



## 99TH GENERAL ASSEMBLY

### State of Illinois

2015 and 2016

HB5696

by Rep. Kelly M. Cassidy

#### SYNOPSIS AS INTRODUCED:

765 ILCS 160/1-5  
765 ILCS 160/1-85  
765 ILCS 605/2  
765 ILCS 605/18.8

from Ch. 30, par. 302

Amends the Common Interest Community Association Act and the Condominium Property Act. Provides that the term "acceptable technological means" includes, among other things, any generally available technology that, by rule of the association, is deemed to provide reasonable security, reliability, identification, and verifiability. Provides that acceptable technological means may be used to conduct association business, including: notice required to be sent or received; signature, vote, consent, or approval required to be obtained; and the performance of obligations or exercise of rights. Provides that Sections concerning the use of technology do not apply to any notices required: (i) under the Forcible Entry and Detainer Article of the Code of Civil Procedure; or (ii) in connection with foreclosure proceedings in enforcement of any lien rights" under the Act (instead of "notices required under [the Forcible Entry and Detainer Article] of the Code of Civil Procedure related to: (i) an action by the common interest community association to collect a common expense; or (ii) foreclosure proceedings in enforcement of any lien rights" under the Act).

LRB099 18117 HEP 42483 b

1 AN ACT concerning civil law.

2 **Be it enacted by the People of the State of Illinois,**  
3 **represented in the General Assembly:**

4 Section 5. The Common Interest Community Association Act is  
5 amended by changing Sections 1-5 and 1-85 as follows:

6 (765 ILCS 160/1-5)

7 Sec. 1-5. Definitions. As used in this Act, unless the  
8 context otherwise requires:

9 "Acceptable technological means" includes, without  
10 limitation, electronic transmission over the Internet or other  
11 network, whether by direct connection, intranet, telecopier,  
12 ~~or~~ electronic mail, and any generally available technology  
13 that, by rule of the association, is deemed to provide  
14 reasonable security, reliability, identification, and  
15 verifiability.

16 "Association" or "common interest community association"  
17 means the association of all the members of a common interest  
18 community, acting pursuant to bylaws or an operating agreement  
19 through its duly elected board of managers or board of  
20 directors.

21 "Board" means a common interest community association's  
22 board of managers or board of directors, whichever is  
23 applicable.

1 "Board member" or "member of the board" means a member of  
2 the board of managers or the board of directors, whichever is  
3 applicable.

4 "Board of directors" means, for a common interest community  
5 that has been incorporated as an Illinois not-for-profit  
6 corporation, the group of people elected by the members of a  
7 common interest community as the governing body to exercise for  
8 the members of the common interest community association all  
9 powers, duties, and authority vested in the board of directors  
10 under this Act and the common interest community association's  
11 declaration and bylaws.

12 "Board of managers" means, for a common interest community  
13 that is an unincorporated association or organized as a limited  
14 liability company, the group of people elected by the members  
15 of a common interest community as the governing body to  
16 exercise for the members of the common interest community  
17 association all powers, duties, and authority vested in the  
18 board of managers under this Act and the common interest  
19 community association's declaration, bylaws, or operating  
20 agreement.

21 "Building" means all structures, attached or unattached,  
22 containing one or more units.

23 "Common areas" means the portion of the property other than  
24 a unit.

25 "Common expenses" means the proposed or actual expenses  
26 affecting the property, including reserves, if any, lawfully

1 assessed by the common interest community association.

2 "Common interest community" means real estate other than a  
3 condominium or cooperative with respect to which any person by  
4 virtue of his or her ownership of a partial interest or a unit  
5 therein is obligated to pay for the maintenance, improvement,  
6 insurance premiums or real estate taxes of common areas  
7 described in a declaration which is administered by an  
8 association. "Common interest community" may include, but not  
9 be limited to, an attached or detached townhome, villa, or  
10 single-family home. A "common interest community" does not  
11 include a master association.

