

By the Committees on Fiscal Policy; and Regulated Industries;
and Senators Bradley and DiCeglie

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1 A bill to be entitled
2 An act relating to condominium and cooperative
3 associations; amending s. 468.4334, F.S.; revising the
4 circumstances under which community association
5 managers or management firms must comply with a
6 specified provision; amending s. 553.899, F.S.;
7 revising legislative findings; revising the definition
8 of the terms "milestone inspection" and "substantial
9 structural deterioration"; revising who must have
10 milestone inspections performed for buildings;
11 revising the deadline for milestone inspections of
12 certain buildings; authorizing local enforcement
13 agencies to make certain determinations relating to
14 milestone inspections after a building reaches a
15 specified age; authorizing local enforcement agencies
16 to extend deadlines for milestone inspections under
17 certain circumstances; authorizing local enforcement
18 agencies to accept certain inspection reports under
19 certain circumstances; deeming the inspections
20 relating to such inspection reports a milestone
21 inspection for certain purposes; revising costs that
22 condominium and cooperative associations are
23 responsible for; revising requirements relating to
24 written notice of required inspections; requiring
25 architects or engineers performing milestone
26 inspections to submit a specified progress report to a
27 local enforcement agency within a specified timeframe
28 under certain circumstances; specifying that
29 associations must distribute copies of certain

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30 inspection reports within a specified timeframe and in
31 a specified manner; authorizing municipal governing
32 bodies to adopt certain ordinances relating to
33 association repairs; requiring the Florida Building
34 Commission to adopt rules by a specified date;
35 providing requirements for such rules; conforming
36 provisions; amending s. 627.351, F.S.; revising
37 requirements relating to the purchase of flood
38 insurance as a condition for maintaining certain
39 policies issued by the Citizens Property Insurance
40 Corporation; amending s. 718.103, F.S.; defining the
41 term "alternative funding method"; revising the
42 definition of the term "structural integrity reserve
43 study"; amending s. 718.111, F.S.; making a technical
44 change; amending s. 718.112, F.S.; revising
45 condominium association reserve account requirements;
46 revising requirements relating to waiving reserve
47 requirements or providing less reserves than required
48 by law; revising requirements relating to using
49 reserve funds or interest accrued on reserve funds for
50 certain purposes; revising requirements for structural
51 integrity reserve studies; providing applicability;
52 conforming provisions to changes made by the act;
53 amending s. 718.1255, F.S.; revising the definition of
54 the term "dispute"; specifying that certain disputes
55 are not subject to nonbinding arbitration and must be
56 submitted to presuit mediation; amending s. 718.113,
57 F.S.; revising requirements relating to maintenance,
58 repair, and replacement of common elements and

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59 condominium property; amending s. 718.503, F.S.;
60 revising the documents developers are required to
61 provide to prospective buyers or lessees; requiring
62 specified disclosures relating to milestone
63 inspections and structural integrity reserve studies
64 for certain contracts entered into after a specified
65 date; amending s. 719.103, F.S.; revising the
66 definition of the term "structural integrity reserve
67 study"; amending s. 719.104, F.S.; revising rights
68 relating to the official records of a cooperative
69 association; providing maintenance requirements for
70 cooperative associations; amending s. 719.106, F.S.;
71 revising cooperative association reserve account
72 requirements; revising requirements relating to
73 waiving reserve requirements or providing less
74 reserves than required by law; revising a prohibition
75 on using reserve funds or interest accrued on reserve
76 funds for certain purposes; revising requirements for
77 structural integrity reserve studies; providing
78 applicability; conforming provisions to changes made
79 by the act; amending s. 719.503, F.S.; revising the
80 types of documents developers are required to provide
81 to prospective buyers and lessees; requiring specified
82 disclosures relating to milestone inspections and
83 structural integrity reserve studies for certain
84 contracts entered into after a specified date;
85 amending ss. 558.002, 718.116, and 720.3085, F.S.;
86 conforming cross-references; reenacting s. 719.1255,
87 F.S., relating to alternative resolution of disputes,

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88 to incorporate amendments made to s. 718.1255, F.S.,
 89 in a reference thereto; reenacting ss. 718.501(1)(f)
 90 and 719.501(1)(f), F.S., relating to the rulemaking
 91 authority of the Division of Florida Condominiums,
 92 Timeshares, and Mobile Homes of the Department of
 93 Business and Professional Regulation; providing
 94 appropriations; providing effective dates.

95

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

97

98 Section 1. Paragraph (b) of subsection (1) of section
 99 468.4334, Florida Statutes, is amended to read:

100 468.4334 Professional practice standards; liability.—

101 (1)

102 (b) If a community association manager or a community
 103 association management firm has a contract with a community
 104 association that ~~has a building on the association's property~~
 105 ~~that~~ is subject to s. 553.899, the community association manager
 106 or the community association management firm must comply with
 107 that section as directed by the board.

108 Section 2. Subsections (1) through (6), paragraph (b) of
 109 subsection (7), and subsections (8), (9), (11), and (12) of
 110 section 553.899, Florida Statutes, are amended to read:

111 553.899 Mandatory structural inspections for condominium
 112 and cooperative buildings.—

113 (1) The Legislature finds that maintaining the structural
 114 integrity of a building throughout the life of the building ~~its~~
 115 ~~service life~~ is of paramount importance in order to ensure that
 116 buildings are structurally sound so as to not pose a threat to

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117 the public health, safety, or welfare. As such, the Legislature
118 finds that the imposition of a statewide structural inspection
119 program for aging condominium and cooperative buildings in this
120 state is necessary to ensure that such buildings are safe for
121 continued use.

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

123 (a) "Milestone inspection" means a structural inspection of
124 a building, including an inspection of load-bearing elements
125 ~~walls~~ and the primary structural members and primary structural
126 systems as those terms are defined in s. 627.706, by an a
127 ~~licensed~~ architect licensed under chapter 481 or engineer
128 licensed under chapter 471 authorized to practice in this state
129 for the purposes of attesting to the life safety and adequacy of
130 the structural components of the building and, to the extent
131 reasonably possible, determining the general structural
132 condition of the building as it affects the safety of such
133 building, including a determination of any necessary
134 maintenance, repair, or replacement of any structural component
135 of the building. The purpose of such inspection is not to
136 determine if the condition of an existing building is in
137 compliance with the Florida Building Code or the firesafety
138 code. The milestone inspection services may be provided by a
139 team of professionals with an architect or engineer acting as a
140 registered design professional in responsible charge with all
141 work and reports signed and sealed by the appropriate qualified
142 team member.

143 (b) "Substantial structural deterioration" means
144 substantial structural distress or substantial structural
145 weakness that negatively affects a building's general structural

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146 condition and integrity. The term does not include surface
147 imperfections such as cracks, distortion, sagging, deflections,
148 misalignment, signs of leakage, or peeling of finishes unless
149 the licensed engineer or architect performing the phase one or
150 phase two inspection determines that such surface imperfections
151 are a sign of substantial structural deterioration.

152 (3)(a) An owner or owners of a building that is three
153 stories or more in height as determined by the Florida Building
154 Code and that is subject, in whole or in part, to the
155 condominium or cooperative form of ownership as a residential
156 condominium ~~association~~ under chapter 718 or and a residential
157 cooperative ~~association~~ under chapter 719 must have a milestone
158 inspection performed ~~for each building that is three stories or~~
159 ~~more in height~~ by December 31 of the year in which the building
160 reaches 30 years of age, based on the date the certificate of
161 occupancy for the building was issued, and every 10 years
162 thereafter. ~~If a building reaches 30 years of age before~~
163 ~~December 31, 2024, the building's initial milestone inspection~~
164 ~~must be performed before December 31, 2024. If the date of~~
165 ~~issuance for the certificate of occupancy is not available, the~~
166 ~~date of issuance of the building's certificate of occupancy~~
167 ~~shall be the date of occupancy evidenced in any record of the~~
168 ~~local building official.~~

169 (b) The local enforcement agency may determine that local
170 circumstances, including environmental conditions such as
171 proximity to salt water as defined in s. 379.101, require that
172 ~~If the building is located within 3 miles of a coastline as~~
173 ~~defined in s. 376.031, the condominium association or~~
174 ~~cooperative association must have a milestone inspection~~ must be

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175 performed by December 31 of the year in which the building
176 reaches 25 years of age, based on the date the certificate of
177 occupancy for the building was issued, and every 10 years
178 thereafter.

179 (c) The local enforcement agency may extend the date by
180 which a building's initial milestone inspection must be
181 completed upon a showing of good cause by the owner or owners of
182 the building that the inspection cannot be timely completed, if
183 the owner or owners have entered into a contract with an
184 architect or engineer to perform the milestone inspection and
185 the inspection cannot reasonably be completed before the
186 deadline or other circumstance to justify an extension.

187 (d) The local enforcement agency may accept an inspection
188 report prepared by a licensed engineer or architect for a
189 structural integrity and condition inspection of a building
190 performed before July 1, 2022, if the inspection and report
191 substantially comply with the requirements of this section.

192 Notwithstanding when such inspection was completed, the
193 condominium or cooperative association must comply with the unit
194 owner notice requirements in subsection (9). The inspection for
195 which an inspection report is accepted by the local enforcement
196 agency under this paragraph is deemed a milestone inspection for
197 the applicable requirements in chapters 718 and 719.

198 (4) The milestone inspection report must be arranged by a
199 condominium or cooperative association and any owner of any
200 portion of the building which is not subject to the condominium
201 or cooperative form of ownership. The condominium association or
202 cooperative association and any owner of any portion of the
203 building which is not subject to the condominium or cooperative

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204 form of ownership are each ~~must arrange for the milestone~~
 205 ~~inspection to be performed and is~~ responsible for ensuring
 206 compliance with the requirements of this section. The
 207 condominium association or cooperative association is
 208 responsible for all costs associated with the milestone
 209 inspection attributable to the portions of a building which the
 210 association is responsible to maintain under the governing
 211 documents of the association. This section ~~subsection~~ does not
 212 apply to a single-family, two-family, or three-family dwelling
 213 with three or fewer habitable stories above ground.

214 ~~(4) If a milestone inspection is required under this~~
 215 ~~section and the building's certificate of occupancy was issued~~
 216 ~~on or before July 1, 1992, the building's initial milestone~~
 217 ~~inspection must be performed before December 31, 2024. If the~~
 218 ~~date of issuance for the certificate of occupancy is not~~
 219 ~~available, the date of issuance of the building's certificate of~~
 220 ~~occupancy shall be the date of occupancy evidenced in any record~~
 221 ~~of the local building official.~~

222 (5) Upon determining that a building must have a milestone
 223 inspection, the local enforcement agency must provide written
 224 notice of such required inspection to the condominium
 225 association, ~~or~~ cooperative association, or any owner of any
 226 portion of the building which is not subject to the condominium
 227 or cooperative form of ownership, as applicable, by certified
 228 mail, return receipt requested.

