual budget a second time, it is 1279 deemed a minor violation and the prior year's budget shall 1280 continue in effect until a new budget is adopted. A 1281 multicondominium association must adopt a separate budget of 1282 common expenses for each condominium the association operates 1283 and must adopt a separate budget of common expenses for the 1284 association. In addition, if the association maintains limited 1285 common elements with the cost to be shared only by those 1286 entitled to use the limited common elements as provided for in



1287 s. 718.113(1), the budget or a schedule attached to it must show 1288 the amount budgeted for this maintenance. If, after turnover of 1289 control of the association to the unit owners, any of the 1290 expenses listed in s. 718.504(21) are not applicable, they do 1291 not need to be listed.

1292 2.a. In addition to annual operating expenses, the budget 1293 must include reserve accounts for capital expenditures and 1294 deferred maintenance. These accounts must include, but are not 1295 limited to, roof replacement, building painting, and pavement 1296 resurfacing, regardless of the amount of deferred maintenance 1297 expense or replacement cost, and any other item that has a 1298 deferred maintenance expense or replacement cost that exceeds 1299 \$25,000 + 10,000. The amount to be reserved must be computed 1300 using a formula based upon estimated remaining useful life and 1301 estimated replacement cost or deferred maintenance expense of 1302 the reserve item. In a budget adopted by an association that is 1303 required to obtain a structural integrity reserve study, 1304 reserves must be maintained for the items identified in 1305 paragraph (g) for which the association is responsible pursuant 1306 to the declaration of condominium, and the reserve amount for 1307 such items must be based on the findings and recommendations of 1308 the association's most recent structural integrity reserve 1309 study. If an association votes to terminate the condominium in accordance with s. 718.117, the members may vote to waive the 1310 1311 maintenance of reserves recommended by the association's most 1312 recent structural integrity reserve study. With respect to items 1313 for which an estimate of useful life is not readily 1314 ascertainable or with an estimated remaining useful life of 1315 greater than 25 years, an association is not required to reserve

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1316 replacement costs for such items, but an association must reserve the amount of deferred maintenance expense, if any, 1317 1318 which is recommended by the structural integrity reserve study 1319 for such items. The association may adjust replacement reserve 1320 assessments annually to take into account an inflation 1321 adjustment and any changes in estimates or extension of the 1322 useful life of a reserve item caused by deferred maintenance. 1323 b. The members of a unit-owner-controlled association may 1324 determine, by a majority vote of the total voting interests of 1325 the association, to provide no reserves or less reserves than 1326 required by this subsection. For a budget adopted on or after 1327 December 31, 2024, the members of a unit-owner-controlled 1328 association that must obtain a structural integrity reserve 1329 study may not determine to provide no reserves or less reserves 1330 than required by this subsection for items listed in paragraph 1331 (g), except that members of an association operating a 1332 multicondominium may determine to provide no reserves or less 1333 reserves than required by this subsection if an alternative 1334 funding method is used by the association has been approved by 1335 the division. 1336 c.(I) Reserves for the items listed in paragraph (g) may be

funded by regular assessments, special assessments, lines of credit, or loans.

(II) A unit-owner-controlled association that must have a structural reserve study may secure a line of credit or a loan to fund capital expenses required by a milestone inspection under s. 553.899 or a structural integrity reserve study. A line of credit or a loan under this subparagraph requires the approval of a majority vote of the total voting interests of the

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1345 association. The line of credit or loan must be sufficient to 1346 fund the cumulative amount of any previously waived or unfunded portions of the reserve funding amount required by this 1347 1348 paragraph and the most recent structural integrity reserve 1349 study. Funding from the line of credit or loan must be 1350 immediately available for access by the board to fund required 1351 repair, maintenance, or replacement expenses without further 1352 approval by the members of the association. A line of credit or 1353 a loan secured under this sub-subparagraph must be included in 1354 the financial report required under s. 718.111(13).

1355 d. If the local building official, as defined in s. 1356 468.603, determines that the entire condominium building is 1357 uninhabitable due to a natural emergency, as defined in s. 1358 252.34, the board, upon the approval of a majority of its 1359 members, may pause the contribution to its reserves or reduce 1360 reserve funding until the local building official determines 1361 that the condominium building is habitable. Any reserve account 1362 funds held by the association may be expended, pursuant to the 1363 board's determination, to make the condominium building and its 1364 structures habitable. Upon the determination by the local 1365 building official that the condominium building is habitable, 1366 the association must immediately resume contributing funds to 1367 its reserves.

<u>e. For a budget adopted on or before December 31, 2028, if</u>
 the association has completed a milestone inspection pursuant to
 <u>s. 553.899 within the previous 2 calendar years, the board, upon</u>
 <u>the approval of a majority of the total voting interests of the</u>
 <u>association, may temporarily pause, for a period of no more than</u>
 <u>2 consecutive annual budgets, reserve fund contributions or</u>

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1374 reduce the amount of reserve funding for the purpose of funding 1375 repairs recommended by the milestone inspection. This sub-1376 subparagraph does not apply to a developer-controlled 1377 association and an association in which the non-developer unit 1378 owners have been in control for less than 1 year. An association 1379 that has paused reserve contributions under this subparagraph 1380 must have a structural integrity reserve study performed before 1381 the continuation of reserve contributions in order to determine 1382 the association's reserve funding needs and to recommend a 1383 reserve funding plan.

1384 f.<del>b.</del> Before turnover of control of an association by a 1385 developer to unit owners other than a developer under s. 1386 718.301, the developer-controlled association may not vote to 1387 waive the reserves or reduce funding of the reserves. If a 1388 meeting of the unit owners has been called to determine whether 1389 to waive or reduce the funding of reserves and no such result is 1390 achieved or a quorum is not attained, the reserves included in 1391 the budget shall go into effect. After the turnover, the 1392 developer may vote its voting interest to waive or reduce the 1393 funding of reserves.

1394 3. Reserve funds and any interest accruing thereon shall 1395 remain in the reserve account or accounts, and may be used only 1396 for authorized reserve expenditures unless their use for other 1397 purposes is approved in advance by a majority vote of all the 1398 total voting interests of the association. Before turnover of 1399 control of an association by a developer to unit owners other 1400 than the developer pursuant to s. 718.301, the developercontrolled association may not vote to use reserves for purposes 1401 1402 other than those for which they were intended. For a budget

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1403 adopted on or after December 31, 2024, members of a unit-owner-1404 controlled association that must obtain a structural integrity 1405 reserve study may not vote to use reserve funds, or any interest 1406 accruing thereon, for any other purpose other than the 1407 replacement or deferred maintenance costs of the components 1408 listed in paragraph (g). A vote of the members is not required 1409 for the board to change the accounting method for reserves to a 1410 pooling accounting method or a straight-line accounting method.

1411 4. The only voting interests that are eligible to vote on 1412 questions that involve waiving or reducing the funding of 1413 reserves, or using existing reserve funds for purposes other 1414 than purposes for which the reserves were intended, are the 1415 voting interests of the units subject to assessment to fund the 1416 reserves in question. Proxy questions relating to waiving or 1417 reducing the funding of reserves or using existing reserve funds 1418 for purposes other than purposes for which the reserves were 1419 intended must contain the following statement in capitalized, bold letters in a font size larger than any other used on the 1420 1421 face of the proxy ballot: WAIVING OF RESERVES, IN WHOLE OR IN 1422 PART, OR ALLOWING ALTERNATIVE USES OF EXISTING RESERVES MAY 1423 RESULT IN UNIT OWNER LIABILITY FOR PAYMENT OF UNANTICIPATED 1424 SPECIAL ASSESSMENTS REGARDING THOSE ITEMS.

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(g) Structural integrity reserve study.-

1426 1. A residential condominium association must have a 1427 structural integrity reserve study completed at least every 10 1428 years after the condominium's creation for each building on the 1429 condominium property that is three stories or higher in height, 1430 as determined by the Florida Building Code, which includes, at a 1431 minimum, a study of the following items as related to the

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1432	structural integrity and safety of the building:
1433	a. Roof.
1434	b. Structure, including load-bearing walls and other
1435	primary structural members and primary structural systems as
1436	those terms are defined in s. 627.706.
1437	c. Fireproofing and fire protection systems.
1438	d. Plumbing.
1439	e. Electrical systems.
1440	f. Waterproofing and exterior painting.
1441	g. Windows and exterior doors.
1442	h. Any other item that has a deferred maintenance expense
1443	or replacement cost that exceeds $\frac{$25,000}{$10,000}$ and the failure
1444	to replace or maintain such item negatively affects the items
1445	listed in sub-subparagraphs ag., as determined by the visual
1446	inspection portion of the structural integrity reserve study.
1447	2. A structural integrity reserve study is based on a
1448	visual inspection of the condominium property.
1449	3.a. A structural integrity reserve study may be performed
1450	by any person qualified to perform such study. However, the
1451	visual inspection portion of the structural integrity reserve
1452	study must be performed or verified by an engineer licensed
1453	under chapter 471, an architect licensed under chapter 481, or a
1454	person certified as a reserve specialist or professional reserve
1455	analyst by the Community Associations Institute or the
1456	Association of Professional Reserve Analysts.
1457	b. Any design professional as defined in s. 558.002 or any
1458	contractor licensed under chapter 489 who bids to perform a
1459	structural integrity reserve study must disclose in writing to
1460	the association his or her intent to bid on any services related

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1461 to any maintenance, repair, or replacement that may be 1462 recommended by the structural integrity reserve study. Any design professional as defined in s. 558.002 or contractor 1463 1464 licensed under chapter 489 who submits a bid to the association 1465 for performing any services recommended by the structural 1466 integrity reserve study may not have an interest, directly or 1467 indirectly, in the firm or entity providing the association's structural integrity reserve study or be a relative of any 1468 1469 person having a direct or indirect interest in such firm, unless 1470 such relationship is disclosed to the association in writing. As 1471 used in this section, the term "relative" means a relative 1472 within the third degree of consanguinity by blood or marriage. A 1473 contract for services is voidable and terminates upon the 1474 association filing a written notice terminating the contract if 1475 the design professional or licensed contractor failed to provide 1476 the written disclosure of the interests or relationships 1477 required under this paragraph. A design professional or licensed 1478 contractor may be subject to discipline under the applicable 1479 practice act for his or her profession for failure to provide 1480 the written disclosure of the interests or relationships 1481 required under this paragraph.

1482 4.a.<del>3.</del> At a minimum, a structural integrity reserve study 1483 must identify each item of the condominium property being visually inspected, state the estimated remaining useful life 1484 1485 and the estimated replacement cost or deferred maintenance 1486 expense of each item of the condominium property being visually 1487 inspected, and provide a reserve funding plan or schedule with a 1488 recommended annual reserve amount that achieves the estimated replacement cost or deferred maintenance expense of each item of 1489

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1490 condominium property being visually inspected by the end of the 1491 estimated remaining useful life of the item. At a minimum, the structural integrity reserve study must include a recommendation 1492 1493 for a reserve funding schedule based on a baseline funding plan 1494 that provides a reserve funding goal in which the reserve 1495 funding for each budget year is sufficient to maintain the 1496 reserve cash balance above zero. The study may recommend other 1497 types of reserve funding schedules, provided that each 1498 recommended schedule is sufficient to meet the association's 1499 maintenance obligation.

1500 b. The structural integrity reserve study may recommend 1501 that reserves do not need to be maintained for any item for 1502 which an estimate of useful life and an estimate of replacement 1503 cost cannot be determined, or the study may recommend a deferred 1504 maintenance expense amount for such item. The structural 1505 integrity reserve study may recommend that reserves for 1506 replacement costs do not need to be maintained for any item with 1507 an estimated remaining useful life of greater than 25 years, but 1508 the study may recommend a deferred maintenance expense amount 1509 for such item. If the structural integrity reserve study 1510 recommends reserves for any item for which reserves are not required under this paragraph, the amount of the recommended 1511 1512 reserves for such item must be separately identified in the 1513 structural integrity reserve study as an item for which reserves 1514 are not required under this paragraph.

1515c. The structural integrity reserve study must take into1516consideration the funding method or methods used by the1517association to fund its maintenance and reserve funding1518obligations through regular assessments, special assessments,

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1519 lines of credit, or loans. If the structural integrity reserve 1520 study is performed before the association has approved a special assessment or secured a line of credit or a loan, the structural 1521 1522 integrity reserve study must be updated to reflect the funding 1523 method selected by the association and its effect on the reserve 1524 funding schedule, including any anticipated change in the amount 1525 of regular assessments. The structural integrity reserve study 1526 may be updated to reflect any changes to the useful life of the 1527 reserve items after such items are repaired or replaced, and the 1528 effect such repair or replacement will have on the reserve 1529 funding schedule. The association must obtain an updated 1530 structural integrity reserve study before adopting any budget in 1531 which the reserve funding from regular assessments, special 1532 assessments, lines of credit, or loans do not align with the 1533 funding plan from the most recent version of the structural 1534 integrity reserve study.

5.4. This paragraph does not apply to buildings less than three stories in height; single-family, two-family, or threefamily 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.

15426.5. Before a developer turns over control of an1543association to unit owners other than the developer, the1544developer must have a turnover inspection report in compliance1545with s. 718.301(4) (p) and (q) for each building on the1546condominium property that is three stories or higher in height.15477.6. Associations existing on or before July 1, 2022, which

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1548 are controlled by unit owners other than the developer, must 1549 have a structural integrity reserve study completed by December 31, 2025 2024, for each building on the condominium property 1550 1551 that is three stories or higher in height. An association that 1552 is required to complete a milestone inspection in accordance 1553 with s. 553.899 on or before December 31, 2026, may complete the 1554 structural integrity reserve study simultaneously with the 1555 milestone inspection. In no event may the structural integrity 1556 reserve study be completed after December 31, 2026.

1557 <u>8.7.</u> If the milestone inspection required by s. 553.899, or 1558 an inspection completed for a similar local requirement, was 1559 performed within the past 5 years and meets the requirements of 1560 this paragraph, such inspection may be used in place of the 1561 visual inspection portion of the structural integrity reserve 1562 study.

9. If the association completes a milestone inspection required by s. 553.899, or an inspection completed for a similar local requirement, the association may delay performance of a required structural integrity reserve study for no more than the 2 consecutive budget years immediately following the milestone inspection in order to allow the association to focus its financial resources on completing the repair and maintenance recommendations of the milestone inspection.

1571 <u>10.8.</u> If the officers or directors of an association 1572 willfully and knowingly fail to complete a structural integrity 1573 reserve study pursuant to this paragraph, such failure is a 1574 breach of an officer's and director's fiduciary relationship to 1575 the unit owners under s. 718.111(1). An officer or director of 1576 an association must sign an affidavit acknowledging receipt of

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1577 the completed structural integrity reserve study.

1578 11.9. Within 45 days after receiving the structural 1579 integrity reserve study, the association must distribute a copy 1580 of the study to each unit owner or deliver to each unit owner a 1581 notice that the completed study is available for inspection and 1582 copying upon a written request. Distribution of a copy of the study or notice must be made by United States mail or personal 1583 1584 delivery to the mailing address, property address, or any other 1585 address of the owner provided to fulfill the association's 1586 notice requirements under this chapter, or by electronic 1587 transmission to the e-mail address or facsimile number provided 1588 to fulfill the association's notice requirements to unit owners 1589 who previously consented to receive notice by electronic 1590 transmission.

1591 12.10. Within 45 days after receiving the structural 1592 integrity reserve study, the association must provide the 1593 division with a statement indicating that the study was 1594 completed and that the association provided or made available 1595 such study to each unit owner in accordance with this section. 1596 The statement must be provided to the division in the manner 1597 established by the division using a form posted on the 1598 division's website.

13. The division shall adopt by rule the form for the structural integrity reserve study in coordination with the Florida Building Commission.

Section 7. Subsections (1) and (3) of section 718.501, Florida Statutes, are amended, and paragraph (d) is added to subsection (2) of that section, to read:

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718.501 Authority, responsibility, and duties of Division



of Florida Condominiums, Timeshares, and Mobile Homes.-

(1) The division may enforce and ensure compliance with this chapter and rules relating to the development, construction, sale, lease, ownership, operation, and management of residential condominium units and complaints related to the procedural completion of milestone inspections under s. 553.899. In performing its duties, the division has complete jurisdiction to investigate complaints and enforce compliance with respect to associations that are still under developer control or the control of a bulk assignee or bulk buyer pursuant to part VII of this chapter and complaints against developers, bulk assignees, or bulk buyers involving improper turnover or failure to turnover, pursuant to s. 718.301. However, after turnover has occurred, the division has jurisdiction to review records and investigate complaints related only to:

(a)1. Procedural aspects and records relating to financial issues, including annual financial reporting under s. 718.111(13); assessments for common expenses, fines, and commingling of reserve and operating funds under s. 718.111(14); use of debit cards for unintended purposes under s. 718.111(15); the annual operating budget and the allocation of reserve funds under s. 718.112(2)(f); financial records under s. 718.111(12)(a)11.; and any other record necessary to determine the revenues and expenses of the association.

2. Elections, including election and voting requirements under s. 718.112(2)(b) and (d), recall of board members under s. 718.112(2)(1), electronic voting under s. 718.128, and elections that occur during an emergency under s. 718.1265(1)(a).

