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May 2025

Understanding House Bill 913: Comprehensive Insights For Community Associations

By: Evan S. Rosenberg

Introduction

In the wake of the tragic 2021 collapse of the Champlain Towers South condominium in Surfside, Florida lawmakers moved swiftly to overhaul the state's condominium safety regulations. While the urgency of the response was understandable, critics have argued that some of the resulting legislation—passed in a matter of months—may have imposed sweeping obligations on community associations without sufficient time for input or adjustment. House Bill 913 represents the latest attempt to recalibrate that framework. It aims to refine and, in some cases, ease the burdens created by earlier reforms, while still maintaining the state's commitment to structural safety and accountability.

House Bill 913 represents a pivotal update to Florida's statutory framework governing community associations, including condominiums, cooperatives, and homeowners' associations (HOAs). Although the bill has not yet been signed into law, its provisions are set to take effect on July 1, 2025, if enacted. This article provides a comprehensive review of the key elements of the bill, offering community association boards and management professionals a clear understanding of the legislative changes and their practical implications.

Overview of Affected Statutes

The bill addresses and amends several critical chapters of the Florida Statutes:

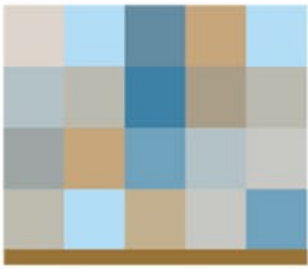
- Chapter 468: Community Association Manager (CAM) Regulation
- Chapter 718: Florida Condominium Act
- Chapter 719: Cooperative Associations
- Chapter 720: Homeowners' Association Act
- Chapter 553.899: Mandatory Structural Inspections

These revisions aim to strengthen regulatory compliance, promote financial stewardship, and enhance safety and transparency within community associations.

Key Amendments to Chapter 468: Community Association Management

The proposed legislation introduces significant regulatory enhancements for community association managers and management firms:

1. License Revocation Penalties:



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Any individual whose community association manager license is revoked is barred from owning, being employed by, or otherwise being associated with a management firm for a period of 10 years following the revocation.

2. **Prohibition on Unlawful Acts:**
Managers and firms are prohibited from knowingly carrying out directives from community associations that would breach state or federal law, reinforcing ethical standards across the industry.
3. **Contractual Obligations:**
All management agreements must now explicitly state that the manager or management firm will comply with applicable professional standards and legal recordkeeping requirements.
4. **Conflicts of Interest:**
Should a community association determine that its manager or management firm has engaged in a conflict of interest, the association may void the contract by issuing written notice. The association is only responsible for payment for services provided up to the date of termination and is not liable for termination fees, penalties, or liquidated damages.

Amendments to Chapter 553.899: Mandatory Structural Inspections

House Bill 913 modifies the statutory language to specify that buildings with three or more habitable stories are required to undergo milestone inspections starting at 30 years of age and every 10 years thereafter. The timeline for compliance is as follows:

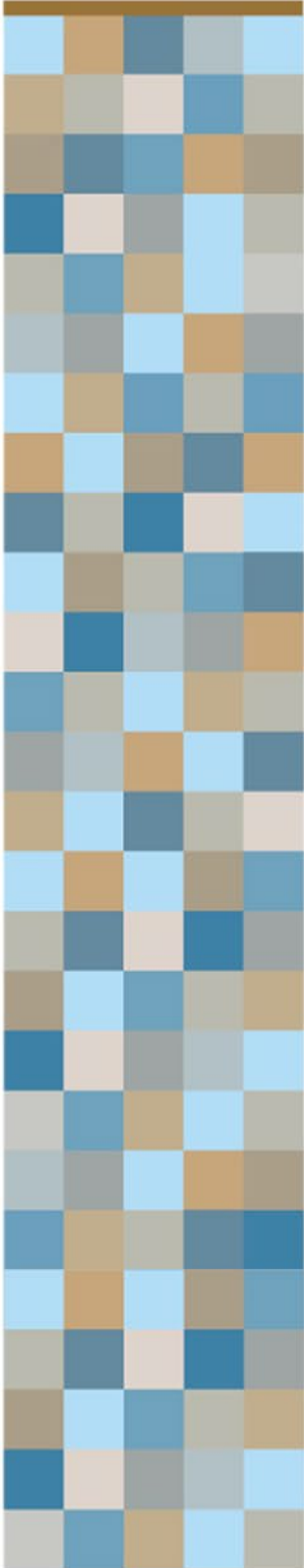
- Buildings that reached 30 years before July 1, 2022: Inspection required by December 31, 2024.
- Buildings reaching 30 years between July 1, 2022, and December 31, 2024: Inspection required by December 31, 2025.

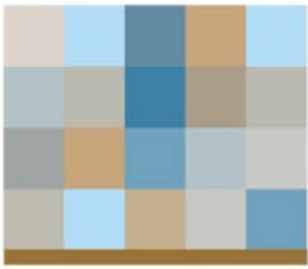
This clarification ensures that safety inspections are consistently applied to buildings of substantial size and occupancy.

