**A** **BILL**

TO AMEND THE CODE OF LAWS OF SOUTH CAROLINA, 1976, BY ADDING SECTION 27‑40‑460 SO AS TO PROVIDE THAT A LANDLORD OF AN ASSISTED HOUSING DEVELOPMENT SHALL OFFER A TENANT THE OPTION OF HAVING THE TENANT’S RENTAL PAYMENT INFORMATION REPORTED TO A NATIONWIDE CONSUMER REPORTING AGENCY.

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

SECTION 1. Article 3, Chapter 40, Title 27 of the 1976 Code is amended by adding:

“Section 27‑40‑460. (A) Beginning July 1, 2021, any landlord of an assisted housing development shall offer a tenant obligated on the lease of each unit in that housing development the option of having the tenant’s rental payment information reported to at least one nationwide consumer reporting agency that meets the definition in Section 603(p) of the federal Fair Credit Reporting Act or any other consumer reporting agency that meets the definition in Section 603(f) of the federal Fair Credit Reporting Act so long as the consumer reporting agency resells or otherwise furnishes rental payment information to a nationwide consumer reporting agency that meets the definition in Section 603(p) of the federal Fair Credit Reporting Act. A tenant’s election to have rent reported pursuant to this subsection must be in writing.

(B) For leases entered into after June 30, 2021, the offer of rent reporting must be made at the time of the lease agreement and at least once annually thereafter. For leases outstanding as of July 1, 2021, the offer of rent reporting must be made no later than October 1, 2021, and at least once annually thereafter.

(C) The offer of rent reporting must include a written election of rent reporting that contains the following:

(1) a statement that reporting of the tenant’s rental payment information is optional;

(2) identification of each consumer reporting agency to which rental payment information will be reported;

(3) a statement that all of the tenant’s rental payments will be reported, regardless of whether the payments are timely, late, or missed;

(4) the amount of any fee charged pursuant to subsection (F);

(5) instructions on how to submit the written election of rent reporting to the landlord by mail;

(6) a statement that the tenant may opt into rent reporting at any time following the initial offer by the landlord;

(7) a statement that the tenant may elect to stop rent reporting at any time, but that he will not be able to resume rent reporting for at least six months after his election to opt out;

(8) instructions on how to opt out of reporting rental payment information; and

(9) a signature block that the tenant shall date and sign in order to accept the offer of rent reporting.

(D) When the offer of rent reporting is made, the landlord shall provide the tenant with a self‑addressed, stamped envelope to return the written election of rent reporting.

(E) The written election to begin rent reporting may not be accepted from the tenant at the time of the offer. A tenant may submit their completed written election of rent reporting at any time after they receive the offer of rent reporting from the landlord. A tenant may request and shall obtain additional copies of the written election of rent reporting form from the landlord at any time.

(F) If a tenant elects to have that tenant’s rental payments reported to a consumer reporting agency pursuant to subsection (A), the landlord may require that tenant to pay a fee not to exceed the lesser of the actual cost to the landlord to provide the service or ten dollars for each month. The payment or nonpayment of this fee by the tenant may not be reported to a consumer reporting agency.

(G) If a tenant fails to pay a fee required by the landlord pursuant to subsection (F), the following applies:

(1) the failure to pay the fee may not be cause for termination of the tenancy;

(2) the landlord may not deduct the unpaid fee from the tenant’s security deposit; and

(3) if the fee remains unpaid for thirty days or more, the landlord may stop reporting the tenant’s rental payments and the tenant must be unable to elect rent reporting again for a period of six months from the date on which the fee first became due.

(H) A tenant who elects to have rent reported as described in subsection (A) may subsequently file a written request with his landlord to stop that reporting with which the landlord shall comply. A tenant who elects to stop reporting may not be allowed to elect rent reporting again for a period of at least six months from the date of the tenant’s written request to stop reporting.

(I) A tenant who elects to have rent reported does not forfeit any rights under the law. If a tenant makes deductions from rent or otherwise withholds rent as authorized by law, the deductions or withholding of rent may not constitute a late rental payment. A tenant invoking the right to repair and deduct or withhold rent under the law shall notify his landlord of the deduction or withholding before the date rent is due. This subdivision may not be construed to relieve a housing provider of the obligation to maintain habitable premises.

(J) This section may not apply to any landlord of an assisted housing development that contains fifteen or fewer dwelling units, unless both of the following apply:

(1) the landlord owns more than one assisted housing development, regardless of the number of units in each assisted housing development; and

(2) the landlord is one of the following:

(a) a real estate investment trust;

(b) a corporation; or

(c) a limited liability company in which at least one member is a corporation.

(K) For purposes of this section:

(1) ‘Assisted housing development’ means a multifamily rental housing development that receives governmental assistance.

(2) ‘Landlord’ means an owner of residential real property containing five or more dwelling units.”

SECTION 2. This act takes effect upon approval by the Governor and is repealed on July 1, 2025.

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