

UNITED STATES DISTRICT COURT  
FOR THE EASTERN DISTRICT OF VIRGINIA

COMMUNITY ASSOCIATIONS	)	
INSTITUTE; CANTERBURY	)	
CROSSING CONDOMINIUM TRUST ;	)	
TOWNHOUSE GREEN COOPERATIVE;	)	Case No. <u>1:24-cv-1597</u>
TERRACES ON MEMORIAL	)	
HOMEOWNERS ASSOCIATION;	)	
REGENCY AT ASHBURN GREENBRIER	)	
CONDOMINIUM ASSOCIATION; AND	)	
FARRCROFT HOMEOWNERS	)	
ASSOCIATION, INC.,	)	
	)	
Plaintiffs,	)	
	)	
v.	)	
	)	
JANET YELLEN, in her official capacity as	)	
the Secretary of the United States	)	
Department of the Treasury, UNITED	)	
STATES DEPARTMENT OF THE	)	
TREASURY, and ANDREA GACKI, in her	)	
official capacity as Director of Financial	)	
Crimes Enforcement Network,	)	
	)	
Defendants.	)	

**MOTION FOR PRELIMINARY INJUNCTION**

Pursuant to Federal Rule of Civil Procedure 65(a), and for the reasons set forth in the accompanying memorandum of law, Plaintiffs Community Associations Institute, Canterbury Crossing Condominium Trust, Townhouse Green Cooperative Inc., Terraces on Memorial Homeowners Associations, Regency at Ashburn Greenbrier Condominium Association, and Farrcroft Homeowners Association move for a preliminary injunction prohibiting Defendants and their agents from enforcing the Corporate Transparency Act, 31 U.S.C. § 5336, while this action is pending, against Plaintiffs and CAI’s affected members, which are homeowners associations,

condominium associations, cooperatives, business trusts, and entities performing similar functions.

Dated: September 10, 2024

Respectfully submitted,

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COMMUNITY ASSOCIATIONS )  
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**MEMORANDUM OF LAW IN SUPPORT OF  
MOTION FOR PRELIMINARY INJUNCTION**

**TABLE OF CONTENTS**

	<b>Page</b>
INTRODUCTION .....	1
STATEMENT OF FACTS .....	1
A.    Plaintiffs and the Operation of State-Created Community Associations.....	1
B.    The Corporate Transparency Act.....	4
C.    The CTA creates a vast database of personal identifying information that may be shared with other law enforcement agencies and foreign governments virtually without limit.....	6
D.    The CTA applies to virtually any type of business entity, regardless of whether it is the type of business targeted by the statute. ....	7
E.    Subjecting Community Associations to the CTA’s reporting requirements will significantly impair their ability to function as required by state law, if they can function at all. ....	9
F.    The CTA’s vague definitions of “beneficial ownership” are irrelevant as applied to Community Associations.....	12
G.    The CTA Compels Speech and Chills the Freedom to Associate. ....	12
H.    Another federal court has already ruled that the CTA is unconstitutional .....	13
ARGUMENT .....	14
I.    Plaintiffs are Likely to Succeed on the Merits of their Claims.....	15
A.    Plaintiffs are entitled to a declaration that they are not “reporting companies” under the CTA and are exempt from compliance with BOI reporting requirements because they are nonprofit organizations as contemplated by the CTA and the Internal Revenue Code.....	15
B.    FinCEN violated the Administrative Procedures Act when it issued FAQs definitively classifying Community Associations as “reporting companies” subject to the CTA and defining who their “beneficial owners” are without following the mandatory notice-and-comment procedures. ....	19
1.    The FAQs are final and binding agency actions subject to the APA’s notice-and-comment requirements.....	21

2.	Even if the FAQs are valid, FinCEN’s <i>de facto</i> denial of Plaintiffs’ request for an exemption from the CTA’s reporting requirements was arbitrary and capricious. ....	24
C.	The CTA is an unconstitutional invasion of privacy and an unreasonable search in violation of the Fourth Amendment.....	27
1.	The CTA violates the Fourth Amendment rights of Community Associations and their Board members.....	28
2.	No Fourth Amendment exceptions apply to the CTA. ....	30
D.	The CTA is unconstitutional because its disclosure requirements chill speech and impair associational rights in violation of the First Amendment.....	31
E.	Because the CTA was already found unconstitutional in <i>NSBU v. Yellen</i> , Plaintiffs are likely to succeed on the merits on the same grounds.....	35
1.	Congress lacks constitutional authority to enact the CTA under the Commerce Clause. ....	36
a.	The CTA does not regulate the channels of interstate and foreign commerce.....	36
b.	The CTA does not regulate activities that have a “substantial effect” on interstate and foreign commerce.....	37
2.	The CTA was not passed pursuant to Congress’s Taxing Power and the Necessary and Proper Clause.....	39
3.	The CTA was not passed pursuant to Congress’s Foreign Affairs Powers and the Necessary and Proper Clause. ....	40
II.	Plaintiffs will be Irreparably Harmed Absent Injunctive Relief.....	42
III.	The Balance of Hardships Weighs in Plaintiffs’ Favor, and Granting an Injunction Serves the Public Interest. ....	44
	CONCLUSION.....	45

**TABLE OF AUTHORITIES**

	<b>Page(s)</b>
<b>Cases</b>	
<i>Air Vac EMS, Inc. v. McVey</i> , 37 F.4th 89 (4th Cir. 2022) .....	44
<i>Am. Mining Cong. v. Mine Safety and Health Admin.</i> , 995 F.2d 1106 (D.C. Cir. 1993) .....	21
<i>Ams. for Prosperity Found. v. Bonta</i> , 594 U.S. 595 (2021) .....	34, 35
<i>Appalachian Power Co. v. E.P.A.</i> , 208 F.3d 1015 (D.C. Cir. 2000) .....	21, 22, 23
<i>Baird v. State Bar of Ariz.</i> , 401 U.S. 1 (1971) (plurality opinion) .....	34
<i>Bennett v. Spear</i> , 520 U.S. 154 (1997) .....	21, 23
<i>Bond v. United States</i> , 572 U.S. 844 (2014) .....	41
<i>Boyd v. United States</i> , 116 U.S. 616 (1886) .....	28
<i>BST Holdings, LLC v. OSHA</i> , 17 F.4th 604 (5th Cir. 2021) .....	44, 45
<i>Carpenter v. United States</i> , 585 U.S. 296 (2018) .....	27, 28
<i>City of Indianapolis v. Edmond</i> , 531 U.S. 32 (2000) .....	31
<i>City of Los Angeles v. Patel</i> , 576 U.S. 409 (2015) .....	28, 29
<i>Cort v. Ash</i> , 422 U.S. 66 (1975) .....	41
<i>CTS Corp. v. Dynamics Corp. of Am.</i> , 481 U.S. 69 (1987) .....	37

*Doe v. Reed*,  
561 U.S. 186 (2010).....34, 35

*Elec. Privacy Info. Ctr. v. U.S. Dep't of Homeland Sec.*,  
653 F.3d 1 (D.C. Cir. 2011).....23

*Elrod v. Burns*,  
427 U.S. 347 (1976).....42

*Farrell v. Blinken*,  
4 F.4th 124 (D.C. Cir. 2021).....25

*Fox v. Clinton*,  
684 F.3d 67 (D.C. Cir. 2012).....24

*Gonzales v. Raich*,  
545 U.S. 1 (2005).....37

*Grimm v. Gloucester Cnty. Sch. Bd.*,  
400 F.Supp.3d 444 (E.D. Va. 2019) .....15

*Ibanez v. Florida Dept. of Business and Professional Regulation*,  
512 U.S. 136 (1994).....32

*Katz v. U.S.*,  
389 U.S. 347 (1967).....30

*McLouth Steel Pros. Corp. v. Thomas*,  
838 F.2d 1317 (D.C. Cir. 1988).....21

*Medtronic, Inc. v. Mirowski Family Ventures, LLC*,  
571 U.S. 191 (2014).....15

*Motor Vehicle Mfrs. Ass'n v. State Farm Mutual Auto. Ins. Co.*,  
463 U.S. 29 (1983).....24

*NAACP v. Alabama*,  
357 U.S. 449 (1958).....33

*Nat'l Federation of Independent Business (NFIB) v. Sebelius*,  
567 U.S. 519 (2012).....40

*Nat'l Inst. of Fam. & Life Advocs. v. Becerra*,  
585 U.S. 755 (2018).....32

*National Small Business United (NSBU) v. Yellen*,  
No. 5:22-cv-01448, 2024 WL 899372 (N.D. Ala. Mar. 1, 2024).....13, 35, 40

*Nken v. Holder*,  
556 U.S. 418 (2009).....44

*Northcross v. Bd. of Ed. of Memphis City Sch.*,  
412 U.S. 427 (1973) (per curiam).....18

*NSBU v. Yellen*,  
5:22-cv-1448-LCB (N.D. Ala. 2024).....40

*Oetjen v. Cent. Leather Co.*,  
246 U.S. 297 (1918).....40

*Patel v. City of Los Angeles*,  
738 F.3d 1058 (9th Cir. 2013) (*en banc*) .....29

*Richmond Ass’n of Credit Men v. Bar Ass’n of City of Richmond*,  
189 S.E. 153 (Va. 1937).....7

*Roberts v. U.S. Jaycees*,  
468 U.S. 609 (1984).....34

*Rumsfeld v. Forum for Acad. & Institutional Rights, Inc.*,  
547 U.S. 47 (2006).....31, 34

*See v. City of Seattle*,  
387 U.S. 541 (1967).....28

*Select Specialty Hosp.-Bloomington, Inc. v. Burwell*,  
757 F.3d 308 (D.C. Cir. 2014).....26

*Sharp Corp. v. Hisense USA Corp.*,  
292 F.Supp.3d 157 (D.D.C. 2017).....15

*Skinner v. Ry. Lab. Executives’ Ass’n*,  
489 U.S. 602 (1989).....31

*Smith v. Maryland*,  
442 U.S. 735 (1979).....30

*Stuart v. Camnitz*,  
774 F.3d 238 (4th Cir. 2014) .....32

*Texas Children’s Hosp. v. Azar*,  
315 F.Supp.3d 322 (D.D.C. 2018) .....22, 23, 25

*United States v. Ballinger*,  
395 F.3d 1218 (11th Cir. 2005) .....37



<i>United States v. Bass</i> , 404 U.S. 336 (1995).....	39
<i>United States v. Comstock</i> , 560 U.S. 126 (1949).....	40
<i>United States v. Curtiss-Wright Export Corp.</i> , 299 U.S. 304 (1936).....	41
<i>United States v. Di Re</i> , 332 U.S. 581 (1948).....	28
<i>United States v. Lopez</i> , 514 U.S. 549 (1995).....	36, 38, 39
<i>United States v. Morrison</i> , 529 U.S. 598 (2000).....	36, 38
<i>United States v. Morton Salt Co.</i> , 338 U.S. 632 (1950).....	27
<i>United States v. Stevens</i> , 559 U.S. 460 (2010).....	34
<i>United States v. W. T. Grant Co.</i> , 345 U.S. 629 (1953).....	43
<i>United to Protect Democracy v. Presidential Advisory Comm’n on Election Integrity</i> , 288 F.Supp.3d 99 (D.D.C. 2017).....	17, 18
<i>Veronia Sch. Dist. 47J v. Acton</i> , 515 U.S. 646 (1995).....	31
<i>Wickard v. Filburn</i> , 317 U.S. 11 (1942).....	38
<i>Winter v. Natural Res. Def. Council, Inc.</i> , 555 U.S. 7 (2008).....	15
<i>Zauderer v. Office of Disciplinary Counsel of Sup. Ct. of Ohio</i> , 471 U.S. 626 (1985).....	32
<b>Constitutions</b>	
U.S. Const. amend. I.....	31
U.S. Const. amend. IV.....	27

U.S. Const. amend. XVI .....39

U.S. Const. art. I, § 8.....40

U.S. Const. art. I, § 8, cl. 1.....39

U.S. Const. art. I, § 8, cl. 3.....36

U.S. Const. art. I, § 8, cl. 18.....40

U.S. Const. art. II, § 2 .....40

**Statutes**

5 U.S.C. § 5(b) .....19

5 U.S.C. § 704.....21

5 U.S.C. § 706(2)(A).....24

5 U.S.C. § 706(2)(D).....19

18 U.S.C. § 922(q)(1)(A).....38

26 U.S.C. § 501 .....8

26 U.S.C. § 501(c) ..... *passim*

26 U.S.C. § 528..... *passim*

26 U.S.C. § 528(a) .....17, 26, 33

26 U.S.C. § 528(c) .....17

31 U.S.C. § 5336.....1, 16, 32, 36

31 U.S.C. § 5336(a)(2).....4

31 U.S.C. § 5336(a)(3)(A) .....4, 12

31 U.S.C. § 5336(a)(11).....39

31 U.S.C. § 5336(a)(11)(A) .....4, 15

31 U.S.C. § 5336(a)(11)(B) .....33

31 U.S.C. § 5336(a)(11)(B)(xix)..... *passim*

31 U.S.C. § 5336(a)(11)(B)(xxiv).....1, 16, 42

31 U.S.C. § 5336(b)(1) .....27

31 U.S.C. § 5336(b)(1)(B) .....5

31 U.S.C. § 5336(b)(1)(C) .....5

31 U.S.C. § 5336(b)(1)(D).....5

31 U.S.C. § 5336(b)(2) .....27

31 U.S.C. § 5336(b)(2)(A).....5, 16

31 U.S.C. § 5336(b)(3)(A).....5

31 U.S.C. § 5336(c)(1).....6, 10

31 U.S.C. § 5336(c)(2).....10

31 U.S.C. § 5336(c)(2)(B) .....6

31 U.S.C. § 5336(c)(2)(B)(i)(I).....7

31 U.S.C. § 5336(c)(2)(B)(i)(II) .....6, 7

31 U.S.C. § 5336(c)(2)(B)(ii) .....7

31 U.S.C. § 5336(c)(5).....27

31 U.S.C. § 5336(h) .....16

31 U.S.C. § 5336(h)(1) .....5, 23

31 U.S.C. § 5336(h)(3) .....5, 23

42 U.S.C. § 14501(a)(1).....11, 43

42 U.S.C. § 14501(a)(2).....11, 43

42 U.S.C. § 14501(a)(3).....11, 43

42 U.S.C. § 14501(a)(6).....11, 43

42 U.S.C. § 14501(a)(7)(A) .....11, 43

42 U.S.C. § 14501(b) .....11, 43

William M. (Mac) Thornberry National Defense Authorization Act  
for Fiscal Year 2021, Pub. L. No. 116-283, 134 Stat. 3388 (2021).....4

**Rules**

Fed. R. Civ. P. 65 .....14, 15

**Other Authorities**

31 C.F.R. § 1010.380(a)(1)(iii) .....5

31 C.F.R. § 1010.380(a)(2) .....5

31 C.F.R. § 1010.380(b)(1)(ii) .....5

31 C.F.R. § 1010.380(b)(ii)(E) .....16

87 Fed. Reg. 59498 .....5

87 Fed. Reg. 59504 .....6, 31

87 Fed. Reg. 59504-59505 .....5

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87 Fed. Reg. 59549 .....8, 27

87 Fed. Reg. 59582 .....41

87 Fed. Reg. 594498-01 .....41

2024 National Terrorist Financing Risk Assessment,  
<https://home.treasury.gov/system/files/136/2024-National-Terrorist-Financing-Risk-Assessment.pdf> (last accessed July 8, 2024) .....16

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[https://home.treasury.gov/system/files/126/20180511\\_SAR\\_AboutUs.pdf](https://home.treasury.gov/system/files/126/20180511_SAR_AboutUs.pdf) .....25

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<https://www.fincen.gov/news/news-releases/updated-notice-regarding-national-small-business-united-v-yellen-no-522-cv-01448> .....13

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## INTRODUCTION

Plaintiffs bring this Motion for Preliminary Injunction against Defendants Janet Yellen, in her official capacity as Secretary of the U.S. Department of the Treasury, the U.S. Department of the Treasury (“Treasury”) and Andrea Gacki, in her official capacity as Director of the Financial Crimes Enforcement Network (“FinCEN”) seeking a preliminary injunction precluding enforcement of the Corporate Transparency Act (“CTA”), 31 U.S.C. § 5336, against CAI’s affected members, which are homeowners associations, condominium associations, cooperatives, business trusts, and entities performing similar functions (collectively, “Community Associations”).

Community Associations should be exempt from the CTA’s beneficial owner information (“BOI”) reporting requirements, either because they are nonprofit organizations as contemplated by § 5336(a)(11)(B)(xix) of the CTA or are entitled to an exemption under § 5336(a)(11)(B)(xxiv). The CTA is also an unconstitutional intrusion on Community Associations’ and Board members’ Fourth Amendment rights to be free from illegal searches and seizures, an unconstitutional suppression of their First Amendment freedom of speech and free association, and an unconstitutional exercise of Congressional power untethered to any of its limited enumerated powers. Accordingly, and because all other preliminary injunction factors weigh in Plaintiffs’ favor, this Court should grant the Motion and enjoin enforcement of the CTA against Community Associations.

## STATEMENT OF FACTS

### **A. Plaintiffs and the Operation of State-Created Community Associations.**

Plaintiffs are Community Associations from states across the country, as well as the Community Associations Institute, a nonprofit membership organization that assists Community

Associations and their Boards with management obligations and advocates on behalf of the industry as a whole to protect their interests.

Community Associations are creatures of the state statutes that govern their creation, organization, and function. Exh. A-1, Declaration of Senya Ehrstein, ¶ 10; Exh. A-2, Declaration of Nancy Wiegand, ¶ 6; Exh. A-3, Declaration of Nick Kornuta, ¶ 8; Exh. A-4, Declaration of Cheri Heaton, ¶ 5; Exh. A-5, Declaration of Kathi Robinson, ¶ 6; Exh. A-6, Declaration of Thomas M. Skiba, ¶ 24. Their primary purpose is to operate and maintain the common areas of the property for the benefit of all homeowners in the community. Exh. A-1, ¶ 10; Exh. A-2, ¶ 6; Exh. A-3, ¶ 3; Exh. A-4, ¶ 6; Exh. A-5, ¶ 6; Exh. A-6, ¶ 8. Nearly all Community Associations are required by law to operate as nonprofit entities, whether they take the form of corporations, unincorporated associations, cooperatives, business trusts, or some other form. Exh. A-6, ¶ 30.

Community Associations are governed by a group of volunteer homeowners who may be referred to as board members, directors, or trustees (collectively, “Board members”). Exh. A-1, ¶ 22; Exh. A-2, ¶ 9; Exh. A-3, ¶ 3; Exh. A-4, ¶ 6; Exh. A-5, ¶¶ 8-9; Exh. A-6, ¶ 8. They are elected by their fellow residents to carry out the Association’s business. Exh. A-1, ¶ 22; Exh. A-2, ¶ 9; Exh. A-3, ¶ 3; Exh. A-4, ¶ 6; Exh. A-5, ¶¶ 8-9; Exh. A-6, ¶ 8. Typically, Board members create an operating budget based on known and anticipated needs and collect a proportionate share of that amount from individual homeowners as monthly dues used to pay maintenance expenses. Exh. A-1, ¶ 22; Exh. A-2, ¶ 9; Exh. A-3, ¶ 3; Exh. A-4, ¶ 6; Exh. A-5, ¶¶ 8-9; Exh. A-6, ¶ 8. Board members also manage the Association’s finances, budget for capital improvements, preserve and protect common property, and enforce the Association’s rules and restrictions. Exh. A-1, ¶ 22; Exh. A-2, ¶ 9; Exh. A-3, ¶ 3; Exh. A-4, ¶ 6; Exh. A-5, ¶¶ 8-9; Exh. A-6, ¶ 8. Unlike in traditional corporations or limited liability companies, Board members have no more financial or ownership interest in the

Community Association than their fellow homeowners. Exh. A-1, ¶ 10; Exh. A-2, ¶ 16; Exh. A-3, ¶ 3; Exh. A-4, ¶ 14; Exh. A-5, ¶ 15. All homeowners own the common areas of the property equally, typically as tenants-in-common.

Board members reside in the Community and typically serve without compensation. Exh. A-6, ¶ 8. They are typically elected to serve terms of one to three years in annual elections, unless there is an unexpected vacancy to be filled. Exh. A-1, ¶ 14; Exh. A-2, ¶ 11; Exh. A-3, ¶ 6; Exh. A-4, ¶ 10; Exh. A-5, ¶ 10; Exh. A-6, ¶ 8. In some jurisdictions, Community Associations may file an informational document with the Secretary of State's office or local registry of deeds, identifying homeowners who serve on the Board at that time. Exh. A-1, ¶¶ 4-5; Exh. A-3, ¶ 8.

There has long been a general reluctance among homeowners in Community Associations to volunteer for Board leadership positions. These are time-consuming, unpaid volunteer positions that sometimes require them to perform unpleasant and thankless tasks, like enforcing Community rules and restrictions against neighbors or resolving disputes among them. Exh. A-1, ¶ 22; Exh. A-2, ¶ 20; Exh. A-3, ¶ 15; Exh. A-4, ¶ 16; Exh. A-5, ¶ 9; Exh. A-6, ¶ 11. Even among the Board members who do serve, the turnover rate is high because Board members move out of the Community or resign due to time constraints. Exh. A-1, ¶ 17; Exh. A-2, ¶ 13; Exh. A-4, ¶ 11; Exh. A-5, ¶ 12. It is difficult enough to recruit homeowners to run in scheduled Board elections. Exh. A-1, ¶ 26; Exh. A-2, ¶ 20; Exh. A-3, ¶ 13; Exh. A-4, ¶ 16; Exh. A-5, ¶¶ 17-18; Exh. A-6, ¶ 37. It is all the more difficult to recruit replacement Board members on short notice to fill unexpected vacancies. Exh. A-1, ¶ 28; Exh. A-2, ¶ 20; Exh. A-3, ¶ 13; Exh. A-4, ¶ 16; Exh. A-5, ¶¶ 17-18; Exh. A-6, ¶ 37.

**B. The Corporate Transparency Act.**

The CTA was enacted on January 1, 2021, as part of the National Defense Authorization Act for Fiscal Year 2021.<sup>1</sup> The CTA’s stated purpose is to combat money laundering, terrorism financing, and other illicit financial activity by cracking down on the use of anonymous “shell companies.” To that end, the CTA requires virtually every business entity to provide sensitive and non-public personal information about its owners to FinCEN, regardless of its corporate form, area of industry, or its likelihood of engaging in financial crimes.

The CTA requires “reporting companies” to provide personal identifying information to FinCEN regarding each “beneficial owner” and “applicant.” A “reporting company” is defined as a “corporation, limited liability company, or similar entity that is (i) created by the filing of a document with a secretary of state or a similar office under the law of a State or Indian Tribe; or (ii) formed under the law of a foreign country and registered to do business in the United States by the filing of a document with a secretary of state or a similar office under the laws of a State or Indian Tribe.” 31 U.S.C. § 5336(a)(11)(A).

A “beneficial owner” is defined as “an individual who, directly or indirectly, through any contract, arrangement, understanding, relationship, or otherwise” (i) “exercises substantial control over the entity;” or (ii) “owns or controls not less than 25 percent of the ownership interests of the entity.” *Id.* § 5336(a)(3)(A). An “applicant” is defined as any individual who files an application to form a reporting company or “registers or files an application to register” a non-U.S. company to do business in the United States. *Id.* § 5336(a)(2).

For each beneficial owner and applicant, the reporting company must provide to FinCEN their full legal name, date of birth, current residential or business address, and “unique identifying

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<sup>1</sup> William M. (Mac) Thornberry National Defense Authorization Act for Fiscal Year 2021, Pub. L. No. 116-283, 134 Stat. 3388.



number from an acceptable identification document,” such as an unexpired passport or state-issued identification card or driver’s license, provided that the same has a photograph of the individual, and also download a photograph or copy of their state-issued identification card or driver’s license. 31 U.S.C. § 5336(b)(2)(A); 31 C.F.R § 1010.380(b)(1)(ii). They may also obtain a FinCEN-issued identifier number, which requires them to provide all of the same information and documentation in the first instance.<sup>2</sup> Beginning January 1, 2024, this personal identifying information must be reported within 30 days of formation or registration of the reporting company, or, in the case of existing reporting companies, prior to January 1, 2025. 31 U.S.C. § 5336(b)(1)(B), (C); 31 C.F.R § 1010.380(a)(1)(iii).

If there are any changes to the reported data—such as when a “beneficial owner” or “applicant” changes their name or gets a new driver’s license—the entity must provide updated information to FinCEN within 30 days of the change. 31 U.S.C. § 5336(b)(1)(D); 31 C.F.R § 1010.380(a)(2). Reporting companies, owners, and applicants that fail to comply with the CTA’s reporting requirements are subject to a civil penalty of up to \$500 per day and/or a criminal penalty of up to \$10,000 and two years’ imprisonment. 31 U.S.C. § 5336(h)(1), (3).

The CTA aims to collect the beneficial ownership information from entities whose information Congress believes would “facilitate the detection and prosecution of financial crime.” FinCEN recognizes that law enforcement officials often cannot obtain beneficial ownership information from any other source, including the “secretary of state or similar office,” from publicly available “property records,” or under the 2016 Customer Due Diligence Rule. *See* Beneficial Ownership Information Reporting Requirements, 87 Fed. Reg. 59498, 59504-59505.

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<sup>2</sup> To obtain a FinCEN identifier number, the individual or the organization must make the same filing otherwise required under the CTA. 31 U.S.C. § 5336(b)(3)(A).

As such, the CTA was designed to circumvent traditional Fourth Amendment protections. FinCEN's then-Director testified before Congress that the CTA was necessary to eliminate the need for its investigators to comply with fundamental safeguards, like grand jury subpoenas and search warrants, to obtain beneficial ownership information. *Id.* at 59504. According to the Director, complying with these requirements "takes an enormous amount of time" and "wastes resources." *Id.* Thus, the CTA was designed to make companies' non-public ownership information "immediately available to law enforcement, intelligence, or national security agencies" without the hassle of a warrant or judicial oversight. *Id.* at 59505.

**C. The CTA creates a vast database of personal identifying information that may be shared with other law enforcement agencies and foreign governments virtually without limit.**

The CTA creates a vast database of personal identifying information that may be shared with other law enforcement agencies and foreign governments and used for any law enforcement purpose without the need for a warrant or other judicial oversight. FinCEN must keep the personal data of a reporting company's beneficial owners and applicants for at least five years after the date on which the reporting company is wound down. 31 U.S.C. § 5336(c)(1).

FinCEN may share these highly personal disclosures with federal, state, local, and Tribal law enforcement agencies; with financial institutions for customer due diligence (with the reporting company's consent); and with "a Federal functional regulator or other appropriate regulatory agency," including foreign governmental agencies. *Id.* at § 5336(c)(2)(B). If a request for personal identifying information comes from a state, local, or Tribal law enforcement agency, it must come through "appropriate protocols" and "a court of competent jurisdiction ... [that] has authorized the law enforcement agency to seek the information in a criminal or civil investigation." *Id.* at § 5336(c)(2)(B)(i)(II). A "court of competent jurisdiction" is defined to include "any officer of such a court," meaning FinCEN may share these personal disclosures upon the mere request of

a prosecutor—without a warrant—since attorneys are considered “officer[s] of the court.” *Id.* at § 5336(c)(2)(B)(i)(II); *see, e.g., Richmond Ass’n of Credit Men v. Bar Ass’n of City of Richmond*, 189 S.E. 153, 157 (Va. 1937) (defining attorneys as officers of the court).

FinCEN may also share the personal disclosures without any court authorization or oversight if the request comes from a “Federal agency engaged in national security, intelligence, or law enforcement activity, for use in furtherance of such activity.” 31 U.S.C. § 5336(c)(2)(B)(i)(I). FinCEN may even share the personal disclosures with a foreign law enforcement agency, prosecutor, or judge in connection with the foreign entity’s “investigation or national security or intelligence activity” if a federal agency requests the data on its behalf—again without requiring court authorization or other “appropriate protocols.” *See id.* at § 5336(c)(2)(B)(ii). For example, if a foreign government, acting pursuant to a U.S.-ratified treaty like the United Nations Convention Against Corruption, requested certain beneficial owners’ or applicants’ personal data related to real property located in the United States, FinCEN may provide that data without any independent examination of the foreign government’s need for the information.

**D. The CTA applies to virtually any type of business entity, regardless of whether it is the type of business targeted by the statute.**

Notwithstanding the CTA’s stated purpose of targeting the use of anonymous shell companies to facilitate money laundering, terrorist financing, and fraud, the CTA’s requirements apply broadly to nearly all business entities—regardless of their corporate forms, their areas of business, or an assessment of the risk they pose of engaging in financial crimes.

Nor does the CTA limit its disclosure requirements to individuals or entities suspected of actually committing financial crimes. Rather, according to FinCEN, the “reporting companies” subject to the CTA will include approximately 32.6 million existing entities in 2024, and nearly 5

million more over the next ten years, in addition to any foreign companies doing business in the United States. *See* Beneficial Ownership Information Reporting Requirements for Financial Crimes Enforcement Network (FinCEN), 87 Fed. Reg. at 59549 (2022).

The CTA excludes two dozen categories of business entities from the definition of a “reporting company.” *See* 31 U.S.C. § 5336(a)(11)(B)(xix). Relevant here, Congress created an exemption for tax exempt organizations as “described in section 501(c) of the Internal Revenue Code” and “exempt from tax under section 501(a) of such Code” (“NPO Exemption”) *Id.*; 26 U.S.C. § 501. As FinCEN, Treasury, and related federal agencies have long recognized, nonprofit organizations (“NPOs”) pose virtually no risk of engaging in money laundering, terrorist financing, or other financial crimes because they engage in the type of self-governance, transparency, and accountability measures that make it nearly impossible to hide evidence of financial crimes.

Most state statutes also require Community Associations to operate as tax-exempt, nonprofit organizations. But the majority of them file federal tax reporting under Internal Revenue Service section 528 of the Internal Revenue Code specific to “homeowners associations,” which is defined to include a variety of condominium management associations (including the “Community Associations” defined in this pleading), residential real estate management associations, and timeshare associations. 26 U.S.C. § 528. Section 528 was enacted as part of the Tax Reform Act of 1976; prior to that time, homeowners’ associations generally filed as tax-exempt entities under section 501(c). Section 528 expressly states that a “homeowners association shall be considered an organization exempt from income taxes for the purpose of any law which refers to organizations exempt from income taxes.” *Id.*

On December 28, 2023, CAI sent a letter to FinCEN requesting that Community Associations be exempt from CTA compliance under the NPO Exemption. Exh. B, Dec. 20, 2023, Ltr. from CAI to FinCEN. It recounted FinCEN’s recognition that nonprofits pose minimal risk of engaging in the kinds of financial crimes targeted by the CTA. The letter also detailed the types of transparency Community Associations observe as required by state law or their internal by-laws.

Having gotten no response from FinCEN, CAI pursued other strategies to obtain relief from the CTA. On July 15, 2024, HR 9045 was introduced in the House of Representatives, which remains pending. Exh. C, HR 9045 Bill Text. The bill seeks to amend the CTA to expressly include those “homeowners associations” that file under section 528 of the Code within the NPO Exemption. *Id.*; see 31 U.S.C. § 5336(a)(11)(B)(xix). Over the weeks that followed, still having not responded to CAI’s exemption request, FinCEN posted FAQs on its website, in April and June of 2024, creating new interpretations of the CTA as applied to Community Associations.

On July 25, 2024, FinCEN at last responded to CAI’s letter sent seven months earlier. Exh. D, July 25, 2024, Ltr. from FinCEN to CAI. It did not engage with the substantive bases for CAI’s exemption request. It simply recited the statutory language for the NPO Exemption and the catch-all exemption that exempts entities for which it would not serve the public’s interest to collect beneficial ownership information because it would not be “highly useful” to law enforcement efforts to detect and prevent financial crimes. The letter concluded by saying that FinCEN “is considering [CAI’s] request to exempt a class of [Community Associations],” but that they should comply with the CTA’s reporting requirements in the meantime.

**E. Subjecting Community Associations to the CTA’s reporting requirements will significantly impair their ability to function as required by state law, if they can function at all.**

As it currently stands, FinCEN does not recognize Community Associations as exempt under the NPO Exemption. But unless Community Associations are granted the same exemption

from CTA reporting requirements as other nonprofits, the undue burdens, invasion of privacy, and risk of personal liability associated with CTA compliance is certain to cause mass resignations of Board members, and extreme difficulty in soliciting new volunteers from the 365,000 Community Association Boards across the country, with no one stepping up to replace them.

Of particular concern to Plaintiffs and the 954 CAI members responding to a survey, the CTA requires all beneficial owners to disclose highly personal identifying information, including photo identification, to FinCEN, which may be stored indefinitely and used for any law enforcement purpose by a variety of foreign and domestic law enforcement agencies, with virtually no judicial oversight. 31 U.S.C. § 5336(c)(1), (2). Plaintiffs have attested that they and their fellow Board members will resign from their Boards rather than comply with these unduly burdensome regulations and dissuade other homeowners from volunteering. Exh. A-1, ¶¶ 20, 23; Exh. A-2, ¶¶ 18-19; Exh. A-3, ¶¶ 11-13; Exh. A-4, ¶¶ 15-16; Exh. A-5, ¶¶ 16-19; Exh. A-6, ¶ 32. The practical consequence of imposing BOI reporting requirements on Community Associations is that the resulting Board vacancies will disrupt and possibly shut down the operation of Community Associations across the country, further exposing them to penalties for noncompliance, with no discernable impact on fulfilling the CTA's purpose. Exh. A-1, ¶ 28; Exh. A-2, ¶ 20; Exh. A-3, ¶ 15; Exh. A-4, ¶ 16; Exh. A-5, ¶ 20; Exh. A-6, ¶ 38. Indeed, in some jurisdictions, if a Community Association cannot function as required by statute because it lacks the minimum number of members, it could end up in receivership or dissolution.

Any change in Board leadership triggers an obligation on the Association to file an updated BOI disclosure with FinCEN within 30 days of the event. The same is true for any changes to Board members' information, like a name change or an updated driver's license or passport—changes their fellow Board members likely are not privy to. The failure to report these events

exposes the Community Association and potentially all its Board members—individually and collectively—to a civil penalty of at least \$500 per day, or a \$10,000 fine and two years’ imprisonment for a criminal violation. Exh. A-1, ¶ 27; Exh. A-2, ¶ 20; Exh. A-3, ¶ 15; Exh. A-4, ¶ 16; Exh. A-5, ¶ 19; Exh. A-6, ¶ 32.

Likewise CTA compliance creates an undue burden on Board members to be responsible for collecting and maintaining their fellow Board members’ personal identifying information, and tracking changes to it. If just one Board member or “beneficial owner” fails to provide these updates for purposes of report it to FinCEN, the Association and the individual Board members are subject to steep penalties. Exh. A-1, ¶ 25; Exh. A-2, ¶ 21; Exh. A-3, ¶¶ 15-16; Exh. A-4, ¶ 16; Exh. A-5, ¶ 19; Exh. A-6, ¶ 32. Thus, CTA compliance will exacerbate homeowners’ general reluctance to serve on Community Boards.

Congress has long recognized the significant deterrent effect personal liability has on volunteerism. Nearly thirty years ago, Congress enacted the Volunteer Protection Act to protect against “liability abuses related to volunteers serving nonprofit organizations.” 42 U.S.C. § 14501(b). It acknowledged volunteers’ “legitimate fears... about frivolous, arbitrary, or capricious lawsuits” and noted that the “willingness of volunteers to offer their services is deterred” by potential liability actions against them. *Id.* § 14501(a)(7)(A), (a)(1). To avoid that risk, volunteers simply withdraw from service or avoid service altogether, thereby diminishing nonprofit groups’ valuable impact on their communities because it increases operating costs to hire people to perform the organizations’ functions, increases litigation costs, and increases insurance costs. *Id.* § 14501(a)(2), (3), (6).

**F. The CTA’s vague definitions of “beneficial ownership” are irrelevant as applied to Community Associations.**

The CTA also poses significant burdens on Community Associations because their volunteer Community Board members must navigate the CTA’s definitions of beneficial ownership, which have no application in the context of Community Associations. Plaintiffs and their Board members will be required to determine which individuals qualify as “beneficial owners” in the CTA’s vague terminology, including the provision that any individual who “indirectly” by any “understanding” exercises “substantial control” over an entity must report. 31 U.S.C. § 5336(a)(3)(A).

