THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 800

Session of 1997

INTRODUCED BY REBER, MANDERINO, HENNESSEY, ROBINSON, SCHULER, READSHAW, TRELLO, DALEY, SEMMEL, E. Z. TAYLOR, YOUNGBLOOD, KREBS, SAYLOR, ROSS, BARRAR, OLASZ, VAN HORNE, DeLUCA, MICHLOVIC, LAUGHLIN, BUNT, ROBERTS AND BOSCOLA, MARCH 12, 1997

REFERRED TO COMMITTEE ON CONSUMER AFFAIRS, MARCH 12, 1997

AN ACT

- 1 Amending Title 68 (Real and Personal Property) of the
- 2 Pennsylvania Consolidated Statutes, further providing for
- 3 remedies and for association records.
- 4 The General Assembly of the Commonwealth of Pennsylvania
- 5 hereby enacts as follows:
- 6 Section 1. Sections 3113 and 3316 of Title 68 of the
- 7 Pennsylvania Consolidate Statutes are amended to read:
- 8 § 3113. Remedies to be liberally administered.
- 9 (a) General rule. -- The remedies provided by this subpart
- 10 shall be liberally administered to the end that the aggrieved
- 11 party is put in as good a position as if the other party had
- 12 fully performed. [However, consequential, special or punitive
- 13 damages may not be awarded except as specifically provided in
- 14 this subpart or by other rule of law.]
- 15 (b) Judicial enforcement of rights and obligations. -- Any
- 16 right or obligation declared by this subpart is enforceable by
- 17 judicial proceeding.

- 1 (c) Damages.--The court, upon finding a violation of this
- 2 <u>subpart</u>, <u>may award consequential</u>, <u>special and punitive damages</u>
- 3 to the prevailing party. The court may also award attorney fees
- 4 and costs to the prevailing party.
- 5 § 3316. Association records.
- 6 (a) General rule.--During the period of declarant control,
- 7 the association shall keep detailed financial records,
- 8 including, without limitation, a record of expenses paid by the
- 9 declarant until the commencement of common expense assessments
- 10 by the association under section 3314(a) (relating to
- 11 assessments for common expenses), the commencement date of
- 12 common expense assessments by the association and, for the
- 13 period commencing on such date, a record for each unit in the
- 14 condominium (including those owned by the declarants) of its
- 15 common expense assessments and the payments thereof. The
- 16 association shall keep financial records sufficiently detailed
- 17 to enable the association to comply with section 3407 (relating
- 18 to resales of units). All financial and other records shall be
- 19 made reasonably available for examination by any unit owner and
- 20 his authorized agents.
- 21 (b) Copy of audit. -- Within 60 days of the close of its
- 22 fiscal year, each association shall forward a copy of an audit
- 23 of its financial records conducted by a certified public
- 24 accountant to the Department of Community and Economic
- 25 <u>Development</u>. During the period of declarant control, the cost of
- 26 the audit shall be borne by the declarant. Each unit owner shall
- 27 be entitled to a copy of the audit from the association within
- 28 30 days of a reasonable request for the same. If the association
- 29 <u>fails to provide a copy of the audit to a unit owner within 30</u>
- 30 days of the unit owner's reasonable request, then the unit owner

- 1 may file a complaint with the Bureau of Consumer Protection in
- 2 the Office of Attorney General and receive a copy of the audit
- 3 from the department.
- 4 (c) Penalty.--If an association fails to provide a copy of
- 5 the audit of the association's financial records within 30 days
- 6 of a unit owner's reasonable request, such failure is a
- 7 violation of the act of December 17, 1968 (P.L.1224, No.387),
- 8 known as the Unfair Trade Practices and Consumer Protection Law,
- 9 and the Office of Attorney General shall be authorized to assess
- 10 a civil penalty of \$500 against the association.
- 11 Section 2. Section 4317 of Title 68 is amended by adding a
- 12 subsection to read:
- 13 § 4317. Association records.
- 14 * * *
- 15 <u>(c)</u> Audit.--
- (1) Within 60 days of the close of its fiscal year, each
- 17 <u>association shall forward a copy of an audit of its financial</u>
- 18 records conducted by a certified public accountant to the
- 19 <u>Department of Community and Economic Development. The cost of</u>
- 20 <u>the audit shall be borne by the association. Each proprietary</u>
- 21 <u>lessee shall be entitled to a copy of the audit from the</u>
- 22 association within 30 days of a reasonable request for the
- 23 same. If the association fails to provide a copy of the audit
- 24 <u>to the proprietary lessee within 30 days of the proprietary</u>
- 25 lessee's reasonable request, the proprietary lessee may file
- 26 <u>a complaint with the Bureau of Consumer Protection in the</u>
- 27 Office of Attorney General and receive a copy of the audit
- 28 <u>from the Department of Community and Economic Development.</u>
- 29 (2) If an association fails to provide a copy of the
- 30 audit of its financial records within 30 days of a

- 1 proprietary lessee's reasonable request, such failure is a
- 2 violation of the act of December 17, 1968 (P.L.1224, No.387),
- known as the Unfair Trade Practices and Consumer Protection 3
- Law, and the Office of Attorney General shall be authorized 4
- 5 to assess a civil penalty of \$500 against the association.
- Section 3. This act shall take effect in 60 days. 6