

**By** the Committee on Regulated Industries; and Senators Gruters and Rodriguez

580-02715-26

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A bill to be entitled

An act relating to community association management; amending ss. 718.111, 718.405, 719.106, and 720.303, F.S.; requiring certain community associations to contract with a community association management firm or a community association manager certified by the Community Association Managers International Certification Board as a Certified Manager of Community Associations or by the Community Associations Institute as an Association Management Specialist or a Professional Community Association Manager; requiring the community association management firm or certified community association manager to possess all applicable licenses; providing that association board members, officers, and directors have a duty to ensure such community association management firm or community association manager is properly licensed; requiring that such community association managers also be certified; providing an effective date.

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

Section 1. Paragraph (g) of subsection (3) of section 718.111, Florida Statutes, is amended to read:

718.111 The association.—

(3) POWER TO MANAGE CONDOMINIUM PROPERTY AND TO CONTRACT, SUE, AND BE SUED; CONFLICT OF INTEREST.—

(g) If an association contracts with a community

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30 association manager or a community association management firm,  
31 the community association manager or community association  
32 management firm must possess all applicable licenses required by  
33 part VIII of chapter 468. An association with total annual  
34 revenues of \$750,000 or more and consisting of 100 or more units  
35 must contract with a community association management firm or a  
36 community association manager certified by the Community  
37 Association Managers International Certification Board as a  
38 Certified Manager of Community Associations or by the Community  
39 Associations Institute as an Association Management Specialist  
40 or a Professional Community Association Manager. Each board  
41 member or officer All board members or officers of an  
42 association that contracts with a community association manager  
43 or a community association management firm has have a duty to  
44 ensure that the community association manager or community  
45 association management firm is properly licensed and certified  
46 before entering into a contract.

47 Section 2. Subsection (6) is added to section 718.405,  
48 Florida Statutes, to read:

49 718.405 Multicondominiums; multicondominium associations.—  
50 (6) An association operating a multicondominium with total  
51 annual revenues of \$750,000 or more and consisting of 100 or  
52 more units must contract with a community association management  
53 firm or a community association manager certified by the  
54 Community Association Managers International Certification Board  
55 as a Certified Manager of Community Associations or by the  
56 Community Associations Institute as an Association Management  
57 Specialist or a Professional Community Association Manager. The  
58 community association manager or community association

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59 management firm must possess all applicable licenses required by  
60 part VIII of chapter 468. Each board member or officer of an  
61 association that contracts with a community association manager  
62 or a community association management firm has a duty to ensure  
63 that the community association manager or community association  
64 management firm is properly licensed and certified before  
65 entering into a contract.

66 Section 3. Paragraph (a) of subsection (1) of section  
67 719.106, Florida Statutes, is amended to read:

68 719.106 Bylaws; cooperative ownership.—

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

72 (a) *Administration.*—

73 1. The form of administration of the association shall be  
74 described, indicating the titles of the officers and board of  
75 administration and specifying the powers, duties, manner of  
76 selection and removal, and compensation, if any, of officers and  
77 board members. In the absence of such a provision, the board of  
78 administration shall be composed of five members, unless the  
79 cooperative has five or fewer units. The board shall be composed  
80 ~~consist~~ of not fewer than three members in cooperatives with  
81 five or fewer units that are not-for-profit corporations. In a  
82 residential cooperative association of more than 10 units, co-  
83 owners of a unit may not serve as members of the board of  
84 directors at the same time unless the co-owners own more than  
85 one unit or unless there are not enough eligible candidates to  
86 fill the vacancies on the board at the time of the vacancy. In  
87 the absence of provisions to the contrary, the board of

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88 administration shall have a president, a secretary, and a  
89 treasurer, who shall perform the duties of those offices  
90 customarily performed by officers of corporations. Unless  
91 prohibited in the bylaws, the board of administration may  
92 appoint other officers and grant them those duties it deems  
93 appropriate. Unless otherwise provided in the bylaws, the  
94 officers shall serve without compensation and at the pleasure of  
95 the board. Unless otherwise provided in the bylaws, the members  
96 of the board shall serve without compensation.

97 2. A person who has been suspended or removed by the  
98 division under this chapter, or who is delinquent in the payment  
99 of any monetary obligation due to the association, is not  
100 eligible to be a candidate for board membership and may not be  
101 listed on the ballot. A director or officer charged by  
102 information or indictment with a felony theft or embezzlement  
103 offense involving the association's funds or property is  
104 suspended from office. The board shall fill the vacancy  
105 according to general law until the end of the period of the  
106 suspension or the end of the director's term of office,  
107 whichever occurs first. However, if the charges are resolved  
108 without a finding of guilt or without acceptance of a plea of  
109 guilty or nolo contendere, the director or officer shall be  
110 reinstated for any remainder of his or her term of office. A  
111 member who has such criminal charges pending may not be  
112 appointed or elected to a position as a director or officer. A  
113 person who has been convicted of any felony in this state or in  
114 any United States District Court, or who has been convicted of  
115 any offense in another jurisdiction which would be considered a  
116 felony if committed in this state, is not eligible for board

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117 membership unless such felon's civil rights have been restored  
118 for at least 5 years as of the date such person seeks election  
119 to the board. The validity of an action by the board is not  
120 affected if it is later determined that a board member is  
121 ineligible for board membership due to having been convicted of  
122 a felony.

