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LEGISLATIVE UPDATE OF NEW COMMUNITY ASSOCIATION LAWS

NUMERICAL INDEX SUMMARY OF LAWS AMENDED IN THE 2024 LEGISLATIVE SESSION

The following is our post-Legislative Session report on residential housing law changes from the 2024 Regular Legislative Session. The full text of each bill, as well as applicable legislative staff reports, are available on the legislative web sites (www.flsenate.gov; www.myfloridahouse.com; and www.leg.state.fl.us.). Note: F.S. = Florida Statute. HB = House Bill. SB = Senate Bill. All changes are effective as of July 1, 2024, or as noted.

NOTE: As of May 15, 2024, HB 1021 and HB 1203 have not been signed into law. You should confirm the Bills have been signed before taking any action based on them.

MILESTONE INSPECTIONS AND STRUCTURAL INTEGRITY RESERVES FOR CONDOMIINIUMS AND COOPERATIVES OF 3 STORIES OR MORE IN HEIGHT.

1. 4 Unit Exception – F.S. 553.899(4) / HB 1021

The milestone inspection is no longer required for four family dwellings in buildings with three or fewer habitable stories above ground. Formerly only extended up to three family dwellings.

2. SIRS Reserves May Be Waived if Building Not Habitable – F.S. 718.112(2)(f)9. / HB 1021

If the local building official, as defined in s. 468.603, determines that the entire condominium building is uninhabitable due to a natural emergency, as defined in s. 252.34, the board, upon the approval of a majority of its members, may pause the contribution to its reserves or reduce reserve funding until the local building official determines that the condominium building is habitable. Any reserve account funds held by the association may be expended, pursuant to the board's determination, to make the condominium building and its structures habitable. Upon the determination by the local building official that the condominium building is habitable, the association must immediately resume contributing funds to its reserves.

3. **<u>SIRS Reserves Reporting</u> – F.S. 718.112(2)(g)9. and 10. and F.S.719.106(1)(k) 9 and 10 / HB 1021**

Within 45 days after receiving the structural integrity reserve study, the association must distribute a copy of the study to each unit owner or deliver to each unit owner a notice that the completed study is available for inspection and copying upon a written request. Distribution of a copy of the study or notice must be made by United States mail or personal delivery to the mailing address, property address, or any other address of the owner provided to fulfill the association's notice requirements under this chapter, or by electronic transmission to the e-mail address or facsimile number provided to fulfill the association's notice requirements to unit owners who previously consented to receive notice by electronic transmission.

Within 45 days after receiving the structural integrity reserve study, the association must provide the division with a statement indicating that the study was completed and that the association provided or made available such study to each unit owner in accordance with this section. The statement must be provided to the division in the manner established by the division using a form posted on the division's website.

<u>CONDOMINIUMS - (F.S. Chapter 718).</u>

1. **<u>Condominium Property</u> – F.S. 718.103(14) / HB 1021**

The definition of Condominium Property now includes "improvements and all easements and rights appurtenant thereto, regardless of whether contiguous." This was simply a rewording of the existing verbiage.

2. **<u>Hurricane Protection</u> – F.S. 718.103(19) / HB 1021**

Added definition to mean in addition to shutters, impact glass, code compliant windows and doors and other hurricane protection products used to protect condominium and association property.

3. **<u>Kickback Defined</u> – F.S. 718.103(20) / HB 1021**

"Kickback" means any thing or service of value, for which consideration has not been provided, for an officer's, a director's, or a manager's own benefit or that of his or her immediate family, from any person providing or proposing to provide goods or services to the association.

4. **<u>Condominium within a Condominium</u> – F.S.718.104(4)(b) / HB 1021**

Requires certain naming conventions to be used if a condominium is created inside another condominium or other type of building.

5. <u>Residential and Mixed-Use Condominium Hurricane Protection</u> – F.S. 718.104(4)(p) / HB 1021

Requires both residential and mixed-use condominiums to disclose whether the unit owner or the association is responsible for installation, maintenance, repair, and replacement of hurricane protection.

6. <u>Accepting a Kickback is a Crime</u> – F.S. 718.111(1)(a) / HB 1021

In addition to being subject to a civil penalty, any officer, director, or manager that solicits, offers to accept, or accepts a kickback commits a felony of the third degree and must be removed from office and a vacancy declared.

7. <u>Fidelity Insurance or Bond</u> – F.S. 718.111(11)(h) / HB 1021

Upon receipt of a complaint for failure to have fidelity insurance or a bond the Division shall monitor the association for compliance and may issue a fine for failure to maintain the insurance or bond.

