

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
5 is amended by changing Sections 1-35 and 1-45 as follows:

6 (765 ILCS 160/1-35)

7 Sec. 1-35. Member powers, duties, and obligations.

8 (a) The provisions of this Act, the declaration, bylaws,
9 other community instruments, and rules and regulations that
10 relate to the use of an individual unit or the common areas
11 shall be applicable to any person leasing a unit and shall be
12 deemed to be incorporated in any lease executed or renewed on
13 or after the effective date of this Act. Unless otherwise
14 provided in the community instruments, with regard to any
15 lease entered into subsequent to the effective date of this
16 Act, the unit owner leasing the unit shall deliver a copy of
17 the signed lease to the association or if the lease is oral, a
18 memorandum of the lease, not later than the date of occupancy
19 or 10 days after the lease is signed, whichever occurs first.

20 (b) If there are multiple owners of a single unit, only one
21 of the multiple owners shall be eligible to serve as a member
22 of the board at any one time, unless the unit owner owns
23 another unit independently.

1 (c) Two-thirds of the membership may remove a board member
2 as a director at a duly called special meeting.

3 (d) In the event of any resale of a unit in a common
4 interest community association by a member or unit owner other
5 than the developer, the board shall make available for
6 inspection to the prospective purchaser, upon demand, the
7 following:

8 (1) A copy of the declaration, other instruments, and
9 any rules and regulations.

10 (2) A statement of any liens, including a statement of
11 the account of the unit setting forth the amounts of
12 unpaid assessments and other charges due and owing.

13 (3) A statement of any capital expenditures
14 anticipated by the association within the current or
15 succeeding 2 fiscal years.

16 (4) A statement of the status and amount of any
17 reserve or replacement fund and any other fund
18 specifically designated for association projects.

19 (5) A copy of the statement of financial condition of
20 the association for the last fiscal year for which such a
21 statement is available.

22 (6) A statement of the status of any pending suits or
23 judgments in which the association is a party.

24 (7) A statement setting forth what insurance coverage
25 is provided for all members or unit owners by the
26 association for common properties.

1 (8) A copy of the collection policy adopted under
2 subsection (j) of Section 1-45.

3 The principal officer of the board or such other officer
4 as is specifically designated shall furnish the above
5 information within 30 days after receiving a written request
6 for such information.

7 A reasonable fee covering the direct out-of-pocket cost of
8 copying and providing such information may be charged by the
9 association or the board to the unit seller for providing the
10 information.

11 (Source: P.A. 97-605, eff. 8-26-11; 97-1090, eff. 8-24-12;
12 98-842, eff. 1-1-15.)

13 (765 ILCS 160/1-45)

14 Sec. 1-45. Finances.

15 (a) Each member shall receive through a prescribed
16 delivery method, at least 30 days but not more than 60 days
17 prior to the adoption thereof by the board, a copy of the
18 proposed annual budget together with an indication of which
19 portions are intended for reserves, capital expenditures or
20 repairs or payment of real estate taxes.

21 (b) The board shall provide all members with a reasonably
22 detailed summary of the receipts, common expenses, and
23 reserves for the preceding budget year. The board shall (i)
24 make available for review to all members an itemized
25 accounting of the common expenses for the preceding year

1 actually incurred or paid, together with an indication of
2 which portions were for reserves, capital expenditures or
3 repairs or payment of real estate taxes and with a tabulation
4 of the amounts collected pursuant to the budget or assessment,
5 and showing the net excess or deficit of income over
6 expenditures plus reserves or (ii) provide a consolidated
7 annual independent audit report of the financial status of all
8 fund accounts within the association.

9 (c) If an adopted budget or any separate assessment
10 adopted by the board would result in the sum of all regular and
11 separate assessments payable in the current fiscal year
12 exceeding 115% of the sum of all regular and separate
13 assessments payable during the preceding fiscal year, the
14 common interest community association, upon written petition
15 by members with 20% of the votes of the association delivered
16 to the board within 14 days of the board action, shall call a
17 meeting of the members within 30 days of the date of delivery
18 of the petition to consider the budget or separate assessment;
19 unless a majority of the total votes of the members are cast at
20 the meeting to reject the budget or separate assessment, it
21 shall be deemed ratified.