12 "Community instruments" means all documents and authorized  
13 amendments thereto recorded by a developer or common interest  
14 community association, including, but not limited to, the  
15 declaration, bylaws, operating agreement, plat of survey, and  
16 rules and regulations.

17 "Declaration" means any duly recorded instruments, however  
18 designated, that have created a common interest community and  
19 any duly recorded amendments to those instruments.

20 "Developer" means any person who submits property legally  
21 or equitably owned in fee simple by the person to the  
22 provisions of this Act, or any person who offers units legally  
23 or equitably owned in fee simple by the person for sale in the  
24 ordinary course of such person's business, including any  
25 successor to such person's entire interest in the property  
26 other than the purchaser of an individual unit.

1 "Developer control" means such control at a time prior to  
2 the election of the board of the common interest community  
3 association by a majority of the members other than the  
4 developer.

5 "Electronic transmission" means any form of communication,  
6 not directly involving the physical transmission of paper, that  
7 creates a record that may be retained, retrieved, and reviewed  
8 by a recipient and that may be directly reproduced in paper  
9 form by the recipient through an automated process.

10 "Majority" or "majority of the members" means the owners of  
11 more than 50% in the aggregate in interest of the undivided  
12 ownership of the common elements. Any specified percentage of  
13 the members means such percentage in the aggregate in interest  
14 of such undivided ownership. "Majority" or "majority of the  
15 members of the board of the common interest community  
16 association" means more than 50% of the total number of persons  
17 constituting such board pursuant to the bylaws or operating  
18 agreement. Any specified percentage of the members of the  
19 common interest community association means that percentage of  
20 the total number of persons constituting such board pursuant to  
21 the bylaws or operating agreement.

22 "Management company" or "community association manager"  
23 means a person, partnership, corporation, or other legal entity  
24 entitled to transact business on behalf of others, acting on  
25 behalf of or as an agent for an association for the purpose of  
26 carrying out the duties, responsibilities, and other

1 obligations necessary for the day to day operation and  
2 management of any property subject to this Act.

3 "Meeting of the board" or "board meeting" means any  
4 gathering of a quorum of the members of the board of the common  
5 interest community association held for the purpose of  
6 conducting board business.

7 "Member" means the person or entity designated as an owner  
8 and entitled to one vote as defined by the community  
9 instruments. The terms "member" and "unit owner" may be used  
10 interchangeably as defined by the community instruments,  
11 except in situations in which a matter of legal title to the  
12 unit is involved or at issue, in which case the term "unit  
13 owner" would be the applicable term used.

14 "Membership" means the collective group of members  
15 entitled to vote as defined by the community instruments.

16 "Parcel" means the lot or lots or tract or tracts of land  
17 described in the declaration as part of a common interest  
18 community.

19 "Person" means a natural individual, corporation,  
20 partnership, trustee, or other legal entity capable of holding  
21 title to real property.

22 "Plat" means a plat or plats of survey of the parcel and of  
23 all units in the common interest community, which may consist  
24 of a three-dimensional horizontal and vertical delineation of  
25 all such units, structures, easements, and common areas on the  
26 property.

1 "Prescribed delivery method" means mailing, delivering,  
2 posting in an association publication that is routinely mailed  
3 to all members, electronic transmission, or any other delivery  
4 method that is approved in writing by the member and authorized  
5 by the community instruments.

6 "Property" means all the land, property, and space  
7 comprising the parcel, all improvements and structures  
8 erected, constructed or contained therein or thereon,  
9 including any building and all easements, rights, and  
10 appurtenances belonging thereto, and all fixtures and  
11 equipment intended for the mutual use, benefit, or enjoyment of  
12 the members, under the authority or control of a common  
13 interest community association.

14 "Purchaser" means any person or persons, other than the  
15 developer, who purchase a unit in a bona fide transaction for  
16 value.

17 "Record" means to record in the office of the recorder of  
18 the county wherein the property is located.

