

2025 Florida Legislative Update HB 913



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2025 Florida Legislative Update

Welcome to the 2025 Florida Legislative Update for Condominiums.

This presentation outlines the significant changes introduced by Florida House Bills 913 ("HB 913") and 393 ("HB 393"), which were signed into law on June 23, 2025, and take effect on July 1, 2025.

These legislative changes impact only Condominiums and Cooperatives, with no amendments made to Florida Statutes 720 (the Homeowners' Association Act).



Overview of 2025 Legislative Changes

Key Areas of Change

- Virtual Meeting Procedures
- Electronic Voting Enhancements
- Official Records and Transparency
- Insurance Coverage Standards
- Financial Reporting & Budget Requirements
- Milestone Inspection Requirements
- Structural Integrity Reserve Study (SIRS) Updates
- CAM Regulations and Responsibilities
- Division Oversight Expansion
- My Safe Florida Condominium Pilot Program

The 2025 legislative session brought significant changes to Florida's condominium and cooperative laws, enhancing governance transparency, strengthening financial safeguards, and clarifying structural safety requirements. These amendments reflect the legislature's continuing response to the Surfside tragedy and ongoing commitment to improving association operations.

Each modification aims to address specific concerns raised by stakeholders while balancing the practical realities faced by association boards and managers. Understanding these changes is crucial for maintaining compliance and effectively serving your community.

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Virtual Board and Unit Owner Meetings

New Meeting Provisions

Florida Statutes §718.112(2)(d)(2) now permits all Board Meetings and Unit Owner Meetings, including Annual Meetings, to be conducted via video conference, with specific requirements:

- In person, Annual Unit Owner Meetings must be held within 15 miles of the community or within the same county as the condominium.
- Annual Unit Owner Meeting **may** be held by video conference. **A quorum of board members must be physically present if an Annual Meeting is conducted via video conference.**
- Budget meetings **may** now be held by video conference.
- Video conference budget meetings must allow all discussions to be heard by board members, committee members, and unit owners physically present.

Video Conference Definition

Florida Statutes §718.103(33) defines "video conference" as a real-time audio and video meeting between two or more people in different locations using video-enabled and audio-enabled devices.

For any meeting conducted by video conference, notices must include:

1. A hyperlink to join the meeting and a conference call-in number.
2. A physical location where unit owners can attend in person.

DBPR has rule making authority.

BEST PRACTICE - A statement that the meeting will be recorded and kept as part of the official records and posted to the website for at least one year.

Electronic Voting & Balloting in Elections

Petition Process for Electronic Voting if Not Already Adopted

Florida Statutes §718.128(6) now allows associations to permit electronic voting when at least 25% of voting interests submit a written petition requesting it for the next scheduled election. The board must consider and adopt a resolution within 21 days authorizing electronic voting. The petition must be received within 180 days before the annual meeting.

New E-mail Balloting Procedures if No Electronic Voting Adopted

The Association must designate an email address specifically for receiving completed electronic ballots.

Electronic ballots must include fields for the unit owner's unit number and full name (serving as electronic signature), plus a prominently displayed statement disclosing that submitting the ballot by email **waives ballot secrecy**.

Affidavit Requirement for E-Mail Ballot Review

This critical safeguard requires an affidavit from the association's designated email address administrator or CAM confirming a thorough review of all folders (inbox, spam, junk) to ensure all electronic votes are properly counted and recorded.

Practical Pointer: Electronic balloting extends beyond board elections. Unit owners may vote electronically on substitute budgets, amendments to governing documents, reserve waivers, and more. Ensure your ballot templates are updated to include all required fields and disclosures.

Official Records and Transparency Requirements

Expanded Official Records

The definition of official records has been expanded to include:

- Video recordings of all meetings conducted by video conference, committee meetings, and unit owner meetings.
- Video recordings must be retained for at least one year from the date they are posted.
- Bank statements and ledgers.
- Copies of all affidavits received or created by the association.

Website Access Requirements

Associations required to maintain a website or mobile app must post official records within 30 days of creation or receipt, including:

- Approved minutes of all board meetings held during the preceding 12 months
- Video recordings or hyperlinks to video recordings of all association meetings (board, committee, and unit owner) for the preceding 12 months.

Increased Director Liability

The statute now removes the "repeatedly" requirement for director liability. A board director who knowingly or directly denies a unit owner access to official records—even once—can be charged with a second-degree misdemeanor and removed from office.

Practical Pointer: Take official records requests seriously and respond promptly. Knowledge of transparency requirements is now part of board member education certification. Implement a clear process for handling records requests within your association.

Insurance Coverage Requirements

Updated Valuation Requirements

Under the amended Florida Statutes §718.111(11), condominium associations must determine adequate insurance coverage *may* based on the full insurable value, including replacement cost or similar coverage forms.

