

2023 End of Legislative Session Update

The 2023 Legislative Session was extremely eventful for the ILAC. 55 bills affecting community associations and community association managers were considered in both Houses during the Spring legislative session. ILAC, through the tireless efforts of its phenomenal lobbyist Jeff Dixon and ILAC's dedicated volunteer members, successfully amended several of the bills with language drafted by the ILAC team and worked with the sponsors to pass the bills through both Houses of the General Assembly.

In February, ILAC hosted an in-person event meeting with 12 legislators in Springfield. Later in the year, ILAC also hosted two separate virtual meetings (via Zoom) with more than 20 Senate and House members to educate them about the community association industry and to discuss key industry issues and concerns. The efforts of the ILAC resulted in these events being extremely successful in their legislative priorities for the session.

Below is a list of several of the bills affecting the community association housing model from this session:

2023 Veto Session (October 24-26 and November 7-9):

<u>HB 4177 – Common Interest-Secret Vote.</u> In a special session, legislation was introduced that proposes to add a new stipulation to the Common Interest Community (CIC) Act. According to the proposed amendment, in those situations where a unit holder is only entitled to one vote, an association's unit owner may request to hold a vote by secret ballot. This legislation was monitored by ILAC. Status: Did not move during Veto session but may come back next session.

<u>HB 1358 – DOIT-Accessibility Standards.</u> CAI ILAC monitored this legislation that would, in part, extend the repeal date that would extend the office of the CIC Ombudsperson through 2026, rather than through 2024. The bill was introduced in the special session and passed quickly.

Status: PASSED, awaiting Governor's signature

<u>SB 384 – Civil Law-Tech.</u> During the special session, a bill was introduced to amend the new Electric Vehicle Charging Act that takes effect January 1, 2024 (Last spring ILAC worked on that Act when it was SB 40). Among other things, the amendment clarifies that Section 30 applies to existing associations, which were exempt under the Act as it was originally enacted.

Status: PASSED, awaiting Governor's signature

2023 Regular Session:

HB 3024 - Common Interest-Assessment. CAI ILAC opposed this legislation which amends the Common Interest Community Association Act by creating a new Section 1-46 limiting the amount of assessments that can be charged by certain associations to no more than \$450 per month. Arbitrarily limiting assessments is very problematic as each association derives the amount from a budget to ensure it has sufficient funds to cover its annual anticipated expenses. Limiting assessments will have an adverse effect on associations and can mean bills go unpaid, maintenance is not done, property values become



depressed, and potential bankruptcy of the association.

Status: SUCCESSFULLY FAILED

SB 40 - Electric Vehicle Charging Act. As initially written, the CAI ILAC opposed this legislation as it would establish standards for electric vehicle charging stations applicable to new construction and existing buildings. However, the ILAC put in dozens of hours into proposing amendments to this legislation to allow for reasonable restrictions for community associations. New associations built after this legislation passed are required to include infrastructure to support electric vehicle charging. The legislation also requires individuals to obtain association approval for installing electric vehicle charging elements.

Status: PASSED

HB 2096 – Homeowners' Energy Policy Statement Act. The ILAC monitored this legislation that amends Section 45 of the Homeowners' Energy Policy Statement Act (HEPSA). Section 45 exempts certain types of buildings from HEPSA, including buildings with a roof serving more than one unit or is part of the common elements or common area (i.e. shared roofs). That exemption applies to roofs that are not owned by individual owners, but instead by all or multiple owners in common, and over which the association has control and maintenance responsibilities. This bill would have created an exception to the statutory exemption and allow owners to install solar panels on shared roofs in certain circumstances. The ILAC worked with the legislator to explain the problematic nature of the proposed change and was successful in ensuring the bill did not move.

Status: FAILED

HB 2174(companion bill SB 1544) – Amends Homeowners Energy Policy Statement Act. The ILAC opposed this legislation as introduced as it amends multiple sections of the Homeowners' Energy Policy Statement Act (HEPSA) as owners should not be allowed to simply install solar panels without association consent. The ILAC dedicated an abundance of volunteer hours to improve the bill for the community association industry. These amendments allow community associations to impose reasonable restrictions and give associations the opportunity to cure any alleged non-compliance by the board in connection with reviewing owner applications. The companion bill did not pass.

Status: PASSED

HB 2562 - Property-Temp Control-Seniors. CAI ILAC opposed this legislation which amends multiple statutes, including the Common Interest Community Association Act and the Condominium Property Act by creating new sections in those statutes imposing ambient temperature level mandates in certain types of properties. Ambient temperature mandates belong in municipal building codes. In addition, the criteria for determining whether the bill provisions apply to a particular association are vague, overly burdensome, and administratively costly. Finally, associations should not be subject to civil penalties in situations of alleged non-compliance. The ILAC successfully worked with the bill's sponsoring legislature to remove some of the most problematic provisions. However, the bill remained a concern, but the sponsor was able to move it.

Status: PASSED



HB 2207 – Auction/Real Estate-Various. CAI ILAC worked diligently on this legislation as it would impact the Community Association Managers (CAM) Act. The legislation, as introduced, would unify regulatory requirements for both licensed managers and brokers. ILAC presented its concerns to the Department of Financial and Professional Regulation, that this legislation would create unnecessary upheaval within the Community Association management profession and provided proposed amendments. While some of the ILAC proposed amendments were adopted, some provisions were kept in the bill over ILAC objections. Notwithstanding, the bill ultimately did not pass the General Assembly.

Status: FAILED

Regulatory

Updates to the IDFPR's CAM Licensing Rules. The ILAC spent the past two years negotiating updates to the Community Association Manager (CAM) Licensing requirements originally instituted in 2012. The following requirements are effective June 2, 2023:

- New requirements and procedures for CAM Firms to obtain licensure including a requirement for each firm to have a Designated CAM.
- Updates to Professional Title requirements; licensees are now exclusively referred to as Community Association Managers (CAMs).
- Requirements for continuing education have now been instituted; managers are required to earn 12 credit hours of continuing education every other year.
- Unprofessional conduct has now been updated to include specific definitions.

More information can be found on CAI's Website and on the ILAC's blog.

For more information on ILAC's activities and community association legislation in Illinois, visit www.caionline.org/Advocacy/LAC/IL/Pages/default.aspx

CAl's ILAC may rely on professional lobbying as a vital and integral part of the legislative process. As volunteers, CAl's ILAC members including homeowner leaders, community managers, and business partners, significantly rely on this highly effective professional representation. In addition to contributions from management companies and business partners, CAl's ILAC needs your financial support to bolster their advocacy activities in 2024 and beyond. We encourage donations from Illinois community associations, business partners, and individuals. Please visit www.caionline.org/lacdonate/ and donate to "Illinois" to support our continued efforts.

We need YOUR voice! <u>Sign up today</u> to become a CAI Advocacy Ambassador and help shape legislation in your state!