3. The maintenance of and unit owner access to association

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1635	records under s. 718.111(12).
1636	4. The procedural aspects of meetings, including unit owner
1637	meetings, quorums, voting requirements, proxies, board of
1638	administration meetings, and budget meetings under s.
1639	718.112(2).
1640	5. The disclosure of conflicts of interest under ss.
1641	718.111(1)(a) and 718.3027, including limitations contained in
1642	s. 718.111(3)(f).
1643	6. The removal of a board director or officer under ss.
1644	718.111(1)(a) and (15) and 718.112(2)(p) and (q).
1645	7. The procedural completion of structural integrity
1646	reserve studies under s. 718.112(2)(g) and the milestone
1647	inspections under s. 553.899.
1648	8. Completion of repairs required by a milestone inspection
1649	<u>under s. 553.899.</u>
1650	<u>9.8.</u> Any written inquiries by unit owners to the
1651	association relating to such matters, including written
1652	inquiries under s. 718.112(2)(a)2.
1653	10. The requirement for associations to maintain an
1654	insurance policy or fidelity bonding for all persons who control
1655	or disperse funds of the association under s. 718.111(11)(h).
1656	11. Board member education requirements under s.
1657	718.112(2)(d)5.b.
1658	12. Reporting requirements for structural integrity reserve
1659	studies in paragraph (3) and under s 718.112(2)(g)12.
1660	(b)1. The division may make necessary public or private
1661	investigations within or outside this state to determine whether
1662	any person has violated this chapter or any rule or order
1663	hereunder, to aid in the enforcement of this chapter, or to aid



1664 in the adoption of rules or forms.

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2. The division may submit any official written report, worksheet, or other related paper, or a duly certified copy thereof, compiled, prepared, drafted, or otherwise made by and duly authenticated by a financial examiner or analyst to be admitted as competent evidence in any hearing in which the financial examiner or analyst is available for cross-examination and attests under oath that such documents were prepared as a result of an examination or inspection conducted pursuant to this chapter.

(c) The division may require or permit any person to file a statement in writing, under oath or otherwise, as the division determines, as to the facts and circumstances concerning a matter to be investigated.

1678 (d) For the purpose of any investigation under this chapter, the division director or any officer or employee 1679 1680 designated by the division director may administer oaths or 1681 affirmations, subpoena witnesses and compel their attendance, 1682 take evidence, and require the production of any matter which is 1683 relevant to the investigation, including the existence, 1684 description, nature, custody, condition, and location of any 1685 books, documents, or other tangible things and the identity and 1686 location of persons having knowledge of relevant facts or any 1687 other matter reasonably calculated to lead to the discovery of 1688 material evidence. Upon the failure by a person to obey a 1689 subpoena or to answer questions propounded by the investigating 1690 officer and upon reasonable notice to all affected persons, the division may apply to the circuit court for an order compelling 1691 1692 compliance.



1693 (e) Notwithstanding any remedies available to unit owners and associations, if the division has reasonable cause to 1694 1695 believe that a violation of any provision of this chapter or 1696 related rule has occurred, the division may institute 1697 enforcement proceedings in its own name against any developer, 1698 bulk assignee, bulk buyer, association, officer, or member of 1699 the board of administration, or its assignees or agents, as 1700 follows:

1701 1. The division may permit a person whose conduct or 1702 actions may be under investigation to waive formal proceedings 1703 and enter into a consent proceeding whereby orders, rules, or 1704 letters of censure or warning, whether formal or informal, may 1705 be entered against the person.

1706 2. The division may issue an order requiring the developer, 1707 bulk assignee, bulk buyer, association, developer-designated 1708 officer, or developer-designated member of the board of 1709 administration, developer-designated assignees or agents, bulk 1710 assignee-designated assignees or agents, bulk buyer-designated 1711 assignees or agents, community association manager, or community 1712 association management firm to cease and desist from the 1713 unlawful practice and take such affirmative action as in the 1714 judgment of the division carry out the purposes of this chapter. 1715 If the division finds that a developer, bulk assignee, bulk buyer, association, officer, or member of the board of 1716 1717 administration, or its assignees or agents, is violating or is 1718 about to violate any provision of this chapter, any rule adopted 1719 or order issued by the division, or any written agreement entered into with the division, and presents an immediate danger 1720 to the public requiring an immediate final order, it may issue 1721

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an emergency cease and desist order reciting with particularity the facts underlying such findings. The emergency cease and desist order is effective for 90 days. If the division begins nonemergency cease and desist proceedings, the emergency cease and desist order remains effective until the conclusion of the proceedings under ss. 120.569 and 120.57.

1728 3. If a developer, bulk assignee, or bulk buyer fails to 1729 pay any restitution determined by the division to be owed, plus 1730 any accrued interest at the highest rate permitted by law, 1731 within 30 days after expiration of any appellate time period of 1732 a final order requiring payment of restitution or the conclusion 1733 of any appeal thereof, whichever is later, the division must 1734 bring an action in circuit or county court on behalf of any 1735 association, class of unit owners, lessees, or purchasers for 1736 restitution, declaratory relief, injunctive relief, or any other 1737 available remedy. The division may also temporarily revoke its 1738 acceptance of the filing for the developer to which the 1739 restitution relates until payment of restitution is made.

4. The division may petition the court for appointment of a receiver or conservator. If appointed, the receiver or conservator may take action to implement the court order to ensure the performance of the order and to remedy any breach thereof. In addition to all other means provided by law for the enforcement of an injunction or temporary restraining order, the circuit court may impound or sequester the property of a party defendant, including books, papers, documents, and related records, and allow the examination and use of the property by the division and a court-appointed receiver or conservator.
5. The division may apply to the circuit court for an order

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of restitution whereby the defendant in an action brought under subparagraph 4. is ordered to make restitution of those sums shown by the division to have been obtained by the defendant in violation of this chapter. At the option of the court, such restitution is payable to the conservator or receiver appointed under subparagraph 4. or directly to the persons whose funds or assets were obtained in violation of this chapter.

1758 6. The division may impose a civil penalty against a 1759 developer, bulk assignee, or bulk buyer, or association, or its 1760 assignee or agent, for any violation of this chapter or related 1761 rule. The division may impose a civil penalty individually 1762 against an officer or board member who willfully and knowingly 1763 violates this chapter, an adopted rule, or a final order of the 1764 division; may order the removal of such individual as an officer 1765 or from the board of administration or as an officer of the 1766 association; and may prohibit such individual from serving as an 1767 officer or on the board of a community association for a period 1768 of time. The term "willfully and knowingly" means that the 1769 division informed the officer or board member that his or her 1770 action or intended action violates this chapter, a rule adopted 1771 under this chapter, or a final order of the division and that 1772 the officer or board member refused to comply with the 1773 requirements of this chapter, a rule adopted under this chapter, 1774 or a final order of the division. The division, before 1775 initiating formal agency action under chapter 120, must afford the officer or board member an opportunity to voluntarily 1776 1777 comply, and an officer or board member who complies within 10 days is not subject to a civil penalty. A penalty may be imposed 1778 on the basis of each day of continuing violation, but the 1779



1780 penalty for any offense may not exceed \$5,000. The division 1781 shall  $adopt_{\tau}$  by rule<sub> $\tau$ </sub> penalty quidelines applicable to possible 1782 violations or to categories of violations of this chapter or 1783 rules adopted by the division. The guidelines must specify a 1784 meaningful range of civil penalties for each such violation of 1785 the statute and rules and must be based upon the harm caused by 1786 the violation, upon the repetition of the violation, and upon 1787 such other factors deemed relevant by the division. For example, 1788 the division may consider whether the violations were committed 1789 by a developer, bulk assignee, or bulk buyer, or owner-1790 controlled association, the size of the association, and other 1791 factors. The guidelines must designate the possible mitigating 1792 or aggravating circumstances that justify a departure from the 1793 range of penalties provided by the rules. It is the legislative 1794 intent that minor violations be distinguished from those which 1795 endanger the health, safety, or welfare of the condominium 1796 residents or other persons and that such quidelines provide 1797 reasonable and meaningful notice to the public of likely 1798 penalties that may be imposed for proscribed conduct. This 1799 subsection does not limit the ability of the division to 1800 informally dispose of administrative actions or complaints by stipulation, agreed settlement, or consent order. All amounts 1801 1802 collected shall be deposited with the Chief Financial Officer to 1803 the credit of the Division of Florida Condominiums, Timeshares, 1804 and Mobile Homes Trust Fund. If a developer, bulk assignee, or 1805 bulk buyer fails to pay the civil penalty and the amount deemed 1806 to be owed to the association, the division shall issue an order directing that such developer, bulk assignee, or bulk buyer 1807 cease and desist from further operation until such time as the 1808

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1809 civil penalty is paid or may pursue enforcement of the penalty in a court of competent jurisdiction. If an association fails to 1810 1811 pay the civil penalty, the division shall pursue enforcement in 1812 a court of competent jurisdiction, and the order imposing the 1813 civil penalty or the cease and desist order is not effective 1814 until 20 days after the date of such order. Any action commenced 1815 by the division shall be brought in the county in which the 1816 division has its executive offices or in the county in which the 1817 violation occurred.

1818 7. If a unit owner presents the division with proof that 1819 the unit owner has requested access to official records in 1820 writing by certified mail, and that after 10 days the unit owner 1821 again made the same request for access to official records in 1822 writing by certified mail, and that more than 10 days has 1823 elapsed since the second request and the association has still 1824 failed or refused to provide access to official records as 1825 required by this chapter, the division shall issue a subpoena 1826 requiring production of the requested records at the location in 1827 which the records are kept pursuant to s. 718.112. Upon receipt of the records, the division must provide to the unit owner who 1828 1829 was denied access to such records the produced official records 1830 without charge.

8. In addition to subparagraph 6., the division may seek the imposition of a civil penalty through the circuit court for any violation for which the division may issue a notice to show cause under paragraph (t). The civil penalty shall be at least \$500 but no more than \$5,000 for each violation. The court may also award to the prevailing party court costs and reasonable attorney fees and, if the division prevails, may also award

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1838 reasonable costs of investigation.

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9. The division may issue citations and promulgate rules to provide for citation bases and citation procedures in accordance with this paragraph.

(f) The division may prepare and disseminate a prospectus and other information to assist prospective owners, purchasers, lessees, and developers of residential condominiums in assessing the rights, privileges, and duties pertaining thereto.

(g) The division may adopt rules to administer and enforce this chapter.

(h) The division shall establish procedures for providing notice to an association and the developer, bulk assignee, or bulk buyer during the period in which the developer, bulk assignee, or bulk buyer controls the association if the division is considering the issuance of a declaratory statement with respect to the declaration of condominium or any related document governing such condominium community.

(i) The division shall furnish each association that pays the fees required by paragraph (2)(a) a copy of this chapter, as amended, and the rules adopted thereto on an annual basis.

(j) The division shall annually provide each association with a summary of declaratory statements and formal legal opinions relating to the operations of condominiums which were rendered by the division during the previous year.

(k) The division shall provide training and educational programs for condominium association board members and unit owners. The training may, in the division's discretion, include web-based electronic media and live training and seminars in various locations throughout the state. The division may review

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1867 and approve education and training programs for board members 1868 and unit owners offered by providers and shall maintain a 1869 current list of approved programs and providers and make such 1870 list available to board members and unit owners in a reasonable and cost-effective manner. The division shall provide the 1871 1872 division-approved provider with the template certificate for 1873 issuance directly to the association's board of directors who 1874 have satisfactorily completed the requirements under s. 1875 718.112(2)(d). The division shall adopt rules to implement this 1876 section.

(1) The division shall maintain a toll-free telephone number accessible to condominium unit owners.

1879 (m) The division shall develop a program to certify both 1880 volunteer and paid mediators to provide mediation of condominium 1881 disputes. The division shall provide, upon request, a list of 1882 such mediators to any association, unit owner, or other 1883 participant in alternative dispute resolution proceedings under 1884 s. 718.1255 requesting a copy of the list. The division shall 1885 include on the list of volunteer mediators only the names of 1886 persons who have received at least 20 hours of training in 1887 mediation techniques or who have mediated at least 20 disputes. 1888 In order to become initially certified by the division, paid 1889 mediators must be certified by the Supreme Court to mediate 1890 court cases in county or circuit courts. However, the division 1891 may  $adopt_{\overline{r}}$  by  $rule_{\overline{r}}$  additional factors for the certification of 1892 paid mediators, which must be related to experience, education, 1893 or background. Any person initially certified as a paid mediator by the division must, in order to continue to be certified, 1894 comply with the factors or requirements adopted by rule. 1895



If a complaint is made, the division must conduct its (n) inquiry with due regard for the interests of the affected parties. Within 30 days after receipt of a complaint, the division shall acknowledge the complaint in writing and notify the complainant whether the complaint is within the jurisdiction of the division and whether additional information is needed by the division from the complainant. The division shall conduct its investigation and, within 90 days after receipt of the original complaint or of timely requested additional information, take action upon the complaint. However, the failure to complete the investigation within 90 days does not prevent the division from continuing the investigation, accepting or considering evidence obtained or received after 90 days, or taking administrative action if reasonable cause exists to believe that a violation of this chapter or a rule has occurred. If an investigation is not completed within the time limits established in this paragraph, the division shall, on a monthly basis, notify the complainant in writing of the status of the investigation. When reporting its action to the complainant, the division shall inform the complainant of any right to a hearing under ss. 120.569 and 120.57. The division may adopt rules regarding the submission of a complaint against an association.

(o) Condominium association directors, officers, and employees; condominium developers; bulk assignees, bulk buyers, and community association managers; and community association management firms have an ongoing duty to reasonably cooperate with the division in any investigation under this section. The division shall refer to local law enforcement authorities any



1925 person whom the division believes has altered, destroyed, 1926 concealed, or removed any record, document, or thing required to 1927 be kept or maintained by this chapter with the purpose to impair 1928 its verity or availability in the department's investigation. The division shall refer to local law enforcement authorities 1929 1930 any person whom the division believes has engaged in fraud, theft, embezzlement, or other criminal activity or when the 1931 1932 division has cause to believe that fraud, theft, embezzlement, 1933 or other criminal activity has occurred.

1934 (p) The division director or any officer or employee of the 1935 division and the condominium ombudsman or any employee of the 1936 Office of the Condominium Ombudsman may attend and observe any 1937 meeting of the board of administration or any unit owner 1938 meeting, including any meeting of a subcommittee or special 1939 committee, which is open to members of the association for the 1940 purpose of performing the duties of the division or the Office 1941 of the Condominium Ombudsman under this chapter.

(q) The division may:

1. Contract with agencies in this state or other jurisdictions to perform investigative functions; or

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2. Accept grants-in-aid from any source.

(r) The division shall cooperate with similar agencies in other jurisdictions to establish uniform filing procedures and forms, public offering statements, advertising standards, and rules and common administrative practices.

(s) The division shall consider notice to a developer, bulk assignee, or bulk buyer to be complete when it is delivered to the address of the developer, bulk assignee, or bulk buyer currently on file with the division.

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1954 (t) In addition to its enforcement authority, the division 1955 may issue a notice to show cause, which must provide for a 1956 hearing, upon written request, in accordance with chapter 120. 1957 (u) If the division receives a complaint regarding access 1958 to official records on the association's website or through an 1959 application that can be downloaded on a mobile device under s. 1960 718.111(12)(q), the division may request access to the 1961 association's website or application and investigate. The 1962 division may adopt rules to carry out this paragraph. (v) The division shall submit to the Governor, the 1963 1964 President of the Senate, the Speaker of the House of 1965 Representatives, and the chairs of the legislative 1966 appropriations committees an annual report that includes, but 1967 need not be limited to, the number of training programs provided 1968 for condominium association board members and unit owners, the number of complaints received by type, the number and percent of 1969 1970 complaints acknowledged in writing within 30 days and the number 1971 and percent of investigations acted upon within 90 days in 1972 accordance with paragraph (n), and the number of investigations 1973 exceeding the 90-day requirement. The annual report must also 1974 include an evaluation of the division's core business processes 1975 and make recommendations for improvements, including statutory 1976 changes. After December 31, 2024, the division must include a 1977 list of the associations that have completed the structural 1978 integrity reserve study required under s. 718.112(2)(g). The 1979 report shall be submitted by September 30 following the end of 1980 the fiscal year. (2) 1981 1982

(d) Each condominium association must create and maintain

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1983 an online account with the division, as required in subsection 1984 (3). (3) On or before October 1, 2025, all condominium 1985 associations must create and maintain an online account with the 1986 1987 division and provide information requested by the division in an 1988 electronic format determined by the division. The division shall 1989 adopt rules to implement this subsection. The division may 1990 require condominium associations to provide such information no more than once per year, except that the division may require 1991 1992 condominium associations to update the contact information in 1993 paragraph (a) within 30 days after any change. The division 1994 shall provide a condominium association at least a 45-day notice 1995 of any requirement to provide any information after the 1996 condominium association initially creates an online account. The 1997 information that the division may require from condominium 1998 associations is limited to: 1999 (a) Contact information for the association that includes: 2000 1. Name of the association. 2001 2. The physical address of the condominium property. 2002 3. Mailing address and county of the association. 2003 4. E-mail address and telephone number for the association. 2004 5. Name and board title for each member of the 2005 association's board. 2006 6. Name and contact information of the association's 2007 community association manager or community association 2008 management firm, if applicable. 2009 7. The hyperlink or website address of the association's 2010 website, if applicable. 2011 (b) Total number of buildings and for each building in the

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2012	association:
2013	1. Total number of stories, including both habitable and
2014	uninhabitable stories.
2014	2. Total number of units.
2015	3. Age of each building based on the certificate of
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2017	occupancy.
	4. Any construction commenced within the common elements
2019	within the calendar year.
2020	(c) The association's assessments, including the:
2021	1. Amount of assessment or special assessment by unit type,
2022	including reserves.
2023	2. Purpose of the assessment or special assessment.
2024	3. Name of the financial institution or institutions with
2025	which the association maintains accounts.
2026	(d) A copy of any structural integrity reserve study and
2027	any associated materials requested by the department within 5
2028	business days after such request, in a manner prescribed by the
2029	department.
2030	(a) On or before January 1, 2023, condominium associations
2031	existing on or before July 1, 2022, must provide the following
2032	information to the division in writing, by e-mail, United States
2033	Postal Service, commercial delivery service, or hand delivery,
2034	at a physical address or e-mail address provided by the division
2035	and on a form posted on the division's website:
2036	1. The number of buildings on the condominium property that
2037	are three stories or higher in height.
2038	2. The total number of units in all such buildings.
2039	3. The addresses of all such buildings.
2040	4. The counties in which all such buildings are located.