For example, a single homeowner may own 25% of the units or “beneficial interest” in the Community Association, but not be on the Board. By definition, the CTA would make that homeowner a “beneficial owner” required to file a BOI disclosure with FinCEN, but he would have no authority to manage the Association’s operations whatsoever. That power is vested only in elected Board members. If that 25% owner refused to file a BOI disclosure, that would subject the Board and the Association to steep penalties for non-compliance, and possibly require adjacent litigation to enforce the CTA provision against the owner.

**G. The CTA Compels Speech and Chills the Freedom to Associate.**

The CTA also has the very real consequence of compelling Board members’ speech and chilling their freedom of association. Community Associations and their Boards have regular, ongoing communication with local, state, and federal government officials about various topics, including land use, zoning, environmental matters, real estate development, taxes, crime, poverty, social services, or other issues that may affect them and their communities. Exh. A-1, ¶ 11; Exh. A-2, ¶ 12; Exh. A-3, ¶ 17; Exh. A-5, ¶ 11; Exh. A-6, ¶¶ 12-13. Because the CTA requires volunteer homeowners to disclose personal information and risk criminal prosecution or incur fines as a



condition of Board service, it will cause homeowners to resign from serving on the Board and deter others from volunteering. Exh. A-1, ¶¶ 23, 26; Exh. A-2, ¶¶ 18-19; Exh. A-3, ¶¶ 11-13; Exh. A-4, ¶ 16; Exh. A-5, ¶¶ 16-19; Exh. A-6, ¶ 35. Thus, it necessarily violates their constitutional rights by compelling certain speech or facing criminal and civil penalties for refusing to do so. Plaintiffs' free association rights are also violated because, as they have attested, they will resign from Board service rather than disclose their personal identifying information pursuant to the CTA. Exh. A-1, ¶¶ 23, 26; Exh. A-2, ¶¶ 18-19; Exh. A-3, ¶¶ 11-13; Exh. A-4, ¶ 16; Exh. A-5, ¶¶ 16-19; Exh. A-6, ¶ 35. Furthermore, without a properly functioning Board, Community Associations cannot participate as an entity in their local government. Exh. A-1, ¶ 11; Exh. A-2, ¶ 12; Exh. A-3, ¶ 17; Exh. A-5, ¶ 11; Exh. A-6, ¶¶ 12-13.

#### **H. Another federal court has already ruled that the CTA is unconstitutional**

Earlier this year, the United States District Court for the Northern District of Alabama ruled that the CTA “is unconstitutional because it cannot be justified as an exercise of Congress’ enumerated powers.” *National Small Business United (NSBU) v. Yellen*, No. 5:22-cv-01448, 2024 WL 899372, at \*21 (N.D. Ala. Mar. 1, 2024). The *NSBU* court permanently enjoined the Department of the Treasury and FinCEN from enforcing the CTA against the plaintiffs in that case.<sup>3</sup> FinCEN has announced that other reporting companies are still required to comply with the law and file beneficial ownership reports as provided in FinCEN’s regulations.<sup>4</sup>

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<sup>3</sup> On March 11, 2024, the United States Department of the Treasury and FinCEN appealed that Judgment to the 11<sup>th</sup> Circuit Court of Appeals.

<sup>4</sup> See Fin. Crimes Enforcement Network, *UPDATED: Notice Regarding Nat’l Small Business United v. Yellen, No. 5:22-cv-01448 (N.D. Ala.)* (March 11, 2024), available at <https://www.fincen.gov/news/news-releases/updated-notice-regarding-national-small-business-united-v-yellen-no-522-cv-01448>.

## ARGUMENT

Without an exemption, Plaintiffs and all Community Associations must comply with the CTA reporting requirements on or before January 1, 2025. CAI has been unsuccessful in obtaining an exemption from the CTA through administrative channels or otherwise. But as demonstrated below, Community Associations are entitled to an exemption from the CTA as nonprofit, tax-exempt entities or because collection of Community Board members' personal identifying information will not serve the public and will not be highly useful in national security, intelligence, and law enforcement efforts to prevent financial crimes. FinCEN's decision to effectively deny CAI's exemption request was arbitrary and capricious and its FAQs issued in lieu of a well-reasoned decision were issued improperly in violation of the APA.

The CTA is also unconstitutional as applied to Plaintiffs and all Community Association Board members. First, the statute is a stark violation of the Fourth Amendment's protection from illegal searches and seizures, as FinCEN's then-Director testified to Congress. The CTA also infringes on Plaintiffs' and Community Association Board Members' First Amendment rights to freedom of speech and freedom of association. They are being compelled to disclose sensitive, non-public information that may be used in investigations by federal, state, or foreign governments or face criminal or civil penalties for refusing to do so. Plaintiffs have attested they will resign their Board positions rather than provide their personal identifying information to FinCEN, denying them the opportunity to continue serving their community and advocating on its behalf in violation of their free association rights. Finally, the CTA is unconstitutional on its face because Congress lacked the power to enact the CTA.

Plaintiffs now seek injunctive relief here to enjoin the CTA from being enforced against them and causing them irreparable harm. Rule 65 of the Federal Rules of Civil Procedure provides for preliminary injunctive relief where Plaintiffs can demonstrate: "(1) they are likely to succeed

on the merits of their case; (2) they are likely to suffer irreparable harm in the absence of injunctive relief; (3) the balance of the equities tips in their favor; and (4) an injunction would be in the public interest.” *Id.* (citing *Winter v. Natural Res. Def. Council, Inc.*, 555 U.S. 7, 20 (2008)). “The deprivation of constitutional rights unquestionably constitutes irreparable injury.” *Grimm v. Gloucester Cnty. Sch. Bd.*, 400 F.Supp.3d 444, 461 (E.D. Va. 2019). Here, all factors weigh strongly in favor of Plaintiffs and they are entitled to injunctive relief.

**I. Plaintiffs are Likely to Succeed on the Merits of their Claims.**

**A. Plaintiffs are entitled to a declaration that they are not “reporting companies” under the CTA and are exempt from compliance with BOI reporting requirements because they are nonprofit organizations as contemplated by the CTA and the Internal Revenue Code.**

Plaintiffs are likely to succeed on the merits of their claim seeking a declaration that they are not subject to the CTA’s beneficial ownership reporting requirements because they are not “reporting companies” as contemplated by the statute. A declaratory judgment claim is the appropriate vehicle to seek a statutory construction of the CTA and a preemptive declaration that Plaintiffs have no reporting obligations under the CTA where, in the absence of such a declaration, they may face harsh civil and/or criminal penalties for wrongful non-compliance. *See Medtronic, Inc. v. Mirowski Family Ventures, LLC*, 571 U.S. 191, 197 (2014); *Sharp Corp. v. Hisense USA Corp.*, 292 F.Supp.3d 157, 168 (D.D.C. 2017).

The CTA broadly applies to any corporation, LLC, or similar entity simply by virtue of being “created by the filing of a document” with a secretary of state or similar state office—without qualification and virtually without limitation. 31 U.S.C. § 5336(a)(11)(A). The sole purpose of the CTA is to force these “reporting companies” to disclose to FinCEN the personal identifying information of each “beneficial owner” who “exercises substantial control” of the entity and each “applicant” who files the application to form or register the entity—including their full legal name,

date of birth, residential address, passport or driver’s license number, and a picture of that identification document, which necessarily includes a facial image. 31 U.S.C. § 5336(b)(2)(A); C.F.R. 1010.380(b)(ii)(E). Although the reporting company is subject to regulation under the CTA, any person who fails to timely and accurately disclose this information—including the beneficial owner or the applicant—faces severe civil and/or criminal penalties, up to a \$10,000 fine and two years’ imprisonment. 31 U.S.C. § 5336(h). The Government’s stated purpose for indiscriminately collecting and indefinitely storing this personal information is to root out organizational havens for money laundering, terrorist financing, and other illegal financial activity. *See* 31 U.S.C. § 5336.

But Congress also chose to exclude certain entities from having to comply with the CTA. Specifically, Congress excluded nonprofit organizations (“NPOs”) from the CTA’s reach: “[t]he term ‘reporting company’ does not include... any organization that is described in section 501(c) of the Internal Revenue Code... and exempt from tax under section 501(a) of such Code.” 31 U.S.C. § 5336(a)(11)(B)(xix) (“NPO Exemption”). This should come as no surprise. For the last decade, Treasury and FinCEN (the “Agencies”) have published the National Terrorist Financing Risk Assessment Report in which they have steadfastly declared that “the vast majority” of domestic NPOs “face little or no risk of being abused for [terrorist financing].” 2024 National Terrorist Financing Risk Assessment, p. 23-25.<sup>5</sup> As the Agencies have publicly stated, this is largely because NPOs abide by stringent internal due diligence standards, including self-governance, transparency, and other accountability and compliance measures that mitigate any risk they will engage in illicit financial activity. *Id.*; *see also* 31 U.S.C. § 5336(a)(11)(B)(xxiv) (generally excluding from CTA compliance entities for which collection of BOI “would not be

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<sup>5</sup> Available at <https://home.treasury.gov/system/files/136/2024-National-Terrorist-Financing-Risk-Assessment.pdf> (last accessed July 8, 2024).

highly useful in national security, intelligence, and law enforcement agency efforts to detect, prevent, or prosecute money laundering, the financing of terrorism, proliferation finance, serious tax fraud, or other crimes”).

Plaintiffs are also tax-exempt NPOs and should be excluded from the CTA’s regulatory scheme. Prior to 1976, homeowners and condominium management associations largely qualified for tax-exempt status under section 501(c). With the passage of the Tax Reform Act of 1976, Congress created section 528 of the Internal Revenue Code to provide a tax-exemption classification unique to “homeowners associations.”<sup>6</sup> 26 U.S.C. § 528. Importantly, in enacting section 528, Congress expressly stated that “[a] homeowners association shall be considered an organization exempt from income taxes for the purpose of any law which refers to organizations exempt from income taxes.” 26 U.S.C. § 528(a).

Reading section 528 together with the NPO Exemption, Plaintiffs are “exempt from tax under section 501(a)” be excluded from the definition of a “reporting company” under the CTA, just as NPOs tax-exempt under section 501(c) are. First, section 528 specifically states that they “shall be considered” a tax-exempt organization “for the purpose of any law” that refers to tax-exempt organizations. Second, there is a presumption that Congress uses the same term consistently in different statutes. *United to Protect Democracy v. Presidential Advisory Comm’n*

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<sup>6</sup> “Homeowners association” is defined as “an organization which is a condominium management association, a residential real estate management association, or a timeshare association,” if (A) it is organized and operated “to provide for the acquisition, construction, management, maintenance, and care of association property”; (B) 60% or more of its gross income for the taxable year “consists solely of amounts received as membership dues, fees, or assessments” from owners of residential units, residences, lots, or timeshare rights; (C) 90% or more of its expenditures for the taxable year are for the “acquisition, construction, management, maintenance, and care of association property” or activities for members of the timeshare association; (D) no part of its net earnings inures to the benefit of any private shareholder or individual (with limited exceptions); and (E) it elects to have this section apply for the taxable year. 26 U.S.C. § 528(c).

*on Election Integrity*, 288 F.Supp.3d 99, 112 (D.D.C. 2017). Indeed, the U.S. Supreme Court has held that when two statutes contain the same language, it is a “strong indication” that “they should be interpreted ‘*pari passu*,’ that is, on equal footing.” *Id.*, quoting *Northcross v. Bd. of Ed. of Memphis City Sch.*, 412 U.S. 427, 428 (1973) (per curiam). Thus, under circumstances where statutes parallel one another, ordinarily a “common term should be construed consistently under each statute.” *Id.* It also bears noting that HR 9045 was introduced in the House of Representatives six weeks ago and would expressly include section 528 entities within the NPO Exemption. Exh. C.

Moreover, like other NPOs, Plaintiffs abide by stringent internal due diligence standards, including self-governance, transparency, and other accountability and compliance measures, meaning they “face little or no risk” that they will engage in financial crimes, as the Agencies have declared. Indeed, the transparency and accountability requirements on Community Associations may be more stringent than those pertaining to section 501(c) entities. Every state requires Community Associations to make their financial records available to other homeowners on request. Exh. E, National State Law Community Association Transparency and Disclosure Requirements. Community Associations are required by law in 30 states to make their financial records available to prospective buyers and their lenders to document the value of the investment and protect buyers from misrepresentations; virtually all others provide this access as a matter of industry standard. *Id.* In 23 states, Community Associations are required to have their financial records audited or inspected by an independent auditor on an annual basis; most others choose to have their finances audited as a matter of best practices. *Id.*

Accordingly, Plaintiffs are likely to succeed in establishing that they are exempt from the CTA under the NPO Exemption, the result of which is to relieve Plaintiffs of any reporting requirements under the CTA.

**B. FinCEN violated the Administrative Procedures Act when it issued FAQs definitively classifying Community Associations as “reporting companies” subject to the CTA and defining who their “beneficial owners” are without following the mandatory notice-and-comment procedures.**

Under the Administrative Procedures Act (“APA”), agencies must follow notice-and-comment procedures when proposing new rules, except where the agency is merely promulgating “interpretive rules, general statements of policy, or rules of agency organization, procedure or practice.” 5 U.S.C. § 5(b). If an agency does not follow proper rule-making procedures where required, a court can “hold unlawful and set aside agency action, findings, and conclusions found to be ... without observance of procedure required by law.” 5 U.S.C. § 706(2)(D). Here, FinCEN improperly issued Frequently Asked Questions (“FAQs”) on its website that altered Community Associations’ obligations under the CTA without following the notice-and-comment procedures required by the APA.

In a December 28, 2023, letter to FinCEN, CAI requested that Community Associations be exempt from the CTA’s reporting requirements under the NPO Exemption (31 U.S.C. § 5336(A)(11)(B)(xix)). *See Exh. B*. The letter explained that Community Associations are tax-exempt nonprofit organizations that observe state-mandated transparency and accountability practices just as section 501(c) NPOs do. Because Community Associations provide the same assurances as section 501(c) NPOs that they present “little or no risk” of engaging in financial crimes, CAI requested that Community Associations be included within the NPO Exemption.

Without responding to CAI’s letter, FinCEN issued the FAQs, which definitively classified homeowners association as reporting companies and defined who their beneficial owners are. FAQ

C.10 states that homeowners associations are generally considered reporting companies:

*C. 10. Are homeowners associations reporting companies?*

It depends. Homeowners associations (HOAs) can take different forms. As with any entity, if an HOA was not created by the filing of a document with a secretary of state or similar office, then it is not a domestic reporting company. An incorporated HOA or other HOA that was created by such a filing also may qualify for an exemption from the reporting requirements. For example, HOAs recognized by the IRS as section 501(c)(4) social welfare organizations (or that claim such status and meet the requirements) may qualify for the tax-exempt entity exemption. An incorporated HOA that is not a section 501(c)(4) organization, however, may fall within the reporting company definition and therefore be required to report BOI to FinCEN.

[Updated June 10, 2024].<sup>7</sup>

Further, FAQ D.13 details who the “beneficial owner” of a homeowners association is under the CTA, stating:

There may be instances in which no individuals own or control at least 25 percent of the ownership interests of an HOA that is a reporting company. However, FinCEN expects that at least one individual exercises substantial control over each reporting company. Individuals who meet one of the following criteria are considered to exercise substantial control over the HOA:

- the individual is a senior officer;
- the individual has authority to appoint or remove certain officers or a majority of directors of the HOA;
- the individual is an important decision-maker; or
- the individual has any other form of substantial control over the HOA.

[Issued April 18, 2024].<sup>8</sup>

By issuing these FAQs, FinCEN violated the APA’s requirement that agencies must engage in a notice-and-comment period before issuing substantive changes to Community Associations’ obligations under the CTA and deprived CAI of the opportunity to engage in any meaningful

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<sup>7</sup> Available at [https://www.fincen.gov/boi-faqs#C\\_10](https://www.fincen.gov/boi-faqs#C_10) (last accessed September 9, 2024).

<sup>8</sup> Available at [https://www.fincen.gov/boi-faqs#D\\_13](https://www.fincen.gov/boi-faqs#D_13) (last accessed September 9, 2024).



discussion before it created these new regulatory parameters. FinCEN's actions were arbitrary and capricious because they improperly issued these FAQs as a *de facto* denial of CAI's exemption request without engaging the substance of its request or providing any rationale for effectively denying it.

**1. The FAQs are final and binding agency actions subject to the APA's notice-and-comment requirements.**

Courts have authority to review "final agency action[s]" under the APA. 5 U.S.C. § 704. An agency action is considered "final" under the APA if the action is a consummation of the agency's decision-making process and if it is one in which rights or obligations have been determined, or from which legal consequences will flow. *Bennett v. Spear*, 520 U.S. 154, 177-78 (1997).

Only legislative rules have the force and effect of law. *Appalachian Power Co. v. E.P.A.*, 208 F.3d 1015, 1021 (D.C. Cir. 2000). A legislative rule is one that the agency has duly promulgated in compliance with the procedures prescribed by the enabling statute or in the APA. *Id.* When determining whether an agency has made a rule legislative or interpretive, courts generally consider four factors:

(1) [W]hether in the absence of the rule there would not be an adequate legislative basis for enforcement action or other agency action to confer benefits or ensure the performance of duties; (2) whether the agency has published the rule in the Code of Federal Regulations; (3) whether the agency has explicitly invoked its general legislative authority; and (4) whether the rule effectively amends a prior legislative rule. If the answer to any of these questions is affirmative, we have a legislative rule.

*Am. Mining Cong. v. Mine Safety and Health Admin.*, 995 F.2d 1106, 1112 (D.C. Cir. 1993).

But courts also recognize that an agency's other pronouncements, as a practical matter, may have a "binding" effect, subjecting those pronouncements to judicial review. *See, e.g., McLouth Steel Pros. Corp. v. Thomas*, 838 F.2d 1317, 1321 (D.C. Cir. 1988). Where the agency

acts as if a document is controlling, treats it as a legislative rule, bases enforcement actions on the policies and interpretations contained in the document, and leads private actors to believe the agency will take adverse action if they do not comply with the pronouncement, then it is, for all practical purposes, “binding.” *Appalachian Power Co.*, 208 F.3d at 1021 (citing Robert A. Anthony, *Interpretative Rules, Policy Statements, Guidances, Manuals, and the Like—Should Federal Agencies Use Them to Bind the Public?*, 41 DUKE L.J. 1311, 1328–29 (1992)).

Here, the FAQs issued by FinCEN are “binding” in a practical sense. They categorize Community Associations as reporting companies and define who their beneficial owners are. This will undoubtedly lead Community Associations to believe that the FAQs substantively control the categorization of their entities as it relates to the CTA. Exh. A-1, ¶ 20; Exh. A-2, ¶ 17; Exh. A-3, ¶ 11; Exh. A-5, ¶ 16; Exh. A-6, ¶ 31.

FAQs have previously been found to be final and binding administrative actions subject to the APA’s notice-and-comment procedures. *Texas Children’s Hosp. v. Azar*, 315 F.Supp.3d 322, 339 (D.D.C. 2018). In *Texas Children’s Hospital*, the court compared the challenged FAQs to the language of the statute and the language of a subsequently-issued Final Rule when analyzing whether it was a newly promulgated legislative rule or an interpretation of an existing regulation. *Id.* at 331-333. The court concluded that the FAQ did not, in fact, interpret the existing statute and Final Rule. *Id.* Rather, the existing regulatory language discussed audit calculations involving subsidized or individually-paid medical costs. *Id.* The FAQ, on the other hand, included private insurance payments in the audit calculations that were not discussed anywhere in the other regulations. *Id.* In fact, it conflicted with the statutory and regulatory language and substantively changed the Final Rule’s meaning. *Id.* As such, it was a final administrative decision that should have been subject to public review under the APA’s notice-and-comment procedures. *See id.* The

court rejected the government's argument that the FAQ merely restated an interpretation of the governing statute because the subject FAQ was not sourced from the statutory authority or governing rule. *Id.* at 331. Similarly here, the FAQs do not merely interpret the language of the CTA or its regulations; they substantive change the regulations' meaning. This is particularly true as to FAQ D.13: neither the CTA nor the regulations mention a "senior officer," an individual who is authorized to "appoint or remove certain officers," or an "important decision-maker" within the definition of a "beneficial owner." FinCEN's statement on its website that the FAQs as "explanatory" does not control the inquiry. *See Appalachian Power Co.*, 208 F.3d at 1023 (rejecting the EPA's characterization that its Guidance merely explained existing Clean Air Act provisions and holding that it was a final administrative decision because it imposed legal consequences for non-compliance).

The FAQs substantively change Community Associations' understanding of their obligations under the CTA because they indicate that FinCEN presumes Community Associations are "reporting companies" and they define who the "beneficial owners" are. *See Elec. Privacy Info. Ctr. v. U.S. Dep't of Homeland Sec.*, 653 F.3d 1, 6–7 (D.C. Cir. 2011) ("[t]he practical question inherent in the distinction between legislative and interpretive regulations is whether the new rule affects a substantive regulatory change to the statutory or regulatory regime"). In particular, the FAQs state that there are "direct and appreciable legal consequences" should a Community Association not comply with the reporting requirements as newly promulgated in FAQ C.10. *See Bennett*, 520 U.S. at 178. Significantly, should a Community Association fail to comply with the CTA's reporting requirements, it is subject to a penalty of up to \$10,000, two years' imprisonment, or both. 31 U.S.C. § 5336(h)(1), (3).

As such, the FAQs are final and binding pronouncements that should have been

promulgated pursuant to the APA's notice-and-comment requirements. FinCEN's actions were arbitrary and capricious, first because they failed to observe the proper procedure for issuing the binding FAQs; and second, because it issued the FAQs as a *de facto* denial of CAI's exemption request without addressing the substance of the request or providing rationale for the denial, as required under the APA. FinCEN's letter response to CAI on July 25, 2024 (about two weeks after HR 9045 was introduced) does not alter this conclusion. The letter did little more than recite the administrative regulations for existing exemptions, including an exemption for certain entities if collecting beneficial ownership information from them "would not serve the public interest" and "would not be highly useful" in furthering the CTA's purpose. Exh. D, July 25, 2024, Letter from FinCEN to CAI. The letter concluded that FinCEN was "considering [CAI's] request to exempt a class of HOA entities," but that they should comply with the CTA reporting requirements in the meantime. The letter made no mention of the FAQs whatsoever. Accordingly, Plaintiffs are likely to prevail on their claim that the FAQs violate the APA and should be set aside.

**2. Even if the FAQs are valid, FinCEN's *de facto* denial of Plaintiffs' request for an exemption from the CTA's reporting requirements was arbitrary and capricious.**

Under section 706 of the APA, a reviewing court may set aside an agency action that is "arbitrary, capricious, an abuse of discretion, or otherwise not in accordance with law." 5 U.S.C. § 706(2)(A). An agency rule is arbitrary and capricious if the agency "has relied on factors which Congress has not intended it to consider [or] entirely failed to consider an important aspect of the problem." *Fox v. Clinton*, 684 F.3d 67, 74 (D.C. Cir. 2012), quoting *Motor Vehicle Mfrs. Ass'n v. State Farm Mutual Auto. Ins. Co.*, 463 U.S. 29, 43 (1983). While arbitrary and capricious review is deferential, no deference is owed to an agency action "where [its] explanation for its action lacks any coherence." *Id.* Courts do not "simply accept whatever conclusion an agency proffers merely because the conclusion reflects the agency's judgment." *Id.* Here, even if the FAQs were validly

issued, FinCEN's *de facto* denial of Plaintiffs' request for an exemption under the CTA was arbitrary and capricious.

As explained above, the FAQs are final agency actions subject to judicial review under the APA. *See Texas Children's Hosp.*, 315 F.Supp.3d at 339. Under the APA, any action taken by the agency must be the product of reasoned decision-making. *Farrell v. Blinken*, 4 F.4th 124, 137 (D.C. Cir. 2021). The process by which the agency reaches its result must be "logical and rational." *Id.* The basis for the agency's action must be set forth "with such clarity as to be understandable." Courts should not be "compelled to guess at the theory underlying the agency's action," nor may they "supply a reasoned basis for the agency's action that the agency itself has not given." *Id.*

In its request for exemption, CAI outlined several reasons for FinCEN to consider when evaluating its request. First, it noted that Community Associations are overwhelmingly organized as nonprofit entities, although they generally are not tax-exempt under section 501(c) of the Internal Revenue Code. Exh. B. But, it explained, Community Associations are nevertheless entitled to an exemption because they are tax-exempt entities under section 528 of the Code and file Form 1120-H, which is specific to "homeowners associations" as defined by the statute. 26 U.S.C. § 528. The letter also explained the very limited mechanisms by which Community Associations collect and expend assessments, making them particularly ill-suited for financial crimes terrorist activities or money laundering. Indeed, it cited a report from the Department of Treasury in which it recognized that an organization with a limited source of funds and constrained ability to use them is unlikely to engage in money laundering or terrorism funding.<sup>9</sup> CAI also explained the administrative burden and detrimental impact these regulations would have on Community Associations' volunteerism. Exh. B.

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<sup>9</sup> Department of the Treasury, "Anti-Money Laundering and Countering the Financing of Terrorism (AML/CFT) Programs; Effectiveness," available at [https://home.treasury.gov/system/files/126/20180511\\_SAR\\_AboutUs.pdf](https://home.treasury.gov/system/files/126/20180511_SAR_AboutUs.pdf).

FinCEN was required to consider all of the above when evaluating CAI's request. Yet rather than meaningfully respond, FinCEN issued FAQs that added more confusion about Community Associations' compliance obligations under the CTA. FinCEN did not provide any rationale for its *de facto* decision to deny CAI's exemption request, nor to Community Associations could there be any justification for that decision. First, section 528 of the Tax Code, under which the vast majority of Community Associations file, specifically states that organizations filing under that section "shall be considered an organization exempt from income taxes for the purpose of any law which refers to organizations exempt from income taxes." 26 U.S.C. § 528(a).

Additionally, as Treasury, FinCEN, and other agencies have recognized, NPOs abide by rules of self-governance, transparency, and external accountability that make them ill-suited to money laundering and terrorist financing. (AML/CFT Task Force Report, p. 23-25). The same principles apply to Community Associations, which regularly disclose their finances to other homeowners, prospective purchasers, and lenders. Exh. A-6, ¶¶ 25-27. FinCEN also failed to consider the significant burden these new regulations will have on homeowners associations when there is virtually no benefit to collecting this information, as it is required to do. Where a court "cannot discern precisely what the Board's decisional standard [is]," its "amorphous rule is, by definition, arbitrary and capricious" and must be set aside. *Select Specialty Hosp.-Bloomington, Inc. v. Burwell*, 757 F.3d 308, 314 (D.C. Cir. 2014). Because FinCEN did not address any of the arguments raised in CAI's exemption request and provided no rationale for denying it, Plaintiffs are likely to prevail on their claim that FinCEN's denial of CAI's exemption request was arbitrary and capricious.

**C. The CTA is an unconstitutional invasion of privacy and an unreasonable search in violation of the Fourth Amendment.**

Plaintiffs are also likely to establish that the CTA is an unconstitutional invasion of privacy and an unreasonable search and seizure in violation of the Fourth Amendment. The Fourth Amendment provides that the “right of the people to be secure in their persons, houses, papers, and effects against unreasonable searches and seizures, shall not be violated, and no Warrants shall issue, but upon probable cause.” U.S. Const. amend. IV. This protection “is not confined literally to searches and seizures as such but extends as well to the orderly taking under compulsion of process,” including disclosures compelled by statute or regulation. *United States v. Morton Salt Co.*, 338 U.S. 632, 651-52 (1950). “When an individual seeks to preserve something as private, and his expectation of privacy is one that society is prepared to recognize as reasonable, we have held that official intrusion into that private sphere generally qualifies as a search and requires a warrant supported by probable cause.” *Carpenter v. United States*, 585 U.S. 296, 304 (2018).

The CTA is an unconstitutional invasion of privacy and an unreasonable search and seizure because it requires a reporting company to disclose the personal information of its beneficial owners and applicants, such as legal names, birthdates, current addresses, and copies of those individuals’ photo identification, to FinCEN to be used for law enforcement purposes without any individualized suspicion of wrongdoing. *See* 31 U.S.C. §§ 5336(b)(1)-(2). The CTA’s disclosure requirements will apply to approximately 32.6 million “reporting companies” in 2024 and an estimated 5 million additional companies each year thereafter. *See* Beneficial Ownership Information Reporting Requirements, 87 Fed. Reg. at 59549. This data collection will build a financial-intelligence database easily accessible to federal and foreign law enforcement and security agencies—all without any suspicion of wrongdoing. *See id.* at § 5336(c)(5).

When analyzing whether other technological advancements violate the Fourth Amendment, the Court’s analysis has been “informed by historical understandings of what was deemed an unreasonable search and seizure when the Fourth Amendment was adopted.” *Carpenter*, 585 U.S. at 305 (internal quotation marks and citation omitted). These include understandings that the Fourth Amendment was intended to secure “‘the privacies of life’ against ‘arbitrary power,’” *Boyd v. United States*, 116 U.S. 616, 630 (1886), and that “a central aim of the Framers was ‘to place obstacles in the way of a too permeating police surveillance.’” *Carpenter*, 585 U.S. at 305 (quoting *United States v. Di Re*, 332 U.S. 581, 595 (1948)). Applying these foundational understandings here, the CTA authorizes unlawful searches and seizures with respect to both reporting companies and individuals.

**1. The CTA violates the Fourth Amendment rights of Community Associations and their Board members.**

The CTA authorizes the government to intrude upon reporting companies’ reasonable expectations of privacy by compelling them to provide non-public information about their operations. Commercial entities have Fourth Amendment rights. *See v. City of Seattle*, 387 U.S. 541, 543 (1967). That includes the right to be free from compelled disclosure of their business records to law enforcement officials. *See id.* at 544. The Supreme Court’s decision in *City of Los Angeles v. Patel*, 576 U.S. 409 (2015), is instructive. In that case, the Court examined a Los Angeles city ordinance that required hotels to collect and make available to police officers on demand a “guest’s name and address” and other sensitive information. *See id.* at 412. If guests did not have a previous reservation, the hotel also had to collect and provide on demand information from a photographic identification document. *See id.* at 413. Failure to comply with the ordinance was a misdemeanor. *See id.*



The Supreme Court held that the Los Angeles ordinance violated the Fourth Amendment. Observing that “modern hotel registries contain sensitive information, such as driver’s licenses and credit card numbers,” it instructed that “searches conducted outside the judicial process, without prior approval by [a] judge or [a] magistrate [judge], are per se unreasonable ... subject to only a few specifically established and well-delineated exceptions.” *Id.* at 419, 426 (citations omitted). The Court found that the ordinance constituted an “administrative search” not in aid of ongoing criminal investigations but geared towards “ensur[ing] compliance with the recordkeeping requirement, which in turn deters criminals from operating on the hotels’ premises.” *Id.* at 420. While the law was not directed at criminal activity itself, it was unconstitutional because “absent consent, exigent circumstances, or the like,” the subject of even an administrative search “must be afforded an opportunity to obtain precompliance review before a neutral decisionmaker.” *Id.*

The Supreme Court affirmed the Ninth Circuit decision, which rejected the government’s assertion that no “search” had even occurred. *Patel v. City of Los Angeles*, 738 F.3d 1058, 1061 (9th Cir. 2013) (*en banc*). As the *en banc* panel explained, the hotel’s records were protected by the Fourth Amendment because business records are non-public “papers” protected by the plain text of the Fourth Amendment. *Id.* at 1062. Because law enforcement could only obtain those records by forcing hotels to produce them, that demonstrated the hotels had a reasonable expectation of privacy in those records. That is, “if the records were publicly accessible, the police of course would not need to rely on [the ordinance] to gain access to them.” *Id.*

Similarly here, the CTA compels entities to disclose the name, birthdate, driver’s license or passport information, and photo identification of any individual who exercises “substantial control” over the identity, despite the fact that none of those individuals has a true ownership

interest in the Community Association, as with a traditional corporate entity. While the composition of an Association's Board may or may not be public information, Board members' personal identifying information, including copies of their government-issued photo identification, is not.

Board members have a reasonable expectation of privacy in protecting their personal identifying information from disclosure, particularly to the federal government for law enforcement purposes. *Smith v. Maryland*, 442 U.S. 735, 740 (1979) (citing *Katz v. U.S.*, 389 U.S. 347, 351 (1967)). That information is not required to be disclosed to form an entity, nor does it need to be reported to any regulatory agency, much less to a law enforcement agency. That is precisely why the CTA must compel disclosure of this information from the entities themselves: it is not publicly available anywhere else. The fact that this compelled information can be used for law enforcement purposes is antithetical to the Fourth Amendment.

Every state requires Community Associations to disclose necessary information to necessary stakeholders as a matter of transparency and accountability. Exh. D. Community Associations also largely disclose financial information to potential buyers and their lenders, whether as a matter of state law or industry standard. Exh. A-6, ¶¶ 25-27. Many Community Associations also have annual audits or inspections performed by independent auditors. *Id.* But no state laws have ever required disclosure of the kind of highly sensitive information required by the CTA, to the government or to anyone else, least of all to law enforcement agencies.

## **2. No Fourth Amendment exceptions apply to the CTA.**

Warrantless searches are unreasonable unless they fall within an exception that the Supreme Court has recognized, but no such exception applies here. The “special-needs” or administrative search exception is inapplicable. Government agencies may only conduct

warrantless searches when “special needs, beyond the normal need for law enforcement, make the warrant and probable-cause requirement impracticable.” *Skinner v. Ry. Lab. Executives’ Ass’n*, 489 U.S. 602, 619 (1989). The special needs exception does not apply here because the CTA collects beneficial owner information for general law enforcement and intelligence-gathering purposes. FinCEN’s Director admitted that the agency views the CTA as a workaround to the “warrant” requirement, which “wastes” too much time and resources in investigating and prosecuting money laundering, terrorism financing, and other financial crimes. *See* 87 Fed. Reg. at 59504.

Rather, the CTA’s warrantless searches for general law enforcement purposes are analogous to the warrantless searches of vehicles without individualized suspicion. The Supreme Court held such searches were not justified by the special-needs exception and declared them unconstitutional in *City of Indianapolis v. Edmond*, 531 U.S. 32, 48 (2000). As the Court has stated, “where a search is undertaken by law enforcement officials to discover evidence of criminal wrongdoing ... reasonableness generally requires the obtaining of a judicial warrant.” *Veronia Sch. Dist. 47J v. Acton*, 515 U.S. 646, 664-65 (1995). Accordingly, Plaintiffs are likely to prevail on their claim that the CTA violates the Fourth Amendment.

**D. The CTA is unconstitutional because its disclosure requirements chill speech and impair associational rights in violation of the First Amendment.**

Plaintiffs are likely to prevail on their claim that the CTA violates their First Amendment rights of free speech and free association within their communities, particularly as it relates to participating in the political process to improve their communities. *See* U.S. Const. Amend. I. Community Associations perform a vital role in communities by allowing their members to speak with an organized, collective voice to government officials on issues of concern. *Rumsfeld v.*

*Forum for Acad. & Institutional Rights, Inc.*, 547 U.S. 47, 68 (2006). The CTA violates these First Amendment rights.

The First Amendment protects against regulations that compel speech. *Stuart v. Camnitz*, 774 F.3d 238, 245 (4th Cir. 2014). Even when the government seeks to compel disclosure of “factual, noncontroversial information,” the mandated disclosure requirements cannot be “unjustified or unduly burdensome.” *Nat’l Inst. of Fam. & Life Advocs. v. Becerra*, 585 U.S. 755, 776 (2018), citing *Zauderer v. Office of Disciplinary Counsel of Sup. Ct. of Ohio*, 471 U.S. 626, 651 (1985). This standard requires that compelled disclosures “remedy a harm that is potentially real not purely hypothetical and to extend no broader than reasonably necessary.” *Becerra*, 585 U.S. at 776. Otherwise, they risk “chilling” protected speech.” *See id.*, citing *Zauderer*, 471 U.S. at 651. Importantly, the Government has the burden to prove that the compelled disclosures are neither unjustified nor unduly burdensome. *See Ibanez v. Florida Dept. of Business and Professional Regulation*, 512 U.S. 136, 146 (1994).

