



104TH GENERAL ASSEMBLY

State of Illinois

2025 and 2026

HB4338

Introduced 1/14/2026, by Rep. Sonya M. Harper

SYNOPSIS AS INTRODUCED:

765 ILCS 615/10
765 ILCS 615/20
765 ILCS 615/25
765 ILCS 615/30
765 ILCS 615/40

Amends the Condominium and Common Interest Community Ombudsperson Act. Requires every elected or appointed member of a condominium or common interest community board to complete within 12 months of election or appointment a certified governance and fiduciary training program. Requires the Office of Ombudsperson to make the program available online for free or at low-cost. Describes elements that must be included in the program, including the following: a publicly accessible database listing enforcement actions against licensed community association managers and management companies that includes the nature of the violation, date of enforcement action, type of penalty or corrective measure, and status of compliance or appeal. Requires the Office to establish a Condominium Mediation and Arbitration Program that allows owners and associations to voluntarily resolve disputes before litigation involving governance, access to information, and enforcement of rules. Provides that mediation proceedings are confidential, but outcomes may be summarized anonymously in the Ombudsperson's annual report for data purposes. Makes findings.

LRB104 15964 JRC 29205 b

1 AN ACT concerning civil law.

2 **Be it enacted by the People of the State of Illinois,**
3 **represented in the General Assembly:**

4 Section 5. The Condominium and Common Interest Community
5 Ombudsperson Act is amended by changing Sections 10, 20, 25,
6 30, and 40 as follows:

7 (765 ILCS 615/10)

8 (Section scheduled to be repealed on January 1, 2029)

9 Sec. 10. Findings. The General Assembly finds as follows:

10 (1) Managing condominium property or common interest
11 community property is a complex responsibility. Unit
12 owners and persons charged with managing condominium
13 property or common interest community property may have
14 little or no prior experience in managing real property,
15 operating a not-for-profit association or corporation,
16 complying with the laws governing condominium property or
17 common interest community property, and interpreting and
18 enforcing restrictions and rules imposed by applicable
19 instruments or covenants. Unit owners may not fully
20 understand their rights and obligations under the law or
21 applicable instruments or covenants. Mistakes and
22 misunderstandings are inevitable and may lead to serious,
23 costly, and divisive problems. This Act seeks to educate

1 unit owners, condominium associations, common interest
2 community associations, boards of managers, and boards of
3 directors about the Condominium Property Act and the
4 Common Interest Community Association Act. Effective
5 education can prevent or reduce the severity of problems
6 within a condominium or common interest community.

7 (2) Anecdotal accounts of abuses within condominiums
8 and common interest communities create continuing public
9 demand for reform of condominium and common interest
10 community property law. This results in frequent changes
11 to the law, making it difficult to understand and apply,
12 and imposes significant transitional costs on these
13 communities statewide. By collecting empirical data on the
14 nature and incidence of problems within these communities,
15 this Act will provide a sound basis for prioritizing
16 reform efforts, thereby increasing the stability of
17 condominium and common interest community property law.

18 (3) Condominium ownership is one of the most
19 significant financial investments for Illinois residents,
20 particularly in urban areas, such as Chicago. A growing
21 number of condominium owners report misconduct,
22 negligence, and obstruction from condominium boards and
23 property management firms, causing diminished
24 transparency, loss of property value, and emotional
25 distress. Although the Office of the Condominium and
26 Common Interest Ombudsperson is charged with licensing

1 community association managers, it lacks sufficient
2 mechanisms for timely enforcement, mediation, and public
3 accountability. Vulnerable populations, particularly
4 seniors, low-income residents, and individuals in smaller
5 associations, face disproportionate harm because of the
6 cost of legal representation and the absence of accessible
7 administrative remedies. It is, therefore, necessary to
8 strengthen the Office's enforcement authority and ensure
9 fair governance through education and accountability
10 measures.

11 (Source: P.A. 98-1135, eff. 1-1-17 (See Section 20 of P.A.
12 99-776 for effective date of P.A. 98-1135).)

13 (765 ILCS 615/20)

14 (Section scheduled to be repealed on January 1, 2029)

15 Sec. 20. Office of the Condominium and Common Interest
16 Community Ombudsperson.

17 (a) There is created in the Division of Real Estate within
18 the Department of Financial and Professional Regulation, under
19 the supervision and control of the Secretary, the Office of
20 the Condominium and Common Interest Community Ombudsperson.

21 (b) The Department shall name an Ombudsperson and other
22 persons as necessary to discharge the requirements of this
23 Act. The Ombudsperson shall have the powers delegated to him
24 or her by the Department, in addition to the powers set forth
25 in this Act.