8. <u>Official Records</u> – F.S. 718.111(12)(a)7 / HB 1021

Clarifies that e-mail addresses and fax numbers are only accessible to other unit owners as official records if the email address or fax number has been provided to the association for the express purpose of receiving official notice or communication or the owner has consented to the distribution. The association may only use the addresses and numbers for business of the association, and they cannot be sold or shared with third parties. The association may redact such information from other records provided. However, association is not responsible for unintentional dissemination of the information.

9. <u>Official Records</u> – F.S. 718.111(12)(a)11b., 18. and 19. / HB 1021

All invoices, transaction receipts, or deposit slips that substantiate any receipt or expenditure of funds by the association are now official records as are all building permits and board certification course certificates.

10. <u>Official Records</u> – F.S. 718.111(12)(b) / HB 1021

The official records must be maintained in an organized manner that facilitates inspection of the records by a unit owner. In the event that the official records are lost, destroyed, or otherwise unavailable, the obligation to maintain the official records includes a good faith obligation to obtain and recover those records as is reasonably possible.

11. Official Records – F.S. 718.111(12)(c)1.a. / HB 1021

If the records are available on the association's website or downloadable on a mobile device the request for records may be fulfilled by directing the person to the website.

12. Official Records – F.S. 718.111(12)(c)1.b. / HB 1021

In response to a written request to inspect records, the association must simultaneously provide to the requestor a checklist of all records made available for inspection and copying. The checklist must also identify any of the association's official records that were not made available to the requestor. An association must maintain a checklist provided under this sub-subparagraph for 7 years. An association delivering a checklist pursuant to this sub-subparagraph creates a rebuttable presumption that the association has complied with this paragraph.

13. Official Records – F.S. 718.111(12)(c)2., 3. and 4. / HB 1021

A director or member of the board or association or a community association manager who knowingly, willfully, and repeatedly violates subparagraph by failing to provide access to records commits a misdemeanor of the second degree, punishable as provided in s. 775.082 or s. 775.083, and must be removed from office and a vacancy declared. For purposes of this subparagraph, the term "repeatedly" means two or more violations within a 12-month period.

Any person that knowingly and intentionally defaces or destroys accounting records or knowingly and intentionally fails to create or maintain such records with the intent to cause harm to the association or its members commits a first degree misdemeanor and is removed from office.

A person who willfully and knowingly refuses to release or otherwise produce association records with the intent to avoid or escape detection, arrest, trial, or punishment for the commission of a crime, or to assist another person with such avoidance or escape, commits a felony of the third degree, punishable as provided in s. 775.082, s. 775.083, or s. 775.084, and must be removed from office and a vacancy declared.

14. Official Records – F.S. 718.111(12)(g)2.o. / HB 1021

Copies of building permits issued for ongoing or planned construction must be posted on the association's website.

15. Financial Reporting – F.S. 718.111(13)(d) / HB 1021

An association may not prepare a financial report pursuant to this paragraph for consecutive fiscal years. The ability to vote to waive the report for two consecutive years with a single vote is removed.

16. Debit Cards – F.S. 718.111(15) / HB 1021

A person that uses a debit card issued to the association for something other than a lawful obligation of the association commits the crime of theft and must be removed from office. A lawful obligation is one that has been pre-approved by the Board and is reflected in the meeting minutes or written budget.

17. Association Website – F.S. 718.111(12)(g)1. / HB 1021

By January 1, 2026, an association managing 25 or more units that does not contain timeshare units must have a website and post official records on it. Formerly, this only applied to associations with 150 or more units.

18. Mandatory Board Meetings and Right to Ask Questions – F.S. 718.112(2)(c) / HB 1021

In a residential condominium association of more than 10 units, the board of administration shall meet at least once each quarter. At least four times each year, the meeting agenda must include an opportunity for members to ask questions of the board. The right to ask questions include questions relating to reports on the status of construction or repair projects, the status of revenues and expenditures during the current fiscal year, and other issues affecting the condominium. [Note: There is no affirmative obligation that the Board must answer the questions.]

19. Board Meetings Relating to Contracts for Goods or Services – F.S. 718.112(2)(c)3 / HB 1021

If an agenda item for a board meeting relates to the approval of a contract for goods or services, a copy of the contract must be provided with the notice and be made available for inspection and copying upon a written request from a unit owner or made available on the association's website or through an application that can be downloaded on a mobile device.

