

# South Carolina Code of Laws

## Unannotated

### Title 27 - Property and Conveyances

#### CHAPTER 30

#### Homeowners Associations

#### ARTICLE 1

#### South Carolina Homeowners Association Act

#### **SECTION 27-30-110.** Short title.

This article may be cited as the "South Carolina Homeowners Association Act".

HISTORY: 2018 Act No. 245 (H.3886), Section 1, eff May 17, 2018.

#### **SECTION 27-30-120.** Definitions.

As used in this article:

- (1) "Board" means the representative body, regardless of name, designated in the governing documents to act on behalf of a homeowners association and govern the association.
- (2) "Declarant" means a person or group of persons acting in concert who:
  - (a) as part of a common promotional plan, subdivide and offer to dispose of an interest the person or group has in a unit in real property; or
  - (b) reserve or succeed to a special declarant right, which means a right created under the declaration or bylaws for the person or group to retain or exercise authority in addition to regular declarant rights in a unit of real property.
- (3) "Declaration" means the recorded instruments, however denominated, that create a homeowners association, including amendments to those instruments.
- (4) "Governing documents" means declaration, master deeds, or bylaws, or any amendments to the declaration, master deeds, or bylaws.
- (5) "Homeowner" means a declarant or other person who owns a unit in a homeowners association, but does not include a person having an interest in such a unit solely as security for an obligation.
- (6) "Homeowners association" or "association" means an entity developed to manage and maintain a planned community or horizontal property regime for which there is a declaration requiring a person, by virtue of his ownership of a separate property within the planned community or horizontal property regime, to pay assessments for a share of real estate taxes, insurance premiums, maintenance, or improvement of, or services or other expenses related to, common elements and other real estate described in that declaration. A "homeowners association" or "association" does not include a vacation timesharing plan organized and subject only to the provisions of Chapter 32.

(7) "Homeowners association management company" means a corporation, limited liability company, partnership, trust, association, sole proprietorship, or other similar organization engaging in the business of managing homeowners associations.

(8) "Unit" means an apartment in a horizontal property regime, or a lot in a subdivision.

HISTORY: 2018 Act No. 245 (H.3886), Section 1, eff May 17, 2018.

**SECTION 27-30-130.** Enforceability of governing documents; recording requirements; rules, regulations, and amendments.

(A)(1) Except as otherwise provided in this section, in order to be enforceable, a homeowners association's governing documents must be recorded in the clerk of court's, Register of Mesne Conveyance (RMC), or register of deeds office in the county where the property is located.

(2) To continue to be enforceable, any governing document not recorded prior to the effective date of this section must be recorded by January tenth of the year following the effective date of this section in the clerk of court's, Register of Mesne Conveyance (RMC), or register of deeds office in the county where the property is located.

(B)(1) Rules, regulations, and amendments to rules and regulations:

(a) are effective upon passage or adoption; and

(b) must be made accessible to a homeowners association member upon the request of that member of the homeowners association, and, at the option of the homeowners association, via electronic mail or through methods provided by the homeowners association's bylaws that ensure actual notice, unless they are:

(i) posted in a conspicuous place in a common area in the community; or

(ii) available on an Internet website maintained by the homeowners association, where they may be downloaded by the homeowner.

(2) In order to remain enforceable, a homeowners association's rules, regulations, and amendments to rules and regulations must be recorded in the clerk of court's, Register of Mesne Conveyance (RMC), or register of deeds office in the county in which the property is located by January tenth of each year following their adoption or amendment.

(C) Homeowners associations in existence on the effective date of this section must record the documents required by subsections (A)(1) and (B)(2) by January tenth following the effective date of this section.

(D) The recording of the rules, regulations, bylaws, and amendments to rules and regulations are not subject to the requirements of witnesses and acknowledgements required under Section 30-5-30.

HISTORY: 2018 Act No. 245 (H.3886), Section 1, eff May 17, 2018.

**SECTION 27-30-140.** Annual budget increases; notice requirements.

(1) Before a homeowners association may take action to increase an annual budget in any single year, the homeowners association must provide notice to homeowners at least forty-eight hours in advance of the meeting in which a decision to raise the annual budget is made. Notice of the meeting may be through posting

notice:

- (a) in a conspicuous place in a common area in the community;
- (b) on an Internet website maintained by the homeowners association;
- (c) by electronic mail; or
- (d) through methods provided in the association's bylaws that ensure actual notice.

(2) The provisions of this section do not apply to a homeowners association that is incorporated under the South Carolina Nonprofit Corporation Act found in Chapter 31, Title 33.

HISTORY: 2018 Act No. 245 (H.3886), Section 1, eff May 17, 2018.

**SECTION 27-30-150.** Application of access to documents provisions.

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.

HISTORY: 2018 Act No. 245 (H.3886), Section 1, eff May 17, 2018.

**SECTION 27-30-160.** Jurisdiction of magistrates court.

Pursuant to Section 22-3-10, the magistrates court shall have concurrent jurisdiction to adjudicate monetary disputes arising under this article, provided the dispute meets the jurisdictional requirements of Section 22-3-10.

HISTORY: 2018 Act No. 245 (H.3886), Section 1, eff May 17, 2018.

**SECTION 27-30-170.** Construction of article.

No provision of this article may be construed to be in conflict with the provisions of the South Carolina Nonprofit Corporation Act.

HISTORY: 2018 Act No. 245 (H.3886), Section 1, eff May 17, 2018.

## ARTICLE 3

### Department of Consumer Affairs Services for Homeowners and Homeowners Associations

**SECTION 27-30-310.** Short title.

This article must be known and may be cited as the "Department of Consumer Affairs Services for Homeowners and Homeowners Associations Act".