22 (d) If total common expenses exceed the total amount of
23 the approved and adopted budget, the common interest community
24 association shall disclose this variance to all its members
25 and specifically identify the subsequent assessments needed to
26 offset this variance in future budgets.

1 (e) Separate assessments for expenditures relating to
2 emergencies or mandated by law may be adopted by the board
3 without being subject to member approval or the provisions of
4 subsection (c) or (f) of this Section. As used herein,
5 "emergency" means a danger to or a compromise of the
6 structural integrity of the common areas or any of the common
7 facilities of the common interest community. "Emergency" also
8 includes a danger to the life, health or safety of the
9 membership.

10 (f) Assessments for additions and alterations to the
11 common areas or to association-owned property not included in
12 the adopted annual budget, shall be separately assessed and
13 are subject to approval of a simple majority of the total
14 members at a meeting called for that purpose.

15 (g) The board may adopt separate assessments payable over
16 more than one fiscal year. With respect to multi-year
17 assessments not governed by subsections (e) and (f) of this
18 Section, the entire amount of the multi-year assessment shall
19 be deemed considered and authorized in the first fiscal year
20 in which the assessment is approved.

21 (h) The board of a common interest community association
22 shall have the authority to establish and maintain a system of
23 master metering of public utility services to collect payments
24 in conjunction therewith, subject to the requirements of the
25 Tenant Utility Payment Disclosure Act.

26 (i) An association subject to this Act that consists of

1 100 or more units shall use generally accepted accounting
2 principles in fulfilling any accounting obligations under this
3 Act.

4 (j) To promote responsible governance, the board must
5 adopt policies and procedures concerning the collection of
6 unpaid assessments.

7 (1) Notwithstanding any provision in the community
8 instruments to the contrary, the association or a holder
9 or assignee of the association's debt, whether the holder
10 or assignee of the association's debt is an entity or a
11 natural person, shall not take legal action to collect
12 common expenses unless the association or a holder or
13 assignee of the association's debt has adopted, and
14 follows, a written policy governing the collection of
15 unpaid assessments. The policy must, at a minimum,
16 specify:

17 (A) the date on which common expenses must be paid
18 to the entity and when an assessment is considered
19 delinquent;

20 (B) any late fees and interest the entity is
21 entitled to impose on a delinquent unit owner's
22 account;

23 (C) any returned-check charges the entity is
24 entitled to impose;

25 (D) the circumstances, if any, under which a unit
26 owner is entitled to enter into a payment plan with the

1 entity and the minimum terms of the payment plan;

2 (E) the amount or duration of time before the
3 entity refers a delinquent account to an attorney for
4 legal action;

5 (F) the method by which payments may be applied on
6 the delinquent account of a unit owner; and

7 (G) the legal remedies available to the entity to
8 collect on a unit owner's delinquent account pursuant
9 to the governing documents of the entity and Illinois
10 law.

11 (2) As used in this subsection, "entity" means an
12 association or a holder or assignee of the association's
13 debt, whether the holder or assignee of the association's
14 debt is an entity or a natural person.

15 (Source: P.A. 100-292, eff. 1-1-18.)