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2041	(b) The division must compile a list of the number of
2042	buildings on condominium property that are three stories or
2043	higher in height, which is searchable by county, and must post
2044	the list on the division's website. This list must include all
2045	of the following information:
2046	1. The name of each association with buildings on the
2047	condominium property that are three stories or higher in height.
2048	2. The number of such buildings on each association's
2049	property.
2050	3. The addresses of all such buildings.
2051	4. The counties in which all such buildings are located.
2052	(c) An association must provide an update in writing to the
2053	division if there are any changes to the information in the list
2054	under paragraph (b) within 6 months after the change.
2055	Section 8. Paragraph (d) of subsection (1) and paragraphs
2056	(d) and (e) of subsection (2) of section 718.503, Florida
2057	Statutes, are amended, to read:
2058	718.503 Developer disclosure prior to sale; nondeveloper
2059	unit owner disclosure prior to sale; voidability
2060	(1) DEVELOPER DISCLOSURE
2061	(d) Milestone inspection, turnover inspection report, or
2062	structural integrity reserve studyIf the association is
2063	required to have completed a milestone inspection as described
2064	in s. 553.899, a turnover inspection report for a turnover
2065	inspection performed on or after July 1, 2023, or a structural
2066	integrity reserve study, and the association has not completed
2067	the milestone inspection, the turnover inspection report, or the
2068	structural integrity reserve study, each contract entered into
2069	after December 31, 2024, for the sale of a residential unit

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2070 shall contain in conspicuous type a statement indicating that 2071 the association is required to have a milestone inspection, a 2072 turnover inspection report, or a structural integrity reserve 2073 study and has not completed such inspection, report, or study, 2074 as appropriate. If the association is not required to have a 2075 milestone inspection as described in s. 553.899 or a structural 2076 integrity reserve study, each contract entered into after 2077 December 31, 2024, for the sale of a residential unit shall 2078 contain in conspicuous type a statement indicating that the 2079 association is not required to have a milestone inspection or a 2080 structural integrity reserve study, as appropriate. If the 2081 association has completed a milestone inspection as described in 2082 s. 553.899, a turnover inspection report for a turnover 2083 inspection performed on or after July 1, 2023, or a structural 2084 integrity reserve study, each contract entered into after 2085 December 31, 2024, for the sale of a residential unit shall 2086 contain in conspicuous type:

2087 1. A clause which states: THE BUYER HEREBY ACKNOWLEDGES THAT BUYER HAS BEEN PROVIDED A CURRENT COPY OF THE INSPECTOR-2088 PREPARED SUMMARY OF THE MILESTONE INSPECTION REPORT AS DESCRIBED 2089 2090 IN SECTION 553.899, FLORIDA STATUTES, IF APPLICABLE; A COPY OF 2091 THE TURNOVER INSPECTION REPORT DESCRIBED IN SECTION 2092 718.301(4)(p) AND (q), FLORIDA STATUTES, IF APPLICABLE; AND A COPY OF THE ASSOCIATION'S MOST RECENT STRUCTURAL INTEGRITY 2093 2094 RESERVE STUDY DESCRIBED IN SECTIONS 718.103(26) AND 2095 718.112(2)(q), FLORIDA STATUTES, IF APPLICABLE, MORE THAN 15 2096 DAYS, EXCLUDING SATURDAYS, SUNDAYS, AND LEGAL HOLIDAYS, BEFORE 2097 PRIOR TO EXECUTION OF THIS CONTRACT; and

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2. A clause which states: THIS AGREEMENT IS VOIDABLE BY



2099 BUYER BY DELIVERING WRITTEN NOTICE OF THE BUYER'S INTENTION TO 2100 CANCEL WITHIN 15 DAYS, EXCLUDING SATURDAYS, SUNDAYS, AND LEGAL 2101 HOLIDAYS, AFTER THE DATE OF EXECUTION OF THIS AGREEMENT BY THE 2102 BUYER AND RECEIPT BY BUYER OF A CURRENT COPY OF THE INSPECTOR-2103 PREPARED SUMMARY OF THE MILESTONE INSPECTION REPORT AS DESCRIBED 2104 IN SECTION 553.899, FLORIDA STATUTES, IF APPLICABLE; A COPY OF 2105 THE TURNOVER INSPECTION REPORT DESCRIBED IN SECTION 2106 718.301(4)(p) AND (q), FLORIDA STATUTES, IF APPLICABLE; AND A 2107 COPY OF THE ASSOCIATION'S MOST RECENT STRUCTURAL INTEGRITY 2108 RESERVE STUDY DESCRIBED IN SECTIONS 718.103(26) AND 2109 718.112(2)(q), FLORIDA STATUTES, IF APPLICABLE. ANY PURPORTED 2110 WAIVER OF THESE VOIDABILITY RIGHTS SHALL BE OF NO EFFECT. BUYER 2111 MAY EXTEND THE TIME FOR CLOSING FOR A PERIOD OF NOT MORE THAN 15 2112 DAYS, EXCLUDING SATURDAYS, SUNDAYS, AND LEGAL HOLIDAYS, AFTER 2113 THE BUYER RECEIVES A CURRENT COPY OF THE INSPECTOR-PREPARED SUMMARY OF THE MILESTONE INSPECTION REPORT AS DESCRIBED IN 2114 SECTION 553.899, FLORIDA STATUTES; A COPY OF THE TURNOVER 2115 2116 INSPECTION REPORT DESCRIBED IN SECTION 718.301(4) (p) AND (q), 2117 FLORIDA STATUTES; OR A COPY OF THE ASSOCIATION'S MOST RECENT 2118 STRUCTURAL INTEGRITY RESERVE STUDY DESCRIBED IN SECTIONS 2119 718.103(26) AND 718.112(2)(q), FLORIDA STATUTES, IF REQUESTED IN 2120 WRITING. BUYER'S RIGHT TO VOID THIS AGREEMENT SHALL TERMINATE AT 2121 CLOSING.

2123 A contract that does not conform to the requirements of this 2124 paragraph is voidable at the option of the purchaser <u>before</u> 2125 <del>prior to</del> closing.

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(2) NONDEVELOPER DISCLOSURE.-

(d) Each contract entered into after July 1, 1992, for the



2128 resale of a residential unit <u>must shall</u> contain in conspicuous 2129 type either:

2130 1. A clause which states: THE BUYER HEREBY ACKNOWLEDGES 2131 THAT BUYER HAS BEEN PROVIDED A CURRENT COPY OF THE DECLARATION 2132 OF CONDOMINIUM, ARTICLES OF INCORPORATION OF THE ASSOCIATION, 2133 BYLAWS AND RULES OF THE ASSOCIATION, A COPY OF THE MOST RECENT 2134 ANNUAL FINANCIAL STATEMENT AND ANNUAL BUDGET, AND FREQUENTLY 2135 ASKED QUESTIONS AND ANSWERS DOCUMENT MORE THAN 7 3 DAYS, 2136 EXCLUDING SATURDAYS, SUNDAYS, AND LEGAL HOLIDAYS, BEFORE PRIOR 2137 TO EXECUTION OF THIS CONTRACT; or

2138 2. A clause which states: THIS AGREEMENT IS VOIDABLE BY 2139 BUYER BY DELIVERING WRITTEN NOTICE OF THE BUYER'S INTENTION TO CANCEL WITHIN 7 3 DAYS, EXCLUDING SATURDAYS, SUNDAYS, AND LEGAL 2140 2141 HOLIDAYS, AFTER THE DATE OF EXECUTION OF THIS AGREEMENT BY THE 2142 BUYER AND RECEIPT BY BUYER OF A CURRENT COPY OF THE DECLARATION OF CONDOMINIUM, ARTICLES OF INCORPORATION, BYLAWS AND RULES OF 2143 2144 THE ASSOCIATION, A COPY OF THE MOST RECENT ANNUAL FINANCIAL STATEMENT AND ANNUAL BUDGET, AND FREQUENTLY ASKED QUESTIONS AND 2145 2146 ANSWERS DOCUMENT IF SO REQUESTED IN WRITING. ANY PURPORTED WAIVER OF THESE VOIDABILITY RIGHTS SHALL BE OF NO EFFECT. BUYER 2147 2148 MAY EXTEND THE TIME FOR CLOSING FOR A PERIOD OF NOT MORE THAN 7 2149 3 DAYS, EXCLUDING SATURDAYS, SUNDAYS, AND LEGAL HOLIDAYS, AFTER 2150 THE BUYER RECEIVES THE DECLARATION, ARTICLES OF INCORPORATION, 2151 BYLAWS AND RULES OF THE ASSOCIATION, AND A COPY OF THE MOST 2152 RECENT YEAR-END FINANCIAL STATEMENT AND ANNUAL BUDGET 2153 INFORMATION AND FREQUENTLY ASKED QUESTIONS AND ANSWERS DOCUMENT 2154 IF REQUESTED IN WRITING. BUYER'S RIGHT TO VOID THIS AGREEMENT SHALL TERMINATE AT CLOSING. 2155 2156



2157 A contract that does not conform to the requirements of this 2158 paragraph is voidable at the option of the purchaser <u>before</u> 2159 <del>prior to</del> closing.

2160 (e) If the association is required to have completed a 2161 milestone inspection as described in s. 553.899, a turnover 2162 inspection report for a turnover inspection performed on or 2163 after July 1, 2023, or a structural integrity reserve study, and 2164 the association has not completed the milestone inspection, the 2165 turnover inspection report, or the structural integrity reserve 2166 study, each contract entered into after December 31, 2024, for 2167 the sale of a residential unit shall contain in conspicuous type 2168 a statement indicating that the association is required to have 2169 a milestone inspection, a turnover inspection report, or a 2170 structural integrity reserve study and has not completed such 2171 inspection, report, or study, as appropriate. If the association 2172 is not required to have a milestone inspection as described in 2173 s. 553.899 or a structural integrity reserve study, each 2174 contract entered into after December 31, 2024, for the sale of a 2175 residential unit shall contain in conspicuous type a statement 2176 indicating that the association is not required to have a 2177 milestone inspection or a structural integrity reserve study, as 2178 appropriate. If the association has completed a milestone 2179 inspection as described in s. 553.899, a turnover inspection 2180 report for a turnover inspection performed on or after July 1, 2181 2023, or a structural integrity reserve study, each contract 2182 entered into after December 31, 2024, for the resale of a 2183 residential unit shall contain in conspicuous type:

A clause which states: THE BUYER HEREBY ACKNOWLEDGES
 THAT BUYER HAS BEEN PROVIDED A CURRENT COPY OF THE INSPECTOR-

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PREPARED SUMMARY OF THE MILESTONE INSPECTION REPORT AS DESCRIBED 2186 IN SECTION 553.899, FLORIDA STATUTES, IF APPLICABLE; A COPY OF 2187 2188 THE TURNOVER INSPECTION REPORT DESCRIBED IN SECTION 718.301(4)(p) AND (q), FLORIDA STATUTES, IF APPLICABLE; AND A 2189 COPY OF THE ASSOCIATION'S MOST RECENT STRUCTURAL INTEGRITY 2190 2191 RESERVE STUDY DESCRIBED IN SECTIONS 718.103(26) AND 718.112(2)(q), FLORIDA STATUTES, IF APPLICABLE, MORE THAN 7 3 2192 2193 DAYS, EXCLUDING SATURDAYS, SUNDAYS, AND LEGAL HOLIDAYS, BEFORE 2194 PRIOR TO EXECUTION OF THIS CONTRACT; and

2195 2. A clause which states: THIS AGREEMENT IS VOIDABLE BY 2196 BUYER BY DELIVERING WRITTEN NOTICE OF THE BUYER'S INTENTION TO 2197 CANCEL WITHIN 7 3 DAYS, EXCLUDING SATURDAYS, SUNDAYS, AND LEGAL HOLIDAYS, AFTER THE DATE OF EXECUTION OF THIS AGREEMENT BY THE 2198 2199 BUYER AND RECEIPT BY BUYER OF A CURRENT COPY OF THE INSPECTOR-PREPARED SUMMARY OF THE MILESTONE INSPECTION REPORT AS DESCRIBED 2200 IN SECTION 553.899, FLORIDA STATUTES, IF APPLICABLE; A COPY OF 2201 THE TURNOVER INSPECTION REPORT DESCRIBED IN SECTION 2202 718.301(4)(p) AND (q), FLORIDA STATUTES, IF APPLICABLE; AND A 2203 2204 COPY OF THE ASSOCIATION'S MOST RECENT STRUCTURAL INTEGRITY 2205 RESERVE STUDY DESCRIBED IN SECTIONS 718.103(26) AND 2206 718.112(2)(q), FLORIDA STATUTES, IF APPLICABLE. ANY PURPORTED 2207 WAIVER OF THESE VOIDABILITY RIGHTS SHALL BE OF NO EFFECT. BUYER 2208 MAY EXTEND THE TIME FOR CLOSING FOR A PERIOD OF NOT MORE THAN 7 3 DAYS, EXCLUDING SATURDAYS, SUNDAYS, AND LEGAL HOLIDAYS, AFTER 2209 2210 THE BUYER RECEIVES A CURRENT COPY OF THE INSPECTOR-PREPARED 2211 SUMMARY OF THE MILESTONE INSPECTION REPORT AS DESCRIBED IN 2212 SECTION 553.899, FLORIDA STATUTES; A COPY OF THE TURNOVER INSPECTION REPORT DESCRIBED IN SECTION 718.301(4)(p) AND (q), 2213 FLORIDA STATUTES; OR A COPY OF THE ASSOCIATION'S MOST RECENT 2214

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2215	STRUCTURAL INTEGRITY RESERVE STUDY DESCRIBED IN SECTIONS
2216	718.103(26) AND 718.112(2)(g), FLORIDA STATUTES, IF REQUESTED IN
2217	WRITING. BUYER'S RIGHT TO VOID THIS AGREEMENT SHALL TERMINATE AT
2218	CLOSING.
2219	
2220	A contract that does not conform to the requirements of this
2221	paragraph is voidable at the option of the purchaser <u>before</u>
2222	<del>prior to</del> closing.
2223	Section 9. Section 8 of chapter 2024-244, Laws of Florida,
2224	is amended to read:
2225	Section 8. Effective January 1, 2026, paragraph (g) of
2226	subsection (12) of section 718.111, Florida Statutes, as amended
2227	by this act, is amended to read:
2228	718.111 The association
2229	(12) OFFICIAL RECORDS
2230	(g)1. An association managing a condominium with 25 or more
2231	units which does not contain timeshare units shall post digital
2232	copies of the documents specified in subparagraph 2. on its
2233	website or make such documents available through an application
2234	that can be downloaded on a mobile device. <u>Unless a shorter</u>
2235	period is otherwise required, a document must be made available
2236	on the association's website or made available for download
2237	through an application on a mobile device within 30 days after
2238	the association receives or creates an official record specified
2239	in subparagraph 2.
2240	a. The association's website or application must be:
2241	(I) An independent website, application, or web portal

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

wholly owned and operated by the association; or

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2244 third-party provider with whom the association owns, leases, 2245 rents, or otherwise obtains the right to operate a web page, 2246 subpage, web portal, collection of subpages or web portals, or 2247 an application which is dedicated to the association's 2248 activities and on which required notices, records, and documents 2249 may be posted or made available by the association.

b. The association's website or application must be accessible through the Internet and must contain a subpage, web portal, or other protected electronic location that is inaccessible to the general public and accessible only to unit 2254 owners and employees of the association.

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

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

The recorded declaration of condominium of each а. condominium operated by the association and each amendment to each declaration.

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

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

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e. <u>The approved minutes of all board of administration</u> meetings over the preceding 12 months.

