
HOUSE BILL 1043

State of Washington

68th Legislature

2023 Regular Session

By Representative McEntire

Prefiled 12/16/22.

1 AN ACT Relating to association records in common interest
2 communities; and amending RCW 64.32.170, 64.34.372, and 64.38.045.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

4 **Sec. 1.** RCW 64.32.170 and 1965 ex.s. c 11 s 5 are each amended
5 to read as follows:

6 (1) The manager or board of directors, as the case may be, shall
7 keep complete and accurate books and records of the receipts and
8 expenditures affecting the common areas and facilities, specifying
9 and itemizing the maintenance and repair expenses of the common areas
10 and facilities and any other expenses incurred. Such books and
11 records and the vouchers authorizing payments shall be available for
12 examination by the apartment owners, their agents or attorneys, at
13 any reasonable time or times. All books and records shall be kept in
14 accordance with good accounting procedures and be audited at least
15 once a year by an auditor outside of the organization.

16 (2) (a) The association shall keep a complete and accurate list of
17 apartment owners. The list must include the names of the current
18 apartment owners, addresses used by the association to communicate
19 with them, and the number of votes allocated to each apartment.

20 (b) Subject to (d) and (e) of this subsection, the list of
21 apartment owners must be made available for examination and copying

1 by all apartment owners, holders of mortgages on the apartments, and
2 their authorized agents as follows, unless agreed otherwise:

3 (i) During reasonable business hours or at a mutually convenient
4 time and location; and

5 (ii) At the offices of the association or its managing agent.

6 (c) A right to copy the list of apartment owners under (b) of
7 this subsection includes the right to receive copies by photocopying
8 or other means, including through an electronic transmission if
9 available upon request by an apartment owner.

10 (d) The association may charge a reasonable fee for producing and
11 providing copies of the list of apartment owners and for supervising
12 an apartment owner's inspection of the list.

13 (e) The list of apartment owners may be withheld from inspection
14 and copying to the extent that it concerns:

15 (i) The unlisted telephone number or electronic address of any
16 apartment owner or resident;

17 (ii) The address of any apartment owner or resident who is known
18 to the association to be a participant in the address confidentiality
19 program described in chapter 40.24 RCW or any similar program
20 established by law;

21 (iii) Agreements that for good cause prohibit disclosure; or

22 (iv) Information the disclosure of which would violate a law or a
23 court order.

24 (f) Information provided pursuant to this subsection (2) may not
25 be used for any commercial purposes.

26 **Sec. 2.** RCW 64.34.372 and 1992 c 220 s 19 are each amended to
27 read as follows:

28 (1) The association shall keep financial records sufficiently
29 detailed to enable the association to comply with RCW 64.34.425. All
30 financial and other records of the association, including but not
31 limited to checks, bank records, and invoices, are the property of
32 the association, but shall be made reasonably available for
33 examination and copying by the manager of the association, any unit
34 owner, or the owner's authorized agents. At least annually, the
35 association shall prepare, or cause to be prepared, a financial
36 statement of the association in accordance with generally accepted
37 accounting principles. The financial statements of condominiums
38 consisting of (~~fifty~~) 50 or more units shall be audited at least
39 annually by a certified public accountant. In the case of a

1 condominium consisting of fewer than (~~fifty~~) 50 units, an annual
2 audit is also required but may be waived annually by unit owners
3 other than the declarant of units to which (~~sixty~~) 60 percent of
4 the votes are allocated, excluding the votes allocated to units owned
5 by the declarant.

6 (2) The funds of an association shall be kept in accounts in the
7 name of the association and shall not be commingled with the funds of
8 any other association, nor with the funds of any manager of the
9 association or any other person responsible for the custody of such
10 funds. Any reserve funds of an association shall be kept in a
11 segregated account and any transaction affecting such funds,
12 including the issuance of checks, shall require the signature of at
13 least two persons who are officers or directors of the association.

14 (3) (a) The association shall keep a complete and accurate list of
15 unit owners. The list must include the names of the current unit
16 owners, addresses used by the association to communicate with them,
17 and the number of votes allocated to each unit.

18 (b) Subject to (d) and (e) of this subsection, the list of unit
19 owners must be made available for examination and copying by all unit
20 owners, holders of mortgages on the units, and their authorized
21 agents as follows, unless agreed otherwise:

22 (i) During reasonable business hours or at a mutually convenient
23 time and location; and

24 (ii) At the offices of the association or its managing agent.