16 Section 10. The Condominium Property Act is amended by
17 changing Sections 18.4 and 22.1 as follows:

18 (765 ILCS 605/18.4) (from Ch. 30, par. 318.4)

19 Sec. 18.4. Powers and duties of board of managers. The
20 board of managers shall exercise for the association all
21 powers, duties and authority vested in the association by law
22 or the condominium instruments except for such powers, duties
23 and authority reserved by law to the members of the
24 association. The powers and duties of the board of managers

1 shall include, but shall not be limited to, the following:

2 (a) To provide for the operation, care, upkeep,
3 maintenance, replacement and improvement of the common
4 elements. Nothing in this subsection (a) shall be deemed
5 to invalidate any provision in a condominium instrument
6 placing limits on expenditures for the common elements,
7 provided, that such limits shall not be applicable to
8 expenditures for repair, replacement, or restoration of
9 existing portions of the common elements. The term
10 "repair, replacement or restoration" means expenditures to
11 deteriorated or damaged portions of the property related
12 to the existing decorating, facilities, or structural or
13 mechanical components, interior or exterior surfaces, or
14 energy systems and equipment with the functional
15 equivalent of the original portions of such areas.
16 Replacement of the common elements may result in an
17 improvement over the original quality of such elements or
18 facilities; provided that, unless the improvement is
19 mandated by law or is an emergency as defined in item (iv)
20 of subparagraph (8) of paragraph (a) of Section 18, if the
21 improvement results in a proposed expenditure exceeding 5%
22 of the annual budget, the board of managers, upon written
23 petition by unit owners with 20% of the votes of the
24 association delivered to the board within 21 days of the
25 board action to approve the expenditure, shall call a
26 meeting of the unit owners within 30 days of the date of

1 delivery of the petition to consider the expenditure.
2 Unless a majority of the total votes of the unit owners are
3 cast at the meeting to reject the expenditure, it is
4 ratified.

5 (b) To prepare, adopt and distribute the annual budget
6 for the property.

7 (c) To levy and expend assessments.

8 (d) To collect assessments from unit owners.

9 (e) To provide for the employment and dismissal of the
10 personnel necessary or advisable for the maintenance and
11 operation of the common elements.

12 (f) To obtain adequate and appropriate kinds of
13 insurance.

14 (g) To own, convey, encumber, lease, and otherwise
15 deal with units conveyed to or purchased by it.

16 (h) To adopt and amend rules and regulations covering
17 the details of the operation and use of the property,
18 after a meeting of the unit owners called for the specific
19 purpose of discussing the proposed rules and regulations.
20 Notice of the meeting shall contain the full text of the
21 proposed rules and regulations, and the meeting shall
22 conform to the requirements of Section 18(b) of this Act,
23 except that no quorum is required at the meeting of the
24 unit owners unless the declaration, bylaws or other
25 condominium instrument expressly provides to the contrary.
26 However, no rule or regulation may impair any rights

1 guaranteed by the First Amendment to the Constitution of
2 the United States or Section 4 of Article I of the Illinois
3 Constitution including, but not limited to, the free
4 exercise of religion, nor may any rules or regulations
5 conflict with the provisions of this Act or the
6 condominium instruments. No rule or regulation shall
7 prohibit any reasonable accommodation for religious
8 practices, including the attachment of religiously
9 mandated objects to the front-door area of a condominium
10 unit.

11 (i) To keep detailed, accurate records of the receipts
12 and expenditures affecting the use and operation of the
13 property.

14 (j) To have access to each unit from time to time as
15 may be necessary for the maintenance, repair or
16 replacement of any common elements or for making emergency
17 repairs necessary to prevent damage to the common elements
18 or to other units.

19 (k) To pay real property taxes, special assessments,
20 and any other special taxes or charges of the State of
21 Illinois or of any political subdivision thereof, or other
22 lawful taxing or assessing body, which are authorized by
23 law to be assessed and levied upon the real property of the
24 condominium.

25 (l) To impose charges for late payment of a unit
26 owner's proportionate share of the common expenses, or any

1 other expenses lawfully agreed upon, and after notice and
2 an opportunity to be heard, to levy reasonable fines for
3 violation of the declaration, by-laws, and rules and
4 regulations of the association.

5 (m) By a majority vote of the entire board of
6 managers, to assign the right of the association to future
7 income from common expenses or other sources, and to
8 mortgage or pledge substantially all of the remaining
9 assets of the association.

10 (n) To record the dedication of a portion of the
11 common elements to a public body for use as, or in
12 connection with, a street or utility where authorized by
13 the unit owners under the provisions of Section 14.2.

