

SUBSTITUTE FOR
HOUSE BILL NO. 4355

A bill to amend 1978 PA 59, entitled
"Condominium act,"
by amending section 57 (MCL 559.157).

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 57. (1) The books, records, ~~and contracts,~~ **AND FINANCIAL**
2 **STATEMENTS** concerning the administration and operation of the
3 condominium project shall be available for examination by any of
4 the co-owners and their mortgagees at convenient times. ~~and all~~
5 ~~books and records shall be audited or reviewed by independent~~
6 ~~accountants annually. Such audits need not be certified.~~
7 (2) **EXCEPT AS PROVIDED IN SUBSECTION (3), AN ASSOCIATION OF**
8 **CO-OWNERS WITH ANNUAL REVENUES GREATER THAN \$20,000.00 SHALL ON AN**
9 **ANNUAL BASIS HAVE ITS BOOKS, RECORDS, AND FINANCIAL STATEMENTS**
10 **INDEPENDENTLY AUDITED OR REVIEWED BY A CERTIFIED PUBLIC ACCOUNTANT,**

House Bill No. 4355 (H-3) as amended June 4, 2013

1 AS DEFINED IN SECTION 720 OF THE OCCUPATIONAL CODE, 1980 PA 299,
2 MCL 339.720. THE AUDIT OR REVIEW SHALL BE PERFORMED IN ACCORDANCE
3 WITH THE STATEMENTS ON AUDITING STANDARDS OR THE STATEMENTS ON
4 STANDARDS FOR ACCOUNTING AND REVIEW SERVICES, RESPECTIVELY, OF THE
5 AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS.

6 (3) AN ASSOCIATION OF CO-OWNERS MAY OPT OUT OF THE
7 REQUIREMENTS OF SUBSECTION (2) ON AN ANNUAL BASIS BY AN AFFIRMATIVE
8 VOTE [OF A MAJORITY OF ITS MEMBERS BY ANY MEANS PERMITTED UNDER] THE
ASSOCIATION'S BYLAWS.

9 Enacting section 1. This amendatory act takes effect on the
10 expiration of 90 days after the date it is enacted into law.