19 "Reserves" means those sums paid by members which are  
20 separately maintained by the common interest community  
21 association for purposes specified by the declaration and  
22 bylaws of the common interest community association.

23 "Unit" means a part of the property designed and intended  
24 for any type of independent use.

25 "Unit owner" means the person or persons whose estates or  
26 interests, individually or collectively, aggregate fee simple

1 absolute ownership of a unit.

2 (Source: P.A. 98-1042, eff. 1-1-15; 99-41, eff. 7-14-15.)

3 (765 ILCS 160/1-85)

4 Sec. 1-85. Use of technology.

5 (a) Any notice required to be sent or received or  
6 signature, vote, consent, or approval required to be obtained  
7 under any community instrument or any provision of this Act may  
8 be accomplished using acceptable technological means ~~the~~  
9 ~~technology generally available at that time.~~ This Section  
10 governs the use of technology in implementing the provisions of  
11 any community instrument or any provision of this Act  
12 concerning notices, signatures, votes, consents, or approvals.

13 (b) The common interest community association, unit  
14 owners, and other persons entitled to occupy a unit may perform  
15 any obligation or exercise any right under any community  
16 instrument or any provision of this Act by use of acceptable  
17 technological means ~~any technological means that provides~~  
18 ~~sufficient security, reliability, identification, and~~  
19 ~~verifiability.~~

20 (c) A ~~verifiable electronic~~ signature transmitted by  
21 acceptable technological means satisfies any requirement for a  
22 signature under any community instrument or any provision of  
23 this Act.

24 (d) Voting on, consent to, and approval of any matter under  
25 any community instrument or any provision of this Act may be



1 accomplished by any acceptable ~~electronic transmission or~~  
2 ~~other equivalent~~ technological means, provided that a record is  
3 created as evidence thereof and maintained as long as the  
4 record would be required to be maintained in nonelectronic  
5 form.

6 (e) Subject to other provisions of law, no action required  
7 or permitted by any community instrument or any provision of  
8 this Act need be acknowledged before a notary public if the  
9 identity and signature of the signatory ~~person~~ can otherwise be  
10 authenticated to the satisfaction of the board of directors.

11 (f) If any person does not provide written authorization to  
12 conduct business using acceptable ~~electronic transmission or~~  
13 ~~other equivalent~~ technological means, the common interest  
14 community association shall, at its expense, conduct business  
15 with the person without the use of acceptable ~~electronic~~  
16 ~~transmission or other equivalent~~ technological means.

17 (g) This Section does not apply to any notices required:  
18 (i) under Article IX of the Code of Civil Procedure; or (ii) in  
19 connection with ~~related to: (i) an action by the common~~  
20 ~~interest community association to collect a common expense; or~~  
21 ~~(ii) foreclosure proceedings in enforcement of any lien rights~~  
22 under this Act.

23 (Source: P.A. 98-1042, eff. 1-1-15.)

24 Section 10. The Condominium Property Act is amended by  
25 changing Sections 2 and 18.8 as follows:

1 (765 ILCS 605/2) (from Ch. 30, par. 302)

2 Sec. 2. Definitions. As used in this Act, unless the  
3 context otherwise requires:

4 (a) "Declaration" means the instrument by which the  
5 property is submitted to the provisions of this Act, as  
6 hereinafter provided, and such declaration as from time to time  
7 amended.

8 (b) "Parcel" means the lot or lots, tract or tracts of  
9 land, described in the declaration, submitted to the provisions  
10 of this Act.

11 (c) "Property" means all the land, property and space  
12 comprising the parcel, all improvements and structures  
13 erected, constructed or contained therein or thereon,  
14 including the building and all easements, rights and  
15 appurtenances belonging thereto, and all fixtures and  
16 equipment intended for the mutual use, benefit or enjoyment of  
17 the unit owners, submitted to the provisions of this Act.

18 (d) "Unit" means a part of the property designed and  
19 intended for any type of independent use.

