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Florida Senate Bill 822 (2026): What Condominium and Homeowners' Associations Need to Know About Mandatory Professional Management

By: Evan S. Rosenberg

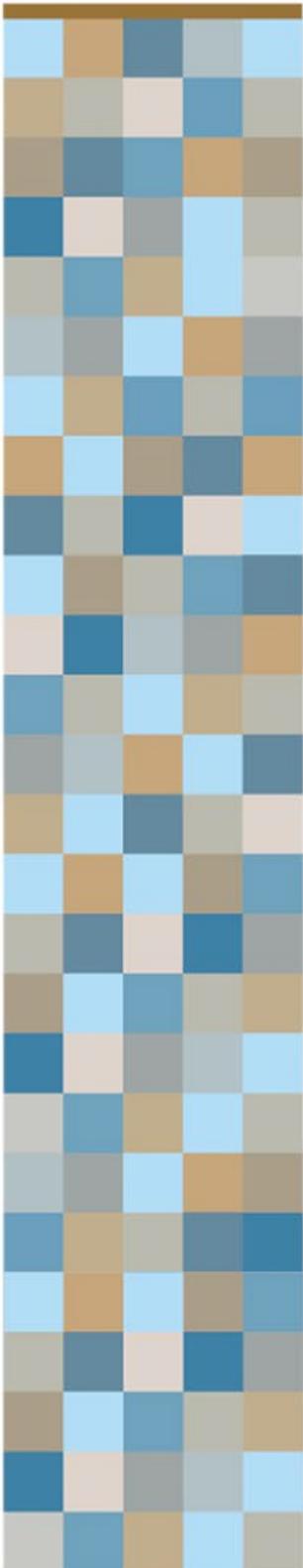
Florida Senate Bill 822 (SB 822), introduced during the 2026 Regular Session of the Florida Legislature, would significantly affect how condominium associations and homeowners' associations operate by mandating licensed professional management for associations exceeding a defined revenue threshold. In addition, the bill expressly assigns compliance responsibilities to board members and officers. This article explains SB 822's provisions in practical terms, analyzes the legal risks and compliance obligations it creates for association boards, and provides guidance for condominium and HOA clients preparing for potential enactment.

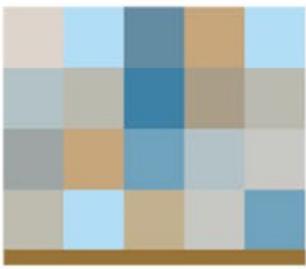
I. Why SB 822 Matters to Condominium and HOA Communities

Condominium associations and homeowners' associations in Florida exercise substantial control over residents' property interests, finances, and daily living conditions. These associations are governed primarily by Chapter 718 (condominiums) and Chapter 720 (homeowners' associations) of the Florida Statutes.¹ Board members — typically volunteers — owe fiduciary duties of care and loyalty when managing association affairs, including vendor selection and contract oversight.²

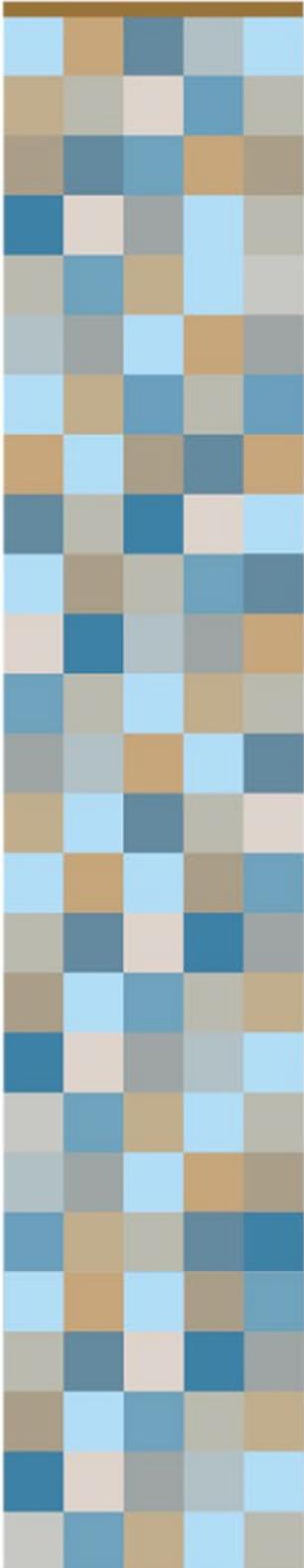
Historically, Florida law has allowed associations to self-manage or retain licensed community association managers ("CAMs") or management firms at the board's discretion.³ However, increasing legislative scrutiny of association governance, financial transparency, and consumer protection has led to proposals imposing higher compliance standards on larger associations.

SB 822 reflects that shift. If enacted, the bill would directly impact many condominium and HOA clients, particularly those overseeing large communities, significant budgets, or complex physical infrastructure.





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II. Mandatory Licensed Management: A New Baseline for Larger Associations

A. Which Associations are Covered

SB 822 requires any condominium association or homeowners' association with total annual revenues of \$500,000 or more to retain a licensed community association management firm.⁴ This mandate applies regardless of whether the association previously self-managed or relied on unlicensed administrative assistance.