The Government cannot meet that burden here. As applied to Community Associations, the CTA is an unjustified and unduly burdensome means of achieving its stated ends of curtailing money laundering, terrorism financing, and financial crimes. *See* 31 U.S.C. § 5336. As a condition of Board service, the CTA compels Board members to disclose personal identifying information to FinCEN that may be used in law enforcement proceedings without any requirement that the government demonstrate a reasonable suspicion that the Association or its Board members have engaged in the type of criminal activity it targets. Failure to comply with the CTA’s disclosure requirements subjects Board members and/or the Association itself to draconian civil and criminal penalties. As a result, as Plaintiffs and other Board members surveyed by CTA have stated, they will resign their Board positions rather than making these forced disclosures or facing the severe

penalties involved for refusing to do so, and it will dissuade others from volunteering for Board service as well.

The “dragnet” application of CTA’s disclosure requirements to virtually any entity simply by virtue of filing an entity formation document, without qualification, is untethered from the Government’s stated purpose of eradicating specific forms of financial crime. The CTA recognizes that there are certain types of entities that pose such a low risk of committing these types of crimes that they are exempt from the CTA due to their transparency and accountability practices, including section 501(c) nonprofit organizations. 31 U.S.C. § 5336(a)(11)(B); 26 U.S.C. § 501(c). Community Associations observe the same rigorous transparency practices and also pose a low risk of financial crimes, and yet they cannot escape the CTA’s requirements because they obtain their tax-exempt status under a different section of the Internal Revenue Code—even though they “shall be considered” tax-exempt entities “for the purpose of any law which refers to organizations exempt from income taxes.” 26 U.S.C. § 528(a).

The Government cannot demonstrate that the CTA’s invasive disclosure requirements are not unjustified nor unduly burdensome because less burdensome alternatives are available to accomplish the Government’s stated goals. Collecting personal information about a select group of homeowners—specifically volunteers merely serving their communities—does not serve the CTA’s stated aims, especially given that Community Associations have a low risk profile for engaging in illicit financial transactions. Thus, Plaintiffs are likely to prevail in demonstrating that the CTA’s disclosure requirements are unjustified and unduly burdensome.

The CTA also chills Plaintiffs’ First Amendment rights of association and collective communication. The First Amendment protects individuals’ rights to privately associate with one another, free from government intrusion. *See NAACP v. Alabama*, 357 U.S. 449, 460 (1958). “The

right to speak is often exercised most effectively by combining one’s voice with the voices of others.” *Rumsfeld v. FAIR*, 547 U.S. 47, 68 (2006). “Protected association furthers ‘a wide variety of political, social, economic, educational, religious, and cultural ends,’ and ‘is especially important in preserving political and cultural diversity and in shielding dissident expression from suppression by the majority.’” *Ams. for Prosperity Found. v. Bonta*, 594 U.S. 595, 606 (2021) (quoting *Roberts v. U.S. Jaycees*, 468 U.S. 609, 622 (1984)). To protect this right, the Supreme Court has “held laws unconstitutional that require disclosure of membership lists for groups seeking anonymity.” *Rumsfeld*, 547 U.S. at 69 (collecting cases). These laws “ma[k]e group membership less attractive” and violate the First Amendment by “affecting the group’s ability to express its message.” *Id.* “When it comes to ‘a person’s beliefs and associations,’ ‘[b]road and sweeping state inquiries into these protected areas . . . discourage citizens from exercising rights protected by the Constitution.’” *Bonta*, 594 U.S. at 610 (quoting *Baird v. State Bar of Ariz.*, 401 U.S. 1, 6, 91 (1971) (plurality opinion)).

In *Bonta*, the Supreme Court clarified that the “exacting scrutiny” standard applies to compelled disclosures of group affiliations. 594 U.S. at 607. In that case, the Court invalidated the California Attorney General’s policy of requiring nonprofits to disclose a list of major donors as a condition of registering with the State. *Id.* at 616. The Court concluded that the disclosure requirement was unconstitutional as applied to the petitioner and on its face because “a substantial number of its applications [we]re unconstitutional, judged in relation to the statute’s plainly legitimate sweep.” *Id.* at 615 (citing *United States v. Stevens*, 559 U.S. 460, 473 (2010)). Under exacting scrutiny, there must be “a substantial relation between the disclosure requirement and a sufficiently important governmental interest.” *Id.* at 596 (citing *Doe v. Reed*, 561 U.S. 186, 196 (2010)). “To withstand this scrutiny, the strength of the governmental interest must reflect the

seriousness of the actual burden on First Amendment rights.” *Doe*, 561 U.S. at 196. “Where exacting scrutiny applies, the challenged requirement must be narrowly tailored to the interest it promotes, even if it is not the least restrictive means of achieving that end.” *Bonta*, 594 U.S. at 609-10.

The CTA’s disclosure requirements do not satisfy exacting scrutiny because, as to Community Associations, there is a not a substantial relation between the requirements and the CTA’s stated purpose in curtailing financial crimes. The CTA’s disclosure requirements are likewise overbroad and unduly burdensome because Community Associations and their Board members are left with two troubling options: (i) continue as a volunteer Board member, acquiesce to CTA’s requirement to provide personal information and identification documents to the government, and assume the risk of government prosecution and penalties for non-compliance; or (ii) resign from the Board along with most others, which leave Community Associations with no one to provide necessary services or communicate in a collective way with government officials. Under the first scenario, the government is unconstitutionally compelling speech; under the second, the government is unconstitutionally chilling speech. Neither can be reconciled with the First Amendment, and Plaintiffs are likely to prevail on their claim that the CTA, on its face and as applied to them, violates the First Amendment.

**E. Because the CTA was already found unconstitutional in *NSBU v. Yellen*, Plaintiffs are likely to succeed on the merits on the same grounds.**

On March 1, 2024, the CTA was declared unconstitutional in *NSBU v. Yellen*, on the ground that it exceeded Congress’ authority under the Commerce Clause, Foreign Affairs and National Security Powers, and the Taxing Power & Necessary and Proper Clause. 2024 WL 899372, \*7-21 (No. 22-cv-01448, N.D. Ala.). Plaintiffs are likely to succeed on these grounds as well.

**1. Congress lacks constitutional authority to enact the CTA under the Commerce Clause.**

Under the Constitution, Congress has the power “[t]o regulate Commerce with foreign Nations, and among the several States.” U.S. Const. art. I § 8, cl. 3. Congress has the power to regulate “(1) the channels of interstate and foreign commerce; (2) the instrumentalities of, and things and persons in, interstate and foreign commerce; and (3) activities that have a substantial effect on interstate commerce.” *United States v. Morrison*, 529 U.S. 598, 608-09 (2000).

While Congress’s authority to regulate under the Commerce Clause is broad, it is not without limit. *United States v. Lopez*, 514 U.S. 549, 553 (1995). The CTA does not regulate the channels of interstate and foreign commerce or activities that substantially affect interstate commerce. Instead, the CTA seeks to regulate corporate entity formation, performed under state law and is an entirely ministerial act. Additionally, the CTA seeks to regulate state-formed entities, like Community Associations, from the moment of inception, regardless of whether the entity has engaged, or is likely to engage, in interstate commerce. The CTA also does not contain an express “jurisdictional hook” element that limits its reach to a “discrete set of activities” that have “an explicit connection with or effect on interstate commerce.” *Lopez*, 514 U.S. at 562. This violates the principles of federalism and retained state powers. As such, the CTA falls outside the scope of Congress’ Commerce Clause powers and unconstitutionally usurps the states’ power to manage intrastate entity formation and commerce.

**a. The CTA does not regulate the channels of interstate and foreign commerce.**

The CTA seeks to regulate entities upon their formation and not based on any commercial activity. Thus, the CTA does not regulate either the “channels” or the “instrumentalities” of interstate commerce. *See* 31 U.S.C. § 5336. The “channels” of interstate commerce are “the interstate transportation routes through which persons and goods move.” *Morrison*, 529 U.S. at



613 n. 5. The “instrumentalities” of interstate commerce are “the people and things themselves moving in commerce, including automobiles, airplanes, boats, and shipments of goods,” along with “pagers, telephones, and mobile phones.” *United States v. Ballinger*, 395 F.3d 1218, 1226 (11th Cir. 2005) (citations omitted). Because the CTA, on its face, does not regulate the channels and instrumentalities of commerce, or any commercial activity it cannot be justified as a valid regulation of those channels and instrumentalities pursuant to Congress’ powers under the Commerce Clause.

Here, the CTA seeks to regulate entities merely upon their formation and not based upon any commercial activity. Community Associations are created wholly through intrastate action, entity formation is in accord with the laws of the states in which they are located. Exh. A-6, ¶ 24. The creation, organization and management of condominiums in the United States and its territories is in each case governed by a statute. Exh. A-6, ¶ 8. As such, state entity formation is not a commercial activity. *CTS Corp. v. Dynamics Corp. of Am.*, 481 U.S. 69, 91 (1987).

The CTA likewise contains no language that would permit Congress to regulate state-entity formation pursuant to its power to regulate the “channels and instrumentalities” of interstate commerce. Instead, the CTA imposes obligations on Community Associations by the mere act of entity formation, without any commercial activity by them, and without any interstate commercial activity by them. This exceeds Congress’s Commerce Clause power.

**b. The CTA does not regulate activities that have a “substantial effect” on interstate and foreign commerce.**

The CTA also does not fall within Congress’ power to regulate activities that have a “substantial effect” on interstate and foreign commerce. Under the “substantial effects” doctrine, Congress has the “power to regulate purely local activities that are part of an economic ‘class of activities’ that have a substantial effect on intrastate commerce.” *See Gonzales v. Raich*, 545 U.S.

1, 17 (2005); *see also Wickard v. Filburn*, 317 U.S. 11, 128-129 (1942). Importantly, the intrastate activity sought to be regulated by Congress still must have a “commercial character” or be “economic in nature” and “exert a substantial economic effect on interstate commerce.” *Morrison*, 529 U.S. at 611-13; *see also Lopez*, 514 U.S. at 559; *Wickard*, 317 U.S. at 125. This power also has its limits, and it “may not be extended so far as to embrace effects upon interstate commerce so indirect and remote that to embrace them, in view of our complex society, would effectively obliterate the distinction between what is national and what is local[.]” *Lopez*, 514 U.S. at 556-57.

*United States v. Lopez* is instructive. In *Lopez*, the Gun-Free School Zones Act of 1990, 18 U.S.C. § 922(q)(1)(A), made it a federal crime “for any individual knowingly to possess a firearm at a place that the individual knows, or has reasonable cause to believe, is a school zone.” *Lopez*, 514 at 551. Respondent challenged his conviction based on the claim that § 922(q) exceeded Congress’ Commerce Clause power. *Id.* at 552. The Government argued that § 922(q) was a valid exercise of its Commerce Clause power because firearm possession in a local school zone substantially affected interstate commerce. *Id.* at 563. In support of its argument, the Government posited that gun possession in school zones would result in more violent crime, which would increase insurance costs, reduce travel to dangerous neighborhoods, and threaten the learning environment. *Id.* at 564. However, the Court held that § 922(q) exceeded Congress’s authority under the Commerce Clause, explaining that “[t]he possession of a gun in a local school zone is in no sense an economic activity that might, through repetition elsewhere, substantially affect any sort of interstate commerce.” *Id.* at 567. The Court added that § 922(q) had no “express jurisdictional element which might limit its reach to a discrete set of firearm possessions that additionally have an explicit connection with or effect on interstate commerce.” *Id.* at 562. Under

the theories posited by the Government, there would be no limit on Congress's authority to regulate areas where states historically have been sovereign. *Id.* at 564.

Here, the creation and operation of Community Associations are wholly intrastate functions performed entirely under state law. Community Associations exist primarily for the purpose of ensuring that the common areas of the property are maintained. Exh. A-1, ¶ 7; Exh. A-2, ¶ 6; Exh. A-3, ¶ 3; Exh. A-4, ¶¶ 4,6; Exh. A-5, ¶ 6; Exh. A-6, ¶ 8. Like in *Lopez*, there are no commercial or economic activities by Community Associations that substantially effect interstate commerce. Likewise, there is no threat that formation of Community Associations under state law, even if repeated, would have a substantial effect on interstate commerce. The mere formation of a Community Association, which the CTA seeks to regulate, is a ministerial and non-economic act that has no substantial economic effect on interstate commerce.

The CTA is also not a valid exercise of Congress's Commerce Clause power because, as in *Lopez*, it has no express jurisdictional element that shows the "requisite nexus with interstate commerce." *Lopez*, 514 U.S. at 562 (citing *United States v. Bass*, 404 U.S. 336, 357 (1995)). Here, the CTA applies to entities that are "created by the filing of a document with a secretary of state[.]" 31 U.S.C. § 5336(a)(11). Again, there is no requirement that any such entities even engage in commercial activity before the CTA applies. As such, the CTA lacks any "jurisdictional element which would ensure, through case-by-case inquiry, that the [activity] in question affects interstate commerce," thus limiting "its reach to a discrete set of [activities] that additionally have an explicit connection with or effect on interstate commerce. *Lopez*, 514 U.S. at 561-62.

## **2. The CTA was not passed pursuant to Congress's Taxing Power and the Necessary and Proper Clause.**

The CTA is also not a constitutional exercise of Congress's Taxing Power pursuant to the Necessary and Proper Clause. Under U.S. Const. Art. I, § 8, cl. 1; Amend. XVI, Congress has the

power to “lay and collect taxes.” Under the Necessary and Proper Clause, Congress is authorized to “make all Laws which shall be necessary and proper for carrying into Execution the foregoing Powers.” Art. I, § 8, cl. 18. While the Necessary and Proper Clause “gives Congress authority to legislate on that vast mass of incidental powers which must be involved in the constitution, it does not license the exercise of any great substantive and independent powers beyond those specifically enumerated.” *Nat’l Federation of Independent Business (NFIB) v. Sebelius*, 567 U.S. 519, 559 (2012) (citations omitted). Congress’s “exercises of authority” under the Necessary and Proper Clause must be “derivative of, and in service to, a granted power.” *Id.* at 521 (citing *United States v. Comstock*, 560 U.S. 126, 130 (1949)). Any laws that compromise “essential attributes of state sovereignty” will be struck down as unconstitutional. *Id.* at 559-60.

Here, Congress can find no authority pursuant to its Taxing Power and the Necessary and Proper Clause to justify the CTA. First, the CTA imposes civil penalties, which are not a tax. *See NSBU v. Yellen*, 5:22-cv-1448-LCB (N.D. Ala. 2024); 2024 WL 899372; *NFIB*, 567 U.S. at 564. The CTA also includes a “scienter requirement” which is “typical of punitive statutes, not taxes.” *Id.* Second, the CTA has nothing whatsoever to do with collecting federal income taxes; it exists solely to collect personal identifying information from individuals that will be used to investigate and prosecute financial crimes.

### **3. The CTA was not passed pursuant to Congress’s Foreign Affairs Powers and the Necessary and Proper Clause.**

Nor could the CTA be deemed a proper exercise of Congress’s Foreign Affairs Power. Under Congress’s Foreign Affairs Power, U.S. Const. Art. 1, § 8 & Art. II, § 2, “[t]he conduct of the foreign relations of our government is committed by the Constitution to the executive and legislative—the political—departments of the government.” *Oetjen v. Cent. Leather Co.*, 246 U.S. 297, 302 (1918). However, this power, “like every other governmental power, must be

exercised in subordination to the applicable provisions of the Constitution.” *United States v. Curtiss-Wright Export Corp.*, 299 U.S. 304, 320 (1936).

The CTA was enacted to collect beneficial ownership information because Congress determined that it was “needed to ... protect vital United States national security interests; better enable critical national security, intelligence, and law enforcement efforts to counter money laundering, the financing of terrorism, and other illicit activity; and bring the United States into compliance with international anti-money laundering and countering the financing of terrorism standards.” Beneficial Ownership Information Reporting Requirements, 87 F.R. 594498-01, 59582.

Despite the CTA’s stated purpose of national security, it is beyond Congress’s Foreign Affairs Power because it seeks to regulate the purely intrastate, local activity of entity formation. Congress cannot establish that there is a rational relationship between the CTA’s stated purpose of protecting national security interests and its requirements imposed on State entities that voluntarily incorporate under State law. “Congress is bound by the Constitution’s enumerated powers limitation here, because incorporation is an internal affair. It is blackletter law that ‘[c]orporations are creatures of state law.” *Cort v. Ash*, 422 U.S. 66, 84 (1975); *see also Bond v. United States*, 572 U.S. 844 (2014). To stretch Congress’s Foreign Affairs Powers to the purely intrastate activity of entity formation would be a substantial overreach into the province of the states, which is beyond what is necessary and proper to accomplish the CTA’s stated goals.

Furthermore, because powers not specifically granted to the federal government are reserved to the states, the CTA also violates the Ninth and Tenth Amendments of the Constitution. Community Associations are created and governed strictly by state law. They engage in wholly intrastate, non-commercial activity. Because the federal government seeks to regulate the

formation of Community Associations under state law, the CTA is an unconstitutional usurpation of the states' powers as to them, and Plaintiffs are likely to prevail on their claim that the CTA is unconstitutional, on its face and as applied, because it exceeds the scope of Congress' enumerated powers .

## **II. Plaintiffs will be Irreparably Harmed Absent Injunctive Relief.**

Preliminary injunctive relief is critical to prevent irreparable harm to Plaintiffs. The CTA is set to take effect on December 31, 2024. As demonstrated above, the statute is an unnecessary and unconstitutional intrusion on Community Associations' and Board members' First Amendment freedom to associate and free speech rights and Fourth Amendment rights against unreasonable search and seizure. There is virtually no likelihood that the personal identifying information of volunteer Board members whose primary function is to maintain the common areas of the property will produce information "highly useful in national security, intelligence, and law enforcement agency efforts to detect, prevent, or prosecute money laundering, the financing of terrorism," or other financial crimes. See 31 U.S.C. § 5336(a)(11)(B)(xxiv). Where, as here, Plaintiffs have succeeded in establishing that their constitutional rights are being threatened or violated, a finding of irreparable harm is required. *Elrod v. Burns*, 427 U.S. 347, 373 (1976).

Additionally, without immediate relief on their claims, Community Associations will see an immediate mass resignation of their volunteer Board members opposed to providing their personal identifying information, including photo identification, to FinCEN—and potentially other foreign and domestic government agencies—for law enforcement purposes. If they remain on the Board, they will subject themselves and the Association to civil and criminal liability for any non-compliance with the BOI reporting requirements. Nor are any other already-reluctant homeowners likely to volunteer for these positions. Given the severe penalties Board members face for running afoul of the CTA—personally or as inflicted on the Association—it simply is not worth the risk

these volunteers would absorb. Without the requisite number of Board members, Community Associations will cease to operate as required by state law, which may force them into receivership at great disruption and cost to these nonprofit organizations for no discernible benefit to the CTA's objectives. Exh. A-1, ¶ 24; Exh. A-2, ¶ 22; Exh. A-3, ¶ 16; Exh. A-4, ¶ 16; Exh. A-5, ¶ 20; Exh. A-6, ¶ 38. This irreparable harm is neither speculative nor remote, but is actual and imminent. *See United States v. W. T. Grant Co.*, 345 U.S. 629, 633 (1953).

Congress has long recognized the significant deterrent effect personal liability has on volunteerism. Nearly thirty years ago, Congress enacted the Volunteer Protection Act to protect against "liability abuses related to volunteers serving nonprofit organizations." 42 U.S.C. § 14501(b). It acknowledged volunteers' "legitimate fears... about frivolous, arbitrary, or capricious lawsuits" and noted that the "willingness of volunteers to offer their services is deterred" by potential liability actions against them. *Id.* § 14501(a)(7)(A), (a)(1). To avoid that risk, volunteers simply withdraw from service or avoid service altogether, thereby diminishing nonprofit groups' valuable impact on their communities because it increases operating costs to hire people to perform the organizations' functions, increases litigation costs, and increases insurance costs. *Id.* § 14501(a)(2), (3), (6).

As noted in Plaintiffs' declarations and in response to CAI's member survey, this very real risk exists today. Volunteer Board members not only risk incurring personal or associational liability for legitimate or inadvertent noncompliance with the CTA's reporting requirements. Exh. A-6, ¶ 36. They also risk having their personal identifying information and photo identification included in FinCEN's database and used for any law-enforcement purpose, by the federal government and other foreign and domestic governments, without fundamental constitutional protections in place to justify the governments' collection of that information or monitor its use.

Exh. A-6, ¶ 35. And as their declarations and other CAI members’ survey responses make clear, these risks far outweigh the noblest desire to volunteer in service to their communities. Exh. A-6, ¶ 38. Because the resulting resignations will prevent Community Associations from operating as state laws require, the harm is irreparable, concrete, and highly likely to occur. *See Air Vac EMS, Inc. v. McVey*, 37 F.4th 89, 103 (4th Cir. 2022) (holding that where a state law would effectively cause a company to shut down, the company demonstrated irreparable harm and was entitled to injunction preventing enforcement of the law).

### **III. The Balance of Hardships Weighs in Plaintiffs’ Favor, and Granting an Injunction Serves the Public Interest.**

The third and fourth prongs for issuing a preliminary injunction—the balance of harms and whether the requested injunction is in the public interest—“merge when the Government is the opposing party.” *Nken v. Holder*, 556 U.S. 418, 435 (2009). Both factors favor Plaintiffs and issuance of the injunction requested by Plaintiffs.

CAI has more than 47,000 members, which include homeowners, board members, association managers, community management firms, and other professionals who provide services to Community Associations. Exh. A-6, ¶ 7. CAI serves more than 75.5 million homeowners who live in more than 365,000 community associations in the United States. Exh. A-6, ¶ 5. These residents constitute roughly 30% of the population of the United States.

Those who participate in Community Associations include an elected Board of volunteer homeowners, as well as other fellow homeowners. Because the CTA is unconstitutional and would effectively cause Community Association operations to cease operating in violation of state law, the balance of equities leans heavily in Plaintiffs’ favor. *Air Vac EMS*, 37 F.4th at 103; *see also BST Holdings, LLC v. OSHA*, 17 F.4th 604, 618 (5th Cir. 2021) (“In contrast, a stay will do OSHA no harm whatsoever. Any interest OSHA may claim in enforcing an unlawful (and likely



unconstitutional) [regulation] is illegitimate”). At the same time, the final prong of the preliminary injunction analysis is met because the public interest is clearly “served by maintaining our constitutional structure.” *BST Holdings*, 17 F.4th at 618.

## CONCLUSION

WHEREFORE, for the foregoing reasons, Plaintiffs respectfully request that this Court grant their Motion for Preliminary Injunction and declare that they and Community Associations are exempt from complying with the CTA and/or enjoin enforcement of the CTA as to them on the ground that it is unconstitutional as applied to them.

Dated: September 10, 2024

Respectfully submitted,

/s/ Brendan Bunn

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*Attorneys for Community Associations  
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# **GROUP EXHIBIT A**

**Index – Group Exhibit A**

<b><u>Exhibit Number</u></b>	<b><u>Exhibit Title</u></b>
Exhibit A-1	Declaration of Senya Ehrstein
Exhibit A-2	Declaration of Nancy Wiegand
Exhibit A-3	Declaration of Nick Kornuta
Exhibit A-4	Declaration of Cheri Heaton
Exhibit A-5	Declaration of Kathi Robinson
Exhibit A-6	Declaration of Thomas M. Skiba

UNITED STATES DISTRICT COURT  
FOR THE EASTERN DISTRICT OF VIRGINIA

_____	)	
COMMUNITY ASSOCIATIONS INSTITUTE,	)	
	)	
Plaintiffs,	)	
	)	
v.	)	Case No. _____
	)	
JANET YELLEN, in her official capacity as the	)	
Secretary of the United States Department of the	)	
Treasury, UNITED STATES DEPARTMENT OF	)	
THE TREASURY, and ANDREA GACKI, in her	)	
official capacity as Director of the Financial Crimes	)	
Enforcement Network,	)	
	)	
Defendants.	)	
_____	)	

**AFFIDAVIT OF SENYA EHRSTEIN**

Now Comes the Affiant, Senya Ehrstein and deposes on oath and states the following:

1. My name is Senya Ehrstein, I own a condominium unit within the Canterbury Crossing Condominium in Holbrook, Massachusetts, which is where I currently reside.
2. I am over eighteen (18) years old, and I am competent to attest to the facts set forth herein.
3. For the last twenty-eight (“28”) years, I have served as Trustee on the Board of Trustees for the Canterbury Crossing Condominium Trust (“Condominium Trust”), which is the organization of unit owners for the Canterbury Crossing Condominium, which is a is a sixty-six (66) unit residential condominium located at 610 S Franklin St., Holbrook, MA. I am currently the Chairperson/President of the Board of Trustees.
4. The Canterbury Crossing Condominium was created by the recording of a Master Deed recorded with the Registered Land Division of the Norfolk County Land Court on November 25, 1986 as document number 138687 and certificate number 7337, pursuant to and in accordance with Massachusetts General Laws, Chapter 183A § 1, et seq.
5. The Declaration of Trust for the Canterbury Crossing Condominium was registered sequentially after the filing of the Master Deed, also on November 25, 1986.

6. Together the Master Deed and Declaration of Trust contain various restrictions, rules and by-laws for the operation of the Condominium.
7. The Condominium Trust is responsible for the maintenance, repair and replacement of the common area of the Condominium, as well as enforcement of the restrictions and rules and regulations of the Condominium. The Condominium Trust also responds to various complaints and concerns lodged by unit owners, on a variety of possible issues. Unit Owners of the Condominium pay monthly assessments based on an annual budget adopted by the Condominium Trust.
8. The Condominium Trust establishes a budget every year for the operation of the Condominium, which includes among other things, the estimated cost for the maintenance and repair of the Condominium common areas, insurance for the property and its operation, as well as reserves for future capital replacement projects, professional fees, etc.
9. Once the budget is established, the unit owners are assessed their proportionate share of common expenses, which are paid monthly. Once received, the Condominium Trust pays vendors and allocates reserves for future capital improvements.
10. The purpose of the Condominium Budgeting process is to ensure the effective maintenance of common areas of the Condominium and to reserve funds for future capital replacements. The Condominium Trust is a not-for-profit entity that owns no real property. The common areas of the property are owned by the unit owners as tenants in common. The Condominium Trust's primary function and reason for its existence is to maintain, repair and replace the common elements of the condominium, as required by Massachusetts General Laws c. 183A § 10(b)(4).
11. In addition to the concerns internal to our community, the Condominium Trust also from time to time has communications and dealings with the Town of Holbrook and the Commonwealth of Massachusetts on matters that touch and concern the Condominium, such as zoning and public health and/or safety matters.
12. The Condominium Trust files its federal tax return under the "homeowners association" designation under Section 528 of the Internal Revenue Code
13. The Condominium Trust is operated by and through its Board of Trustees, which currently consists of myself and four (4) other unit owners.
14. The Board of Trustees for the Canterbury Crossing Condominium Trust are elected by our fellow unit owners to serve a three (3) year term, which terms are staggered to ensure continuity of Board representation. Elections are conducted during the Condominium's annual meeting.

15. The position of Trustee is volunteer in nature (unit owners volunteer to nominate themselves to be elected by their fellow unit owners) and is uncompensated.
16. Unit owners at the Condominium have the legal right to attend all open Board meetings. Many owners do attend to observe our meetings and also to raise the kinds of concerns about our community noted above, which we address during board meetings or the annual meeting.
17. Turnover of the Board of Trustees occurs at least annually in conjunction with elections and sometimes more frequently, due to death, incapacitation, resignation, or the selling of a unit by a member of the current Board. In such situations, an election is held or an appointment of another unit owner is made to maintain the required number of Trustees pursuant to the Declaration of Trust.
18. Every time there is a change in the constituency of the Board, an appropriate certificate identifying the change (sometimes a certificate of resignation but more frequently a certificate of appointment) is recorded at the Registered Land Division of the Norfolk County Land Court, as required by Massachusetts General Laws, Chapter 183A § 8(i).
19. The Condominium's financial information and statements are available to every unit owner on demand, as well as prospective purchasers, and every lender or first mortgagee on a unit pursuant to Massachusetts General Laws, Chapter 183A § 10(c). Financial records are reviewed annually by a certified public accountant.
20. Given the requirements of the Federal Corporate Transparency Act, I am likely to resign as a volunteer Trustee now that I understand I have to provide private information to the Federal Government, including a copy of my Massachusetts driver's license or passport, both of which contain a photograph of my face.
21. I am particularly concerned that the Federal Corporate Transparency Act permits the Federal Government to share my personal information, including a photograph of my face, with other federal and state agencies as well as foreign governments for law enforcement purposes, in most cases without requiring a showing of reasonable suspicion of criminal activity or judicial oversight.
22. I anticipate that the Corporate Transparency Act's filing requirements will result in resignations by other members of our Board of Trustees for the same reasons and will stifle future volunteerism at the Condominium. . Serving as a volunteer on a Condominium Trust in a 66-unit community is time consuming and can often be a thankless task. It is an uncompensated position. Examples of some of the issues that the Condominium Trust deals with on a day to day basis include but are not limited to:
  - a. Complaints about owners or their tenants smoking in the common areas;

- b. Complaints about certain owners being too noisy or a nuisance;
  - c. Unit owners causing damage to other owner's units or the common areas, often times through their toilets;
  - d. Complaints by owners alleging discriminatory treatment;
  - e. Complaints by owners relative to pets or service or emotional support animals;
  - f. Requests by owners for reasonable accommodations due to disability;
  - g. Claims by owners relative to harassment by other owners;
  - h. Processing of insurance claims;
  - i. Issues with vendors; and
  - j. Complaints relative to building or grounds maintenance;
23. Requiring condominium board members to file their private personal information with the Federal Government will discourage rather than encourage participation in our community.
24. Without a functioning Board of Trustees, it is my understanding the Condominium Trust will go into receivership. In my view, this will create instability and inconsistency in the operation of the Board and will impact our Unit Owners.
25. Also, the Corporate Transparency Act's requirement that the Condominium Trust report ongoing changes in the composition of our Board is burdensome and will surely be costly for the Condominium Trust and the Condominium Unit Owners. By way of example only, we do not keep track or record of when fellow board members renew their Massachusetts driver's license, which is a trigger under the Federal Corporate Transparency Act for an amendment to a Trustee's filing an updated beneficial owner report. Under the Act, we will now be required to keep track of when a Trustee's driver's license is set to expire, to ensure that they make their filing, so the rest of us and the organization do not get penalized, fined or imprisoned.
26. It is already difficult for us to recruit volunteers from the Condominium to serve on our Board. The Condominium Trustees have concerns about the significant civil and criminal penalties that could be imposed upon volunteer Trustees or on the Trust itself for violations of the Corporate Transparency Act, which we understand could be as high as \$500 per day or even imprisonment. Penalties and imprisonment by the Federal

Government are far beyond what any of us could have expected as a possibility when volunteering to serve as Condominium Trustees.

27. I am particularly concerned about what could happen if one Trustee deemed to be a “beneficial owner” fails to comply with the Federal Corporate Transparency Act’s filing requirements, as it may subject the other Trustees or the Condominium Trust as an entity to penalties, fines or imprisonment.
  
28. I believe that the reporting requirements of the Corporate Transparency Act will harm the operation of our Condominium Trust in a meaningful way, as it may lead to fewer Trustees than required by our governing documents. The result of this circumstance would result in our Board of Trustees being unable to meet their obligations and responsibilities to maintain the condominium, ultimately leading to a decline in the value of our homes.

SIGNED UNDER THE PAINS AND PENALTIES OF PERJURY THIS    TH DAY OF  
SEPTEMBER, 2024.

DocuSigned by:  
  
434C6A095E9F4F1...  
Senya Ehrstein



UNITED STATES DISTRICT COURT  
FOR THE EASTERN DISTRICT OF VIRGINIA

_____	)	
COMMUNITY ASSOCIATIONS	)	
INSTITUTE	)	
Plaintiff,	)	
	)	
v.	)	
	)	
JANET YELLEN, in her official capacity	)	Case No.: _____
as the Secretary of the United States	)	
Department of the Treasury, UNITED	)	
STATES DEPARTMENT OF THE	)	
TREASURY, and ANDREA GACKI in	)	
her official capacity as Director of	)	
Financial Crimes Enforcement Network,	)	
Defendants.	)	
_____	)	

**DECLARATION OF NANCY WIEGAND**

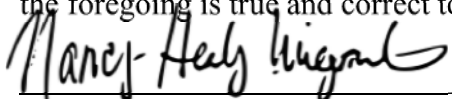
1. My name is Nancy Wiegand, and I reside in Fairfax, Virginia.
2. I am over eighteen (18) years old, and I am competent to attest to the facts set forth herein.
3. Since 2023, I have served on the Board of Directors for the Farrcroft Homeowners Association, Inc. (“Farrcroft”) and currently serve as the Association’s President.
4. Farrcroft is comprised of just under 300 single family homes in suburban Northern Virginia. Farrcroft was created by its developer in 1998 and is located just adjacent to historic Old Town Fairfax in Virginia.
5. In addition to the nearly 300 homes in Farrcroft, the Association owns a historic residence (the Farr House) which houses the Association’s office and is also available to its members for use for meetings and social functions. The Association also owns an outdoor pool and pool house for use by its members and their guests.
6. Farrcroft is a nonstock corporation created by Articles of Incorporation filed by the original developer with the Virginia State Corporation Commission and is also a Property Owners’ Association formed pursuant to the Virginia Property Owners’ Association Act. The Association owns the common area within the community and is charged with maintaining and administering the grounds and common facilities.

7. The Association files its federal tax return under the “homeowners association” designation under Section 228 of the Internal Revenue Code and is a not-for-profit entity.
8. Farrcroft is comprised of a variety of demographic groups, including primarily upper middle class Virginia citizens, with most of the owners in the community living in their homes. The ownership encompasses a range of young families to those who are retired.
9. The Association Board of Directors (“Board”) is the “executive organ” of the Association. The Board is comprised of volunteer directors who own homes within Farrcroft and serve on the Board to “give back” to their community and ensure that it is properly and efficiently run for the lot owners in the community. While the Association itself is an incorporated entity created by a filing with a state agency, all the homes in Farrcroft are subject to a Declaration of Covenants, Conditions, and Restrictions recorded in the local land records division, with lot owners subject to the Declaration by virtue of owning a lot in the community.
10. The Board is responsible for the administering, maintaining, managing and repairing the common area of the Association, as well as enforcement of the restrictions, rules, and regulations of the community. The Board also responds to the various complaints and concerns lodged by homeowners, ranging from issues with the Farr House and pool to concerns about the state of our landscaping and grounds maintenance. Addressing homeowner concerns and complaints is one of the necessities of doing our jobs as volunteer directors. Owners of lots in Farrcroft pay monthly assessments based on an annual budget adopted by the Board of Directors.
11. The Board is comprised of five lot owners, who are elected to their positions by their fellow homeowners. They serve three-year terms, which are staggered based upon when they were elected. Only lot owners in the community serve on the Board. In addition, all lot owners in Farrcroft have the legal right to attend the Board meetings, pursuant to Section 55.1-1816 of the Virginia Property Owners’ Association Act. To provide a mechanism in which to hear lot owners’ concerns or issues, each Board meeting allots time for a residents’ forum.
12. In addition to the concerns internal to our community, the Board of Directors also has ongoing communications with officials from our locality, the City of Fairfax, regarding the status and maintenance of our “public access” trails and streams that run through our Common Area, as well as storm water drainage issues affecting our two ponds. These ponds serve as a repository of all collected sediment that drifts downstream from the common waterway
13. Turnover of the Board occurs at least annually in conjunction with an election held at the Association’s Annual Meeting. Turnover sometimes occurs more frequently if directors resign their positions, sell their homes or due to other circumstances. Currently, when there is a change in the Board’s composition, the Association’s management company notes this fact in the Association meeting minutes and records.