HISTORY: 2018 Act No. 245 (H.3886), Section 1, eff May 17, 2018.

**SECTION 27-30-320.** Definitions.

For the purposes of this article:

(1) "Board" means the representative body, regardless of name, designated in the governing documents to act on behalf of a homeowners association and govern the association.

(2) "Bylaws" means the document, and amendments to it, that contain the procedures for conducting the affairs of a homeowners association, regardless of the form of the association's legal entity or the name by which the document comprising the bylaws is identified.

(3) "Declarant" means a person or group of persons acting in concert who:

(a) as part of a common promotional plan, subdivide and offer to dispose of an interest the person or group has in a unit in real property; or

(b) reserve or succeed to a special declarant right, which means a right created under the declaration or bylaws for the person or group to retain or exercise authority in addition to regular declarant rights in a unit of real property.

(4) "Declaration" means the recorded instruments, however denominated, that create a homeowners association, including amendments to those instruments.

(5) "Department" means the Department of Consumer Affairs.

(6) "Homeowner" means a declarant or other person who owns a unit in a homeowners association, but does not include a person having an interest in such a unit solely as security for an obligation.

(7) "Homeowners association" or "association" means an entity developed to manage and maintain a planned community or horizontal property regime for which there is a declaration requiring a person, by virtue of his ownership of a separate property within the planned community or horizontal property regime, to pay assessments for a share of real estate taxes, insurance premiums, maintenance, or improvement of, or services or other expenses related to, common elements and other real estate described in that declaration. A "homeowners association" or "association" does not include a vacation timesharing plan organized and subject only to the provisions of Chapter 32.

(8) "Homeowners association management company" means a corporation, limited liability company, partnership, trust, association, sole proprietorship, or other similar organization engaging in the business of managing homeowners associations.

(9) "Unit" means an apartment in a horizontal property regime, or a lot in a subdivision.

HISTORY: 2018 Act No. 245 (H.3886), Section 1, eff May 17, 2018.

**SECTION 27-30-330.** Information department is authorized to include on publicly available website.

The department is authorized to include on its publicly available Internet website:

(1) information for homeowners and homeowners associations concerning how they may contact the department on its toll free number or submit complaint forms;

(2) information concerning the governance of homeowners associations as provided in this chapter and other provisions of the South Carolina Code of Laws; and

(3) educational and reference materials about homeowners associations, including general information about the

roles, rights, and responsibilities of the board, declarant, homeowners, and other parties.

HISTORY: 2018 Act No. 245 (H.3886), Section 1, eff May 17, 2018.

**SECTION 27-30-340.** Calls or written complaints from homeowners or homeowners associations.

(A) The department shall receive and record data from any calls or written complaints from homeowners or homeowners associations.

(B) When a call or written complaint is received, the department shall, at a minimum, include the following information to be completed on a form completed by a homeowner or homeowners association or, if received by telephone, on a form completed by a department employee who is identified on the form:

(1) homeowner's name;

(2) name of the homeowners association and their contact information, including the county and city where it is located;

(3) name of the homeowners association management company, if any, and its contact information, including telephone number, owner's name, and street and mailing addresses;

(4) whether a homeowner:

(a) was informed of the requirement of membership in a homeowners association as a condition of home ownership, including when that information was provided and by whom;

(b) received a copy of the governing documents of the homeowners association and if the copy was obtained before or after receiving title to the unit;

(c) was denied access to the governing documents and, if so, what remedies the homeowner took to obtain the governing documents;

(d) understands his rights and obligations under the governing documents;

(5) the nature of the homeowner's or homeowners association's complaint;

(6) whether the homeowner attempted to communicate his complaint to the homeowners association or homeowners association management company, if any, and whether the homeowner exhausted all of his remedies in accordance with any terms set out in the homeowners association governing documents or rules and regulations, what action, if any, the homeowners association or homeowners association management company, if any, took concerning the complaint;

(7) whether the homeowner agrees or disagrees with the provisions of the governing documents;

(8) whether the homeowner agrees or disagrees with how the provisions were enforced, his recommendations for changing the provisions or means of enforcement, and whether the homeowner feels that more or less enforcement is needed; and

(9) any response received from a homeowners association or homeowner, relative to a specific complaint provided by the department and whether or not a response was provided by the applicable homeowners association or homeowner.

(C) Upon receiving a homeowner's or homeowners association's complaint, the department shall provide the complaint to the homeowners association or the homeowner complained against in a manner that verifies receipt of such complaint by the homeowners association or homeowner, so the homeowner, board, or homeowners association may determine if the homeowner, board, or homeowners association desires to make a response to the complaint.

(D) By January thirty-first of each year, the department shall make a report of all data collected from the full report categories collected and complaints received as provided in this section to:

(1) the Governor and the General Assembly; and

(2) the public through the department's website. The public report must include categorized, filterable, and searchable information compiled from the complaints and responses and redact any personal or private information, such as names, addresses, and telephone numbers, contained in the complaints and responses. This redaction requirement does not apply to information concerning a homeowners association and a homeowners association management company.

(3) For data to be included in the report, the form must be executed by the homeowner, homeowners association, or department employee.

(E) Under the provisions of this article, the department is prohibited from:

(1) promulgating regulations or issuing guidelines concerning homeowners association administration, governance, or governing documents; or

(2) serving as an arbiter in disputes between the homeowner and homeowners association.

HISTORY: 2018 Act No. 245 (H.3886), Section 1, eff May 17, 2018.

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