For many associations, particularly master-planned HOAs and large condominium developments, this revenue threshold will be met routinely through assessments, reserves, and special assessments.

B. Practical Impact on Condominium and HOA Boards

For boards, this requirement means:

- Self-management may no longer be legally permissible once the revenue threshold is exceeded;
- Existing management contracts must be reviewed for licensure compliance;
- Associations may need to transition management mid-term if current providers are unlicensed.

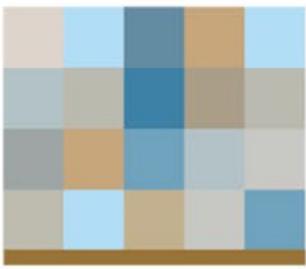
The Legislature's approach suggests that financial scale correlates with governance risk, and that professional oversight is necessary to protect unit owners and members in higher-revenue communities.

III. Board Member Liability and the Duty to Verify Licensure

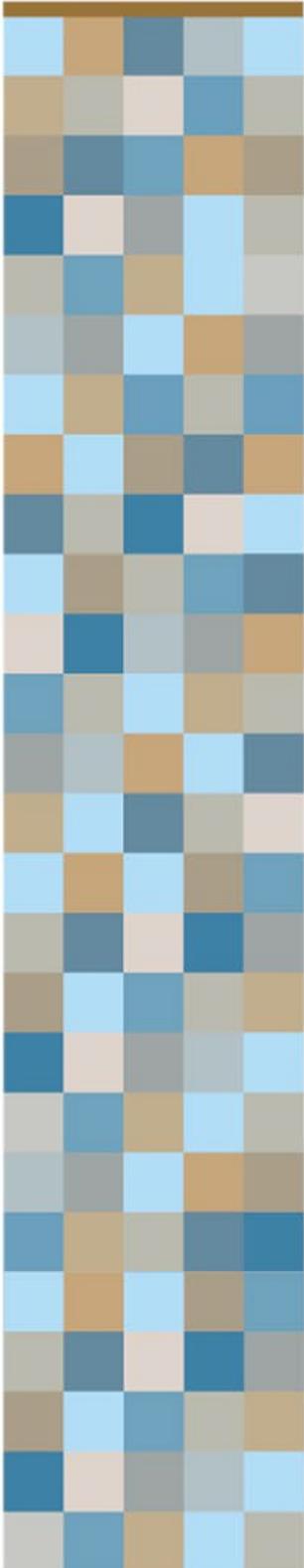
A. An Explicit Statutory Duty

One of SB 822's most consequential provisions for condominium and HOA clients is the creation of an express statutory duty requiring board members and officers to confirm that their management firm or CAM is properly licensed under Part VIII of Chapter 468, Florida Statutes.⁵

The bill states that each board member or officer has a duty to ensure licensure before entering into a management contract.⁶ This duty exists in addition to traditional fiduciary obligations imposed under Florida law.⁷



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B. What This Means in Practice

For association boards, this provision transforms what was once a best practice into a legal compliance requirement. Boards should expect to:

- Obtain and retain proof of licensure prior to contract execution;
- Periodically verify that licenses remain active and in good standing;
- Document compliance in meeting minutes and association records.

Failure to do so may expose directors and officers to claims for breach of fiduciary duty, particularly if management errors or financial losses occur.

IV. Statutory Amendments Affecting Condominiums and HOAs

SB 822 amends several provisions directly relevant to condominium and HOA clients:

- **Section 718.111, Florida Statutes**, governing condominium association management and operational authority;⁸
- **Section 720.303, Florida Statutes**, addressing homeowners' association powers, duties, and contracting authority.⁹

These amendments integrate the professional management requirement into existing governance frameworks rather than creating a standalone regulatory scheme.

If enacted, the bill would take effect January 1, 2027, giving associations a limited but meaningful transition period.¹⁰

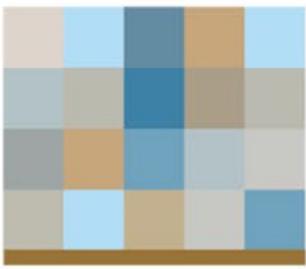
V. Compliance Risks and Litigation Exposure for Associations

A. Contract Validity and Enforcement Risks

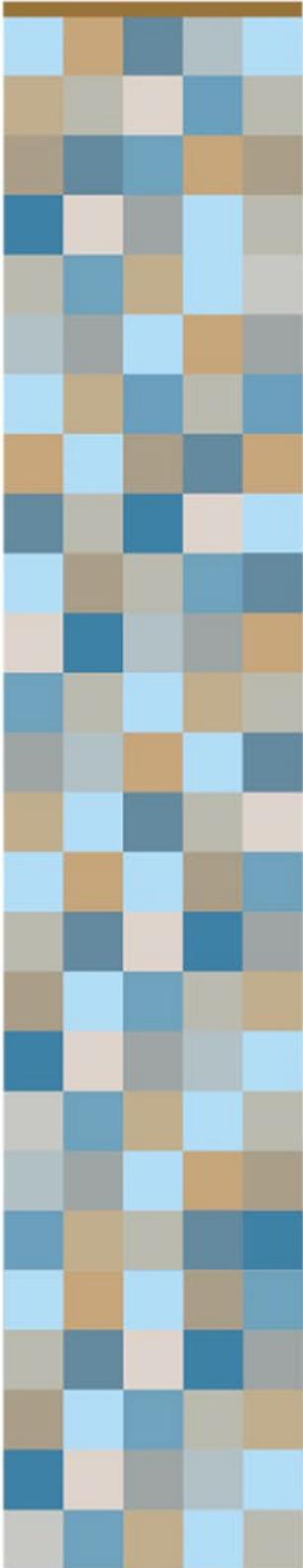
Associations that enter into management contracts with unlicensed firms after the effective date may face challenges regarding contract enforceability, reimbursement of fees, or regulatory penalties.