229 (6) Phase one of the milestone inspection must be completed
 230 within 180 days after the owner or owners of the building
 231 receive receiving the written notice under subsection (5), ~~the~~
 232 ~~condominium association or cooperative association must complete~~

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233 ~~phase one of the milestone inspection.~~ For purposes of this
234 section, completion of phase one of the milestone inspection
235 means the licensed engineer or architect who performed the phase
236 one inspection submitted the inspection report by e-mail, United
237 States Postal Service, or commercial delivery service to the
238 local enforcement agency.

239 (7) A milestone inspection consists of two phases:

240 (b) A phase two of the milestone inspection must be
241 performed if any substantial structural deterioration is
242 identified during phase one. A phase two inspection may involve
243 destructive or nondestructive testing at the inspector's
244 direction. The inspection may be as extensive or as limited as
245 necessary to fully assess areas of structural distress in order
246 to confirm that the building is structurally sound and safe for
247 its intended use and to recommend a program for fully assessing
248 and repairing distressed and damaged portions of the building.
249 When determining testing locations, the inspector must give
250 preference to locations that are the least disruptive and most
251 easily repairable while still being representative of the
252 structure. If a phase two inspection is required, within 180
253 days after submitting a phase one inspection report the
254 architect or engineer performing the phase two inspection must
255 submit a phase two progress report to the local enforcement
256 agency with a timeline for completion of the phase two
257 inspection. An inspector who completes a phase two milestone
258 inspection shall prepare and submit an inspection report
259 pursuant to subsection (8).

260 (8) Upon completion of a phase one or phase two milestone
261 inspection, the architect or engineer who performed the

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262 inspection must submit a sealed copy of the inspection report
263 with a separate summary of, at minimum, the material findings
264 and recommendations in the inspection report to the condominium
265 association or cooperative association, to any other owner of
266 the building, and to the building official of the local
267 government which has jurisdiction. The inspection report must,
268 at a minimum, meet all of the following criteria:

269 (a) Bear the seal and signature, or the electronic
270 signature, of the licensed engineer or architect who performed
271 the inspection.

272 (b) Indicate the manner and type of inspection forming the
273 basis for the inspection report.

274 (c) Identify any substantial structural deterioration,
275 within a reasonable professional probability based on the scope
276 of the inspection, describe the extent of such deterioration,
277 and identify any recommended repairs for such deterioration.

278 (d) State whether unsafe or dangerous conditions, as those
279 terms are defined in the Florida Building Code, were observed.

280 (e) Recommend any remedial or preventive repair for any
281 items that are damaged but are not substantial structural
282 deterioration.

283 (f) Identify and describe any items requiring further
284 inspection.

285 (9) Within 30 days after receiving the applicable
286 inspection report, the condominium or cooperative association
287 must distribute a copy of the inspector-prepared summary of the
288 inspection report to each condominium unit owner or cooperative
289 unit owner, regardless of the findings or recommendations in the
290 report, by United States mail or personal delivery at the

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291 mailing address, property address, or any other address of the
292 owner provided to fulfill the association's notice requirements
293 under chapter 718 or chapter 719, as applicable, and by
294 electronic transmission to the e-mail address or facsimile
295 number provided to fulfill the association's notice requirements
296 to unit owners who previously consented to receive notice by
297 electronic transmission; must post a copy of the inspector-
298 prepared summary in a conspicuous place on the condominium or
299 cooperative property; and must publish the full report and
300 inspector-prepared summary on the association's website, if the
301 association is required to have a website.

302 (11) A board of county commissioners or municipal governing
303 body may adopt an ordinance requiring that a condominium or
304 cooperative association and any other owner that is subject to
305 this section schedule or commence repairs for substantial
306 structural deterioration within a specified timeframe after the
307 local enforcement agency receives a phase two inspection report;
308 however, such repairs must be commenced within 365 days after
309 receiving such report. If an owner of the building association
310 fails to submit proof to the local enforcement agency that
311 repairs have been scheduled or have commenced for substantial
312 structural deterioration identified in a phase two inspection
313 report within the required timeframe, the local enforcement
314 agency must review and determine if the building is unsafe for
315 human occupancy.

316 (12) By December 31, 2024, the Florida Building Commission
317 shall adopt rules pursuant to ss. 120.536(1) and 120.54 to
318 establish a building safety program for the implementation of
319 this section within the Florida Building Code: Existing

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320 Building. The building inspection program must, at minimum,
321 include inspection criteria, testing protocols, standardized
322 inspection and reporting forms that are adaptable to an
323 electronic format, and record maintenance requirements for the
324 local authority ~~review the milestone inspection requirements~~
325 ~~under this section and make recommendations, if any, to the~~
326 ~~Legislature to ensure inspections are sufficient to determine~~
327 ~~the structural integrity of a building. The commission must~~
328 ~~provide a written report of any recommendations to the Governor,~~
329 ~~the President of the Senate, and the Speaker of the House of~~
330 ~~Representatives by December 31, 2022.~~

331 Section 3. Paragraph (aa) of subsection (6) of section
332 627.351, Florida Statutes, is amended to read:

333 627.351 Insurance risk apportionment plans.—

334 (6) CITIZENS PROPERTY INSURANCE CORPORATION.—

335 (aa) Except as otherwise provided in this paragraph, the
336 corporation shall require the securing and maintaining of flood
337 insurance as a condition of coverage of a personal lines
338 residential risk. The insured or applicant must execute a form
339 approved by the office affirming that flood insurance is not
340 provided by the corporation and that if flood insurance is not
341 secured by the applicant or insured from an insurer other than
342 the corporation and in addition to coverage by the corporation,
343 the risk will not be eligible for coverage by the corporation.
344 The corporation may deny coverage of a personal lines
345 residential risk to an applicant or insured who refuses to
346 secure and maintain flood insurance. The requirement to purchase
347 flood insurance shall be implemented as follows:

348 1. Except as provided in subparagraphs 2. and 3., all

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349 personal lines residential policyholders must have flood
350 coverage in place for policies effective on or after:

351 a. January 1, 2024, for a structure that has a dwelling
352 replacement cost of property valued at \$600,000 or more.

353 b. January 1, 2025, for a structure that has a dwelling
354 replacement cost of property valued at \$500,000 or more.

355 c. January 1, 2026, for a structure that has a dwelling
356 replacement cost of property valued at \$400,000 or more.

357 d. January 1, 2027, for all other personal lines
358 residential property insured by the corporation.

359 2. All personal lines residential policyholders whose
360 property insured by the corporation is located within the
361 special flood hazard area defined by the Federal Emergency
362 Management Agency must have flood coverage in place:

363 a. At the time of initial policy issuance for all new
364 personal lines residential policies issued by the corporation on
365 or after April 1, 2023.

366 b. By the time of the policy renewal for all personal lines
367 residential policies renewing on or after July 1, 2023.

368 3. Policyholders ~~whose policies issued by the corporation~~
369 ~~do not provide coverage for the peril of wind~~ are not required
370 to purchase flood insurance as a condition for maintaining the
371 following their policies issued by with the corporation:

372 a. Policies that do not provide coverage for the peril of
373 wind.

374 b. Policies that provide coverage under a condominium unit
375 owners form.

376
377 The flood insurance required under this paragraph must meet, at

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378 a minimum, the coverage available from the National Flood
 379 Insurance Program or the requirements of subparagraphs s.
 380 627.715(1)(a)1., 2., and 3.

381 Section 4. Present subsections (1) through (31) of section
 382 718.103, Florida Statutes, are redesignated as subsections (2)
 383 through (32), respectively, a new subsection (1) is added to
 384 that section, and present subsection (25) of that section is
 385 amended, to read:

386 718.103 Definitions.—As used in this chapter, the term:

387 (1) "Alternative funding method" means a method approved by
 388 the division for funding the capital expenditures and deferred
 389 maintenance obligations for a multicondominium association
 390 operating at least 25 condominiums which may reasonably be
 391 expected to fully satisfy the association's reserve funding
 392 obligations by the allocation of funds in the annual operating
 393 budget.

394 ~~(26)(25)~~ "Structural integrity reserve study" means a study
 395 of the reserve funds required for future major repairs and
 396 replacement of the condominium property performed as required
 397 under s. 718.112(2)(g) common areas based on a visual inspection
 398 ~~of the common areas. A structural integrity reserve study may be~~
 399 ~~performed by any person qualified to perform such study.~~
 400 ~~However, the visual inspection portion of the structural~~
 401 ~~integrity reserve study must be performed by an engineer~~
 402 ~~licensed under chapter 471 or an architect licensed under~~
 403 ~~chapter 481. At a minimum, a structural integrity reserve study~~
 404 ~~must identify the common areas being visually inspected, state~~
 405 ~~the estimated remaining useful life and the estimated~~
 406 ~~replacement cost or deferred maintenance expense of the common~~

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407 ~~areas being visually inspected, and provide a recommended annual~~
408 ~~reserve amount that achieves the estimated replacement cost or~~
409 ~~deferred maintenance expense of each common area being visually~~
410 ~~inspected by the end of the estimated remaining useful life of~~
411 ~~each common area.~~

412 Section 5. Paragraph (c) of subsection (12) of section
413 718.111, Florida Statutes, is amended to read:

414 718.111 The association.—

415 (12) OFFICIAL RECORDS.—

416 (c)1. The official records of the association are open to
417 inspection by any association member and any person authorized
418 by an association member as a ~~or the authorized~~ representative
419 of such member at all reasonable times. The right to inspect the
420 records includes the right to make or obtain copies, at the
421 reasonable expense, if any, of the member and of the person
422 authorized by the association member as a ~~or authorized~~
423 representative of such member. A renter of a unit has a right to
424 inspect and copy only the declaration of condominium, the
425 association's bylaws and rules, and the inspection reports
426 described in ss. 553.899 and 718.301(4) (p). The association may
427 adopt reasonable rules regarding the frequency, time, location,
428 notice, and manner of record inspections and copying but may not
429 require a member to demonstrate any purpose or state any reason
430 for the inspection. The failure of an association to provide the
431 records within 10 working days after receipt of a written
432 request creates a rebuttable presumption that the association
433 willfully failed to comply with this paragraph. A unit owner who
434 is denied access to official records is entitled to the actual
435 damages or minimum damages for the association's willful failure

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436 to comply. Minimum damages are \$50 per calendar day for up to 10
437 days, beginning on the 11th working day after receipt of the
438 written request. The failure to permit inspection entitles any
439 person prevailing in an enforcement action to recover reasonable
440 attorney fees from the person in control of the records who,
441 directly or indirectly, knowingly denied access to the records.

442 2. Any person who knowingly or intentionally defaces or
443 destroys accounting records that are required by this chapter to
444 be maintained during the period for which such records are
445 required to be maintained, or who knowingly or intentionally
446 fails to create or maintain accounting records that are required
447 to be created or maintained, with the intent of causing harm to
448 the association or one or more of its members, is personally
449 subject to a civil penalty pursuant to s. 718.501(1)(d).