The replacement cost of insured property must now be determined by either:

1. A current independent insurance appraisal, or
2. An updated version of a previous appraisal

The must be replacement cost must be assessed at least once every three years to ensure coverage amounts keep pace with changing construction costs and property values.

Insurance Coverage Considerations

The Division now has explicit authority to investigate complaints related to an association's failure to maintain adequate insurance, underscoring the importance of compliance with these requirements.

Boards are required to use BEST EFFORTS.

Financial Reporting and Budget Requirements

1 Extended Financial Report Deadline

The deadline for delivering annual financial reports has been extended to 180 days after the fiscal year end. If an owner requests the report, it must be provided within 5 days at no charge. An officer or director must execute an affidavit confirming the required notice was sent or the report was delivered.

3 Shared Facilities Reporting

Florida Statutes §718.407(4) now requires condominium associations owning common elements used by multiple associations (shared facilities) must receive a comprehensive financial report detailing the costs of maintaining and operating these shared facilities.

2 Modified Financial Reporting Requirements

An association that receives approval by a majority vote of all voting interests may prepare a cash receipts and expenditures report or a compiled financial statement instead of an audited financial statement.

4 Substitute Budget Procedures

If a proposed annual budget exceeds 115% of assessments from the previous fiscal year, the board must propose a substitute budget excluding "discretionary expenses." Statutory reserves, non-recurring repair expenses for SIRS components, and insurance premiums are excluded from this 115% calculation. The substitute budget must be presented at the annual budget meeting for a vote by unit owners.

Practical Pointer: Carefully monitor your budget calculations each year to determine if you approach the 115% threshold. Prepare for potential substitute budget requirements by clearly identifying discretionary versus non-discretionary expenses in your financial planning. There is no definition of discretionary spending.

Investment of Association Funds

New Investment Requirements

Florida Statutes §718.111(16) explicitly requires boards of directors to use best efforts to make prudent investment decisions when investing association funds both operating and reserves.

Association may invest reserve funds in one or any combination of:

- Certificates of deposit
- Depository accounts with community banks
- Savings banks
- Commercial banks
- Savings and loan associations
- Credit unions

Practical Pointer: The board should not rely solely on personal investment experience. Best practice is to seek advice from a professional financial advisor who can help develop an appropriate risk and return strategy for association funds. Consider creating a written investment policy that outlines the association's investment objectives and permitted investment vehicles.

Investment Strategy Considerations

When investing association funds, boards should consider:

- Safety of principal (preservation of capital)
- Liquidity needs for operational expenses and emergencies
- Yield or return on investment
- FDIC or NCUA insurance limits (\$250,000 per depositor, per institution)
- Maturity timelines that align with the association's cash flow needs

Reserve Funding Updates



Inflation Adjustment for Reserve Threshold

- New subsection §718.112(2)(f)(6) requires the Division to annually adjust the \$25,000 reserve threshold to account for inflation using the Consumer Price Index.
- By February 1, 2026, and each year thereafter, the Division must conspicuously post the updated inflation-adjusted threshold on its official website.

Pooling of Reserve Funds

- Associations may now pool reserve accounts for two or more required components.
- Structural Integrity Reserve Study (SIRS) components may only be pooled with other SIRS components, maintaining separation between structural and non-structural reserves.

Funding Options for SIRS

- Reserve items identified in SIRS (paragraph g) may be funded through multiple methods: regular assessments, special assessments, lines of credit, or loans.
- Special assessments, lines of credit, or loans require approval by a majority vote of the total voting interests of the association.
- Associations may secure a line of credit or loan to fund capital expenses required by a milestone inspection or SIRS. These funding sources must be sufficient to cover the cumulative amount of any previously waived or unfunded portion of the reserve funding. The funds must be immediately available for board access without requiring further member approval.

FOR CONDO SALES: All details of special assessments, lines of credit, or loans must be included in the annual financial statement and disclosed to prospective purchasers.

Milestone Inspection Requirements

"Habitable Stories" Definition Clarified

Florida Stat. §553.889(3)(a) has been amended to clarify that milestone inspection requirements apply to buildings that are three "habitable" stories or more in height, "as determined by the Florida Building Code and that are subject, in whole or in part, to the condominium or cooperative form of ownership or as a residential condominium under Chapter 718 or a residential cooperative under Chapter 719."

Reporting Requirements for Local Enforcement

Florida Statutes §553.889(13) requires local enforcement agencies responsible for overseeing milestone inspections to submit an annual electronic report by December 31, 2025, and each year thereafter. This information will be submitted to the Office of Program Policy Analysis and Government Accountability, which is preparing a comprehensive report for the Florida legislature.