20. Director Certification – F.S. 718.112(2)(d)4.b. / HB 1021

The requirement that new directors certify in writing that they have read the governing documents and will uphold the documents to the best of their ability and fulfill their fiduciary duty is now mandatory AND they must also take a 4-hour board certification course covering the mandatory topics of milestone inspections, SIRS reserves, elections, recordkeeping, financial literacy, levying fines and notice and meeting requirements. Formerly you could sign the certification OR take the course. Now you must do both. They must be done within the year before being elected or appointed or within 90 days after being elected or appointed. If you were elected to the board prior to July 1, 2024 and only took the education course or signed the certificate you must do the other by June 30, 2025. The certificate and educational course is valid for 7 years after the date of issuance as long as the director remains in

continuous service on the board. Every director of a residential condominium association must also take 1 hour of continuing education related legal update each year.

21. Director or Officer Offenses – F.S. 718.112(2)(q)1. / HB 1021

A director or officer charged by information or indictment for forgery, theft, destruction of or refusal to allow copying of official records, obstruction of justice, or any criminal violation of Chapter 718 must be removed from office. While the officer or director has a charge pending, they may not have access to official records except pursuant to a court order.

22. Fraudulent Voting Activities – F.S. 718.112(2)(r) / HB 1021

A person who engages in the following acts of fraudulent voting activity relating to association elections commits a misdemeanor of the first degree, punishable as provided in s. 775.082 or s. 775.083:

a. Willfully and falsely swearing to or affirming an oath or affirmation, or willfully procuring another person to falsely swear to or affirm an oath or affirmation, in connection with or arising out of voting activities.

b. Perpetrating or attempting to perpetrate, or aiding in the perpetration of, fraud in connection with a vote cast, to be cast, or attempted to be cast.

c. Preventing a member from voting or preventing a member from voting as he or she intended by fraudulently changing or attempting to change a ballot, ballot envelope, vote, or voting certificate of the member.

d. Menacing, threatening, or using bribery or any other corruption to attempt, directly or indirectly, to influence, deceive, or deter a member when the member is voting.

e. Giving or promising, directly or indirectly, anything of value to another member with the intent to buy the vote of that member or another member or to corruptly influence that member or another member in casting his or her vote. This sub-subparagraph does not apply to any food served which is to be consumed at an election rally or a meeting or to any item of nominal value which is used as an election advertisement including a campaign message designed to be worn by a member.

f. Using or threatening to use, directly or indirectly, force, violence, or intimidation or any tactic of coercion or intimidation to induce or compel a member to vote or refrain from voting in an election or on a particular ballot measure.

Each of the following acts constitutes a misdemeanor of the first degree, punishable as provided in s. 775.082 or s. 775.083:

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a. Knowingly aiding, abetting, or advising a person in the commission of a fraudulent voting activity related to association elections.

b. Agreeing, conspiring, combining, or confederating with at least one other person to commit a fraudulent voting activity related to association elections.

c. Having knowledge of a fraudulent voting activity related to association elections and giving any aid to the offender with intent that the offender avoid or escape detection, arrest, trial, or punishment. This sub-subparagraph does not apply to a licensed attorney giving legal advice to a client.

23. <u>Hurricane Protection</u> – F.S. 718.113(5) / HB 1021

This Statute now applies to mixed-use condominiums (commercial/residential) not just residential. Mixed use condominiums must adopt hurricane protection specifications. The owners may vote to require the association or the unit owners individually to install hurricane protection. Formerly only said they could vote to require the association to install. A certificate must be recorded in the public records reflecting the requirement. The vote cannot require existing hurricane protection to comply with new standards unless the protection has reached the end of its useful life. The unit owner is not responsible for the cost of removal or reinstallation of hurricane protection, including windows and doors, if the removal is necessary for the maintenance, repair and replacement of other condominium property for which the association is responsible.

24. <u>Statute of Repose</u> – F.S. 718.124 / HB 1021

The statute of repose does not begin to run until turnover. This makes the statute of repose consistent with the statute of limitations for condominiums which is different than it is for non-condominium construction projects where the statutes run from when the work was completed or co'd.

25. <u>SLAPP Suits</u> – F.S. 718.1224 / HB 1021

Applies the SLAPP suit prohibition to associations suing owners to intimidate them from filing grievances against the association and the board. It also makes it unlawful for an association to fine, discriminatorily increase assessments, decrease services or bring suits for defamation, libel, slander, tortious interference designed to retaliate against a complaining owner.

