

2024 Condominium Legal Update

Legislation Passed in 2024 Affecting Condominiums

➔ Preface

The Florida legislature passed HB–1021, which is a wide-ranging revision to the Florida Condominium Act that took effect July 1, 2024. The new legislation will impact almost all Florida Condominium

Associations, and Members of a Condominium Board of Directors should attempt to familiarize themselves with some of the more significant legislative changes.

➔ Florida Statutes §§468.4334 and 468.4335

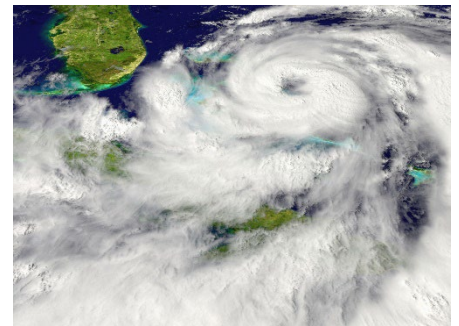
Section 468.4334 requires a Community Association Manager to return Official Records within a specific time-period after the Manager’s or the Management Company’s termination. Penalties are provided for failure to comply.

Section 468.4335 was created, requiring Managers to disclose certain conflicts of interest to the Association’s Board, and requiring additional bidding requirements for an Association for goods and services.

➔ Florida Statutes §718.104(4) *Disclosure of responsibility for hurricane protection*

The Statute was amended to require that where there are multiple condominium associations in the same building or multiple parcel buildings, the Condominium name must contain a statement stating “ ...a condominium created within a portion of building or within a multi parcel building must include the name by which the condominium is to be identified and be followed by ‘a condominium within a portion of a building or within a multiple parcel building.’” The Declaration for a residential or mixed-use Condominium

must include a statement as to whether the Unit Owners or the Association will be responsible for installation, maintenance, repair, and replacement of hurricane protection for Association Property, and Condominium Property. It is also worth noting that the definition of Condominium Property” has been changed, under §718.103(14).





Florida Statutes §718.111

New penalties for Officers and Directors of Condominium Associations

It is very important to pay attention to the revisions to this Statute, which provides criminal penalties for Officers and Directors who accept a kickback, requiring Officers and Directors to be removed from office under certain circumstances, provides revised criminal

penalties for persons who unlawfully use an Association debit card, and otherwise imposes potential criminal liability to Association Officers and Directors. Under these statutory revisions, the definition of a “Kickback” has been redefined.



Florida Statutes §718.111(12) *Enhanced criminal penalties*

Not only has a definition of a “Kickback” been revised, the penalties involved for an Officer, Director, or Manager who accepts a kickback, have been increased, and, in some cases, may involve a felony of the third-degree, and may involve a civil penalty imposed by the Department of Business and Professional Regulation, under Florida Statutes §718.501(1)(e).

Under §718.111(12), the definition of an Association’s “Official Records” has been changed, to now require that the e-mail addresses and facsimile numbers of Association Members may only be released if the Owner expressly consents to the release of such information, even if the information provided is the official contact information for an Association Member. (§718.111(12)(c)).

Under the same Statute, all invoices, transaction receipts, or deposit slips regarding Association business, must be made available for inspection and copying, as part of the Association’s “Official Records.”

The Statute also requires that Official Records, as made available for inspection and copying by a Unit Owner, must be maintained “in an organized manner that facilitates inspection of the records by a unit owner.” In a very substantive change to §718.111(12), a Condominium Association may fulfill its obligation to make the Official Records available, if the records are posted on an Association website, or available for download through an application on a mobile device. The Association fulfills its obligation by directing the Unit Owner to the website or application. The revision to the Statute would, apparently, eliminate the need to maintain paper copies of all Association “Official Records.”

In any proper written request to inspect records, an Association must now

provide a checklist of all records made available for inspection and copying.





Florida Statutes §718.111(12) *Enhanced criminal penalties (cont'd)*

It is now critical that Board Members and Association Managers understand that there are new criminal penalties, for the willful or knowing violation of the disclosure and access requirements for

the Association’s governing documents, as a Director, or an Association Manager, who willfully violates these provisions, may be guilty of a misdemeanor in the second-degree.



Florida Statutes §718.112

The Statute was amended to require that, in a residential Condominium of at least ten (10) Units, the Board must meet at least once per quarter, and four times per year. There are now mandatory education and training requirements for Directors for the Board of residential Condominiums.

Must meet at least 4 times a year and there are new training requirements



**Florida Statutes §§718.113 and 718.115
*Condominium hurricane protection***

The provisions regarding the installation and payment for “hurricane protection” will now require a Unit Owner vote, and procedures for taking such vote are set forth in §718.113.

§718 115 requires that fee association specify when the cost of installation of hurricane protection is not a common expense.



**Florida Statutes §718.501
*Expanded authority for the Department of Business and Professional Regulation, Division of Condominiums, Timeshare, and Mobile Homes***

Board Certification Class is now 4 hours
And must be taken within 90 days of being elected or Board Member is automatically suspended from the Board.

The provisions of §718.501 have been revised to provide greater authority to the Division of Florida Condominiums, Timeshares, and Mobile Homes to enforce certain complaints, to issue citations, and require the Division to provide a training program for the certification of new Board Members, as required under the Condominium Statute.

**About the Author,
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Russ Klemm is Partner with the law firm of Clayton & McCulloh and has been practicing law since 1980. As the Head of the firm's Litigation Department, he has been a frequent speaker at CM's legal seminars as well as Orange County and the City of Orlando's Neighborhood Partnership Conferences.

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