1 (c) Neither the Ombudsperson nor the Department shall have
2 any authority to consider matters that may constitute grounds
3 for charges or complaints under the Illinois Human Rights Act
4 or that are properly brought before the Department of Human
5 Rights or the Illinois Human Rights Commission, before a
6 comparable department or body established by a county,
7 municipality, or township pursuant to an ordinance prohibiting
8 discrimination and established for the purpose of
9 investigating and adjudicating charges or complaints of
10 discrimination under the ordinance, or before a federal agency
11 or commission that administers and enforces federal
12 anti-discrimination laws and investigates and adjudicates
13 charges or complaints of discrimination under such laws.

14 (d) Information and advice provided by the Ombudsperson
15 has no binding legal effect and is not subject to the
16 provisions of the Illinois Administrative Procedure Act.

17 (e) The Office is authorized to receive, investigate, and
18 mediate complaints from unit owners regarding misconduct,
19 governance violations, or denial of lawful request for
20 records; recommend corrective actions; and refer substantiated
21 complaints to the appropriate enforcement unit of the
22 Department. Subject to the confidentiality provisions in
23 Section 45 of this Act and except as otherwise protected by
24 law, the Office, the Department, or both may compel the
25 production of documents, minutes, or financial statements
26 necessary to investigate complaints.

1 (Source: P.A. 98-1135, eff. 1-1-17 (See Section 20 of P.A.
2 99-776 for effective date of P.A. 98-1135); 99-776, eff.
3 8-12-16.)

4 (765 ILCS 615/25)

5 (Section scheduled to be repealed on January 1, 2029)

6 Sec. 25. Training and education.

7 (a) On or before July 1, 2017, the Ombudsperson shall
8 offer training, outreach, and educational materials, including
9 but not limited to, materials concerning fiduciary duties,
10 ethical obligations, and statutory requirements, and may
11 arrange for the offering of courses to unit owners,
12 associations, boards of managers, and boards of directors in
13 subjects relevant to: (i) the operation and management of
14 condominiums and common interest communities; and (ii) the
15 Condominium Property Act and the Common Interest Community
16 Association Act.

17 (b) Every elected or appointed member of a condominium or
18 common interest community board must, within 12 months of
19 election or appointment, complete a certified governance and
20 fiduciary training program. The Office must make available
21 online to all board members free or at low-cost such a program,
22 which includes instruction on the following:

23 (1) fiduciary duties and conflict of interest
24 avoidance;

25 (2) financial management and transparency

1 requirements;

2 (3) member rights and procedures for access to
3 records; and

4 (4) ethical standards of conduct and penalties for
5 misconduct.

6 (Source: P.A. 98-1135, eff. 1-1-17 (See Section 20 of P.A.
7 99-776 for effective date of P.A. 98-1135); 99-776, eff.
8 8-12-16.)

9 (765 ILCS 615/30)

10 (Section scheduled to be repealed on January 1, 2029)

11 Sec. 30. Website; toll-free number.

12 (a) The Office shall maintain on the Department's website
13 the following information:

14 (1) the text of this Act, the Condominium Property
15 Act, the Common Interest Community Association Act, and
16 any other statute, administrative rule, or regulation that
17 the Ombudsperson determines is relevant to the operation
18 and management of a condominium association or common
19 interest community association;

20 (2) information concerning non-judicial resolution of
21 disputes that may arise within a condominium or common
22 interest community, including, but not limited to,
23 alternative dispute resolution programs and contacts for
24 locally-available dispute resolution programs;

25 (3) a description of the services provided by the

1 Ombudsperson and information on how to contact the
2 Ombudsperson for assistance; ~~and~~

3 (4) any other information that the Ombudsperson
4 determines is useful to unit owners, associations, boards
5 of managers, and boards of directors; ~~and~~.

6 (5) a publicly accessible database listing enforcement
7 actions against licensed community association managers
8 and management companies that includes the nature of the
9 violation, date of enforcement action, type of penalty or
10 corrective measure, and status of compliance or appeal.

11 (b) The Office may make available during regular business
12 hours a statewide toll-free telephone number to provide
13 information and resources on matters relating to condominium
14 property and common interest community property.

15 (Source: P.A. 98-1135, eff. 1-1-17 (See Section 20 of P.A.
16 99-776 for effective date of P.A. 98-1135); 99-776, eff.
17 8-12-16.)