450 3. The association shall maintain an adequate number of
451 copies of the declaration, articles of incorporation, bylaws,
452 and rules, and all amendments to each of the foregoing, as well
453 as the question and answer sheet as described in s. 718.504 and
454 year-end financial information required under this section, on
455 the condominium property to ensure their availability to unit
456 owners and prospective purchasers, and may charge its actual
457 costs for preparing and furnishing these documents to those
458 requesting the documents. An association shall allow a member or
459 his or her authorized representative to use a portable device,
460 including a smartphone, tablet, portable scanner, or any other
461 technology capable of scanning or taking photographs, to make an
462 electronic copy of the official records in lieu of the
463 association's providing the member or his or her authorized
464 representative with a copy of such records. The association may

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465 not charge a member or his or her authorized representative for
466 the use of a portable device. Notwithstanding this paragraph,
467 the following records are not accessible to unit owners:

468 a. Any record protected by the lawyer-client privilege as
469 described in s. 90.502 and any record protected by the work-
470 product privilege, including a record prepared by an association
471 attorney or prepared at the attorney's express direction, which
472 reflects a mental impression, conclusion, litigation strategy,
473 or legal theory of the attorney or the association, and which
474 was prepared exclusively for civil or criminal litigation or for
475 adversarial administrative proceedings, or which was prepared in
476 anticipation of such litigation or proceedings until the
477 conclusion of the litigation or proceedings.

478 b. Information obtained by an association in connection
479 with the approval of the lease, sale, or other transfer of a
480 unit.

481 c. Personnel records of association or management company
482 employees, including, but not limited to, disciplinary, payroll,
483 health, and insurance records. For purposes of this sub-
484 subparagraph, the term "personnel records" does not include
485 written employment agreements with an association employee or
486 management company, or budgetary or financial records that
487 indicate the compensation paid to an association employee.

488 d. Medical records of unit owners.

489 e. Social security numbers, driver license numbers, credit
490 card numbers, e-mail addresses, telephone numbers, facsimile
491 numbers, emergency contact information, addresses of a unit
492 owner other than as provided to fulfill the association's notice
493 requirements, and other personal identifying information of any

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494 person, excluding the person's name, unit designation, mailing
495 address, property address, and any address, e-mail address, or
496 facsimile number provided to the association to fulfill the
497 association's notice requirements. Notwithstanding the
498 restrictions in this sub-subparagraph, an association may print
499 and distribute to unit owners a directory containing the name,
500 unit address, and all telephone numbers of each unit owner.
501 However, an owner may exclude his or her telephone numbers from
502 the directory by so requesting in writing to the association. An
503 owner may consent in writing to the disclosure of other contact
504 information described in this sub-subparagraph. The association
505 is not liable for the inadvertent disclosure of information that
506 is protected under this sub-subparagraph if the information is
507 included in an official record of the association and is
508 voluntarily provided by an owner and not requested by the
509 association.

510 f. Electronic security measures that are used by the
511 association to safeguard data, including passwords.

512 g. The software and operating system used by the
513 association which allow the manipulation of data, even if the
514 owner owns a copy of the same software used by the association.
515 The data is part of the official records of the association.

516 h. All affirmative acknowledgments made pursuant to s.
517 718.121(4)(c).

518 Section 6. Paragraphs (f), (g), and (h) of subsection (2)
519 of section 718.112, Florida Statutes, are amended to read:

520 718.112 Bylaws.—

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

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523 the following:

524 (f) *Annual budget.*—

525 1. The proposed annual budget of estimated revenues and
526 expenses must be detailed and must show the amounts budgeted by
527 accounts and expense classifications, including, at a minimum,
528 any applicable expenses listed in s. 718.504(21). The board
529 shall adopt the annual budget at least 14 days before the start
530 of the association's fiscal year. In the event that the board
531 fails to timely adopt the annual budget a second time, it is
532 deemed a minor violation and the prior year's budget shall
533 continue in effect until a new budget is adopted. A
534 multicondominium association must adopt a separate budget of
535 common expenses for each condominium the association operates
536 and must adopt a separate budget of common expenses for the
537 association. In addition, if the association maintains limited
538 common elements with the cost to be shared only by those
539 entitled to use the limited common elements as provided for in
540 s. 718.113(1), the budget or a schedule attached to it must show
541 the amount budgeted for this maintenance. If, after turnover of
542 control of the association to the unit owners, any of the
543 expenses listed in s. 718.504(21) are not applicable, they do
544 not need to be listed.

545 2.a. In addition to annual operating expenses, the budget
546 must include reserve accounts for capital expenditures and
547 deferred maintenance. These accounts must include, but are not
548 limited to, roof replacement, building painting, and pavement
549 resurfacing, regardless of the amount of deferred maintenance
550 expense or replacement cost, and any other item that has a
551 deferred maintenance expense or replacement cost that exceeds

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552 \$10,000. The amount to be reserved ~~for an item is determined by~~
553 ~~the association's most recent structural integrity reserve study~~
554 ~~that must be completed by December 31, 2024. If the amount to be~~
555 ~~reserved for an item is not in the association's initial or most~~
556 ~~recent structural integrity reserve study or the association has~~
557 ~~not completed a structural integrity reserve study, the amount~~
558 must be computed using a formula based upon estimated remaining
559 useful life and estimated replacement cost or deferred
560 maintenance expense of the reserve item. In a budget adopted by
561 an association that is required to obtain a structural integrity
562 reserve study, reserves must be maintained for the items
563 identified in paragraph (g) and the reserve amount for such
564 items must be based on the findings and recommendations of the
565 association's most recent structural integrity reserve study.
566 With respect to items for which an estimate of useful life is
567 not readily ascertainable, an association must reserve the
568 amount of deferred maintenance expense, if any, which is
569 recommended by the structural integrity reserve study for such
570 items. The association may adjust replacement reserve
571 assessments annually to take into account an inflation
572 adjustment and any changes in estimates or extension of the
573 useful life of a reserve item caused by deferred maintenance.
574 The members of a unit-owner-controlled association may
575 determine, by a majority vote of all the voting interests of the
576 association, voting in person or by proxy at a duly called
577 meeting of the association, to provide no reserves or less
578 reserves than required by this subsection. For a budget adopted
579 on or after ~~Effective~~ December 31, 2024, the members of a unit-
580 owner-controlled association that must obtain a structural

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581 integrity reserve study may not determine to provide no reserves
582 or less reserves than required by this subsection for items
583 listed in paragraph (g), except that members of an association
584 operating a multicondominium may determine to provide no
585 reserves or less reserves than required by this subsection if an
586 alternative funding method has been approved by the division.

587 b. Before turnover of control of an association by a
588 developer to unit owners other than a developer under s.
589 718.301, the developer-controlled association may not vote to
590 waive the reserves or reduce funding of the reserves. If a
591 meeting of the unit owners has been called to determine whether
592 to waive or reduce the funding of reserves and no such result is
593 achieved or a quorum is not attained, the reserves included in
594 the budget shall go into effect. After the turnover, the
595 developer may vote its voting interest to waive or reduce the
596 funding of reserves.

597 3. Reserve funds and any interest accruing thereon shall
598 remain in the reserve account or accounts, and may be used only
599 for authorized reserve expenditures unless their use for other
600 purposes is approved in advance by a majority vote of all the
601 voting interests of the association, voting in person or by
602 proxy at a duly called meeting of the association. Before
603 turnover of control of an association by a developer to unit
604 owners other than the developer pursuant to s. 718.301, the
605 developer-controlled association may not vote to use reserves
606 for purposes other than those for which they were intended. For
607 a budget adopted on or after ~~Effective~~ December 31, 2024,
608 members of a unit-owner-controlled association that must obtain
609 a structural integrity reserve study may not vote to use reserve

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610 funds, or any interest accruing thereon, ~~that are reserved for~~
611 ~~items listed in paragraph (g)~~ for any other purpose other than
612 the replacement or deferred maintenance costs of the components
613 listed in paragraph (g) ~~their intended purpose.~~

614 4. The only voting interests that are eligible to vote on
615 questions that involve waiving or reducing the funding of
616 reserves, or using existing reserve funds for purposes other
617 than purposes for which the reserves were intended, are the
618 voting interests of the units subject to assessment to fund the
619 reserves in question. Proxy questions relating to waiving or
620 reducing the funding of reserves or using existing reserve funds
621 for purposes other than purposes for which the reserves were
622 intended must contain the following statement in capitalized,
623 bold letters in a font size larger than any other used on the
624 face of the proxy ballot: WAIVING OF RESERVES, IN WHOLE OR IN
625 PART, OR ALLOWING ALTERNATIVE USES OF EXISTING RESERVES MAY
626 RESULT IN UNIT OWNER LIABILITY FOR PAYMENT OF UNANTICIPATED
627 SPECIAL ASSESSMENTS REGARDING THOSE ITEMS.

628 (g) *Structural integrity reserve study.*—

629 1. A residential condominium ~~An~~ association must have a
630 structural integrity reserve study completed at least every 10
631 years after the condominium's creation for each building on the
632 condominium property that is three stories or higher in height
633 as determined by the Florida Building Code which includes, at a
634 minimum, a study of the following items as related to the
635 structural integrity and safety of the building:

- 636 a. Roof.
637 b. Load-bearing walls or other primary structural members.
638 c. ~~Floor.~~

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639 ~~d.~~ Foundation.
640 d.e. Fireproofing and fire protection systems.
641 e.f. Plumbing.
642 f.g. Electrical systems.
643 g.h. Waterproofing and exterior painting.
644 h.i. Windows.
645 i.j. Any other item that has a deferred maintenance expense
646 or replacement cost that exceeds \$10,000 and the failure to
647 replace or maintain such item negatively affects the items
648 listed in sub-subparagraphs a.-h. ~~sub-subparagraphs a.-i.~~, as
649 determined by the ~~licensed engineer or architect performing the~~
650 visual inspection portion of the structural integrity reserve
651 study.

652 2. A structural integrity reserve study is based on a
653 visual inspection of the condominium property. A structural
654 integrity reserve study may be performed by any person qualified
655 to perform such study. However, the visual inspection portion of
656 the structural integrity reserve study must be performed or
657 verified by an engineer licensed under chapter 471, an architect
658 licensed under chapter 481, or a person who is certified as a
659 reserve specialist or professional reserve analyst by the
660 Community Associations Institute or the Association of
661 Professional Reserve Analysts. At a minimum, a structural
662 integrity reserve study must identify each item of the
663 condominium property being visually inspected, state the
664 estimated remaining useful life and the estimated replacement
665 cost or deferred maintenance expense of each item of the
666 condominium property being visually inspected, and provide a
667 reserve funding schedule with a recommended annual reserve

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668 amount that achieves the estimated replacement cost or deferred
669 maintenance expense of each item of condominium property being
670 visually inspected by the end of the estimated remaining useful
671 life of the item. The structural integrity reserve study may
672 recommend that reserves do not need to be maintained for any
673 item for which an estimate of useful life and an estimate of
674 replacement cost or deferred maintenance expense cannot be
675 determined, or the study may recommend a deferred maintenance
676 expense amount for such item. This paragraph does not apply to
677 buildings less than three stories in height; single-family, two-
678 family, or three-family dwellings with three or fewer habitable
679 stories above ground; any portion or component of a building
680 that has not been submitted to the condominium form of
681 ownership; or any portion or component of a building that is
682 maintained by a party other than the association.