<u>f. The video recording or a hyperlink to the video</u> <u>recording for all meetings of the association, the board of</u> <u>administration, any committee, and the unit owners which are</u> conducted by videoconference over the preceding 12 months.

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

<u>h.f.</u> The annual budget required by s. 718.112(2)(f) and any proposed budget to be considered at the annual meeting.

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

<u>j.</u>h. The certification of each director required by s. 718.112(2)(d)4.b.

<u>k.i.</u> All contracts or transactions between the association and any director, officer, corporation, firm, or association that is not an affiliated condominium association or any other entity in which an association director is also a director or officer and financially interested.

2300 <u>1.j.</u> Any contract or document regarding a conflict of 2301 interest or possible conflict of interest as provided in ss.



2302 468.4335, 468.436(2)(b)6., and 718.3027(3).

2303 m.k. The notice of any unit owner meeting and the agenda 2304 for the meeting, as required by s. 718.112(2)(d)3., no later 2305 than 14 days before the meeting. The notice must be posted in 2306 plain view on the front page of the website or application, or 2307 on a separate subpage of the website or application labeled 2308 "Notices" which is conspicuously visible and linked from the 2309 front page. The association must also post on its website or 2310 application any document to be considered and voted on by the 2311 owners during the meeting or any document listed on the agenda 2312 at least 7 days before the meeting at which the document or the 2313 information within the document will be considered.

<u>n.l.</u> Notice of any board meeting, the agenda, and any other document required for the meeting as required by s. 718.112(2)(c), which must be posted no later than the date required for notice under s. 718.112(2)(c).

<u>o.m.</u> The inspection reports described in ss. 553.899 and 718.301(4)(p) and any other inspection report relating to a structural or life safety inspection of condominium property.

<u>p.n.</u> The association's most recent structural integrity reserve study, if applicable.

 $\underline{q.o.}$  Copies of all building permits issued for ongoing or planned construction.

<u>r. A copy of all affidavits required by this chapter.</u> <u>s. A copy of all investment policy statements adopted</u> <u>pursuant to paragraph (16)(c), and all financial statements</u> <u>related to the association's investment of funds under</u> <u>subsection (16).</u>

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3. The association shall ensure that the information and



2331 records described in paragraph (c), which are not allowed to be 2332 accessible to unit owners, are not posted on the association's 2333 website or application. If protected information or information 2334 restricted from being accessible to unit owners is included in 2335 documents that are required to be posted on the association's 2336 website or application, the association shall ensure the 2337 information is redacted before posting the documents. 2338 Notwithstanding the foregoing, the association or its agent is 2339 not liable for disclosing information that is protected or 2340 restricted under this paragraph unless such disclosure was made 2341 with a knowing or intentional disregard of the protected or 2342 restricted nature of such information.

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

Section 10. Section 31 of chapter 2024-244, Laws of Florida, is amended to read:

Section 31. The amendments made to ss. 718.103(14) and 718.202(3) and 718.407(1), (2), and (6), Florida Statutes, as created by this act, <u>may not</u> are intended to clarify existing law and shall apply retroactively <u>and shall only apply to</u> condominiums for which declarations were initially recorded on <u>or after October 1, 2024</u>. However, such amendments do not revive or reinstate any right or interest that has been fully and finally adjudicated as invalid before October 1, 2024.

2357 Section 11. Subsection (13) is added to section 719.104, 2358 Florida Statutes, to read:

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719.104 Cooperatives; access to units; records; financial



2360	reports; assessments; purchase of leases
2361	(13) INVESTMENT OF ASSOCIATION FUNDS
2362	(a) A board shall, in fulfilling its duty to manage
2363	operating and reserve funds of its association, use best efforts
2364	to make prudent investment decisions that carefully consider
2365	risk and return in an effort to maximize returns on invested
2366	funds.
2367	(b) An association may invest reserve funds in one or any
2368	combination of certificates of deposit or in depository accounts
2369	at a community bank, savings bank, commercial bank, savings and
2370	loan association, or credit union. Upon a majority vote of the
2371	voting interests, an association may invest reserve funds in
2372	investments other than certificates of deposit or depository
2373	accounts at a community bank, savings bank, commercial bank,
2374	savings and loan association, or credit union, provided the
2375	association complies with paragraphs (c)-(g). Notwithstanding
2376	any declaration, only funds identified as reserve funds may be
2377	invested pursuant to paragraphs (c)-(g). Paragraphs (c)-(g) do
2378	not apply to funds invested in one or any combination of
2379	certificates of deposit or depository accounts at a community
2380	bank, savings bank, commercial bank, savings and loan
2381	association, or credit union.
2382	(c) The board shall create an investment committee composed
2383	of at least two board members and two-unit unit members who are
2384	unit owners but not board members. The board shall also adopt
2385	rules for invested funds, including, but not limited to, rules
2386	requiring periodic reviews of any investment manager's
2387	performance, the development of an investment policy statement,
2388	and that all meetings of the investment committee be recorded
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2389 and made part of the official records of the association. The 2390 investment policy statement developed pursuant to this paragraph 2391 must, at a minimum, address risk, liquidity, and benchmark 2392 measurements; authorized classes of investments; authorized 2393 investment mixes; limitations on authority relating to 2394 investment transactions; requirements for projected reserve 2395 expenditures within, at minimum, the next 24 months to be held 2396 in cash or cash equivalents; projected expenditures relating to 2397 an inspection performed pursuant to s. 553.899; and protocols 2398 for proxy response. 2399 (d) The investment committee shall recommend investment 2400 advisers to the board, and the board shall select one of the 2401 recommended investment advisers to provide services to the 2402 association. Such investment advisers must be registered or have 2403 notice filed under s. 517.12. The selected investment adviser 2404 and any representative or association of the investment adviser 2405 may not be related by affinity or consanguinity to, or under common ownership with, any board member, community management 2406 2407 company, reserve study provider, or a co-owner of a unit with a 2408 board member or investment committee member. The investment 2409 adviser shall comply with the prudent investor rule in s. 2410 518.11. The investment adviser shall act as a fiduciary to the 2411 association in compliance with the standards set forth in the 2412 Employee Retirement Income Security Act of 1974 at 29 U.S.C. s. 2413 1104(a)(1)(A)-(C). In case of conflict with other laws 2414 authorizing investments, the investment and fiduciary standards 2415 set forth in this subsection must prevail. If at any time the 2416 investment committee determines that an investment adviser does 2417 not meet the requirements of this section, the investment

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2418 committee must recommend a replacement investment adviser to the 2419 board. 2420 (e) At least once each calendar year, or sooner if a 2421 substantial financial obligation of the association becomes 2422 known to the board, the association must provide the investment 2423 adviser with the association's investment policy statement, the 2424 most recent reserve study report, the association's structural 2425 integrity report, and the financial reports prepared pursuant to 2426 subsection (13). If there is no recent reserve study report, the 2427 association must provide the investment adviser with a good 2428 faith estimate disclosing the annual amount of reserve funds 2429 necessary for the association to fund reserves fully for the 2430 life of each reserve component and each component's 2431 redundancies. The investment adviser shall annually review these 2432 documents and provide the association with a portfolio 2433 allocation model that is suitably structured and prudently 2434 designed to match projected annual reserve fund requirements and liability, assets, and liquidity requirements. The investment 2435 adviser shall prepare a funding projection for each reserve 2436 2437 component, including any of the component's redundancies. The 2438 association shall have available at all times a minimum of 24 2439 months of projected reserves in cash or cash equivalents. 2440 (f) Portfolios managed by the investment adviser may 2441 contain any type of investment necessary to meet the objectives 2442 in the investment policy statement; however, portfolios may not 2443 contain stocks, securities, or other obligations that the State 2444 Board of Administration is prohibited from investing in under s. 2445 215.471, s. 215.4725, or s. 215.473 or that state agencies are prohibited from investing in under s. 215.472, as determined by 2446

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2447 the investment adviser. Any funds invested by the investment 2448 adviser must be held in third-party custodial accounts that are 2449 subject to insurance coverage by the Securities Investor 2450 Protection Corporation in an amount equal to or greater than the 2451 invested amount. The investment adviser may withdraw investment 2452 fees, expenses, and commissions from invested funds. 2453 (q) The investment adviser shall: 2454 1. Annually provide the association with a written 2455 certification of compliance with this section and a list of 2456 stocks, securities, and other obligations that are prohibited 2457 from being in association portfolios under paragraph (f); and 2458 2. Submit monthly, quarterly, and annual reports to the 2459 association which are prepared in accordance with established 2460 financial industry standards and in accordance with chapter 517. 2461 (h) Any principal, earnings, or interest managed under this 2462 subsection must be available at no cost or charge to the 2463 association within 15 business days after delivery of the 2464 association's written or electronic request. 2465 (i) Unallocated income earned on reserve fund investments 2466 may be spent only on capital expenditures, planned maintenance, 2467 structural repairs, or other items for which the reserve 2468 accounts have been established. Any surplus of funds which 2469 exceeds the amount required to maintain reasonably funded 2470 reserves must be managed pursuant to s. 718.115. 2471 Section 12. Paragraphs (j) and (k) of subsection (1) of 2472 section 719.106, Florida Statutes, are amended to read: 2473 719.106 Bylaws; cooperative ownership.-2474 (1) MANDATORY PROVISIONS.-The bylaws or other cooperative

2474 (1) MANDATORY PROVISIONS.—The bylaws of other cooperative 2475 documents shall provide for the following, and if they do not,



2476 they shall be deemed to include the following:

(j) Annual budget.-

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

2487 2.a. In addition to annual operating expenses, the budget 2488 must include reserve accounts for capital expenditures and 2489 deferred maintenance. These accounts must include, but not be 2490 limited to, roof replacement, building painting, and pavement 2491 resurfacing, regardless of the amount of deferred maintenance 2492 expense or replacement cost, and for any other items for which the deferred maintenance expense or replacement cost exceeds 2493 2494  $$25,000 \ \$10,000$ . The amount to be reserved must be computed by 2495 means of a formula which is based upon estimated remaining 2496 useful life and estimated replacement cost or deferred 2497 maintenance expense of the reserve item. In a budget adopted by 2498 an association that is required to obtain a structural integrity 2499 reserve study, reserves must be maintained for the items 2500 identified in paragraph (k) for which the association is 2501 responsible pursuant to the declaration, and the reserve amount 2502 for such items must be based on the findings and recommendations 2503 of the association's most recent structural integrity reserve 2504 study. With respect to items for which an estimate of useful

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2505 life is not readily ascertainable or with an estimated remaining 2506 useful life of greater than 25 years, an association is not 2507 required to reserve replacement costs for such items, but an 2508 association must reserve the amount of deferred maintenance 2509 expense, if any, which is recommended by the structural 2510 integrity reserve study for such items. The association may 2511 adjust replacement reserve assessments annually to take into 2512 account an inflation adjustment and any changes in estimates or 2513 extension of the useful life of a reserve item caused by 2514 deferred maintenance.

<u>b.</u> The members of a unit-owner-controlled association may determine, by a majority vote of the total voting interests 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 developercontrolled association may not vote to waive the reserves or reduce funding of the reserves.

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

2532 <u>d. If the local building official as defined in s. 468.603,</u> 2533 determines that the entire cooperative building is uninhabitable

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2534	due to a natural emergency as defined in s. 252.34, the board
2535	may pause the contribution to its reserves or reduce reserve
2536	funding until the local building official determines that the
2537	cooperative building is habitable. Any reserve account funds
2538	held by the association may be expended, pursuant to the board's
2539	determination, to make the cooperative building and its
2540	structures habitable. Upon the determination by the local
2541	building official that the cooperative building is habitable,
2542	the association must immediately resume contributing funds to
2543	its reserves.
2544	e.1. Reserves for the items listed in paragraph (g) may be
2545	funded by regular assessments, special assessments, lines of
2546	credit, or loans.
2547	2. A unit-owner-controlled association that must have a
2548	structural reserve study may secure a line of credit or a loan
2549	to fund capital expenses required by a milestone inspection
2550	under s. 553.899 or a structural integrity reserve study. Any
2551	line of credit or loan under this subparagraph requires the
2552	approval of a majority vote of the total voting interests of the
2553	association. The lines of credit or loans must be sufficient to
2554	fund the cumulative amount of any previously waived or unfunded
2555	portion of the reserve funding amount required by this paragraph
2556	and the most recent structural integrity reserve study. Funding
2557	from the lines of credit or loans must be immediately available
2558	for access by the board to fund required repair, maintenance, or
2559	replacement expenses without further approval by the members of
2560	the association. Any lines of credit or loans secured under this
2561	paragraph must be included in the financial report required
2562	under s. 719.104(4).



2563 a. For a budget adopted on or before December 31, 2028, if 2564 the association has completed a milestone inspection pursuant to s. 553.899 within the previous 2 calendar years, the board, upon 2565 2566 the approval of a majority of the total voting interests of the 2567 association, may temporarily pause, for a period of no more than 2568 2 consecutive annual budgets, reserve fund contributions or 2569 reduce the amount of reserve funding for the purpose of funding 2570 repairs recommended by the milestone inspection. This sub-2571 subparagraph does not apply to a developer-controlled 2572 association and an association in which the non-developer unit 2573 owners have been in control for less than 1 year.

b. An association that has paused reserve contributions under this sub-subparagraph a. must have a structural integrity reserve study performed before the continuation of reserve contributions in order to determine the association's reserve funding needs and to recommend a reserve funding plan.

2579 3. Reserve funds and any interest accruing thereon shall 2580 remain in the reserve account or accounts, and shall be used 2581 only for authorized reserve expenditures unless their use for 2582 other purposes is approved in advance by a vote of the majority 2583 of the total voting interests of the association. Before 2584 turnover of control of an association by a developer to unit 2585 owners other than the developer under s. 719.301, the developer 2586 may not vote to use reserves for purposes other than that for 2587 which they were intended. For a budget adopted on or after 2588 December 31, 2024, members of a unit-owner-controlled 2589 association that must obtain a structural integrity reserve 2590 study may not vote to use reserve funds, or any interest accruing thereon, for purposes other than the replacement or 2591

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2592 deferred maintenance costs of the components listed in paragraph 2593 (k). <u>A vote of the members is not required for the board to</u> 2594 <u>change the accounting method for reserves to a pooling</u> 2595 <u>accounting method or a straight-line accounting method.</u> 2596 (k) Structural integrity reserve study.-

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

a. Roof.

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

- c. Fireproofing and fire protection systems.
  - d. Plumbing.
- e. Electrical systems.

f. Waterproofing and exterior painting.

g. Windows and exterior doors.

h. Any other item that has a deferred maintenance expense or replacement cost that exceeds <u>\$25,000</u> <del>\$10,000</del> and the failure to replace or maintain such item negatively affects the items listed in sub-subparagraphs a.-g., as determined by the visual inspection portion of the structural integrity reserve study.

2618 2. A structural integrity reserve study is based on a2619 visual inspection of the cooperative property.

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3.a. A structural integrity reserve study may be performed



2621 by any person qualified to perform such study. However, the 2622 visual inspection portion of the structural integrity reserve 2623 study must be performed or verified by an engineer licensed 2624 under chapter 471, an architect licensed under chapter 481, or a 2625 person certified as a reserve specialist or professional reserve 2626 analyst by the Community Associations Institute or the 2627 Association of Professional Reserve Analysts. 2628 b. Any design professional as defined in s. 558.002(7) or 2629 contractor licensed under chapter 489 who bids to perform a 2630 structural integrity reserve study must disclose in writing to 2631 the association his or her intent to bid on any services related 2632 to any maintenance, repair, or replacement that may be 2633 recommended by the structural integrity reserve study. Any 2634 design professional as defined in s. 558.002 or contractor 2635 licensed under chapter 489 who submits a bid to the association 2636 for performing any services recommended by the structural 2637 integrity reserve study may not have an interest, directly or 2638 indirectly, in the firm or entity providing the association's 2639 structural integrity reserve study or be a relative of any person having a direct or indirect interest in such firm, unless 2640 2641 such relationship is disclosed to the association in writing. As 2642 used in this section, the term "relative" means a relative 2643 within the third degree of consanguinity by blood or marriage. A 2644 contract for services is voidable and terminates upon the 2645 association filing a written notice terminating the contract if 2646 the design professional or licensed contractor failed to provide 2647 the written disclosure of the relationship required under this 2648 paragraph. A design professional or licensed contractor may be subject to discipline under the applicable practice act for his 2649

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2650 or her profession for failure to provide the written disclosure 2651 of the relationship required under this subparagraph. 2652 4.a.<del>3.</del> At a minimum, a structural integrity reserve study 2653 must identify each item of the cooperative property being 2654 visually inspected, state the estimated remaining useful life 2655 and the estimated replacement cost or deferred maintenance 2656 expense of each item of the cooperative property being visually 2657 inspected, and provide a reserve funding schedule with a 2658 recommended annual reserve amount that achieves the estimated 2659 replacement cost or deferred maintenance expense of each item of 2660 cooperative property being visually inspected by the end of the 2661 estimated remaining useful life of the item. The structural 2662 integrity reserve study may recommend that reserves do not need 2663 to be maintained for any item for which an estimate of useful 2664 life and an estimate of replacement cost cannot be determined, 2665 or the study may recommend a deferred maintenance expense amount 2666 for such item. At a minimum, the structural integrity reserve 2667 study must include a recommendation for a reserve funding 2668 schedule based on a baseline funding plan that provides a 2669 reserve funding goal in which the reserve funding for each 2670 budget year is sufficient to maintain the reserve cash balance 2671 above zero. The study may recommend other types of reserve 2672 funding schedules, provided that each recommended schedule is 2673 sufficient to meet the association's maintenance obligation.

