

2024 Legislative Session Report



**SOUTH CAROLINA
LEGISLATIVE ACTION COMMITTEE**
Community Associations Institute

2024 CAI South Carolina Legislative Session Report

The CAI South Carolina Legislative Action Committee (LAC) actively advocated on behalf of the [approximately 1,364,000 South Carolinians living in 556,000 homes in more than 7,130 community associations across the Palmetto State](#) during the 2024 state legislative session. The 2024 half of South Carolina's 2023-2024 legislative session began on January 9 and ended on May 9, 2024. Below is a brief overview of the legislative highlights from the 2024 South Carolina State Legislature:

H.3180 (Prohibits Foreclosures by Homeowners Associations)

This bill would strip homeowners' associations of the ability to foreclose and leave them with only a lien right, and would take effect January 1, 2025.

The LAC **opposed** this bill, which was a top priority to defeat in the state legislature. The LAC leveraged connections with state legislators during every step of the legislative process, and although the bill was able to advance out of the House, the bill did not advance in the Senate, thanks to successful advocacy on the part of LAC members.

Status: Successfully DIED in Senate Committee.

H. 4549 (Amateur Radio Antenna Protection Act)

This bill prevents homeowners associations from prohibiting the installation of amateur radio antennas, but it does allow for reasonable regulations as to placement and appearance.

The LAC **opposed** this governmental restriction that strips 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.

The LAC sent out a call to action aimed at members of the House Labor, Commerce and Industry Committee's Banking and Consumer Affairs Subcommittee, which saw 594 emails sent by 76 advocates to legislators.

Status: Successfully DIED in Committee.

S. 844 (Insurance Study Committee)

This bill provides for a study committee that will review South Carolina’s “civil justice and insurance laws from the standpoint of adequacy, equity, and efficiency” and its review shall include the availability, premium rates, and deductibles for property and casualty for single-family dwellings, multi-family units, and condominium complexes and commercial buildings; commercial general liability; and business. The LAC supports legislation that will promote reasonable insurance rates and improve access to insurance to associations.

The LAC supported this bill.

Status: DIED in House.

S.881 (Prohibition of Unfair Real Estate Service Agreements)

This bill provides that a real estate service agreement is unfair and void if it: (1) runs with the land to bind future owners to the agreement; (2) allows for assignment to future service providers without notice or consent of a buyer; and (3) creates a lien or other security interest for the service provider on the property. Community association CC&Rs are expressly excluded from the application of the law. SC-LAC supports laws that promotes freedom of choice with respect to an association’s selection of service providers for its community.

The LAC supported this bill.

Status: Successfully PASSED and signed into law. Effective immediately.

S.118 (Assessment Statement Fee Timeframe & Fee Cap)

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.

The LAC opposed this restriction upon the provision of services for associations as well as governmental fee caps on such services.

Status: Successfully DIED in Committee.

S.421 (Requires Free Use of Common Areas for Events and Prohibits Clothing Restrictions)

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.

The LAC opposed this governmental restriction that strips associations of the right to self-govern and would expose community residents and property to harm.

Status: Successfully DIED in Committee.

H.3259 (Requires Distribution of Operating Budget to Owners and Dept. of Consumer Affairs)

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 (“DCA”).

The LAC **opposed** 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: Successfully DIED in Committee.

S.422 (Prohibition Against Solar Panel Restrictions)

This bill prohibits restrictions against installation and utilization of solar panel systems that cannot be seen from the street or a common area.

Status: DIED in Committee.

S.508/H.4064 (Multifamily Dwelling Safety Act)

The Multifamily Dwelling Safety Act would establish requirements for inspection of wooden balconies of multifamily dwellings to ensure the balconies are in a safe condition.

The LAC **supported** this bill.

Status: Unsuccessfully DIED in Committee.

S. 1134 (Co-ownership of residential dwellings).

This bill would limit the authority of local government, and potentially other entities like a homeowners association, to regulate or control co-owned homes.

The LAC **opposed** this bill.

Status: Successfully DIED in Committee.

S. 1244 (Restrictions Affecting Real Property).

This bill proposes to allow individual property owners or their attorneys to record an instrument invalidating restrictive covenants that encumber or affects the transfer or sale of real property or that affects any interest in real property. To do so, there must have been a decision by the United States or South Carolina Supreme Court or the restrictive covenants must violate the South Carolina Fair Housing laws.

The LAC **opposed** this bill.

Status: Successfully DIED in Committee.

H.3775 (Right to Fly South Carolina Flag Along with U.S. 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.

The LAC proposed amendments to this bill to better balance the right of homeowners to fly the flag with the authority of community associations to impose reasonable rules and regulations.

Status: DIED in Committee.

H.4119 (Unilateral Removal of Unlawful Restrictive Covenants)

This bill would allow property owners to unilaterally record legal documents that purport to remove restrictive covenants that are held to be void by the South Carolina Supreme Court or the United States Supreme Court or that are in violation of S.C. Code Title 31, Chapter 21. While the LAC supports the unilateral removal of unlawfully discriminatory covenants, it did not support an overly broad, vague, and ambiguous ability to remove covenants.

The LAC **opposed** this bill.

Status: Successfully DIED in Committee.

H. 4573 (Private Property Protection Act of 2024)

This bill prohibits counties and local government from enacting or enforcing short-term rental rules. Appears to be identical to H. 3253 that was filed last year.

The LAC **opposed** this bill.

Status: Successfully DIED in Committee.

H. 4639 (Housing Discrimination)

This bill proposes to add source of income to the list of protected classes under South Carolina's Fair Housing laws. The current protected classes are race, color, religion, sex, national origin, familial status, and disability.

Status: DIED in Committee.

H.5232 (Fractional Ownership of Residential Dwellings)

This bill would limit the authority of local government, and potentially other entities like a homeowners association, to regulate or control co-owned homes. It is not clear if this is intended to prevent regulation of rental activity or if it is aimed at something else.

The LAC **opposed** this bill.

Status: Successfully DIED in Committee.

H.5304 (Constitutional Rights of Homeowners)

This bill would potentially prohibit any community association from restricting a constitutional right of either a property owner or resident in a planned community. It is unclear what this bill is aimed specifically at addressing, and it is very broad. If passed, it would be the only legislation of its kind that applies the onus of the bill of rights to private parties, rather than the government.

The LAC **opposed** this bill.

Status: Successfully DIED in Committee.

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