18 (765 ILCS 615/40)

19 (Section scheduled to be repealed on January 1, 2029)

20 Sec. 40. Dispute resolution.

21 (a) Beginning on July 1, 2020, and subject to
22 appropriation, unit owners meeting the requirements of this
23 Section may make a written request, as outlined in subsection
24 (f) of this Section, to the Ombudsperson for assistance in
25 resolving a dispute between a unit owner and an association

1 that involves a violation of the Condominium Property Act or
2 the Common Interest Community Association Act.

3 (b) The Ombudsperson shall not accept requests for
4 resolutions of disputes with community association managers,
5 supervising community association managers, or community
6 association management firms, as defined in the Community
7 Association Manager Licensing and Disciplinary Act.

8 (c) The Ombudsperson shall not accept requests for
9 resolutions of disputes for which there is a pending complaint
10 filed in any court or administrative tribunal in any
11 jurisdiction or for which arbitration or alternative dispute
12 resolution is scheduled to occur or has previously occurred.

13 (d) The assistance described in subsection (a) of this
14 Section is available only to unit owners. In order for a unit
15 owner to receive the assistance from the Ombudsperson
16 described in subsection (a) of this Section, the unit owner
17 must:

18 (1) owe no outstanding assessments, fees, or funds to
19 the association, unless the assessments, fees, or funds
20 are central to the dispute;

21 (2) allege a dispute that was initiated, or initially
22 occurred, within the 2 calendar years preceding the date
23 of the request;

24 (3) have made a written complaint pursuant to the unit
25 owner's association's complaint policy, as outlined in
26 Section 35, which alleged violations of the Condominium

1 Property Act or the Common Interest Community Association
2 Act;

3 (4) have received a final and adverse decision from
4 the association and attach a copy of the association's
5 final adverse decision marked "final" to the request to
6 the Ombudsperson; and

7 (5) have filed the request within 30 days after the
8 receipt of the association's final adverse decision.

9 (e) A unit owner who has not received a response, marked
10 "final", to his or her complaint from the association within a
11 reasonable time may request assistance from the Ombudsperson
12 pursuant to subsection (a) of this Section if the unit owner
13 meets the requirements of items (1), (2), and (3) of
14 subsection (d) of this Section. A unit owner may not request
15 assistance from the Ombudsperson until at least 90 days after
16 the initial written complaint was submitted to the
17 association. The Ombudsperson may decline a unit owner's
18 request for assistance on the basis that a reasonable time has
19 not yet passed.

20 (f) The request for assistance shall be in writing, on
21 forms provided electronically by the Office, and include the
22 following:

23 (1) the name, address, and contact information of the
24 unit owner;

25 (2) the name, address, and contact information of the
26 association;

1 (3) the applicable association governing documents
2 unless the absence of governing documents is central to
3 the dispute;

4 (4) the date of the final adverse decision by the
5 association;

6 (5) a copy of the association's written complaint
7 policy required under Section 35 of this Act;

8 (6) a copy of the unit owner's complaint to the
9 association with a specific reference to the alleged
10 violations of the Condominium Property Act or the Common
11 Interest Community Association Act;

12 (7) documentation verifying the unit owner's ownership
13 of a unit, such as a copy of a recorded deed or other
14 document conferring title; and

15 (8) a copy of the association's adverse decision
16 marked "final", if applicable.

17 (g) On receipt of a unit owner's request for assistance
18 that the Department determines meets the requirements of this
19 Section, the Ombudsperson shall, within the limits of the
20 available resources, confer with the interested parties and
21 assist in efforts to resolve the dispute by mutual agreement
22 of the parties.

23 (h) The Office must establish a Condominium Mediation and
24 Arbitration Program that allows owners and associations to
25 voluntarily resolve disputes before litigation involving
26 governance, access to information, and enforcement of rules.

1 Mediation proceedings are confidential, but outcomes may be
2 summarized anonymously in the Ombudsperson's annual report for
3 data purposes. ~~The Ombudsperson shall assist only opposing~~
4 ~~parties who mutually agree to participate in dispute~~
5 ~~resolution.~~

6 (i) A unit owner is limited to one request for assistance
7 per dispute. The meaning of dispute is to be broadly
8 interpreted by the Department.

9 (j) The Department has the authority to determine whether
10 or not a final decision is adverse under paragraph (4) of
11 subsection (d) of this Section.

12 (k) The Department shall, on or before July 1, 2020,
13 establish rules describing the time limit, method, and manner
14 for dispute resolution.

15 (l) (Blank).

16 (Source: P.A. 98-1135, eff. 1-1-17 (See Section 20 of P.A.
17 99-776 for effective date of P.A. 98-1135); 99-776, eff.
18 8-12-16.)