



SENATE BILL 376: Expanding Members' Access to HOA Records.

2023-2024 General Assembly

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| Committee: | Senate Rules and Operations of the Senate | Date: | May 2, 2023 |
| Introduced by: | Sen. Johnson | Prepared by: | Bill Patterson |
| Analysis of: | Second Edition | | Staff Attorney |

OVERVIEW: Senate Bill 376 would give owners of units in condominiums and owners of lots in planned communities the right to inspect and copy any management contract entered into by their owners' association, upon written demand.

CURRENT LAW: Under the Condominium Act, Chapter 47C of the General Statutes, and the Planned Community Act, Chapter 47F of the General Statutes, associations of unit owners and lot owners must make all financial and other records, including records of meetings of the association and executive board, reasonably available for examination by any owner and the owner's authorized agent as required in the association's bylaws and under the Nonprofit Corporation Act, Chapter 55A of the General Statutes.

Under the Nonprofit Corporation Act, a member of a nonprofit corporation has the right to inspect and copy the following records if the member gives the corporation written notice of the demand at least five business days before the date on which the member wishes to inspect and copy:

- Articles of incorporation and all amendments to them currently in effect.
- Bylaws and all amendments to them currently in effect.
- Adopted resolutions relating to the number or classification of directors or to the characteristics, qualifications, rights, limitations, and obligations of members or any class or category of members.
- Minutes of all membership meetings, and records of all actions taken by the members without a meeting for the past three years.
- All written communications to members generally within the past three years, and the financial statements, if any, that have been furnished or would have been required by law to be furnished to a member upon demand during the past three years.
- A list of the names and business or home addresses of its current directors and officers.
- Minutes of the corporation's board meetings, accounting records, and the membership list, if all of the following conditions are met:
 - The member's demand is made in good faith and for a proper purpose.
 - The member describes with reasonable particularity the purpose and the records the member desires to inspect.
 - The records are directly connected with this purpose.

The nonprofit corporation may impose a reasonable charge, covering the costs of labor and material, for producing any of the foregoing records provided to the member for inspection or copying, not to exceed the estimated cost of production or reproduction of the records.

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Legislative Analysis
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BILL ANALYSIS: Senate Bill 376 would require a unit owners' association or a homeowners' association to permit an owner, or the owner's authorized representative, to inspect and copy any agreement the association has entered under which a managing agent is authorized to exercise any of the powers granted by statute to the association, if the owner gives the association written notice of the demand at least five days before the date on which the owner wishes to inspect and copy.

EFFECTIVE DATE: This act is effective when it becomes law.