Proposed changes to the law for filing complaints for Pennsylvanians who live in associations

Modifications to PA Law pertaining to Common Interest Communities (CICs) AKA "Community Associations"

Abstract

For most homeowners, their home is their largest and sometimes only asset. However, for those who live in associations, their boards and property management companies, often lacking training and accountability, can make decisions that negatively impact this asset without the homeowners' knowledge, permission or simple remedy.

Benefits of this Proposal

In the proposed changes below, we limit the conditions to submitting claims to the BCP. A complaint must be on behalf of multiple owners and exceed \$10,000. The restrictions on which association law sections may be the target of complaints are eliminated. Any section in the chapter may be targeted. This will ensure that the Attorney General is only dealing with multiple owner complaints similar to a class action case.

3322. Complaints filed with the Bureau of Consumer Protection.

Proposed Changes

- (a) General rule.--A unit in good standing may file a complaint with the Bureau of Consumer Protection in the Office of Attorney General in the event of a violation by the declarant or the association of any section of Chapter 33. sections 3308 (relating to meetings), 3309 (relating to quorums), 3310 (relating to voting; proxies) and 3316 (relating to association records).
- (b) Condition.--If an alternative dispute resolution procedure is available to the unit owner under the association's declaration, bylaws, rules or regulations, a complaint may not be filed by a unit owner with the Bureau of Consumer Protection until the earlier of:
- (1) the unit owner exhausting the alternative dispute resolution procedure without a resolution between the unit owner and the association; or
- (2) at least 100 days have passed since the unit owner commenced the alternative dispute resolution procedure and the unit owner and association having not reached a resolution.
- (3) The unit owner files a complaint on behalf of additional owners and can prove that additional owners are impacted.
- (c) Immediate filing.--A complaint may be filed by a unit owner with the Bureau of Consumer Protection immediately if:
- (1) an alternative dispute resolution procedure is not available to the unit owner under the association's declaration, bylaws, rules or regulations; or
- (2) the association refuses alternative dispute resolution under section 3321(b)(2) (relating to alternative dispute resolution in condominiums).
- (3) The damage to these unit owners exceeds \$12,000.
- (d) Construction.--Nothing in this section shall be construed to affect or impair the right of a unit owner, declarant or association to pursue a private cause of action or seek other relief.

(May 4, 2018, P.L.96, No.17, eff. 60 days)

2018 Amendment. Act 17 added section 3322.

4323. Complaints filed with Bureau of Consumer Protection.

Proposed Changes

- (a) General rule.--A proprietary lessee in good standing may file a complaint with the Bureau of Consumer Protection in the Office of Attorney General in the event of a violation by the declarant or the association of any sections 4308 (relating to meetings), 4309 (relating to quorums), 4310 (relating to voting; proxies) and 4317 (relating to association records).
- **(b) Condition.--**If an alternative dispute resolution procedure is available to the proprietary lessee under the association's declaration, bylaws, rules or regulations, a complaint may not be filed by a proprietary lessee with the Bureau of Consumer Protection until the earlier of:
- (1) the proprietary lessee exhausting the alternative dispute resolution procedure without a resolution between the proprietary lessee and the association; or
- (2) at least 100 days have passed since the proprietary lessee commenced the alternative dispute resolution procedure and the proprietary lessee and association having not reached a resolution.
- (3) The proprietary lessee files a complaint on behalf of additional lessees and can prove that additional lessees are impacted.
- **(c) Immediate filing.--**A complaint may be filed by a proprietary lessee with the Bureau of Consumer Protection immediately if:
- (1) an alternative dispute resolution procedure is not available to the proprietary lessee under the association's declaration, bylaws, rules or regulations; or
- (2) the association refuses alternative dispute resolution under section 4322(b)(2) (relating to alternative dispute resolution in cooperatives).
- (3) The damage to these proprietary lessees exceeds \$12,000.
- (d) Construction.--Nothing in this section shall be construed to affect or impair the right of a proprietary lessee, declarant or association to pursue a private cause of action or seek other relief, as authorized by law.

5322. Complaints filed with Bureau of Consumer Protection.

Proposed Changes

- (a) General rule.--A unit owner in good standing may file a complaint with the Bureau of Consumer Protection in the Office of the Attorney General in the event of a violation by the declarant or the association of sections 5308 (relating to meetings), 5309 (relating to quorums) and 5310 (relating to voting; proxies).
- (b) Condition.--If an alternative dispute resolution procedure is available to the unit owner under the association's declaration, bylaws, rules or regulations, a complaint may not be filed by a unit owner with the Bureau of Consumer Protection until the earlier of:
- (1) the unit owner exhausting the alternative dispute resolution procedure without a resolution between the unit owner and the association; or
- (2) at least 100 days have passed since the unit owner commenced the alternative dispute resolution procedure and the unit owner and association having not reached a resolution.
- (3) The unit owner files a complaint on behalf of additional owners and can prove that additional owners are impacted.
- (c) Immediate filing.--A complaint may be filed by a unit owner with the Bureau of Consumer Protection immediately if:
- (1) an alternative dispute resolution procedure is not available to the unit owner under the association's declaration, bylaws, rules or regulations; or
- (2) the association refuses alternative dispute resolution under section 5321(b)(2) (relating to alternative dispute resolution in planned communities).
- (3) The damage to these unit owners exceeds \$12,000.
- (d) Construction.--Nothing in this section shall be construed to affect or impair the right of a unit owner, declarant or association to pursue a private cause of action or seek other relief, as authorized by law.

(May 4, 2018, P.L.96, No.17, eff. 60 days)

2018 Amendment. Act 17 added section 5322.