14 (o) To record the granting of an easement for the
15 laying of cable television or high speed Internet cable
16 where authorized by the unit owners under the provisions
17 of Section 14.3; to obtain, if available and determined by
18 the board to be in the best interests of the association,
19 cable television or bulk high speed Internet service for
20 all of the units of the condominium on a bulk identical
21 service and equal cost per unit basis; and to assess and
22 recover the expense as a common expense and, if so
23 determined by the board, to assess each and every unit on
24 the same equal cost per unit basis.

25 (p) To seek relief on behalf of all unit owners when
26 authorized pursuant to subsection (c) of Section 10 from

1 or in connection with the assessment or levying of real
2 property taxes, special assessments, and any other special
3 taxes or charges of the State of Illinois or of any
4 political subdivision thereof or of any lawful taxing or
5 assessing body.

6 (q) To reasonably accommodate the needs of a unit
7 owner who is a person with a disability as required by the
8 federal Civil Rights Act of 1968, the Human Rights Act and
9 any applicable local ordinances in the exercise of its
10 powers with respect to the use of common elements or
11 approval of modifications in an individual unit.

12 (r) To accept service of a notice of claim for
13 purposes of the Mechanics Lien Act on behalf of each
14 respective member of the Unit Owners' Association with
15 respect to improvements performed pursuant to any contract
16 entered into by the Board of Managers or any contract
17 entered into prior to the recording of the condominium
18 declaration pursuant to this Act, for a property
19 containing more than 8 units, and to distribute the notice
20 to the unit owners within 7 days of the acceptance of the
21 service by the Board of Managers. The service shall be
22 effective as if each individual unit owner had been served
23 individually with notice.

24 (s) To adopt and amend rules and regulations (l)
25 authorizing electronic delivery of notices and other
26 communications required or contemplated by this Act to

1 each unit owner who provides the association with written
2 authorization for electronic delivery and an electronic
3 address to which such communications are to be
4 electronically transmitted; and (2) authorizing each unit
5 owner to designate an electronic address or a U.S. Postal
6 Service address, or both, as the unit owner's address on
7 any list of members or unit owners which an association is
8 required to provide upon request pursuant to any provision
9 of this Act or any condominium instrument.

10 (t) To promote responsible governance, the board must
11 adopt policies and procedures concerning the collection of
12 unpaid assessments.

13 (1) Notwithstanding any provision of the
14 condominium instruments and adopted rules and
15 regulations to the contrary, the association or a
16 holder or assignee of the association's debt, whether
17 the holder or assignee of the association's debt is an
18 entity or a natural person, shall not take legal
19 action to collect common expenses unless the
20 association or a holder or assignee of the
21 association's debt has adopted, and follows, a written
22 policy governing the collection of unpaid assessments.
23 The policy must, at a minimum, specify:

24 (A) the date on which common expenses must be
25 paid to the entity and when an assessment is
26 considered delinquent;

1 (B) any late fees and interest the entity is
2 entitled to impose on a delinquent unit owner's
3 account;

4 (C) any returned-check charges the entity is
5 entitled to impose;

6 (D) the circumstances, if any, under which a
7 unit owner is entitled to enter into a payment
8 plan with the entity and the minimum terms of the
9 payment plan;

10 (E) the amount or duration of time before the
11 entity refers a delinquent account to an attorney
12 for legal action;

13 (F) the method by which payments may be
14 applied on the delinquent account of a unit owner;
15 and

16 (G) the legal remedies available to the entity
17 to collect on a unit owner's delinquent account
18 pursuant to the governing documents of the entity
19 and Illinois law.

20 (2) As used in this subsection, "entity" means an
21 association or a holder or assignee of the
22 association's debt, whether the holder or assignee of
23 the association's debt is an entity or a natural
24 person.

25 In the performance of their duties, the officers and
26 members of the board, whether appointed by the developer or

1 elected by the unit owners, shall exercise the care required
2 of a fiduciary of the unit owners.

