

FL Statute 718 Legislative Changes 2025

Detail Information Provided by Paul St. Clair (Based on Legislative Summaries)

During the 2025 Legislative session, the following bills affecting condominiums were approved:

- House Bill 913 – Condominium and Cooperative Associations.
- House Bill 393 – My Safe Florida Condominium Pilot Program.

House Bill 913 – Condominium and Cooperative Associations.

The bill relates to the governance of condominium and cooperative associations and the practice of community association management.

1. Community Association Managers

Regarding community association managers (CAMs) and CAM firms, the bill:

- 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 and may not reapply for a license for 10 years;
- Requires CAMs to maintain and update an online account with the Department of Business and Professional Regulation (department) specifying any services he or she is providing for a condominium, cooperative, or homeowners' association; and
- 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.

2. Milestone Inspections

Regarding milestone inspections of the structural integrity of condominium and cooperative buildings, the bill:

- 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;

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- Requires local enforcement agencies report to the department, by October 1, 2025, specified information regarding the inspections, including the number of buildings inspected, 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.

3. Conflicts of Interest – Milestone and Structural Integrity Reserve Studies

The bill requires design professionals, e.g., architects and engineers, and licensed contractors who bid on structural integrity reserve studies (SIRS) and milestone inspections, to disclose in writing if they intend to bid on maintenance, repair, or replacement work related to the SIRS. A person who conducts or performs a SIRS or milestone inspection or provides recommended services may not have a direct or indirect interest in the firm conducting the study or be related to someone with such an interest unless disclosed to the association in writing. Failure to disclose makes the contract voidable and may result in professional discipline.

4. 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 at least once every three years.
- 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.

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5. Annual Financial Statements

The bill revises the annual financial statement requirements for condominiums by:

- Increasing from 120 days to 180 days, the date by which the financial report must be completed after the end of the fiscal year;
- Allowing 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;
- Requiring that an officer or director of the association sign an affidavit evidencing compliance with the requirements for delivery of the annual financial statement; and
- Requiring the approval of a majority of all the voting interests to reduce the type of financial reporting.

6. Official Records

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

- Bank statements and ledgers as official records;
- Recordings of meetings held by video conference;
- Affidavits required by ch. 718, F.S., including on the association's website; and
- Approved minutes of the board over the preceding 12 months on the association's website.

Associations must update the association's website within 30 days of any change.

7. Condominium Association Meetings

The bill allows condominium associations to conduct meetings by video conferencing, including board meetings, budget meetings, and unit member meetings, and:

- Allows board members who appear by video conference to vote, but their presence may not count towards a quorum;

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- 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 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.

8. Annual Budget Requirements

Relating to the budget requirements for condominium associations, the bill:

- 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 the betterment of the community;” and
 - Limiting the exclusion of anticipated expenses to expenses related to the SIRS inspection.

9. Reserves

Relating to the maintenance of reserves by condominium and cooperative associations, the bill:

- Allows all multicondominiums to use the “alternative funding method;”
- Increases the monetary threshold for reserve items from \$10,000 to \$25,000, with annual inflation increases;
- Provides for investment of reserve funds in certificates of deposit or deposits in banks and credit unions without a vote of the unit owners;

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- Allows a unit-owner-controlled association that is required to have a SIRS to fund reserves by a special assessment, a line of credit, or loan, with the approval of a majority of the voting interests of the association;
- 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.

10. Structural Integrity Reserve Studies

Relating to condominium and cooperative associations, the bill:

- 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

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following a milestone inspection in order to prioritize funding for repairs and maintenance required the milestone inspection;

- Exempts four-family dwellings with three or fewer habitable stories above ground from the SIRS requirements;
- Requires officers and directors of associations 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.

11. Electronic Voting

The bill revises electronic voting requirements for condominiums, including requiring the board to adopt a resolution allowing electronic voting if at least 25 percent of the voting interests petition the board to adopt a resolution for electronic voting.

12. Presale Disclosure

The bill extends the 3-day rescission period for condominium sales by nondeveloper unit owners to 7 days.

13. 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;
- Requirements to maintain insurance and fidelity bonding for persons who disperse funds;
- Board member education requirements; and
- Reporting requirements for SIRS.

14. Reporting Requirement for Condominiums and Cooperatives

The bill 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

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least 45 days to submit the information after the account is established. The information associations may be required to submit includes:

- 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.

15. Law Enforcement

Redefines the term “official investigation” to include official investigations by the division relating to the criminal prohibitions against tampering with, harassing, or retaliating against a witness, victim, or informant.

16. Additional Condominium Provisions

The bill also:

- 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;
- Revises requirements related to maintenance and hurricane protection; and
- Revises requirements for nonresidential condominiums, including to the unit, appurtenances, or share of the common expenses.

These provisions take effect July 1, 2025, except where otherwise provided.

House Bill 393 – My Safe Florida Condominium Pilot Program.

The bill revises provisions of the My Safe Florida Condominium Pilot Program (Program) within the Department of Financial Services to:

- Exclude detached units on individual parcels of land from the definition of “condominium.”
- Limit participation in the Program to structures or buildings on the condominium property that are three or more stories in height and contain at least two single-family dwellings.

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- Prohibit an association application for an inspection or mitigation grant unless the windows of the subject property are established as common elements in the declaration and the association has complied with the inspection requirements in ss. 553.899 and 718.112(2)(g) and (h), F.S.
- Require approval of at least 75 percent of all unit owners who reside within the structure or building that is the subject of the mitigation grant, rather than a unanimous vote of all unit owners.
- Eliminate the restrictions that limit grant contributions to:
 - For a roof-related project, \$11 per square foot multiplied by the roof's square footage, not to exceed \$1,000 per unit, with a maximum grant award of 50 percent of the project's cost.
 - On an opening protection-related project, a maximum grant award of \$750 per window or door, not to exceed \$1,500 per unit, with a maximum grant award of 50 percent of the project's cost.
- Specify the roof mitigation techniques that may receive a grant award.
- Require that the improvements must be verified during the final hurricane mitigation inspection to qualify for grant funds.
- Provide that grant funds may only be used for water intrusion mitigation devices or mitigation improvements that will result in an insurance premium mitigation credit, discount, or other rate differential for the building or structure to which such device or improvement is applied or made.
- Require that it is a condition of awarding a grant that mitigation improvements be made to all openings if doing so is necessary for the building or structure to qualify for a mitigation credit, discount, or other rate differential.

These provisions take effect upon becoming a law.