<u>b.</u> The structural integrity reserve study may recommend that reserves for replacement costs do not need to be maintained for any item with an estimated remaining useful life of greater than 25 years, but the study may recommend a deferred maintenance expense amount for such item. <u>If the structural</u>

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integrity reserve study recommends reserves for any item for 2679 2680 which reserves are not required under this paragraph, the amount 2681 of the recommended reserves for such item must be separately 2682 identified in the structural integrity reserve study as an item 2683 for which reserves are not required under this paragraph. 2684 c. The structural integrity reserve study must take into consideration the funding method or methods used by the 2685 2686 association to fund its maintenance and reserve funding 2687 obligations through regular assessments, special assessments, 2688 lines of credit, or loans. If the structural integrity reserve 2689 study is performed before the association has approved a special 2690 assessment or secured a line of credit or a loan, the structural 2691 integrity reserve study must be updated to reflect the funding 2692 method selected by the association and its effect on the reserve 2693 funding schedule, including any anticipated change in the amount 2694 of regular assessments. The structural integrity reserve study 2695 may be updated to reflect any changes to the useful life of the 2696 reserve items after such items are repaired or replaced, and the 2697 effect such repair or replacement will have on the reserve 2698 funding schedule. The association must obtain an updated 2699 structural integrity reserve study before adopting any budget in 2700 which the reserve funding from regular assessments, special 2701 assessments, lines of credit, or loans do not align with the 2702 funding plan from the most recent version of the structural 2703 integrity reserve study.

2704 <u>5.4.</u> This paragraph does not apply to buildings less than 2705 three stories in height; single-family, two-family, or three-2706 family dwellings with three or fewer habitable stories above 2707 ground; any portion or component of a building that has not been

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2708 submitted to the cooperative form of ownership; or any portion 2709 or component of a building that is maintained by a party other 2710 than the association.

<u>6.5.</u> Before a developer turns over control of an association to unit owners other than the developer, the developer must have a turnover inspection report in compliance with s. 719.301(4)(p) and (q) for each building on the cooperative property that is three stories or higher in height.

<u>7.6.</u> 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 cooperative property that is three stories or higher in height. An association that is required to complete a milestone inspection on or before December 31, 2026, in accordance with s. 553.899 may complete the structural integrity reserve study simultaneously with the milestone inspection. In no event may the structural integrity reserve study be completed after December 31, 2026.

<u>8.7.</u> 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.

<u>9. If the association completes a milestone inspection</u> required by s. 553.899, or an inspection completed for a similar local requirement, the association may delay performance of a required structural integrity reserve study for no more than the 2 consecutive budget years immediately following the milestone

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2737 inspection in order to allow the association to focus its 2738 financial resources on completing the repair and maintenance 2739 recommendations of the milestone inspection.

10.8. If the officers or directors of an association willfully and knowingly fail 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. 719.104(9). An officer or a director of the association must sign an affidavit acknowledging receipt of the completed structural integrity reserve study.

11.9. Within 45 days after receiving the structural integrity reserve study, the association must distribute a copy of the study to each unit owner or deliver to each unit owner a notice that the completed study is available for inspection and copying upon a written request. Distribution of a copy of the study or notice must be made by United States mail or personal 2753 delivery at the mailing address, property address, or any other address of the owner provided to fulfill the association's notice requirements under this chapter, or by electronic transmission to the e-mail address or facsimile number provided to fulfill the association's notice requirements to unit owners who previously consented to receive notice by electronic 2759 transmission.

2760 12.10. Within 45 days after receiving the structural 2761 integrity reserve study, the association must provide the 2762 division with a statement indicating that the study was 2763 completed and that the association provided or made available 2764 such study to each unit owner in accordance with this section. 2765 Such statement must be provided to the division in the manner

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2766 established by the division using a form posted on the 2767 division's website. 2768 13. The division shall adopt by rule the form for the 2769 structural integrity reserve study in coordination with the 2770 Florida Building Commission. 2771 Section 13. Subsection (3) of section 719.501, Florida 2772 Statutes, is amended, paragraph (c) is added to subsection (2) 2773 of that section, and subsection (1) of that section is 2774 reenacted, to read: 2775 719.501 Powers and duties of Division of Florida 2776 Condominiums, Timeshares, and Mobile Homes.-2777 The Division of Florida Condominiums, Timeshares, and (1)2778 Mobile Homes of the Department of Business and Professional 2779 Regulation, referred to as the "division" in this part, in 2780 addition to other powers and duties prescribed by chapter 718, 2781 has the power to enforce and ensure compliance with this chapter 2782 and adopted rules relating to the development, construction, 2783 sale, lease, ownership, operation, and management of residential 2784 cooperative units; complaints related to the procedural 2785 completion of the structural integrity reserve studies under s. 2786 719.106(1)(k); and complaints related to the procedural 2787 completion of milestone inspections under s. 553.899. In 2788 performing its duties, the division shall have the following powers and duties: 2789

(a) The division may make necessary public or private
investigations within or outside this state to determine whether
any person has violated this chapter or any rule or order
hereunder, to aid in the enforcement of this chapter, or to aid
in the adoption of rules or forms hereunder.

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(b) The division may require or permit any person to file a statement in writing, under oath or otherwise, as the division determines, as to the facts and circumstances concerning a matter to be investigated.

(c) For the purpose of any investigation under this chapter, the division director or any officer or employee designated by the division director may administer oaths or affirmations, subpoena witnesses and compel their attendance, take evidence, and require the production of any matter which is relevant to the investigation, including the existence, description, nature, custody, condition, and location of any books, documents, or other tangible things and the identity and location of persons having knowledge of relevant facts or any other matter reasonably calculated to lead to the discovery of material evidence. Upon failure by a person to obey a subpoena or to answer questions propounded by the investigating officer and upon reasonable notice to all persons affected thereby, the division may apply to the circuit court for an order compelling compliance.

(d) Notwithstanding any remedies available to unit owners
and associations, if the division has reasonable cause to
believe that a violation of any provision of this chapter or
related rule has occurred, the division may institute
enforcement proceedings in its own name against a developer,
association, officer, or member of the board, or its assignees
or agents, as follows:

2821 1. The division may permit a person whose conduct or 2822 actions may be under investigation to waive formal proceedings 2823 and enter into a consent proceeding whereby orders, rules, or

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2824 letters of censure or warning, whether formal or informal, may 2825 be entered against the person.

2. The division may issue an order requiring the developer, association, officer, or member of the board, or its assignees or agents, to cease and desist from the unlawful practice and take such affirmative action as in the judgment of the division will carry out the purposes of this chapter. Such affirmative action may include, but is not limited to, an order requiring a developer to pay moneys determined to be owed to a condominium association.

3. The division may bring an action in circuit court on behalf of a class of unit owners, lessees, or purchasers for declaratory relief, injunctive relief, or restitution.

2837 4. The division may impose a civil penalty against a 2838 developer or association, or its assignees or agents, for any 2839 violation of this chapter or related rule. The division may 2840 impose a civil penalty individually against any officer or board 2841 member who willfully and knowingly violates a provision of this 2842 chapter, a rule adopted pursuant to this chapter, or a final 2843 order of the division. The term "willfully and knowingly" means 2844 that the division informed the officer or board member that his or her action or intended action violates this chapter, a rule 2845 2846 adopted under this chapter, or a final order of the division, 2847 and that the officer or board member refused to comply with the 2848 requirements of this chapter, a rule adopted under this chapter, 2849 or a final order of the division. The division, prior to 2850 initiating formal agency action under chapter 120, shall afford the officer or board member an opportunity to voluntarily comply 2851 with this chapter, a rule adopted under this chapter, or a final 2852

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2853 order of the division. An officer or board member who complies 2854 within 10 days is not subject to a civil penalty. A penalty may 2855 be imposed on the basis of each day of continuing violation, but 2856 in no event shall the penalty for any offense exceed \$5,000. The 2857 division shall adopt<sub> $\tau$ </sub> by rule<sub> $\tau$ </sub> penalty guidelines applicable to possible violations or to categories of violations of this 2858 2859 chapter or rules adopted by the division. The guidelines must 2860 specify a meaningful range of civil penalties for each such 2861 violation of the statute and rules and must be based upon the 2862 harm caused by the violation, upon the repetition of the 2863 violation, and upon such other factors deemed relevant by the 2864 division. For example, the division may consider whether the 2865 violations were committed by a developer or owner-controlled 2866 association, the size of the association, and other factors. The 2867 guidelines must designate the possible mitigating or aggravating 2868 circumstances that justify a departure from the range of 2869 penalties provided by the rules. It is the legislative intent 2870 that minor violations be distinguished from those which endanger 2871 the health, safety, or welfare of the cooperative residents or 2872 other persons and that such guidelines provide reasonable and 2873 meaningful notice to the public of likely penalties that may be 2874 imposed for proscribed conduct. This subsection does not limit 2875 the ability of the division to informally dispose of 2876 administrative actions or complaints by stipulation, agreed 2877 settlement, or consent order. All amounts collected shall be 2878 deposited with the Chief Financial Officer to the credit of the 2879 Division of Florida Condominiums, Timeshares, and Mobile Homes 2880 Trust Fund. If a developer fails to pay the civil penalty, the 2881 division shall thereupon issue an order directing that such

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2882 developer cease and desist from further operation until such 2883 time as the civil penalty is paid or may pursue enforcement of 2884 the penalty in a court of competent jurisdiction. If an 2885 association fails to pay the civil penalty, the division shall 2886 thereupon pursue enforcement in a court of competent 2887 jurisdiction, and the order imposing the civil penalty or the cease and desist order shall not become effective until 20 days 2888 2889 after the date of such order. Any action commenced by the 2890 division shall be brought in the county in which the division 2891 has its executive offices or in the county where the violation 2892 occurred.

(e) The division may prepare and disseminate a prospectus and other information to assist prospective owners, purchasers, lessees, and developers of residential cooperatives in assessing the rights, privileges, and duties pertaining thereto.

(f) The division has authority to adopt rules pursuant to ss. 120.536(1) and 120.54 to implement and enforce the provisions of this chapter.

(g) The division shall establish procedures for providing notice to an association when the division is considering the issuance of a declaratory statement with respect to the cooperative documents governing such cooperative community.

(h) The division shall furnish each association which pays
the fees required by paragraph (2) (a) a copy of this act,
subsequent changes to this act on an annual basis, an amended
version of this act as it becomes available from the Secretary
of State's office on a biennial basis, and the rules adopted
thereto on an annual basis.

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(i) The division shall annually provide each association



with a summary of declaratory statements and formal legal opinions relating to the operations of cooperatives which were rendered by the division during the previous year.

(j) The division shall adopt uniform accounting principles, policies, and standards to be used by all associations in the preparation and presentation of all financial statements required by this chapter. The principles, policies, and standards shall take into consideration the size of the association and the total revenue collected by the association.

(k) The division shall provide training and educational programs for cooperative association board members and unit owners. The training may, in the division's discretion, include web-based electronic media and live training and seminars in various locations throughout the state. The division may review and approve education and training programs for board members and unit owners offered by providers and shall maintain a current list of approved programs and providers and make such list available to board members and unit owners in a reasonable and cost-effective manner.

(1) The division shall maintain a toll-free telephone number accessible to cooperative unit owners.

(m) When a complaint is made to the division, the division shall conduct its inquiry with reasonable dispatch and with due regard to the interests of the affected parties. Within 30 days after receipt of a complaint, the division shall acknowledge the complaint in writing and notify the complainant whether the complaint is within the jurisdiction of the division and whether additional information is needed by the division from the complainant. The division shall conduct its investigation and

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2940 shall, within 90 days after receipt of the original complaint or 2941 timely requested additional information, take action upon the 2942 complaint. However, the failure to complete the investigation 2943 within 90 days does not prevent the division from continuing the 2944 investigation, accepting or considering evidence obtained or 2945 received after 90 days, or taking administrative action if 2946 reasonable cause exists to believe that a violation of this 2947 chapter or a rule of the division has occurred. If an 2948 investigation is not completed within the time limits 2949 established in this paragraph, the division shall, on a monthly 2950 basis, notify the complainant in writing of the status of the 2951 investigation. When reporting its action to the complainant, the 2952 division shall inform the complainant of any right to a hearing 2953 pursuant to ss. 120.569 and 120.57.

2954 (n) The division shall develop a program to certify both 2955 volunteer and paid mediators to provide mediation of cooperative 2956 disputes. The division shall provide, upon request, a list of such mediators to any association, unit owner, or other 2957 2958 participant in arbitration proceedings under s. 718.1255 2959 requesting a copy of the list. The division shall include on the 2960 list of voluntary mediators only persons who have received at 2961 least 20 hours of training in mediation techniques or have 2962 mediated at least 20 disputes. In order to become initially 2963 certified by the division, paid mediators must be certified by 2964 the Supreme Court to mediate court cases in county or circuit 2965 courts. However, the division may adopt  $\tau$  by rule  $\tau$  additional 2966 factors for the certification of paid mediators, which factors 2967 must be related to experience, education, or background. Any 2968 person initially certified as a paid mediator by the division

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2969	must, in order to continue to be certified, comply with the
2970	factors or requirements imposed by rules adopted by the
2971	division.
2972	(2)
2973	(c) A cooperative association shall create and maintain an
2974	online account with the division, as required in subsection (3).
2975	(3) On or before October 1, 2025, all cooperative
2976	associations shall create and maintain an online account with
2977	the division and provide information requested by the division
2978	in an electronic format determined by the division. The division
2979	shall adopt rules to implement this subsection. The division may
2980	require cooperative associations to provide such information no
2981	more than once per year, except that the division may require
2982	cooperative associations to update their contact information in
2983	paragraph (a) within 30 days after any change. The division
2984	shall provide a cooperative association at least a 45-day notice
2985	of any requirement to provide any required information after the
2986	cooperative association creates an online account. The
2987	information that the division may require associations to
2988	provide is limited to:
2989	(a) The contact information for the association that
2990	includes all of the following:
2991	1. The name of the association.
2992	2. The physical address of the cooperative property.
2993	3. The mailing address and county of the association.
2994	4. The e-mail address and telephone number for the
2995	association.
2996	5. The name and board title for each member of the
2997	association's board.

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2998	6. The name and contact information of the association's
2999	community association manager or community association
3000	management firm, if applicable.
3001	7. The hyperlink or website address of the association's
3002	website, if applicable.
3003	(b) The total number of buildings and for each building in
3004	the association:
3005	1. The total number of stories of each building, including
3006	both habitable and uninhabitable stories.
3007	2. The total number of units.
3008	3. The age of each building based on the certificate of
3009	occupancy.
3010	4. Any construction commenced on the common elements within
3011	the previous calendar year.
3012	(c) The association's assessments, including the:
3013	1. Amount of assessment or special assessment by unit type,
3014	including reserves.
3015	2. Purpose of the assessment or special assessment.
3016	3. Name of the financial institution or institutions with
3017	which the association maintains accounts.
3018	(d) A copy of any structural integrity reserve study and
3019	any associated materials requested by the department. The
3020	association must provide such materials within 5 business days
3021	after such request, in a manner prescribed by the department.
3022	(a) On or before January 1, 2023, cooperative associations
3023	existing on or before July 1, 2022, must provide the following
3024	information to the division in writing, by e-mail, United States
3025	Postal Service, commercial delivery service, or hand delivery,
3026	at a physical address or e-mail address provided by the division



