

HOUSE BILL No. 5655

May 17, 2016, Introduced by Rep. Lucido and referred to the Committee on Local Government.

A bill to amend 1978 PA 59, entitled
"Condominium act,"
by amending section 107 (MCL 559.207), as amended by 2000 PA 379,
and by adding section 70; and to repeal acts and parts of acts.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 SEC. 70. (1) THE ASSOCIATION OF CO-OWNERS OR ITS BOARD OF
2 DIRECTORS SHALL CALL AN ANNUAL BUDGET MEETING. NOTICE OF THE TIME,
3 DATE, AND PLACE OF THE MEETING SHALL BE SENT BY UNITED STATES MAIL
4 OR ELECTRONIC MAIL TO EACH CO-OWNER NOT LESS THAN 15 OR MORE THAN
5 30 DAYS BEFORE THE MEETING. THE NOTICE SHALL INCLUDE A PROPOSED
6 BUDGET. THE NOTICE SHALL STATE THAT THE PRIMARY PURPOSE OF THE
7 MEETING IS TO APPROVE A BUDGET FOR THE ASSOCIATION OF CO-OWNERS,
8 BUT THAT OTHER BUSINESS MAY BE CONDUCTED. APPROVAL OF THE BUDGET
9 REQUIRES THE AFFIRMATIVE VOTE OF A MAJORITY OF THE CO-OWNERS. CO-

OWNERS SHALL VOTE IN PERSON AND NOT BY PROXY.

(2) IF A QUORUM IS NOT ACHIEVED AT A MEETING UNDER SUBSECTION (1), A SECOND MEETING SHALL BE CALLED SUBJECT TO THE SAME REQUIREMENTS AS PROVIDED IN SUBSECTION (1). IF A QUORUM IS NOT ACHIEVED AT THE SECOND MEETING, THE PROPOSED BUDGET SHALL BE CONSIDERED TO BE APPROVED.

(3) IF A QUORUM IS ACHIEVED AT A MEETING UNDER SUBSECTION (1) OR (2) AND THE BUDGET IS REJECTED BY A MAJORITY OF THE CO-OWNERS, THE ASSOCIATION BOARD SHALL PREPARE A REVISED PROPOSED BUDGET AND CALL A NEW MEETING OF THE ASSOCIATION. SUBSECTIONS (1) AND (2) APPLY TO THE NEW MEETING. IF THE REVISED PROPOSED BUDGET IS REJECTED BY A MAJORITY OF THE CO-OWNERS, A NEW BUDGET SHALL NOT BE APPROVED FOR THAT FISCAL YEAR.

(4) THE CURRENT BUDGET SHALL REMAIN IN EFFECT UNTIL A NEW BUDGET IS APPROVED BY THE ASSOCIATION.

(5) THIS SUBSECTION DOES NOT APPLY TO A BUDGET PRODUCED BY A DEVELOPER IN THE FIRST YEAR OF THE ASSOCIATION, BEFORE THE TRANSITIONAL CONTROL DATE.

Sec. 107. (1) A co-owner may maintain an action against the association of co-owners and its officers and directors to compel these persons to enforce ~~the terms and provisions of the~~ condominium documents. In such a proceeding, the association of co-owners or the co-owner, if successful, shall recover the costs of the proceeding and reasonable attorney fees, as determined by the court, to the extent that the condominium documents expressly so provide.

(2) A CO-OWNER MAY REQUEST THE ASSISTANCE OF THE ADMINISTRATOR

1 IN RESOLVING A DISPUTE WITH THE ASSOCIATION OF CO-OWNERS OR ITS
2 OFFICERS OR DIRECTORS ARISING FROM AN ALLEGED VIOLATION OF THE
3 CONDOMINIUM DOCUMENTS, THE ASSOCIATION BYLAWS, THIS ACT, OR RULES
4 PROMULGATED UNDER THIS ACT. THE ADMINISTRATOR MAY DO ANY OF THE
5 FOLLOWING:

6 (A) INVESTIGATE THE ALLEGED VIOLATION.

7 (B) SEEK RESOLUTION OF THE DISPUTE.

8 (C) REQUEST THE PROSECUTING ATTORNEY OF THE COUNTY IN WHICH
9 THE PROPERTY IS LOCATED OR THE DEPARTMENT OF THE ATTORNEY GENERAL
10 TO BRING AN ACTION IN A COURT OF COMPETENT JURISDICTION AGAINST THE
11 ASSOCIATION OF CO-OWNERS OR ITS OFFICERS OR DIRECTORS FOR
12 INJUNCTIVE OR OTHER APPROPRIATE RELIEF FOR A VIOLATION DESCRIBED IN
13 THIS SUBSECTION.

14 (3) THE ADMINISTRATOR SHALL ESTABLISH AND IMPLEMENT
15 CONFIDENTIAL COMPLAINT, INVESTIGATORY, INFORMATIONAL, EDUCATIONAL,
16 AND REFERRAL PROCEDURES AND PROGRAMS FOR CO-OWNERS.

17 (4) A co-owner may maintain an action against any other co-
18 owner for injunctive relief or for damages or any combination
19 thereof for noncompliance with ~~the terms and provisions of the~~
20 condominium documents, ~~or~~ this act, OR RULES PROMULGATED UNDER THIS
21 ACT.

22 Enacting section 1. Section 139 of the condominium act, 1978
23 PA 59, MCL 559.239, is repealed.

24 Enacting section 2. This amendatory act takes effect 90 days
25 after the date it is enacted into law.