THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 1302 Session of 2014

INTRODUCED BY FOLMER, SCARNATI, DINNIMAN AND McILHINNEY, MARCH 26, 2014

SENATOR ARGALL, URBAN AFFAIRS AND HOUSING, AS AMENDED, OCTOBER 7, 2014

AN ACT

| 1 2 3 4 5 | Amending Title 68 (Real and Personal Property) of the Pennsylvania Consolidated Statutes, in creation, alteration and termination of planned communities, further providing for amendment of declaration; and, in management of planned community, further providing for bylaws, for meetings, for | < |
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| 6 | quorums and for lien for assessments. VOTING AND PROXIES. | < |
| 7 | The General Assembly of the Commonwealth of Pennsylvania | |
| 8 | hereby enacts as follows: | |
| 9 | Section 1. Section 5219(a)(1) of Title 68 of the | < |
| 10 | Pennsylvania Consolidated Statutes is amended to read: | |
| 11 | § 5219. Amendment of declaration. | |
| 12 | (a) Number of votes required | |
| 13 | (1) The declaration, including the plats and plans, may | |
| 14 | be amended only by vote or agreement of unit owners of units- | |
| 15 | to which at least: | |
| 16 | (i) 67% of votes in the association are allocated; | |
| 17 | or | |
| 18 | (ii) a larger percentage of the votes in the | |
| 19 | association as specified in the declaration[; or | |

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               (iii) a smaller percentage of the votes in the
          association as specified in the declaration if all units-
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          are restricted exclusively to nonresidential use].
          * * *
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      Section 2. Section 5306(b) of Title 68 is amended and the
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   section is amended by adding a subsection to read:
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   § 5306. Bylaws.
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      * * *
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      (b) [Other provisions. Subject to the provisions of the
   declaration, the bylaws may provide for any other matters the
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   association deems necessary and appropriate.] (Reserved).
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       (c) Transparency. A bylaw that imposes a fee, penalty or
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   fine in an attempt to circumvent a meeting required under
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   section 5308 (relating to meetings) may not be established under-
   this subpart. A fee, penalty, fine or increase must be adopted
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   at a meeting scheduled under section 5308 if the fee, penalty,
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   fine or increase is:
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          (1) Established after this subsection takes effect.
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          (2) In the amount or number of regularly scheduled dues
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      payments.
      Section 3. Sections 5308 and 5309(a) of Title 68 are amended
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   to read:
   $ 5308. Meetings.
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       (a) Bylaws. The bylaws shall require that meetings of the
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   association be held at least once each year and shall provide
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   for special meetings.
       (b) First notice. The bylaws shall specify which of the
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   association's officers, not less than [ten] 30 nor more than 60
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   days in advance of any meeting, shall cause a first notice to be
   hand delivered or sent prepaid by United States mail to the
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- 1 mailing address of each unit or to any other mailing address
- 2 designated in writing by the unit owner. [The]
- 3 (c) Second notice. A second notice shall be hand delivered
- 4 or sent prepaid by United States mail to the same address as the
- 5 <u>first notice</u>. The second notice shall be hand delivered or sent_
- 6 <u>not less than seven days nor more than ten days in advance of</u>
- 7 the meeting.
- 8 (d) Notice contents. A notice of any meeting must state the
- 9 time and place of the meeting and the items on the agenda,
- 10 including the general nature of any proposed amendment to the
- 11 declaration or bylaws; any budget or assessment changes; and,
- 12 where the declaration or bylaws require approval of unit owners,
- 13 any proposal to remove a director or officer.
- 14 § 5309. Quorums.
- 15 (a) Association. Unless the bylaws provide otherwise, a
- 16 quorum is present throughout any meeting of the association if
- 17 persons entitled to cast [20%] 50% of the votes which may be
- 18 cast for election of the executive board are present in person-
- 19 or by proxy at the beginning of the meeting. The bylaws may
- 20 require a larger percentage or a smaller percentage not less-
- 21 than [10%] 40%.
- 22 * * *
- 23 Section 4. Section 5315 of Title 68 is amended by adding a
- 24 subsection to read:
- 25 § 5315. Lien for assessments.
- 26 * * *
- 27 <u>(j) Harassment of unit owners. A representative of an</u>
- 28 <u>association or executive board may not:</u>
- (1) harass or intimidate a unit owner with a
- 30 <u>misrepresentation of the provisions of this subpart regarding</u>

- 1 costs and attorney fees in a settlement; or
- 2 (2) threaten a unit owner by implying that unit owners
- 3 are required to pay the attorney fees under any circumstances
- 4 <u>if the unit owner chooses to bring a dispute to trial.</u>
- 5 Section 5. This act shall take effect in 120 days.
- 6 SECTION 1. SECTION 5310 OF TITLE 68 OF THE PENNSYLVANIA <--
- 7 CONSOLIDATED STATUTES IS AMENDED BY ADDING A SUBSECTION TO READ:
- 8 § 5310. VOTING; PROXIES.
- 9 * * *
- 10 (E) APPROVED METHODS OF VOTING. -- VOTERS DECLARED VALID UNDER
- 11 THIS SECTION SHALL BE PERMITTED TO VOTE VIA PAPER BALLOT,
- 12 ABSENTEE BALLOT, ELECTRONIC BALLOT, INTERNET-BASED BALLOT AND
- 13 OTHER METHODS MADE AVAILABLE BY THE BOARD IN ORDER TO INCREASE
- 14 PARTICIPATION.
- 15 SECTION 2. THIS ACT SHALL TAKE EFFECT IN 60 DAYS.