3027	and on a form posted on the division's website:
3028	1. The number of buildings on the cooperative property that
3029	are three stories or higher in height.
3030	2. The total number of units in all such buildings.
3031	3. The addresses of all such buildings.
3032	4. The counties in which all such buildings are located.
3033	(b) The division must compile a list of the number of
3034	buildings on cooperative property that are three stories or
3035	higher in height, which is searchable by county, and must post
3036	the list on the division's website. This list must include all
3037	of the following information:
3038	1. The name of each association with buildings on the
3039	cooperative property that are three stories or higher in height.
3040	2. The number of such buildings on each association's
3041	<del>property.</del>
3042	3. The addresses of all such buildings.
3042 3043	<ul> <li>3. The addresses of all such buildings.</li> <li>4. The counties in which all such buildings are located.</li> </ul>
3043	4. The counties in which all such buildings are located.
3043 3044	4. The counties in which all such buildings are located. (c) An association must provide an update in writing to the
3043 3044 3045	4. The counties in which all such buildings are located. (c) An association must provide an update in writing to the division if there are any changes to the information in the list
3043 3044 3045 3046	4. The counties in which all such buildings are located. (c) An association must provide an update in writing to the division if there are any changes to the information in the list under paragraph (b) within 6 months after the change.
3043 3044 3045 3046 3047	4. The counties in which all such buildings are located. (c) An association must provide an update in writing to the division if there are any changes to the information in the list under paragraph (b) within 6 months after the change. Section 14. Paragraph (d) of subsection (1) and paragraphs
3043 3044 3045 3046 3047 3048	4. The counties in which all such buildings are located. (c) An association must provide an update in writing to the division if there are any changes to the information in the list under paragraph (b) within 6 months after the change. Section 14. Paragraph (d) of subsection (1) and paragraphs (c) and (d) of subsection (2) of section 719.503, Florida
3043 3044 3045 3046 3047 3048 3049	4. The counties in which all such buildings are located. (c) An association must provide an update in writing to the division if there are any changes to the information in the list under paragraph (b) within 6 months after the change. Section 14. Paragraph (d) of subsection (1) and paragraphs (c) and (d) of subsection (2) of section 719.503, Florida Statutes, are amended, to read:
3043 3044 3045 3046 3047 3048 3049 3050	4. The counties in which all such buildings are located. (c) An association must provide an update in writing to the division if there are any changes to the information in the list under paragraph (b) within 6 months after the change. Section 14. Paragraph (d) of subsection (1) and paragraphs (c) and (d) of subsection (2) of section 719.503, Florida Statutes, are amended, to read: 719.503 Disclosure prior to sale
3043 3044 3045 3046 3047 3048 3049 3050 3051	4. The counties in which all such buildings are located. (c) An association must provide an update in writing to the division if there are any changes to the information in the list under paragraph (b) within 6 months after the change. Section 14. Paragraph (d) of subsection (1) and paragraphs (c) and (d) of subsection (2) of section 719.503, Florida Statutes, are amended, to read: 719.503 Disclosure prior to sale (1) DEVELOPER DISCLOSURE
3043 3044 3045 3046 3047 3048 3049 3050 3051 3052	4. The counties in which all such buildings are located. (c) An association must provide an update in writing to the division if there are any changes to the information in the list under paragraph (b) within 6 months after the change. Section 14. Paragraph (d) of subsection (1) and paragraphs (c) and (d) of subsection (2) of section 719.503, Florida Statutes, are amended, to read: 719.503 Disclosure prior to sale (1) DEVELOPER DISCLOSURE (d) Milestone inspection, turnover inspection report, or

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3056 inspection performed on or after July 1, 2023, or a structural 3057 integrity reserve study, and the association has not completed 3058 the milestone inspection, the turnover inspection report, or the 3059 structural integrity reserve study, each contract entered into 3060 after December 31, 2024, for the sale of a residential unit 3061 shall contain in conspicuous type a statement indicating that 3062 the association is required to have a milestone inspection, a 3063 turnover inspection report, or a structural integrity reserve 3064 study and has not completed such inspection, report, or study, 3065 as appropriate. If the association is not required to have a 3066 milestone inspection as described in s. 553.899 or a structural 3067 integrity reserve study, each contract entered into after 3068 December 31, 2024, for the sale of a residential unit shall 3069 contain in conspicuous type a statement indicating that the 3070 association is not required to have a milestone inspection or a 3071 structural integrity reserve study, as appropriate. If the 3072 association has completed a milestone inspection as described in 3073 s. 553.899, a turnover inspection report for a turnover 3074 inspection performed on or after July 1, 2023, or a structural 3075 integrity reserve study, each contract entered into after 3076 December 31, 2024, for the sale of a residential unit shall 3077 contain in conspicuous type:

A clause which states: THE BUYER HEREBY ACKNOWLEDGES
 THAT BUYER HAS BEEN PROVIDED A CURRENT COPY OF THE INSPECTOR PREPARED SUMMARY OF THE MILESTONE INSPECTION REPORT AS DESCRIBED
 IN SECTION 553.899, FLORIDA STATUTES, IF APPLICABLE; A COPY OF
 THE TURNOVER INSPECTION REPORT DESCRIBED IN SECTION
 719.301(4)(p) AND (q), FLORIDA STATUTES, IF APPLICABLE; AND A
 COPY OF THE ASSOCIATION'S MOST RECENT STRUCTURAL INTEGRITY

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3085 RESERVE STUDY DESCRIBED IN SECTIONS 719.103(24) AND 3086 719.106(1)(k), FLORIDA STATUTES, IF APPLICABLE, MORE THAN 15 3087 DAYS, EXCLUDING SATURDAYS, SUNDAYS, AND LEGAL HOLIDAYS, <u>BEFORE</u> 3088 PRIOR TO EXECUTION OF THIS CONTRACT; and

3089 2. A clause which states: THIS AGREEMENT IS VOIDABLE BY 3090 BUYER BY DELIVERING WRITTEN NOTICE OF THE BUYER'S INTENTION TO CANCEL WITHIN 15 DAYS, EXCLUDING SATURDAYS, SUNDAYS, AND LEGAL 3091 3092 HOLIDAYS, AFTER THE DATE OF EXECUTION OF THIS AGREEMENT BY THE 3093 BUYER AND RECEIPT BY BUYER OF A CURRENT COPY OF THE INSPECTOR-3094 PREPARED SUMMARY OF THE MILESTONE INSPECTION REPORT AS DESCRIBED 3095 IN SECTION 553.899, FLORIDA STATUTES, IF APPLICABLE; A COPY OF 3096 THE TURNOVER INSPECTION REPORT DESCRIBED IN SECTION 3097 719.301(4)(p) AND (q), FLORIDA STATUTES, IF APPLICABLE; AND A 3098 COPY OF THE ASSOCIATION'S MOST RECENT STRUCTURAL INTEGRITY RESERVE STUDY DESCRIBED IN SECTIONS 719.103(24) AND 3099 719.106(1)(k), FLORIDA STATUTES, IF APPLICABLE. ANY PURPORTED 3100 WAIVER OF THESE VOIDABILITY RIGHTS SHALL BE OF NO EFFECT. BUYER 3101 3102 MAY EXTEND THE TIME FOR CLOSING FOR A PERIOD OF NOT MORE THAN 15 3103 DAYS, EXCLUDING SATURDAYS, SUNDAYS, AND LEGAL HOLIDAYS, AFTER THE BUYER RECEIVES A CURRENT COPY OF THE INSPECTOR-PREPARED 3104 3105 SUMMARY OF THE MILESTONE INSPECTION REPORT AS DESCRIBED IN SECTION 553.899, FLORIDA STATUTES; A COPY OF THE TURNOVER 3106 3107 INSPECTION REPORT DESCRIBED IN SECTION 719.301(4) (p) AND (q), 3108 FLORIDA STATUTES; OR A COPY OF THE ASSOCIATION'S MOST RECENT 3109 STRUCTURAL INTEGRITY RESERVE STUDY DESCRIBED IN SECTIONS 719.103(24) AND 719.106(1)(k), FLORIDA STATUTES, IF REQUESTED IN 3110 WRITING. BUYER'S RIGHT TO VOID THIS AGREEMENT SHALL TERMINATE AT 3111 CLOSING. 3112

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3114 A contract that does not conform to the requirements of this 3115 paragraph is voidable at the option of the purchaser <u>before</u> 3116 prior to closing.

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(2) NONDEVELOPER DISCLOSURE.-

3118 (c) Each contract entered into after July 1, 1992, for the 3119 resale of an interest in a cooperative shall contain in 3120 conspicuous type either:

A clause which states: THE BUYER HEREBY ACKNOWLEDGES
 THAT BUYER HAS BEEN PROVIDED A CURRENT COPY OF THE ARTICLES OF
 INCORPORATION OF THE ASSOCIATION, BYLAWS, RULES OF THE
 ASSOCIATION, AND THE QUESTION AND ANSWER SHEET MORE THAN <u>7</u> DAYS, EXCLUDING SATURDAYS, SUNDAYS, AND LEGAL HOLIDAYS, <u>BEFORE</u>
 <del>PRIOR TO</del> EXECUTION OF THIS CONTRACT; or

3127 2. A clause which states: THIS AGREEMENT IS VOIDABLE BY BUYER BY DELIVERING WRITTEN NOTICE OF THE BUYER'S INTENTION TO 3128 CANCEL WITHIN 7 3 DAYS, EXCLUDING SATURDAYS, SUNDAYS, AND LEGAL 3129 3130 HOLIDAYS, AFTER THE DATE OF EXECUTION OF THIS AGREEMENT BY THE 3131 BUYER AND RECEIPT BY BUYER OF A CURRENT COPY OF THE ARTICLES OF 3132 INCORPORATION, BYLAWS, AND RULES OF THE ASSOCIATION, AND 3133 QUESTION AND ANSWER SHEET, IF SO REQUESTED IN WRITING. ANY 3134 PURPORTED WAIVER OF THESE VOIDABILITY RIGHTS SHALL BE OF NO 3135 EFFECT. BUYER MAY EXTEND THE TIME FOR CLOSING FOR A PERIOD OF 3136 NOT MORE THAN 7 3 DAYS, EXCLUDING SATURDAYS, SUNDAYS, AND LEGAL 3137 HOLIDAYS, AFTER THE BUYER RECEIVES THE ARTICLES OF INCORPORATION, BYLAWS, RULES, AND QUESTION AND ANSWER SHEET, IF 3138 3139 REQUESTED IN WRITING. BUYER'S RIGHT TO VOID THIS AGREEMENT SHALL 3140 TERMINATE AT CLOSING.

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3142 A contract that does not conform to the requirements of this



3143 paragraph is voidable at the option of the purchaser <u>before</u> 3144 prior to closing.

(d) If the association is required to have completed a 3145 3146 milestone inspection as described in s. 553.899, a turnover 3147 inspection report for a turnover inspection performed on or 3148 after July 1, 2023, or a structural integrity reserve study, and 3149 the association has not completed the milestone inspection, the 3150 turnover inspection report, or the structural integrity reserve 3151 study, each contract entered into after December 31, 2024, for 3152 the sale of a residential unit shall contain in conspicuous type 3153 a statement indicating that the association is required to have 3154 a milestone inspection, a turnover inspection report, or a 3155 structural integrity reserve study and has not completed such 3156 inspection, report, or study, as appropriate. If the association 3157 is not required to have a milestone inspection as described in 3158 s. 553.899 or a structural integrity reserve study, each 3159 contract entered into after December 31, 2024, for the sale of a 3160 residential unit shall contain in conspicuous type a statement 3161 indicating that the association is not required to have a 3162 milestone inspection or a structural integrity reserve study, as 3163 appropriate. If the association has completed a milestone 3164 inspection as described in s. 553.899, a turnover inspection 3165 report for a turnover inspection performed on or after July 1, 3166 2023, or a structural integrity reserve study, each contract 3167 entered into after December 31, 2024, for the resale of a 3168 residential unit shall contain in conspicuous type:

3169 1. A clause which states: THE BUYER HEREBY ACKNOWLEDGES
3170 THAT BUYER HAS BEEN PROVIDED A CURRENT COPY OF THE INSPECTOR3171 PREPARED SUMMARY OF THE MILESTONE INSPECTION REPORT AS DESCRIBED

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3172 IN SECTION 553.899, FLORIDA STATUTES, IF APPLICABLE; A COPY OF THE TURNOVER INSPECTION REPORT DESCRIBED IN SECTION 3173 3174 719.301(4)(p) AND (q), FLORIDA STATUTES, IF APPLICABLE; AND A 3175 COPY OF THE ASSOCIATION'S MOST RECENT STRUCTURAL INTEGRITY 3176 RESERVE STUDY DESCRIBED IN SECTIONS 719.103(24) AND 3177 719.106(1)(k), FLORIDA STATUTES, IF APPLICABLE, MORE THAN 7 3 DAYS, EXCLUDING SATURDAYS, SUNDAYS, AND LEGAL HOLIDAYS, BEFORE 3178 3179 PRIOR TO EXECUTION OF THIS CONTRACT; and

3180 2. A clause which states: THIS AGREEMENT IS VOIDABLE BY 3181 BUYER BY DELIVERING WRITTEN NOTICE OF THE BUYER'S INTENTION TO 3182 CANCEL WITHIN 7 3 DAYS, EXCLUDING SATURDAYS, SUNDAYS, AND LEGAL 3183 HOLIDAYS, AFTER THE DATE OF EXECUTION OF THIS AGREEMENT BY THE 3184 BUYER AND RECEIPT BY BUYER OF A CURRENT COPY OF THE INSPECTOR-3185 PREPARED SUMMARY OF THE MILESTONE INSPECTION REPORT AS DESCRIBED IN SECTION 553.899, FLORIDA STATUTES, IF APPLICABLE; A COPY OF 3186 THE TURNOVER INSPECTION REPORT DESCRIBED IN SECTION 3187 719.301(4)(p) AND (q), FLORIDA STATUTES, IF APPLICABLE; AND A 3188 3189 COPY OF THE ASSOCIATION'S MOST RECENT STRUCTURAL INTEGRITY 3190 RESERVE STUDY DESCRIBED IN SECTIONS 719.103(24) AND 3191 719.106(1)(k), FLORIDA STATUTES, IF APPLICABLE. ANY PURPORTED 3192 WAIVER OF THESE VOIDABILITY RIGHTS SHALL BE OF NO EFFECT. BUYER 3193 MAY EXTEND THE TIME FOR CLOSING FOR A PERIOD OF NOT MORE THAN 7 3194 3 DAYS, EXCLUDING SATURDAYS, SUNDAYS, AND LEGAL HOLIDAYS, AFTER 3195 THE BUYER RECEIVES A CURRENT COPY OF THE INSPECTOR-PREPARED 3196 SUMMARY OF THE MILESTONE INSPECTION REPORT AS DESCRIBED IN 3197 SECTION 553.899, FLORIDA STATUTES; A COPY OF THE TURNOVER 3198 INSPECTION REPORT DESCRIBED IN SECTION 719.301(4) (p) AND (q), FLORIDA STATUTES; OR A COPY OF THE ASSOCIATION'S MOST RECENT 3199 3200 STRUCTURAL INTEGRITY RESERVE STUDY DESCRIBED IN SECTIONS

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3201 719.103(24) AND 719.106(1)(k), FLORIDA STATUTES, IF REQUESTED IN 3202 WRITING. BUYER'S RIGHT TO VOID THIS AGREEMENT SHALL TERMINATE AT 3203 CLOSING.

3205 A contract that does not conform to the requirements of this 3206 paragraph is voidable at the option of the purchaser <u>before</u> 3207 <del>prior to</del> closing.

3208 Section 15. Subsection (3) of section 914.21, Florida 3209 Statutes, is amended to read:

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914.21 Definitions.—As used in ss. 914.22-914.24, the term: (3) "Official investigation" means any investigation instituted by a law enforcement agency or prosecuting officer of the state or a political subdivision of the state or the Commission on Ethics or the Division of Florida Condominiums, <u>Timeshares, and Mobile Homes of the Department of Business and</u> Professional Regulation.

Section 16. For the 2025-2026 fiscal year, the recurring sum of \$150,000 and nonrecurring sum of \$100,000 is appropriated from the Professional Regulation Trust Fund to the Department of Business and Professional Regulation to contract with the University of Florida to implement s. 553.899(3)(f), Florida Statutes, as amended by this act. The unexpended balance of nonrecurring funds provided by this section shall revert and is appropriated for the same purpose for the 2026-2027 fiscal year. Section 17. For the purpose of incorporating the amendment

made by this act to section 718.111, Florida Statutes, in a reference thereto, paragraph (e) of subsection (3) of section 721.13, Florida Statutes, is reenacted to read: 721.13 Management.-

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(3) The duties of the managing entity include, but are not limited to:

(e) Arranging for an annual audit of the financial 3233 statements of the timeshare plan by a certified public 3234 accountant licensed by the Board of Accountancy of the 3235 Department of Business and Professional Regulation, in 3236 accordance with generally accepted auditing standards as defined 3237 by the rules of the Board of Accountancy of the Department of 32.38 Business and Professional Regulation. The financial statements 3239 required by this section must be prepared on an accrual basis 3240 using fund accounting, and must be presented in accordance with 3241 generally accepted accounting principles. A copy of the audited 3242 financial statements must be filed with the division for review 3243 and forwarded to the board of directors and officers of the 3244 owners' association, if one exists, no later than 5 calendar 3245 months after the end of the timeshare plan's fiscal year. If no 3246 owners' association exists, each purchaser must be notified, no 3247 later than 5 months after the end of the timeshare plan's fiscal 3248 year, that a copy of the audited financial statements is 3249 available upon request to the managing entity. Notwithstanding 3250 any requirement of s. 718.111(13) or s. 719.104(4), the audited 3251 financial statements required by this section are the only 3252 annual financial reporting requirements for timeshare 3253 condominiums or timeshare cooperatives.

3254 Section 18. For the purpose of incorporating the amendment 3255 made by this act to section 718.112, Florida Statutes, in 3256 references thereto, paragraph (a) of subsection (7) and 3257 paragraph (c) of subsection (21) of section 718.504, Florida 3258 Statutes, are reenacted to read:

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

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3288 building or within a multiple parcel building; and which shall 3289 further state whether membership in a recreational facilities association is mandatory, and if so, shall identify the fees 3290 3291 currently charged per unit type. The division shall by rule 3292 require such other disclosure as in its judgment will assist 3293 prospective purchasers. The prospectus or offering circular may 3294 include more than one condominium, although not all such units 3295 are being offered for sale as of the date of the prospectus or 32.96 offering circular. The prospectus or offering circular must 3297 contain the following information:

(7) A description of the recreational and other facilities that will be used in common with other condominiums, community associations, or planned developments which require the payment of the maintenance and expenses of such facilities, directly or indirectly, by the unit owners. The description shall include, but not be limited to, the following:

(a) Each building and facility committed to be built and a summary description of the structural integrity of each building for which reserves are required pursuant to s. 718.112(2)(q).

