



Surfside Palms Condo Association

New Requirements for Florida Condominium and Cooperative Associations

Florida House Bill 913 focuses on structural safety, transparency, and oversight in condominium and cooperative associations, particularly for buildings with three or more habitable stories. The bill brings notable changes to SIRS (Structural Integrity Reserve Studies), milestone inspections, conflict of interest rules, and manager regulations.

Florida House Bill 913 was passed by the Florida House on and by the Florida Senate in late April 2025. The bill is currently awaiting the Governor's signature. Once signed, it is scheduled to take effect on July 1, 2025.

Below are several key provisions under HB 913:

Community Association Managers (CAMs)

- **License Restrictions:** Individuals with revoked CAM licenses are prohibited from working with or owning a management firm for 10 years.
- **Online DBPR Account:** All licensed CAMs must maintain an online account with the Department of Business and Professional Regulation (DBPR).
- **Legal Compliance:** CAMs and firms may not knowingly follow directives that violate state or federal laws.
- **Contract Requirements:** Management contracts must include a 12-point font statement affirming compliance with professional standards and recordkeeping.
- **No Waivers:** Contracts cannot waive professional standards required under Section 468.432.
- **Meeting Attendance:** CAMs must attend at least one board or membership meeting in person each year.

Conflicts of Interest (CAMs & Professionals)

- **Disclosure Required:** Anyone bidding on SIRS or milestone inspection work must disclose intentions to bid on follow-up projects.
- **Presumption of Conflict:** A rebuttable presumption of conflict exists when entering contracts beyond CAM services.
- **Compensation Defined:** Includes referral fees, profit-sharing, and ownership interests in recommended vendors.
- **\$2,500 Threshold Rule:** CAMs providing non-CAM services over \$2,500 must disclose in the contract.
- **Meeting Notices:** Must include disclosure of the activity, conflict, and related contracts.
- **Contract Termination:** Boards may void contracts that violate these rules without requiring 20% owner approval.

Milestone Inspections

- Applies to buildings with three or more habitable stories (living, sleeping, eating, or cooking areas; excludes garages, closets, hallways).
- Reporting Deadline: Local agencies must report inspection data to the state by October 1, 2025.
- Funding Options: Associations may use special assessments, loans, or credit lines, with owner approval.

Structural Integrity Reserve Studies (SIRS)

- Also limited to buildings with three or more habitable stories.
- Deadline Extended: Completion deadline moved to December 31, 2025.
- Funding Must Be Reflected: The SIRS must identify the chosen funding source (e.g., loan or special assessment).
- Update Required: Must update SIRS before adopting any new budget if funding changes.
- Labeling Requirements: Non-SIRS items must be clearly marked.
- Pooling Allowed: Reserves may be pooled but cannot fall below the recommended baseline.
- Exemptions: 4-family buildings with three stories or fewer are exempt.
- Affidavit Requirement: Officers and directors must sign an affidavit acknowledging receipt of the completed SIRS.
- Standardized Form: The Division and the Florida Building Commission must develop a standard SIRS form by rule.

Reserve Funding & Thresholds

- Threshold Raised: Reserve item threshold increased from \$10,000 to \$25,000 (adjusted for inflation starting Feb. 1, 2026).
- Alternative Funding: Special assessments, loans, or credit lines allowed with unit owner approval.
- Temporary Suspension: Contributions for milestone-related repairs may be paused for up to two budgets (until Dec. 31, 2028) if approved by owners.
- Regular vs. SIRS Reserves: Non-SIRS associations follow general reserve rules in 718.112(f)(2)(a).
- Separate Accounting: SIRS and regular reserves must be separately accounted for; changes in methods do not require owner approval.
- Investment Options: Reserve funds may be invested in CDs, banks, or credit unions, with rulemaking for other options.

Financial Reporting Requirements

- Extended Deadline: Annual financial statements due 180 days after fiscal year-end (formerly 120).
- Electronic Notice: Associations may notify members electronically when reports are available.
- Affidavit of Delivery: Must retain a signed affidavit verifying delivery.
- Approval Threshold: Reducing financial reporting requirements now requires majority of all voting interests (not just those present).

Official Records & Virtual Meeting Requirements

- Expanded Recordkeeping: Must maintain bank statements, ledgers, affidavits, and meeting minutes.
- Virtual Meetings:
 - Must be recorded and retained for at least one year.
 - Associations with 25+ units must post past 12 months of minutes and recordings online, with updates within 30 days.

Board & Membership Meetings

- Virtual Participation: Zoom/Teams officially allowed for board and membership meetings.
- Recording Requirement: Virtual meetings must be recorded and preserved.
- Voting & Quorum:
 - Electronic voting permitted.
 - Quorum at virtual meetings must include participating members.
- Meeting Notices: Must include virtual access info and physical location.
- Audio Requirement: Must allow for mutual audibility between in-person and virtual attendees.

Electronic Voting

- Petition Requirement: If 25% of voting interests request it, the board must implement e-voting within 21 days.
- Ballot Acceptance: E-ballots must be accepted if legally compliant—even before a board resolution is passed.

Presale Disclosures

- Required Documents: Sellers must provide the most recent annual budget and financial statements.
- Disclosures Required: Contracts must disclose the status of inspections and reserves.
- Extended Rescission: Rescission period for non-developer sales increased to 7 days.

Insurance Requirements

- Valuation Basis: Coverage must be based on current independent appraisals.
- Windstorm Risk: Coverage must account for a 250-year windstorm probable maximum loss.

Reporting Requirements

- Mandatory DBPR Accounts: Associations must maintain an account with the Division of Condominiums.
- Required Information: Includes contact info, building age, assessment details, and more.

Emergency Powers

- Evacuation Authority: Boards may order emergency evacuations.
- Liability Shield: Associations are not liable for injuries to residents who refuse to evacuate after an official directive.