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## Client Alert: Florida Legislature Amends Condominium and Cooperative Safety Statutes Adopted After Champlain Towers South Collapse

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On June 9, 2023, Governor DeSantis signed into law [Senate Bill 154](#), which substantially modifies statutory safety and reserve requirements previously enacted in response to the collapse of the Champlain Towers South condominium. Existing statutory requirements were discussed [in a prior blog post](#). Senate Bill 154 took effect immediately and makes the following primary changes to the current safety and reserve requirements:

- **Fla. Stat. Ch. 553 – Milestone Inspections**

- Permits the engineer or architect to utilize a team of professionals to conduct milestone inspections.
- Requires the association to perform milestone inspections for portions of building owned under the condominium or cooperative form of ownership, with individual owners to perform milestone inspections in limited instances where portions of buildings are not part of the condominium or cooperative.
- Extends the deadline to December 31, 2025 for submission of first milestone inspection for buildings reaching 30 years of age on or after July 1, 2022 and before December 31, 2024. Buildings reaching 30 years of age before July 1, 2022 must submit milestone inspections on or before December 31, 2024.
- Allows the local enforcement agency/authority having jurisdiction to extend the deadline for a milestone inspection for good cause shown.
- Allows the local enforcement agency to accept milestone inspections completed prior to July 1, 2022 if they meet subsequently enacted statutory requirements.
- Requires the association to give notice to owners within 14 days of receipt of notice from the local enforcement agency that a milestone inspection is required.
- Requires the architect or engineer, in the event a phase two milestone inspection is required, to

submit a phase two progress report to the local enforcement agency with a timeline for completion of the phase two inspection.

- Requires the association to provide owners with a copy of a phase one or two inspection report within 45 days.
- Authorizes municipalities (in addition to counties) to adopt requirements for commencement of repairs within a certain time period, not to exceed 365 days.
- Directs the Florida Building Commission to establish a building safety program for implementation of Section 553, Florida Statutes no later than December 31, 2024. The program must contain inspection criteria, testing protocols, standardized inspection and reporting forms, and record maintenance requirements for the local authority.

• **Fla. Stat. Ch. 718 & 719 – Structural Integrity Reserve Study and Reserve Funding Requirements**

- Permits multi-condominiums with more than 25 condominiums to adopt, with approval of the Division of Condominiums, Timeshares and Mobile Homes, an alternative funding method for reserves.
- Clarifies that the association must only reserve for items which are within its repair obligation under its governing documents.
- Allows the association to forego reserves for replacement cost of items with 25 or more years of remaining life but requires reserves for deferred maintenance for such items.
- Increases threshold to waive, reduce, or repurpose non-mandatory reserve funding from majority of members present to majority of all members regardless of whether present. Note: Beginning January 1, 2025, fully funded reserves are mandatory for structural integrity reserve study components, and members may not vote to waive, reduce, or repurpose reserves for such components.
- Provides that a structural integrity reserve study be based on a visual inspection of the property performed or verified by a licensed engineer, architect, certified reserve specialist, or professional reserve analyst by the Community Associations Institute or the Association of Professional Reserve Analysts.
- Establishes minimum requirements for contents of structural integrity reserve studies.
- Permits associations who are required to complete a milestone inspection on or before December 31, 2026 to delay completion of first structural integrity reserve study until December 31, 2026.
- Permits a milestone inspection completed within past five years to serve as the visual inspection portion of the structural integrity reserve study.

• **Other Changes to Fla. Stat. Ch. 718 & 719**

- Limits director liability to instances where the directors willfully and knowingly fail to obtain a structural integrity reserve study.
- Submits disputes relating to failure of the association to meet milestone inspection and structural integrity reserve study requirements, to fund reserves, or to perform repairs to alternative dispute resolution requirements (pre-suit mediation or non-binding arbitration).
- Requires the association to perform required deferred maintenance identified by the developer pre-turnover until the association obtains independent inspections.
- Requires developers to provide, at time of turnover, a turnover inspection report included in the official records under seal of licensed architect, engineer, certified reserve specialist, or

- professional reserve analyst by the Community Associations Institute or the Association of Professional Reserve Analysts attesting to required maintenance, condition, useful life, and replacement costs of elevators, heating and cooling systems, swimming pool or spa and equipment, seawalls, pavement and parking systems, drainage systems, and irrigation systems.
- Addition of details regarding developer/unit owner seller disclosures and option for purchaser to void in the event of nondisclosure.

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