

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

580-02715-26

2026822c1

association manager or a community association management firm,
the community association manager or community association
management firm must possess all applicable licenses required by
part VIII of chapter 468. An association with total annual
revenues of \$750,000 or more and consisting of 100 or more units
must 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. Each board
member or officer ~~All board members or officers~~ of an
association that contracts with a community association manager
or a community association management firm has ~~have~~ a duty to
ensure that the community association manager or community
association management firm is properly licensed and certified
before entering into a contract.

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

718.405 Multicondominiums; multicondominium associations.—

(6) An association operating a multicondominium with total
annual revenues of \$750,000 or more and consisting of 100 or
more units must 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. The
community association manager or community association

580-02715-26

2026822c1

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

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

719.106 Bylaws; cooperative ownership.—

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

(a) *Administration.*—

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

580-02715-26

2026822c1

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

580-02715-26

2026822c1

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

580-02715-26

2026822c1

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

580-02715-26

2026822c1

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

580-02715-26

2026822c1

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.