

2016 End of Session Report

Transition: [HB 3217](#) and SB 1176 would require the developer of a common interest community to transfer control of the homeowners' association by phasing unit owners onto the executive board of the association after a certain percentage of the units are conveyed.

Omnibus bill: As introduced, [HB 3248](#) would provide requirements concerning the governance of homeowners associations, define necessary terminology, and provide homeowners associations must register with the real estate commission and file copies of its governing documents with the clerk of court, register of deeds, and the commission. It further would provide homeowners associations otherwise also must make its governing documents available to the public and prospective buyers in a certain manner, provide mechanisms for the automatic transfer of control of property governed by a homeowners association from the declarant to an elected board of the homeowners, and provide training requirements for homeowners association board members. It would provide homeowners may inspect certain association documents, provide homeowners associations must provide certain notice for board meetings, provide that homeowners associations may not place a lien against the property of a homeowner or otherwise fine or assess costs against a homeowner without first giving the homeowner a hearing before the board, and to provide homeowners or homeowners associations may seek from magistrates court equitable relief to enforce the provisions of this chapter, and provide that the prevailing party in such an action may recover reasonable attorney's fees and related costs. The LAC opposed the measure and worked with sponsors on an amendment to make it a bill that enacted a commission to study homeowners associations. The legislation failed in the Senate.

HOA Act: [HB 4208](#) and SB 18 would enact the "South Carolina Homeowners Protection Act of 2015" so as to set forth the manner in which a homeowners association created after 2015 must be established and administered, and set forth the rights of the association and its owners. It provided, relating to the jurisdiction of magistrates, to grant magistrates concurrent civil jurisdiction in certain actions between associations and owners and to provide that a magistrate does not have jurisdiction of certain foreclosure actions by an association. It failed upon adjournment.

Ombudsman: [HB 4819](#) would create the office of homeowners association ombudsman in the department of consumer affairs. It would require the department to facilitate and maintain a registry of homeowners associations and to establish procedures for filing and resolving complaints concerning homeowners associations. The LAC opposed the measure. It failed upon adjournment.

Manager licensing: [SB 13](#) would establish the commission for common interest community education and manager certification in the department of administration. The LAC worked with the sponsors to amend the legislation. It failed upon adjournment.