Descriptions shall include location, areas, capacities, numbers, 3309 volumes, or sizes and may be stated as approximations or minimums.

3311 (21) An estimated operating budget for the condominium and 3312 the association, and a schedule of the unit owner's expenses shall be attached as an exhibit and shall contain the following 3313 3314 information:

(c) The estimated items of expenses of the condominium and 3315 3316 the association, except as excluded under paragraph (b),

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3317	including, but not limited to, the following items, which shall
3318	be stated as an association expense collectible by assessments
3319	or as unit owners' expenses payable to persons other than the
3320	association:
3321	1. Expenses for the association and condominium:
3322	a. Administration of the association.
3323	b. Management fees.
3324	c. Maintenance.
3325	d. Rent for recreational and other commonly used
3326	facilities.
3327	e. Taxes upon association property.
3328	f. Taxes upon leased areas.
3329	g. Insurance.
3330	h. Security provisions.
3331	i. Other expenses.
3332	j. Operating capital.
3333	k. Reserves for all applicable items referenced in s.
3334	718.112(2)(g).
3335	l. Fees payable to the division.
3336	2. Expenses for a unit owner:
3337	a. Rent for the unit, if subject to a lease.
3338	b. Rent payable by the unit owner directly to the lessor or
3339	agent under any recreational lease or lease for the use of
3340	commonly used facilities, which use and payment is a mandatory
3341	condition of ownership and is not included in the common expense
3342	or assessments for common maintenance paid by the unit owners to
3343	the association.
3344	Section 19. For the purpose of incorporating the amendment
3345	made by this act to section 718.112, Florida Statutes, in

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3346 references thereto, paragraph (d) of subsection (1) of section 3347 718.618, Florida Statutes, is reenacted to read:

718.618 Converter reserve accounts; warranties.-

(1) When existing improvements are converted to ownership as a residential condominium, the developer shall establish converter reserve accounts for capital expenditures and deferred maintenance, or give warranties as provided by subsection (6), or post a surety bond as provided by subsection (7). The developer shall fund the converter reserve accounts in amounts calculated as follows:

(d) In addition to establishing the reserve accounts specified above, the developer shall establish those other reserve accounts required by s. 718.112(2)(f), and shall fund those accounts in accordance with the formula provided therein. The vote to waive or reduce the funding or reserves required by s. 718.112(2)(f) does not affect or negate the obligations arising under this section.

Section 20. For the purpose of incorporating the amendment made by this act to sections 718.111, 718.112, and 718.503, Florida Statutes, in references thereto, subsections (1) and (3) of section 718.706, Florida Statutes, are reenacted to read:

3367 718.706 Specific provisions pertaining to offering of units3368 by a bulk assignee or bulk buyer.-

(1) Before offering more than seven units in a single condominium for sale or for lease for a term exceeding 5 years, a bulk assignee or a bulk buyer must file the following documents with the division and provide such documents to a prospective purchaser or tenant:

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(a) An updated prospectus or offering circular, or a

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3375 supplement to the prospectus or offering circular, filed by the 3376 original developer prepared in accordance with s. 718.504, which 3377 must include the form of contract for sale and for lease in 3378 compliance with s. 718.503(2);

3379 (b) An updated Frequently Asked Questions and Answers 3380 sheet;

3381 (c) The executed escrow agreement if required under s. 3382 718.202; and

3383 (d) The financial information required by s. 718.111(13). 3384 However, if a financial information report did not exist before 3385 the acquisition of title by the bulk assignee or bulk buyer, and 3386 if accounting records that permit preparation of the required 3387 financial information report for that period cannot be obtained 3388 despite good faith efforts by the bulk assignee or the bulk buyer, the bulk assignee or bulk buyer is excused from the 3389 3390 requirement of this paragraph. However, the bulk assignee or 3391 bulk buyer must include in the purchase contract the following 3392 statement in conspicuous type:

> ALL OR A PORTION OF THE FINANCIAL INFORMATION REPORT REQUIRED UNDER S. 718.111(13) FOR THE TIME PERIOD BEFORE THE SELLER'S ACQUISITION OF THE UNIT IS NOT AVAILABLE OR CANNOT BE OBTAINED DESPITE THE GOOD FAITH EFFORTS OF THE SELLER.

3400 (3) A bulk assignee, while in control of the board of 3401 administration of the association, may not authorize, on behalf 3402 of the association:

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(a) The waiver of reserves or the reduction of funding of

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3404 the reserves pursuant to s. 718.112(2)(f)2., unless approved by a majority of the voting interests not controlled by the 3405 developer, bulk assignee, and bulk buyer; or 3406

3407 (b) The use of reserve expenditures for other purposes 3408 pursuant to s. 718.112(2)(f)3., unless approved by a majority of 3409 the voting interests not controlled by the developer, bulk 3410 assignee, and bulk buyer.

3411 Section 21. For the purpose of incorporating the amendment 3412 made by this act to section 719.106, Florida Statutes, in a 3413 reference thereto, subsection (24) of section 719.103, Florida 3414 Statutes, is reenacted to read:

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719.103 Definitions.-As used in this chapter:

(24) "Structural integrity reserve study" means a study of the reserve funds required for future major repairs and replacement of the cooperative property performed as required under s. 719.106(1)(k).

Section 22. For the purpose of incorporating the amendment 3421 made by this act to section 719.106, Florida Statutes, in references thereto, paragraph (a) of subsection (7) and 3423 paragraph (c) of subsection (20) of section 719.504, Florida 3424 Statutes, are reenacted to read:

3425 719.504 Prospectus or offering circular.-Every developer of 3426 a residential cooperative which contains more than 20 3427 residential units, or which is part of a group of residential 3428 cooperatives which will be served by property to be used in 3429 common by unit owners of more than 20 residential units, shall 3430 prepare a prospectus or offering circular and file it with the Division of Florida Condominiums, Timeshares, and Mobile Homes 3431 3432 prior to entering into an enforceable contract of purchase and



3433 sale of any unit or lease of a unit for more than 5 years and 3434 shall furnish a copy of the prospectus or offering circular to 3435 each buyer. In addition to the prospectus or offering circular, 3436 each buyer shall be furnished a separate page entitled 3437 "Frequently Asked Questions and Answers," which must be in 3438 accordance with a format approved by the division. This page must, in readable language: inform prospective purchasers 3439 3440 regarding their voting rights and unit use restrictions, 3441 including restrictions on the leasing of a unit; indicate 3442 whether and in what amount the unit owners or the association is 3443 obligated to pay rent or land use fees for recreational or other 3444 commonly used facilities; contain a statement identifying that 3445 amount of assessment which, pursuant to the budget, would be 3446 levied upon each unit type, exclusive of any special 3447 assessments, and which identifies the basis upon which 3448 assessments are levied, whether monthly, quarterly, or 3449 otherwise; state and identify any court cases in which the 3450 association is currently a party of record in which the 3451 association may face liability in excess of \$100,000; and state 3452 whether membership in a recreational facilities association is 3453 mandatory and, if so, identify the fees currently charged per unit type. The division shall by rule require such other 3454 3455 disclosure as in its judgment will assist prospective 3456 purchasers. The prospectus or offering circular may include more 3457 than one cooperative, although not all such units are being 3458 offered for sale as of the date of the prospectus or offering 3459 circular. The prospectus or offering circular must contain the following information: 3460

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(7) A description of the recreational and other facilities

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3462 that will be used in common with other cooperatives, community 3463 associations, or planned developments which require the payment 3464 of the maintenance and expenses of such facilities, directly or 3465 indirectly, by the unit owners. The description shall include, 3466 but not be limited to, the following:

(a) Each building and facility committed to be built and a summary description of the structural integrity of each building for which reserves are required pursuant to s. 719.106(1)(k).

3471 Descriptions shall include location, areas, capacities, numbers, 3472 volumes, or sizes and may be stated as approximations or 3473 minimums.

(20) An estimated operating budget for the cooperative and the association, and a schedule of the unit owner's expenses shall be attached as an exhibit and shall contain the following information:

(c) The estimated items of expenses of the cooperative and
the association, except as excluded under paragraph (b),
including, but not limited to, the following items, which shall
be stated as an association expense collectible by assessments
or as unit owners' expenses payable to persons other than the
association:

3484 1. Expenses for the association and cooperative: Administration of the association. 3485 а. 3486 b. Management fees. 3487 Maintenance. с. 3488 d. Rent for recreational and other commonly used areas. 3489 e. Taxes upon association property. 3490 f. Taxes upon leased areas.

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3491	g. Insurance.
3492	h. Security provisions.
3493	i. Other expenses.
3494	j. Operating capital.
3495	k. Reserves for all applicable items referenced in s.
3496	719.106(1)(k).
3497	l. Fee payable to the division.
3498	2. Expenses for a unit owner:
3499	a. Rent for the unit, if subject to a lease.
3500	b. Rent payable by the unit owner directly to the lessor or
3501	agent under any recreational lease or lease for the use of
3502	commonly used areas, which use and payment are a mandatory
3503	condition of ownership and are not included in the common
3504	expense or assessments for common maintenance paid by the unit
3505	owners to the association.
3506	Section 23. Except as otherwise provided in this act, this
3507	act shall take effect July 1, 2025.
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3510	And the title is amended as follows:
3511	Delete everything before the enacting clause
3512	and insert:
3513	A bill to be entitled
3514	An act relating to condominium and cooperative
3515	associations; amending s. 468.432, F.S.; prohibiting a
3516	person whose community association manager license is
3517	revoked from having an indirect or direct ownership
3518	interest in, or be an employee, partner, officer,
3519	director, or trustee of, a community association

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3520 management firm for a specified timeframe; requiring a 3521 licensee to create and maintain an online licensure account with the Department of Business and 3522 3523 Professional Regulation; requiring a community 3524 association manager to identify on his or her online 3525 licensure account certain information; requiring a 3526 licensee to provide specific information on his or her 3527 online licensure account; requiring that such 3528 information be updated within a specified timeframe; 3529 requiring a community association management firm to 3530 identify on its online licensure account the community 3531 association managers that it employs to provide 3532 community association management services; requiring 3533 the department to give written notice to the community 3534 association management firm and the community 3535 association if the community association manager has 3536 his or her license suspended or revoked; amending s. 3537 468.4334, F.S.; prohibiting a community association 3538 manager or a community association management firm 3539 from knowingly performing any act directed by the 3540 community association if such act violates any state 3541 or federal law; revising the contractual obligations a 3542 community association manager or a community 3543 association management firm has with the association 3544 board; requiring that such contract include a certain 3545 statement, if applicable to the type of management 3546 services provided in the contract; prohibiting such 3547 contracts from waiving or limiting certain 3548 professional practice standards; requiring a community

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3549 association to include specified information on its 3550 website or mobile application, if such association is 3551 required to maintain official records on a website or 3552 application; conforming provisions to changes made by 3553 the act; amending s. 553.899, F.S.; requiring the 3554 local enforcement agency responsible for milestone 3555 inspections to provide to the Department of Business 3556 and Professional Regulation in an electronic format 3557 certain information; specifying what information is to 3558 be provided to the department; requiring the 3559 department to contract with the University of Florida 3560 for the creation of a report that provides certain 3561 information on milestone inspections during a 3562 specified timeframe; requiring a local enforcement 3563 agency to provide the university with certain 3564 information; authorizing the university to request any 3565 additional information from a local enforcement agency 3566 required to complete the report; requiring the 3567 university to compile the report and the department to 3568 transmit the report to the Governor and the 3569 Legislature; requiring, rather than authorizing, the 3570 board of county commissioners or a municipal governing 3571 body to adopt a specified ordinance; requiring 3572 specified professionals who bid to perform a 3573 structural integrity reserve study to disclose to the 3574 association in writing their intent to bid on services 3575 related to any maintenance, repair, or replacement 3576 that may be recommended by the structural integrity 3577 reserve study; prohibiting such professionals from

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3578 having any interest in or being related to any person 3579 having any interest in the firm or entity providing 3580 the association's structural integrity reserve study 3581 unless such relationship is disclosed in writing; 3582 defining the term "relative"; providing that a 3583 contract for services is voidable and terminates upon 3584 the association filing a written notice terminating 3585 such a contract if such professionals fail to provide 3586 a written disclosure of such relationship with the 3587 firm conducting the structural integrity reserve 3588 study; providing that such professionals may be 3589 subject to discipline for failure to provide such 3590 written disclosure; amending s. 718.103, F.S.; 3591 revising the definition of the term "alternative 3592 funding method"; defining the term "videoconference"; 3593 amending s. 718.111, F.S.; requiring a community 3594 association manager or a community association 3595 management firm that contracts with a community 3596 association to possess specific licenses; providing 3597 that all board members or officers of a community 3598 association that contracts with a community 3599 association manager or a community association 3600 management firm have a duty to ensure that the 3601 community association manager or community association 3602 management firm is properly licensed before entering 3603 into a contract; authorizing a community association 3604 to terminate a contract with a community association 3605 manager or a community association management firm if 3606 the manager's or management firm's license is

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3607 suspended or revoked during the term of the contract; 3608 providing that a community association has no further 3609 contractual obligations to a community association 3610 management firm if such firm has its license suspended 3611 or revoked, effective upon the date of the license 3612 suspension or revocation; revising what items 3613 constitute the official records of the association; 3614 requiring that certain documents be posted on certain 3615 associations' websites or made available for download through an application on a mobile device within a 3616 3617 specified timeframe; revising what documents must be 3618 posted in digital format on the association's website 3619 or application; revising the timeframe in which the 3620 association must deliver a copy of the most recent 3621 financial report or a notice that a copy of the most 3622 recent financial report; revising the methods of 3623 delivery for a copy of the most recent association 3624 financial report to include electronic delivery via 3625 the Internet; requiring that an officer or a director 3626 execute an affidavit as evidence of compliance with 3627 the delivery requirement; revising how financial 3628 reports are prepared; requiring an association board 3629 to use best efforts to make prudent investment 3630 decisions in fulfilling its duty to manage operating 3631 and reserve funds of the association; authorizing an 3632 association, including a multicondominium association, 3633 to invest reserve funds in specified financial 3634 institutions; authorizing such associations to place 3635 reserve funds in other investments upon a majority

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3636 vote of the voting interests of the association; 3637 providing restrictions; prohibiting any funds not 3638 identified as reserve funds from being used for 3639 investments; requiring a board to create an investment 3640 committee composed of a specified minimum number of 3641 board members; requiring the board to adopt rules; 3642 requiring that all meetings of the investment committee be recorded and made part of the official 3643 3644 records of the association; requiring that the 3645 investment policy statement developed pursuant to 3646 certain provisions address specified issues; requiring 3647 the investment committee to recommend investment 3648 advisers to the board; requiring the board to select 3649 one of the recommended investment advisers to provide 3650 services to the association; requiring that such 3651 advisers be registered; prohibiting an investment 3652 adviser from being related to any board member, 3653 community management company, reserve study provider, or co-owner of a unit with a board member or 3654 3655 investment committee member; requiring investment 3656 advisers to comply with the prudent investor rule; 3657 requiring an adviser to act as a fiduciary to the 3658 association; providing that the investment and 3659 fiduciary standards required by the act take 3660 precedence over any conflicting law; requiring the 3661 investment committee to recommend a replacement 3662 adviser if the committee determines that an investment 3663 adviser is not meeting requirements; requiring the 3664 association to provide the investment adviser with



3665 specified financial information at least once each 3666 calendar year, or sooner if a substantial financial 3667 obligation of the association becomes known to the 3668 board; requiring the investment adviser to annually 3669 review such financial information and provide the 3670 association with a portfolio allocation model that is 3671 suitably structured and prudently designed to match 3672 projected annual reserve fund requirements and 3673 liability, assets, and liquidity requirements; 3674 requiring the investment adviser to prepare a funding 3675 projection for each reserve component, including any 3676 of the component's redundancies; requiring that a 3677 specified minimum timeframe of projected reserves in 3678 cash or cash equivalents be available to the 3679 association; authorizing a portfolio managed by an 3680 investment adviser to contain any type of investment 3681 necessary to meet the objectives in the investment 3682 policy statement; providing exceptions; requiring that 3683 any funds invested by the investment adviser be held 3684 in third-party custodial accounts that are subject to 3685 insurance coverage by the Securities Investor 3686 Protection Corporation in an amount equal to or 3687 greater than the invested amount; authorizing the 3688 investment adviser to withdraw investment fees, 3689 expenses, and commissions from invested funds; 3690 requiring the investment adviser to annually provide 3691 the association with a written certification of 3692 compliance with certain provisions and provide the 3693 association with a list of certain stocks, securities,