Temporary Funding Relief Option

For budgets adopted on or before December 31, 2028, if the association has completed a milestone inspection within the previous 2 calendar years, the board—upon approval of a majority of the total voting interests—may temporarily pause reserve fund contributions or reduce the amount of reserve funding for up to 2 consecutive annual budgets to fund repairs recommended by the milestone inspection.

If paused, a new SIRS must be performed before continuing the reserve funding plan to determine updated funding needs.

Conflict of Interest Provision: Any licensed architect or engineer who intends to bid on a milestone inspection must disclose in writing if they also intend to bid on any services that may be recommended in the inspection report, providing transparency in the bidding process. Contracts become voidable with failure to disclose.

Structural Integrity Reserve Study (SIRS) Updates

Extended Deadlines & Exemptions

For condominium associations that existed on or before July 1, 2022, the deadline to complete the initial SIRS has been extended to December 31, 2025.

The updated Florida Statutes §718.112(2)(g)(5) now exempts four-family dwellings with three (3) or fewer habitable stories from the requirement to obtain a Structural Integrity Reserve Study.

Affidavit Requirement

An officer or director of the association must sign an affidavit acknowledging receipt of the completed SIRS, ensuring official recognition of this critical document.

Standardized SIRS Form

Florida Statutes §718.112(2)(g)(13) requires the Division to adopt a standardized form for the SIRS.

DBPR's Online Portal – PDF with User Guide will be emailed to all participants!

Baseline Funding Requirement

SIRS must include a recommendation for a reserve funding schedule based on a baseline funding plan that provides a reserve funding goal where the reserve cash balances remain above zero for each budget year. The SIRS may recommend other types of reserve funding schedules, provided each recommended schedule is sufficient to meet the association's maintenance obligations.

Division of Florida Condominiums Oversight

Expanded Investigation Authority

The Division of Florida Condominiums, Timeshares, and Mobile Homes now has explicit authority to investigate complaints related to:

- Completion of repairs required by Milestone Inspections
- The association's obligation to maintain adequate insurance or fidelity bonding for individuals who control or disburse association funds.
- Board member education requirements.
- Reporting obligations related to the Structural Integrity Reserve Study (SIRS) under both §718.112(3) and §718.112(2)(g)(12).

Online Account Requirements for Condos

New sections §718.501(2)(d) and §718.501(3)(a) require all condominium associations to create and maintain an online account with the Division no later than October 1, 2025. This account must provide specific information to the Division in an electronic format.

The Division may request information updates no more than once per year, with associations having 30 days to provide updates. New initial account setup requires 45 days' notice from the Division.

The online account must include detailed association contact information, property information, building and structural data, assessment details, financial institution information (name of bank), and SIRS documentation.

Community Association Manager (CAM) Regulations

1 Ownership Restrictions Following License Revocation

The new regulations prohibit any individual whose Community Association Manager (CAM) license has been revoked from holding either a direct or indirect ownership interest in a Community Association Management Firm (CAM Firm) for a period of ten (10) years following the revocation, ensuring that disciplinary actions have meaningful consequences.

3 Enhanced Responsibilities and Prohibitions

CAMs are now explicitly prohibited from knowingly carrying out any direction from an association that would violate state or federal law. They must also comply with SIRS and milestone inspection requirements and include specific statutory statements regarding professional standards in their communications.

2 Online Licensure Account Requirements

All licensed CAMs must now create and maintain an online licensure account with the Department of Business and Professional Regulation (DBPR). This digital record-keeping requirement enhances regulatory oversight and streamlines compliance verification.

4 Conflict of Interest Disclosure Requirements

CAMs must disclose potential conflicts of interest with meeting notices, including clear descriptions of proposed activities, disclosure of potential conflicts, and copies of all related contracts and documents, increasing transparency in management operations.

New CAM Meeting Requirements: All CAMs must attend at least one member or board meeting annually and provide association members with the name, contact information, work hours, and a summary of duties for each CAM or management representative assigned to the association. They must also provide a copy of the management contract to any association member upon request.

Practical Pointer: Verify the license of a CAM or CAM firm before contracting for services at <https://www.myfloridalicense.com/>. If a license is revoked during a contract term, the association has the right to terminate the contract by providing written notice.