14. By state law (Va. Code Section 55.1-1815) of the Property Owners Association Act, all Farrcroft books and records, including financial records, contracts and audits are available to every lot owner who requests to see them if they are in good standing. Virginia law requires that we provide access within five days of the request.
15. As provided for in our Association Bylaws, our financials are audited annually by an independent public accountant. In addition, the volunteer Board of Directors reviews the financials at each monthly meeting of the Board.
16. Per Article IV, Section 4 of our Association Bylaws, no director is permitted to receive compensation for serving on the Board. The positions are purely volunteer. In addition, Board members serving our community have no different financial stake in Farrcroft than their fellow homeowners. We each own a lot in the community.
17. Given the intrusive requirements of the federal Corporate Transparency Act as applied to Homeowner Associations, I am seriously considering whether to continue to volunteer on my community's Board of Directors. As I understand it, the Act requires that I provide personally identifiable information (PII) to the United States Government, including a copy of my state-issued driver's license, which contains a photograph of my face. Moreover, my PII can be provided upon request to a wide range of other agencies, including foreign governments without my consent.
18. Other Board members have expressed similar concerns about continuing to volunteer on the Board of Directors both because of the requirement of filing of our private information with the Government and the ability for government agencies-- even governments of other countries -- to request access to our personal information, as provided by the Act. In my view, this will create instability and inconsistency in the operation of the Board and will impact our homeowners.
19. The filing requirements will likely stifle the number of people in Farrcroft who will voluntarily serve on future Boards. As our positions are purely voluntary, this makes the filing requirements unduly burdensome.
20. It is already difficult for us to recruit volunteers from the community to serve on our Board. As part of our solicitation for volunteers to run for a position on the Board, we will now have to highlight the requirements of the Corporate Transparency Act. This will only make this situation more difficult, with fewer owners willing to serve given the requirement to upload your private data and the broad information sharing of this data. In addition, our Board has substantial concerns about the significant civil and criminal penalties that could be imposed upon Farrcroft's volunteer directors for violations of the Corporate Transparency Act, which we understand could be as high as \$500 per day or even imprisonment. Again, this kind of civil/criminal risk is far beyond what any of us could have expected as volunteers in our community association.

21. I believe the reporting requirements of the Corporate Transparency Act will harm the operation of our homeowners' association in a meaningful way, perhaps leading to an unstaffed Board of Directors, which I understand could result in receivership for our Association.
  
22. Finally, the intended purpose of the Corporate Transparency Act is to combat money laundering, tax fraud and terrorism financing, given the transparency of our financial records, to include the monthly review at our public meetings, and annual auditing, applying the Corporate Transparency Act to a non-profit HOA run by volunteers is clearly overreach and will be harmful to the effective management of our community.

I hereby declare under the penalty of perjury under the laws of the United States of America that the foregoing is true and correct to the best of my information, knowledge, and belief.



\_\_\_\_\_  
Nancy Wiegand, President  
Farrcroft Homeowners Association, Inc.

\_\_\_\_\_  
Date

UNITED STATES DISTRICT COURT  
FOR THE EASTERN DISTRICT OF VIRGINIA

	)	
COMMUNITY ASSOCIATIONS	)	
INSTITUTE	)	
Plaintiff,	)	
	)	
v.	)	
	)	
JANET YELLEN, in her official capacity	)	Case No.
as the Secretary of the Unit States	)	
Department of the Treasury, UNITED	)	
STATES DEPARTMENT OF THE	)	
TREASURY, and ANDREA GACKI in	)	
her official capacity as Director of	)	
Financial Crimes Enforcement Network,	)	
Defendants.	)	

**DECLARATION OF NICK KORNUTA**

1. My name is Nick Kornuta. I reside at 14534 Basalt Ln., Houston, TX 77077 within the Terraces on Memorial Homeowners Association, Inc. I currently serve in the role of President.
2. I am over eighteen (18) years old, and I am competent to attest to the facts set forth herein.
3. I have served on the Board of Directors for the Terraces on Memorial Homeowners Association, Inc. (“HOA” or “Terraces”) since the Spring of 2009. The primary role of the Board of Directors (Board) is to enforce the Deed Restrictions to maintain the desirability of the community and to keep property values as high as possible for all our residents. One of our roles is reminding residents of the covenants that they agreed to follow when they purchased their homes. The next priority of the Board is to manage and maintain the assets owned by the HOA, which means that they belong to the entire community – all the owners -- in the aggregate.
4. Our community consists of 273 homes in three sections. This community has an attractive central lake that includes a surrounding path for walking and leisure time outdoors. The community is gated, so we must maintain the gates and roads since these features are not managed by the City of Houston. We have a shared amenity relationship with the neighboring property owner’s association whereby we pay them a fee to allow our residents to use their facilities. Those include a tennis court, basketball court, child’s playground, and a swimming pool. These amenities further increase the desirability of our community and add to the overall property values in the eyes of future homeowners.
5. Our community association’s Board is made up of five members. Three of the seats must be comprised of one resident from each of the three sections with the final two members coming from anywhere in the community (also known as our At-Large representatives). This composition is purposeful so that residents from the various sections can convey their unique concerns and so that fair representation can be achieved. The current Board is composed of three women and two men.

6. The volunteer Board members serve two-year terms that are staggered so that an election never results in an entire slate of new individuals, ensuring institutional continuity. Each year at an annual meeting of all members, an election is held where candidates from throughout the community can run for the Board. Neither I nor my fellow volunteer directors receive compensation, as it is expressly prohibited by our governing documents. Furthermore, we are prohibited from providing any services to our HOA for compensation.
7. Terraces on Memorial Homeowners Association's original declaration of covenants, conditions and restricts were initially filed on October 11, 2005, and amended to its final version on November 10, 2005. The Articles of Incorporation were executed on October 4, 2005.
8. The HOA is incorporated in Texas as a nonprofit corporation and is governed under the Texas Property Owners Association Act which requires the election of a volunteer board, access to the HOA financial statements, budget, and other books and records to all homeowners and prospective buyers. Texas statute mandates disclosure of community governing documents and financial statements, filing of management certificates, and additional member transparency mandates. Terraces records a management certificate with Harris County including the following information according to Section 209.04 of the Texas Property Code which requires the management certificate to contain the following information:
  - The name of the subdivision, and the association.
  - The recording data for the subdivision, along with recording data for the declaration and any amendments to the declaration.
  - The name and mailing address of the association.
  - The name, mailing address, telephone number, and e-mail address of the association's designated representative.
  - The web address of any website on which the HOA's dedicatory instruments are available (in accordance with Section 207.006, Texas Property Code).
  - The amount and description of a fee or fees charged by the association relating to a property transfer in the subdivision; and
  - Other information the association considers appropriate.
9. Terraces is responsible for paying all the community's bills, seeking competitive quotes for goods and services and billing residents for the annual fees that fund the HOA's operations. Our HOA has hired a Management Company to carry out our operations under the guidance of the Board. The Board meets monthly, and all decisions are managed through a majority vote. These meetings are held at regular times and announced in advance, as they are open to the membership. The Management Company helps to create minutes of each meeting and those are published on a website for all residents to access.
10. The HOA has an audit done each year by an independent auditor. At each annual meeting, the summary annual financial statement is shared with all community members. Terraces files an annual tax filing with the Internal Revenue Service using form 1120H tax return form as a "homeowners association" under section 528 of the Internal Revenue Code.
11. As President of the HOA, I serve as a representative and Vice President of the City of Houston's Super Neighborhood #17. There are 25-28 homeowners associations within the Super Neighborhood. Super neighborhoods were created to encourage residents of neighboring communities to work together to identify, prioritize and address the needs and concerns of the broader community. This creates a manageable framework for community action and allows the city to provide services more efficiently. The Super Neighborhood program was initially launched

under the city's Planning and Development department. The program was codified in the city's Municipal Code under Chapter 33, ARTICLE VIII.

12. In my role as President of the HOA and VP of the Super Neighborhood, I am engaged in civic duty, meeting regularly with the Houston Police Department, City Council, and Housing Authority. The Super Neighborhood is often the first line of awareness and subsequent communication to city officials on issues like traffic snarls, emergency vehicle throughways, safety related to line painting on streets and roads, tree branch and other debris, etc. Our work is that of the greater good for the greater community, City of Houston, Harris County, and the State of Texas.
13. The filing requirements and penalties under the Corporate Transparency Act causes several concerns. First, prospective volunteer directors will be dissuaded from serving by the necessity to share personal information with the federal government and possibly other state or foreign government agencies. We all know that even government agencies can be vulnerable to a data breach. Second, and not a small issue, the penalties for not correctly reporting or managing one's records are very onerous. Daily fines and prison time are not a desirable potential consequence of holding a volunteer position.
14. Given the Corporate Transparency Act's filing requirements and penalties, I no longer wish to volunteer for this position and expect to see resignations of other members of our Board. As beneficial as volunteering can be, the huge downside risk is palpable and a bit frightening. Even without the Corporate Transparency Act, our HOA has had several periods -- sometimes lasting years -- when we could not seat a full 5-member Board. Volunteers are very hard to find, given how busy people are, and these additional federal reporting requirements could shrink our already tiny pool of potential candidates to 0.
15. If we are actually required to follow this new law, there is also a near 100% likelihood that the Board would have to incur additional expense to hire a third party (either our management company or our attorney or some newly formed special purpose contractor) to manage the validity of every registration as our Board changes over time. And it will certainly change. This will come as an added expense to every homeowner that lives within our HOA.
16. And finally, living in Houston, which lacks true zoning laws, HOAs are the only form of community governance that allows for orderly communities and tidy neighborhoods, particularly gated communities, that do not get regular city services and code enforcement efforts. These new federal requirements will be one more barrier to ensuring that our neighborhoods remain attractive and well managed.

I hereby declare under the penalty of perjury under the laws of the United States of America that the foregoing is true and correct to the best of my information, knowledge, and belief.

\_\_\_\_\_  
Nick Kornuta, President  
Terraces on Memorial Homeowners Association, Inc.

\_\_\_\_\_  
Date

UNITED STATES DISTRICT COURT  
FOR THE EASTERN DISTRICT OF VIRGINIA

_____	)	
COMMUNITY ASSOCIATIONS	)	
INSTITUTE	)	
Plaintiff,	)	
	)	
v.	)	
	)	
JANET YELLEN, in her official capacity	)	Case No.
as the Secretary of the Unit States	)	
Department of the Treasury, UNITED	)	
STATES DEPARTMENT OF THE	)	
TREASURY, and ANDREA GACKI in	)	
her official capacity as Director of	)	
Financial Crimes Enforcement Network,	)	
Defendants.	)	
_____	)	

**DECLARATION OF CHERI HEATON,**  
**BOARD PRESIDENT, TOWNHOUSE GREEN COOPERATIVE**

1. My name is Cheri Heaton, and I reside in Clinton Township, Michigan
2. I am over eighteen (18) years old, and I am competent to attest to and confirm the facts set forth herein.
3. Since 2015, I have served as vice president, secretary, and now President of the Townhouse Green Cooperative (“the Cooperative”).
4. Townhouse Green Cooperative was established in 1968 as a housing cooperative, located in Clinton Township, Michigan. There are 255 townhome units in the community. The deed and articles of incorporation for the Cooperative are dated June 25, 1968. Townhouse Green Cooperative is a wonderful community with magnificent appeal and character and is one of the charter community members of the affordable housing movement in Michigan. The front courtyards and expansive recreational facility of our community create a peaceful and homey environment for our members and residents.
5. Townhouse Green Cooperative is a Michigan not-for profit corporation and operates accordingly. Organized under Michigan Statute 125.1473 Consumer housing cooperative; articles of incorporation.

Sec. 73. In addition to other requirements of law, the articles of incorporation of a consumer housing cooperative shall provide all of the following:



(a) That the consumer housing cooperative has been organized exclusively to provide authority-aided housing facilities for persons of low and moderate income, or for persons whose income does not exceed limits established in this act, and for social, recreational, commercial, and communal facilities necessary to serve and improve a residential area in which authority-aided or federally-aided housing is located or is planned to be located thereby enhancing the viability of the housing or that the consumer housing cooperative has been organized to provide nonauthority aided housing for persons of low and moderate income or persons whose income does not exceed limits established in this act, and at least 50% of the cooperative's assets are in housing with the remaining assets being utilized to meet other consumer needs.

An owner's membership certificate represents one share of stock in the Corporation and is bought and sold like other shares of stock in a corporation but with one critical difference: any outgoing member sells the membership certificate to the incoming member. The Certificate of Stock (Membership Certificate) entitles that member to live within a specific unit under a renewing lease arrangement, which roughly is equivalent to owning a home. When the share of stock is sold, the Membership Certificate transfers to the incoming member for the designated resale fee, with the new incoming member now able to reside in the unit.

6. Owners of shares of stock in Townhouse Green Cooperative entitles those owners to one vote in deciding issues facing the Cooperative, as well as to live here and participate in the Board Meetings. Like other community associations, the Board of our cooperative is responsible for arranging for the maintenance of the building exterior, hot water heaters, plumbing and electrical wiring, all of which benefit the members and residents of the Cooperative. The Cooperative also maintains the common areas used by our residents, such as lawns, trees and shrubs, the parking lots, etc. Of course, each resident is encouraged to landscape their area near their home and to keep a beautiful, well-groomed lawn.
7. Townhouse Green Cooperative is a self-governing body where the member/shareholders help to set the rules, guidelines and limitations related to residency. Members are expected to read and follow the rules. Members are also encouraged to become active in some phase of our "volunteer" programs. Fortunately, the Cooperative thrives on the talents and ideas of our members, and our "carrying charges" (the assessed dues that pay for our common expenses) are considerably less than rent or house payments because of the "gift" of members who volunteer to serve the Cooperative. Along with these things also comes a pride of ownership.
8. Townhouse Green Cooperative files annual tax form 1120-C.
9. The community is comprised of various groups of owners, many of whom are over 50 years old and are generally middle class.

10. The Board is comprised of five shareholders, who are elected to their positions by their fellow shareholders. They serve three-year terms and are volunteers. The State of Michigan requires that a Board be established for the Cooperative, with only members serving on the Board.
11. As with most other community associations, turnover on our Board occurs at least annually in conjunction with elections. This sometimes occurs more frequently, if a board member resigns or sells their share.
12. Our financial reports are completed monthly by our management company and reviewed by the Board. There is also an annual audit carried out by a CPA, and copies of the annual audited financial statements, and other books and records; including budget and meeting minutes are available to all shareholders.
13. Neither I, nor my fellow board members are compensated to run our housing cooperative, as it is a volunteer position.
14. Unlike a traditional corporation or limited liability company, the Board members have no different financial stake in Townhouse Green than their fellow shareholders. We all own shares that entitle us to reside in the Cooperative.
15. Given the CTA's filing requirements and penalties, I no longer wish to serve in this volunteer position. With the filing requirements, I understand that I have to provide personal and private information to a database of the United States Government. With the penalties, I understand that I could be civilly or criminally prosecuted if I or another Board member make a mistake in failing to update our filing. This is too big a burden to bear given that we are just volunteers trying to make our community better.
16. The CTA's filing requirements and penalties will result in resignations of other members of our Board, will create instability and inconsistency in the operation of the Board, and will negatively impact our shareholders and our community. It is already difficult to find five GOOD volunteers to take on the responsibility of running a cooperative, and the CTA will only make this more difficult and lead to dire consequences for our nonprofit Cooperative.

I hereby declare under the penalty of perjury under the laws of the United States of America that the foregoing is true and correct to the best of my information, knowledge, and belief.

*Cheri Heaton*

Cheri Heaton, Board President  
Townhouse Green Cooperative

\_\_\_\_\_  
Date

UNITED STATES DISTRICT COURT  
FOR THE EASTERN DISTRICT OF VIRGINIA

_____	)	
COMMUNITY ASSOCIATIONS	)	
INSTITUTE	)	
Plaintiff,	)	
	)	
v.	)	
	)	
JANET YELLEN, in her official capacity	)	Case No.: _____
as the Secretary of the United States	)	
Department of the Treasury, UNITED	)	
STATES DEPARTMENT OF THE	)	
TREASURY, and ANDREA GACKI in	)	
her official capacity as Director of	)	
Financial Crimes Enforcement Network,	)	
Defendants.	)	
_____	)	

**DECLARATION OF KATHI ROBINSON**

1. My name is Kathi Robinson, and I reside in Ashburn, Virginia.
2. I am over eighteen (18) years old, and I am competent to attest to the facts set forth herein.
3. Since 2022, I have served on the Board of Directors for the Regency at Ashburn Greenbrier Condominium Unit Owners Association (“Greenbrier”) and currently serve as the Association’s President.
4. Greenbrier is a 55-and-older active adult community developed by national builder Toll Brothers. It is comprised of 142 condominium units in Loudoun County, Virginia. Greenbrier was created by its developer in 2017 and is part of a larger adult community called Regency at Ashburn Community Association, which has a pool and clubhouse.
5. The owners in our condominium are comprised primarily of retired Americans who have “downsized” from a single-family homes so we could take advantage of condominium-style living, with the Association maintaining the grounds and exterior of our homes, leaving us free to pursue our hobbies, volunteer in our communities and enjoy our lives.
6. Greenbrier is an unincorporated condominium association created by the filing of a Declaration in Loudoun County land records and is a condominium association created pursuant to the Virginia Condominium Act. The Association manages, administers and

maintains the common elements within the community and enforces the rules and regulations that binds all of us as owners in the complex.

7. The Association files its federal tax return under the “homeowners association” designation under Section 528 of the Internal Revenue Code and is a not-for-profit entity.
8. The Association’s Board of Directors (“Board”) is the elected governing body of our Association, also known as an “executive organ” under the Virginia Condominium Act. Our Board is made up of volunteers who own units at Greenbrier and is comprised of owners with a variety of skills and backgrounds. In essence, we volunteers are trying to give back to our community.
9. Our Greenbrier Board is responsible for the maintaining, managing and repairing the common elements of the Association, as well as enforcement of the restrictions, rules, and regulations of the community. We also respond to complaints and concerns raised by our residents, ranging from the types of plantings our landscapers use to leaks that sometimes occur between units. While these responsibilities are difficult enough given that we are volunteers, it is part of our fiduciary duty to our members, all of whom pay monthly assessments based on an annual budget adopted by the Board of Directors.
10. The Board is made up of five unit owners, who are elected by the homeowners. We serve two-year terms depending when we were elected. In addition, all unit owners in Greenbrier have the legal right to attend our open Board meetings, pursuant to Section 55.1-1949 of the Virginia Condominium Act. Our BOD meeting agenda always has a Homeowner’s Open Forum at the beginning and end of every meeting – also a legal requirement – to hear owners’ concerns or issues at each Board meeting.
11. In addition to the concerns wholly internal to our community, the Board also has regular communications with officials from Loudoun County and a neighboring association regarding the status the trail system that runs through our community. In addition, we worked closely with our local County officials regarding the bond release process when our developer was trying to finish our development.
12. Our Board turns over at least annually in conjunction with our Annual Meeting and election. Turnover sometimes happens more often if directors resign their positions (or have health issues, not uncommon in a retirement community). Currently, when there is a change in the Board roster or any of our committees, the Association’s management company notifies all residents at the beginning of each month. Our board Secretary will note these changes in our meeting minutes and records.
13. By state law (Va. Code Section 55.1-1945) of the Virginia Condominium Act), all Greenbrier books and records (financial records, contracts, audits, invoices, etc.) are available to every unit owner who requests to see them if they are in good standing. Virginia law requires that we provide access within five days of the request. Our governing documents, budget, and all Para.12 announcements can be downloaded by residents from our community website, TownSq.io

14. As provided for in our Bylaws, our financial accounts are audited annually by an independent public accountant. In addition, the volunteer Board of Directors reviews the financial, including our expenditures and income, at each monthly meeting. Owners also can review that information at the same meeting.
15. Per Section 3.9 of our Bylaws, no directors are permitted to receive compensation for serving on the Board. The positions are purely volunteer, with our Board members having no different financial stake in Greenbrier than their fellow homeowners. We each own a unit in the community.
16. Given the requirements of the federal Corporate Transparency Act as applied to condo associations, I and other members of my Board are unlikely to continue volunteering on my community's Board of Directors. As I understand it, the Act requires that I provide personally identifiable information (PII) to the United States Government, including a copy of my state-issued driver's license, which contains a photograph of my face. Moreover, my PII can be provided upon request to a wide range of other agencies for law enforcement purposes, including foreign governments without my consent.
17. I believe the Corporate Transparency Act's requirements will result in resignations by members of our Board of Directors. This is due to the requirement of furnishing our private information with the federal government, not to mention the fact that various individuals are able to request access to our personal information, as provided by the CTA. The resulting reduction of volunteerism in our community could prove devastating for Greenbrier, as we are retired Americans who are in no way interested in sharing so much personal data with the world. Our recent election was the first time in 4 years that we have finally had a full board. We recently amended our bylaws to reduce the director's term from three years to two.
18. I also believe the filing requirements will reduce the number of owners who will voluntarily serve on future Boards. Our positions are purely volunteer, yet these filing requirements are burdensome and intrusive. Again, trying to convince our neighbors to run for a Director's seat has been less than satisfactory. In the four years I have lived here, we have never had more nominees than seats we needed to fill.
19. As part of our internal process for solicitation of volunteers to run for the Board, we will have no choice but to highlight the requirements of the Corporate Transparency Act. We anticipate very few owners will be willing to serve given the requirement to upload so much private data. My Board also has concerns about the significant penalties (civil and criminal) that could be imposed upon Greenbrier volunteer directors for violations of the Corporate Transparency Act, which we understand could be as high as \$500 per day or even imprisonment. This risk is far beyond what any of us could have expected as volunteers in our community association.

20. The reporting requirements of the Corporate Transparency Act will harm the operation of our homeowners' association in a meaningful way, perhaps leading to an unstaffed Board of Directors, which I understand could result in receivership for our Association.

21. Finally, we do understand that the intended purpose of the CTA is to combat money laundering and terrorism financing. However, given the transparency of our financial records, including monthly review at meetings (open to the membership), as well as our annual audit, the CTA's applicability to a non-profit condo association run by volunteers is clearly overreach and will be harmful to the effective management of our community.

I hereby declare under the penalty of perjury under the laws of the United States of America that the foregoing is true and correct to the best of my information, knowledge, and belief.

Signed by: Kathi H Robinson 9/9/2024  
Kathi Robinson, President Date  
Regency at Ashburn Greenbrier Condominium  
Unit Owners Association

UNITED STATES DISTRICT COURT  
FOR THE EASTERN DISTRICT OF VIRGINIA

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COMMUNITY ASSOCIATIONS	)
INSTITUTE	)
Plaintiff,	)
	)
v.	)
	)
JANET YELLEN, in her official capacity	)
as the Secretary of the Unit States	)
Department of the Treasury, UNITED	)
STATES DEPARTMENT OF THE	)
TREASURY, and ANDREA GACKI in	)
her official capacity as Director of	)
Financial Crimes Enforcement Network,	)
Defendants.	)
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Case No.

**DECLARATION OF THOMAS M. SKIBA**

1. My name is Thomas M. Skiba, and I reside in Alexandria, VA.
2. I am over eighteen (18) years old and I am competent to attest to the facts set forth herein.
3. Since 2002, I have served as the Chief Executive Officer for Community Associations Institute (“CAI”).
4. CAI is an international membership organization dedicated to building better communities through supporting and educating residents who live in communities with homeowners associations, condominium associations, cooperatives, trusts, and other planned communities (collectively, “Community Associations”).
5. In total, there are more than 365,000 Community Associations in America, with more than 75.5 million Americans residing in these Community Associations. All Community Associations strive to preserve the nature and character of the community, provide services and amenities to residents, protect property values, and meet established expectations of the other homeowners in their communities.
6. CAI’s members include Community Association Board members and other homeowner leaders, community managers, association management firms, and other professionals who provide products and services to associations.
7. CAI currently has more than 47,000 members representing Community Associations across the country.

8. The typical Community Association is governed by an all-volunteer Board of residents elected by their fellow homeowners to manage the Association and its finances, operate and maintain the common areas of the property, administer the rules and restrictions for the community, set policy, and oversee the professionals and businesses hired to assist in operating and maintaining the property.
9. CAI provides information, education, and resources to the homeowner volunteers who serve on Community Association Boards and the professionals who support them.
10. CAI has created information and learning centers and other educational resources to assist Community Association members in running their respective communities effectively and efficiently.
11. Among these resources is a Toolkit that provides Community Association members with guidance on recruiting and retaining volunteers to serve on boards and committees. Recruiting volunteers for Board service has long been a challenge for Community Associations due to the fact that these are time-consuming unpaid positions that sometimes requires volunteers to handle unpleasant tasks, like resolving disputes between residents.
12. CAI also assists Community Association members in their efforts to advocate effectively for issues that directly impact their communities at the federal, state, and local levels.
13. CAI compiles information on state and federal legislation that impacts Community Associations. Members can monitor that legislation through the Legislative and Policy Tracking Map on CAI's website. The Legislative and Policy Tracking Map is updated daily with new legislation and updates on pending legislation to ensure CAI members have the most current information available to assist them in their local advocacy efforts.
14. Advocacy efforts typically involve issues related to risk management, disaster response and recovery, building safety, and environmental sustainability.
15. Over the past year, CAI and its members have been intently focused on the Corporate Transparency Act ("CTA") because of the devastating impact it will have on volunteerism in Community Associations throughout the country and their ability to carry on as functioning entities for the benefit of their communities.
16. The CTA is designed to "prevent and combat money laundering, terrorist financing, corruption, tax fraud, and other illicit activity," which is often accomplished through the use of shell corporations and other methods of concealment that are incompatible with state laws and guidelines that govern Community Association operations. *See* Federal Register, "Beneficial Ownership Information Reporting Requirements."<sup>1</sup>

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<sup>1</sup> Available at <https://www.federalregister.gov/documents/2022/09/30/2022-21020/beneficial-ownership-information-reporting-requirements> (last accessed September 9, 2024).



17. The CTA applies to any “reporting company,” which is an entity that was simply “created by the filing of a document with a secretary of state” or similar office. 31 U.S.C. § 5336(a)(11)(A).
18. Any “beneficial owner” of the reporting company must file “beneficial ownership information reports” (“BOI reports”) with the Financial Crimes Enforcement Network (“FinCEN”), the law enforcement arm of the U.S. Department of Treasury. 31 U.S.C. § 5336(b)(2).
19. A “beneficial owner” is defined as an individual who “directly or indirectly, through any contract, arrangement, understanding, relationship, or otherwise (i) exercises substantial control over the entity; or (ii) owns or controls not less than 25 percent of the ownership interests of the entity.” 31 U.S.C. § 5336(a)(3)(A).
20. BOI reports require individuals to disclose personal identifying information, including their full legal name, address, date of birth, and a “unique identifying number,” such as a driver’s license or passport number, along with a photograph of that document that includes the individual’s photograph. 31 U.S.C. § 5336(b)(2). The information will be stored in a federal government database for at least five years after dissolution of the reporting company, which, for Community Associations, is more or less indefinitely. 31 U.S.C. § 5336(c)(1). Failure to comply with the reporting requirements results in steep civil penalties of \$500 per day and/or criminal penalties of a \$10,000 fine and up to two years’ imprisonment, or both. 31 U.S.C. § 5336(h)(3)(A).
21. Under the CTA, FinCEN can disclose personal identifying information obtained through BOI reports to any federal national security, intelligence, or law enforcement agency upon request. There is no requirement that the request be related to enforcement of the CTA. 31 U.S.C. § 5336(c)(2)(B)(i)(I).
22. FinCEN may disclose personal identifying information to state, local, or Tribal law enforcement agencies for use in any criminal or civil investigation, with no requirement if authorized by a court of competent jurisdiction or an officer of the court. 31 U.S.C. § 5336(c)(2)(B)(i)(II). Again, there is no requirement that the investigation be related to the CTA.
23. FinCEN may also disclose personal identifying information from BOI reports to a law enforcement agency, prosecutor, or judge of a foreign country under an international treaty, agreement, or convention, or upon request from a “trusted foreign countr[y]” when no treaty, agreement, or convention is available. 31 U.S.C. § 5336(c)(2)(B)(ii).
24. Community Associations do not operate like the traditional corporations and small businesses that are the focus of the CTA’s regulations. They are volunteer-run, non-profit entities created and regulated by state law that serve primarily to manage the maintenance and operating expenses for the common elements of the community, which are funded through pro rata contributions collected from fellow homeowners.

25. Community Associations are required by state law to allow any resident to inspect their books and records on request. Some states even require that financial records be audited or inspected by an independent auditor on an annual basis.
26. Community Associations also provide financial data to prospective homebuyers and their lenders as an industry standard to demonstrate the financial strength of the organization, which is correlated with home value.
27. These transparency and accountability practices, which are either state-mandated or industry-standard, put Community Associations at a very low risk of engaging in the types of financial crimes that are the subject of the CTA.
28. FinCEN, Treasury, and other relevant agencies have publicly recognized that the “vast majority” of domestic nonprofit organizations (“NPOs”) “face little or no risk” of being used in terrorist financing schemes, for example, because of their due diligence in practicing transparency and accountability measures. 2024 National Terrorist Financing Risk Assessment, p. 23-24.<sup>2</sup>
29. Indeed, nonprofit organizations that are tax exempt under section 501(c) of the Internal Revenue Code are exempt from the CTA’s reporting requirements (“NPO Exception”). 31 U.S.C. § 5336(a)(11)(B)(xix).
30. Most Community Associations are also tax-exempt, nonprofit organizations organized under section 528 of the Internal Revenue Code applicable to “certain homeowners associations.” Under that section, a homeowners association “shall be considered an organization exempt from income taxes for the purpose of any law which refers to organizations exempt from income taxes.” 26 U.S.C. § 528.
31. In December 2023, CAI requested that FinCEN recognize Community Associations under the NPO Exception or under the “catch-all” provision that exempts entities where the collection of BOI information would not serve the public interest and would not be highly useful in national security, intelligence, and law enforcement efforts to detect, prevent, or prosecute the financial crimes targeted by the CTA.
32. CAI’s rationale for this request was clear: applying the CTA’s unduly burdensome reporting requirements on Community Associations, and subjecting them and their unpaid volunteer Board members to the significant civil and criminal penalties, will cause the mass resignation of sitting Board members and deter other already-reluctant residents to volunteer for Board service.
33. FinCEN did not respond to our request, but instead, issued FAQs confirming that Community Associations are reporting companies under the CTA and defining who their beneficial owners are.

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<sup>2</sup> Available at: <https://home.treasury.gov/system/files/136/2024-National-Terrorist-Financing-Risk-Assessment.pdf> (last accessed Sept. 9, 2024).

34. In August of 2024, CAI released a survey to its Community Association members to gather data on the effect the CTA is having on their communities. More than 850 CAI members, overwhelmingly sitting Board members, responded to the survey.
35. Sixty percent of those who responded reported being somewhat or very uncomfortable furnishing their personal identifying information to FinCEN in BOI reports. Over 70% of respondents reported being somewhat or very uncomfortable with how FinCEN is permitted to use their personal identifying information.
36. Members cited the following specific concerns about the CTA's reporting requirements, among others:
- a. Potential legal consequences for the Association or for Board members personally (79%);
  - b. Providing personal identifying information to be stored in a federal government database (77%);
  - c. Potential data breach or identity theft (76%);
  - d. Ongoing recordkeeping requirements and impact on business operations (69%);
  - e. Compliance concerns due to complicated and/or ambiguous reporting requirements (66%);
  - f. Financial penalties and increased compliance costs (64%).
37. Each of these concerns demonstrates the critical impact the CTA filing requirements will have on Community Associations and their ability to function. Significantly, 80% of respondents said they believe the BOI filing requirements will cause Board members to resign, and 88% believe the BOI filing requirements will affect their ability to recruit volunteers for future Board service. Twenty-two percent of respondents said they would not have the requisite number of Board members to serve in needed roles after the CTA takes effect on January 1, 2025; another 50% said they were unsure whether they could fill all necessary roles.
38. The survey data makes clear that the disclosure of sensitive personal information that can be shared among federal, state, and foreign law enforcement agencies, and the personal risk of incurring civil or criminal penalties for failing to disclose that information will cause Board members to resign and deter already-reluctant homeowners from volunteering for future Board service. Without functioning Boards, Community Associations will not be able to fulfill their statutory obligations to homeowners; some may even fall into receivership. The CTA will cause great harm to Community Associations nationwide.

I hereby declare under the penalty of perjury under the laws of the United States of America that the foregoing is true and correct to the best of my information, knowledge, and belief.

Thomas M. Skiba  
Thomas M. Skiba, CEO  
Community Associations Institute

Digitally signed by  
Thomas M. Skiba  
Date: 2024.09.09  
17:17:18 -04'00'

\_\_\_\_\_  
Date

# **EXHIBIT B**



Vishnu Sharma, CPA, CFE  
2023 President  
Sharma & Associates  
Ft. Lauderdale, FL

Jeevan J. D'Mello, CMCA, AMS,  
LMS, PCAM  
President-Elect  
Zenesis Corporation  
Dubai, UAE

Jessica M. Towles, CMCA, AMS, PCAM  
Immediate Past President  
CCMC, Littleton, CO

Peter Kristian, CMCA, LSM, PCAM  
Chairman  
Government & Public Affairs Committee  
Hilton Head Plantation—General  
Manager  
Hilton Head Island, SC

Ronald L. Perl, Esq.  
Chairman  
Federal Legislative Action Committee  
Hill Wallack, LLP  
Princeton, NJ

Thomas M. Skiba, CAE  
Chief Executive Officer

Dawn M. Bauman, CAE  
Chief Strategy Officer  
Executive Director

6402 Arlington Blvd.  
Suite 500  
Falls Church, VA 22042  
888.224.4321  
www.caionline.org

December 28, 2023

The Honorable Janet Yellen  
Secretary  
U.S. Department of Treasury  
1500 Pennsylvania Avenue, NW  
Washington, DC 20220

Ms. Andrea Gacki  
Director  
Financial Crimes Enforcement Network  
2070 Chain Bridge Road  
Vienna, VA 22182

Subject: Request for Exemption from Beneficial Ownership Interest Reporting under the Corporate Transparency Act and Anti-Money Laundering Act of 2021

Dear Secretary Yellen and Director Gacki:

I am writing to you on behalf of Community Associations Institute (CAI), the only national entity representing condominium associations, homeowners associations, and housing cooperatives across the United States. As we navigate implementation of the Corporate Transparency Act (CTA) and Anti-Money Laundering (AML) Act of 2021, we respectfully request an exemption for community associations from the beneficial ownership interest reporting requirements outlined in the legislation.

According to the Foundation for Community Association Research, the authoritative source in our field, there are approximately 70.1 million Americans residing in more than 355,000 community associations nationwide. These associations range from two-unit condominiums to large-scale associations with thousands of homes. The majority of these associations have fewer than 50 homeowners and are self-managed by volunteers who are not aware of their obligations under the statute.<sup>1</sup>

We acknowledge the importance of transparency and accountability in financial transactions, and we firmly believe community associations are inherently low-risk entities for money laundering and terrorist activities. The Department of the Treasury has acknowledged this in its statement, explicitly stating that local and regional nonprofits, which closely align with our member associations, pose a low risk in these areas.

<sup>1</sup> Source: Foundation for Community Association Research. "Community Association Fact Book 2022."  
<https://www.caionline.org/about/research/Documents/2022%20Fact%20Book.pdf>

**Page 2 – Community Associations Institute (CAI)  
Community association exemption request from BOI**

When you consider creating exemptions under CTA and AML, you must consider the financial model of a community association. Given the source and use of funds for community associations, there is no risk of terrorist activity and money laundering.<sup>2</sup>

- Community associations are usually organized as nonprofit, nonstock corporations in the state or statutorily authorized unincorporated associations. They usually do not qualify for a nonprofit tax determination by the IRS under Section 501(c) of the tax code. Instead, they typically file using Form 528/1120-H for homeowners associations. Which is a specific tax code form for community associations with a control in place very similar to the 501© status of the tax code.
- The community association is comprised of owners in a community. The owners each pay their fair share of the association's expenses through assessments. Assessments are determined by a budget adopted by an elected board of directors. The assessments are essentially the community association's only source of income. The only other income is typically minimal and generated by user fees and fines for violating the community's covenants.
- Assessments are like property taxes. They pay for the services delivered by the community including trash and snow removal, street maintenance, lighting, insurance, recreation facilities, stormwater management, landscaping, and more.
- Association expenses are usually fixed costs spent on contracts like trash removal, elevator maintenance, roof maintenance, landscaping, street maintenance, insurance, and payment for maintenance and repair of other amenities.
- Assessments also pay for services of licensed attorneys and CPAs who assist association boards in legal and financial compliance.
- The board of directors of a community association cannot collect assessments or make expenditures not authorized by the recorded covenants for their community.

Thus, it is obvious community associations are not a viable vehicle for terrorist activities or money laundering and should be exempted from the CTA and AML requirements.