20 (e) "Common Elements" means all portions of the property  
21 except the units, including limited common elements unless  
22 otherwise specified.

23 (f) "Person" means a natural individual, corporation,  
24 partnership, trustee or other legal entity capable of holding  
25 title to real property.

1           (g) "Unit Owner" means the person or persons whose estates  
2 or interests, individually or collectively, aggregate fee  
3 simple absolute ownership of a unit, or, in the case of a  
4 leasehold condominium, the lessee or lessees of a unit whose  
5 leasehold ownership of the unit expires simultaneously with the  
6 lease described in item (x) of this Section.

7           (h) "Majority" or "majority of the unit owners" means the  
8 owners of more than 50% in the aggregate in interest of the  
9 undivided ownership of the common elements. Any specified  
10 percentage of the unit owners means such percentage in the  
11 aggregate in interest of such undivided ownership. "Majority"  
12 or "majority of the members of the board of managers" means  
13 more than 50% of the total number of persons constituting such  
14 board pursuant to the bylaws. Any specified percentage of the  
15 members of the board of managers means that percentage of the  
16 total number of persons constituting such board pursuant to the  
17 bylaws.

18           (i) "Plat" means a plat or plats of survey of the parcel  
19 and of all units in the property submitted to the provisions of  
20 this Act, which may consist of a three-dimensional horizontal  
21 and vertical delineation of all such units.

22           (j) "Record" means to record in the office of the recorder  
23 or, whenever required, to file in the office of the Registrar  
24 of Titles of the county wherein the property is located.

25           (k) "Conversion Condominium" means a property which  
26 contains structures, excepting those newly constructed and

1 intended for condominium ownership, which are, or have  
2 previously been, wholly or partially occupied before recording  
3 of condominium instruments by persons other than those who have  
4 contracted for the purchase of condominiums.

5 (l) "Condominium Instruments" means all documents and  
6 authorized amendments thereto recorded pursuant to the  
7 provisions of the Act, including the declaration, bylaws and  
8 plat.

9 (m) "Common Expenses" means the proposed or actual expenses  
10 affecting the property, including reserves, if any, lawfully  
11 assessed by the Board of Managers of the Unit Owner's  
12 Association.

13 (n) "Reserves" means those sums paid by unit owners which  
14 are separately maintained by the board of managers for purposes  
15 specified by the board of managers or the condominium  
16 instruments.

17 (o) "Unit Owners' Association" or "Association" means the  
18 association of all the unit owners, acting pursuant to bylaws  
19 through its duly elected board of managers.

20 (p) "Purchaser" means any person or persons other than the  
21 Developer who purchase a unit in a bona fide transaction for  
22 value.

23 (q) "Developer" means any person who submits property  
24 legally or equitably owned in fee simple by the developer, or  
25 leased to the developer under a lease described in item (x) of  
26 this Section, to the provisions of this Act, or any person who

1 offers units legally or equitably owned in fee simple by the  
2 developer, or leased to the developer under a lease described  
3 in item (x) of this Section, for sale in the ordinary course of  
4 such person's business, including any successor or successors  
5 to such developers' entire interest in the property other than  
6 the purchaser of an individual unit.

7 (r) "Add-on Condominium" means a property to which  
8 additional property may be added in accordance with condominium  
9 instruments and this Act.

10 (s) "Limited Common Elements" means a portion of the common  
11 elements so designated in the declaration as being reserved for  
12 the use of a certain unit or units to the exclusion of other  
13 units, including but not limited to balconies, terraces, patios  
14 and parking spaces or facilities.

15 (t) "Building" means all structures, attached or  
16 unattached, containing one or more units.

17 (u) "Master Association" means an organization described  
18 in Section 18.5 whether or not it is also an association  
19 described in Section 18.3.

20 (v) "Developer Control" means such control at a time prior  
21 to the election of the Board of Managers provided for in  
22 Section 18.2(b) of this Act.