In order for the unit owner to raise the defense of retaliatory conduct, the unit owner must have acted in good faith and not for any improper purposes, such as to harass or to cause unnecessary delay or for frivolous purpose or needless increase in the cost of litigation. Examples of conduct for which a condominium association, an officer, a director, or an agent of an association may not retaliate include, but are not limited to, situations in which:

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(a) The unit owner has in good faith complained to a governmental agency charged with responsibility for enforcement of a building, housing, or health code of a suspected violation applicable to the condominium;

(b) The unit owner has organized, encouraged, or participated in a unit owners' organization;

(c) The unit owner submitted information or filed a complaint alleging criminal violations or violations of this chapter or the rules of the division with the division, the Office of the Condominium Ombudsman, a law enforcement agency, a state attorney, the Attorney General, or any other governmental agency;

(d) The unit owner has exercised his or her rights under this chapter;

(e) The unit owner has complained to the association or any of the association's representatives for the failure to comply with this chapter or chapter 617; or

(f) The unit owner has made public statements critical of the operation or management of the association.

Evidence of retaliatory conduct may be raised by the unit owner as a defense in any action brought against him or her for possession.

Condominium associations may not expend association funds in support of a defamation, libel, slander, or tortious interference action against a unit owner or any other claim against a unit owner based on conduct described in subsection (3).

26. Electronic Voting – F.S. 718.128(4) / HB 1021

If the board authorizes online voting, the board must honor a unit owner's request to vote electronically at all subsequent elections, unless such unit owner opts out of online voting. Makes it clear owners can opt into electronic voting electronically by signing up on the electronic voting website.

27. Director Conflict of Interest – F.S. 718.3027(4) / HB 1021

The attendance of a director or an officer with a possible conflict of interest at the meeting of the board is sufficient to constitute a quorum for the meeting and the vote in his or her absence on the proposed activity.

28. Suspension of Voting Rights – F.S. 718.303(5) / HB 1021

At least 90 days before an election, an association must notify a unit owner or member that his or her voting rights may be suspended due to a non-payment of a fee or other monetary obligation.

29. Creating a Condominium Within a Multiple Parcel Building – F.S. 718.407 / HB 1021

Allows a condominium to be created inside another condominium or non-condominium building.

30. Increased Jurisdiction of Division of Condominiums After Turnover – F.S. 718.501 / HB 1021

The Division may now investigate post-turnover financial issues including financial reporting, assessments, fines, comingling of reserves and operating funds, use of debit cards, and budgets, conflicts of interest, and certified mail inquiry issues. The Division may now refer criminal complaints to local law enforcement for fraud, embezzlement, theft and other criminal activity. The Condominium Ombudsman may attend board and owner meetings and committee meetings. The Division must be provided with access to the association's website to investigate records access complaints.

31. My Safe Florida Pilot Program – F.S. 215.5587 / HB 1029

The My Safe Florida Home (MSFH) Program was created in 2006 within the Department of Financial Services (DFS) to perform mitigation inspections of site-built, single-family, residential properties (inspections), and provide mitigation grants (grants) to eligible applicants to make their homes less vulnerable to hurricane damage. Condominium homes were not eligible for the MSFH Program. The bill establishes within DFS the My Safe Florida Condominium Pilot Program (MSFCP Program), with the intent that the Program provide licensed inspectors to perform inspections for and grants to eligible associations, as funding allows. Under the MSFCP Program, DFS must provide fiscal accountability, contract management, and strategic leadership for the MSFCP Program, consistent with the bill's provisions. The grants are matched on the basis of $1 provided by the association for every $2 provided by the MSFCP Program. Grant awards are limited to 50 percent of the cost of a project and a maximum of $175,000 per association. The program covers roofs, windows and doors. The MSFCP Program must be implemented pursuant to appropriations, and is subject to annual legislative appropriations thereafter. Essentially, the bill provides to condominium associations a program similar to that of the MSFH Program in regards to requirements for participation, hurricane mitigation inspectors and inspections, eligibility for mitigation grants, contract management by DFS, and required annual reports. To apply for the grant a majority of the Board must approve, a majority of the total voting interests in the Association must approve and all unit owners in the affected billing must unanimously approve. There are other notice requirements following the votes.

COOPERATIVES (F.S. Chapter 719).

1. Electronic Voting – F.S. 719.129(4) / HB 1021

If the board authorizes online voting, the board must honor a unit owner's request to vote electronically at all subsequent elections, unless such unit owner opts out of online voting. Makes it clear owners can opt into electronic voting electronically by signing up on the electronic voting website.

HOMEOWNER ASSOCIATIONS (F.S. Chapter 720).

1. Association Website – F.S. 720.303(4)(b)1 / HB 1203.

By January 1, 2025, an association with 100 or more parcels must establish a website and post certain records on it accessible to owners and notices of meetings.

