99TH GENERAL ASSEMBLY

State of Illinois

2015 and 2016

SB1521

Introduced 2/20/2015, by Sen. Michael Noland

SYNOPSIS AS INTRODUCED:

765 ILCS 160/1-40 765 ILCS 160/1-75

Amends the Common Interest Community Association Act. Provides that any matter discussed in the portion of the board meeting closed to members of the association shall be generally noted in the minutes of the immediately following meeting that is open to any member. Provides that minutes of (i) meetings of the board of directors or managers other than the portion of the board meeting closed to members of the association; (ii) meetings of the membership; or (iii) meetings of committees with decision making authority must be made available to members within 30 calendar days of the meeting unless a subsequent meeting is held less than 30 calendar days after the meeting, in which case the minutes shall be made available to the members no less than one calendar day before the following meeting. Provides that "minutes" includes draft minutes proposed for adoption and marked to indicate draft status until such time as they are adopted. Provides that certain specified common interest community associations having 10 units or less (instead of "either (i) 10 units or less or (ii) annual budgeted assessments of \$100,000 or less") are exempt from the Common Interest Community Association Act.

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AN ACT concerning civil law.

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

- Section 5. The Common Interest Community Association Act is
 amended by changing Section 1-40 and 1-75 as follows:
- 6 (765 ILCS 160/1-40)

7 Sec. 1-40. Meetings.

8 (a) Notice of any membership meeting shall be given 9 detailing the time, place, and purpose of such meeting no less 10 than 10 and no more than 30 days prior to the meeting through a 11 prescribed delivery method.

12 (b) Meetings.

13 (1) Twenty percent of the membership shall constitute a
 14 quorum, unless the community instruments indicate a lesser
 15 amount.

16 (2) The membership shall hold an annual meeting. The17 board of directors may be elected at the annual meeting.

(3) Special meetings of the board may be called by the 18 19 president, by 25% of the members of the board, or by any 20 method that prescribed in the other is community 21 instruments. Special meetings of the membership may be 22 called by the president, the board, 20% of the membership, or any other method that is prescribed in the community 23

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instruments.

2 (4) Except to the extent otherwise provided by this 3 Act, the board shall give the members notice of all board meetings at least 48 hours prior to the meeting by sending 4 5 notice by using a prescribed delivery method or by posting copies of notices of meetings in entranceways, elevators, 6 or other conspicuous places in the common areas of the 7 8 common interest community at least 48 hours prior to the 9 meeting except where there is no common entranceway for 7 10 or more units, the board may designate one or more 11 locations in the proximity of these units where the notices 12 of meetings shall be posted. The board shall give members notice of any board meeting, through a prescribed delivery 13 14 method, concerning the adoption of (i) the proposed annual 15 budget, (ii) regular assessments, or (iii) a separate or 16 special assessment within 10 to 60 days prior to the 17 meeting, unless otherwise provided in Section 1-45 (a) or any other provision of this Act. 18

19 (5) Meetings of the board shall be open to any unit 20 owner, except for the portion of any meeting held (i) to 21 discuss litigation when an action against or on behalf of 22 the particular association has been filed and is pending in 23 a court or administrative tribunal, or when the common 24 interest community association finds that such an action is 25 imminent, (ii) to consider probable or third party 26 contracts or information regarding appointment,

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employment, or dismissal of an employee, or (iii) to 1 2 discuss violations of rules and regulations of the 3 association or a member's or unit owner's unpaid share of common expenses. Any matter discussed in the portion of the 4 5 board meeting closed to members of the association shall be generally noted in the minutes of the immediately following 6 7 meeting that is open to any member. Any vote on these 8 matters shall be taken at a meeting or portion thereof open 9 to any member. 10 (6) The board must reserve a portion of the meeting of 11 the board for comments by members; provided, however, the 12 duration and meeting order for the member comment period is 13 within the sole discretion of the board. 14 (7) Minutes of: 15 (i) meetings of the board of directors or managers 16 other than the portion of the board meeting closed to 17 members of the association; (ii) meetings of the membership; or 18 19 (iii) meetings of committees with decision making 20 authority; must be made available to members within 30 calendar 21 22 days of the meeting unless a subsequent meeting is held 23 less than 30 calendar days after the meeting, in which case 24 the minutes shall be made available to the members no less 25 than one calendar day before the following meeting. As used

26 in this Section, "minutes" includes draft minutes proposed

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<u>for adoption and marked to indicate draft status until such</u>
<u>time as they are adopted.</u>
(Source: P.A. 96-1400, eff. 7-29-10; 97-605, eff. 8-26-11;
97-1090, eff. 8-24-12.)

5 (765 ILCS 160/1-75)

6 Sec. 1-75. Exemptions for small common interest 7 communities.

8 (a) A common interest community association organized 9 under the General Not for Profit Corporation Act of 1986 and 10 having either (i) 10 units or less or (ii) annual budgeted 11 assessments of \$100,000 or less shall be exempt from this Act 12 unless the association affirmatively elects to be covered by 13 this Act by a majority of its directors or members.

14 (b) Common interest community associations which in their 15 declaration, bylaws, or other governing documents provide that 16 the association may not use the courts or an arbitration process to collect or enforce assessments, fines, or similar 17 18 levies and common interest community associations (i) of 10 19 units or less or (ii) having annual budgeted assessments of 20 \$50,000 or less shall be exempt from subsection (a) of Section 21 1-30, subsections (a) and (b) of Section 1-40, and Section 1-55 22 but shall be required to provide notice of meetings to members in a manner and at a time that will allow members to 23 24 participate in those meetings.

25 (Source: P.A. 96-1400, eff. 7-29-10; 97-605, eff. 8-26-11;

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1 97-1090, eff. 8-24-12.)