



BROUGH, CHADROW & LEVINE, P.A.

ATTORNEYS AT LAW

DAVID L. BROUGH*

MICHAEL S. CHADROW*

SCOTT J. LEVINE (1975-2024)

DAVID H. POLLACK, OF COUNSEL

**Florida Bar Board Certified Specialist in
Condominium and Planned Development Law*

WESTON PROFESSIONAL CENTRE

2149 NORTH COMMERCE PARKWAY

WESTON, FLORIDA 33326

TELEPHONE: 954-384-0732

FACSIMILE: 954-384-0846

WWW.BCLATTORNEYS.COM

2025 COMMUNITY ASSOCIATION LEGISLATIVE UPDATE

In an effort to keep our clients informed as to the current status of Florida law with regard to condominium and homeowners associations, we are pleased to provide our clients with this complimentary legislative update.

The 2025 regular session of the Florida Legislature resulted in the passage of one significant bill -HB 913-, which contains changes **primarily related to condominium associations** and HB 393 which is an update to the My Safe Florida Condominium Pilot Program. There were no significant changes for homeowners associations this legislative session. **The changes to Chapter 468 for community association managers applies to all community associations.** Highlights of the bills are summarized below.

Please note that the information contained herein is summary in nature and not meant to be all inclusive. Should you have any specific questions or concerns with regard to the statutory changes discussed herein or any issues pertaining to your association, we invite and encourage you to contact our office.

House Bill 913

(Awaiting Signature By Governor -
If Signed Will Take Effect on July 1, 2025)

Community Association Managers (Florida statute §468.432)

Revises the conflict-of-interest disclosure requirements for CAMs and CAM firms, including exempting conflicts of interest that are disclosed in the management contract from current law requirements;

Prohibits persons who have had their CAM license revoked from having an indirect or direct ownership interest in a CAM firm, or being an employee, partner, officer, director, or trustee of a CAM firm for 10 years after the effective date of the revocation and may not reapply for a license for 10 years after the effective date of the revocation;

Requires CAMs to maintain and update an online account with the Department of Business and Professional Regulation (department) identifying the CAM firm for which he or she provides management services and each community association for which he or she is the designated onsite community association manager. CAM firms must identify on its online account the community association managers that it employs to provide management services. Any changes to the required information must be updated within thirty (30) days.

Requires the Division of Condominiums, Timeshares, and Mobile Homes (division) to give written notice to the CAM firm and to the community association when a CAM's license is suspended or revoked.

A CAM or CAM firm may not knowingly perform any act directed by the community association if such act violates any state or federal law.

Each contract between an association and a CAM or CAM firm must include the following written statement in at least 12 point type **“The community association manager shall abide by all professional standards and record keeping requirements imposed pursuant to part VIII of chapter 468, Florida Statutes”**.

A contract between an association and CAM or CAM firm may not waive or limit the professional practice standards required by the statute.

Conflicts of Interest - CAMS (Florida statute §468.4335)

Adds that, without prior notice, a rebuttable presumption that a conflict of interest occurs if: a) a CAM or CAM firm proposes to enter into a contract or other transaction with the association for other than community association management services; or b) a CAM or CAM firm holds an interest in or receives compensation from a person which conducts business with an association or proposes to enter into a contact with the association. “Compensation” means any referral fee or other monetary benefit from such person who provides products or services to the Association and any ownership interest or profit-sharing arrangements with product or serves providers recommended to or used by the association.

If the association receives and considers a bid that exceeds \$2,500.00 to provide a good or service other than management services which is or reasonably may be construed to be a conflict of interest under the above section, the association must solicit multiple bids from other third-party providers of such goods or services. Note that this subsection does not apply to any activities or the provision of goods or services that are disclosed in the management services contract as a conflict of interest within the meaning provided in subsection (1) of the statute.

The notice for the meeting at which the proposed activity will be considered by the board must include a description of the proposed activity, disclose the possible conflict of interest, and include a copy of all contracts and transactional documents related to the proposed activity.

If the board finds that a CAM or CAM firm violated the above provisions, the contract is voidable and the association may terminate its community association contract with the CAM or CAM firm by delivery of a written notice terminating the contract. If so terminated, the association is liable for the reasonable value of management services up to the time of cancellation.

Milestone Inspections

Revises the requirements for milestone inspections to apply to condominium and cooperative buildings that are three “habitable” stories or more in height instead of three or more stories under current law;

Requires local enforcement agencies report to the department, by December 31, 2025, specified information regarding the inspections, including but not limited to the number of buildings required to have a milestone inspection, the number of buildings inspected, the number of buildings granted an extension, the number of buildings requiring a phase two milestone inspection, the number type and value of permit applications received to complete repairs required by phase two milestone inspection and a list of buildings that have been deemed unsafe or uninhabitable;

Requires the Office of Program Policy and Government Accountability to compile milestone inspection data and to submit a report to the Legislature; and

Requires the boards of county commissioners to adopt an ordinance requiring associations and any other owners that are subject to milestone inspection requirements to commence repairs within 365 days after a phase two inspection is received.