Furthermore, the legislation explicitly outlines 23 exemptions from reporting requirements. One of which is granted to IRS tax-exempt organizations. Community associations operate like tax-exempt entities—with many small assessments and constrained expenditures. Consequently, we contend our members should be extended the same exemption afforded to tax-exempt organizations as outlined in the law. The specific exemptions language from the Corporate Transparency Act is outlined in section 6203(b)(6)(E).<sup>3</sup>

The legislation explicitly exempts entities that exercise governmental authority. Community associations, while private, exist primarily to govern common interest communities. They are providers of essential services similar to local governments. We respectfully suggest it makes sense to treat community associations like other entities that exercise governmental authority.

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<sup>2</sup> Department of the Treasury. "Anti-Money Laundering and Countering the Financing of Terrorism (AML/CFT) Programs; Effectiveness." [https://home.treasury.gov/system/files/126/20180511\\_SAR\\_AboutUs.pdf](https://home.treasury.gov/system/files/126/20180511_SAR_AboutUs.pdf)

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<sup>3</sup> Corporate Transparency Act. Section 6203(b)(6)(E). <https://www.congress.gov/bill/116th-congress/house-bill/2513/text>

**Page 3 – Community Associations Institute (CAI)  
Community association exemption request from BOI**

Another reason to grant an exemption is the redundancy of the information collection process. Community associations already furnish detailed information on their board members as part of annual tax or other statutory filings. Mandating an additional layer of reporting creates an unnecessary burden on these associations, especially for smaller associations that are self managed by volunteers.

The Foundation for Community Association Research estimates 2.5 million volunteer leaders serving on their community board of directors will be affected by this burdensome reporting requirement. This number is so large because directors of a community association may change every year.

Those who govern community associations are not investors and serve without any remuneration. We fear complying with this reporting requirement may stifle volunteerism and expose volunteers to civil and criminal penalties. Why should an unpaid volunteer subject themselves to the risk of liability? That risk will exacerbate the ongoing problem of finding volunteers to serve on community association boards. Reporting burdens are magnified by requirements in the CTA that updates be filed within 30 days of any changes to BOI. There is frequent turnover in association board members (beneficial owners) increasing this reporting burden and potential penalties for noncompliance. This impact emphasizes the urgency of our request for an exemption to alleviate the administrative and financial strain on our member associations.

In conclusion, we respectfully urge the Department of the Treasury to exempt community associations from the Corporate Transparency Act and Anti-Money Laundering Act of 2021. The inherent nature of community associations as low-risk entities, coupled with their existing compliance through federal and state filings, underscores the redundancy and impracticality of subjecting them to additional reporting obligations.

We appreciate your time and attention to this matter and welcome the opportunity to engage in further dialogue to address any concerns or provide additional information to aid understanding of the unique position of community associations. Please feel free to contact my colleague, Dawn M. Bauman, CAE, CAI's chief strategy officer at [dbauman@caionline.org](mailto:dbauman@caionline.org) or (703) 867-5588 anytime.

Sincerely,

A handwritten signature in black ink that reads "Thomas M. Skiba". The signature is written in a cursive style with a large, stylized initial 'T'.

Thomas M. Skiba, CAE  
Chief Executive Officer  
Community Associations Institute

# **EXHIBIT C**



118TH CONGRESS  
2D SESSION

# H. R. 9045

To amend title 31, United States Code, to exempt entities subject to taxation under section 528 of the Internal Revenue Code of 1986 from certain beneficial ownership reporting requirements.

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## IN THE HOUSE OF REPRESENTATIVES

JULY 15, 2024

Mr. McCORMICK (for himself, Mr. LOUDERMILK, and Mr. WEBER of Texas) introduced the following bill; which was referred to the Committee on Financial Services

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## A BILL

To amend title 31, United States Code, to exempt entities subject to taxation under section 528 of the Internal Revenue Code of 1986 from certain beneficial ownership reporting requirements.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Community Associa-  
5 tion Reporting Exemption Act”.

6 **SEC. 2. EXEMPTION.**

7 Section 5336(a)(11)(B)(xix) of title 31, United  
8 States Code, is amended—

2

1 (1) in subclause (II), by striking “or” at the  
2 end;

3 (2) in subclause (III), by adding “or” at the  
4 end; and

5 (3) by adding at the end the following:

6 “(IV) entity subject to taxation  
7 under section 528 of the Internal Rev-  
8 enue Code of 1986;”.

○

# **EXHIBIT D**



Financial Crimes Enforcement Network  
U.S. Department of the Treasury

Washington, D.C. 20220

July 25, 2024

Thomas M. Skiba  
Chief Executive Officer  
Community Associations Institute  
6402 Arlington Blvd.  
Suite 500  
Falls Church, VA 22042

Subject: Request for Exemption to the Corporate Transparency Act's Reporting Requirements  
for Certain Community Associations

Dear Mr. Skiba:

Thank you for your letter to the Financial Crimes Enforcement Network (FinCEN) dated December 28, 2023, on behalf of the Community Associations Institute (CAI). Your letter requests an exemption for a category of entities—certain community associations, such as homeowners associations, condominium associations, and housing cooperatives (collectively, “HOAs”)—from the obligation to report beneficial ownership information (“BOI”) to FinCEN under the Corporate Transparency Act (CTA).<sup>1</sup>

As you are aware, FinCEN issued implementing regulations at 31 CFR 1010.380 to implement the BOI reporting requirements of the CTA.<sup>2</sup> Among other things, the regulations set forth the definition of a “reporting company,” and specify what information such entities must report to FinCEN. The regulations also set forth 23 exemptions at 31 CFR 1010.380(c)(2) that describe categories of entities that are not included in the reporting company definition and which, consequently, are not required to report their BOI. These exemptions are closely based on the 23 statutory exemptions enumerated in the CTA.<sup>3</sup>

HOAs are not specifically listed within these exemptions. Therefore, if an HOA otherwise meets the definition of a “reporting company” and does not meet the criteria set out in one of the 23 exemptions, it is required to report BOI to FinCEN under the CTA and its implementing regulations, 31 CFR 1010.380.

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<sup>1</sup> The CTA is Title LXIV of the William M. (Mac) Thornberry National Defense Authorization Act for Fiscal Year 2021, Public Law 116-283 (Jan. 1, 2021). Division F of the NDAA is the Anti-Money Laundering Act of 2020, which includes the CTA at section 6403. The CTA is codified at 31 U.S.C. 5336.

<sup>2</sup> See generally FinCEN, Beneficial Ownership Information Reporting Requirements, 87 FR 59498 (Sept. 30, 2022).

<sup>3</sup> 31 U.S.C. 5336(a)(11)(B).

Thomas M. Skiba

July 25, 2024

Page 2

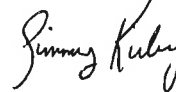
Under the CTA, the Director of FinCEN<sup>4</sup> is authorized to exempt a “class of entities” from the BOI reporting requirements in certain circumstances by excluding them from the definition of a reporting company.<sup>5</sup> In order to exempt a class of entities, the CTA requires the issuance of a regulation by which FinCEN determines that requiring BOI from such entities:

- would not serve the public interest; and
- would not be highly useful in national security, intelligence, and law enforcement agency efforts to detect, prevent, or prosecute money laundering, the financing of terrorism, proliferation finance, serious tax fraud, or other crimes.<sup>6</sup>

The written concurrence of the Attorney General and the Secretary of Homeland Security is also required.

FinCEN is considering your request to exempt a class of HOA entities, pursuant to the above legal requirements. In the meantime, however, as stated previously, unless an entity qualifies for an exemption found at 31 CFR 1010.380(c)(2), it may be considered a reporting company that must report its BOI to FinCEN. Additional information may be found on FinCEN’s BOI website at <https://www.fincen.gov/boi>.

Sincerely,



Jimmy Kirby  
Deputy Director

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<sup>4</sup> The authority of the Secretary of the Treasury to administer the Bank Secrecy Act has been delegated to the Director of FinCEN. Treasury Order 180-01 (Jan. 14, 2020), available at <https://home.treasury.gov/about/general-information/orders-and-directives/treasury-order-180-01>.

<sup>5</sup> 31 U.S.C. 5336(a)(11)(B)(xxiv).

<sup>6</sup> *Id.*

# **EXHIBIT E**



## National State Law Community Association Transparency and Disclosure Requirements

Updated September 9, 2024

**Key Data Point Summary:** *This chart highlights community association transparency and disclosure state laws for all 50 states plus the District of Columbia, with the following notable trends:*

**Access to Books and Records Mandates:** Every state, through either language contained in a nonprofit corporation act or a dedicated community association law, protects the right of community association homeowners to inspect books and records.

**Access to Financial Document Mandates:** Every state, through either language contained in a nonprofit corporation act or a dedicated community association law, protects the right of community association homeowners to inspect financial documents.

**Audit Requirements:** A total of 23 states plus DC, including Arizona, California, Connecticut, Delaware, Florida, Kentucky, Louisiana, Maine, Maryland, Massachusetts, Minnesota, Michigan, Nebraska, New Mexico, North Carolina, Nevada, Pennsylvania, Oregon, Rhode Island, Tennessee, Texas, Virginia, and Washington State have audit requirements specific to community associations. 8 states plus DC, including Hawaii, Maryland, Massachusetts, Minnesota, Oregon, Texas, Virginia and Washington State, extend their audit requirements to condominium associations. Arizona, Connecticut, and New Mexico have audit requirements for HOAs. New York, while it does not have audit requirements for community associations specifically, has an audit requirement for all nonprofit organizations. Texas has a condominium association and audit requirement for all nonprofit organizations.

**Resale Disclosure Requirements:** A total of 30 states plus DC, including Alabama, Alaska, Arizona, California, Connecticut, Delaware, Florida, Illinois, Kentucky, Louisiana, Maine, Maryland, Michigan, Minnesota, Missouri, Nebraska, Nevada, New Jersey, New Mexico, New York, North Carolina, Oregon, Pennsylvania, Rhode Island, Tennessee, Texas, Vermont, Washington State, West Virginia, Wisconsin, have specific disclosure requirements related to the resale of units in community associations. Of these, 12 states plus DC, including Alaska, Kentucky, Maine, Michigan, Missouri, Nebraska, Nevada, New Mexico, North Carolina, Oregon, Rhode Island, and Tennessee, require disclosure via their condominium act. Wisconsin requires disclosure in condominium transactions via a separate piece of statutory language, while New York requires disclosure for all real estate transactions via a separate piece of statutory language.

State	State Act	Access to Books and Records (including timeline)	Access to Budget and Financial Records (including timeline)	Resale Disclosure Requirements	Audit Mandates
<b>Uniform Law Commission Language</b>	<a href="#">Uniform Common Interest Ownership Act (UCIOA)</a>	<a href="#">SECTION 3-118. ASSOCIATION RECORDS.</a> all records retained by an association must be available for examination and copying by a unit owner or the owner's authorized agent: (1) during reasonable business hours or at a mutually convenient time and location; And (2) upon [five] days' notice in a record reasonably identifying the specific records of the association requested.	<a href="#">SECTION 3-118. ASSOCIATION RECORDS.</a> all records retained by an association must be available for examination and copying by a unit owner or the owner's authorized agent: (1) during reasonable business hours or at a mutually convenient time and location; and (2) upon [five] days' notice in a record reasonably identifying the specific records of the association requested.	<a href="#">SECTION 4-109. REALES OF UNITS.</a> a unit owner shall furnish to a purchaser before the earlier of conveyance or transfer of the right to possession of a unit, a copy of the bylaws, the rules of the association, and the declaration other than plats and plans. The unit owner also shall furnish a certificate containing, but not limited to, fees payable by the owner of the unit being sold, capital expenditures approved by the associations for current and succeeding fiscal years, amount of any reserves for capital expenditures, balance sheet with income and expense statements, current operating budget of the association, insurance coverage, accountant's statements, etc.	N/A
<b>Alabama</b>	Alabama Condominium Ownership Statute <a href="#">Section 35-8</a>	<a href="#">Section 35-8-11 Recordation of documents and instruments.</a> The declaration and any amendments thereto, the bylaws and any amendments thereto, and all deeds, mortgages, liens, and	N/A	N/A	N/A



State	State Act	Access to Books and Records (including timeline)	Access to Budget and Financial Records (including timeline)	Resale Disclosure Requirements	Audit Mandates
		<p>other such documents and instruments relating to the condominium which are required to be recorded shall be recorded in the county or counties where the real property is located.</p>			
	<p>Alabama Uniform Condominium Act <a href="#">Section 35-8A</a></p>	<p><a href="#">Section 35-8A-318 Association records.</a> The association shall keep financial records sufficiently detailed to enable the association to comply with Section 35-8A-409. All financial and other records shall be made reasonably available for examination by any unit owner and his or her authorized agents and such records shall be made available in the county where the condominium is located. A reasonable fee or hourly charge may be assessed for this service.</p>	<p><a href="#">Section 35-8A-318 Association records.</a> The association shall keep financial records sufficiently detailed to enable the association to comply with Section 35-8A-409. All financial and other records shall be made reasonably available for examination by any unit owner and his or her authorized agents and such records shall be made available in the county where the condominium is located. A reasonable fee or hourly charge may be assessed for this service.</p>	<p><a href="#">Section 35-8A-409</a> Resales of units. a unit owner upon written request by a purchaser of a unit previously disposed of, which written request must be made within 14 days of the date the purchaser signs the contract with a purchaser, shall furnish to a purchaser before the conveyance and in any event within 15 days of receipt of the written request, a copy of the declaration, the bylaws, the rules, and the regulations of the association, and a certificate containing, but not limited to, periodic common expense assessments, amount of any unpaid common expense or special assessments against the unit, assessments or fees assessed, recently prepared balance sheet, income and expense statement, and other reports by the association, current</p>	<p>N/A</p>

State	State Act	Access to Books and Records (including timeline)	Access to Budget and Financial Records (including timeline)	Resale Disclosure Requirements	Audit Mandates
	<p><a href="#">Alabama Homeowners' Association Act, Ala. Code § 35-20-1</a></p>	<p><a href="#">Section 35-20-13</a> A homeowners' association subject to this chapter shall maintain records and information to be made available to each member or potential purchaser, upon written request, within a reasonable time not to exceed 30 days from the date of the request, and upon the payment of reasonable associated costs. Any homeowners' association may provide the records and information in paper or electronic form or direct the member or potential purchaser to the location of any public record containing the records or information.</p>	<p><a href="#">Section 35-20-13</a> (3) A copy of the current operating budget and reserve funds, if any, and a statement of financial condition for the last fiscal year.</p>	<p>operating budget of the association, insurance coverage, etc.  <a href="#">Section 35-20-13</a> Upon written request by a member or potential purchaser and upon payment of reasonable costs, the homeowners' association, as specified in subsection (a), shall provide or direct the member or potential purchaser to the location of the public record containing...</p>	<p>N/A</p>
	<p><a href="#">Alabama Nonprofit Corporation Law, Ala. Code § 10A-3-1.01</a></p>	<p><a href="#">Section 10A-3-2.32</a> Each nonprofit corporation shall keep correct and complete books and records of account and shall keep minutes of the proceedings of its members, board of directors and committees having any of the authority of the board of directors; and shall keep at its registered office or principal office in Alabama a record of the names and addresses of its members entitled to vote, directors and officers. All</p>	<p>N/A</p>	<p>N/A</p>	<p>N/A</p>

State	State Act	Access to Books and Records (including timeline)	Access to Budget and Financial Records (including timeline)	Resale Disclosure Requirements	Audit Mandates
		books and records of a nonprofit corporation may be inspected by any member, director or officer, or his or her agent or attorney, for any proper purpose at any reasonable time.			
Alaska	<a href="#">Alaska Horizontal Property Regimes Act, Alaska Stat. § 34.07.010</a>	<a href="#">Sec. 34.07.280</a> The manager or board of directors shall keep detailed and accurate records in chronological order of the receipts and expenditures affecting the common areas and facilities, specifying and itemizing the maintenance and repair expenses of the common areas and facilities and any other expenses incurred.	<a href="#">Sec. 34.07.280 and Sec. 34.07.290</a> The receipts and expenditures records and vouchers authorizing payment for maintenance and repair of common areas and facilities required to be kept by AS 34.07.280 shall be available for examination by an apartment owner at convenient hours of weekdays.	N/A	N/A
	<a href="#">Alaska Uniform Common Interest Ownership Act (AUCIOA), Alaska Stat. § 34.08.010</a>	<a href="#">Sec. 34.08.490.</a> a) The association shall keep financial records sufficiently detailed to enable the association to comply with AS 34.08.590. Financial and other records must be made reasonably available for examination by a unit owner and an authorized agent of a unit owner.	<a href="#">Sec. 34.08.490.</a> a) The association shall keep financial records sufficiently detailed to enable the association to comply with AS 34.08.590. Financial and other records must be made reasonably available for examination by a unit owner and an authorized agent of a unit owner.	<a href="#">Sec. 34.08.590.</a> Except for a sale in which delivery of a public offering statement is required, or unless the sale is exempt under AS 34.08.510(b), a unit owner shall furnish to a purchaser before execution of a contract for sale of a unit or before conveyance a copy of the declaration, as amended, the bylaws, the rules or regulations of the association, and a certificate containing a statement disclosing...	N/A
	<a href="#">Alaska Nonprofit Corporation Act,</a>	<a href="#">Sec. 10.20.131.</a>	<a href="#">Sec. 10.20.131.</a>	N/A	N/A

State	State Act	Access to Books and Records (including timeline)	Access to Budget and Financial Records (including timeline)	Resale Disclosure Requirements	Audit Mandates
	<a href="#">Alaska Stat. § 10.20.005</a>	A corporation shall keep correct and complete books and records of account and shall keep minutes of the proceedings of its members, board of directors and committees having any of the authority of the board of directors; and shall keep at its registered office or principal office in the state a record of the names and addresses of its members entitled to vote.	All books and records of a corporation may be inspected by any member, or an agent or attorney for the member, for any proper purpose at any reasonable time.		
<b>Arizona</b>	<a href="#">Condominium Statute Title 33 Chapter 9 (33, 1201-1270)</a>	<a href="#">33-1258. Association financial and other records; applicability</a> Except as provided in subsection B of this section, all financial and other records of the association shall be made reasonably available for examination by any member or any person designated by the member in writing as the member's representative. The association shall not charge a member or any person designated by the member in writing for making material available for review. The association shall have ten business days to fulfill a request for examination. On request for purchase of copies of records by any member or any person designated by the member in writing as the member's representative, the	<a href="#">33-1258. Association financial and other records; applicability</a> Except as provided in subsection B of this section, all financial and other records of the association shall be made reasonably available for examination by any member or any person designated by the member in writing as the member's representative. The association shall not charge a member or any person designated by the member in writing for making material available for review. The association shall have ten business days to fulfill a request for examination. On request for purchase of copies of records by any member or any person designated by the member in writing as the member's	<a href="#">33-1260. Resale of units; information required; fees; civil penalty; applicability; definition</a> For condominiums with fewer than fifty units, a unit owner shall mail or deliver to a purchaser or a purchaser's authorized agent within ten days after receipt of a written notice of a pending sale of the unit, and for condominiums with fifty or more units, the association shall mail or deliver to a purchaser or a purchaser's authorized agent within ten days after receipt of a written notice of a pending sale that contains the name and address of the purchaser all of the following in either paper or electronic format...	N/A

State	State Act	Access to Books and Records (including timeline)	Access to Budget and Financial Records (including timeline)	Resale Disclosure Requirements	Audit Mandates
		<p>association shall have ten business days to provide copies of the requested records. An association may charge a fee for making copies of not more than fifteen cents per page.</p>	<p>representative, the association shall have ten business days to provide copies of the requested records. An association may charge a fee for making copies of not more than fifteen cents per page.</p>		
	<p>Planned Communities (Applies to HOAs) <a href="#">Title 33, Chapter 16 (33.1801-1816)</a></p>	<p><a href="#">33-1805. Association financial and other records</a>                      Except as provided in subsection B of this section, all financial and other records of the association shall be made reasonably available for examination by any member or any person designated by the member in writing as the member's representative. The association shall not charge a member or any person designated by the member in writing for making material available for review. The association shall have ten business days to fulfill a request for examination. On request for purchase of copies of records by any member or any person designated by the member in writing as the member's representative, the association shall have ten business days to provide copies of the requested records. An association may charge a fee for making</p>	<p><a href="#">33-1805. Association financial and other records</a>                      Except as provided in subsection B of this section, all financial and other records of the association shall be made reasonably available for examination by any member or any person designated by the member in writing as the member's representative. The association shall not charge a member or any person designated by the member in writing for making material available for review. The association shall have ten business days to fulfill a request for examination. On request for purchase of copies of records by any member or any person designated by the member in writing as the member's representative, the association shall have ten business days to provide copies of the requested records. An association may charge a fee for</p>	<p><a href="#">33-1806. Resale of units; information required; fees; civil penalty; definition</a>                      For planned communities with fewer than fifty units, a member shall mail or deliver to a purchaser or a purchaser's authorized agent within ten days after receipt of a written notice of a pending sale of the unit, and for planned communities with fifty or more units, the association shall mail or deliver to a purchaser or a purchaser's authorized agent within ten days after receipt of a written notice of a pending sale that contains the name and address of the purchaser all of the following in either paper or electronic format...</p>	<p><a href="#">33-1810.</a>                      Unless any provision in the planned community documents requires an annual audit by a certified public accountant, the board of directors shall provide for an annual financial audit, review or compilation of the association. The audit, review or compilation shall be completed no later than one hundred eighty days after the end of the association's fiscal year and shall be made available upon request to the members within thirty days after its completion.</p>

State	State Act	Access to Books and Records (including timeline)	Access to Budget and Financial Records (including timeline)	Resale Disclosure Requirements	Audit Mandates
		copies of not more than fifteen cents per page.	making copies of not more than fifteen cents per page.		
	Homeowners Association Dwelling Actions <a href="#">Title 33, Chapter 18 (33, 2001-2003)</a>	N/A	N/A	N/A	N/A
	Common Areas Statutes <a href="#">Title 42, Chapter 13, Article 9</a>	N/A	N/A	N/A	N/A
	Nonprofit Corporations <a href="#">Title 10, Chapters 24-39</a>	<a href="#">10-1602. Inspection of records by shareholders</a> Any shareholder who has been a holder of record of shares or of a voting trust beneficial interest therefor at least six months immediately preceding its demand or will be the holder of record of or the holder of record of a voting trust beneficial interest for at least five per cent of all of the outstanding shares of a corporation is entitled to inspect and copy any of the records of the corporation described in section 10-1601, subsection E during regular business hours at the corporation's principal office, if the shareholder gives the corporation written notice of its demand as provided in section 10-141 at least five business days before the date on which it wishes to inspect and copy.	<a href="#">10-1620. Financial statements for shareholders</a> A corporation shall furnish its shareholders annual financial statements that may be consolidated or combined statements of the corporation and one or more of its subsidiaries, as appropriate, and that include a balance sheet as of the end of the fiscal year, an income statement for that year and a statement of changes in shareholders' equity for the year unless that information appears elsewhere in the financial statements. If financial statements are prepared for the corporation on the basis of generally accepted accounting principles, the annual financial statements shall also be prepared on that basis.	N/A	N/A

State	State Act	Access to Books and Records (including timeline)	Access to Budget and Financial Records (including timeline)	Resale Disclosure Requirements	Audit Mandates
Arkansas	Horizontal Property Act (does not apply to HOAs) <a href="#">Title 18, Subtitle 2, Chapter 13</a>	<a href="#">Section 18-13-110</a> The administrator, the board of administration, or other form of administration specified in the bylaws shall keep a book with a detailed account, in chronological order, of the receipts and expenditures affecting the building and its administration and specifying the maintenance and repair expenses of the common elements and any other expenses incurred.	<a href="#">Section 18-13-110</a> Both the book and the vouchers accrediting the entries made thereupon shall be available for examination by all the co-owners at convenient hours on working days that shall be set and announced for general knowledge.	N/A	N/A
	Nonprofit Corporation Act of 1993 <a href="#">Title 4, Subtitle 3, Chapter 33</a>	<a href="#">Section 4-33-720</a> The list of members must be available for inspection by any member for the purpose of communication with other members concerning the meeting, beginning two (2) business days after notice is given of the meeting for which the list was prepared and continuing through the meeting, at the corporation's principal office or at a reasonable place identified in the meeting notice in the city where the meeting will be held. A member, a member's agent, or attorney is entitled on written demand to inspect and, subject to the limitations of subsection (d) of this section, to copy the list, at a reasonable time and at the member's expense, during the period it is available for inspection.	N/A	N/A	

State	State Act	Access to Books and Records (including timeline)	Access to Budget and Financial Records (including timeline)	Resale Disclosure Requirements	Audit Mandates
<b>California</b>	Davis-Stirling Act (Common Interest Developments) <a href="#">Civil Code 4000-6150</a>	<a href="#">ARTICLE 5. Record Inspection [5200 - 5240]</a> The association shall make available association records for the time periods and within the timeframes provided in Section 5210 for inspection and copying by a member of the association, or the member's designated representative.	<a href="#">ARTICLE 7. Annual Reports [5300 - 5320]</a> Unless the governing documents impose more stringent standards, a review of the financial statement of the association shall be prepared in accordance with generally accepted accounting principles by a licensee of the California Board of Accountancy for any fiscal year in which the gross income to the association exceeds seventy-five thousand dollars (\$75,000). A copy of the review of the financial statement shall be distributed to the members within 120 days after the close of each fiscal year, by individual delivery pursuant to Section 4040.	<a href="#">ARTICLE 2. Transfer Disclosure [4525 - 4545]</a> The owner of a separate interest shall provide the following documents to a prospective purchaser of the separate interest, as soon as practicable before the transfer of title or the execution of a real property sales contract, as defined in Section 2985	<a href="#">ARTICLE 1. Accounting [5500 - 5502]</a> The review requirements of Section 5500 may be met when every individual member of the board, or a subcommittee of the board consisting of the treasurer and at least one other board member, reviews the documents and statements described in Section 5500 independent of a board meeting, so long as the review is ratified at the board meeting subsequent to the review and that ratification is reflected in the minutes of that meeting.
	Nonprofit Corporation Law <a href="#">Corporations Code ( 5000-10841)</a>	<a href="#">ARTICLE 3. Rights of Inspection [6330 - 6338]</a> Subject to Sections 6331 and 6332, and unless the corporation provides a reasonable alternative pursuant to subdivision (c), a member may do either or both of the following as permitted by subdivision (b)...	<a href="#">ARTICLE 3. Rights of Inspection [6330 - 6338]</a> Subject to Sections 6331 and 6332, and unless the corporation provides a reasonable alternative pursuant to subdivision (c), a member may do either or both of the following as permitted by subdivision (b)...	N/A	N/A
	Certified Common Interest Community Manager <a href="#">CA</a>	N/A	N/A	N/A	N/A



State	State Act	Access to Books and Records (including timeline)	Access to Budget and Financial Records (including timeline)	Resale Disclosure Requirements	Audit Mandates
	<a href="#">Business and Professions Code, Division 4, Part 4 (11500-11506)</a>				
Colorado	Condominium Ownership Act <a href="#">Title 38, Article 33</a>	<a href="#">Section 38-33-107</a> The manager or board of managers, as the case may be, shall keep detailed, accurate records of the receipts and expenditures affecting the general and limited common elements. Such records authorizing the payments shall be available for examination by the unit owners at convenient weekday business hours.	<a href="#">Section 38-33-107</a> The manager or board of managers, as the case may be, shall keep detailed, accurate records of the receipts and expenditures affecting the general and limited common elements. Such records authorizing the payments shall be available for examination by the unit owners at convenient weekday business hours.	N/A	N/A
	Common Interest Ownership Act (applies to HOAs) <a href="#">Title 38, Article 33.3</a>	<a href="#">Section 38-33.3-317</a> Subject to subsections (3), (3.5), and (4) of this section, all records maintained by the association must be available for examination and copying by a unit owner or the owner's authorized agent. The association may require unit owners to submit a written request, describing with reasonable particularity the records sought, at least ten days prior to inspection or production of the documents and may limit examination and copying times to normal business hours or the next regularly scheduled executive board meeting if the meeting	<a href="#">Section 38-33.3-317</a> Subject to subsections (3), (3.5), and (4) of this section, all records maintained by the association must be available for examination and copying by a unit owner or the owner's authorized agent. The association may require unit owners to submit a written request, describing with reasonable particularity the records sought, at least ten days prior to inspection or production of the documents and may limit examination and copying times to normal business hours or the next regularly	N/A	N/A

State	State Act	Access to Books and Records (including timeline)	Access to Budget and Financial Records (including timeline)	Resale Disclosure Requirements	Audit Mandates
		<p>occurs within thirty days after the request. Notwithstanding any provision of the declaration, bylaws, articles, or rules and regulations of the association to the contrary, the association may not condition the production of records upon the statement of a proper purpose.</p>	<p>scheduled executive board meeting if the meeting occurs within thirty days after the request. Notwithstanding any provision of the declaration, bylaws, articles, or rules and regulations of the association to the contrary, the association may not condition the production of records upon the statement of a proper purpose.</p>		
	<p>Nonprofit Corporation Act <a href="#">Title 7, Article 121</a></p>	<p><a href="#">Section 7-136-102</a>                      A member is entitled to inspect and copy, during regular business hours at the nonprofit corporation's principal office, any of the records of the nonprofit corporation described in section 7-136-101 (5) if the member gives the nonprofit corporation written demand at least five business days before the date on which the member wishes to inspect and copy such records.                      (2) Pursuant to subsection (5) of this section, a member is entitled to inspect and copy, during regular business hours at a reasonable location stated by the nonprofit corporation, any of the other records of the nonprofit corporation if the member meets the requirements of subsection (3) of this section and gives the nonprofit corporation</p>	<p><a href="#">Section 7-136-106</a>                      Upon the written request of any member, a nonprofit corporation shall mail to such member its most recent annual financial statements, if any, and its most recently published financial statements, if any, showing in reasonable detail its assets and liabilities and results of its operations.</p>	<p>N/A</p>	<p>N/A</p>

State	State Act	Access to Books and Records (including timeline)	Access to Budget and Financial Records (including timeline)	Resale Disclosure Requirements	Audit Mandates
	Community Association Managers <a href="#">Title 12, Article 61.1001</a>	written demand at least five business days before the date on which the member wishes to inspect and copy such records.	N/A	N/A	N/A
<b>Connecticut</b>	Condominium Act <a href="#">Title 47, Chapter 8 25</a>	<a href="#">Sec. 47-81.</a> Records maintained by the declarant, by the association or by the manager, including, but not limited to, minutes of meetings and voting records of the board of directors, shall be made available for examination and copying by any unit owner, or the unit owner's duly authorized agent, at the expense of the unit owner, during normal business hours upon the request of such unit owner or agent.	<a href="#">Sec. 47-81.</a> Records maintained by the declarant, by the association or by the manager, including, but not limited to, minutes of meetings and voting records of the board of directors, shall be made available for examination and copying by any unit owner, or the unit owner's duly authorized agent, at the expense of the unit owner, during normal business hours upon the request of such unit owner or agent.	<a href="#">Sec. 47-75a.</a> In the event of any resale of a condominium unit by a unit owner other than the declarant, such owner shall obtain from the unit owners' association and furnish to the purchaser, prior to the settlement date of the disposition, the following: (1) Appropriate statements pursuant to subsection (b) of section 47-87 and, if applicable, subsection (c) of this section; (2) a statement of any capital expenditures anticipated by the unit owners' association within the twelve months next following the date of the statement; (3) a statement of the status and amount of any reserve for replacement fund and any portion of such fund earmarked for any specified project by the board of directors.	<a href="#">Sec. 47-81.</a> From the date of the recording of the declaration until the declarant relinquishes control of the association pursuant to subsection (d) of section 47-74a he shall cause to have prepared a certified audit of the books of the condominium by a certified public accountant not less than once in every calendar year which shall be available for examination by the unit owners. Thereafter on the written petition of unit owners of not less than twenty-five per cent of the units then completed, a certified audit by an independent certified public accountant shall be made, but not more

State	State Act	Access to Books and Records (including timeline)	Access to Budget and Financial Records (including timeline)	Resale Disclosure Requirements	Audit Mandates
					than once in any consecutive twelve-month period; provided the cost of the audit shall be a common expense.
	Common Interest Ownership Act (applies to HOAs) <a href="#">Title 47, Chapter 828</a>	<a href="#">Sec. 47-260.</a> Detailed records of receipts and expenditures affecting the operation and administration of the association and other appropriate accounting records, including, but not limited to, records relating to reserve accounts, if any...	<a href="#">Sec. 47-260.</a> Detailed records of receipts and expenditures affecting the operation and administration of the association and other appropriate accounting records, including, but not limited to, records relating to reserve accounts, if any...	<a href="#">Sec. 47-270.</a> Except in the case of a sale in which delivery of a public offering statement is required under either this chapter or chapter 825, or unless exempt under subsection (b) of section 47-262, a unit owner shall furnish to a purchaser or such purchaser's attorney, before the earlier of conveyance or transfer of the right to possession of a unit, a copy of the declaration, other than any surveys and plans, the bylaws, the rules or regulations of the association, and a certificate containing...	N/A
	Community Association Managers <a href="#">Chapter 400b</a>	N/A	N/A	N/A	N/A
	Nonprofit Corporation <a href="#">Chapter 602</a>	<a href="#">Sec. 33-1236.</a> member is entitled to inspect and copy, during regular business hours at the corporation's principal office, any of the records of the corporation described in subsection (e) of section 33-	<a href="#">Sec. 33-1236.</a> member is entitled to inspect and copy, during regular business hours at the corporation's principal office, any of the records of the corporation described in subsection (e) of section	N/A	N/A

State	State Act	Access to Books and Records (including timeline)	Access to Budget and Financial Records (including timeline)	Resale Disclosure Requirements	Audit Mandates
		1235 if he gives the corporation written notice of his demand at least five business days before the date on which he wishes to inspect and copy.	33-1235 if he gives the corporation written notice of his demand at least five business days before the date on which he wishes to inspect and copy.		
<b>Delaware</b>	<p>Unit Properties <a href="#">Title 25, Chapter 22</a></p> <p>Uniform Common Interest Ownership Act (applies to HOAs) <a href="#">Title 25, Chapter 81</a></p>	<p><a href="#">§ 2218.</a> The treasurer shall keep detailed records of all receipts and expenditures, including expenditures affecting the common elements specifying and itemizing the maintenance, repair and replacement expenses of the common elements and any other expenses incurred. Such records shall be available for examination by the unit owners during regular business hours. In accordance with the actions of the council assessing common expenses against the units and unit owners, the treasurer shall keep an accurate record of such assessments and of the payment thereof by each unit owner.</p> <p><a href="#">§ 81-318.</a> Subject to the provisions of subsection (c) of this section, all records kept by the association, including the association's membership list and address, and aggregate salary information of employees of the association, shall be</p>	<p><a href="#">§ 2218.</a> The treasurer shall keep detailed records of all receipts and expenditures, including expenditures affecting the common elements specifying and itemizing the maintenance, repair and replacement expenses of the common elements and any other expenses incurred. Such records shall be available for examination by the unit owners during regular business hours. In accordance with the actions of the council assessing common expenses against the units and unit owners, the treasurer shall keep an accurate record of such assessments and of the payment thereof by each unit owner.</p> <p><a href="#">§ 81-318.</a> Subject to the provisions of subsection (c) of this section, all records kept by the association, including the association's membership list and address, and aggregate salary information of employees of the</p>	<p>N/A</p> <p><a href="#">§ 81-409.</a> Except in the case of a sale in which delivery of a public offering statement is required, or unless exempt under § 81-401(b) of this title, a unit owner shall furnish to a purchaser not later than the time of the signing of</p>	<p>N/A</p> <p><a href="#">§ 81-306.</a> For an association for a condominium or cooperative with more than 50 unit owners, an independent audit by a licensed certified public accounting firm of the financial records of the association to</p>