683 3. Before a developer turns over control of an association
684 to unit owners other than the developer, the developer must have
685 a structural integrity reserve study completed for each building
686 on the condominium property that is three stories or higher in
687 height.

688 ~~4.3.~~ Associations existing on or before July 1, 2022, which
689 are controlled by unit owners other than the developer, must
690 have a structural integrity reserve study completed by December
691 31, 2024, for each building on the condominium property that is
692 three stories or higher in height.

693 ~~5.4.~~ If an association fails to complete a structural
694 integrity reserve study pursuant to this paragraph, such failure
695 is a breach of an officer's and director's fiduciary
696 relationship to the unit owners under s. 718.111(1).

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697 (h) *Mandatory milestone inspections.*—If an association is
698 required to have a milestone inspection performed pursuant to s.
699 553.899, the association must arrange for the milestone
700 inspection to be performed and is responsible for ensuring
701 compliance with the requirements of s. 553.899. The association
702 is responsible for all costs associated with the milestone
703 inspection attributable to the portions of the building which
704 the association is responsible for maintaining under the
705 governing documents of the association. If the officers or
706 directors of an association willfully and knowingly fail to have
707 a milestone inspection performed pursuant to s. 553.899, such
708 failure is a breach of the officers' and directors' fiduciary
709 relationship to the unit owners under s. 718.111(1)(a). Within
710 30 days after receiving ~~Upon completion of~~ a phase one or phase
711 two milestone inspection ~~and receipt of the inspector-prepared~~
712 ~~summary of the inspection~~ report from the architect or engineer
713 who performed the inspection, the association must distribute a
714 copy of the inspector-prepared summary of the inspection report
715 to each unit owner, regardless of the findings or
716 recommendations in the report, by United States mail or personal
717 delivery at the mailing address, property address, or any other
718 address of the owner provided to fulfill the association's
719 notice requirements under this chapter and by electronic
720 transmission to the e-mail address or facsimile number provided
721 to fulfill the association's notice requirements to unit owners
722 who previously consented to receive notice by electronic
723 transmission; must post a copy of the inspector-prepared summary
724 in a conspicuous place on the condominium property; and must
725 publish the full report and inspector-prepared summary on the

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726 association's website, if the association is required to have a
727 website.

728 Section 7. Effective July 1, 2027, subsection (5) of
729 section 718.1255, Florida Statutes, is amended, and paragraph
730 (d) is added to subsection (1) of that section, to read:

731 718.1255 Alternative dispute resolution; mediation;
732 nonbinding arbitration; applicability.-

733 (1) DEFINITIONS.-As used in this section, the term
734 "dispute" means any disagreement between two or more parties
735 that involves:

736 (d) The failure of a board of administration, when required
737 by this chapter or an association document, to:

738 1. Obtain the milestone inspection required under s.
739 553.899.

740 2. Obtain a structural integrity reserve study required
741 under s. 718.112(2)(g).

742 3. Fund reserves as required for an item identified in s.
743 718.112(2)(g).

744 4. Make or provide necessary maintenance or repairs of
745 condominium property recommended by a milestone inspection or a
746 structural integrity reserve study.

747
748 "Dispute" does not include any disagreement that primarily
749 involves: title to any unit or common element; the
750 interpretation or enforcement of any warranty; the levy of a fee
751 or assessment, or the collection of an assessment levied against
752 a party; the eviction or other removal of a tenant from a unit;
753 alleged breaches of fiduciary duty by one or more directors; or
754 claims for damages to a unit based upon the alleged failure of

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755 the association to maintain the common elements or condominium
756 property.

757 (5) PRESUIT MEDIATION.—In lieu of the initiation of
758 nonbinding arbitration as provided in subsections (1)-(4), a
759 party may submit a dispute to presuit mediation in accordance
760 with s. 720.311; however, election and recall disputes are not
761 eligible for mediation and such disputes must be arbitrated by
762 the division or filed in a court of competent jurisdiction.
763 Disputes identified in paragraph (1)(d) are not subject to
764 nonbinding arbitration under subsection (4) and must be
765 submitted to presuit mediation in accordance with s. 720.311.

766 Section 8. Subsection (1) of section 718.113, Florida
767 Statutes, is amended to read:

768 718.113 Maintenance; limitation upon improvement; display
769 of flag; hurricane shutters and protection; display of religious
770 decorations.—

771 (1) Maintenance of the common elements is the
772 responsibility of the association, except for any maintenance
773 responsibility for limited common elements assigned to the unit
774 owner by the declaration. The association shall provide for the
775 maintenance, repair, and replacement of the condominium property
776 for which it bears responsibility pursuant to the declaration of
777 condominium. After turnover of control of the association to the
778 unit owners, the association must perform any required
779 maintenance identified by the developer pursuant to s.
780 718.301(4)(p) until the association obtains new maintenance
781 protocols from a licensed professional engineer or architect.
782 The declaration may provide that certain limited common elements
783 shall be maintained by those entitled to use the limited common

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784 elements or that the association shall provide the maintenance,
785 either as a common expense or with the cost shared only by those
786 entitled to use the limited common elements. If the maintenance
787 is to be by the association at the expense of only those
788 entitled to use the limited common elements, the declaration
789 shall describe in detail the method of apportioning such costs
790 among those entitled to use the limited common elements, and the
791 association may use the provisions of s. 718.116 to enforce
792 payment of the shares of such costs by the unit owners entitled
793 to use the limited common elements.

794 Section 9. Paragraph (b) of subsection (1) of section
795 718.503, Florida Statutes, is amended, and paragraph (d) is
796 added to that subsection and paragraph (e) is added to
797 subsection (2) of that section, to read:

798 718.503 Developer disclosure prior to sale; nondeveloper
799 unit owner disclosure prior to sale; voidability.—

800 (1) DEVELOPER DISCLOSURE.—

801 (b) *Copies of documents to be furnished to prospective*
802 *buyer or lessee.*—Until such time as the developer has furnished
803 the documents listed below to a person who has entered into a
804 contract to purchase a residential unit or lease it for more
805 than 5 years, the contract may be voided by that person,
806 entitling the person to a refund of any deposit together with
807 interest thereon as provided in s. 718.202. The contract may be
808 terminated by written notice from the proposed buyer or lessee
809 delivered to the developer within 15 days after the buyer or
810 lessee receives all of the documents required by this section.
811 The developer may not close for 15 days after the execution of
812 the agreement and delivery of the documents to the buyer as

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813 evidenced by a signed receipt for documents unless the buyer is
814 informed in the 15-day voidability period and agrees to close
815 before the expiration of the 15 days. The developer shall retain
816 in his or her records a separate agreement signed by the buyer
817 as proof of the buyer's agreement to close before the expiration
818 of the voidability period. The developer must retain such proof
819 for a period of 5 years after the date of the closing of the
820 transaction. The documents to be delivered to the prospective
821 buyer are the prospectus or disclosure statement with all
822 exhibits, if the development is subject to s. 718.504, or, if
823 not, then copies of the following which are applicable:

824 1. The question and answer sheet described in s. 718.504,
825 and declaration of condominium, or the proposed declaration if
826 the declaration has not been recorded, which shall include the
827 certificate of a surveyor approximately representing the
828 locations required by s. 718.104.

829 2. The documents creating the association.

830 3. The bylaws.

831 4. The ground lease or other underlying lease of the
832 condominium.

833 5. The management contract, maintenance contract, and other
834 contracts for management of the association and operation of the
835 condominium and facilities used by the unit owners having a
836 service term in excess of 1 year, and any management contracts
837 that are renewable.

838 6. The estimated operating budget for the condominium and a
839 schedule of expenses for each type of unit, including fees
840 assessed pursuant to s. 718.113(1) for the maintenance of
841 limited common elements where such costs are shared only by

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842 those entitled to use the limited common elements.

843 7. The lease of recreational and other facilities that will
844 be used only by unit owners of the subject condominium.

845 8. The lease of recreational and other common facilities
846 that will be used by unit owners in common with unit owners of
847 other condominiums.

848 9. The form of unit lease if the offer is of a leasehold.

849 10. Any declaration of servitude of properties serving the
850 condominium but not owned by unit owners or leased to them or
851 the association.

852 11. If the development is to be built in phases or if the
853 association is to manage more than one condominium, a
854 description of the plan of phase development or the arrangements
855 for the association to manage two or more condominiums.

856 12. If the condominium is a conversion of existing
857 improvements, the statements and disclosure required by s.
858 718.616.

859 13. The form of agreement for sale or lease of units.

860 14. A copy of the floor plan of the unit and the plot plan
861 showing the location of the residential buildings and the
862 recreation and other common areas.

863 15. A copy of all covenants and restrictions that will
864 affect the use of the property and are not contained in the
865 foregoing.

866 16. If the developer is required by state or local
867 authorities to obtain acceptance or approval of any dock or
868 marina facilities intended to serve the condominium, a copy of
869 any such acceptance or approval acquired by the time of filing
870 with the division under s. 718.502(1), or a statement that such

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871 acceptance or approval has not been acquired or received.

872 17. Evidence demonstrating that the developer has an
873 ownership, leasehold, or contractual interest in the land upon
874 which the condominium is to be developed.

875 18. A copy of the inspector-prepared summary of the
876 milestone inspection report as described in ss. 553.899 and
877 718.301(4)(p), or a statement in conspicuous type indicating
878 that the required milestone inspection described in ss. 553.899
879 and 718.301(4)(p) has not been completed or that a milestone
880 inspection is not required, as applicable.

881 19. A copy of the ~~association's~~ most recent structural
882 integrity reserve study, or a statement in conspicuous type
883 indicating that the association has not completed a required
884 structural integrity reserve study has not been completed or
885 that a structural integrity reserve study is not required, as
886 applicable.

