**A** **BILL**

TO AMEND THE CODE OF LAWS OF SOUTH CAROLINA, 1976, BY ADDING SECTION 27‑30‑135 SO AS TO ESTABLISH CERTAIN REQUIREMENTS FOR A HOMEOWNERS ASSOCIATION REGARDING THE ANNUAL OPERATING BUDGET, THE ASSOCIATION’S OPERATING EXPENSES, THE ALLOCATION OF FUNDS COLLECTED AS FINES BY THE ASSOCIATION’S BOARD, AND THE SUBMISSION OF THE ANNUAL OPERATING BUDGET TO THE DEPARTMENT OF CONSUMER AFFAIRS.

Be it enacted by the General Assembly of the State of South Carolina:

SECTION 1. Article 1, Chapter 30, Title 27 of the 1976 Code is amended by adding:

“Section 27‑30‑135. (A) The board of a homeowners association must send a copy of its annual operating budget to each homeowner no later than ten days after the beginning of the fiscal year.

(B) No later than ten days after the end of the first, second, or third quarter of a fiscal year, the board must send an updated copy of the annual operating budget to each homeowner showing:

(1) an itemized list of all expenditures made in the fiscal year; and

(2) the amount of funds collected as fines and the allocation of these funds.

(C) The board must file a copy of the annual operating budget and the quarterly updated copies of the annual operating budget with the Department of Consumer Affairs. The department must retain these records for no less than five years.”

SECTION 2. This act takes effect upon approval by the Governor.

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