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3694 and other obligations; requiring the investment 3695 adviser to submit monthly, quarterly, and annual 3696 reports to the association, prepared in accordance 3697 with established financial industry standards; 3698 requiring that any principal, earnings, or interest 3699 managed be available to the association at no cost 3700 within a specified timeframe after the association's 3701 written or electronic request; requiring that 3702 unallocated income earned on reserve fund investments 3703 be spent only on specified expenditures; amending s. 3704 718.112, F.S.; authorizing an association board 3705 meeting to be conducted in person or by 3706 videoconference; requiring the Division of Florida 3707 Condominiums, Timeshares, and Mobile Homes to adopt 3708 rules; requiring that notice for board meetings 3709 conducted via videoconference contain specific 3710 information; requiring that such meetings be recorded 3711 and maintained as an official record of the 3712 association; revising how notice may be sent to unit 3713 owners; revising the distance from the condominium 3714 property within which a unit owner meeting must be 3715 held; authorizing a unit owner to vote electronically 3716 if the unit owner meeting is conducted via 3717 videoconference; authorizing unit owner meetings to be 3718 conducted in person or via videoconference; specifying 3719 what constitutes a quorum for meetings held via 3720 videoconference; requiring that the location of the 3721 meeting be provided in the association bylaws or 3722 within a specified distance from the condominium

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3723 property if the bylaws are silent; requiring that 3724 meetings held via videoconference be recorded and be 3725 maintained as an official record of the association; 3726 requiring the division to adopt rules; revising the 3727 method of serving notices of unit owner meetings; 3728 authorizing budget meetings to be conducted via 3729 videoconference; requiring the division to adopt 3730 rules; requiring that a sound transmitting device be 3731 used at such meetings for a specified purpose; 3732 revising a provision that a board proposing a budget 3733 that requires a certain special assessment against 3734 unit owners to simultaneously propose a substitute 3735 budget that meets certain requirements, rather than 3736 conduct a special meeting of the unit owners to 3737 consider a substitute budget after the adoption of the 3738 annual budget; requiring unit owners, rather than 3739 authorizing them, to consider a substitute budget; 3740 authorizing the annual budget initially proposed to be 3741 adopted by the board; revising the criteria used in 3742 determining whether assessments exceed the specified 3743 percentage of assessments of the previous fiscal year; 3744 revising the threshold for deferred maintenance 3745 expenses or replacements in reserve accounts; 3746 authorizing the members to vote to waive the 3747 maintenance of reserves recommended in the most recent 3748 structural integrity reserve study under certain 3749 circumstances; revising the provision that any 3750 association, rather than an association operating a multicondominium, may determine to provide no reserves 3751

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3752 or less reserves than required if an alternative 3753 funding method is used by the association; deleting 3754 the requirement that the division approve the funding 3755 method; providing that specified reserves may be 3756 funded by regular assessments, special assessments, 3757 lines of credit, or loans under certain circumstances; 3758 authorizing a unit-owner-controlled association that 3759 is required to have a structural reserve study to 3760 obtain a line of credit or a loan to fund capital 3761 expenses required by a milestone inspection or a 3762 structural integrity reserve study; requiring that 3763 such line of credit or loan be approved by a majority 3764 of the total voting interests of the association; 3765 requiring that such line of credit or loan be 3766 sufficient to fund the cumulative amount of any 3767 previously waived or unfunded portions of the reserve 3768 funding amount and the most recent structural 3769 integrity reserve study; requiring that funding from 3770 the line of credit or loan be immediately available 3771 for access by the board for a specified purpose; 3772 requiring that such lines of credit or loans be 3773 included in the association's financial report; 3774 deleting a requirement that the majority of the 3775 members must approve of the board pausing 3776 contributions to the association's reserves for a 3777 specified purpose; authorizing the board to 3778 temporarily pause reserve fund contributions or reduce 3779 the amount of reserve funding for a specified purpose 3780 for a budget adopted on or before a specified date if

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3781 the association has completed a milestone inspection 3782 within a specified timeframe and such inspection 3783 recommended certain repairs; requiring that such 3784 temporary pause or reduction be approved by a majority 3785 of the total voting interests of the association; 3786 providing applicability; requiring associations that 3787 have paused or reduced their reserve funding to have a 3788 structural integrity reserve study performed before the continuation of reserve contributions for 3789 3790 specified purposes; providing that a vote of the 3791 members is not required for the board to change the 3792 accounting method for reserves to specified accounting 3793 methods; revising the items to be included in a 3794 structural integrity reserve study; requiring 3795 specified design professionals or contractors who bid 3796 to perform a structural integrity reserve study to 3797 disclose in writing to the association their intent to 3798 bid on any services related to the maintenance, 3799 repair, or replacement that may be recommended by the 3800 structural integrity reserve study; prohibiting such 3801 professionals or contractors from having any interest 3802 in or being related to any person having any interest 3803 in the firm or entity providing the association's 3804 structural integrity reserve study unless such 3805 relationship is disclosed in writing; defining the 3806 term "relative"; providing that a contract for 3807 services is voidable and terminates upon the 3808 association filing a written notice terminating such a 3809 contract if such professional or contractor fails to

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3810 provide a written disclosure of such relationship with 3811 the firm conducting the structural integrity reserve study; providing that such professional or contractor 3812 3813 may be subject to discipline for his or her failure to 3814 provide such written disclosure; requiring that a 3815 structural integrity reserve study include a 3816 recommendation for a reserve funding schedule based on 3817 specified criteria; authorizing the study to recommend 3818 other types of reserve funding schedules, provided 3819 each recommended schedule is sufficient to meet the 3820 association's maintenance obligations; requiring that 3821 reserves not required for certain items be separately 3822 identified as such in the structural integrity reserve 3823 study; requiring the structural integrity reserve 3824 study to take into consideration the funding method or 3825 methods used by the association to fund its 3826 maintenance and reserve funding obligations through 3827 regular assessments, special assessments, loans, or 3828 lines of credit; requiring a structural integrity 3829 reserve study that has been performed before the 3830 approval of a special assessment or the securing of a 3831 line of credit or a loan to be updated to reflect 3832 certain information regarding the reserve funding 3833 schedule; authorizing a structural integrity reserve 3834 study to be updated to reflect changes in the useful 3835 life of the reserve items after such items are 3836 repaired or replaced, and the effect of such repair or 3837 replacement will have on the reserve funding schedule; 3838 requiring an association to obtain an updated

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3839 structural integrity reserve study before adopting any 3840 budget in which the reserve funding from regular 3841 assessments, special assessments, loans, or lines of 3842 credit do not align with the funding plan of the most 3843 recent version of the structural integrity reserve 3844 study; authorizing an association to delay a required 3845 structural integrity reserve study for a specified 3846 timeframe if it has completed a milestone inspection 3847 or similar inspection, for a specified purpose; 3848 requiring an officer or director of an association to 3849 sign an affidavit acknowledging receipt of the 3850 completed structural integrity reserve study; 3851 requiring the division to adopt rules for the form for 3852 the structural integrity reserve study in coordination 3853 with the Florida Building Commission; making technical 3854 changes; amending s. 718.501, F.S.; revising the 3855 duties of the Division of Florida Condominiums, 3856 Timeshares, and Mobile Homes regarding investigation 3857 of complaints; requiring condominium associations to 3858 create and maintain an online account with the 3859 division; requiring board members to maintain accurate 3860 contact information on file with the division; 3861 requiring the division to adopt rules; requiring all condominium associations to create and maintain an 3862 3863 online account with the division; requiring all 3864 condominium associations to provide specified 3865 information to the division by a specified date; 3866 requiring that such information be updated within a specified timeframe; requiring the division to adopt 3867



3868 rules; authorizing the division to require condominium 3869 associations to provide information to the division; 3870 specifying the information to be provided to the 3871 division; amending s. 718.503, F.S.; revising the 3872 disclosures that must be included in a contract for 3873 the sale and resale of a residential unit; amending s. 8 of chapter 2024-244, Laws of Florida, as amended; 3874 3875 revising the documents required to be posted on 3876 certain associations' websites or be made available 3877 through download using an application on a mobile 3878 device; amending s. 31 of chapter 2024-244, Laws of 3879 Florida; revising applicability; amending s. 719.104, 3880 F.S.; requiring a board to use best efforts to make 3881 prudent investment decisions in fulfilling its duty to 3882 manage operating and reserve funds of the cooperative 3883 association; authorizing an association to invest 3884 reserve funds in specified financial institutions; 3885 authorizing such associations to place reserve funds 3886 in other investments upon a majority vote of the 3887 voting interests of the association; providing 3888 restrictions; prohibiting any funds not identified as reserve funds from being used for investments; 3889 3890 providing applicability; requiring a board to create 3891 an investment committee composed of a specified 3892 minimum number of board members; requiring the board 3893 to adopt rules; requiring that all meetings of the 3894 investment committee be recorded and made part of the 3895 official records of the association; requiring that 3896 the investment policy statement developed pursuant to

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3897 certain provisions address specified issues; requiring 3898 the investment committee to recommend investment 3899 advisers to the board; requiring the board to select 3900 one of the recommended investment advisers to provide 3901 services to the association; requiring such advisers 3902 to be registered; prohibiting an investment adviser 3903 from being related to any board member, community 3904 management company, reserve study provider, or coowner of a unit with a board member or investment 3905 3906 committee member; requiring investment advisers to 3907 comply with the prudent investor rule; requiring an 3908 adviser to act as a fiduciary to the association; 3909 providing that the investment and fiduciary standards 3910 required by the act take precedence over any 3911 conflicting law; requiring the investment committee to 3912 recommend a replacement adviser if the committee 3913 determines that an investment adviser is not meeting 3914 requirements; requiring the association to provide the 3915 investment adviser with specified financial 3916 information at least once each calendar year, or 3917 sooner if a substantial financial obligation of the 3918 association becomes known to the board; requiring the 3919 investment adviser to annually review such financial 3920 information and provide the association with a 3921 portfolio allocation model that is suitably structured 3922 and prudently designed to match projected annual 3923 reserve fund requirements and liability, assets, and 3924 liquidity requirements; requiring the investment 3925 adviser to prepare a funding projection for each



3926 reserve component, including any of the component's 3927 redundancies; requiring that a specified minimum 3928 timeframe of projected reserves in cash or cash 3929 equivalents be available to the association; 3930 authorizing a portfolio managed by an investment 3931 adviser to contain any type of investment necessary to 3932 meet the objectives in the investment policy 3933 statement; providing exceptions; requiring that any 3934 funds invested by the investment adviser be held in 3935 third-party custodial accounts that are subject to 3936 insurance coverage by the Securities Investor 3937 Protection Corporation in an amount equal to or 3938 greater than the invested amount; authorizing the 3939 investment adviser to withdraw investment fees, 3940 expenses, and commissions from invested funds; 3941 requiring the investment adviser to annually provide the association with a written certification of 3942 3943 compliance with certain provisions and provide the 3944 association with a list of certain stocks, securities, 3945 and other obligations; requiring the investment 3946 adviser to submit monthly, quarterly, and annual 3947 reports to the association, prepared in accordance 3948 with established financial industry standards; 3949 requiring that any principal, earnings, or interest 3950 managed be available to the association at no cost 3951 within a specified timeframe after the association's 3952 written or electronic request; requiring that 3953 unallocated income earned on reserve fund investments be spent only on specified expenditures; amending s. 3954

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3955 719.106, F.S.; revising the deferred maintenance 3956 expense or replacement costs threshold that must be in 3957 reserve accounts; authorizing the board to pause 3958 contributions to its reserves or reduce reserve funding if a local building official determines the 3959 3960 entire cooperative building is uninhabitable due to a 3961 natural emergency; authorizing any reserve account 3962 fund held by the association to be expended to make 3963 the cooperative building and its structures habitable, 3964 pursuant to the board's determination; requiring the 3965 association to immediately resume contributing funds 3966 to its reserves once the local building official 3967 determines that the cooperative building is habitable; 3968 authorizing certain reserves be funded by regular 3969 assessments, special assessments, lines of credit, or 3970 loans under certain circumstances; authorizing a unitowner-controlled association to obtain a line of 3971 3972 credit or a loan to fund capital expenses required by 3973 a milestone inspection or a structural integrity 3974 reserve study; requiring that such lines of credit or 3975 loans be approved by a majority vote of the total 3976 voting interests of the association; requiring that 3977 such lines of credit or loans be sufficient to fund 3978 the cumulative amount of any previously waived or 3979 unfunded portion of the reserve funding amount and 3980 most recent structural integrity reserve study; 3981 requiring that funding from such lines of credit or 3982 loans be immediately available for access by the board 3983 for a specified purpose; authorizing the board to

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3984 temporarily pause reserve fund contributions or reduce 3985 the amount of reserve funding for a specified purpose 3986 for a budget adopted on or before a specified date if 3987 the association has completed a milestone inspection 3988 within a specified timeframe; requiring that such 3989 temporary pause or reduction be approved by a majority 3990 of the total voting interests of the association; 3991 providing applicability; requiring associations that 3992 have paused or reduced their reserve funding 3993 contributions to have a structural integrity reserve 3994 study performed before the continuation of reserve 3995 contributions for specified purposes; providing that a 3996 vote of the members is not required for the board to 3997 change the accounting method for reserves to specified 3998 accounting methods; requiring specified design 3999 professionals or contractors who bid to perform a 4000 structural integrity reserve study to disclose in 4001 writing to the association their intent to bid on any 4002 services related to the maintenance, repair, or 4003 replacement that may be recommended by the structural 4004 integrity reserve study; prohibiting such 4005 professionals or contractors from having any interest 4006 in or being related to any person having any interest 4007 in the firm or entity providing the association's 4008 structural integrity reserve study unless such 4009 relationship is disclosed in writing; defining the 4010 term "relative"; providing that a contract for services is voidable and terminates upon the 4011 4012 association filing a written notice terminating such a

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4013 contract if such professional or contractor fails to 4014 provide a written disclosure of such relationship with 4015 the firm conducting the structural integrity reserve 4016 study; providing that such professional or contractor 4017 may be subject to discipline for his or her failure to 4018 provide such written disclosure; requiring that a 4019 structural integrity reserve study include a 4020 recommendation for a reserve funding schedule based on 4021 specified criteria; authorizing the study to recommend 4022 other types of reserve funding schedules, provided 4023 each recommended schedule is sufficient to meet the 4024 association's maintenance obligation; requiring that 4025 reserves not required for certain items be separately 4026 identified as such in the structural integrity reserve 4027 study; requiring the structural integrity reserve 4028 study to take into consideration the funding method or 4029 methods used by the association to fund its 4030 maintenance and reserve funding obligations through 4031 regular assessments, special assessments, lines of 4032 credit, or loans; requiring a structural integrity 4033 reserve study that has been performed before the 4034 approval of a special assessment or the securing of a 4035 line of credit or a loan to be updated to reflect 4036 certain information regarding the reserve funding 4037 schedule; authorizing a structural integrity reserve 4038 study to be updated to reflect changes in the useful 4039 life of the reserve items after such items are 4040 repaired or replaced, and the effect of such repair or replacement will have on the reserve funding schedule; 4041

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4042 requiring an association to obtain an updated 4043 structural integrity reserve study before adopting any budget in which the reserve funding from regular 4044 4045 assessments, special assessments, lines of credit, or 4046 loans do not align with the funding plan of the most 4047 recent version of the structural integrity reserve 4048 study; authorizing an association to delay a required 4049 structural integrity reserve study for a specified 4050 timeframe if it has completed a milestone inspection 4051 or similar inspection, for a specified purpose; 4052 requiring an officer or a director of the association 4053 to sign an affidavit acknowledging receipt of the 4054 completed structural integrity reserve study; 4055 requiring the division to adopt by rule the form for 4056 the structural integrity reserve study in coordination 4057 with the Florida Building Commission; amending s. 4058 719.501, F.S.; requiring a cooperative association to create and maintain an online account with the 4059 4060 division; requiring board members to maintain accurate 4061 contact information on file with the division; 4062 requiring the division to adopt rules; authorizing the 4063 division to require cooperative associations to 4064 provide information to the division no more than once 4065 per year; providing an exception; requiring the 4066 division to provide associations a specified timeframe 4067 to provide any required information; specifying the 4068 information the division may request; amending s. 4069 719.503, F.S.; revising the disclosures that must be 4070 included in a contract for the sale and resale of an

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4071 interest in a cooperative; amending s. 914.21, F.S.; 4072 revising the definition of the term "official 4073 investigation"; providing appropriations; reenacting 4074 s. 721.13(3)(e), F.S., relating to management, to 4075 incorporate the amendment made to s. 718.111, F.S., in 4076 a reference thereto; reenacting ss. 718.504(7)(a) and 4077 (21) (c) and 718.618(1)(d), F.S., relating to 4078 prospectus or offering circulars and converter reserve 4079 accounts and warranties, respectively, to incorporate 4080 the amendment made to s. 718.112, F.S., in references 4081 thereto; reenacting s. 718.706(1) and (3), F.S., 4082 relating to specific provisions pertaining to offering 4083 of units by bulk assignees or bulk buyers, to 4084 incorporate the amendments made to ss. 718.111, 4085 718.112, and 718.503, F.S., in references thereto; 4086 reenacting ss. 719.103(24) and 719.504(7)(a) and 4087 (20) (c), F.S., relating to definitions and prospectus 4088 or offering circulars, respectively, to incorporate 4089 the amendment made to s. 719.106, F.S., in references 4090 thereto; providing effective dates.