

Condominium and Cooperative Associations

CAI-FLA successfully worked with legislators on HB 913 to bring improvements to **SIRS** and **milestone inspection** timelines and streamlining forms—specifically for buildings with 3 or more *habitable* stories. While not perfect, this bill reflects the hard work of advocates making sure your voice was heard. This was a focus from the Governor this year. Below is a summary of the changes:

Community Association Managers (CAMs)

- License Revocation Restrictions: Individuals with revoked licenses cannot work with or own a management firm for 10 years.
- DBPR Account Requirement: All licensed managers must maintain an online account with the Department of Business and Professional Regulation (DBPR).
- Legal Compliance: CAMs and firms may not knowingly carry out directives that violate state or federal law.
- Contract Language: Management contracts must include a 12-point font statement affirming adherence to professional standards and recordkeeping.
- Waiver Prohibition: CAM contracts cannot waive professional standards under Florida Statutes 468.432.
- Meeting Attendance: CAMs must attend at least one board or membership meeting in person annually.

Conflicts of Interest (CAMs & Professionals)

- Disclosure Requirements: Those bidding on SIRS or milestone inspection-related work must disclose intentions to bid on follow-up repairs.
- Rebuttable Presumption: Entering contracts beyond CAM services creates a rebuttable presumption of conflict.
- Definition of Compensation: Includes referral fees, profit-sharing, and ownership interests in recommended vendors.
- \$2,500 Goods/Services Rule: CAMs providing over \$2,500 in services (not CAM-related) must disclose this in contracts.
- Meeting Notices: Notices must disclose the activity, conflict, and provide relevant contract documents.
- Contract Termination: Boards may void or terminate contracts violating conflict rules without requiring 20% member vote.

Milestone Inspections

- Limited to buildings with 3 or more HABITABLE stories. Habitable spaces include areas intended for living, sleeping, eating or cooking. Garages, storage areas, hallways, closets, etc. are not considered habitable.
- Local Agency Reporting: Must report inspection data to the state by October 1, 2025.
- Funding Repairs: Special assessments, lines of credit, or loans allowed, subject to unit owner approval.
- Structural Integrity Reserve Studies (SIRS)
- Limited to buildings with 3 or more HABITABLE stories. Habitable spaces include areas intended for living, sleeping, eating or cooking. Garages, storage areas, hallways, closets, etc. are not considered habitable.
- Deadline: Completion deadline extended to December 31, 2025.
- Funding Reflection: SIRS must reflect chosen funding method (e.g., special assessment, loan).
- Update Requirement: Updated SIRS required before any new budget if funding plans change.
- Non-SIRS Items: Must be clearly labeled in the report.
- Pooling Rules: SIRS funds may be pooled but cannot drop below baseline recommended funding.
- Exempts 4-family dwellings of 3 stories or less from SIRS requirements.
- Requires officers and directors of association to sign an affidavit acknowledging receipt of a completed SIRS
- Requires the Division of Condominiums, Timeshares, and Mobile Homes to adopt by rule the form for the SIRS in coordination with the Florida Building Commission.

Reserve Funding & Thresholds

- Threshold Increase: Reserve item threshold increased from \$10,000 to \$25,000, with inflation adjustment beginning Feb 1, 2026.
- Alternative Funding: Special assessments, loans, or lines of credit allowed if approved by unit majority.
- Temporary Pause: Reserve contributions for milestone inspection repairs may be paused for up to two annual budgets with owner approval (before Dec 31, 2028).
- Regular vs. Structural Reserves: Non-SIRS associations follow general reserve rules under 718.112(f)2a.
- Separate Accounting: SIRS and regular reserves cannot be co-mingled. Change in accounting methods doesn't require unit owner vote.

- Investing: Provides for the investment of reserve funds in certificates of deposit or deposits in banks and credit unions and develops rules around investing funds outside of these methods

Financial Reporting

- Deadline Extension: Annual financial statement deadline extended from 120 to 180 days after the fiscal year end.
- Electronic Notice: Associations may notify owners electronically of financial report availability.
- Affidavit Requirement: Must include a signed affidavit as proof of delivery.
- Approval Requirement Change: Reducing financial reporting now requires majority of all voting interests (not just those present).

Official Records Requirements

- Expanded Record Types: Bank statements, ledgers, affidavits, and meeting minutes must be kept.
- Virtual Meetings: Must be recorded and maintained for at least one year; subject to inspection.
- Posting Requirements: Associations with 25+ units must post minutes and recordings for the past 12 months online. Updates required within 30 days of changes.

Condominium & Board Meetings

- Video Conferencing: Zoom/Teams now formally allowed for board and membership meetings.
- Recording Requirement: Virtual meetings must be recorded and preserved as official records.
- Voting and Quorum: E-voting allowed; quorum must include members for virtual annual meetings.
- Meeting Notices: Must include virtual access info and physical location.
- Audio Standards: Must allow mutual audibility for virtual/in-person attendees.

Electronic Voting

- Petition Threshold: If 25% of voting interests petition, the board must implement e-voting within 21 days.
- E-Ballot Acceptance: Electronically transmitted ballots must be accepted if format complies with law, even before a resolution is adopted.

Presale Disclosures

- Required Documents: Sellers (including developers) must provide the most recent annual budget and financial statements.
- Inspection/Reserves Info: Contracts must include clear statements about inspection/reserve status.
- Rescission Period: Increased to 7 days for non-developer sales.
- Insurance Requirements
- Coverage Standard: Must be based on updated independent appraisals.
- Windstorm Events: Coverage must account for probable maximum loss from a 250-year windstorm.

Non-residential Condominiums

- Turnover Exemption: As of July 1, 2025, nonresidential condos with ≤ 10 units are exempt from turnover requirements.
- Contract Termination Restrictions: Members may only cancel developer contracts once they hold $\geq 90\%$ of voting interest.
- Unit Configuration Flexibility: Declarations may allow changes to unit size, appurtenances, or common element shares post-2025 with owner/lienholder approval.
- Shared Recreational Contracts: Must follow separate procedures.

Reporting Requirements

- Online DBPR Accounts: Associations must create and maintain accounts with the Division of Condominiums.
- Required Data: Includes contact info, building age, assessment details, and more.

Emergency Powers

- Evacuation Authority: Boards have the power to order an emergency evacuation in the event of an emergency.
- Liability Protection: Condos/co-ops are not liable for injuries to residents refusing to evacuate after board directive.

Status: Successfully PASSED, awaiting Governor's signature. Effective July 1, 2025