



Rep. Jim Sacia

Filed: 3/13/2013

09800HB1773ham002

LRB098 05732 HEP 43002 a

1 AMENDMENT TO HOUSE BILL 1773

2 AMENDMENT NO. _____. Amend House Bill 1773 by replacing
3 everything after the enacting clause with the following:

4 "Section 5. The Common Interest Community Association Act
5 is amended by changing Sections 1-30 and 1-55 as follows:

6 (765 ILCS 160/1-30)

7 Sec. 1-30. Board duties and obligations; records.

8 (a) The board shall meet at least 3 ~~4~~ times annually.

9 (b) A ~~member of the board of the~~ common interest community
10 association may not enter into a contract with a current board
11 member, or with a corporation or partnership in which a board
12 member or a member of his or her immediate family has 25% or
13 more interest, unless notice of intent to enter into the
14 contract is given to members within 20 days after a decision is
15 made to enter into the contract and the members are afforded an
16 opportunity by filing a petition, signed by 20% of the

1 membership, for an election to approve or disapprove the
2 contract; such petition shall be filed within 20 days after
3 such notice and such election shall be held within 30 days
4 after filing the petition. For purposes of this subsection, a
5 board member's immediate family means the board member's
6 spouse, parents, and children.

7 (c) The bylaws shall provide for the maintenance, repair,
8 and replacement of the common areas and payments therefor,
9 including the method of approving payment vouchers.

10 (d) (Blank).

11 (e) The association may engage the services of a manager or
12 management company.

13 (f) The association shall have one class of membership
14 unless the declaration or bylaws provide otherwise; however,
15 this subsection (f) shall not be construed to limit the
16 operation of subsection (c) of Section 1-20 of this Act.

17 (g) The board shall have the power, after notice and an
18 opportunity to be heard, to levy and collect reasonable fines
19 from members or unit owners for violations of the declaration,
20 bylaws, and rules and regulations of the common interest
21 community association.

22 (h) Other than attorney's fees and court or arbitration
23 costs, no fees pertaining to the collection of a member's or
24 unit owner's financial obligation to the association,
25 including fees charged by a manager or managing agent, shall be
26 added to and deemed a part of a member's or unit owner's

1 respective share of the common expenses unless: (i) the
2 managing agent fees relate to the costs to collect common
3 expenses for the association; (ii) the fees are set forth in a
4 contract between the managing agent and the association; and
5 (iii) the authority to add the management fees to a member's or
6 unit owner's respective share of the common expenses is
7 specifically stated in the declaration or bylaws of the
8 association.

9 (i) Board records.

10 (1) The board shall maintain the following records of
11 the association and make them available for examination and
12 copying at convenient hours of weekdays by any member or
13 unit owner in a common interest community subject to the
14 authority of the board, their mortgagees, and their duly
15 authorized agents or attorneys:

16 (i) Copies of the recorded declaration, other
17 community instruments, other duly recorded covenants
18 and bylaws and any amendments, articles of
19 incorporation, annual reports, and any rules and
20 regulations adopted by the board shall be available.
21 Prior to the organization of the board, the developer
22 shall maintain and make available the records set forth
23 in this paragraph (i) for examination and copying.

24 (ii) Detailed and accurate records in
25 chronological order of the receipts and expenditures
26 affecting the common areas, specifying and itemizing

1 the maintenance and repair expenses of the common areas
2 and any other expenses incurred, and copies of all
3 contracts, leases, or other agreements entered into by
4 the board shall be maintained.

5 (iii) The minutes of all meetings of the board
6 which shall be maintained for not less than 7 years.

7 (iv) With a written statement of a proper purpose,
8 ballots and proxies related thereto, if any, for any
9 election held for the board and for any other matters
10 voted on by the members, which shall be maintained for
11 not less than one year.

12 (v) With a written statement of a proper purpose,
13 such other records of the board as are available for
14 inspection by members of a not-for-profit corporation
15 pursuant to Section 107.75 of the General Not For
16 Profit Corporation Act of 1986 shall be maintained.

17 (vi) With respect to units owned by a land trust, a
18 living trust, or other legal entity, the trustee,
19 officer, or manager of the entity may designate, in
20 writing, a person to cast votes on behalf of the member
21 or unit owner and a designation shall remain in effect
22 until a subsequent document is filed with the
23 association.

24 (2) Where a request for records under this subsection
25 is made in writing to the board or its agent, failure to
26 provide the requested record or to respond within 30 days

1 shall be deemed a denial by the board.

2 (3) A reasonable fee may be charged by the board for
3 the cost of retrieving and copying records properly
4 requested.

5 (4) If the board fails to provide records properly
6 requested under paragraph (1) of this subsection (i) within
7 the time period provided in that paragraph (1), the member
8 may seek appropriate relief and shall be entitled to an
9 award of reasonable attorney's fees and costs if the member
10 prevails and the court finds that such failure is due to
11 the acts or omissions of the board of managers or the board
12 of directors.

13 (j) The board shall have standing and capacity to act in a
14 representative capacity in relation to matters involving the
15 common areas or more than one unit, on behalf of the members or
16 unit owners as their interests may appear.

17 (Source: P.A. 96-1400, eff. 7-29-10; 97-605, eff. 8-26-11;
18 97-1090, eff. 8-24-12.)

19 (765 ILCS 160/1-55)

20 Sec. 1-55. Fidelity insurance. An association with 30 or
21 more units shall obtain and maintain fidelity insurance
22 covering persons who control or disburse funds of the
23 association in an ~~for the maximum~~ amount of coverage that is
24 ~~commercially available or~~ reasonably required to protect funds
25 in the custody or control of the association. All management

1 companies which are responsible for the funds held or
2 administered by the association shall maintain and furnish to
3 the association a fidelity bond in an ~~for the maximum~~ amount of
4 coverage that is ~~commercially available or~~ reasonably required
5 to protect funds in the custody of the management company at
6 any time. The association shall bear the cost of the fidelity
7 insurance and fidelity bond, unless otherwise provided by
8 contract between the association and a management company.
9 (Source: P.A. 96-1400, eff. 7-29-10; 97-605, eff. 8-26-11.)".