



128th MAINE LEGISLATURE

FIRST REGULAR SESSION-2017

Legislative Document

No. 224

S.P. 70

In Senate, January 24, 2017

An Act Regarding Actions for Failure To Follow Condominium Association Requirements

Reference to the Committee on Judiciary suggested and ordered printed.

Heath & Fuit

HEATHER J.R. PRIEST Secretary of the Senate

Presented by Senator COLLINS of York. Cosponsored by Representative SHERMAN of Hodgdon and Senators: HILL of York, KEIM of Oxford, WHITTEMORE of Somerset, Representatives: BAILEY of Saco, BRADSTREET of Vassalboro, MOONEN of Portland.

1 Be it enacted by the People of the State of Maine as follows:

Sec. 1. 33 MRSA §1603-111, 2nd ¶, as enacted by PL 1981, c. 699, is amended to read:

4 If the wrong accrued during any period of declarant control, and if the association 5 gives the declarant reasonable notice of and an opportunity to defend against the action, 6 the declarant who then controlled the association is liable to the association or to any unit owner: (1) For all tort losses not covered by insurance suffered by the association or that 7 8 unit owner; and (2) for all costs which that the association would not have incurred but 9 for the breach of contract or other wrongful act or omission. In any case where the declarant is liable to the association under this section, the declarant is also liable for all 10 litigation expenses, including reasonable attorneys' attorney's fees, incurred by the 11 association. During any period in which the control of the declarant is limited to the 12 13 power to approve actions of the association or executive board, as provided in section 14 1603-103, subsection (d), the declarant shall be is liable under this section only for losses 15 caused by the exercise of declarant's right of disapproval. Any statute of limitation affecting the association's right of action under this section is tolled until the period of 16 17 declarant control terminates. After the association provides reasonable notice and an opportunity to be heard, the association may bring an action against a unit owner or a 18 group of unit owners for failure to follow requirements imposed by the declaration, 19 20 bylaws or adopted rules and regulations of the association. If the unit owner or the group of unit owners is found liable, the unit owner or the group of unit owners is also liable for 21 22 all litigation expenses including reasonable attorney's fees incurred by the association in 23 bringing the action. After a unit owner or a group of unit owners provides reasonable notice and an opportunity to be heard, the unit owner or the group of unit owners may 24 25 bring an action against the association for failure to follow requirements imposed by the declaration, bylaws or adopted rules and regulations of the association. If the association 26 is found liable, it is also liable for all litigation expenses, including reasonable attorney's 27 28 fees incurred by the unit owner or the group of unit owners in bringing the action. A unit 29 owner is not precluded from bringing an action contemplated by this section because he 30 the unit owner is a unit owner or a member or officer of the association. Liens resulting 31 from judgments against the association are governed by section 1603-117, other liens affecting the condominium. 32

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SUMMARY

This bill provides that, following reasonable notice and an opportunity to be heard, a condominium association may bring an action against a unit owner or a group of unit owners for violating requirements imposed by association documents and that, following reasonable notice and an opportunity to be heard, a unit owner or a group of unit owners may bring an action against an association for violating requirements imposed by those same documents.