

100TH GENERAL ASSEMBLY State of Illinois 2017 and 2018 HB2627

by Rep. Laura Fine

SYNOPSIS AS INTRODUCED:

765 ILCS 605/19

from Ch. 30, par. 319

Amends the Condominium Property Act. Deletes language providing that: specified records may be inspected only for a proper purpose; and in an action to compel examination of specified records, the burden of proof is upon the member to establish that the member's request is based on a proper purpose.

LRB100 08655 HEP 18790 b

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1 AN ACT concerning civil law.

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

- Section 5. The Condominium Property Act is amended by changing Section 19 as follows:
- 6 (765 ILCS 605/19) (from Ch. 30, par. 319)
- Sec. 19. Records of the association; availability for examination.
- 9 (a) The board of managers of every association shall keep 10 and maintain the following records, or true and complete copies 11 of these records, at the association's principal office:
- 12 (1) the association's declaration, bylaws, and plats 13 of survey, and all amendments of these;
- 14 (2) the rules and regulations of the association, if any;
- 16 (3) if the association is incorporated as a
 17 corporation, the articles of incorporation of the
 18 association and all amendments to the articles of
 19 incorporation;
 - (4) minutes of all meetings of the association and its board of managers for the immediately preceding 7 years;
- 22 (5) all current policies of insurance of the association:

- 1 (6) all contracts, leases, and other agreements then in 2 effect to which the association is a party or under which 3 the association or the unit owners have obligations or 4 liabilities:
 - (7) a current listing of the names, addresses, and weighted vote of all members entitled to vote;
 - (8) ballots and proxies related to ballots for all matters voted on by the members of the association during the immediately preceding 12 months, including but not limited to the election of members of the board of managers; and
 - (9) the books and records of account for the association's current and 10 immediately preceding fiscal years, including but not limited to itemized and detailed records of all receipts and expenditures.
 - (b) Any member of an association shall have the right to inspect, examine, and make copies of the records described in subdivisions (1), (2), (3), (4), and (5) of subsection (a) of this Section, in person or by agent, at any reasonable time or times, at the association's principal office. In order to exercise this right, a member must submit a written request to the association's board of managers or its authorized agent, stating with particularity the records sought to be examined. Failure of an association's board of managers to make available all records so requested within 30 days of receipt of the member's written request shall be deemed a denial.

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Any member who prevails in an enforcement action to compel examination of records described in subdivisions (1), (2), (3), (4), and (5) of subsection (a) of this Section shall be entitled to recover reasonable attorney's fees and costs from the association.

- (c) (Blank).
- 7 (d) (Blank).

(e) Except as otherwise provided in subsection (g) of this Section, any member of an association shall have the right to inspect, examine, and make copies of the records described in subdivisions (6), (7), (8), and (9) of subsection (a) of this Section, in person or by agent, at any reasonable time or times but only for a proper purpose, at the association's principal office. In order to exercise this right, a member must submit a written request, to the association's board of managers or its authorized agent, stating with particularity the records sought to be examined and a proper purpose for the request. Subject to the provisions of subsection (g) of this Section, failure of an association's board of managers to make available all records so requested within 30 business days of receipt of the member's written request shall be deemed a denial; provided, however, that the board of managers of an association that has adopted a secret ballot election process as provided in Section 18 of this Act shall not be deemed to have denied a member's request for records described in subdivision (8) of subsection (a) of this Section if voting ballots, without

identifying unit numbers, are made available to the requesting member within 30 days of receipt of the member's written request.

In an action to compel examination of records described in subdivisions (6), (7), (8), and (9) of subsection (a) of this Section, the burden of proof is upon the member to establish that the member's request is based on a proper purpose. Any member who prevails in an enforcement action to compel examination of records described in subdivisions (6), (7), (8), and (9) of subsection (a) of this Section shall be entitled to recover reasonable attorney's fees and costs from the association only if the court finds that the board of directors acted in bad faith in denying the member's request.

- (f) The actual cost to the association of retrieving and making requested records available for inspection and examination under this Section shall be charged by the association to the requesting member. If a member requests copies of records requested under this Section, the actual costs to the association of reproducing the records shall also be charged by the association to the requesting member.
- (g) Notwithstanding the provisions of subsection (e) of this Section, unless otherwise directed by court order, an association need not make the following records available for inspection, examination, or copying by its members:
- (1) documents relating to appointment, employment, discipline, or dismissal of association employees;

- 1 (2) documents relating to actions pending against or on 2 behalf of the association or its board of managers in a 3 court or administrative tribunal;
 - (3) documents relating to actions threatened against, or likely to be asserted on behalf of, the association or its board of managers in a court or administrative tribunal;
 - (4) documents relating to common expenses or other charges owed by a member other than the requesting member; and
 - (5) documents provided to an association in connection with the lease, sale, or other transfer of a unit by a member other than the requesting member.
 - (h) The provisions of this Section are applicable to all condominium instruments recorded under this Act. Any portion of a condominium instrument that contains provisions contrary to these provisions shall be void as against public policy and ineffective. Any condominium instrument that fails to contain the provisions required by this Section shall be deemed to incorporate the provisions by operation of law.
- 21 (Source: P.A. 90-496, eff. 8-18-97; 90-655, eff. 7-30-98.)