Chapter 718: Updates to the Florida Condominium Act

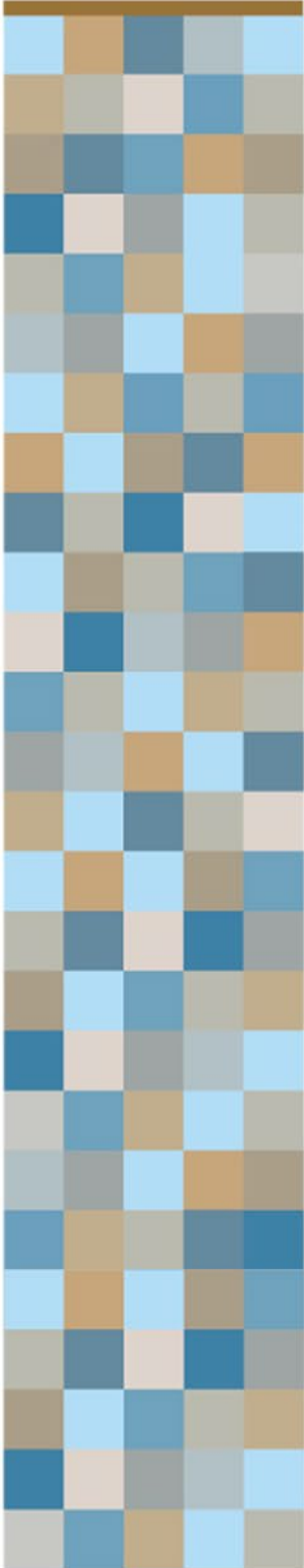
Several noteworthy amendments have been proposed under Chapter 718 to address operational transparency, governance, and financial management:

1. **Recognition of Video Conferences:**
Video conferencing platforms, such as Zoom and Microsoft Teams, are formally defined and recognized as valid means for conducting association meetings.





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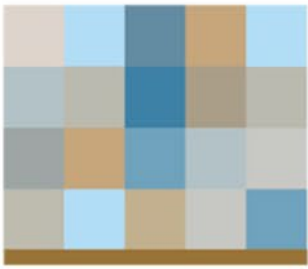


2. **Recording and Recordkeeping:**
All meetings conducted via video conference must be recorded and retained as official association records for at least one year. These recordings are subject to unit owner inspection.
3. **Licensing Verification Duty:**
Association boards are now explicitly responsible for verifying the proper licensing of community association managers before entering into contracts. Should a manager's license be suspended or revoked mid-contract, the association may immediately terminate the agreement with written notice.
4. **Expanded Document Posting Requirements:**
Associations with 150 or more units are required to post approved meeting minutes and hyperlinks to video recordings of all meetings from the preceding 12 months on their websites.
5. **Investment of Association Funds:**
Boards are authorized to prudently invest reserve funds in certificates of deposit or depository accounts without requiring a unit owner vote, provided investments are made with due care regarding risk and return.
6. **Meeting Notices and Accessibility:**
Notices for virtual meetings must include digital access details and specify a physical location where members can attend in person. Boards are required to use sound-transmitting devices to ensure clear communication between remote and in-person participants.
7. **Voting and Quorum Rules:**
Electronic voting is permitted for meetings conducted via video conference. Annual meetings held virtually must have a quorum of board members

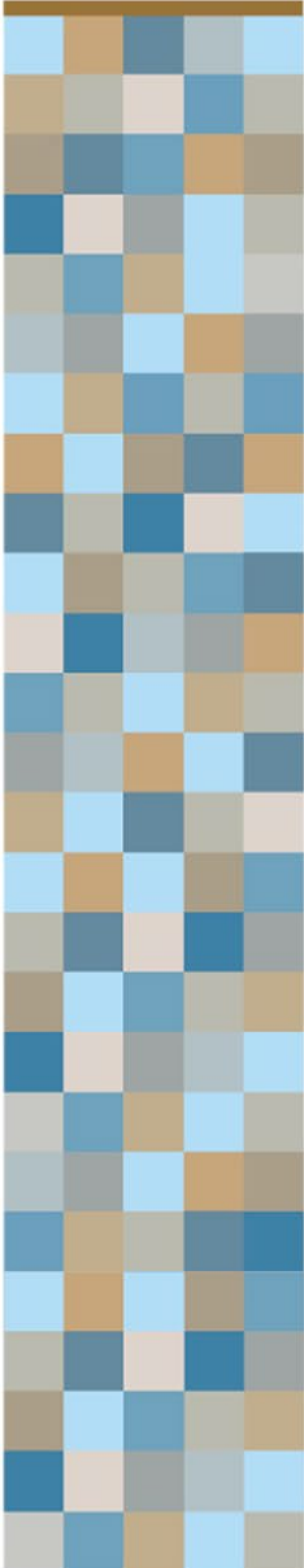
Reserve Funding and Financial Safeguards

In response to the Surfside condominium collapse, the legislation emphasizes robust financial preparedness:

- Reserve funds may be sourced from regular assessments, special assessments, loans, or lines of credit, requiring a majority vote of the association's total voting interest.
- Boards may temporarily pause or reduce reserve contributions for up to two consecutive annual budgets (before December 31, 2028) to address repairs recommended by a milestone inspection, contingent upon member approval.



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- Structural integrity reserve studies must recommend funding schedules that ensure reserve balances remain above zero, supporting long-term maintenance obligations.

Division of Condominiums Online Account Requirement

By October 1, 2025, all condominium associations must establish an online account with the Division of Florida Condominiums, Timeshares, and Mobile Homes. This account will maintain essential records, including board member contact details, management company information, and website hyperlinks, ensuring the Division has up-to-date association data.

Conclusion

House Bill 913 introduces critical updates aimed at strengthening the governance, safety, and financial health of community associations across Florida. Boards and community managers should proactively familiarize themselves with these changes and implement necessary steps to ensure compliance once the bill is enacted. Continuous education and legal consultation will be vital in navigating the evolving regulatory landscape.

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