3 The collection of assessments from unit owners by an
4 association, board of managers or their duly authorized agents
5 shall not be considered acts constituting a collection agency
6 for purposes of the Collection Agency Act.

7 The provisions of this Section are applicable to all
8 condominium instruments recorded under this Act. Any portion
9 of a condominium instrument which contains provisions contrary
10 to these provisions shall be void as against public policy and
11 ineffective. Any such instrument that fails to contain the
12 provisions required by this Section shall be deemed to
13 incorporate such provisions by operation of law.

14 (Source: P.A. 99-143, eff. 7-27-15; 99-849, eff. 1-1-17;
15 100-292, eff. 1-1-18.)

16 (765 ILCS 605/22.1) (from Ch. 30, par. 322.1)

17 Sec. 22.1. (a) In the event of any resale of a condominium
18 unit by a unit owner other than the developer such owner shall
19 obtain from the Board of Managers and shall make available for
20 inspection to the prospective purchaser, upon demand, the
21 following:

22 (1) A copy of the Declaration, by-laws, other
23 condominium instruments, and any rules and regulations.

24 (2) A statement of any liens, including a statement of
25 the account of the unit setting forth the amounts of

1 unpaid assessments and other charges due and owing as
2 authorized and limited by the provisions of Section 9 of
3 this Act or the condominium instruments.

4 (3) A statement of any capital expenditures
5 anticipated by the unit owner's association within the
6 current or succeeding 2 fiscal years.

7 (4) A statement of the status and amount of any
8 reserve for replacement fund and any portion of such fund
9 earmarked for any specified project by the Board of
10 Managers.

11 (5) A copy of the statement of financial condition of
12 the unit owner's association for the last fiscal year for
13 which such statement is available.

14 (6) A statement of the status of any pending suits or
15 judgments in which the unit owner's association is a
16 party.

17 (7) A statement setting forth what insurance coverage
18 is provided for all unit owners by the unit owner's
19 association.

20 (8) A statement that any improvements or alterations
21 made to the unit, or the limited common elements assigned
22 thereto, by the prior unit owner are in good faith
23 believed to be in compliance with the condominium
24 instruments.

25 (9) The identity and mailing address of the principal
26 officer of the unit owner's association or of the other

1 officer or agent as is specifically designated to receive
2 notices.

3 (10) A copy of the collection policy adopted under
4 subsection (t) of Section 18.4.

5 (b) The principal officer of the unit owner's association
6 or such other officer as is specifically designated shall
7 furnish the above information when requested to do so in
8 writing and within 10 business days of the request.

9 (c) Within 15 days of the recording of a mortgage or trust
10 deed against a unit ownership given by the owner of that unit
11 to secure a debt, the owner shall inform the Board of Managers
12 of the unit owner's association of the identity of the lender
13 together with a mailing address at which the lender can
14 receive notices from the association. If a unit owner fails or
15 refuses to inform the Board as required under subsection (c)
16 then that unit owner shall be liable to the association for all
17 costs, expenses, and reasonable attorney's fees and such other
18 damages, if any, incurred by the association as a result of
19 such failure or refusal.

20 A reasonable fee, not to exceed \$375, covering the direct
21 out-of-pocket cost of providing such information and copying
22 may be charged by the association or its Board of Managers to
23 the unit seller for providing such information. Beginning one
24 year after the effective date of this amendatory Act of the
25 102nd General Assembly, the \$375 fee shall be increased or
26 decreased, as applicable, by a percentage equal to the

1 percentage change in the consumer price index-u during the
2 preceding 12-month calendar year. "Consumer price index-u"
3 means the index published by the Bureau of Labor Statistics of
4 the United States Department of Labor that measures the
5 average change in prices of goods and services purchased by
6 all urban consumers, United States city average, all items,
7 1982-84 = 100. An association may charge an additional \$100
8 for rush service completed within 72 hours.
9 (Source: P.A. 102-976, eff. 1-1-23.)