Conflicts of Interest – Milestone and Structural Integrity Reserve Studies

Requires design professionals, e.g., architects and engineers, and licensed contractors who bid on milestone inspections and SIRS, to disclose in writing if they intend to bid on maintenance, repair, or replacement work which may be recommended by the milestone inspection or SIRS. A person who submits a bid to conduct or perform services recommended from the milestone inspection or SIRS may not have a direct or indirect interest in the firm providing the milestone inspection or be a relative of any person having a direct or indirect interest in such firm unless such relationship is disclosed to the association in writing. Failure to disclose makes such contract for services voidable by the Association by filing a written notice terminating the contract and may result in professional discipline.

Insurance

The bill requires every condominium association to provide adequate property insurance, and:

That the amount of adequate insurance coverage for full insurable value, replacement cost, or similar coverage may be based on the replacement cost of the property to be insured which must be determined by an independent insurance appraisal or an update of a previous appraisal at least once every three years, at a minimum.

Clarifies the association's obligation to provide adequate insurance coverage for at least three or more community associations may be satisfied by obtaining and maintaining insurance coverage sufficient to cover an amount equal to the probable maximum loss for the communities for a 250-year windstorm event.

Official Records

The bill requires condominium associations to keep as official records all:

Bank statements and ledgers;

Meeting minutes and recordings of board, committee and unit owner meetings conducted by video conference;

All affidavits required by ch. 718, F.S.;

Electronic records that contain minutes of all meetings of the association, the board of administration, any committee, and the unit owners, and a recording of all such meetings that are conducted by video conference;

If there are approved minutes for a meeting held by video conference, recordings of meetings that are conducted by video conference must be maintained for at least 1 year after the date the video recording is posted.

Condominium Association Website

(Note: This portion of the bill takes effect January 1, 2026).

Adds the requirement to post the approved minutes of all board of administration meetings over the preceding 12 months.

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

Unless a shorter period is otherwise required, a document must be made available on the association's website or made available for download through an application on a mobile device within 30 days after the association receives or creates an official record as specified in the statute.

Adds the requirement to post a copy of all affidavits that are required by Chapter 718.

Investment of Association Funds

A board shall, in fulfilling its duty to manager operating and reserve funds of its association, use best efforts to make prudent investment decisions that carefully consider risk and return in an effort to maximize returns on invested funds.

An association, including a multicondominium association, may invest reserve funds in one or any combination of certificate of deposit or in depository accounts at a community bank, savings bank, commercial bank, savings and loan association, or credit union *without a vote of the unit owners*.

Condominium Association Meetings

The bill allows condominium associations to conduct meetings by video conferencing, including board meetings, budget meetings, and unit owner meetings*.

*Interestingly, language was included in the bill providing that if unit owner meetings are conducted by video conference, ***“a quorum of the members of the board of administration must be physically present at the physical location where the unit owners can attend the meeting.”*** This is significant in that board members, let alone a quorum of the board, were not previously required to attend unit owner meetings.

If a unit owner meeting is conducted via video conference, a unit owner may vote electronically in the manner provided in Florida statute 718.128.

A board member’s participation in a meeting conducted electronically counts toward a quorum and such board member may vote as if physically present;

Requires meetings conducted by video conference to be recorded and kept as official records;

Requires that the notice for a video conference meeting include a hyperlink and the address for the physical location of the meeting;

Requires board and unit owner meetings to be held within 15 miles of the condominium property or within the same county; and

Requires the division to adopt rules for the conduct of meetings by video conference.

Association Financial Reporting

The completed financial report (or notice that such report is available upon request) must be provided to the membership within 21 days but no later than 180 days (previously 120 days) after

the end of the fiscal year or other date as provided in the bylaws. Evidence of compliance with this delivery requirement must be made by an affidavit executed by an officer or director of the association.

Allows the association, as an alternative to delivering the annual financial statement, to provide a notice that the financial report will be mailed, hand delivered, or provided electronically via the Internet as requested by the unit owner

If approved by a majority vote of all the voting interests (previously majority of a quorum) of the association, an association may prepare a financial report with a lower standard of review than that required absent such vote.

