**Now That Safety Reform Legislation Has Passed, Prepare!**

by Enrolled Agent Steven J. Weil, Ph.D., EA, LCAM, Royale Management Services, Inc.

The tragedy at Surfside was a wake-up call for many of Florida’s high-rise residents and legislators.

To recap, in a Special Session on May 26, 2022, the Florida Legislature unanimously passed Senate Bill 4-D. The Safety Reform Bill comes with a deadline of **December 31, 2024.**

This means that Florida has now imposed a state-wide structural inspection program for condominium and cooperative associations that are three (3) stories or more in height. Buildings with a certificate of occupancy that was issued on or before July 1, 1992 must have an initial “milestone inspection” performed before December 31, 2024.

**What is a Milestone Inspection?**

A milestone inspection is a structural inspection of a building’s load-bearing walls and primary structural members/systems. They must be performed by a Florida licensed engineer/architect who must attest to the life safety and adequacy of structural components of the building.

The inspection consists of two phases:

* + Phase one — Visual examination of habitable and uninhabitable areas of a building. If there are no signs of structural deterioration found, phase two is not required.
  + Phase two — If substantial deterioration is found during phase one, phase two may involve destructive or nondestructive testing at the inspector’s discretion. This additional inspection may be as extensive or limited as necessary to fully assess areas of distress.

Community association managers or management companies working with associations that are subject to this inspection must comply as directed by the board. Upon receiving notice from a local law enforcement agency, condominium/cooperative associations will have 180 days to complete phase one of the inspection.

**What About Reserves?**

Beyond that, also effective December 31, 2024, no unit owner-controlled condominium or cooperative will be permitted to vote to waive or partially fund their reserves.

Condominiums and cooperatives must adequately fund reserve accounts, and the amount is determined by the most recent structural integrity reserve study, also required.

**Unanswered Questions Remain!**

1. What are the definitions and requirements for certain items that will be hashed out in the coming months by state and local building departments and regulators?
2. What will the costs be for milestone inspections and required reserve studies?
3. Will there be enough Florida licensed Engineers and Architects to handle the number of statewide inspections?
4. How much will the new mandatory reserve items add to the cost of owning and or renting in a condominium or coop?
5. What provisions, if any, can be made for financing the necessary phase two required repairs?

**What Does It All Mean for Boards and Residents?**

1. Clearly, the short answer to the question “what now” is PREPARE.
2. Costs of materials are rising. The sooner the work gets done, the lower the cost is likely to be. It makes sense to start now to interview potential engineers and architects.
3. It makes sense for Boards to review association documents and to educate residents about how the new laws will affect them.

Deciding what repairs to make will surely be controversial.

1. Many associations have not been funding reserves or only partially funding them for years. The mandatory change to fully fund is sure to be a costly and unwelcome adjustment.

It does seem clear that based on the new law the cost of maintaining and living in an association will increase and that this will impact many of the residents.