2. Inspection of Records – F.S. 720.303(5)(d)(e)(f) / HB 1203.

Subpart (a) requires the association to maintain certain official records for certain periods of time depending on the record and if any of the following occurs there are criminal penalties.

(d)Any director or member of the board or association or a community association manager who knowingly, willfully, and repeatedly violates paragraph (a), with the intent of causing harm to the association or one or more of its members, commits a misdemeanor of the second degree, punishable as provided in s. 775.082 or s. 775.083. For purposes of this paragraph, the term "repeatedly" means two or more violations within a 12-month period.

(e) Any person who knowingly and intentionally defaces or destroys accounting records during the period in which such records are required to be maintained, or who knowingly or intentionally fails to create or maintain accounting records that are required to be created or maintained, with the intent of causing harm to the association or one or more of its members, commits a misdemeanor of the first degree, punishable as provided in s. 775.082 or s. 775.083.

(f) Any person who willfully and knowingly refuses to release or otherwise produce association records with the intent to avoid or escape detection, arrest, trial, or punishment for the commission of a crime, or to assist another person with such avoidance or escape, commits a felony of the third degree, punishable as provided in s. 775.082, s. 775.083, or s. 775.084.

3. Subpoena for Records – F.S. 720.303(5)(i) / HB 1203.

If an association receives a subpoena for records from a law enforcement agency, the association must provide a copy of such records or otherwise make the records available for inspection and copying to a law enforcement agency within 5 business days after receipt of the subpoena, unless otherwise specified by the law enforcement agency or subpoena. An

association must assist a law enforcement agency in its investigation to the extent permissible by law.

4. Audited Financial Statement – F.S. 720.303(7)(a)4. and (d) / HB 1203.

An association with at least 1,000 parcels shall prepare audited financial statements, notwithstanding the association's total annual revenues. Apparently, this requirement can still be waived by a vote of the owners. An association may not prepare a financial statement for consecutive fiscal years.

5. Debit Cards – F.S. 720.303(13) / HB 1203.

(a) An association and its officers, directors, employees, and agents may not use a debit card issued in the name of the association, or billed directly to the association, for the payment of any association expenses.

(b) A person who uses a debit card issued in the name of the association, or billed directly to the association, for any expense that is not a lawful obligation of the association commits theft as provided under s. 812.014. For the purposes of this subsection, the term "lawful obligation of the association" means an obligation that has been properly preapproved by the board and is reflected in the meeting minutes or the written budget.

6. Requirement to Provide an Accounting – F.S. 720.303(14) / HB 1203.

A parcel owner may make a written request to the board for a detailed accounting of any amounts he or she owes to the association related to the parcel, and the board shall provide such information within 15 business days after receipt of the written request. After a parcel owner makes such written request to the board, he or she may not request another detailed accounting for at least 90 calendar days. Failure by the board to respond within 15 business days to a written request for a detailed accounting constitutes a complete waiver of any outstanding fines of the person who requested such accounting which are more than 30 days past due and for which the association has not given prior written notice of the imposition of the fines.

7. Director Certification – F.S. 720.3033(1)(a)1. – 5. / HB 1203.

1. The newly elected or appointed director must complete the department-approved education for newly elected or appointed directors within 90 days after being elected or appointed.

2. The certificate of completion is valid for up to 4 years.

3. A director must complete the education specific to newly elected or appointed directors at least every 4 years.

4. The department-approved educational curriculum specific to newly elected or appointed directors must include training relating to financial literacy and transparency, recordkeeping, levying of fines, and notice and meeting requirements.

5. In addition to the educational curriculum specific to newly elected or appointed directors:

a. A director of an association that has fewer than 2,500 parcels must complete at least 4 hours of continuing education annually.

b. A director of an association that has 2,500 parcels or more must complete at least 8 hours of continuing education annually.

The option to sign a certificate saying you have read and will follow the governing documents has been eliminated.

8. <u>Kickbacks</u> – F.S. 720.3033(3) / HB 1203.

The term kickback is defined. Any officer, director or manager that solicits, offers to accept or accepts a kickback commits a third-degree felony.

9. <u>Removal from Board for Criminal Act</u> – F.S. 720.3033(4) / HB 1203.

Being charged with any criminal act under the Statute requires removal from the Board.

10. <u>ARC/ARB</u> – F.S. 720.3035(1)(a) – (b) / HB 1203.

(a) An association or any architectural, construction improvement, or similar committee of an association must reasonably and equitably apply and enforce on all parcel owners the architectural and construction improvement standards authorized by the declaration of covenants or other published guidelines and standards authorized by the declaration of covenants.