887 (d) Milestone inspection or structural integrity reserve
888 study.—If the association is required to have completed a
889 milestone inspection as described in ss. 553.899 and
890 718.301(4)(p) or a structural integrity reserve study, and the
891 association has failed to complete the milestone inspection or
892 the structural integrity reserve study, each contract entered
893 into after December 31, 2024, for the sale of a residential unit
894 shall contain in conspicuous type a statement indicating that
895 the association is required to have a milestone inspection or a
896 structural integrity reserve study and has failed to complete
897 such inspection or study, as appropriate. If the association is
898 not required to have a milestone inspection as described in ss.
899 553.899 and 718.301(4)(p) or a structural integrity reserve

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900 study, each contract entered into after December 31, 2024, for
901 the sale of a residential unit shall contain in conspicuous type
902 a statement indicating that the association is not required to
903 have a milestone inspection or a structural integrity reserve
904 study, as appropriate. If the association is required to have
905 completed a milestone inspection as described in ss. 553.899 and
906 718.301(4) (p) or a structural integrity reserve study, each
907 contract entered into after December 31, 2024, for the sale of a
908 residential unit shall contain in conspicuous type:

909 1. A clause which states: THE BUYER HEREBY ACKNOWLEDGES
910 THAT BUYER HAS BEEN PROVIDED A CURRENT COPY OF THE INSPECTOR-
911 PREPARED SUMMARY OF THE MILESTONE INSPECTION REPORT AS DESCRIBED
912 IN SECTIONS 553.899 AND 718.301(4) (p), FLORIDA STATUTES; AND A
913 COPY OF THE ASSOCIATION'S MOST RECENT STRUCTURAL INTEGRITY
914 RESERVE STUDY DESCRIBED IN SECTIONS 718.103(26) AND
915 718.112(2) (g), FLORIDA STATUTES, MORE THAN 15 DAYS, EXCLUDING
916 SATURDAYS, SUNDAYS, AND LEGAL HOLIDAYS, PRIOR TO EXECUTION OF
917 THIS CONTRACT; and

918 2. A clause which states: THIS AGREEMENT IS VOIDABLE BY
919 BUYER BY DELIVERING WRITTEN NOTICE OF THE BUYER'S INTENTION TO
920 CANCEL WITHIN 15 DAYS, EXCLUDING SATURDAYS, SUNDAYS, AND LEGAL
921 HOLIDAYS, AFTER THE DATE OF EXECUTION OF THIS AGREEMENT BY THE
922 BUYER AND RECEIPT BY BUYER OF A CURRENT COPY OF THE INSPECTOR-
923 PREPARED SUMMARY OF THE MILESTONE INSPECTION REPORT AS DESCRIBED
924 IN SECTIONS 553.899 AND 718.301(4) (p), FLORIDA STATUTES; AND A
925 COPY OF THE ASSOCIATION'S MOST RECENT STRUCTURAL INTEGRITY
926 RESERVE STUDY DESCRIBED IN SECTIONS 718.103(26) AND
927 718.112(2) (g), FLORIDA STATUTES. ANY PURPORTED WAIVER OF THESE
928 VOIDABILITY RIGHTS SHALL BE OF NO EFFECT. BUYER MAY EXTEND THE

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929 TIME FOR CLOSING FOR A PERIOD OF NOT MORE THAN 15 DAYS,
930 EXCLUDING SATURDAYS, SUNDAYS, AND LEGAL HOLIDAYS, AFTER THE
931 BUYER RECEIVES A CURRENT COPY OF THE INSPECTOR-PREPARED SUMMARY
932 OF THE MILESTONE INSPECTION REPORT AS DESCRIBED IN SECTIONS
933 553.899 AND 718.301(4) (p), FLORIDA STATUTES; AND A COPY OF THE
934 ASSOCIATION'S MOST RECENT STRUCTURAL INTEGRITY RESERVE STUDY
935 DESCRIBED IN SECTIONS 718.103(26) AND 718.112(2) (g), FLORIDA
936 STATUTES, IF REQUESTED IN WRITING. BUYER'S RIGHT TO VOID THIS
937 AGREEMENT SHALL TERMINATE AT CLOSING.

938
939 A contract that does not conform to the requirements of this
940 paragraph is voidable at the option of the purchaser prior to
941 closing.

942 (2) NONDEVELOPER DISCLOSURE.—

943 (e) If the association is required to have completed a
944 milestone inspection as described in ss. 553.899 and
945 718.301(4) (p) or a structural integrity reserve study, and the
946 association has failed to complete the milestone inspection or
947 the structural integrity reserve study, each contract entered
948 into after December 31, 2024, for the sale of a residential unit
949 shall contain in conspicuous type a statement indicating that
950 the association is required to have a milestone inspection or a
951 structural integrity reserve study and has failed to complete
952 such inspection or study, as appropriate. If the association is
953 not required to have a milestone inspection as described in ss.
954 553.899 and 718.301(4) (p) or a structural integrity reserve
955 study, each contract entered into after December 31, 2024, for
956 the sale of a residential unit shall contain in conspicuous type
957 a statement indicating that the association is not required to

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958 have a milestone inspection or a structural integrity reserve
959 study, as appropriate. If the association is required to have
960 completed a milestone inspection as described in ss. 553.899 and
961 718.301(4) (p) or a structural integrity reserve study, each
962 contract entered into after December 31, 2024, for the resale of
963 a residential unit shall contain in conspicuous type:

964 1. A clause which states: THE BUYER HEREBY ACKNOWLEDGES
965 THAT BUYER HAS BEEN PROVIDED A CURRENT COPY OF THE INSPECTOR-
966 PREPARED SUMMARY OF THE MILESTONE INSPECTION REPORT AS DESCRIBED
967 IN SECTIONS 553.899 AND 718.301(4) (p), FLORIDA STATUTES; AND A
968 COPY OF THE ASSOCIATION'S MOST RECENT STRUCTURAL INTEGRITY
969 RESERVE STUDY DESCRIBED IN SECTIONS 718.103(26) AND
970 718.112(2) (g), FLORIDA STATUTES, MORE THAN 3 DAYS, EXCLUDING
971 SATURDAYS, SUNDAYS, AND LEGAL HOLIDAYS, PRIOR TO EXECUTION OF
972 THIS CONTRACT; and

973 2. A clause which states: THIS AGREEMENT IS VOIDABLE BY
974 BUYER BY DELIVERING WRITTEN NOTICE OF THE BUYER'S INTENTION TO
975 CANCEL WITHIN 3 DAYS, EXCLUDING SATURDAYS, SUNDAYS, AND LEGAL
976 HOLIDAYS, AFTER THE DATE OF EXECUTION OF THIS AGREEMENT BY THE
977 BUYER AND RECEIPT BY BUYER OF A CURRENT COPY OF THE INSPECTOR-
978 PREPARED SUMMARY OF THE MILESTONE INSPECTION REPORT AS DESCRIBED
979 IN SECTIONS 553.899 AND 718.301(4) (p), FLORIDA STATUTES; AND A
980 COPY OF THE ASSOCIATION'S MOST RECENT STRUCTURAL INTEGRITY
981 RESERVE STUDY DESCRIBED IN SECTIONS 718.103(26) AND
982 718.112(2) (g), FLORIDA STATUTES. ANY PURPORTED WAIVER OF THESE
983 VOIDABILITY RIGHTS SHALL BE OF NO EFFECT. BUYER MAY EXTEND THE
984 TIME FOR CLOSING FOR A PERIOD OF NOT MORE THAN 3 DAYS, EXCLUDING
985 SATURDAYS, SUNDAYS, AND LEGAL HOLIDAYS, AFTER THE BUYER RECEIVES
986 A CURRENT COPY OF THE INSPECTOR-PREPARED SUMMARY OF THE

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987 MILESTONE INSPECTION REPORT AS DESCRIBED IN SECTIONS 553.899 AND
 988 718.301(4) (p), FLORIDA STATUTES; AND A COPY OF THE ASSOCIATION'S
 989 MOST RECENT STRUCTURAL INTEGRITY RESERVE STUDY DESCRIBED IN
 990 SECTIONS 718.103(26) AND 718.112(2) (g) FLORIDA STATUTES, IF
 991 REQUESTED IN WRITING. BUYER'S RIGHT TO VOID THIS AGREEMENT SHALL
 992 TERMINATE AT CLOSING.

993

994 A contract that does not conform to the requirements of this
 995 paragraph is voidable at the option of the purchaser prior to
 996 closing.

997 Section 10. Subsection (24) of section 719.103, Florida
 998 Statutes, is amended to read:

999 719.103 Definitions.—As used in this chapter:

1000 (24) "Structural integrity reserve study" means a study of
 1001 the reserve funds required for future major repairs and
 1002 replacement of the cooperative property performed as required
 1003 under s. 719.106(1) (k) common areas based on a visual inspection
 1004 of the common areas. A structural integrity reserve study may be
 1005 performed by any person qualified to perform such study.
 1006 However, the visual inspection portion of the structural
 1007 integrity reserve study must be performed by an engineer
 1008 licensed under chapter 471 or an architect licensed under
 1009 chapter 481. At a minimum, a structural integrity reserve study
 1010 must identify the common areas being visually inspected, state
 1011 the estimated remaining useful life and the estimated
 1012 replacement cost or deferred maintenance expense of the common
 1013 areas being visually inspected, and provide a recommended annual
 1014 reserve amount that achieves the estimated replacement cost or
 1015 deferred maintenance expense of each common area being visually

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1016 ~~inspected by the end of the estimated remaining useful life of~~
1017 ~~each common area.~~

1018 Section 11. Present subsections (5) through (11) of section
1019 719.104, Florida Statutes, are redesignated as subsections (6)
1020 through (12), respectively, a new subsection (5) is added to
1021 that section, and paragraph (c) of subsection (2) of that
1022 section is amended, to read:

1023 719.104 Cooperatives; access to units; records; financial
1024 reports; assessments; purchase of leases.—

1025 (2) OFFICIAL RECORDS.—

1026 (c) The official records of the association are open to
1027 inspection by any association member and any person authorized
1028 by an association member as a ~~or the authorized~~ representative
1029 of such member at all reasonable times. The right to inspect the
1030 records includes the right to make or obtain copies, at the
1031 reasonable expense, if any, of the association member and of the
1032 person authorized by the association member as a representative
1033 of such member. A renter of a unit has a right to inspect and
1034 copy only the association's bylaws and rules and the inspection
1035 reports described in ss. 553.899 and 719.301(4)(p). The
1036 association may adopt reasonable rules regarding the frequency,
1037 time, location, notice, and manner of record inspections and
1038 copying, but may not require a member to demonstrate any purpose
1039 or state any reason for the inspection. The failure of an
1040 association to provide the records within 10 working days after
1041 receipt of a written request creates a rebuttable presumption
1042 that the association willfully failed to comply with this
1043 paragraph. A member who is denied access to official records is
1044 entitled to the actual damages or minimum damages for the

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1045 association's willful failure to comply. The minimum damages are
1046 \$50 per calendar day for up to 10 days, beginning on the 11th
1047 working day after receipt of the written request. The failure to
1048 permit inspection entitles any person prevailing in an
1049 enforcement action to recover reasonable attorney fees from the
1050 person in control of the records who, directly or indirectly,
1051 knowingly denied access to the records. Any person who knowingly
1052 or intentionally defaces or destroys accounting records that are
1053 required by this chapter to be maintained during the period for
1054 which such records are required to be maintained, or who
1055 knowingly or intentionally fails to create or maintain
1056 accounting records that are required to be created or
1057 maintained, with the intent of causing harm to the association
1058 or one or more of its members, is personally subject to a civil
1059 penalty under s. 719.501(1)(d). The association shall maintain
1060 an adequate number of copies of the declaration, articles of
1061 incorporation, bylaws, and rules, and all amendments to each of
1062 the foregoing, as well as the question and answer sheet as
1063 described in s. 719.504 and year-end financial information
1064 required by the department, on the cooperative property to
1065 ensure their availability to members and prospective purchasers,
1066 and may charge its actual costs for preparing and furnishing
1067 these documents to those requesting the same. An association
1068 shall allow a member or his or her authorized representative to
1069 use a portable device, including a smartphone, tablet, portable
1070 scanner, or any other technology capable of scanning or taking
1071 photographs, to make an electronic copy of the official records
1072 in lieu of the association providing the member or his or her
1073 authorized representative with a copy of such records. The

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1074 association may not charge a member or his or her authorized
1075 representative for the use of a portable device. Notwithstanding
1076 this paragraph, the following records shall not be accessible to
1077 members:

1078 1. Any record protected by the lawyer-client privilege as
1079 described in s. 90.502 and any record protected by the work-
1080 product privilege, including any record prepared by an
1081 association attorney or prepared at the attorney's express
1082 direction which reflects a mental impression, conclusion,
1083 litigation strategy, or legal theory of the attorney or the
1084 association, and which was prepared exclusively for civil or
1085 criminal litigation or for adversarial administrative
1086 proceedings, or which was prepared in anticipation of such
1087 litigation or proceedings until the conclusion of the litigation
1088 or proceedings.