123 3. When a unit owner files a written inquiry by certified  
124 mail with the board of administration, the board shall respond  
125 in writing to the unit owner within 30 days after ~~of~~ receipt of  
126 the inquiry. The board's response shall either give a  
127 substantive response to the inquirer, notify the inquirer that a  
128 legal opinion has been requested, or notify the inquirer that  
129 advice has been requested from the division. If the board  
130 requests advice from the division, the board shall, within 10  
131 days after ~~of~~ its receipt of the advice, provide in writing a  
132 substantive response to the inquirer. If a legal opinion is  
133 requested, the board shall, within 60 days after the receipt of  
134 the inquiry, provide in writing a substantive response to the  
135 inquirer. The failure to provide a substantive response to the  
136 inquirer as provided herein precludes the board from recovering  
137 attorney's fees and costs in any subsequent litigation,  
138 administrative proceeding, or arbitration arising out of the  
139 inquiry. The association may, through its board of  
140 administration, adopt reasonable rules and regulations regarding  
141 the frequency and manner of responding to the unit owners'  
142 inquiries, one of which may be that the association is obligated  
143 to respond to only one written inquiry per unit in any given 30-  
144 day period. In such case, any additional inquiry or inquiries  
145 must be responded to in the subsequent 30-day period, or

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146 periods, as applicable.

147 4. An association with total annual revenues of \$750,000 or  
148 more and consisting of 100 or more units must contract with a  
149 community association management firm or a community association  
150 manager certified by the Community Association Managers  
151 International Certification Board as a Certified Manager of  
152 Community Associations or by the Community Associations  
153 Institute as an Association Management Specialist or a  
154 Professional Community Association Manager. The community  
155 association manager or community association management firm  
156 must possess all applicable licenses required by part VIII of  
157 chapter 468.

158 5. Each board member or officer of an association that  
159 contracts with a community association manager or a community  
160 association management firm has a duty to ensure that the  
161 community association manager or community association  
162 management firm is properly licensed and certified before  
163 entering into a contract.

164 Section 4. Subsection (1) of section 720.303, Florida  
165 Statutes, is amended to read:

166 720.303 Association powers and duties; meetings of board;  
167 official records; budgets; financial reporting; association  
168 funds; recalls.—

169 (1) POWERS AND DUTIES.—An association that operates a  
170 community as defined in s. 720.301 must be operated by an  
171 association that is a Florida corporation. After October 1,  
172 1995, the association must be incorporated and the initial  
173 governing documents must be recorded in the official records of  
174 the county in which the community is located. An association may

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175 operate more than one community. An association with total  
176 annual revenues of \$750,000 or more and consisting of 100 or  
177 more parcels must contract with a community association  
178 management firm or a community association manager certified by  
179 the Community Association Managers International Certification  
180 Board as a Certified Manager of Community Associations or by the  
181 Community Associations Institute as an Association Management  
182 Specialist or a Professional Community Association Manager. The  
183 community association manager or community association  
184 management firm must possess all applicable licenses required by  
185 part VIII of chapter 468. The officers and directors of an  
186 association are subject to s. 617.0830 and have a fiduciary  
187 relationship to the members who are served by the association.  
188 Each officer and director of an association that contracts with  
189 a community association manager or a community association  
190 management firm has a duty to ensure that the community  
191 association manager or community association management firm is  
192 properly licensed and certified before entering into a contract.  
193 The powers and duties of an association include those set forth  
194 in this chapter and, except as expressly limited or restricted  
195 in this chapter, those set forth in the governing documents.  
196 After control of the association is obtained by members other  
197 than the developer, the association may institute, maintain,  
198 settle, or appeal actions or hearings in its name on behalf of  
199 all members concerning matters of common interest to the  
200 members, including, but not limited to, the common areas; roof  
201 or structural components of a building, or other improvements  
202 for which the association is responsible; mechanical,  
203 electrical, or plumbing elements serving an improvement or

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204 building for which the association is responsible;  
205 representations of the developer pertaining to any existing or  
206 proposed commonly used facility; and protest of ad valorem taxes  
207 on commonly used facilities. The association may defend actions  
208 in eminent domain or bring inverse condemnation actions. Before  
209 commencing litigation against any party in the name of the  
210 association involving amounts in controversy in excess of  
211 \$100,000, the association must obtain the affirmative approval  
212 of a majority of the voting interests at a meeting of the  
213 membership at which a quorum has been attained. This subsection  
214 does not limit any statutory or common-law right of any  
215 individual member or class of members to bring any action  
216 without participation by the association. A member does not have  
217 authority to act for the association by virtue of being a  
218 member. An association may have more than one class of members  
219 and may issue membership certificates. An association of 15 or  
220 fewer parcel owners may enforce only the requirements of those  
221 deed restrictions established prior to the purchase of each  
222 parcel upon an affected parcel owner or owners.

223 Section 5. This act shall take effect January 1, 2027.