(b) An association or any architectural, construction improvement, or other such similar committee of an association may not enforce or adopt a covenant, rule, or guideline that:

1. Limits or places requirements on the interior of a structure that is not visible from the parcel's frontage or an adjacent parcel, an adjacent common area, or a community golf course.

2. Requires the review and approval of plans and specifications for a central air-conditioning, refrigeration, heating, or ventilating system by the association or any architectural, construction improvement, or other such similar committee of an association, if such system is not visible from the parcel's frontage, an adjacent parcel, an adjacent common

area, or a community golf course and is substantially similar to a system that is approved or recommended by the association or a committee thereof.

11. <u>ARC/ARB</u> – F.S. 720.3035(4)(a) / HB 1203.

If the association or any architectural, construction improvement, or other such similar committee of the association denies a parcel owner's request or application for the construction of a structure or other improvement on a parcel, the association or committee must provide written notice to the parcel owner stating with specificity the rule or covenant on which the association or committee relied when denying the request or application and the specific aspect or part of the proposed improvement that does not conform to such rule or covenant.

12. <u>Items in the Backyard</u> – F.S. 720.3045(4)(a) / HB 1203.

Vegetable gardens and clotheslines have been added to the list of items that cannot be prohibited in backyards as long as they are not visible from the parcel's frontage, an adjacent parcel and now common areas and golf courses.

13. <u>Fines and Suspensions Procedure and Attorney Fees</u> – F.S. 720.305(2)(b)(d)(e)(g) / HB 1203.

Clarifies the notice the fining hearing must be in writing. The hearing must be held within 90 days after issuance of the notice. Clarifies the hearing can be held by telephone or other electronic means. Within 7 days after the hearing the committee must send written notice of the decision. The notice must include has the person can fulfill the suspension or the date the fine must be paid. If the violation has been cured before the committee hearing or in the manner specified in the notice, the fine or suspension cannot be imposed. Attorney's fees cannot be awarded against the parcel owner based on actions taken by the board before the date the fine is due. If the violation and the fine or suspension is approved by the committee and then not cured, or the fine paid reasonable attorney's fees and costs may be awarded to the association for fees and costs accrued after the date the noticed for payment.

14. <u>Fines and Suspensions Prohibited for Certain Acts</u> – F.S. 720.305(7) / HB 1203.

Notwithstanding any provision to the contrary in an association's governing documents, an association may not levy a fine or impose a suspension for any of the following:

(a) Leaving garbage receptacles at the curb or end of the driveway within 24 hours before or after the designated garbage collection day or time.

(b) Leaving holiday decorations or lights on a structure or other improvement on a parcel longer than indicated in the governing documents, unless such decorations or lights are left up for longer than 1 week after the association provides written notice of the violation to the parcel owner

15. <u>Voting Fraud a Crime</u> – F.S. 720.3065(2) / HB 1203.

Each of the following acts constitutes a misdemeanor of the first degree, punishable as provided in s. 775.082 or s. 75.083:

(a) Knowingly aiding, abetting, or advising a person in the commission of a fraudulent voting activity related to association elections.

(b) Agreeing, conspiring, combining, or confederating with at least one other person to commit a fraudulent voting activity related to association elections.

(c) Having knowledge of a fraudulent voting activity related to association elections and giving any aid to the offender with intent that the offender avoid or escape detection, arrest, trial, or punishment.

This subsection does not apply to a licensed attorney giving legal advice to a client.

16. Work Vehicles and Trucks – F.S. 720.3075(3)(b) / HB 1203.

An association may not prohibit:

- A property owner or a tenant, a guest, or an invitee of the property owner from parking his or her personal vehicle, including a pickup truck, in the property owner's driveway, or in any other area at which the property owner or the property owner's tenant, guest, or invitee has a right to park as governed by state, county, and municipal regulations. The homeowners' association documents, including declarations of covenants, articles of incorporation, or bylaws, may not prohibit, regardless of any official insignia or visible designation, a property owner or a tenant, a guest, or an invitee of the property owner from parking his or her work vehicle, which is not a commercial motor vehicle as defined in s. 320.01(25), in the property owner's driveway.

- A property owner from inviting, hiring, or allowing entry to a contractor or worker on the owner's parcel solely because the contractor or worker is not on a preferred vendor list of the association. Additionally, homeowners' association documents may not preclude a property owner from inviting, hiring, or allowing entry to a contractor or worker on his or her parcel solely because the contractor or worker does not have a professional or an occupational license. The association may not require a contractor or worker to present or prove possession of a professional or an occupational license to be allowed entry onto a property owner's parcel.