State	State Act	Access to Books and Records (including timeline)	Access to Budget and Financial Records (including timeline)	Resale Disclosure Requirements	Audit Mandates
		<p>available for examination and copying by a unit owner or the unit owner's authorized agent so long as the request is made in good faith and for a proper purpose related to the owner's membership in the association. This right of examination may be exercised: (i) only during reasonable business hours or at a mutually convenient time and location, and (ii) upon 5-days' written notice reasonably identifying the purpose for the request and the specific records of the association requested.</p>	<p>association, shall be available for examination and copying by a unit owner or the unit owner's authorized agent so long as the request is made in good faith and for a proper purpose related to the owner's membership in the association. This right of examination may be exercised: (i) only during reasonable business hours or at a mutually convenient time and location, and (ii) upon 5-days' written notice reasonably identifying the purpose for the request and the specific records of the association requested.</p>	<p>the contract to purchase, a copy of the declaration (other than any plats and plans), all amendments to the declaration, the bylaws, and the rules of the association (including all amendments to the rules), and a certificate containing or attaching the following, to be correct to within 120 days prior to the date the certificate of the unit owner is furnished to the purchaser...</p>	<p>be performed no less frequently than once every 3 years and for each intervening year a review (instead of a full audit) by an independent accountant which need not be conducted by a certified public accounting firm, provided that where an association of fewer than 100 unit owners so decides by duly adopted resolution, the audit requirement may be satisfied by a review (instead of a full audit) by an independent accountant which need not be conducted by a certified public accounting firm</p>
	<p>Conversion of Manufactured Home Communities to Manufactured Home Condominium or Cooperative Communities <a href="#">Title 25, Chapter 71</a></p>	<p>N/A</p>	<p>N/A</p>	<p>N/A</p>	<p>N/A</p>
	<p>Uniform Nonprofit Corporation</p>	<p>N/A</p>	<p>N/A</p>	<p>N/A</p>	<p>N/A</p>

State	State Act	Access to Books and Records (including timeline)	Access to Budget and Financial Records (including timeline)	Resale Disclosure Requirements	Audit Mandates
	Act <a href="#">Title 6, Chapter 19</a>				
Florida	Condominium <a href="#">Chapter 718</a>	<a href="#">718.111</a> The official records of the association are open to inspection by any association member and any person authorized by an association member as a representative of such member at all reasonable times.	<a href="#">718.111</a> The official records of the association are open to inspection by any association member and any person authorized by an association member as a representative of such member at all reasonable times.	<a href="#">718.503</a> Each contract entered into after July 1, 1992, for the resale of a residential unit shall contain in conspicuous type either...	<a href="#">718.111</a> An association that meets the criteria of this paragraph shall prepare a complete set of financial statements in accordance with generally accepted accounting principles. The financial statements must be based upon the association's total annual revenues, as follows...
	Cooperatives <a href="#">Chapter 719</a>	N/A	N/A	<a href="#">719.503</a> Any contracts for the sale of a unit or a lease thereof for an unexpired term of more than 5 years shall contain...	N/A
	Homeowners' Associations <a href="#">Chapter 720</a>	<a href="#">720.303</a> Unless otherwise provided by law or the governing documents of the association, the official records must be maintained within this state for at least 7 years and be made available to a parcel owner for inspection or photocopying within 45 miles of the community or within the county in which the association is located within 10 business days after receipt by the board or its	<a href="#">720.303</a> Unless otherwise provided by law or the governing documents of the association, the official records must be maintained within this state for at least 7 years and be made available to a parcel owner for inspection or photocopying within 45 miles of the community or within the county in which the association is located within 10 business days after receipt by the board or	<a href="#">720.401</a> A prospective parcel owner in a community must be presented a disclosure summary before executing the contract for sale. The disclosure summary must be in a form substantially similar to the following form...	<a href="#">720.3086</a> In a residential subdivision in which the owners of lots or parcels must pay mandatory maintenance or amenity fees to the subdivision developer or to the owners of the common areas, recreational facilities, and other properties serving the lots or parcels, the developer or owner of such

State	State Act	Access to Books and Records (including timeline)	Access to Budget and Financial Records (including timeline)	Resale Disclosure Requirements	Audit Mandates
		designee of a written request from the parcel owner.	its designee of a written request from the parcel owner.		areas, facilities, or properties shall make public, within 60 days ...
	Community Association Management <a href="#">Chapter 468, Part 8</a>	N/A	N/A	N/A	N/A
	Corporations Act <a href="#">Chapter 607</a>	N/A	N/A	N/A	N/A
	Not-for-Profit Corporations <a href="#">Chapter 617</a>	<a href="#">617.1602</a> A member of a corporation is entitled to inspect and copy, during regular business hours at the corporation's principal office or at a reasonable location specified by the corporation, any of the records of the corporation described in s. 617.1601(5), if the member gives the corporation written notice of his or her demand at least 10 business days before the date on which he or she wishes to inspect and copy.	<a href="#">617.1602</a> A member of a corporation is entitled to inspect and copy, during regular business hours at the corporation's principal office or at a reasonable location specified by the corporation, any of the records of the corporation described in s. 617.1601(5), if the member gives the corporation written notice of his or her demand at least 10 business days before the date on which he or she wishes to inspect and copy.	N/A	N/A
	Restrictions on Clotheslines <a href="#">Title XI, Chapter 163</a>	N/A	N/A	N/A	N/A
<b>Georgia</b>	Condominium Act <a href="#">Title 44, Chapter 3, Article 3</a>	N/A	N/A	N/A	N/A
	Property Owners' Associations <a href="#">Title</a>	<a href="#">Section 44-3-227</a> True and correct copies of the articles of incorporation	<a href="#">Section 44-3-227</a> True and correct copies of the articles of incorporation	N/A	N/A



State	State Act	Access to Books and Records (including timeline)	Access to Budget and Financial Records (including timeline)	Resale Disclosure Requirements	Audit Mandates
	<a href="#">44, Chapter 3, Article 6</a>	and bylaws of the association and all amendments thereto shall be maintained at the principal and the registered offices of the association and at the sales office of the declarant so long as the declarant has the right to control the association pursuant to the instrument; and copies thereof shall be furnished to any lot owner on request upon payment of a reasonable charge therefor.	and bylaws of the association and all amendments thereto shall be maintained at the principal and the registered offices of the association and at the sales office of the declarant so long as the declarant has the right to control the association pursuant to the instrument; and copies thereof shall be furnished to any lot owner on request upon payment of a reasonable charge therefor.		
	Manager Licensing <a href="#">Title 43, Chapter 40</a>	N/A	N/A	N/A	N/A
	Nonprofit Corporations <a href="#">Title 14, Chapter 3</a>	<a href="#">Section 14-3-1602</a> A member is entitled to inspect and copy, at a reasonable time and location specified by the corporation, any of the records of the corporation described in subsection (a) of this Code section if the member gives the corporation written notice or a written demand at least five business days before the date on which the member wishes to inspect and copy.	<a href="#">Section 14-3-1620</a> A corporation upon request in writing or by electronic transmission from a member shall furnish that member its latest prepared annual financial statements, which may be consolidated or combined statements of the corporation and one or more of its subsidiaries or affiliates, in reasonable detail as appropriate, that include a balance sheet as of the end of the fiscal year and statement of operations for that year. If financial statements are prepared for the corporation on the basis of generally accepted accounting principles, the	N/A	N/A

State	State Act	Access to Books and Records (including timeline)	Access to Budget and Financial Records (including timeline)	Resale Disclosure Requirements	Audit Mandates
			annual financial statements must also be prepared on that basis.		
<b>Hawaii</b>	Planned Community Associations (applies to HOAs) <a href="#">HRS 421J</a>	<a href="#">§421J-7</a> Association documents, the most current financial statement of the association, and the minutes of the most recent meeting of the board of directors (other than minutes of executive sessions) shall be made available for examination by any member at no cost, on twenty-four-hour loan or during reasonable hours	<a href="#">§421J-7</a> Financial statements, general ledgers, accounts receivable ledgers, accounts payable ledgers, check ledgers, insurance policies, contracts, invoices of the association for the duration those records are kept by the association, and any documents regarding delinquencies of ninety days or more shall be made available for examination by members at reasonable hours at a location designated by the board; provided that members shall pay for all costs associated with the examination of these documents. The board may require members to furnish the association with an affidavit stating that the foregoing information is requested in good faith for the protection of the interests of the association, its members, or both. Copies of these documents shall be provided to any member upon the member's request if the member pays a reasonable fee for duplication, postage, stationery, and other administrative costs	N/A	N/A

State	State Act	Access to Books and Records (including timeline)	Access to Budget and Financial Records (including timeline)	Resale Disclosure Requirements	Audit Mandates
	Condominiums <a href="#">H RS 514B</a>	<a href="#">§514B-154.5</a> Notwithstanding any other provision in the declaration, bylaws, or house rules, if any, the following documents, records, and information, whether maintained, kept, or required to be provided pursuant to this section or section 514B-152, 514B-153, or 514B-154, shall be made available to any unit owner and the owner's authorized agents by the managing agent, resident manager, board through a board member, or the association's representative...	associated with handling the request. <a href="#">§514B-154.5</a> Notwithstanding any other provision in the declaration, bylaws, or house rules, if any, the following documents, records, and information, whether maintained, kept, or required to be provided pursuant to this section or section 514B-152, 514B-153, or 514B-154, shall be made available to any unit owner and the owner's authorized agents by the managing agent, resident manager, board through a board member, or the association's representative...	N/A	<a href="#">§514B-150</a> e association shall require an annual audit of the association financial accounts and no less than one annual unannounced verification of the association's cash balance by a public accountant; provided that if the association is comprised of less than twenty units, the annual audit and the annual unannounced cash balance verification may be waived at an association meeting by a vote of a majority of the unit owners.
	Unincorporated Nonprofit Associations <a href="#">HR S 429</a>	<a href="#">§414D-302</a> Subject to sections 414D-301(e) and 414D-303(c), a member is entitled to inspect and copy, at a reasonable time and location specified by the corporation, any of the records of the corporation described in section 414D-301(e) if the member gives the corporation written notice or a written demand at least five business days before the date on which the	<a href="#">§414D-302</a> Subject to sections 414D-301(e) and 414D-303(c), a member is entitled to inspect and copy, at a reasonable time and location specified by the corporation, any of the records of the corporation described in section 414D-301(e) if the member gives the corporation written notice or a written demand at least five business days before the date on which	N/A	N/A

State	State Act	Access to Books and Records (including timeline)	Access to Budget and Financial Records (including timeline)	Resale Disclosure Requirements	Audit Mandates
		member wishes to inspect and copy.	the member wishes to inspect and copy.		
Idaho	Condominium Property Act (does not apply to HOAs) <a href="#">Title 55, Chapter 15</a>	N/A	N/A	N/A	N/A
	Homeowners Association Act <a href="#">Title 55-32</a>	N/A	<a href="#">55-3205</a> A homeowner's association or its agent must provide a member and the member's agent, if any, a statement of the member's assessment account no more than five (5) business days after a written request by the member or the member's agent is received by the manager, president, board member, or other agent of the homeowner's association, or any combination thereof. The homeowner's association will be bound by the amounts set forth within the statement of assessment account. The statement of assessment account shall include all outstanding assessments, charges, and fees, including any transfer fee, that are due and owing to the homeowner's association, including any late fees or interest that may have accrued.	N/A	N/A
	Nonprofit Corporation Act <a href="#">Title 30-30</a>	<a href="#">30-30-1102</a> Subject to subsection (5) of this section and section 30-30-1103(3), Idaho Code, a	<a href="#">30-30-1102</a> Subject to subsection (5) of this section and section 30-30-1103(3), Idaho Code, a	N/A	N/A

State	State Act	Access to Books and Records (including timeline)	Access to Budget and Financial Records (including timeline)	Resale Disclosure Requirements	Audit Mandates
		member is entitled to inspect and copy, at a reasonable time and location specified by the corporation, any of the records of the corporation described in section 30-30-1101(5), Idaho Code, if the member gives the corporation written notice or a written demand at least fifteen (15) business days before the date on which the member wishes to inspect and copy.	member is entitled to inspect and copy, at a reasonable time and location specified by the corporation, any of the records of the corporation described in section 30-30-1101(5), Idaho Code, if the member gives the corporation written notice or a written demand at least fifteen (15) business days before the date on which the member wishes to inspect and copy.		
Illinois	Condominium Property Act (Does not apply to HOAs) <a href="#">765 ILCS 605</a>	<a href="#">765 ILCS 605/19</a> Any member of an association shall have the right to inspect, examine, and make copies of the records described in subdivisions (1), (2), (3), (4), (5), (6), (9), and (10) of subsection (a) of this Section, in person or by agent, at any reasonable time or times, at the association's principal office.	<a href="#">765 ILCS 605/19</a> Any member of an association shall have the right to inspect, examine, and make copies of the records described in subdivisions (1), (2), (3), (4), (5), (6), (9), and (10) of subsection (a) of this Section, in person or by agent, at any reasonable time or times, at the association's principal office.	<a href="#">765 ILCS 605/22</a> Full disclosure before sale. In relation to the initial sale or offering for sale of any condominium unit, the seller must make full disclosure of, and provide copies to the prospective buyer of, the following information relative to the condominium project...	N/A
	Common Interest Community Association Act (Applies to HOAs) <a href="#">765 ILCS 160</a>	<a href="#">765 ILCS 160/1-30</a> Where a request for records under this subsection is made in writing to the board or its agent, failure to provide the requested record or to respond within 30 days shall be deemed a denial by the board.	<a href="#">765 ILCS 160/1-45</a> Each member shall receive through a prescribed delivery method, at least 30 days but not more than 60 days prior to the adoption thereof by the board, a copy of the proposed annual budget together with an indication of which portions are intended for reserves, capital	<a href="#">765 ILCS 160/1-35</a> In the event of any resale of a unit in a common interest community association by a member or unit owner other than the developer, the board shall make available for inspection to the prospective purchaser, upon demand, the following...	N/A

State	State Act	Access to Books and Records (including timeline)	Access to Budget and Financial Records (including timeline)	Resale Disclosure Requirements	Audit Mandates
			expenditures or repairs or payment of real estate taxes		
	General Not for Profit Act <a href="#">805 ILCS 105</a>	<a href="#">805 ILCS 105/107.75</a> Any voting member shall have the right to examine, in person or by agent, at any reasonable time or times, the corporation's books and records of account and minutes, and to make extracts therefrom, but only for a proper purpose.	<a href="#">805 ILCS 105/107.75</a> Any voting member shall have the right to examine, in person or by agent, at any reasonable time or times, the corporation's books and records of account and minutes, and to make extracts therefrom, but only for a proper purpose.	N/A	N/A
Indiana	Condominium Act (Does not apply to HOAs) <a href="#">IC 32-25</a>	<a href="#">Section 32-25-8-2.5</a> The minutes of meetings of the board of directors of a condominium, including the annual meeting, must be made available to a co-owner of the condominium for inspection upon request.	<a href="#">Section 32-25-8-8</a> The records and the vouchers authorizing the payments shall be available for examination by the co-owners at convenient hours of weekdays.	N/A	N/A
	Homeowners Associations <a href="#">IC 32-25.5</a>	<a href="#">Section 32-25.5-3-3</a> A written request for inspection must identify with reasonable particularity the information being requested. A member's ability to inspect records under this section shall not be unreasonably denied or conditioned upon provision of an appropriate purpose for the request. The homeowners association may charge a reasonable fee for the copying of a record requested under this subsection if the homeowners association member requests a written copy of the record.	<a href="#">Section 32-25.5-3-3</a> A written request for inspection must identify with reasonable particularity the information being requested. A member's ability to inspect records under this section shall not be unreasonably denied or conditioned upon provision of an appropriate purpose for the request. The homeowners association may charge a reasonable fee for the copying of a record requested under this subsection if the homeowners association	N/A	N/A

State	State Act	Access to Books and Records (including timeline)	Access to Budget and Financial Records (including timeline)	Resale Disclosure Requirements	Audit Mandates
	Nonprofit Corporation Act   <a href="#">C 23-17</a>	<a href="#">Section 23-17-27-2</a> Subject to subsection (e), a member may inspect and copy, at a reasonable time and reasonable location specified by the corporation, the following records of the corporation if the member meets the requirements of subsection (c) and gives the corporation written notice at least five (5) business days before the date on which the member desires to inspect and copy...	<a href="#">Section 23-17-27-2</a> Subject to subsection (e), a member may inspect and copy, at a reasonable time and reasonable location specified by the corporation, the following records of the corporation if the member meets the requirements of subsection (c) and gives the corporation written notice at least five (5) business days before the date on which the member desires to inspect and copy...	N/A	N/A
<b>Iowa</b>	Cooperative Associations <a href="#">Chapter 499A</a>	<a href="#">499.46</a> Bylaws shall be kept by the secretary subject to inspection by any member at any time. Bylaws may deal with the fiscal or internal affairs of the association or any subject of this chapter in any manner not inconsistent with this chapter or the articles.	<a href="#">499.46</a> Bylaws shall be kept by the secretary subject to inspection by any member at any time. Bylaws may deal with the fiscal or internal affairs of the association or any subject of this chapter in any manner not inconsistent with this chapter or the articles.	N/A	N/A
	Horizontal Property (does not apply to HOAs) <a href="#">Chapter 499B</a>	N/A	N/A	N/A	N/A
	Uniform Unincorporated Nonprofit Association Act <a href="#">Chapter 501B</a>	<a href="#">504.1602</a> Subject to subsection 5, a member is entitled to inspect and copy, at a reasonable time	<a href="#">504.1602</a> Subject to subsection 5, a member is entitled to inspect and copy, at a reasonable time	N/A	N/A

State	State Act	Access to Books and Records (including timeline)	Access to Budget and Financial Records (including timeline)	Resale Disclosure Requirements	Audit Mandates
		and location specified by the corporation, any of the records of the corporation described in section 504.1601, subsection 5, if the member gives the corporation written notice or a written demand at least five business days before the date on which the member wishes to inspect and copy	and location specified by the corporation, any of the records of the corporation described in section 504.1601, subsection 5, if the member gives the corporation written notice or a written demand at least five business days before the date on which the member wishes to inspect and copy		
<b>Kansas</b>	Apartment Ownership Act (Does not apply to HOAs) <a href="#">Chapter 58, Article 31</a>	N/A	<a href="#">58-3120</a> The manager or board of directors, as the case may be, shall keep detailed, accurate records in chronological order, of receipts and expenditures affecting the common areas and facilities, specifying and itemizing the maintenance and repair expenses of the common areas and facilities and any other expenses incurred. Such records and the vouchers authorizing the payments shall be available for examination by the apartment owners at convenient hours of week days, pursuant to the rights and limitations of K.S.A. 2023 Supp. 58-4616, and amendments thereto.	N/A	N/A
	Townhouse Ownership Act (applies to	N/A	N/A	N/A	N/A



State	State Act	Access to Books and Records (including timeline)	Access to Budget and Financial Records (including timeline)	Resale Disclosure Requirements	Audit Mandates
	HOAs) <a href="#">Chapter 58, Article 37</a>				
	Common Interest Ownership Bill of Rights <a href="#">Chapter 58, Article 46</a>	<a href="#">58-4612.</a> If any materials are distributed to the board of directors before the meeting, the board at the same time shall make copies of those materials reasonably available to unit owners, except that the board need not make available copies of unapproved minutes or materials that are to be considered in executive session.	<a href="#">58-4616.</a> Subject to subsections (c) through (g), all records retained by an association must be available for examination and copying by a unit owner or the owner's authorized agent...	N/A	N/A
	Nonprofit Corporation Act (applies to HOAs) <a href="#">Chapter 17, Article 70</a>	N/A	N/A	N/A	N/A
<b>Kentucky</b>	Horizontal Property Act (does not apply to HOAs) <a href="#">KRS Chapter 381.805-381.910</a>	N/A	N/A	N/A	N/A
	Condominium Act (does not apply to HOAs) <a href="#">KRS Chapter 381.9101-381.9207</a>	N/A	<a href="#">381.9197</a> The association shall keep financial records sufficiently detailed to enable the association to comply with KRS 381.9203 and, except for the statement of cash receipts and disbursements which shall be kept on a cash basis, all financial statements shall be prepared in accordance with generally accepted accounting	<a href="#">381.9203</a> Except as provided in KRS 381.9201(2), a seller of a unit shall furnish to a purchaser or purchaser's agent before execution of any contract for sale of a unit, or otherwise before conveyance, a copy of the declaration, other than the plats and plans, and a copy of the bylaws, the rules or	<a href="#">381.9197</a> Not later than one hundred fifty (150) days after the end of the fiscal year, or annually on a date provided in the declaration or bylaws, the association shall cause to be prepared by an independent accountant or certified public accountant a

State	State Act	Access to Books and Records (including timeline)	Access to Budget and Financial Records (including timeline)	Resale Disclosure Requirements	Audit Mandates
			principles. All financial and other records shall be made reasonably available for examination by any unit owner and his or her authorized agents	regulations of the association, and a certificate, current to the date of issuance and signed and dated by the association's manager or authorized agent, containing...	financial report for the preceding fiscal year. No later than thirty (30) days after the financial report is prepared and received by the executive board, the association shall make it available for examination by any unit owner and, upon request and payment of a reasonable fee, shall provide a unit owner with a copy of the financial report.
	Planned Community Act (applies to HOAs created after June 29, 2023) <a href="#">KRS Chapter 381.785-381.801</a>	<a href="#">381.795</a> Except as provided in subsection (2) of this section, an owner may examine and copy the books, records, and minutes of the association pursuant to reasonable standards set forth in the declaration, bylaws, or other rules and regulations promulgated by the board, including standards governing the type of documents to be examined and copies and the time and location at which the documents may be examined, including a reasonable fee for copying documents	<a href="#">381.795</a> Except as provided in subsection (2) of this section, an owner may examine and copy the books, records, and minutes of the association pursuant to reasonable standards set forth in the declaration, bylaws, or other rules and regulations promulgated by the board, including standards governing the type of documents to be examined and copies and the time and location at which the documents may be examined, including a reasonable fee for copying documents	N/A	<a href="#">381.794</a> No later than one hundred eighty (180) days after the end of the fiscal year, or annually on a date provided in the declaration or bylaws, the association shall have a financial report prepared for the preceding fiscal year. No later than thirty (30) days after the financial report is prepared and received by the board, the association shall make the financial report available electronically

State	State Act	Access to Books and Records (including timeline)	Access to Budget and Financial Records (including timeline)	Resale Disclosure Requirements	Audit Mandates
					at no charge or provide a paper copy with payment of a reasonable fee to a lot owner.
	<a href="#">Kentucky Nonprofit Corporation Act</a> , KRS 273.161 to 273.390.	N/A	N/A	N/A	N/A
<b>Louisiana</b>	Condominium Act <a href="#">RS 9:1121.101 et seq.</a>	<a href="#">§1123.108.</a> The association shall keep financial records sufficiently detailed to enable the association to comply with Section 1124.107. All financial and other records shall be made reasonably available for examination by any unit owner and his authorized agents.	<a href="#">§1123.108.</a> The association shall keep financial records sufficiently detailed to enable the association to comply with Section 1124.107. All financial and other records shall be made reasonably available for examination by any unit owner and his authorized agents.	<a href="#">§1124.107.</a> In the event of a resale of a unit by a unit owner other than a declarant, the unit owner shall furnish to a purchaser before execution of any contract to purchase a unit, or otherwise before conveyance, a copy of the declaration other than plats and plans, the articles of incorporation or documents creating the association, the bylaws, and a certificate containing...	N/A
	Homeowners Association Act <a href="#">RS 9:1141.1 et seq.</a>	N/A	N/A	N/A	N/A
	Nonprofit Corporation Law <a href="#">RS 12:201 et seq.</a>	<a href="#">§223.</a> Every shareholder and voting member may examine in person, or by agent or attorney, at any reasonable time, the records of the corporation listed in subsection A of this section.	<a href="#">§223.</a> Every shareholder and voting member may examine in person, or by agent or attorney, at any reasonable time, the records of the corporation listed in subsection A of this section.	N/A	N/A

State	State Act	Access to Books and Records (including timeline)	Access to Budget and Financial Records (including timeline)	Resale Disclosure Requirements	Audit Mandates
	<p><a href="#">Planned Community Act</a> R.S. 9:1141.1 through 1141.50</p>	<p><a href="#">§1141.36.</a> Upon receipt of a request for specific records, the association shall 16 make the records available for examination and copying by a lot owner, the lot 17 owner's agent, or persons with a valid contract of sale. An inspection shall occur 18 during reasonable business hours or at a mutually convenient time and location.</p>	<p><a href="#">§1141.36.</a> Upon receipt of a request for specific records, the association shall 16 make the records available for examination and copying by a lot owner, the lot 17 owner's agent, or persons with a valid contract of sale. An inspection shall occur 18 during reasonable business hours or at a mutually convenient time and location.</p>	<p><a href="#">§1141.44.</a> The person required to deliver a public offering statement shall 17 provide a purchaser with a copy of the public offering statement and all 18 amendments thereto at least fifteen days before transfer of the lot. A purchaser 19 shall not be required to acquire a lot unless fifteen days have elapsed from the 20 date of the delivery of the public offering statement. A purchaser, before 21 transfer, may cancel the contract within fifteen days after first receiving the 22 public offering statement.</p>	N/A
<b>Maine</b>	<p>Non-profit Corporation Act (may apply to HOAs) <a href="#">Title 13-B</a></p>	<p><a href="#">§715.</a> All books and records of a corporation may be inspected by any officer, director or voting member or the officer's, director's or voting member's agent or attorney, for any proper purpose at any reasonable time, as long as the officer, director or voting member or the officer's, director's or voting member's agent or</p>	<p><a href="#">§715.</a> All books and records of a corporation may be inspected by any officer, director or voting member or the officer's, director's or voting member's agent or attorney, for any proper purpose at any reasonable time, as long as the officer, director or voting member or the officer's, director's or voting member's agent or</p>	N/A	N/A

State	State Act	Access to Books and Records (including timeline)	Access to Budget and Financial Records (including timeline)	Resale Disclosure Requirements	Audit Mandates
		attorney gives the corporation written notice at least 5 business days before the date on which the officer, director or voting member or the officer's, director's or voting member's agent or attorney wishes to inspect and copy any books or records.	attorney gives the corporation written notice at least 5 business days before the date on which the officer, director or voting member or the officer's, director's or voting member's agent or attorney wishes to inspect and copy any books or records.		
	Unit Ownership (Does not apply to HOAs) <a href="#">Title 33, Chapter 10</a>	N/A	<a href="#">§577.</a> The manager or board of directors shall keep detailed, accurate records in chronological order, of the receipts and expenditures affecting the common areas and facilities, specifying and itemizing the maintenance and repair expenses of the common areas and facilities and any other expenses incurred. Such records and the vouchers authorizing the payments shall be available for examination by the unit owners at convenient hours of weekdays.	N/A	N/A
	Condominium Act (Does not apply to HOAs) <a href="#">Title 33, Chapter 31</a>	<a href="#">§1603-118.</a> Subject to subsections (c) and (d), all records retained by an association must be available for examination and copying by a unit owner or the unit owner's authorized agent...	<a href="#">§1603-118.</a> Subject to subsections (c) and (d), all records retained by an association must be available for examination and copying by a unit owner or the unit owner's authorized agent...	<a href="#">§1604-103.</a> Except as provided in subsection (b), a public offering statement must contain or fully and accurately disclose...	N/A
<b>Maryland</b>	Condominium Act <a href="#">Real</a>	<a href="#">§11-116</a>	<a href="#">§11-116</a>	<a href="#">§11-126.</a>	<a href="#">§11-116</a>

State	State Act	Access to Books and Records (including timeline)	Access to Budget and Financial Records (including timeline)	Resale Disclosure Requirements	Audit Mandates
	<a href="#">Property, Section 11</a>	If a unit owner requests in writing a copy of financial statements of the condominium or the minutes of a meeting of the board of directors or other governing body of the condominium to be delivered, the board of directors or other governing body of the condominium shall compile and send the requested information by mail, electronic transmission, or personal delivery...	If a unit owner requests in writing a copy of financial statements of the condominium or the minutes of a meeting of the board of directors or other governing body of the condominium to be delivered, the board of directors or other governing body of the condominium shall compile and send the requested information by mail, electronic transmission, or personal delivery...	The purchaser is given on or before the time a contract is entered into between the vendor and the purchaser, a current public offering statement as amended and registered with the Secretary of State containing all of the information set forth in subsection (b) of this section; and...	On the request of the unit owners of at least 5 percent of the units, the council of unit owners shall cause an audit of the books and records to be made by an independent certified public accountant, provided an audit shall be made not more than once in any consecutive 12-month period. The cost of the audit shall be a common expense.
	Homeowners' Association Act <a href="#">Real Property, Section 11B</a>	<a href="#">§11B-112.</a> Subject to the provisions of paragraph (2) of this subsection, all books and records kept by or on behalf of the homeowners association shall be made available for examination or copying, or both, by a lot owner, a lot owner's mortgagee, or their respective duly authorized agents or attorneys, during normal business hours, and after reasonable notice.	<a href="#">§11B-112.</a> Subject to the provisions of paragraph (2) of this subsection, all books and records kept by or on behalf of the homeowners association shall be made available for examination or copying, or both, by a lot owner, a lot owner's mortgagee, or their respective duly authorized agents or attorneys, during normal business hours, and after reasonable notice.	§11B-105. A contract for the initial sale of a lot in a development containing more than 12 lots to a member of the public who intends to occupy or rent the lot for residential purposes is not enforceable by the vendor unless... <a href="#">§11B-108.</a> A person who enters into a contract as a purchaser but who has not received all of the disclosures required by § 11B-105, § 11B-106, or § 11B-107 of this title, as applicable, shall, prior to settlement, be entitled to cancel the contract and to	N/A

State	State Act	Access to Books and Records (including timeline)	Access to Budget and Financial Records (including timeline)	Resale Disclosure Requirements	Audit Mandates
				the immediate return of deposits made on account of the contract	
	Nonstock Corporations <a href="#">Corporations and Associations, Section 5-201</a>	N/A	N/A	N/A	N/A
	<a href="#">Maryland Cooperative Housing Corporation Act</a> , Md. Code, Corporations & Associations §§ 5-6B-01 through 5-6B-33	<a href="#">§5-6B-26.</a> Except as provided in paragraph (2) of this subsection, all books and records kept by or on behalf of a cooperative housing corporation shall be made available for examination or copying, or both, by a member, a member's mortgagee, or their respective duly authorized agents or attorneys, during normal business hours, and after reasonable notice	<a href="#">§5-6B-26.</a> Except as provided in paragraph (2) of this subsection, all books and records kept by or on behalf of a cooperative housing corporation shall be made available for examination or copying, or both, by a member, a member's mortgagee, or their respective duly authorized agents or attorneys, during normal business hours, and after reasonable notice	N/A	N/A
<b>Massachusetts</b>	Condominiums (Does not apply to HOAs) <a href="#">Part II, Title I, Chapter 183A</a>	<a href="#">Section 10.</a> Such records shall be kept in an up-to-date manner within the commonwealth and shall be available for reasonable inspection by any unit owner or by any mortgagee holding a recorded first mortgage on a unit during regular business hours and at such other times as may be provided in the agreement between the manager or managing agent and the	<a href="#">Section 10.</a> Such records shall be kept in an up-to-date manner within the commonwealth and shall be available for reasonable inspection by any unit owner or by any mortgagee holding a recorded first mortgage on a unit during regular business hours and at such other times as may be provided in the agreement between the manager or	N/A	<a href="#">Section 10.</a> An independent certified public accountant shall conduct according to the standards of the American Institute of Certified Public Accountants, a review of the financial report for any condominium comprising 50 or more units. Such review shall be conducted

State	State Act	Access to Books and Records (including timeline)	Access to Budget and Financial Records (including timeline)	Resale Disclosure Requirements	Audit Mandates
		organization of unit owners. Access to said records shall include the right to photocopy said records at the expense of the person or entity making the request.	managing agent and the organization of unit owners. Access to said records shall include the right to photocopy said records at the expense of the person or entity making the request.		annually, or less frequently in accordance with subsection (m), but in no case less frequently than every two years. In any action brought to enforce the provisions of this paragraph, the prevailing party shall be entitled to reasonable attorneys' fees incurred in such action.
	Nonprofit Corporations <a href="#">Part I, Title XXII, Chapter 156B, s.11-13</a>	N/A	N/A	N/A	N/A
<b>Michigan</b>	Condominium Act (Does not apply to HOAs) <a href="#">Chapter 559</a>	<a href="#">559.157</a> The books, records, contracts, and financial statements concerning the administration and operation of the condominium project shall be available for examination by any of the co-owners and their mortgagees at convenient times.	<a href="#">559.157</a> The books, records, contracts, and financial statements concerning the administration and operation of the condominium project shall be available for examination by any of the co-owners and their mortgagees at convenient times.	<a href="#">559.184a</a> The developer shall provide copies of all of the following documents to a prospective purchaser of a condominium unit, other than a business condominium unit... <a href="#">559.121</a> Provide documents as provided in section 84a.	<a href="#">559.157</a> Except as provided in subsection (3), an association of co-owners with annual revenues greater than \$20,000.00 shall on an annual basis have its books, records, and financial statements independently audited or reviewed by a certified public accountant, as defined in section 720 of the occupational code, 1980 PA 299, MCL 339.720. The audit or review shall be performed in accordance with the



State	State Act	Access to Books and Records (including timeline)	Access to Budget and Financial Records (including timeline)	Resale Disclosure Requirements	Audit Mandates
					statements on auditing standards or the statements on standards for accounting and review services, respectively, of the American institute of certified public accountants.
	Non-profit Corporation Act <a href="#">45 0.2401</a>	N/A	<a href="#">450.2901</a> A corporation may distribute the financial report required under subsection (1) electronically, either by electronic transmission of the report or by making the report available for electronic transmission. If the report is distributed electronically under this subsection, the corporation shall provide the report in written form to a shareholder, member, or director on request.	N/A	N/A
Minnesota	Condominiums <a href="#">Chapter 515</a>	<a href="#">515.19</a> The bylaws shall provide that an annual report be prepared by the association of apartment owners, that a copy of the report be provided to each apartment owner, and that the report contains at a minimum the following...	<a href="#">515.19</a> The bylaws shall provide that an annual report be prepared by the association of apartment owners, that a copy of the report be provided to each apartment owner, and that the report contains at a minimum the following...	<a href="#">515.215</a> Not later than 15 days prior to the closing of the first conveyance of each apartment, the vendor shall furnish to the purchaser the following...	N/A
	Uniform Condominium Act (Does not apply to HOAs) <a href="#">Chapter 515A</a>	N/A	<a href="#">515A.3-116</a> The association shall keep financial records sufficiently detailed to enable the association to comply with section 515A.4-107. All	<a href="#">515A.4-102</a> A disclosure statement shall fully disclose:  (a) the name and principal address of the	N/A

State	State Act	Access to Books and Records (including timeline)	Access to Budget and Financial Records (including timeline)	Resale Disclosure Requirements	Audit Mandates
			financial records shall be made reasonably available for examination by any unit owner and the unit owner's authorized agents	declarant and the address and the name, if any, and number, if available, of the condominium;...	
	Common Interest Ownership Act (applies to HOAs) <a href="#">Chapter 515B</a>	<p><a href="#">515B.3-118</a>                      The association shall keep adequate records of its membership, unit owners meetings, board of directors meetings, committee meetings, contracts, leases and other agreements to which the association is a party, and material correspondence and memoranda relating to its operations. The association shall keep financial records sufficiently detailed to enable the association to comply with sections 515B.3-106(b) and 515B.4-107. All records, except records relating to information that was the basis for closing a board meeting under section 515B.3-103, paragraph (g), shall be made reasonably available for examination by any unit owner or the unit owner's authorized agent, subject to the applicable statutes. The association must provide copies in paper or electronic form as requested by the owner or authorized agent, provided that the association is not required to provide copies in electronic form if the records</p>	<p><a href="#">515B.3-118</a>                      The association shall keep adequate records of its membership, unit owners meetings, board of directors meetings, committee meetings, contracts, leases and other agreements to which the association is a party, and material correspondence and memoranda relating to its operations. The association shall keep financial records sufficiently detailed to enable the association to comply with sections 515B.3-106(b) and 515B.4-107. All records, except records relating to information that was the basis for closing a board meeting under section 515B.3-103, paragraph (g), shall be made reasonably available for examination by any unit owner or the unit owner's authorized agent, subject to the applicable statutes. The association must provide copies in paper or electronic form as requested by the owner or authorized agent, provided that the association is not required to provide copies</p>	<p><a href="#">515B.4-10</a>                      Subject to subsections (a) and (c), a declarant who offers a unit to a purchaser shall deliver to the purchaser a current disclosure statement which complies with the requirements of section 515B.4-102. The disclosure statement shall include any material amendments to the disclosure statement made prior to the conveyance of the unit to the purchaser. The declarant shall be liable to the purchaser to whom it delivered the disclosure statement for any false or misleading statement set forth therein or for any omission of a material fact therefrom.</p>	<p><a href="#">515B.3-121</a>                      Subject to any additional or greater requirements set forth in the declaration or bylaws, a review of the association's financial statements shall be made at the end of the association's fiscal year, unless prior to 60 days after the end of that fiscal year, at a meeting or by mailed ballot, unit owners, other than declarant or its affiliates, of units to which at least 30 percent of the votes in the association are allocated vote to waive the review requirement for that fiscal year. A waiver vote shall not apply to more than one fiscal year, and shall not affect the board's authority to cause a review or audit to be made. The reviewed financial statements shall be delivered to all members of the association within 180 days after the end of</p>