25 (c) A right to copy the list of unit owners under (b) of this
26 subsection includes the right to receive copies by photocopying or
27 other means, including through an electronic transmission if
28 available upon request by a unit owner.

29 (d) An association may charge a reasonable fee for producing and
30 providing copies of the list of unit owners and for supervising a
31 unit owner's inspection of the list.

32 (e) The list of unit owners may be withheld from inspection and
33 copying to the extent that it concerns:

34 (i) The unlisted telephone number or electronic address of any
35 unit owner or resident;

36 (ii) The address of any unit owner or resident who is known to
37 the association to be a participant in the address confidentiality
38 program described in chapter 40.24 RCW or any similar program
39 established by law;

40 (iii) Agreements that for good cause prohibit disclosure; or

1 (iv) Information the disclosure of which would violate a law or a
2 court order.

3 (f) Information provided pursuant to this subsection (3) may not
4 be used for any commercial purposes.

5 **Sec. 3.** RCW 64.38.045 and 1995 c 283 s 9 are each amended to
6 read as follows:

7 (1) The association or its managing agent shall keep financial
8 and other records sufficiently detailed to enable the association to
9 fully declare to each owner the true statement of its financial
10 status. All financial and other records of the association, including
11 but not limited to checks, bank records, and invoices, in whatever
12 form they are kept, are the property of the association. Each
13 association managing agent shall turn over all original books and
14 records to the association immediately upon termination of the
15 management relationship with the association, or upon such other
16 demand as is made by the board of directors. An association managing
17 agent is entitled to keep copies of association records. All records
18 which the managing agent has turned over to the association shall be
19 made reasonably available for the examination and copying by the
20 managing agent.

21 ~~(2) ((All records of the association, including the names and~~
22 ~~addresses of owners and other occupants of the lots, shall be~~
23 ~~available for examination by all owners, holders of mortgages on the~~
24 ~~lots, and their respective authorized agents on reasonable advance~~
25 ~~notice during normal working hours at the offices of the association~~
26 ~~or its managing agent. The association shall not release the unlisted~~
27 ~~telephone number of any owner. The association may impose and collect~~
28 ~~a reasonable charge for copies and any reasonable costs incurred by~~
29 ~~the association in providing access to records.)) The association~~
30 shall keep a complete and accurate list of lot owners. The list must
31 include the names of the current lot owners, addresses used by the
32 association to communicate with them, and the number of votes
33 allocated to each lot.

34 (3) At least annually, the association shall prepare, or cause to
35 be prepared, a financial statement of the association. The financial
36 statements of associations with annual assessments of ~~((fifty~~
37 ~~thousand dollars))~~ \$50,000 or more shall be audited at least annually
38 by an independent certified public accountant, but the audit may be
39 waived if ~~((sixty-seven))~~ 67 percent of the votes cast by owners, in

1 person or by proxy, at a meeting of the association at which a quorum
2 is present, vote each year to waive the audit.

3 (4) The funds of the association shall be kept in accounts in the
4 name of the association and shall not be commingled with the funds of
5 any other association, nor with the funds of any manager of the
6 association or any other person responsible for the custody of such
7 funds.

8 (5) (a) Subject to (c) and (d) of this subsection, all association
9 records, including the list of lot owners, must be made available for
10 examination and copying by all owners, holders of mortgages on the
11 lots, and their respective authorized agents as follows, unless
12 agreed otherwise:

13 (i) During reasonable business hours or at a mutually convenient
14 time and location; and

15 (ii) At the offices of the association or its managing agent.

16 (b) A right to copy records under this section includes the right
17 to receive copies by photocopying or other means, including through
18 an electronic transmission if available upon request by a lot owner.

19 (c) An association may charge a reasonable fee for producing and
20 providing copies of any records under this section and for
21 supervising a lot owner's inspection.

22 (d) The list of lot owners may be withheld from inspection and
23 copying to the extent that it concerns:

24 (i) The unlisted telephone number or electronic address of any
25 lot owner or resident;

26 (ii) The address of any lot owner or resident who is known to the
27 association to be a participant in the address confidentiality
28 program described in chapter 40.24 RCW or any similar program
29 established by law;

30 (iii) Agreements that for good cause prohibit disclosure; or

31 (iv) Information the disclosure of which would violate a law or a
32 court order.

33 (e) Information provided pursuant to this section may not be used
34 for any commercial purposes.

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