- Operating a vehicle that is not a commercial motor vehicle as defined in s. 320.01(25) in conformance with state traffic laws, on public roads or rights-of-way or the property owner's parcel.

17. Interest – F.S. 720.3085(3) / HB 1203.

Compounded interest is prohibited for late assessments.

18. First Responder Vehicles – F.S. 720.318 / HB 1203.

The term "law enforcement" vehicles has been replaced with "first responder" vehicles in the Statute which prohibits associations from not allowing law enforcement vehicles to be parked in driveways or on the road.

19. Requirement to Provide Copies of Governing Documents. - F.S. 720.303(13) / HB 59

On or before October 1, 2024, an association must provide a physical or digital copy of the "association's rules and covenants" to every member of the association and thereafter must provide a copy to every new member. If the rules or covenants are amended, then the association must provide an updated copy. The requirements of this law may be met by posting a complete copy of the rules and covenants on the homepage of the association's website.

TIMEMESHARES (F.S. Chapter 721).

No Changes.

MOBILE HOME PARKS (F.S. Chapter 723).

No Changes.

NOT FOR PROFIT CORPORATIONS (F.S. Chapter 617) (Applicable to condominium, homeowner and cooperative associations)

No Changes

MISCELLANEOUS.

1. Community Association Managers/Official Records – F.S.468.4334(3) / HB 1021.

A community association manager or management firm must return all community association official records within its possession to the community association within 20 days after termination or receipt of a written request whichever occurs first. A notice of termination must be sent by certified mail or in the manner required under the contract. The records may be retained for up to 20 business days if those records are necessary to complete an ending financial statement or report. If an association fails to provide access to or retention of the accounting records to prepare an ending financial statement or report, the community

association manager or community association management firm is relieved from any further responsibility or liability relating to the preparation of such ending financial statement or report. Failure of a community association manager or a community association management firm to timely return all of the official records within its possession to the community association creates a rebuttable presumption that the community association manager or community association management firm willfully failed to comply with this subsection. A community association manager or a community association management firm that fails to timely return community association records is subject to suspension of its license under s. 468.436, and a civil penalty of $1,000 per day for up to 10 business days, assessed beginning on the 21st business day after termination of a contractual agreement to provide community association management services to the community association or receipt of a written request from the association for return of the records, whichever occurs first. However, for a timeshare plan created under chapter 721, the time periods provided in s. 721.14(4)(b) apply.

2. <u>Community Association Managers/Conflict of Interest</u> – F.S.468.4335(1)-(6) / HB 1021.

(1) A community association manager or a community association management firm, including directors, officers, and persons with a financial interest in a community association management firm, or a relative of such persons, must disclose to the board of a community association any activity that may reasonably be construed to be a conflict of interest. A rebuttable presumption of a conflict of interest exists if any of the following occurs without prior notice:

(a) A community association manager or a community association management firm, including directors, officers, and persons with a financial interest in a community association management firm, or a relative of such persons, enters into a contract for goods or services with the association.

(b) A community association manager or a community association management firm, including directors, officers, and persons with a financial interest in a community association management firm, or a relative of such persons, holds an interest in or receives compensation or any thing of value from a corporation, limited liability corporation, partnership, limited liability partnership, or other business entity that conducts business with the association or proposes to enter into a contract or other transaction with the association.

(2) If the association receives and considers a bid that exceeds $2,500 to provide a good or service, other than community association management services, from a community association manager or a community association management firm, including directors, officers, and persons with a financial interest in a community association management firm, or a relative of such persons, the association must solicit multiple bids from other third-party providers of such goods or services.

(3) If a community association manager or a community association management firm, including directors, officers, and persons with a financial interest in a community

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association management firm, or a relative of such persons, proposes to engage in an activity that is a conflict of interest as described in subsection (1), the proposed activity must be listed on, and all contracts and transactional documents related to the proposed activity must be attached to, the meeting agenda of the next board of administration meeting. The disclosures of a possible conflict of interest must be entered into the written minutes of the meeting. Approval of the contract, including a management contract between the community association and the community association manager or community association management firm, or other transaction requires an affirmative vote of two-thirds of all directors present. At the next regular or special meeting of the members, the existence of the conflict of interest and the contract or other transaction must be disclosed to the members. If a community association manager or community association management firm has previously disclosed a conflict of interest in an existing management contract entered into between the board of directors and the community association manager or community association management firm, the conflict of interest does not need to be additionally noticed and voted on during the term of such management contract, but, upon renewal, must be noticed and voted on in accordance with this subsection.