Annual Budget Requirements

Requires associations to simultaneously propose a substitute budget that excludes any discretionary spending if the proposed budget exceeds 115 percent of the assessments of the preceding year;

Requires that the substitute budget be presented to the unit owners for approval before a budget can be adopted; and

Revises the expenses that associations can exclude when determining whether assessments exceed 115 percent of the assessments of the preceding year by:

Removing “assessments for betterments to the condominium property;” and replacing with “for the repair, maintenance, or replacement of the items listed in paragraph “g” (aka the SIRS items) and insurance premiums”

Reserves

Allows all multicondominiums to use the “alternative funding method;”

Increases the monetary threshold for reserve items from \$10,000 to \$25,000, or the inflation adjusted amount, whichever is greater; The inflation adjusted amount will be posted on the division’s website beginning February 1, 2026.

Provides for investment of reserve funds in certificates of deposit or deposits in banks and credit unions without a vote of the unit owners;

Allows a unit-owner-controlled association that is required to have a SIRS to fund SIRS reserves by a special assessment, a line of credit, or loan, with the approval of a majority of the voting interests of the association; the line of credit or loan must be immediately available for access by the board to fund the required repair, maintenance, or replacement expense without further approval by the members of the association. The funding selection must be included in the financial statement required under 718.111(13) and 718.503 to be provided to prospective purchasers.

Allows condominium boards to pause reserve funding without unit owner approval when the condominium building is declared uninhabitable by the local building official;

Allows unit-owner-controlled associations, for a budget adopted on or before December 31, 2028, that have completed the milestone inspection in the previous two years to temporarily pause or reduce reserve contributions for no more than 2 consecutive annual budgets, upon a vote of a majority of the total voting interests, in order to fund needed repairs recommended by the milestone inspection. If an association pauses or reduces reserve funding, it must perform a SIRS before continuing reserve contribution in order to determine the association's reserve funding needs and to recommend a reserve funding plan; and

Allows for funding of SIRS reserves by the pooling accounting method and allows boards to change the accounting method for reserves to a pooling accounting method or a straight-line accounting method without a vote of the members.

Structural Integrity Reserve Studies

Revises the requirements for SIRS to apply the requirement to buildings that are three **“habitable”** stories or more in height;

Extends the deadline by which associations must complete a required SIRS from December 31, 2024, to December 31, 2025;

Requires that the SIRS, include a reserve “baseline” funding plan that ensures the reserve cash balance stays above zero;

Requires that the SIRS must differentiate between mandatory reserve items and other reserve items;

Allows associations that have completed the required milestone inspection to delay the SIRS for the two consecutive budget years immediately following a milestone inspection in order to prioritize funding for repairs and maintenance required the milestone inspection;

The SIRS must take into account the funding method or methods used by the association to fund its maintenance and reserve funding obligation through regular assessments, special assessments, lines of credit, or loans. If the SIRS is performed before the association has approved a special assessment or secured a line of credit or a loan, the SIRS must be updated to reflect the funding method selected by the association and its effect on the reserve funding schedule, including any anticipated change in the amount of regular assessments. The SIRS may be updated to reflect the changes to the useful life of the reserve items after such items are repaired or replaced, and the effect of such repair or replacement will have on the reserve funding schedule. The association must obtain an updated SIRS before adopting any budget in which the reserve funding from regular assessments, special assessments, lines of credit, or loans do not align with the funding plan from the most recent version of the SIRS.

Exempts four-family dwellings with three or fewer habitable stories above ground from the SIRS requirements;

Requires an officer or director of an association to sign an affidavit acknowledging receipt of a completed SIRS; and

Requires the division to adopt by rule the form for the SIRS in coordination with the Florida Building Commission.

Electronic Voting

If at least 25 percent of the voting interest of a condominium petition the board to adopt a resolution for electronic voting for the next scheduled election, the board must hold a meeting within 21 days after receipt of the petition to adopt such resolution. The board must receive the petition within 180 days after the date of the last scheduled annual meeting.

Unless the association has adopted electronic voting as set forth in the statute, the association **must** designate an e-mail address for receipt of electronically transmitted ballots. Such ballots may be submitted by email without complying with 718.112(2)(d) or the rules providing for secrecy of ballots adopted by the division.

A ballot that is electronically transmitted to the association must include all of the following:

1. A space for the unit owner to type in his or her unit number.
2. A space for the unit owner to type in his or her first and last name, which also functions as the signature of the unit owner for purposes of signing the ballot.
3. The following statement in capitalized letters and in a font size larger than any other font size used in the e-mail from the association to the unit owner:

WAIVING THE SECRECY OF YOUR BALLOT IS YOUR CHOICE. YOU DO NOT HAVE TO WAIVE THE SECRECY OF YOUR BALLOT IN ORDER TO VOTE. BY TRANSMITTING YOUR COMPLETED BALLOT THROUGH E-MAIL TO THE ASSOCIATION, YOU WAIVE THE SECRECY OF YOUR COMPLETED BALLOT. IF YOU DO NOT WISH TO WAIVE YOUR SECRECY BUT WISH TO PARTICIPATE IN THE VOTE THAT IS THE SUBJECT OF THIS BALLOT, PLEASE ATTEND THE IN-PERSON MEETING DURING WHICH THE MATTER WILL BE VOTED ON.