1089 2. Information obtained by an association in connection
1090 with the approval of the lease, sale, or other transfer of a
1091 unit.

1092 3. Personnel records of association or management company
1093 employees, including, but not limited to, disciplinary, payroll,
1094 health, and insurance records. For purposes of this
1095 subparagraph, the term "personnel records" does not include
1096 written employment agreements with an association employee or
1097 management company, or budgetary or financial records that
1098 indicate the compensation paid to an association employee.

1099 4. Medical records of unit owners.

1100 5. Social security numbers, driver license numbers, credit
1101 card numbers, e-mail addresses, telephone numbers, facsimile
1102 numbers, emergency contact information, addresses of a unit

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1103 owner other than as provided to fulfill the association's notice
1104 requirements, and other personal identifying information of any
1105 person, excluding the person's name, unit designation, mailing
1106 address, property address, and any address, e-mail address, or
1107 facsimile number provided to the association to fulfill the
1108 association's notice requirements. Notwithstanding the
1109 restrictions in this subparagraph, an association may print and
1110 distribute to unit owners a directory containing the name, unit
1111 address, and all telephone numbers of each unit owner. However,
1112 an owner may exclude his or her telephone numbers from the
1113 directory by so requesting in writing to the association. An
1114 owner may consent in writing to the disclosure of other contact
1115 information described in this subparagraph. The association is
1116 not liable for the inadvertent disclosure of information that is
1117 protected under this subparagraph if the information is included
1118 in an official record of the association and is voluntarily
1119 provided by an owner and not requested by the association.

1120 6. Electronic security measures that are used by the
1121 association to safeguard data, including passwords.

1122 7. The software and operating system used by the
1123 association which allow the manipulation of data, even if the
1124 owner owns a copy of the same software used by the association.
1125 The data is part of the official records of the association.

1126 8. All affirmative acknowledgments made pursuant to s.
1127 719.108(3)(b)3.

1128 (5) MAINTENANCE.—Maintenance of the common elements is the
1129 responsibility of the association, except for any maintenance
1130 responsibility for limited common elements assigned to the unit
1131 owner by the declaration. The association shall provide for the

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1132 maintenance, repair, and replacement of the cooperative property
 1133 for which it bears responsibility pursuant to the declaration of
 1134 cooperative. After turnover of control of the association to the
 1135 unit owners, the association must perform any required
 1136 maintenance identified by the developer pursuant to s.
 1137 719.301(4)(p) until the association obtains new maintenance
 1138 protocols from a licensed professional engineer or architect.
 1139 The declaration may provide that certain limited common elements
 1140 shall be maintained by those entitled to use the limited common
 1141 elements or that the association shall provide the maintenance,
 1142 either as a common expense or with the cost shared only by those
 1143 entitled to use the limited common elements. If the maintenance
 1144 is to be by the association at the expense of only those
 1145 entitled to use the limited common elements, the declaration
 1146 shall describe in detail the method of apportioning such costs
 1147 among those entitled to use the limited common elements, and the
 1148 association may use the provisions of s. 719.108 to enforce
 1149 payment of the shares of such costs by the unit owners entitled
 1150 to use the limited common elements.

1151 Section 12. Paragraphs (j), (k), and (l) of subsection (1)
 1152 of section 719.106, Florida Statutes, are amended to read:

1153 719.106 Bylaws; cooperative ownership.—

1154 (1) MANDATORY PROVISIONS.—The bylaws or other cooperative
 1155 documents shall provide for the following, and if they do not,
 1156 they shall be deemed to include the following:

1157 (j) *Annual budget.*—

1158 1. The proposed annual budget of common expenses must be
 1159 detailed and must show the amounts budgeted by accounts and
 1160 expense classifications, including, if applicable, but not

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1161 limited to, those expenses listed in s. 719.504(20). The board
1162 of administration shall adopt the annual budget at least 14 days
1163 before the start of the association's fiscal year. In the event
1164 that the board fails to timely adopt the annual budget a second
1165 time, it is deemed a minor violation and the prior year's budget
1166 shall continue in effect until a new budget is adopted.

1167 2. In addition to annual operating expenses, the budget
1168 must include reserve accounts for capital expenditures and
1169 deferred maintenance. These accounts must include, but not be
1170 limited to, roof replacement, building painting, and pavement
1171 resurfacing, regardless of the amount of deferred maintenance
1172 expense or replacement cost, and for any other items for which
1173 the deferred maintenance expense or replacement cost exceeds
1174 \$10,000. ~~The amount to be reserved for an item is determined by~~
1175 ~~the association's most recent structural integrity reserve study~~
1176 ~~that must be completed by December 31, 2024. If the amount to be~~
1177 ~~reserved for an item is not in the association's initial or most~~
1178 ~~recent structural integrity reserve study or the association has~~
1179 ~~not completed a structural integrity reserve study, the amount~~
1180 must be computed by means of a formula which is based upon
1181 estimated remaining useful life and estimated replacement cost
1182 or deferred maintenance expense of the reserve item. In a budget
1183 adopted by an association that is required to obtain a
1184 structural integrity reserve study, reserves must be maintained
1185 for the items identified in paragraph (k) and the reserve amount
1186 for such items must be based on the findings and recommendations
1187 of the association's most recent structural integrity reserve
1188 study. With respect to items for which an estimate of useful
1189 life is not readily ascertainable, an association must reserve

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1190 the amount of deferred maintenance expense, if any, which is
1191 recommended by the structural integrity reserve study for such
1192 items. The association may adjust replacement reserve
1193 assessments annually to take into account an inflation
1194 adjustment and any changes in estimates or extension of the
1195 useful life of a reserve item caused by deferred maintenance.
1196 The members of a unit-owner-controlled association may
1197 determine, by a majority vote of all the voting interests of the
1198 association, voting in person or by proxy at a duly called
1199 meeting of the association, for a fiscal year to provide no
1200 reserves or reserves less adequate than required by this
1201 subsection. Before turnover of control of an association by a
1202 developer to unit owners other than a developer under s.
1203 719.301, the developer-controlled association may not vote to
1204 waive the reserves or reduce funding of the reserves. For a
1205 budget adopted on or after ~~Effective~~ December 31, 2024, a unit-
1206 owner-controlled association that must obtain a structural
1207 integrity reserve study may not determine to provide no reserves
1208 or reserves less adequate than required by this paragraph for
1209 items listed in paragraph (k). If a meeting of the unit owners
1210 has been called to determine to provide no reserves, or reserves
1211 less adequate than required, and such result is not attained or
1212 a quorum is not attained, the reserves as included in the budget
1213 shall go into effect.

1214 3. Reserve funds and any interest accruing thereon shall
1215 remain in the reserve account or accounts, and shall be used
1216 only for authorized reserve expenditures unless their use for
1217 other purposes is approved in advance by a vote of the majority
1218 of the voting interests, voting in person or by limited proxy at

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1219 a duly called meeting of the association. Before turnover of
1220 control of an association by a developer to unit owners other
1221 than the developer under s. 719.301, the developer may not vote
1222 to use reserves for purposes other than that for which they were
1223 intended. For a budget adopted on or after ~~Effective~~ December
1224 31, 2024, members of a unit-owner-controlled association that
1225 must obtain a structural integrity reserve study may not vote to
1226 use reserve funds, or any interest accruing thereon, ~~that are~~
1227 ~~reserved for items listed in paragraph (k)~~ for purposes other
1228 than the replacement or deferred maintenance costs of the
1229 components listed in paragraph (k) ~~their intended purpose.~~

1230 (k) *Structural integrity reserve study.*—

1231 1. A residential cooperative ~~An~~ association must have a
1232 structural integrity reserve study completed at least every 10
1233 years for each building on the cooperative property that is
1234 three stories or higher in height as determined by the Florida
1235 Building Code that includes, at a minimum, a study of the
1236 following items as related to the structural integrity and
1237 safety of the building:

1238 a. Roof.

1239 b. Load-bearing walls or other primary structural members.

1240 c. ~~Floor.~~

1241 ~~d.~~ Foundation.

1242 ~~d.e.~~ Fireproofing and fire protection systems.

1243 ~~e.f.~~ Plumbing.

1244 ~~f.g.~~ Electrical systems.

1245 ~~g.h.~~ Waterproofing and exterior painting.

1246 ~~h.i.~~ Windows.

1247 ~~i.j.~~ Any other item that has a deferred maintenance expense

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1248 or replacement cost that exceeds \$10,000 and the failure to
1249 replace or maintain such item negatively affects the items
1250 listed in sub-subparagraphs a.-h. ~~sub-subparagraphs a.-i.~~, as
1251 determined by the ~~licensed engineer or architect performing the~~
1252 visual inspection portion of the structural integrity reserve
1253 study.

1254 2. A structural integrity reserve study is based on a
1255 visual inspection of the cooperative property. A structural
1256 integrity reserve study may be performed by any person qualified
1257 to perform such study. However, the visual inspection portion of
1258 the structural integrity reserve study must be performed or
1259 verified by an engineer licensed under chapter 471, an architect
1260 licensed under chapter 481, or a person who is certified as a
1261 reserve specialist or professional reserve analyst by the
1262 Community Associations Institute or the Association of
1263 Professional Reserve Analysts. At a minimum, a structural
1264 integrity reserve study must identify each item of the
1265 cooperative property being visually inspected, state the
1266 estimated remaining useful life and the estimated replacement
1267 cost or deferred maintenance expense of each item of the
1268 cooperative property being visually inspected, and provide a
1269 reserve funding schedule with a recommended annual reserve
1270 amount that achieves the estimated replacement cost or deferred
1271 maintenance expense of each item of cooperative property being
1272 visually inspected by the end of the estimated remaining useful
1273 life of the item. The structural integrity reserve study may
1274 recommend that reserves do not need to be maintained for any
1275 item for which an estimate of useful life and an estimate of
1276 replacement cost or deferred maintenance expense cannot be

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1277 determined, or the study may recommend a deferred maintenance
1278 expense amount for such item. This paragraph does not apply to
1279 buildings less than three stories in height; single-family, two-
1280 family, or three-family dwellings with three or fewer habitable
1281 stories above ground; any portion or component of a building
1282 that has not been submitted to the cooperative form of
1283 ownership; or any portion or component of a building that is
1284 maintained by a party other than the association.