B. Fiduciary Claims Against Board Members

Florida courts recognize that association directors can be held personally liable when they fail to act in good faith or with due care.¹¹ By codifying a specific compliance duty, SB 822 narrows the margin for error and increases the importance of documented due diligence.



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C. Increased Regulatory Oversight

Because management licensure is regulated by the **Department of Business and Professional Regulation (DBPR)**, associations should anticipate increased enforcement activity and complaints involving management credentials.¹²

VI. Strategic Planning for Condominium and HOA Clients

Associations and their counsel should consider proactive steps, including:

- Conducting management contract audits well before 2027;
- Implementing licensure verification policies;
- Providing board training on statutory compliance;
- Reviewing director and officer insurance coverage in light of expanded duties.

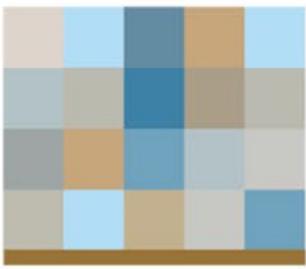
Early planning can minimize disruption and reduce exposure to enforcement actions or litigation.

VII. Conclusion

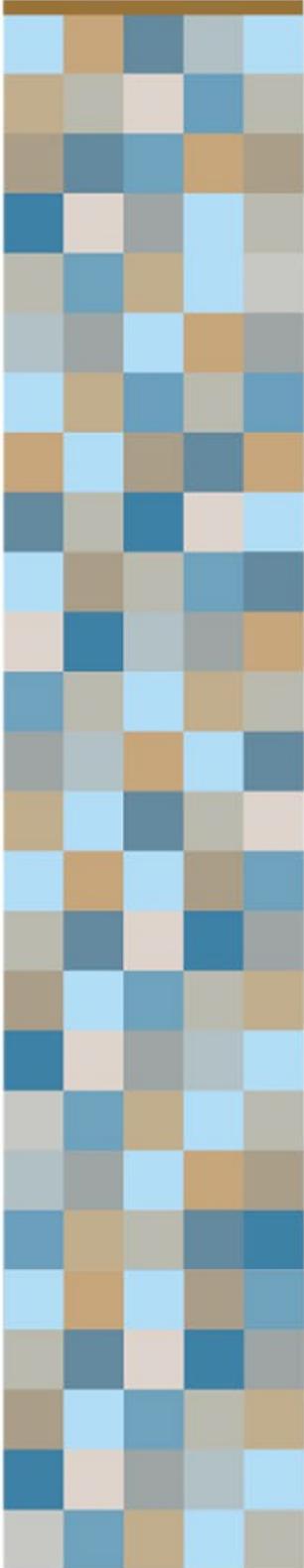
Florida Senate Bill 822 represents a meaningful shift in the regulatory landscape for condominium and homeowners' associations. By mandating licensed professional management for higher-revenue associations and imposing explicit compliance duties on board members and officers, the bill raises governance standards while increasing legal exposure for volunteer directors.

For condominium and HOA clients, SB 822 underscores the importance of proactive legal guidance, careful vendor selection, and rigorous compliance practices. Attorneys advising community associations should closely monitor the bill's progress and begin preparing clients for the operational and governance changes it may require.

1. Fla. Stat. chs. 718, 720 (2025).
2. See Fla. Stat. §§ 718.111(1)(a), 720.303(1) (2025).
3. Fla. Stat. ch. 468, pt. VIII (2025).
4. S.B. 822, 2026 Leg., Reg. Sess. (Fla. 2026).
5. Fla. Stat. §§ 468.431–468.436 (2025).
6. S.B. 822 § 1 (2026).
7. See Fla. Stat. § 617.0830 (2025).
8. S.B. 822 § 1; Fla. Stat. § 718.111 (as amended).
9. S.B. 822 § 4; Fla. Stat. § 720.303 (as amended).



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10. S.B. 822 § 5 (effective date).
11. *Penthouse North Ass'n, Inc. v. Lombardi*, 461 So.2d 1350 (1984) (Actions may be brought against directors for breaching fiduciary duties through claims such as self-dealing and failure to disclose material conflicts of interest).
12. Fla. Stat. § 468.4315 (2025).

If you have any questions regarding the matter raised in this Alert, please feel free to contact Evan Rosenberg at rosenberg@moritthock.com

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