23 (w) "Meeting of Board of Managers or Board of Master  
24 Association" means any gathering of a quorum of the members of  
25 the Board of Managers or Board of the Master Association held  
26 for the purpose of conducting board business.

1 (x) "Leasehold Condominium" means a property submitted to  
2 the provisions of this Act which is subject to a lease, the  
3 expiration or termination of which would terminate the  
4 condominium and the lessor of which is (i) exempt from taxation  
5 under Section 501(c)(3) of the Internal Revenue Code of 1986,  
6 as amended, (ii) a limited liability company whose sole member  
7 is exempt from taxation under Section 501 (c)(3) of the  
8 Internal Revenue Code of 1986, as amended, or (iii) a Public  
9 Housing Authority created pursuant to the Housing Authorities  
10 Act that is located in a municipality having a population in  
11 excess of 1,000,000 inhabitants.

12 (y) "Electronic transmission" means any form of  
13 communication, not directly involving the physical  
14 transmission of paper, that creates a record that may be  
15 retained, retrieved, and reviewed by a recipient and that may  
16 be directly reproduced in paper form by the recipient through  
17 an automated process.

18 (z) "Acceptable technological means" includes, without  
19 limitation, electronic transmission over the Internet or other  
20 network, whether by direct connection, intranet, telecopier,  
21 ~~or~~ electronic mail, and any generally available technology  
22 that, by rule of the association, is deemed to provide  
23 reasonable security, reliability, identification, and  
24 verifiability.

25 (Source: P.A. 98-1042, eff. 1-1-15.)

1 (765 ILCS 605/18.8)

2 Sec. 18.8. Use of technology.

3 (a) Any notice required to be sent or received or  
4 signature, vote, consent, or approval required to be obtained  
5 under any condominium instrument or any provision of this Act  
6 may be accomplished using acceptable technological means ~~the~~  
7 ~~technology generally available at that time~~. This Section shall  
8 govern the use of technology in implementing the provisions of  
9 any condominium instrument or any provision of this Act  
10 concerning notices, signatures, votes, consents, or approvals.

11 (b) The association, unit owners, and other persons  
12 entitled to occupy a unit may perform any obligation or  
13 exercise any right under any condominium instrument or any  
14 provision of this Act by use of acceptable technological means  
15 ~~any technological means that provides sufficient security,~~  
16 ~~reliability, identification, and verifiability~~.

17 (c) A ~~verifiable electronic~~ signature transmitted by  
18 acceptable technological means satisfies any requirement for a  
19 signature under any condominium instrument or any provision of  
20 this Act.

21 (d) Voting on, consent to, and approval of any matter under  
22 any condominium instrument or any provision of this Act may be  
23 accomplished by any acceptable ~~electronic transmission or~~  
24 ~~other equivalent~~ technological means, provided that a record is  
25 created as evidence thereof and maintained as long as the  
26 record would be required to be maintained in nonelectronic

1 form.

2 (e) Subject to other provisions of law, no action required  
3 or permitted by any condominium instrument or any provision of  
4 this Act need be acknowledged before a notary public if the  
5 identity and signature of the signatory ~~person~~ can otherwise be  
6 authenticated to the satisfaction of the board of directors or  
7 board of managers.

8 (f) If any person does not provide written authorization to  
9 conduct business using acceptable ~~electronic transmission or~~  
10 ~~other equivalent~~ technological means, the association shall,  
11 at its expense, conduct business with the person without the  
12 use of acceptable ~~electronic transmission or other equivalent~~  
13 technological means.

14 (g) This Section does not apply to any notices required:  
15 (i) under Article IX of the Code of Civil Procedure; or (ii) in  
16 connection with ~~related to: (i) an action by the association to~~  
17 ~~collect a common expense; or (ii) foreclosure proceedings in~~  
18 enforcement of any lien rights under this Act.

19 (Source: P.A. 98-1042, eff. 1-1-15; 99-78, eff. 7-20-15.)