1285 3. Before a developer turns over control of an association
1286 to unit owners other than the developer, the developer must have
1287 a structural integrity reserve study completed for each building
1288 on the cooperative property that is three stories or higher in
1289 height.

1290 4.3- Associations existing on or before July 1, 2022, which
1291 are controlled by unit owners other than the developer, must
1292 have a structural integrity reserve study completed by December
1293 31, 2024, for each building on the cooperative property that is
1294 three stories or higher in height.

1295 5.4- If an association fails to complete a structural
1296 integrity reserve study pursuant to this paragraph, such failure
1297 is a breach of an officer's and director's fiduciary
1298 relationship to the unit owners under s. 719.104(9) ~~s.~~
1299 ~~719.104(8)~~.

1300 (1) *Mandatory milestone inspections.*—If an association is
1301 required to have a milestone inspection performed pursuant to s.
1302 553.899, the association must arrange for the milestone
1303 inspection to be performed and is responsible for ensuring
1304 compliance with the requirements of s. 553.899. The association
1305 is responsible for all costs associated with the milestone

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1306 inspection attributable to the portions of the building which
1307 the association is responsible to maintain under the governing
1308 documents of the association. If the officers or directors of an
1309 association willfully and knowingly fail to have a milestone
1310 inspection performed pursuant to s. 553.899, such failure is a
1311 breach of the officers' and directors' fiduciary relationship to
1312 the unit owners under s. 719.104(9)(a) ~~s. 719.104(8)(a)~~. Within
1313 30 days after receiving ~~Upon completion of~~ a phase one or phase
1314 two milestone inspection ~~and receipt of the inspector-prepared~~
1315 ~~summary of the inspection~~ report from the architect or engineer
1316 who performed the inspection, the association must distribute a
1317 copy of the inspector-prepared summary of the inspection report
1318 to each unit owner, regardless of the findings or
1319 recommendations in the report, by United States mail or personal
1320 delivery at the mailing address, property address, or any other
1321 address of the owner provided to fulfill the association's
1322 notice requirements under this chapter and by electronic
1323 transmission to the e-mail address or facsimile number provided
1324 to fulfill the association's notice requirements to unit owners
1325 who previously consented to receive notice by electronic
1326 transmission; must post a copy of the inspector-prepared summary
1327 in a conspicuous place on the cooperative property; and must
1328 publish the full report and inspector-prepared summary on the
1329 association's website, if the association is required to have a
1330 website.

1331 Section 13. Paragraph (b) of subsection (1) of section
1332 719.503, Florida Statutes, is amended, paragraph (d) is added to
1333 that subsection, and paragraph (d) is added to subsection (2) of
1334 that section, to read:

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1335 719.503 Disclosure prior to sale.—
1336 (1) DEVELOPER DISCLOSURE.—
1337 (b) *Copies of documents to be furnished to prospective*
1338 *buyer or lessee.*—Until such time as the developer has furnished
1339 the documents listed below to a person who has entered into a
1340 contract to purchase a unit or lease it for more than 5 years,
1341 the contract may be voided by that person, entitling the person
1342 to a refund of any deposit together with interest thereon as
1343 provided in s. 719.202. The contract may be terminated by
1344 written notice from the proposed buyer or lessee delivered to
1345 the developer within 15 days after the buyer or lessee receives
1346 all of the documents required by this section. The developer may
1347 not close for 15 days after the execution of the agreement and
1348 delivery of the documents to the buyer as evidenced by a receipt
1349 for documents signed by the buyer unless the buyer is informed
1350 in the 15-day voidability period and agrees to close before the
1351 expiration of the 15 days. The developer shall retain in his or
1352 her records a separate signed agreement as proof of the buyer's
1353 agreement to close before the expiration of the voidability
1354 period. The developer must retain such proof for a period of 5
1355 years after the date of the closing transaction. The documents
1356 to be delivered to the prospective buyer are the prospectus or
1357 disclosure statement with all exhibits, if the development is
1358 subject to s. 719.504, or, if not, then copies of the following
1359 which are applicable:

1360 1. The question and answer sheet described in s. 719.504,
1361 and cooperative documents, or the proposed cooperative documents
1362 if the documents have not been recorded, which shall include the
1363 certificate of a surveyor approximately representing the

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- 1364 locations required by s. 719.104.
- 1365 2. The documents creating the association.
- 1366 3. The bylaws.
- 1367 4. The ground lease or other underlying lease of the
1368 cooperative.
- 1369 5. The management contract, maintenance contract, and other
1370 contracts for management of the association and operation of the
1371 cooperative and facilities used by the unit owners having a
1372 service term in excess of 1 year, and any management contracts
1373 that are renewable.
- 1374 6. The estimated operating budget for the cooperative and a
1375 schedule of expenses for each type of unit, including fees
1376 assessed to a shareholder who has exclusive use of limited
1377 common areas, where such costs are shared only by those entitled
1378 to use such limited common areas.
- 1379 7. The lease of recreational and other facilities that will
1380 be used only by unit owners of the subject cooperative.
- 1381 8. The lease of recreational and other common areas that
1382 will be used by unit owners in common with unit owners of other
1383 cooperatives.
- 1384 9. The form of unit lease if the offer is of a leasehold.
- 1385 10. Any declaration of servitude of properties serving the
1386 cooperative but not owned by unit owners or leased to them or
1387 the association.
- 1388 11. If the development is to be built in phases or if the
1389 association is to manage more than one cooperative, a
1390 description of the plan of phase development or the arrangements
1391 for the association to manage two or more cooperatives.
- 1392 12. If the cooperative is a conversion of existing

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1393 improvements, the statements and disclosure required by s.
1394 719.616.

1395 13. The form of agreement for sale or lease of units.

1396 14. A copy of the floor plan of the unit and the plot plan
1397 showing the location of the residential buildings and the
1398 recreation and other common areas.

1399 15. A copy of all covenants and restrictions that will
1400 affect the use of the property and are not contained in the
1401 foregoing.

1402 16. If the developer is required by state or local
1403 authorities to obtain acceptance or approval of any dock or
1404 marina facilities intended to serve the cooperative, a copy of
1405 any such acceptance or approval acquired by the time of filing
1406 with the division pursuant to s. 719.502(1) or a statement that
1407 such acceptance or approval has not been acquired or received.

1408 17. Evidence demonstrating that the developer has an
1409 ownership, leasehold, or contractual interest in the land upon
1410 which the cooperative is to be developed.

1411 18. A copy of the inspector-prepared summary of the
1412 milestone inspection report as described in ss. 553.899 and
1413 719.301(4)(p), or a statement in conspicuous type indicating
1414 that the required milestone inspection described in ss. 553.899
1415 and 719.301(4)(p) has not been completed or that a milestone
1416 inspection is not required, as ~~if~~ applicable.

1417 19. A copy of the ~~association's~~ most recent structural
1418 integrity reserve study or a statement in conspicuous type
1419 indicating that ~~the association has not completed~~ a required
1420 structural integrity reserve study has not been completed or
1421 that a structural integrity reserve study is not required, as

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1422 applicable.

1423 (d) Milestone inspection or structural integrity reserve
1424 study.—If the association is required to have completed a
1425 milestone inspection as described in ss. 553.899 and
1426 719.301(4) (p) or a structural integrity reserve study, and the
1427 association has failed to complete the milestone inspection or
1428 the structural integrity reserve study, each contract entered
1429 into after December 31, 2024, for the sale of a residential unit
1430 shall contain in conspicuous type a statement indicating that
1431 the association is required to have a milestone inspection or a
1432 structural integrity reserve study and has failed to complete
1433 such inspection or study, as appropriate. If the association is
1434 not required to have a milestone inspection as described in ss.
1435 553.899 and 719.301(4) (p) or a structural integrity reserve
1436 study, each contract entered into after December 31, 2024, for
1437 the sale of a residential unit shall contain in conspicuous type
1438 a statement indicating that the association is not required to
1439 have a milestone inspection or a structural integrity reserve
1440 study, as appropriate. If the association is required to have
1441 completed a milestone inspection as described in ss. 553.899 and
1442 719.301(4) (p) or a structural integrity reserve study, each
1443 contract entered into after December 31, 2024, for the sale of a
1444 residential unit shall contain in conspicuous type:

1445 1. A clause which states: THE BUYER HEREBY ACKNOWLEDGES
1446 THAT BUYER HAS BEEN PROVIDED A CURRENT COPY OF THE INSPECTOR-
1447 PREPARED SUMMARY OF THE MILESTONE INSPECTION REPORT AS DESCRIBED
1448 IN SECTIONS 553.899 AND 719.301(4) (p), FLORIDA STATUTES; AND A
1449 COPY OF THE ASSOCIATION'S MOST RECENT STRUCTURAL INTEGRITY
1450 RESERVE STUDY DESCRIBED IN SECTIONS 719.103(24) AND

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1451 719.106(1)(k), FLORIDA STATUTES, MORE THAN 15 DAYS, EXCLUDING
1452 SATURDAYS, SUNDAYS, AND LEGAL HOLIDAYS, PRIOR TO EXECUTION OF
1453 THIS CONTRACT; and

1454 2. A clause which states: THIS AGREEMENT IS VOIDABLE BY
1455 BUYER BY DELIVERING WRITTEN NOTICE OF THE BUYER'S INTENTION TO
1456 CANCEL WITHIN 15 DAYS, EXCLUDING SATURDAYS, SUNDAYS, AND LEGAL
1457 HOLIDAYS, AFTER THE DATE OF EXECUTION OF THIS AGREEMENT BY THE
1458 BUYER AND RECEIPT BY BUYER OF A CURRENT COPY OF THE INSPECTOR-
1459 PREPARED SUMMARY OF THE MILESTONE INSPECTION REPORT AS DESCRIBED
1460 IN SECTIONS 553.899 AND 719.301(4)(p), FLORIDA STATUTES; AND A
1461 COPY OF THE ASSOCIATION'S MOST RECENT STRUCTURAL INTEGRITY
1462 RESERVE STUDY DESCRIBED IN SECTIONS 719.103(24) AND
1463 719.106(1)(k), FLORIDA STATUTES. ANY PURPORTED WAIVER OF THESE
1464 VOIDABILITY RIGHTS SHALL BE OF NO EFFECT. BUYER MAY EXTEND THE
1465 TIME FOR CLOSING FOR A PERIOD OF NOT MORE THAN 15 DAYS,
1466 EXCLUDING SATURDAYS, SUNDAYS, AND LEGAL HOLIDAYS, AFTER THE
1467 BUYER RECEIVES A CURRENT COPY OF THE INSPECTOR-PREPARED SUMMARY
1468 OF THE MILESTONE INSPECTION REPORT AS DESCRIBED IN SECTIONS
1469 553.899 AND 719.301(4)(p), FLORIDA STATUTES; AND A COPY OF THE
1470 ASSOCIATION'S MOST RECENT STRUCTURAL INTEGRITY RESERVE STUDY
1471 DESCRIBED IN SECTIONS 719.103(24) AND 719.106(1)(k), FLORIDA
1472 STATUTES, IF REQUESTED IN WRITING. BUYER'S RIGHT TO VOID THIS
1473 AGREEMENT SHALL TERMINATE AT CLOSING.