(4) If the board finds that a community association manager or a community association management firm, including directors, officers, and persons with a financial interest in a community association management firm, or a relative of such persons, has violated this section, the association may cancel its community association management contract with the community association manager or the community association management firm. If the contract is canceled, the association is liable only for the reasonable value of the management services provided up to the time of cancellation and is not liable for any termination fees, liquidated damages, or other form of penalty for such cancellation.

(5) If an association enters into a contract with a community association manager or a community association management firm, including directors, officers, and persons with a financial interest in a community association management firm, or a relative of such persons, which is a party to or has an interest in an activity that is a possible conflict of interest as described in subsection (1) and such activity has not been properly disclosed as a conflict of interest or potential conflict of interest as required by this section, the contract is voidable and terminates upon the association filing a written notice terminating the contract with its board of directors which contains the consent of at least 20 percent of the voting interests of the association.

(6) As used in this section, the term "relative" means a relative within the third degree of consanguinity by blood or marriage.

3. <u>Community Association Managers</u> – F.S.468.4334(3) / HB 1203.

A community association manager or community association management firm that is authorized by contract to provide community association management services to a homeowners' association shall do all of the following:

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(a) Attend in person at least one member meeting or board meeting of the homeowners' association annually.

(b) Provide to the members of the homeowners' association the name and contact information for each community association manager or representative of a community association management firm assigned to the homeowners' association, the manager's or representative's hours of availability, and a summary of the duties for which the manager or representative is responsible. The homeowners' association shall also post this information on the association's website or application required under s. 720.303(4)(b). The community association manager or community association management firm shall update the homeowners' association and its members within 14 business days after any change to such information.

(c) Provide to any member upon request a copy of the contract between the community association manager or community association management firm and the homeowners' association and include such contract with association's official records.

4. Community Association Managers – F.S.468.4337(3) / HB 1203.

The council may not require more than 10 hours of continuing education annually for renewal of a license. A community association manager who provides community association management services to a homeowners' association must biennially complete at least 5 hours of continuing education that pertains specifically to homeowners' associations, 3 hours of which must relate to recordkeeping.

5. Division of Condominiums, Timeshares and Mobile Homes – HB 1021

The Division shall by January 1, 2025 make recommendations regarding additional official records a condominium association should maintain.

6. Florida Building Commission – HB 1021

The Florida Building Commission shall perform a study on standards to prevent water intrusion through the tracks of sliding glass doors and prepare a report by December 1, 2024.

7. My Safe Florida Program - F.S. 215.5587 / HB 1029

The My Safe Florida Home (MSFH) Program was created in 2006 within the Department of Financial Services (DFS) to perform mitigation inspections of site-built, single-family, residential properties (inspections), and provide mitigation grants (grants) to eligible applicants to make their homes less vulnerable to hurricane damage. The MSFH Program received $250 million in appropriations for the Fiscal Year 2006-2007, but was not funded again until 2022. Since then, the Legislature has provided approximately $433 million in subsequent additional funding to the MSFH Program. Mitigation inspections are limited to homesteaded properties. Funds may be used to inspect townhouses to determine if opening

protection mitigation would help decrease the risk of hurricane damage and grant funds may be used to pay for such opening protection mitigation if warranted. The maximum home value of the mitigation grant-eligible homes is currently $700,000. While initially limited to homes within the wind-borne debris region, the MSFH Program is currently a statewide program. Condominium homes were not eligible for the MSFH Program. However, this bill establishes within DFS the My Safe Florida Condominium Pilot Program (MSFCP Program), with the intent that the Program provide licensed inspectors to perform inspections for and grants to eligible associations, as funding allows. Under the MSFCP Program, DFS must provide fiscal accountability, contract management, and strategic leadership for the MSFCP Program, consistent with the bill's provisions. The grants are matched on the basis of $1 provided by the association for every $2 provided by the MSFCP Program. Grant awards are limited to 50 percent of the cost of a project and a maximum of $175,000 per association. The MSFCP Program must be implemented pursuant to appropriations, and is subject to annual legislative appropriations thereafter. Essentially, the bill provides to condominium associations a program similar to that of the MSFH Program in regards to requirements for participation, hurricane mitigation inspectors and inspections, eligibility for mitigation grants, contract management by DFS and required annual reports.

DISCLAIMER: The foregoing is a summary of the statutory changes and should not be relied on as legal advice or a complete explanation of the changes. Every situation is different, and you should seek qualified legal advice before making a decision.