State	State Act	Access to Books and Records (including timeline)	Access to Budget and Financial Records (including timeline)	Resale Disclosure Requirements	Audit Mandates
		are not maintained in that form by the association.	in electronic form if the records are not maintained in that form by the association.		the association's fiscal year.
	Nonprofit Corporation Act <a href="#">Chapter 317A</a>	<a href="#">317A.461</a> A member or a director, or the agent or attorney of a member or a director, may inspect all documents referred to in subdivision 1 or 3 for any proper purpose at any reasonable time. A proper purpose is one reasonably related to the person's interest as a member or director of the corporation.	<a href="#">317A.461</a> A member or a director, or the agent or attorney of a member or a director, may inspect all documents referred to in subdivision 1 or 3 for any proper purpose at any reasonable time. A proper purpose is one reasonably related to the person's interest as a member or director of the corporation.	N/A	N/A
<b>Mississippi</b>	Condominiums (Does not apply to HOAs) <a href="#">Title 89, Chapter 9</a>	N/A	N/A	N/A	N/A
	Nonprofit Corporation Act <a href="#">Title 79, Chapter 11</a>	<a href="#">Section 79-11-285</a> Subject to Section 79-11-287(3), a member is entitled to inspect and copy, at a reasonable time and location specified by the corporation, any of the records of the corporation described in Section 79-11-283(5) if the member gives the corporation written notice of his demand at least five (5) business days before the date on which the member wishes to inspect and copy.	<a href="#">Section 79-11-285</a> Subject to Section 79-11-287(3), a member is entitled to inspect and copy, at a reasonable time and location specified by the corporation, any of the records of the corporation described in Section 79-11-283(5) if the member gives the corporation written notice of his demand at least five (5) business days before the date on which the member wishes to inspect and copy.	N/A	N/A
<b>Missouri</b>	Condominium Property (Does not apply to	<a href="#">448.200.</a> The manager or board of managers, as the case may be, shall keep detailed,	<a href="#">448.200.</a> The manager or board of managers, as the case may be, shall keep detailed,	N/A	N/A

State	State Act	Access to Books and Records (including timeline)	Access to Budget and Financial Records (including timeline)	Resale Disclosure Requirements	Audit Mandates
	HOAs) <a href="#">Chapter 448</a>	accurate records in chronological order of the receipts and expenditures affecting the common elements, specifying and itemizing the maintenance and repair expenses of the common elements and any other expenses incurred. Such records and the vouchers authorizing the payments shall be available for examination by the unit owners at convenient hours of week days.	accurate records in chronological order of the receipts and expenditures affecting the common elements, specifying and itemizing the maintenance and repair expenses of the common elements and any other expenses incurred. Such records and the vouchers authorizing the payments shall be available for examination by the unit owners at convenient hours of week days.		
	Uniform Condominium Act (Does not apply to HOAs) <a href="#">Chapter 448.1-101</a>	<a href="#">448.3-118.</a> The association shall keep financial records sufficiently detailed to enable the association to comply with section 448.4-107. All financial and other records shall be made reasonably available for examination by any unit owner and his authorized agents.	<a href="#">448.3-118.</a> The association shall keep financial records sufficiently detailed to enable the association to comply with section 448.4-107. All financial and other records shall be made reasonably available for examination by any unit owner and his authorized agents.	<a href="#">448.4-109.</a> Except in the case of a sale where delivery of an original sale certificate is required, or unless exempt under subsection 2 of section 448.4-101, a unit owner shall furnish to a purchaser before execution of any contract for sale of a unit, or otherwise before conveyance, a resale certificate containing...	
	Nonprofit Corporation Law <a href="#">Chapter 355</a>	<a href="#">355.826.</a> Subject to subsection 3 of section 355.831, a member, or resident of a class of residents who have paid into the corporation for services or other charges over fifty percent of the corporation's operating expenses, is entitled to inspect and copy, subject to subsections 2 and 3 of this section, at a	<a href="#">355.826.</a> Subject to subsection 3 of section 355.831, a member, or resident of a class of residents who have paid into the corporation for services or other charges over fifty percent of the corporation's operating expenses, is entitled to inspect and copy, subject to subsections 2 and 3 of this	N/A	N/A

State	State Act	Access to Books and Records (including timeline)	Access to Budget and Financial Records (including timeline)	Resale Disclosure Requirements	Audit Mandates
		reasonable time and location specified by the corporation, any of the records of the corporation required by this act* if the member or resident gives the corporation written notice or a written demand at least five business days before the date on which the member or resident wishes to inspect and copy.	section, at a reasonable time and location specified by the corporation, any of the records of the corporation required by this act* if the member or resident gives the corporation written notice or a written demand at least five business days before the date on which the member or resident wishes to inspect and copy.		
<b>Montana</b>	Unit Ownership Act (Does not apply to HOAs) <a href="#">Title 70, Chapter 23</a>	N/A	N/A	N/A	N/A
	Nonprofit Corporations <a href="#">Title 35, Chapter 2</a>	<a href="#">35-2-907.</a> (1) Subject to 35-2-908(3) and subsection (5) of this section, a member is entitled to inspect and copy, at a reasonable time and location specified by the corporation, any of the records of the corporation described in 35-2-906(5) if the member gives the corporation written notice or a written demand at least 5 business days before the date on which the member wishes to inspect and copy.	<a href="#">35-2-907.</a> (1) Subject to 35-2-908(3) and subsection (5) of this section, a member is entitled to inspect and copy, at a reasonable time and location specified by the corporation, any of the records of the corporation described in 35-2-906(5) if the member gives the corporation written notice or a written demand at least 5 business days before the date on which the member wishes to inspect and copy.	N/A	N/A
<b>Nebraska</b>	Condominium Act (Does not apply to HOAs) <a href="#">Title 76, Chapter 825 thru 894</a>	<a href="#">76-876.</a> The association shall keep financial records sufficiently detailed to enable the association to comply with section 76-884. All financial and other records of the	<a href="#">76-876.</a> The association shall keep financial records sufficiently detailed to enable the association to comply with section 76-884. All financial and other records of the	<a href="#">76-884.</a> Except in the case of a sale where delivery of a public-offering statement is required or unless exempt under subsection (b) of section 76-878, the	N/A

State	State Act	Access to Books and Records (including timeline)	Access to Budget and Financial Records (including timeline)	Resale Disclosure Requirements	Audit Mandates
		association shall be made reasonably available for examination by any unit owner and his or her authorized agents.	association shall be made reasonably available for examination by any unit owner and his or her authorized agents.	unit owner and any other person in the business of selling real estate who offers a unit to a purchaser shall furnish to a purchaser before conveyance a copy of the declaration other than the plats and plans, the bylaws, the rules or regulations of the association, and the following information...	
	<a href="#">Nebraska Condominium Property Act</a> (CPA), Neb. Rev. Stat. §§ 76-801 to 76-823).	N/A	N/A	N/A	N/A
	HOAs in Unincorporated Villages <a href="#">Chapter 39-1405</a>	N/A	N/A	N/A	N/A
	Nonprofit Corporation Act <a href="#">Chapter 21-1901</a>	<a href="#">21-19,166.</a> Subject to subsection (e) of this section and subsection (c) of section 21-19,167, a member is entitled to inspect and copy, at a reasonable time and location specified by the corporation, any of the records of the corporation described in subsection (e) of section 21-19,165 if the member gives the corporation written notice or a written demand at least five business days before the date on which the member wishes to inspect and copy.	<a href="#">21-19,170.</a> Except as provided in the articles or bylaws of a religious corporation, a corporation, upon written demand from a member, shall furnish that member its latest annual financial statements, which may be consolidated or combined statements of the corporation and one or more of its subsidiaries or affiliates, as appropriate, that include a balance sheet as of the end of the fiscal year and a statement of operations for that year.	N/A	N/A

State	State Act	Access to Books and Records (including timeline)	Access to Budget and Financial Records (including timeline)	Resale Disclosure Requirements	Audit Mandates
			<p>If financial statements are prepared for the corporation on the basis of generally accepted accounting principles, the annual financial statements must also be prepared on that basis.</p>		
<p><b>Nevada</b></p>	<p>Common Interest Ownership Act (Applies to HOAs) <a href="#">NRS Chapter 116</a></p>	<p><a href="#">NRS 116.31175</a>                      Except as otherwise provided in subsection 4, the executive board of an association shall, upon the written request of a unit's owner, make available the books, records and other papers of the association for review at the business office of the association or a designated business location not to exceed 60 miles from the physical location of the common-interest community and during the regular working hours of the association, including, without limitation:..</p>	<p><a href="#">NRS 116.31175</a>                      Except as otherwise provided in subsection 4, the executive board of an association shall, upon the written request of a unit's owner, make available the books, records and other papers of the association for review at the business office of the association or a designated business location not to exceed 60 miles from the physical location of the common-interest community and during the regular working hours of the association, including, without limitation:..</p>	<p><a href="#">NRS 116.4109</a>  <a href="#">Resales of units.</a>                      Except in the case of a sale in which delivery of a public offering statement is required, or unless exempt under subsection 2 of NRS 116.4101, a unit's owner or his or her authorized agent shall, at the expense of the unit's owner, furnish to a purchaser a resale package containing all of the following</p>	<p><a href="#">NRS 116.31144</a>                      If the annual budget of the association is \$45,000 or more but less than \$75,000, cause the financial statement of the association to be reviewed by an independent certified public accountant during the year immediately preceding the year in which a study of the reserves of the association is to be conducted pursuant to NRS 116.31152.</p> <p>(b) If the annual budget of the association is \$75,000 or more but less than \$150,000, cause the financial statement of the association to be reviewed by an independent certified public accountant every fiscal year.</p>

State	State Act	Access to Books and Records (including timeline)	Access to Budget and Financial Records (including timeline)	Resale Disclosure Requirements	Audit Mandates
					(c) If the annual budget of the association is \$150,000 or more, cause the financial statement of the association to be audited by an independent certified public accountant every fiscal year.
	Regulation of Community Managers <a href="#">NRS Chapter 116A</a>	N/A	N/A	N/A	N/A
	Nonprofit Corporations <a href="#">NR S Chapter 82</a>	<a href="#">NRS 82.186</a> Any director or person authorized in writing by at least 15 percent of the members of the corporation upon at least 5 days' written demand is entitled to inspect in person or by agent or attorney, during normal business hours, the books of account and all financial records of the corporation and to make extracts therefrom. The right of members and directors to inspect the corporate records may not be limited in the articles or bylaws of any corporation.	<a href="#">NRS 82.186</a> Any director or person authorized in writing by at least 15 percent of the members of the corporation upon at least 5 days' written demand is entitled to inspect in person or by agent or attorney, during normal business hours, the books of account and all financial records of the corporation and to make extracts therefrom. The right of members and directors to inspect the corporate records may not be limited in the articles or bylaws of any corporation.	N/A	N/A
New Hampshire	Condominium Act (Does not apply to HOAs) <a href="#">Chapter 356B</a>	N/A	N/A	N/A	N/A
	Proprietors of Common	N/A	N/A	N/A	N/A



State	State Act	Access to Books and Records (including timeline)	Access to Budget and Financial Records (including timeline)	Resale Disclosure Requirements	Audit Mandates
	Lands <a href="#">Chapter 303</a>				
	<a href="#">New Hampshire Unit Ownership of Real Property Act</a> , RSA chapter 479-A applies condominiums created before September 10, 1977.	<a href="#">479-A:19</a> The manager or board of directors, as the case may be, shall keep detailed, accurate records in chronological order of the receipts and expenditures affecting the common areas and facilities, specifying and itemizing the maintenance and repair expenses of the common areas and facilities and any other expenses incurred. Such records and the vouchers authorizing the payments shall be available for examination by the unit owners at convenient hours of weekdays.	<a href="#">479-A:19</a> The manager or board of directors, as the case may be, shall keep detailed, accurate records in chronological order of the receipts and expenditures affecting the common areas and facilities, specifying and itemizing the maintenance and repair expenses of the common areas and facilities and any other expenses incurred. Such records and the vouchers authorizing the payments shall be available for examination by the unit owners at convenient hours of weekdays.	N/A	N/A
	<a href="#">New Hampshire Voluntary Corporations And Associations Act</a> , RSA chapter 292.	N/A	N/A	N/A	N/A
<b>New Jersey</b>	Planned Real Estate Full Disclosure Act (Applies to HOAs) <a href="#">Title 5:26-1</a>	N/A	N/A	<a href="#">Section 45:22A-46.2</a> Notwithstanding any law or governing document to the contrary, the purchaser or grantee by operation of law of a dwelling unit in an age-restricted community shall be required to certify, prior to the resale or transfer by operation of law of a dwelling unit within the community, that the dwelling unit will be	N/A

State	State Act	Access to Books and Records (including timeline)	Access to Budget and Financial Records (including timeline)	Resale Disclosure Requirements	Audit Mandates
				occupied by a person of an age that ensures compliance with the "housing for older persons" exception from the federal "Fair Housing Amendments Act of 1988," Pub.L. 100-430(42 U.S.C. ss. 3601 et seq.) for that community as set forth in section 100.301 of Title 24, Code of Federal Regulations.	
	Horizontal Property Act (Does not apply to HOAs) <a href="#">Title 46:8A</a>	<a href="#">Section 46:8A-16</a> The administrator, or the board of administration, or other form of administration specified in the bylaws, shall keep books with a detailed account, in chronological order, of the receipts and expenditures affecting the property and its administration and specifying the maintenance and repair expenses of the common elements and any other expenses incurred. Said books and the vouchers accrediting the entries made thereupon shall be available for examination by all the coowners at convenient hours on working days that shall be set and announced for general knowledge.	<a href="#">Section 46:8A-16</a> The administrator, or the board of administration, or other form of administration specified in the bylaws, shall keep books with a detailed account, in chronological order, of the receipts and expenditures affecting the property and its administration and specifying the maintenance and repair expenses of the common elements and any other expenses incurred. Said books and the vouchers accrediting the entries made thereupon shall be available for examination by all the coowners at convenient hours on working days that shall be set and announced for general knowledge.	N/A	N/A
	Condominium Act (Does not apply to HOAs) <a href="#">Title 46:8B</a>	N/A	<a href="#">§ 46:8B-14.</a> The maintenance of accounting records, in	N/A	N/A

State	State Act	Access to Books and Records (including timeline)	Access to Budget and Financial Records (including timeline)	Resale Disclosure Requirements	Audit Mandates
			accordance with generally accepted accounting principles, open to inspection at reasonable times by unit owners. Such records shall include		
	Cooperative Recording Act <a href="#">Title 46:8 D</a>	N/A	N/A	N/A	N/A
	Nonprofit Corporation Act <a href="#">Title 15A</a>	N/A	N/A	N/A	N/A
<b>New Mexico</b>	Building Unit Ownership <a href="#">47-7-1 thru 47-7-28</a>	<a href="#">47-7-21.</a> The manager or board of directors, shall keep detailed, accurate records in chronological order, of the receipts and expenditures affecting the common areas and facilities, specifying and itemizing the maintenance and repair expenses of the common areas and facilities and any other expenses incurred. The records and the vouchers authorizing payments shall be available for examination by any unit owner at convenient hours of weekdays.	<a href="#">47-7-21.</a> The manager or board of directors, shall keep detailed, accurate records in chronological order, of the receipts and expenditures affecting the common areas and facilities, specifying and itemizing the maintenance and repair expenses of the common areas and facilities and any other expenses incurred. The records and the vouchers authorizing payments shall be available for examination by any unit owner at convenient hours of weekdays.	N/A	N/A
	<a href="#">New Mexico Condominium Act</a> , N.M. Stat. §§ 47-7A-1 through 47-7D-20.	<a href="#">47-7C-18.</a> The association shall keep financial records sufficiently detailed to enable the association to comply with Section 61 [47-7D-9 NMSA 1978] of the Condominium Act. All financial and other records shall be made reasonably available for	<a href="#">47-7C-18.</a> The association shall keep financial records sufficiently detailed to enable the association to comply with Section 61 [47-7D-9 NMSA 1978] of the Condominium Act. All financial and other records shall be made reasonably available for	<a href="#">47-7D-9.</a> Except in the case of a sale where delivery of a disclosure statement is required, or unless exempt under Subsection B of Section 53 [47-7D-1 NMSA 1978] of the Condominium Act, a unit owner shall furnish to a	N/A

State	State Act	Access to Books and Records (including timeline)	Access to Budget and Financial Records (including timeline)	Resale Disclosure Requirements	Audit Mandates
		examination by any unit owner and his authorized agents.	examination by any unit owner and his authorized agents.	purchaser before conveyance a copy of the declaration, other than the plats and plans, the bylaws, the rules or regulations of the association and a resale certificate from the association containing...	
	<a href="#">New Mexico Homeowners Association Act</a> , N.M. Stat. §§ 47-16-1, et. seq.	<a href="#">47-16-5.</a> All financial and other records of the association shall be made available during regular business hours for examination by a lot owner within ten business days of a written request.	<a href="#">47-16-5.</a> All financial and other records of the association shall be made available during regular business hours for examination by a lot owner within ten business days of a written request.	N/A	<a href="#">47-16-10.</a> At least every three years, the board shall provide for a financial audit, review or compilation of the association's records in accordance with generally accepted accounting principles by an independent certified public accountant and shall provide that the cost thereof be assessed as a common expense. The audit, review or compilation shall be made available to lot owners within thirty calendar days of its completion.
	<a href="#">New Mexico Nonprofit Corporation Act</a> , N.M. Stat. §§ 53-8-1, et. seq.	<a href="#">53-8-27.</a> Each corporation shall keep correct and complete books and records of account and shall keep minutes of the proceedings of its members, board of directors and committees having any of the authority of the board of directors. Each corporation	<a href="#">53-8-27.</a> Each corporation shall keep correct and complete books and records of account and shall keep minutes of the proceedings of its members, board of directors and committees having any of the authority of the board of directors.	N/A	N/A

State	State Act	Access to Books and Records (including timeline)	Access to Budget and Financial Records (including timeline)	Resale Disclosure Requirements	Audit Mandates
		shall keep at its registered office or principal office in New Mexico a record of the names and addresses of its members entitled to vote. All books and records of a corporation may be inspected by any member, or his agent or attorney, for any proper purpose at any reasonable time.	Each corporation shall keep at its registered office or principal office in New Mexico a record of the names and addresses of its members entitled to vote. All books and records of a corporation may be inspected by any member, or his agent or attorney, for any proper purpose at any reasonable time.		
<b>New York</b>	Condominium Act (Does not apply to HOAs) <a href="#">RPP 9B</a>	<a href="#">§ 339-w.</a> The manager or board of managers, as the case may be, shall keep detailed, accurate records, in chronological order, of the receipts and expenditures arising from the operation of the property. Such records and the vouchers authorizing the payments shall be available for examination by the unit owners at convenient hours of weekdays. A written report summarizing such receipts and expenditures shall be rendered by the board of managers to all unit owners at least once annually.	<a href="#">§ 339-w.</a> The manager or board of managers, as the case may be, shall keep detailed, accurate records, in chronological order, of the receipts and expenditures arising from the operation of the property. Such records and the vouchers authorizing the payments shall be available for examination by the unit owners at convenient hours of weekdays. A written report summarizing such receipts and expenditures shall be rendered by the board of managers to all unit owners at least once annually.	N/A	N/A
	Real Estate Syndication Act <a href="#">GBS 352E</a>	N/A	N/A	the detailed terms of the transaction; a description of the property, the nature of the interest, and how title thereto is to be	N/A

State	State Act	Access to Books and Records (including timeline)	Access to Budget and Financial Records (including timeline)	Resale Disclosure Requirements	Audit Mandates
				held; the gross and net income for a reasonable period preceding the offering where applicable and available; the current gross and net income where applicable and available; the basis, rate and method of computing depreciation; a description of major current leases; the essential terms of all mortgages; the names, addresses and business...	
	Not for Profit Corporation Law <a href="#">NPC</a>	<a href="#">§ 621.</a> Except as otherwise provided herein, every corporation shall keep, at the office of the corporation, correct and complete books and records of account and minutes of the proceedings of its members, board and executive committee, if any, and shall keep at such office or at the office of its transfer agent or registrar in this state, a list or record containing the names and addresses of all members, the class or classes of membership or capital certificates and the number of capital certificates held by each and the dates when they respectively became the holders of record thereof.	<a href="#">§ 621.</a> Except as otherwise provided herein, every corporation shall keep, at the office of the corporation, correct and complete books and records of account and minutes of the proceedings of its members, board and executive committee, if any, and shall keep at such office or at the office of its transfer agent or registrar in this state, a list or record containing the names and addresses of all members, the class or classes of membership or capital certificates and the number of capital	N/A	<a href="#">§ 712-a.</a> The board, or a designated audit committee of the board comprised solely of independent directors, of any corporation required to file an independent certified public accountant's audit report with the attorney general pursuant to subdivision one of section one hundred seventy-two-b of the executive law shall oversee the accounting and financial reporting processes of the corporation and the audit of the

State	State Act	Access to Books and Records (including timeline)	Access to Budget and Financial Records (including timeline)	Resale Disclosure Requirements	Audit Mandates
			certificates held by each and the dates when they respectively became the holders of record thereof.		corporation's financial statements.
	<a href="#">New York Cooperative Corporations Law (CCO)</a> , N.Y. Coop. Corp. Law §§ 1-134	N/A	N/A	N/A	N/A
<b>North Carolina</b>	Unit Ownership (condos before 10/1/86) <a href="#">Chapter 47A-101 et seq.</a>	N/A	<a href="#">§ 47A-20.</a> The manager or board of directors, or other form of administration provided in the bylaws, as the case may be, shall keep detailed, accurate records in chronological order of the receipts and expenditures affecting the common areas and facilities, specifying and identifying the maintenance and repair expenses of the common areas and facilities and any other expense incurred. Both said book and the vouchers accrediting the entries thereupon shall be available for examination by all the unit owners, their duly authorized agents or attorneys, at convenient hours on working days that shall be set and announced for general knowledge. All books and records shall be kept in accordance with good and accepted accounting practices and	N/A	N/A

State	State Act	Access to Books and Records (including timeline)	Access to Budget and Financial Records (including timeline)	Resale Disclosure Requirements	Audit Mandates
	Condominium Act (condos after 10/1/86) <a href="#">Chapter 47C-1-101 et seq.</a>	<a href="#">§ 47C-3-118.</a> The association shall keep financial records sufficiently detailed to enable the association to comply with this chapter. All financial and other records, including records of meetings of the association and executive board, shall be made reasonably available for examination by any unit owner and the unit owner's authorized agents as required by the bylaws and by Chapter 55A of the General Statutes if the association is a nonprofit corporation.	an outside audit shall be made at least once a year. <a href="#">§ 47C-3-118.</a> The association shall keep financial records sufficiently detailed to enable the association to comply with this chapter. All financial and other records, including records of meetings of the association and executive board, shall be made reasonably available for examination by any unit owner and the unit owner's authorized agents as required by the bylaws and by Chapter 55A of the General Statutes if the association is a nonprofit corporation.	<a href="#">§ 47C-4-109.</a> Except in the case of a sale where delivery of a public offering statement is required, or unless exempt under G.S. 47C-4-101(b), a unit owner shall furnish to a prospective purchaser before conveyance a statement setting forth the monthly common expense assessment and any other fees payable by unit owners.	N/A
	Planned Community Act (Applies to HOAs) <a href="#">Chapter 47F-1-101 et seq.</a>	N/A	<a href="#">§ 47F-3-118.</a> The association shall keep financial records sufficiently detailed to enable the association to comply with this Chapter. All financial and other records, including records of meetings of the association and executive board, shall be made reasonably available for examination by any lot owner and the lot owner's authorized agents as required in the bylaws and Chapter 55A of the General Statutes. If the bylaws do not specify particular records to be maintained, the association shall keep	N/A	N/A



State	State Act	Access to Books and Records (including timeline)	Access to Budget and Financial Records (including timeline)	Resale Disclosure Requirements	Audit Mandates
			accurate records of all cash receipts and expenditures and all assets and liabilities. In addition to any specific information that is required by the bylaws to be assembled and reported to the lot owners at specified times, the association shall make an annual income and expense statement and balance sheet available to all lot owners at no charge and within 75 days after the close of the fiscal year to which the information relates.		
	Nonprofit Corporation <a href="#">Chapter 55A</a>	<a href="#">§ 55A-16-02.</a> A member is entitled to inspect and copy, at a reasonable time and location specified by the corporation, any of the records of the corporation described in G.S. 55A-16-01(e) if the member gives the corporation written notice of his demand at least five business days before the date on which the member wishes to inspect and copy	<a href="#">§ 55A-16-02.</a> A member is entitled to inspect and copy, at a reasonable time and location specified by the corporation, any of the records of the corporation described in G.S. 55A-16-01(e) if the member gives the corporation written notice of his demand at least five business days before the date on which the member wishes to inspect and copy	N/A	N/A
North Dakota	Condominium Ownership (Does not apply to HOAs) <a href="#">Chapter 47-04.1</a>	N/A	N/A	N/A	N/A
	Nonprofit Corporation <a href="#">Chapter 10-33</a>	<a href="#">Section 10-33-80</a> A member or a director, or the agent or attorney of a	<a href="#">Section 10-33-80</a> A member or a director, or the agent or attorney of a	N/A	N/A

State	State Act	Access to Books and Records (including timeline)	Access to Budget and Financial Records (including timeline)	Resale Disclosure Requirements	Audit Mandates
		member or a director, may inspect all records referred to in subsection 1 or 3 for any proper purpose at any reasonable time. A proper purpose is one reasonably related to the interest of the person as a member or director of the corporation.	member or a director, may inspect all records referred to in subsection 1 or 3 for any proper purpose at any reasonable time. A proper purpose is one reasonably related to the interest of the person as a member or director of the corporation.		
Ohio	<p>Condominium Property (Does not apply to HOAs) <a href="#">Chapter 5311</a></p> <p>Planned Community (Applies to HOAs) <a href="#">Chapter 5312</a></p>	<p><a href="#">Section 5311.091</a> Except as otherwise prohibited by this section, any member of a unit owners association may examine and copy the books, records, and minutes described in division (A) of section 5311.09 of the Revised Code pursuant to reasonable standards set forth in the declaration, bylaws, or rules the board promulgates, which may include, but are not limited to, standards governing the type of documents that are subject to examination and copying, the times and locations at which those documents may be examined or copied, and the specification of a reasonable fee for copying the documents.</p> <p><a href="#">Section 5312.07</a> Unless otherwise prohibited by this section, any owner may examine and copy the books, records, and minutes of the owners association</p>	<p><a href="#">Section 5311.091</a> Except as otherwise prohibited by this section, any member of a unit owners association may examine and copy the books, records, and minutes described in division (A) of section 5311.09 of the Revised Code pursuant to reasonable standards set forth in the declaration, bylaws, or rules the board promulgates, which may include, but are not limited to, standards governing the type of documents that are subject to examination and copying, the times and locations at which those documents may be examined or copied, and the specification of a reasonable fee for copying the documents.</p> <p><a href="#">Section 5312.07</a> Unless otherwise prohibited by this section, any owner may examine and copy the books, records, and minutes of the owners</p>	N/A	N/A

State	State Act	Access to Books and Records (including timeline)	Access to Budget and Financial Records (including timeline)	Resale Disclosure Requirements	Audit Mandates
		that division (C) of section 5312.06 of the Revised Code describes, pursuant to reasonable standards set forth in the declaration, bylaws, or rules the board promulgates. The standards may include, but are not limited to, standards governing the type of documents that are subject to examination and copying, the times and locations at which those documents may be examined or copied, and the specification of a reasonable fee for copying the documents.	association that division (C) of section 5312.06 of the Revised Code describes, pursuant to reasonable standards set forth in the declaration, bylaws, or rules the board promulgates. The standards may include, but are not limited to, standards governing the type of documents that are subject to examination and copying, the times and locations at which those documents may be examined or copied, and the specification of a reasonable fee for copying the documents.		
	Nonprofit Corporation <a href="#">Chapter 1702</a>	<a href="#">Section 1702.15</a> Subject to limitations prescribed in the articles or the regulations upon the right of members of a corporation to examine the books and records, all books and records of a corporation, including the membership records prescribed by section 1702.13 of the Revised Code, may be examined by any member or director or the agent or attorney of either, for any reasonable and proper purpose and at any reasonable time.	<a href="#">Section 1702.15</a> Subject to limitations prescribed in the articles or the regulations upon the right of members of a corporation to examine the books and records, all books and records of a corporation, including the membership records prescribed by section 1702.13 of the Revised Code, may be examined by any member or director or the agent or attorney of either, for any reasonable and proper purpose and at any reasonable time.	N/A	N/A
Oklahoma	Unit Ownership Act (Does not apply to HOAs) <a href="#">Section</a>	N/A	N/A	N/A	N/A

State	State Act	Access to Books and Records (including timeline)	Access to Budget and Financial Records (including timeline)	Resale Disclosure Requirements	Audit Mandates
	<a href="#">60-501 thru 60-530</a>				
	Nonprofit Corporation <a href="#">Section 18-552</a>	<a href="#">18-552.6</a> All records required hereunder shall be open to inspection during regular business hours, except as otherwise provided by court order, by the Office of the Attorney General and its employees, and upon demand shall be presented to that office for inspection.	<a href="#">18-552.6</a> All records required hereunder shall be open to inspection during regular business hours, except as otherwise provided by court order, by the Office of the Attorney General and its employees, and upon demand shall be presented to that office for inspection.	N/A	N/A
<b>Oregon</b>	Planned Communities Act (Applies to HOAs) <a href="#">ORS Chapter 94</a>	<a href="#">Section 94.670</a> Except as provided in paragraph (b) of this subsection, the association shall make the documents, information and records described in subsections (1) and (4) of this section and all other records of the association reasonably available for examination and, upon written request, available for duplication by an owner and any mortgagee of a lot that makes the request in good faith for a proper purpose.	<a href="#">Section 94.670</a> Except as provided in paragraph (b) of this subsection, the association shall make the documents, information and records described in subsections (1) and (4) of this section and all other records of the association reasonably available for examination and, upon written request, available for duplication by an owner and any mortgagee of a lot that makes the request in good faith for a proper purpose.	N/A	N/A
	Condominiums <a href="#">ORS Chapter 100</a>	<a href="#">Section 100.480</a> Except as provided in paragraph (b) of this subsection, the documents, information and records described in subsections (1) to (4) of this section and all other records of the association of unit owners	<a href="#">Section 100.480</a> Except as provided in paragraph (b) of this subsection, the documents, information and records described in subsections (1) to (4) of this section and all other records of the association of unit owners	<a href="#">Section 100.685</a> A unit sales agreement must contain:...	<a href="#">Section 100.480</a> Subject to ORS 100.481, the association of unit owners of a condominium that has annual assessments exceeding \$75,000 shall cause the

State	State Act	Access to Books and Records (including timeline)	Access to Budget and Financial Records (including timeline)	Resale Disclosure Requirements	Audit Mandates
		must be reasonably available for examination and, upon written request, available for duplication by a unit owner and any mortgagee of a unit that makes the request in good faith for a proper purpose.	must be reasonably available for examination and, upon written request, available for duplication by a unit owner and any mortgagee of a unit that makes the request in good faith for a proper purpose.		financial statement required under subsection (4) of this section to be reviewed within 300 days after the end of the fiscal year by an independent certified public accountant licensed in the State of Oregon in accordance with the Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.
	Nonprofit Corporations <a href="#">OR S Chapter 65</a>	<a href="#">65.774</a> Subject to subsection (5) of this section and ORS 65.777 (3), a member may inspect and copy, at a reasonable time and location specified by the corporation, any of the records of the corporation described in ORS 65.771 (5) if the member gives the corporation written notice of the member's demand at least five business days before the date on which the member wishes to inspect and copy.	<a href="#">65.774</a> Subject to subsection (5) of this section and ORS 65.777 (3), a member may inspect and copy, at a reasonable time and location specified by the corporation, any of the records of the corporation described in ORS 65.771 (5) if the member gives the corporation written notice of the member's demand at least five business days before the date on which the member wishes to inspect and copy.	N/A	N/A
Pennsylvania	Condominiums <a href="#">Title 68, Subpart B, Chapters 31-34</a>	<a href="#">§ 3316.</a> During the period of declarant control, the association shall keep detailed financial records,	<a href="#">§ 3316.</a> During the period of declarant control, the association shall keep detailed financial records,	<a href="#">§ 3407.</a> In the event of a resale of a unit by a unit owner other than a declarant, the unit owner shall	N/A

State	State Act	Access to Books and Records (including timeline)	Access to Budget and Financial Records (including timeline)	Resale Disclosure Requirements	Audit Mandates
		including, without limitation, a record of expenses paid by the declarant until the commencement of common expense assessments by the association under section 3314(a) (relating to assessments for common expenses), the commencement date of common expense assessments by the association and, for the period commencing on such date, a record for each unit in the condominium (including those owned by the declarants) of its common expense assessments and the payments thereof. The association shall keep financial records sufficiently detailed to enable the association to comply with section 3407 (relating to resales of units). All financial and other records shall be made reasonably available for examination by any unit owner and his authorized agents.	including, without limitation, a record of expenses paid by the declarant until the commencement of common expense assessments by the association under section 3314(a) (relating to assessments for common expenses), the commencement date of common expense assessments by the association and, for the period commencing on such date, a record for each unit in the condominium (including those owned by the declarants) of its common expense assessments and the payments thereof. The association shall keep financial records sufficiently detailed to enable the association to comply with section 3407 (relating to resales of units). All financial and other records shall be made reasonably available for examination by any unit owner and his authorized agents.	furnish to a purchaser before execution of any contract for sale of a unit, or otherwise before conveyance, a copy of the declaration (other than the plats and plans), the bylaws, the rules or regulations of the association and a certificate containing...	
	<a href="#">Cooperatives Title 68, Subpart C, Chapters 41-44</a>	<a href="#">§ 4317.</a> The association shall keep financial records sufficiently detailed to enable the association to comply with section 4409 (relating to resales of cooperative interests). All financial and other records shall be made	<a href="#">§ 4317.</a> The association shall keep financial records sufficiently detailed to enable the association to comply with section 4409 (relating to resales of cooperative interests). All financial and other records shall be made	<a href="#">§ 4409.</a> Except in the case of a sale where delivery of a public offering statement is required or unless the transaction is exempt under section 4401(b) (relating to applicability; waiver), a proprietary	N/A

State	State Act	Access to Books and Records (including timeline)	Access to Budget and Financial Records (including timeline)	Resale Disclosure Requirements	Audit Mandates
		reasonably available for examination by any proprietary lessee and his authorized agents.	reasonably available for examination by any proprietary lessee and his authorized agents.	lessee shall furnish to a purchaser before execution of any contract of sale of a cooperative interest or, if there is no contract of sale, before the time of conveyance a copy of the declaration (other than the plats and plans), the bylaws and the rules or regulations of the association, including all amendments to such documents to the date of their delivery to the purchaser, and a certificate containing...	
	Uniform Planned Community Act (Applies to HOAs) <a href="#">Title 68, Subpart D, Chapters 51-54</a>	<a href="#">§ 5316.</a> The association shall keep financial records sufficiently detailed to enable the association to comply with section 5407 (relating to resales of units). All financial and other records shall be made reasonably available for examination by any unit owner and authorized agents.	<a href="#">§ 5316.</a> The association shall keep financial records sufficiently detailed to enable the association to comply with section 5407 (relating to resales of units). All financial and other records shall be made reasonably available for examination by any unit owner and authorized agents.	<a href="#">§ 5407.</a> In the event of a resale of a unit by a unit owner other than a declarant, the unit owner shall furnish to a purchaser before execution of any contract for sale of a unit or otherwise before conveyance a copy of the declaration other than the plats and plans, the bylaws, the rules or regulations of the association and a certificate containing...	<a href="#">§ 5316.</a> Within 180 days after the close of its fiscal year, the association in any planned community having more than 12 units or subject to any rights under section 5215 (relating to subdivision or conversion of units) or 5211 (relating to conversion and expansion of flexible planned communities) shall prepare annual financial statements consisting of at least a balance sheet and a statement of revenues and expenses for the association. The cost of preparing the financial statements