1474
1475 A contract that does not conform to the requirements of this
1476 paragraph is voidable at the option of the purchaser prior to
1477 closing.

1478 (2) NONDEVELOPER DISCLOSURE.—

1479 (d) If the association is required to have completed a

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1480 milestone inspection as described in ss. 553.899 and
1481 719.301(4) (p) or a structural integrity reserve study, and the
1482 association has failed to complete the milestone inspection or
1483 the structural integrity reserve study, each contract entered
1484 into after December 31, 2024, for the sale of a residential unit
1485 shall contain in conspicuous type a statement indicating that
1486 the association is required to have a milestone inspection or a
1487 structural integrity reserve study and has failed to complete
1488 such inspection or study, as appropriate. If the association is
1489 not required to have a milestone inspection as described in ss.
1490 553.899 and 719.301(4) (p) or a structural integrity reserve
1491 study, each contract entered into after December 31, 2024, for
1492 the sale of a residential unit shall contain in conspicuous type
1493 a statement indicating that the association is not required to
1494 have a milestone inspection or a structural integrity reserve
1495 study, as appropriate. If the association is required to have
1496 completed a milestone inspection as described in ss. 553.899 and
1497 719.301(4) (p) or a structural integrity reserve study, each
1498 contract entered into after December 31, 2024, for the resale of
1499 a residential unit shall contain in conspicuous type:

1500 1. A clause which states: THE BUYER HEREBY ACKNOWLEDGES
1501 THAT BUYER HAS BEEN PROVIDED A CURRENT COPY OF THE INSPECTOR-
1502 PREPARED SUMMARY OF THE MILESTONE INSPECTION REPORT AS DESCRIBED
1503 IN SECTIONS 553.899 AND 719.301(4) (p), FLORIDA STATUTES; AND A
1504 COPY OF THE ASSOCIATION'S MOST RECENT STRUCTURAL INTEGRITY
1505 RESERVE STUDY DESCRIBED IN SECTIONS 719.103(24) AND
1506 719.106(1) (k), FLORIDA STATUTES, MORE THAN 3 DAYS, EXCLUDING
1507 SATURDAYS, SUNDAYS, AND LEGAL HOLIDAYS, PRIOR TO EXECUTION OF
1508 THIS CONTRACT; and

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1509 2. A clause which states: THIS AGREEMENT IS VOIDABLE BY
 1510 BUYER BY DELIVERING WRITTEN NOTICE OF THE BUYER'S INTENTION TO
 1511 CANCEL WITHIN 3 DAYS, EXCLUDING SATURDAYS, SUNDAYS, AND LEGAL
 1512 HOLIDAYS, AFTER THE DATE OF EXECUTION OF THIS AGREEMENT BY THE
 1513 BUYER AND RECEIPT BY BUYER OF A CURRENT COPY OF THE INSPECTOR-
 1514 PREPARED SUMMARY OF THE MILESTONE INSPECTION REPORT AS DESCRIBED
 1515 IN SECTIONS 553.899 AND 719.301(4) (p), FLORIDA STATUTES; AND A
 1516 COPY OF THE ASSOCIATION'S MOST RECENT STRUCTURAL INTEGRITY
 1517 RESERVE STUDY DESCRIBED IN SECTIONS 719.103(24) AND
 1518 719.106(1) (k), FLORIDA STATUTES. ANY PURPORTED WAIVER OF THESE
 1519 VOIDABILITY RIGHTS SHALL BE OF NO EFFECT. BUYER MAY EXTEND THE
 1520 TIME FOR CLOSING FOR A PERIOD OF NOT MORE THAN 3 DAYS, EXCLUDING
 1521 SATURDAYS, SUNDAYS, AND LEGAL HOLIDAYS, AFTER THE BUYER RECEIVES
 1522 A CURRENT COPY OF THE INSPECTOR-PREPARED SUMMARY OF THE
 1523 MILESTONE INSPECTION REPORT AS DESCRIBED IN SECTIONS 553.899 AND
 1524 719.301(4) (p), FLORIDA STATUTES; AND A COPY OF THE ASSOCIATION'S
 1525 MOST RECENT STRUCTURAL INTEGRITY RESERVE STUDY DESCRIBED IN
 1526 SECTIONS 719.103(24) AND 719.106(1) (k), FLORIDA STATUTES, IF
 1527 REQUESTED IN WRITING. BUYER'S RIGHT TO VOID THIS AGREEMENT SHALL
 1528 TERMINATE AT CLOSING.

1529
 1530 A contract that does not conform to the requirements of this
 1531 paragraph is voidable at the option of the purchaser prior to
 1532 closing.

1533 Section 14. Subsection (2) of section 558.002, Florida
 1534 Statutes, is amended to read:

1535 558.002 Definitions.—As used in this chapter, the term:

1536 (2) "Association" has the same meaning as in s. 718.103 ~~s.~~
 1537 ~~718.103(2)~~, s. 719.103(2), s. 720.301(9), or s. 723.075.

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1538 Section 15. Paragraph (b) of subsection (1) of section
1539 718.116, Florida Statutes, is amended to read:

1540 718.116 Assessments; liability; lien and priority;
1541 interest; collection.—

1542 (1)

1543 (b)1. The liability of a first mortgagee or its successor
1544 or assignees who acquire title to a unit by foreclosure or by
1545 deed in lieu of foreclosure for the unpaid assessments that
1546 became due before the mortgagee's acquisition of title is
1547 limited to the lesser of:

1548 a. The unit's unpaid common expenses and regular periodic
1549 assessments which accrued or came due during the 12 months
1550 immediately preceding the acquisition of title and for which
1551 payment in full has not been received by the association; or

1552 b. One percent of the original mortgage debt. The
1553 provisions of this paragraph apply only if the first mortgagee
1554 joined the association as a defendant in the foreclosure action.
1555 Joinder of the association is not required if, on the date the
1556 complaint is filed, the association was dissolved or did not
1557 maintain an office or agent for service of process at a location
1558 which was known to or reasonably discoverable by the mortgagee.

1559 2. An association, or its successor or assignee, that
1560 acquires title to a unit through the foreclosure of its lien for
1561 assessments is not liable for any unpaid assessments, late fees,
1562 interest, or reasonable attorney's fees and costs that came due
1563 before the association's acquisition of title in favor of any
1564 other association, as defined in s. 718.103 ~~s. 718.103(2)~~ or s.
1565 720.301(9), which holds a superior lien interest on the unit.
1566 This subparagraph is intended to clarify existing law.

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1567 Section 16. Paragraph (d) of subsection (2) of section
1568 720.3085, Florida Statutes, is amended to read:

1569 720.3085 Payment for assessments; lien claims.—

1570 (2)

1571 (d) An association, or its successor or assignee, that
1572 acquires title to a parcel through the foreclosure of its lien
1573 for assessments is not liable for any unpaid assessments, late
1574 fees, interest, or reasonable attorney's fees and costs that
1575 came due before the association's acquisition of title in favor
1576 of any other association, as defined in s. 718.103 ~~s. 718.103(2)~~
1577 or s. 720.301(9), which holds a superior lien interest on the
1578 parcel. This paragraph is intended to clarify existing law.

1579 Section 17. Effective July 1, 2027, for the purpose of
1580 incorporating the amendments made by this act to section
1581 718.1255, Florida Statutes, in a reference thereto, section
1582 719.1255, Florida Statutes, is reenacted to read:

1583 719.1255 Alternative resolution of disputes.—The Division
1584 of Florida Condominiums, Timeshares, and Mobile Homes of the
1585 Department of Business and Professional Regulation shall provide
1586 for alternative dispute resolution in accordance with s.
1587 718.1255.

1588 Section 18. Paragraph (f) of subsection (1) of section
1589 718.501, Florida Statutes, is reenacted to read:

1590 718.501 Authority, responsibility, and duties of Division
1591 of Florida Condominiums, Timeshares, and Mobile Homes.—

1592 (1) The division may enforce and ensure compliance with
1593 this chapter and rules relating to the development,
1594 construction, sale, lease, ownership, operation, and management
1595 of residential condominium units and complaints related to the

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1596 procedural completion of milestone inspections under s. 553.899.
1597 In performing its duties, the division has complete jurisdiction
1598 to investigate complaints and enforce compliance with respect to
1599 associations that are still under developer control or the
1600 control of a bulk assignee or bulk buyer pursuant to part VII of
1601 this chapter and complaints against developers, bulk assignees,
1602 or bulk buyers involving improper turnover or failure to
1603 turnover, pursuant to s. 718.301. However, after turnover has
1604 occurred, the division has jurisdiction to investigate
1605 complaints related only to financial issues, elections, and the
1606 maintenance of and unit owner access to association records
1607 under s. 718.111(12), and the procedural completion of
1608 structural integrity reserve studies under s. 718.112(2)(g).

1609 (f) The division may adopt rules to administer and enforce
1610 this chapter.

1611 Section 19. Paragraph (f) of subsection (1) of section
1612 719.501, Florida Statutes, is reenacted to read:

1613 719.501 Powers and duties of Division of Florida
1614 Condominiums, Timeshares, and Mobile Homes.—

1615 (1) The Division of Florida Condominiums, Timeshares, and
1616 Mobile Homes of the Department of Business and Professional
1617 Regulation, referred to as the "division" in this part, in
1618 addition to other powers and duties prescribed by chapter 718,
1619 has the power to enforce and ensure compliance with this chapter
1620 and adopted rules relating to the development, construction,
1621 sale, lease, ownership, operation, and management of residential
1622 cooperative units; complaints related to the procedural
1623 completion of the structural integrity reserve studies under s.
1624 719.106(1)(k); and complaints related to the procedural

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1625 completion of milestone inspections under s. 553.899. In
1626 performing its duties, the division shall have the following
1627 powers and duties:

1628 (f) The division has authority to adopt rules pursuant to
1629 ss. 120.536(1) and 120.54 to implement and enforce the
1630 provisions of this chapter.

1631 Section 20. For the 2023-2024 fiscal year, the sums of
1632 \$1,301,928 in recurring funds and \$67,193 in nonrecurring funds
1633 from the Division of Florida Condominiums, Timeshares, and
1634 Mobile Homes Trust Fund are appropriated to the Department of
1635 Business and Professional Regulation, and 10 full-time
1636 equivalent positions with associated salary rate of 487,264 are
1637 authorized for the purpose of implementing this act.

1638 Section 21. Except as otherwise expressly provided in this
1639 act, this act shall take effect upon becoming a law.