My Safe Florida Condominium Program Update

Revised Program Eligibility

House Bill 393 amends the My Safe Florida Condominium Pilot Program to limit participation to buildings or structures on condominium property that are **three or more stories in height, provided that each building or structure subject to a mitigation grant contains at least two single-family dwelling units.**

- SIRS and Milestone Inspection Compliance
- Common element requirements - Windows
- **75% of owner approval – REDUCTION IN VOTE**

Eligible Improvements

The program covers a range of hurricane and building safety improvements, including:

- Roof improvements (including replacement of roof coverings)
- Water intrusion mitigation measures
- Other devices or improvements identified in the final hurricane mitigation inspection

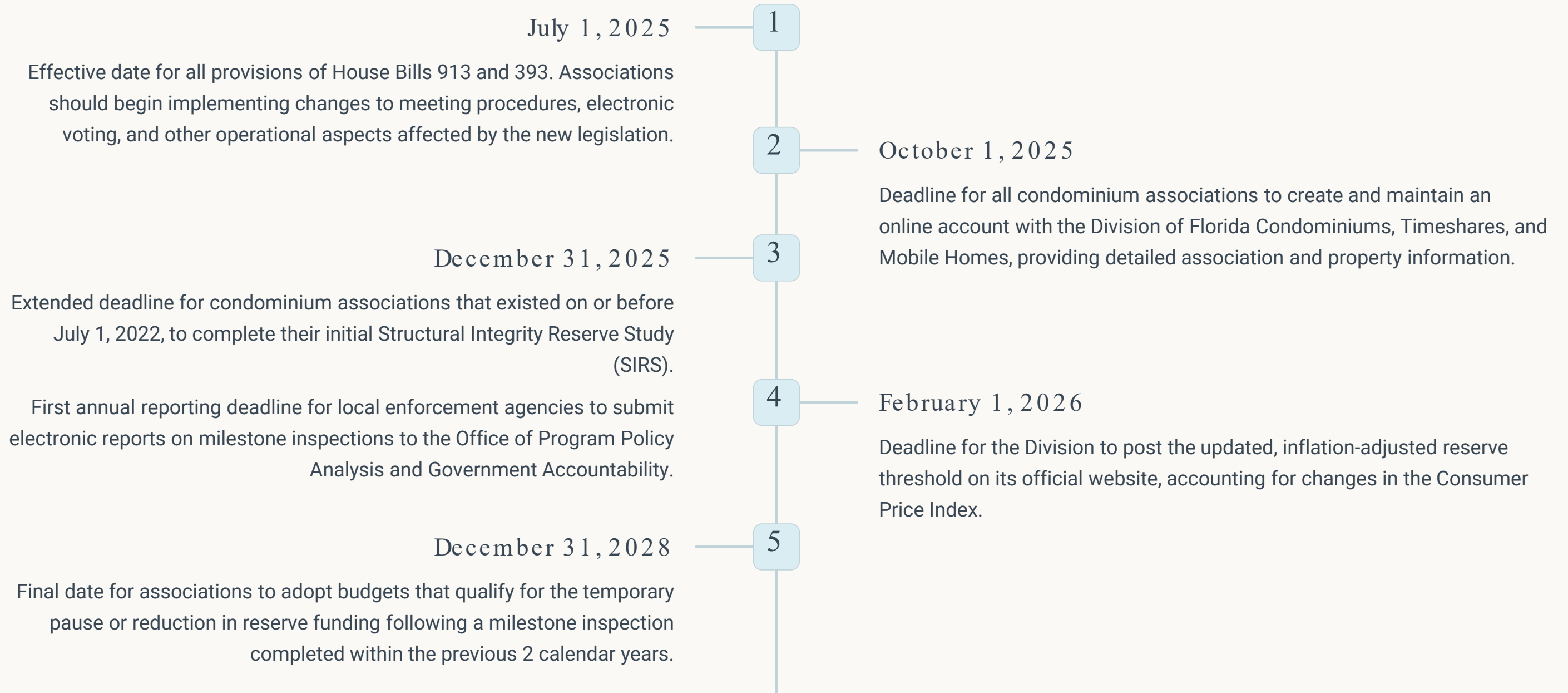
Enhanced Funding Formula

The state will match \$2 for every \$1 provided by the association toward the actual cost of the project.

Previous formulas based on square footage or per-window/door caps have been eliminated, simplifying the grant calculation process.

Grant funds can be used for mitigation improvements or devices that qualify for a building mitigation credit, discount, or other insurance rate differential, potentially reducing insurance premiums for participating associations.

Key Deadlines for Compliance from HB 913



Additional Resources and Contact Information

Government Resources

- **Division of Florida Condominiums, Timeshares, and Mobile Homes:** www.myfloridalicense.com/dbpr/condos/
- **Florida Building Commission:** www.floridabuilding.org
- **My Safe Florida Condo Program:** www.mysafeflcondo.com

Industry Organizations

- **Community Associations Institute (CAI):** www.caionline.org

PeytonBolin, PL Contact Information

We appreciate all board members, unit owners, managers, management companies, and vendors. Our team is available to assist with your community association legal needs:

Website: www.peytonbolin.com
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