



2023 South Carolina End of Legislative Session Report

During the 2022 South Carolina Legislative session, legislators considered 2,311 bills and resolutions. Community Associations Institute's (CAI) South Carolina Legislative Action Committee (SC LAC) had a busy legislative session advocating for the [1,364,000 South Carolinians living in 556,000 homes in more than 7,130 community associations](#). The 15-member LAC and their lobbyists Graham Tew and Drew Clawson, worked closely with South Carolina legislators to support legislation that would impact community associations, condominiums, and cooperative housing. Here are a few of the top pieces of legislation the LAC worked on:

H 4049 - Remote Annual Meetings. House Bill 4049 was signed into law by Gov. Henry McMaster on May 19, 2023. As originally proposed, the Bill did not allow proxies or apply to special meetings. The SC-LAC worked with key legislators to propose changes to the Bill to provide for more general ability of homeowners' associations and condominiums, as nonprofits, to hold virtual meetings. In fact, the legislature not only approved all changes proposed by the SC-LAC but expanded them to cover business corporations as well. The law allows most SC homeowners' associations and condominiums to conduct virtual membership meetings and for the members of each to participate remotely, including voting by electronic methods. The board of directors of any HOA or condo would be able to determine whether, and to what extent, virtual meetings will be used and what procedures may apply.

Status: SUCCESSFULLY PASSED

H 3259 – Homeowners Association. This bill would require distribution of an association's operating budget annually and a quarterly distribution of all expenditures to all unit owners and the Department of Consumer Affairs. SC-LAC opposes the imposition of unnecessary expenses, such as the expense of distributing financial information quarterly that most owners will not read, and unnecessary government oversight over associations. The DCA has no direct authority over HOAs.

Status: CARRY OVER

H 3180 – Property exempt from attachment, levy or sale. This bill would strip homeowners' associations of the ability to foreclose and leave them with only a lien right. SC-LAC opposes any legislation that restricts or otherwise precludes an association from collecting the assessments needed to maintain a community.

Status: CARRY OVER

S 118 – HOA Charges. This bill requires provision of a binding unpaid assessment statement within 10 days for a real estate closing. Further, the bill restricts the fees associated with providing such a statement to \$100 and an additional \$75 if the statement was demanded within 48 hours. SC-LAC opposes restrictions upon the provision of services for associations as well as governmental fee caps on such services.

Status: CARRY OVER

S 421 – HOA Free Speech. This bill would require associations to allow residents to use common areas at no charge and without insurance for the purpose of assembling in any manner, which would arguably



include parties. This bill prohibits rules that impose clothing restrictions in common areas without limitations for clothing that would be lewd, revealing, damaging to pool components, or otherwise inappropriate. The bill authorizes civil penalties of \$500 for each violation. SC-LAC opposes governmental restrictions that strip associations of the right to self-govern and would expose community residents and property to harm.

Status: CARRY OVER

S 422 – HOA Solar Panels. This bill prohibits restrictions against installation and utilization of solar panel systems that cannot be seen from the street or a common area. While the bill allows for architectural control, the LAC is concerned about amendments that might be proposed if the bill moves forward. The bill’s author has promised to involve CAI if interest in the bill arises. SC-LAC generally opposes governmental restrictions that strip associations of the right to self-govern the aesthetics of their communities and protect the interests of all unit owners to enjoy their property in the manner agreed upon when purchasing their homes.

Status: CARRY OVER

H 3775 – United States Flag. This bill would allow owners the right to fly the South Carolina flag in addition to their existing right to fly the U.S. flag and require HOAs to allow flag poles. SC-LAC has proposed amendments it deems necessary, but the bill has not received any traction. SC-LAC supports building a sense of community by showing support for the United States of America and the State of South Carolina.

Status: CARRY OVER

Your Assistance is Needed

The South Carolina LAC relies on outside resources such as professional lobbying as a vital and integral part of the legislative process. The volunteers who advocate – including homeowner leaders, community managers, and business partners – greatly rely on contributions from management companies and business partners in addition to individuals to continue their important efforts in the legislature. CAI needs your financial support to bolster their advocacy activities in 2023 and beyond. We encourage donations from SC community associations, business partners, and individuals. Please visit www.caionline.org/lacdonate/ and donate to “South Carolina” to support our continued efforts.

[Click here to follow the important legislation CAI is tracking for 2023 and beyond.](#)

We need YOUR voice! [Sign up today](#) to become a CAI Advocacy Ambassador and help shape legislation in your state!

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