State	State Act	Access to Books and Records (including timeline)	Access to Budget and Financial Records (including timeline)	Resale Disclosure Requirements	Audit Mandates
					shall be a common expense. Each unit owner shall be entitled to receive from the association, within 30 days after submitting a written request to the association, a copy of the annual financial statements and, if such financial statements are audited, reviewed or compiled by an independent certified public accountant or independent public accountant, a copy of the independent accountant's report on the financial statements. The association may charge a fee not to exceed the cost of producing copies of records other than the financial statement.
	Nonstock Corporations <a href="#">Title 15, Chapter 21</a>	N/A	N/A	N/A	N/A
<b>Rhode Island</b>	Condominium Ownership (Applies to condos built prior 7/1/1982) (Does not apply to HOAs) <a href="#">Chapter 34-36</a>	N/A	N/A	N/A	N/A
	Condominium Law (Applies to	<a href="#">§ 34-36.1-3.18.</a>	<a href="#">§ 34-36.1-3.18.</a>	<a href="#">§ 34-36.1-4.09.</a>	N/A



State	State Act	Access to Books and Records (including timeline)	Access to Budget and Financial Records (including timeline)	Resale Disclosure Requirements	Audit Mandates
	condos built after 7/1/1982) (Does not apply to HOAs) <a href="#">Chapter 34-36.1</a>	The association shall keep financial records sufficiently detailed to enable the association to comply with § 34-36.1-4.09. All financial and other records shall be made reasonably available for examination within thirty (30) days of a request by any unit owner and his or her authorized agent.	The association shall keep financial records sufficiently detailed to enable the association to comply with § 34-36.1-4.09. All financial and other records shall be made reasonably available for examination within thirty (30) days of a request by any unit owner and his or her authorized agent.	Except in the case of a sale where delivery of a public offering statement is required, or unless exempt under § 34-36.1-4.01(b), a unit owner shall furnish to a purchaser before execution of any contract for sale of a unit, or otherwise before conveyance, a copy of the declaration (other than the plats and plans), the bylaws, the rules or regulations of the association, and a certificate containing...	
	Nonprofit Corporation <a href="#">Chapter 7.6</a>	<a href="#">§ 7-6-30.</a> All books and records of a corporation may be inspected by any member, or his or her agent or attorney, for any proper purpose at any reasonable time.	<a href="#">§ 7-6-30.</a> All books and records of a corporation may be inspected by any member, or his or her agent or attorney, for any proper purpose at any reasonable time.	N/A	N/A
<b>South Carolina</b>	South Carolina Homeowners Association Act <a href="#">Section 27-30-110</a>	<a href="#">Section 27-30-150</a> The access to documents provisions of Sections 33-31-1602, 33-31-1603, 33-31-1604, and 33-31-1605 apply to all homeowners associations not subject to the South Carolina Nonprofit Corporation Act for the purposes of allowing homeowners access to inspect and copy a homeowners association's annual budget and homeowners membership lists.	<a href="#">Section 27-30-150</a> The access to documents provisions of Sections 33-31-1602, 33-31-1603, 33-31-1604, and 33-31-1605 apply to all homeowners associations not subject to the South Carolina Nonprofit Corporation Act for the purposes of allowing homeowners access to inspect and copy a homeowners association's annual budget and homeowners membership lists.	N/A	N/A

State	State Act	Access to Books and Records (including timeline)	Access to Budget and Financial Records (including timeline)	Resale Disclosure Requirements	Audit Mandates
	Horizontal Property Act (Does not apply to HOAs) <a href="#">Title 27, Chapter 31</a>	<a href="#">Section 27-31-180</a> Both the book and the vouchers accrediting the entries made thereupon shall be available for examination by all the co-owners at convenient hours on working days that shall be set and announced for general knowledge.	<a href="#">Section 27-31-180</a> Both the book and the vouchers accrediting the entries made thereupon shall be available for examination by all the co-owners at convenient hours on working days that shall be set and announced for general knowledge.	N/A	N/A
	Not for Profit Act <a href="#">Title 33, Chapter 31</a>	<a href="#">SECTION 33-31-1602.</a> Subject to subsection (e), a member is entitled to inspect and copy, at a reasonable time and reasonable location specified by the corporation, any of the following records of the corporation if the member meets the requirements of subsection (c) and gives the corporation written notice at least five business days before the date on which the member wishes to inspect and copy...	<a href="#">SECTION 33-31-1602.</a> Subject to subsection (e), a member is entitled to inspect and copy, at a reasonable time and reasonable location specified by the corporation, any of the following records of the corporation if the member meets the requirements of subsection (c) and gives the corporation written notice at least five business days before the date on which the member wishes to inspect and copy...	N/A	N/A
<b>South Dakota</b>	Condominiums (Does not apply to HOAs) <a href="#">Chapter 43, 15A</a>	N/A	N/A	N/A	N/A
	Nonprofit Corporations <a href="#">Chapter 47, 22</a>	<a href="#">47-24-2.</a> All books and records of a corporation may be inspected by any member, or his agent or attorney, for any proper purpose at any reasonable time.	<a href="#">47-24-2.</a> All books and records of a corporation may be inspected by any member, or his agent or attorney, for any proper purpose at any reasonable time.	N/A	N/A
<b>Tennessee</b>	Tennessee Condo Act <a href="#">Title</a>	<a href="#">Section 66-27-417</a>	<a href="#">Section 66-27-417</a>	<a href="#">Section 66-27-502</a>	N/A

State	State Act	Access to Books and Records (including timeline)	Access to Budget and Financial Records (including timeline)	Resale Disclosure Requirements	Audit Mandates
	<p><a href="#">66, Chapter 27</a> (applies to associations created after 2009)</p>	<p>The association shall keep financial records sufficiently detailed to enable the association to comply with §§ 66-27-502 and 66-27-503. All financial and other records shall be made reasonably available for examination by any unit owner, the holder of any mortgage or deed of trust encumbering a unit, and their respective authorized agents.</p>	<p>The association shall keep financial records sufficiently detailed to enable the association to comply with §§ 66-27-502 and 66-27-503. All financial and other records shall be made reasonably available for examination by any unit owner, the holder of any mortgage or deed of trust encumbering a unit, and their respective authorized agents.</p>	<p>The association, upon request from a unit owner, a purchaser or any lender to either a unit owner or a purchaser, or their respective authorized agents, shall provide to the requesting party, within ten (10) business days following the date of the association's receipt of the request, the information specified in § 66-27-503, to the extent applicable. It shall be the responsibility of a unit owner to advise a purchaser or lender, upon request, how the association may be contacted. The association will be entitled to charge a reasonable fee for providing the information that, if not paid, may be assessed against the unit whose owner, lender, or purchaser requested the information.</p>	
	<p>Horizontal Property (Does not apply to HOAs) <a href="#">Title 66, Chapter 27</a> (applies to associations created before 2009)</p>	<p>N/A</p>	<p><a href="#">Section 66-27-113</a> Both the book and the vouchers accrediting the entries made thereupon shall be available for examination by all the co-owners at convenient hours on working days that shall be set and announced for general knowledge.</p>	<p>N/A</p>	<p>N/A</p>

State	State Act	Access to Books and Records (including timeline)	Access to Budget and Financial Records (including timeline)	Resale Disclosure Requirements	Audit Mandates
	Nonprofit Corporations <a href="#">Title 48, Chapter 51</a>	<a href="#">Section 48-66-102</a> Subject to § 48-66-103(c), a member is entitled to inspect and copy, during regular business hours and at a reasonable location specified by the corporation, any of the records of the corporation described in § 48-66-101(e) if the member gives the corporation a written demand at least five (5) business days before the date on which the member wishes to inspect and copy.	<a href="#">Section 48-66-102</a> Subject to § 48-66-103(c), a member is entitled to inspect and copy, during regular business hours and at a reasonable location specified by the corporation, any of the records of the corporation described in § 48-66-101(e) if the member gives the corporation a written demand at least five (5) business days before the date on which the member wishes to inspect and copy.	N/A	N/A
Texas	Condominiums Created Before Uniform Condominium Act <a href="#">Property Code, Title 7, Chapter 81</a>	N/A	<a href="#">Sec. 81.209.</a> The accounts and supporting vouchers of a condominium regime shall be made available to the apartment owners for examination on working days at convenient, established, and publicly announced hours.	N/A	<a href="#">Sec. 81.209.</a> The books and records of a condominium regime must comply with good accounting procedures and must be audited at least once each year by an auditor who is not associated with the condominium regime.
	Uniform Condominium Act <a href="#">Property Code, Title 7, Chapter 82</a>	<a href="#">Sec. 82.1141.</a> Notwithstanding a provision in a dedicatory instrument, an association shall make the books and records of the association, including financial records, open to and reasonably available for examination by a unit owner, or a person designated in a writing signed by the unit owner as the unit owner's agent, attorney, or certified	<a href="#">Sec. 82.1141.</a> Notwithstanding a provision in a dedicatory instrument, an association shall make the books and records of the association, including financial records, open to and reasonably available for examination by a unit owner, or a person designated in a writing signed by the unit owner as the unit owner's agent,	<a href="#">Sec. 82.157.</a> Except as provided by Subsection (c), if a unit owner other than a declarant intends to sell a unit, before executing a contract or conveying the unit, the unit owner must furnish to the purchaser a current copy of the declaration, bylaws, any association rules, and a resale certificate that	<a href="#">Sec. 82.114.</a> The association shall, as a common expense, annually obtain an independent audit of the records. Copies of the audit must be made available to the unit owners. An audit required by this subsection shall be performed by a

State	State Act	Access to Books and Records (including timeline)	Access to Budget and Financial Records (including timeline)	Resale Disclosure Requirements	Audit Mandates
		public accountant, in accordance with this section. A unit owner is entitled to obtain from the association copies of information contained in the books and records.	attorney, or certified public accountant, in accordance with this section. A unit owner is entitled to obtain from the association copies of information contained in the books and records.	must have been prepared not earlier than three months before the date it is delivered to the purchaser. The resale certificate must be issued by the association and must contain the current operating budget of the association and statements of:...	certified public accountant if required by the bylaws or a vote of the board of directors or a majority vote of the members of the association voting at a meeting of the association.
	Disclosure of Information by Property Owners' Associations <a href="#">Property Code, Title 11, Chapter 207</a>	<a href="#">Sec.A207.003.</a> Not later than the 10th business day after the date a written request for subdivision information is received from an owner or the owner 's agent, a purchaser of property in a subdivision or the purchaser 's agent, or a title insurance company or its agent acting on behalf of the owner or purchaser and the evidence of the requestor 's authority to order a resale certificate under Subsection (a-1) is received and verified, the property owners ' association shall deliver to the owner or the owner 's agent, the purchaser or the purchaser 's agent, or the title insurance company or its agent:...	<a href="#">Sec.A207.003.</a> Not later than the 10th business day after the date a written request for subdivision information is received from an owner or the owner 's agent, a purchaser of property in a subdivision or the purchaser 's agent, or a title insurance company or its agent acting on behalf of the owner or purchaser and the evidence of the requestor 's authority to order a resale certificate under Subsection (a-1) is received and verified, the property owners ' association shall deliver to the owner or the owner 's agent, the purchaser or the purchaser 's agent, or the title insurance company or its agent:...	<a href="#">Sec.A207.003.</a> Not later than the 10th business day after the date a written request for subdivision information is received from an owner or the owner 's agent, a purchaser of property in a subdivision or the purchaser 's agent, or a title insurance company or its agent acting on behalf of the owner or purchaser and the evidence of the requestor 's authority to order a resale certificate under Subsection (a-1) is received and verified, the property owners ' association shall deliver to the owner or the owner 's agent, the purchaser or the purchaser 's agent, or the title insurance company or its agent:...	N/A
	Property Owners Protection Act <a href="#">Property</a>	<a href="#">Sec. 209.005.</a> Notwithstanding a provision in a dedicatory instrument, a property owners '	<a href="#">Sec. 209.005.</a> Notwithstanding a provision in a dedicatory instrument, a property owners '	N/A	N/A

State	State Act	Access to Books and Records (including timeline)	Access to Budget and Financial Records (including timeline)	Resale Disclosure Requirements	Audit Mandates
	<a href="#">Code, Title 11, Chapter 209</a>	association shall make the books and records of the association, including financial records, open to and reasonably available for examination by an owner, or a person designated in a writing signed by the owner as the owner's agent, attorney, or certified public accountant, in accordance with this section. An owner is entitled to obtain from the association copies of information contained in the books and records.	association shall make the books and records of the association, including financial records, open to and reasonably available for examination by an owner, or a person designated in a writing signed by the owner as the owner's agent, attorney, or certified public accountant, in accordance with this section. An owner is entitled to obtain from the association copies of information contained in the books and records.		
	Nonprofit Corporations Act <a href="#">Business Organizations Code, Title 2, Chapter 22.</a>	<a href="#">Sec. 22.351.</a> A member of a corporation, on written demand stating the purpose of the demand, is entitled to examine and copy at the member's expense, in person or by agent, accountant, or attorney, at any reasonable time and for a proper purpose, the books and records of the corporation relevant to that purpose.	<a href="#">Sec. 22.351.</a> A member of a corporation, on written demand stating the purpose of the demand, is entitled to examine and copy at the member's expense, in person or by agent, accountant, or attorney, at any reasonable time and for a proper purpose, the books and records of the corporation relevant to that purpose.	N/A	<a href="#">Sec. 22.356.</a> The books and records of a corporation other than a bona fide alumni association are subject to audit at the discretion of the state auditor if...
Utah	Condominium Ownership Act (Does not apply to HOAs) <a href="#">Title 57, Chapter 8</a>	<a href="#">57-8-17.</a> Subject to Subsection (1)(b) and regardless of whether the association of unit owners is incorporated under Title 16, Chapter 6a, Utah Revised Nonprofit Corporation Act, an association of unit owners shall keep and make available to unit owners:...	<a href="#">57-8-17.</a> Subject to Subsection (1)(b) and regardless of whether the association of unit owners is incorporated under Title 16, Chapter 6a, Utah Revised Nonprofit Corporation Act, an association of unit owners shall keep and make available to unit owners:...	N/A	N/A

State	State Act	Access to Books and Records (including timeline)	Access to Budget and Financial Records (including timeline)	Resale Disclosure Requirements	Audit Mandates
	Community Association Act <a href="#">Title 57, Chapter 8A</a>	<a href="#">57-8a-227.</a> Subject to Subsection (1)(b) and regardless of whether the association is incorporated under Title 16, Chapter 6a, Utah Revised Nonprofit Corporation Act, an association shall keep and make available to lot owners:...	<a href="#">57-8a-227.</a> Subject to Subsection (1)(b) and regardless of whether the association is incorporated under Title 16, Chapter 6a, Utah Revised Nonprofit Corporation Act, an association shall keep and make available to lot owners:...	N/A	N/A
	Nonprofit Corporation Act <a href="#">Title 16, Chapter 6A</a>	<a href="#">16-6a-1602.</a> A director or member is entitled to inspect and copy any of the records of the nonprofit corporation described in Subsection 16-6a-1601(5):...	<a href="#">16-6a-1602.</a> A director or member is entitled to inspect and copy any of the records of the nonprofit corporation described in Subsection 16-6a-1601(5):...	N/A	N/A
<b>Vermont</b>	Condominium Ownership Act <a href="#">Title 27, Chapter 15</a>	N/A	<a href="#">§ 1320.</a> The manager or board of directors, as the case may be, shall keep or see to keeping of detailed, accurate records in chronological order, of the receipts and expenditures affecting the common areas and facilities, specifying and itemizing the maintenance and repair expenses of the common areas and facilities and any other expenses incurred. Those records and the vouchers authorizing the payments shall be available for examination by the apartment or site owners at convenient hours of week days.	N/A	N/A
	Uniform Common Interest	<a href="#">§ 3-118.</a>	<a href="#">§ 3-118.</a>	<a href="#">§ 4-109.</a>	N/A

State	State Act	Access to Books and Records (including timeline)	Access to Budget and Financial Records (including timeline)	Resale Disclosure Requirements	Audit Mandates
	Ownership Act (Applies to HOAs) <a href="#">Title 27A</a>	Subject to subsections (c) and (d) of this section, all records retained by an association must be available for examination and copying by a unit owner or the owner's authorized agent:...	Subject to subsections (c) and (d) of this section, all records retained by an association must be available for examination and copying by a unit owner or the owner's authorized agent:...	Except in the case of a sale where delivery of a public offering statement is required or is exempt under subsection 4-101(b) of this title, a unit owner shall furnish to a purchaser before the conveyance or transfer of the right of possession of a unit, whichever is earlier, a copy of the declaration, without any plats and plans, the bylaws, the rules or regulations of the association and a certificate that discloses the following:...	
	Nonprofit Corporations <a href="#">Title 1 1B</a>	<a href="#">§ 16.02.</a> Subject to subsection 16.03(c) of this title, a member is entitled to inspect and copy, at a reasonable time and location specified by the corporation, any of the records of the corporation described in subsection 16.01(e) of this title if the member gives the corporation written notice at least five business days before the date on which the member wishes to inspect and copy.	<a href="#">§ 16.02.</a> Subject to subsection 16.03(c) of this title, a member is entitled to inspect and copy, at a reasonable time and location specified by the corporation, any of the records of the corporation described in subsection 16.01(e) of this title if the member gives the corporation written notice at least five business days before the date on which the member wishes to inspect and copy.	N/A	N/A
Virginia	Horizontal Property Act <a href="#">55.1-2000</a> (i.e. <a href="#">Chapter 20</a> )	<a href="#">§ 55.1-2013.</a> The administrator, board of administration, or person appointed by the bylaws of the regime shall keep a book	<a href="#">§ 55.1-2013.</a> The administrator, board of administration, or person appointed by the bylaws of the regime shall keep a	N/A	<a href="#">§ 55.1-2013.</a> The administrator, board of administration, or person appointed by



State	State Act	Access to Books and Records (including timeline)	Access to Budget and Financial Records (including timeline)	Resale Disclosure Requirements	Audit Mandates
		with a detailed account of the receipts and expenditures affecting the building and its administration and specifying the maintenance and repair expenses of the common elements and any other expenses incurred by or on behalf of the regime. Both the book and vouchers accrediting the entries made in the book shall be available for examination by all the co-owners during business hours that shall be set and announced for general knowledge. All books and records shall be kept in accordance with good accounting procedures and be audited at least once a year by an auditor outside of the organization.	book with a detailed account of the receipts and expenditures affecting the building and its administration and specifying the maintenance and repair expenses of the common elements and any other expenses incurred by or on behalf of the regime. Both the book and vouchers accrediting the entries made in the book shall be available for examination by all the co-owners during business hours that shall be set and announced for general knowledge. All books and records shall be kept in accordance with good accounting procedures and be audited at least once a year by an auditor outside of the organization.		the bylaws of the regime shall keep a book with a detailed account of the receipts and expenditures affecting the building and its administration and specifying the maintenance and repair expenses of the common elements and any other expenses incurred by or on behalf of the regime. Both the book and vouchers accrediting the entries made in the book shall be available for examination by all the co-owners during business hours that shall be set and announced for general knowledge. All books and records shall be kept in accordance with good accounting procedures and be audited at least once a year by an auditor outside of the organization.
	Virginia Condominium Act <a href="#">§ 55.1-1900</a> (i.e. <a href="#">Chapter 19</a> )	<a href="#">§ 55.1-1945.</a> Subject to the provisions of subsection C, all books and records kept by or on behalf of the unit owners' association, including the unit owners' association membership list, and	<a href="#">§ 55.1-1945.</a> Subject to the provisions of subsection C, all books and records kept by or on behalf of the unit owners' association, including the unit owners' association membership list, and	N/A	N/A

State	State Act	Access to Books and Records (including timeline)	Access to Budget and Financial Records (including timeline)	Resale Disclosure Requirements	Audit Mandates
		<p>addresses and aggregate salary information of unit owners' association employees, shall be available for examination and copying by a unit owner in good standing or his authorized agent so long as the request is for a proper purpose related to his membership in the unit owners' association and not for pecuniary gain or commercial solicitation. Notwithstanding any provision of law to the contrary, this right of examination shall exist without reference to the duration of membership and may be exercised (i) only during reasonable business hours or at a mutually convenient time and location and (ii) upon five business days' written notice for a unit owner association managed by a common interest community manager and 10 business days' written notice for a self-managed unit owners' association, which notice shall reasonably identify the purpose for the request and the specific books and records of the unit owners' association requested.</p>	<p>addresses and aggregate salary information of unit owners' association employees, shall be available for examination and copying by a unit owner in good standing or his authorized agent so long as the request is for a proper purpose related to his membership in the unit owners' association and not for pecuniary gain or commercial solicitation. Notwithstanding any provision of law to the contrary, this right of examination shall exist without reference to the duration of membership and may be exercised (i) only during reasonable business hours or at a mutually convenient time and location and (ii) upon five business days' written notice for a unit owner association managed by a common interest community manager and 10 business days' written notice for a self-managed unit owners' association, which notice shall reasonably identify the purpose for the request and the specific books and records of the unit owners' association requested.</p>		
	Property Owners' Association Act	<a href="#">§ 55.1-1807.</a>	<a href="#">§ 55.1-1807.</a>	N/A	N/A

State	State Act	Access to Books and Records (including timeline)	Access to Budget and Financial Records (including timeline)	Resale Disclosure Requirements	Audit Mandates
	(Applies to HOAs) <a href="#">55.1-1800</a> (i.e. <a href="#">Chapter 18</a> )	The right of access to all books and records kept by or on behalf of the association according to and subject to the provisions of § 55.1-1815, including records of all financial transactions;	The right of access to all books and records kept by or on behalf of the association according to and subject to the provisions of § 55.1-1815, including records of all financial transactions;		
	Nonstock Corporations Act <a href="#">Title 13.1, Chapter 10</a>	<a href="#">§ 13.1-933.</a> Subject to subsection C of § 13.1-934, a member of a corporation is entitled to inspect and copy, during regular business hours at the corporation's principal office, any of the records of the corporation described in subsection E of § 13.1-932 if he gives the corporation written notice of his demand at least five business days before the date on which he wishes to inspect and copy.	<a href="#">§ 13.1-933.</a> Subject to subsection C of § 13.1-934, a member of a corporation is entitled to inspect and copy, during regular business hours at the corporation's principal office, any of the records of the corporation described in subsection E of § 13.1-932 if he gives the corporation written notice of his demand at least five business days before the date on which he wishes to inspect and copy.	N/A	N/A
<b>Washington, DC</b>	Condominium Act (Does not apply to HOAs) <a href="#">DC Code 42-19</a>	<a href="#">§ 42-1903.14.</a> The unit owners' association, or the declarant, the managing agent, or other person specified in the bylaws acting on behalf of the unit owners' association, shall keep detailed records of the receipts and expenditures affecting the operation and administration of the condominium and specifying the association's expenses related to the common elements and any other expenses incurred by	<a href="#">§ 42-1903.14.</a> The unit owners' association, or the declarant, the managing agent, or other person specified in the bylaws acting on behalf of the unit owners' association, shall keep detailed records of the receipts and expenditures affecting the operation and administration of the condominium and specifying the association's expenses related to the common elements and any other expenses incurred by	<a href="#">§ 42-1904.11.</a> In the event of a resale of a condominium unit by a unit owner other than the declarant, the unit owner shall obtain from the unit owners' association and furnish to the purchaser, on or prior to the 10th business day following the date of execution of the contract of sale by the purchaser, a copy of the condominium instruments and a certificate setting forth the following:..	<a href="#">§ 42-1903.14.</a> The books shall be subject to an independent audit upon the request of owners of units to which 33 1/3% of the votes in the unit owners' association pertain or a lower percentage as may be specified.

State	State Act	Access to Books and Records (including timeline)	Access to Budget and Financial Records (including timeline)	Resale Disclosure Requirements	Audit Mandates
	Horizontal Property Act (Does not apply to HOAs) <a href="#">DC Code 42-20</a>	<p>or on behalf of the association.</p> <p><a href="#">§ 42-2015.</a> The manager, administrator, or the board of directors, or of administration, or other form of administration specified in the bylaws, shall keep books with detailed accounts in chronological order, of the receipts and of the expenditures affecting the project and its administration and specifying the maintenance and repair expenses of the common elements and any other expenses incurred. Both said books and the vouchers accrediting the entries made thereupon shall be available for examination by the co-owners, their duly authorized agents or attorneys, at convenient hours on working days that shall be set and announced for general knowledge. All books and records shall be kept in accordance with good accounting practice and shall be audited at least once a year by an auditor outside the organization.</p>	<p>or on behalf of the association.</p> <p><a href="#">§ 42-2015.</a> The manager, administrator, or the board of directors, or of administration, or other form of administration specified in the bylaws, shall keep books with detailed accounts in chronological order, of the receipts and of the expenditures affecting the project and its administration and specifying the maintenance and repair expenses of the common elements and any other expenses incurred. Both said books and the vouchers accrediting the entries made thereupon shall be available for examination by the co-owners, their duly authorized agents or attorneys, at convenient hours on working days that shall be set and announced for general knowledge. All books and records shall be kept in accordance with good accounting practice and shall be audited at least once a year by an auditor outside the organization.</p>	N/A	<p><a href="#">§ 42-2015.</a> The manager, administrator, or the board of directors, or of administration, or other form of administration specified in the bylaws, shall keep books with detailed accounts in chronological order, of the receipts and of the expenditures affecting the project and its administration and specifying the maintenance and repair expenses of the common elements and any other expenses incurred. Both said books and the vouchers accrediting the entries made thereupon shall be available for examination by the co-owners, their duly authorized agents or attorneys, at convenient hours on working days that shall be set and announced for general knowledge. All books and records shall be kept in accordance with good accounting practice</p>

State	State Act	Access to Books and Records (including timeline)	Access to Budget and Financial Records (including timeline)	Resale Disclosure Requirements	Audit Mandates
					and shall be audited at least once a year by an auditor outside the organization.
	Nonprofit Corporations Act <a href="#">DC Code 29-4</a>	<a href="#">§ 29-413.02.</a> Subject to <a href="#">§ 29-413.07</a> , a member of a nonprofit corporation shall be entitled to inspect and copy, during regular business hours at the corporation's principal office, any of the records of the corporation described in <a href="#">§ 29-413.01(e)</a> if the member delivers to the corporation a signed notice in the form of a record at least 5 business days before the date on which the member wishes to inspect and copy.	<a href="#">§ 29-413.02.</a> Subject to <a href="#">§ 29-413.07</a> , a member of a nonprofit corporation shall be entitled to inspect and copy, during regular business hours at the corporation's principal office, any of the records of the corporation described in <a href="#">§ 29-413.01(e)</a> if the member delivers to the corporation a signed notice in the form of a record at least 5 business days before the date on which the member wishes to inspect and copy.	N/A	N/A
<b>Washington State</b>	Horizontal Property Regimes Act <a href="#">RCW 64.32</a>	<a href="#">RCW 64.32.170</a> (a) Subject to subsections (3) through (5) of this section, and except as provided in (b) of this subsection, all records required to be retained by an association of apartment owners must be made available for examination and copying by all apartment owners, holders of mortgages on the apartments, and their respective authorized agents as follows, unless agreed otherwise...	<a href="#">RCW 64.32.170</a> (a) Subject to subsections (3) through (5) of this section, and except as provided in (b) of this subsection, all records required to be retained by an association of apartment owners must be made available for examination and copying by all apartment owners, holders of mortgages on the apartments, and their respective authorized agents as follows, unless agreed otherwise...	N/A	N/A
	Condominium Act <a href="#">RCW 64.34</a>	<a href="#">RCW 64.34.372</a>	<a href="#">RCW 64.34.372</a>	<a href="#">RCW 64.34.425</a>	<a href="#">RCW 64.34.372</a>

State	State Act	Access to Books and Records (including timeline)	Access to Budget and Financial Records (including timeline)	Resale Disclosure Requirements	Audit Mandates
		Subject to subsections (5) through (7) of this section, and except as provided in (b) of this subsection, all records required to be retained by an association must be made available for examination and copying by all unit owners, holders of mortgages on the units, and their respective authorized agents as follows, unless agreed otherwise...	Subject to subsections (5) through (7) of this section, and except as provided in (b) of this subsection, all records required to be retained by an association must be made available for examination and copying by all unit owners, holders of mortgages on the units, and their respective authorized agents as follows, unless agreed otherwise...	Except in the case of a sale where delivery of a public offering statement is required, or unless exempt under RCW 64.34.400(2), a unit owner shall furnish to a purchaser before execution of any contract for sale of a unit, or otherwise before conveyance, a resale certificate, signed by an officer or authorized agent of the association and based on the books and records of the association and the actual knowledge of the person signing the certificate, containing:...	The financial statements of condominiums consisting of 50 or more units shall be audited at least annually by a certified public accountant. In the case of a condominium consisting of fewer than 50 units, an annual audit is also required but may be waived annually by unit owners other than the declarant of units to which 60 percent of the votes are allocated, excluding the votes allocated to units owned by the declarant.
	Homeowner Associations <a href="#">RCW 64.38</a>	N/A	N/A	N/A	N/A
	Uniform Common Interest Ownership Act (associations created after July 1, 2018) <a href="#">RCW64 (2018 SB6175)</a>	<a href="#">RCW 64.90.495</a> Except as provided in (b) of this subsection, an association may charge a reasonable fee for producing and providing copies of any records under this section and for supervising the unit owner's inspection.	<a href="#">RCW 64.90.495</a> Except as provided in (b) of this subsection, an association may charge a reasonable fee for producing and providing copies of any records under this section and for supervising the unit owner's inspection.	<a href="#">RCW 64.90.640</a> Except in the case of a sale when delivery of a public offering statement is required, or unless exempt under RCW 64.90.600(2), a unit owner must furnish to a purchaser before execution of any contract for sale of a unit, or otherwise before conveyance, a resale certificate, signed by an officer or authorized	N/A

State	State Act	Access to Books and Records (including timeline)	Access to Budget and Financial Records (including timeline)	Resale Disclosure Requirements	Audit Mandates
	Nonprofit Corporation Act <a href="#">RCW 24 .03</a>	<a href="#">RCW 24.03A.215</a> A member of a nonprofit corporation may inspect and copy, during regular business hours at a reasonable location specified by the corporation, any of the records the corporation is required to maintain under RCW 24.03A.210(2), if the member delivers to the corporation an executed notice in the form of a record at least five business days before the date on which the member wishes to inspect and copy the records.	<a href="#">RCW 24.03A.215</a> A member of a nonprofit corporation may inspect and copy, during regular business hours at a reasonable location specified by the corporation, any of the records the corporation is required to maintain under RCW 24.03A.210(2), if the member delivers to the corporation an executed notice in the form of a record at least five business days before the date on which the member wishes to inspect and copy the records.	agent of the association and based on the books and records of the association and the actual knowledge of the person signing the certificate, containing:...  N/A	N/A
<b>West Virginia</b>	Condominiums and Unit Property <a href="#">Chapter 36A</a>	N/A	<a href="#">§36A-3-13.</a> The treasurer shall keep detailed records of all receipts and expenditures, including expenditures affecting the common elements, specifying and itemizing the maintenance, repair and replacement expenses of the common elements and any other expenses incurred. Such records shall be available for examination by the unit owners during regular	N/A	N/A

State	State Act	Access to Books and Records (including timeline)	Access to Budget and Financial Records (including timeline)	Resale Disclosure Requirements	Audit Mandates
			business hours. In accordance with the actions of the council assessing common expenses against the units and unit owners, he shall keep an accurate record of such assessments and of the payment thereof by each unit owner.		
	Common Interest Ownership Act (Applies to HOAs) <a href="#">Chapter 36B</a>	<a href="#">§36B-3-118.</a> The association shall keep financial records sufficiently detailed to enable the association to comply with section 4-109. All financial and other records must be made reasonably available for examination by any unit owner and his authorized agents.	<a href="#">§36B-3-118.</a> The association shall keep financial records sufficiently detailed to enable the association to comply with section 4-109. All financial and other records must be made reasonably available for examination by any unit owner and his authorized agents.	<a href="#">§36B-4-109.</a> Except in the case of a sale in which delivery of a public offering statement is required, or unless exempt under section 4-101(b), a unit owner shall furnish to a purchaser before execution of any contract for sale of a unit, or otherwise before conveyance, a copy of the declaration (other than any plats and plans), the bylaws, the rules or regulations of the association, and a certificate containing:...	N/A
	<a href="#">West Virginia Nonprofit Corporation Act</a> , W. Va. Code, § 31E-1-101, et seq.	<a href="#">§31E-15-1502.</a> A member of a corporation is entitled to inspect, during regular business hours at the corporation's principal office, any of the records of the corporation described in subsection (e), section one thousand five hundred one of this article if he or she gives the corporation written notice of his or her demand at least five business days	<a href="#">§31E-15-1502.</a> A member of a corporation is entitled to inspect, during regular business hours at the corporation's principal office, any of the records of the corporation described in subsection (e), section one thousand five hundred one of this article if he or she gives the corporation written notice of his or her demand at least five	N/A	N/A



State	State Act	Access to Books and Records (including timeline)	Access to Budget and Financial Records (including timeline)	Resale Disclosure Requirements	Audit Mandates
		before the date on which he or she wishes to inspect.	business days before the date on which he or she wishes to inspect.		
<b>Wisconsin</b>	Condominiums (Does not apply to HOAs) <a href="#">Chapter 703</a>	<a href="#">703.20</a> A unit owner may inspect and copy, at a reasonable time and location specified by the association, any of the records of the association described under sub. (1) created within the past 6 years and any records of the association described under sub. (1) (a) 3. and (b) 7. regardless of when those records were created. A unit owner may select the date for the inspection and copying by providing the association written notice of the selected date at least 10 business days before the selected date if the selected date is a business day or other day agreed to by the association.	<a href="#">703.20</a> A unit owner may inspect and copy, at a reasonable time and location specified by the association, any of the records of the association described under sub. (1) created within the past 6 years and any records of the association described under sub. (1) (a) 3. and (b) 7. regardless of when those records were created. A unit owner may select the date for the inspection and copying by providing the association written notice of the selected date at least 10 business days before the selected date if the selected date is a business day or other day agreed to by the association.	N/A	N/A
	Nonprofit Corporations <a href="#">Chapter 181</a>	<a href="#">181.1602</a> Subject to s. 181.1603 (3), a member is entitled to inspect and copy, at a reasonable time and location specified by the corporation, any of the records of the corporation described in s. 181.1601 (5) if the member gives the corporation written notice or a written demand at least 5 business days before the date on which the	<a href="#">181.1602</a> Subject to s. 181.1603 (3), a member is entitled to inspect and copy, at a reasonable time and location specified by the corporation, any of the records of the corporation described in s. 181.1601 (5) if the member gives the corporation written notice or a written demand at least 5 business days before the	N/A	N/A

State	State Act	Access to Books and Records (including timeline)	Access to Budget and Financial Records (including timeline)	Resale Disclosure Requirements	Audit Mandates
		member wishes to inspect and copy.	date on which the member wishes to inspect and copy.		
	<a href="#">Wisconsin Disclosures By Owners Of Real Estate</a> , Wis. Stat. Ch. 709.	N/A	N/A	<a href="#">709.02</a> n regard to a transfer of a condominium unit, if the owner is required under s. 709.01 to provide the information under sub. (1), the owner shall furnish, in addition to and at the same time as the information required under sub. (1), all the following information as an addendum to the report under s. 709.03 or 709.033:...	N/A
<b>Wyoming</b>	Condominium Ownership (Does not apply to HOAs) <a href="#">Title 34-20-101</a>	N/A	N/A	N/A	N/A
	Nonprofit Corporation <a href="#">Title 17</a>	<a href="#">Section 17-19-1602</a> Subject to subsection (e) of this section and W.S. 17-19-1603(c), a member is entitled to inspect and copy, at a reasonable time and location specified by the corporation, any of the records of the corporation described in W.S. 17-19-1601(e) if the member gives the corporation written notice or a written demand at least five (5) business days before the date on which the member wishes to inspect and copy.	<a href="#">Section 17-19-1602</a> Subject to subsection (e) of this section and W.S. 17-19-1603(c), a member is entitled to inspect and copy, at a reasonable time and location specified by the corporation, any of the records of the corporation described in W.S. 17-19-1601(e) if the member gives the corporation written notice or a written demand at least five (5) business days before the date on which the member wishes to inspect and copy.	N/A	N/A