4. A unit owner must transmit his or her completed ballot to the e-mail address designated by the association no later than the scheduled date and time of the meeting during which the matter is being voted on.

5. There is a rebuttable presumption that an association has reviewed all folders associated with the e-mail address designated by the association to receive ballots if a board member,

an officer, or an agent of the association, or a manager licensed under part VIII of chapter 468, provides a sworn affidavit attesting to such review.

Non-Developer Pre-Sale Disclosures

Sellers must now also provide the most recent budget and year-end financial statement.

Extends the 3-day rescission period for condominium sales by non-developer unit owners to 7 days.

Condos Within a Portion of a Building or Within a Multiple Parcel Building

Within 60 days after the end of the fiscal year, the owner of a portion of a building that is not subject to the condominium form of ownership shall provide to the association a complete financial report of all costs for maintaining and operating the shared facilities. Such report must include copies of all receipts and invoices. If such owner fails to provide the report and copies of the receipts and invoices to the condominium association within the 60-day period the division may impose penalties and otherwise enforce and ensure compliance with this section.

Within 60 days after receipt of the complete financial report, the association may challenge any apportionment of costs for the maintenance and operation of the shared facilities. A challenge under this paragraph is governed by s. 720.311.

The bill also provides that a condominium association created within a portion of a building may inspect and copy the books and records of the owner of the non-condominium portion of the building and that the condominium association must receive a financial report with respect to such costs.

Jurisdiction of the Division of Condominiums, Timeshares, and Mobile Homes

The bill expands the condominium jurisdiction of the division to include:

Completion of milestone inspections and completion of repairs required by a milestone inspection;
Requirements to maintain insurance or fidelity bonding for persons who control/disperse funds;
Board member education requirements and Reporting requirements for SIRS.

Reporting Requirement for Condominiums and Cooperatives

Requires condominium and cooperative associations to create an online account with the division and provide specified information by **October 1, 2025**, and only once per year thereafter, except that contact information must be updated within 30 days of a change. The division must provide associations at least 45 days to submit the information after the account is established. The information associations may be required to submit generally includes but is not limited to the following:

Contact information for the association, its members of the board, and its CAM; and

The number of units, age of buildings, and assessments, including the purpose for the assessments a copy of the SIRS report.

Law Enforcement (F.S. chapter 914.21)

Redefines the term “official investigation” to include official investigations by the division.

Emergency Powers

Expands the emergency powers of condominium and cooperative associations to require the evacuation of the property in the event of any evacuation order, instead of a mandatory evacuation order; Provides that if a unit owner or other occupant of a condominium fails or refuses to evacuate the condominium property or association property for which the board has required evacuation, the association is immune from liability or injury to persons or property arising from such failure or refusal.

Hurricane Protection

Unless otherwise provided in the declaration as originally recorded, or as amended, a unit owner is not responsible for the cost of any removal or reinstallation of hurricane protection, including exterior windows, doors or other apertures, if its removal is necessary for the maintenance, repair, or replacement of other common property for which the association is responsible. The board shall determine if the removal or reinstallation of hurricane protection must be completed by the unit owner or the association if the declaration does not specify who is responsible for such costs; As provided in the previous version of the statute, the costs incurred by the association for the removal or reinstallation may not be charged to the unit owner and if the removal or reinstallation is completed by the unit owner, the association must reimburse the unit owner for cost of same or must apply a credit toward future assessments for the cost of same.

House Bill 393

The My Safe Florida Condominium Pilot Program

**(Awaiting Signature By Governor -
If Signed Will Take Effect Immediately)**

Provides grants up to \$175,000 to condominium associations for roof related and opening protection -related projects.

Participation- Applies to structures or buildings on the condominium property which are three or more stories in height, provided that each structure or building that is the subject of a mitigation grant contains at least two single-family dwellings. In addition to other requirements, the windows of the association property or condominium property must be common elements per the declaration.

In order to apply for a mitigation grant, an association must receive both of the following:

1) Approval by a majority vote of the board or a majority of the total voting of the association; and

2) Approval by at least 75% (previous version of law required 100%) of all unit owners *who reside* within the structure or building that is the subject of the mitigation grant.

The information contained herein is summary in nature and is not intended, nor should be construed, as legal advice. If you and / or your Board of Directors have any questions regarding the above information or wish to further discuss these changes or any other legal matters involving the Association, please feel free to contact our office.

Sincerely,
BROUGH, CHADROW & LEVINE, P.A