

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2023

H.B. 311
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HOUSE PRINCIPAL CLERK

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HOUSE BILL DRH10152-NK-15

Short Title: Community Association Oversight Division. (Public)

Sponsors: Representative Iler.

Referred to:

1 A BILL TO BE ENTITLED
2 AN ACT TO ESTABLISH A COMMUNITY ASSOCIATION OVERSIGHT DIVISION IN
3 THE OFFICE OF THE ATTORNEY GENERAL TO ASSIST HOMEOWNERS IN
4 COMMUNITIES GOVERNED BY COMMUNITY ASSOCIATIONS BY ENSURING
5 THE COMMUNITY ASSOCIATIONS ARE COMPLYING WITH THE LAWS AND BY
6 REMEDYING ANY VIOLATIONS OF THE LAWS.

7 The General Assembly of North Carolina enacts:

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9 **PART I. AMEND CHAPTERS 47C AND 47F TO REFLECT THE ESTABLISHMENT**
10 **OF THE COMMUNITY ASSOCIATION OVERSIGHT DIVISION**

11 **SECTION 1.1.** Article 3 of Chapter 47C of the General Statutes is amended by
12 adding a new section to read:

13 **"§ 47C-3-123. Community association oversight division.**

14 The Community Association Oversight Division in the Office of the Attorney General, as
15 established in G.S. 114-11.10, has jurisdiction over unit owners' associations to assist
16 homeowners making complaints by ensuring compliance with the applicable laws set forth in
17 Chapter 47C of the General Statutes. Unit owners' associations shall comply with all requests by
18 the Division in the discharge of its duties including furnishing association records to the Division
19 in accordance with G.S. 47C-3-118. The Division can remedy violations by means it deems
20 necessary."

21 **SECTION 1.2.** Article 3 of Chapter 47F of the General Statutes is amended by
22 adding a new section to read:

23 **"§ 47F-3-123. Community association oversight division.**

24 The Community Association Oversight Division in the Office of the Attorney General, as
25 established in G.S. 114-11.10, has jurisdiction over lot owners' associations to assist homeowners
26 making complaints by ensuring compliance with the applicable laws set forth in Chapter 47F of
27 the General Statutes. Lot owners' associations shall comply with all requests by the Division in
28 the discharge of its duties including furnishing association records to the Division in accordance
29 with G.S. 47F-3-118. The Division can remedy violations by means it deems necessary."

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31 **PART II. ESTABLISHMENT OF DIVISION IN THE OFFICE OF THE ATTORNEY**
32 **GENERAL TO OVERSEE COMMUNITY ASSOCIATIONS**

33 **SECTION 2.1.(a)** Chapter 114 of the General Statutes is amended by adding a new
34 Article to read:

35 "Article 3B.

36 "Community Association Oversight Division.



1 **"§ 114-11.10. Division established; duties.**

2 (a) Definition. – For purposes of this Article, the term "community association" means a
3 unit owners' association organized pursuant to Chapter 47C of the General Statutes or a lot
4 owners' association organized pursuant to Chapter 47F of the General Statutes.

5 (b) Establishment. – There is established in the Office of the Attorney General a
6 Community Association Oversight Division.

7 (c) Duties. – The Division established in subsection (b) of this section shall be available
8 to assist a homeowner in a community governed by a community association to (i) determine
9 whether the community association is acting in accordance with all applicable laws set forth in
10 Chapters 47C, 47F, and 55A of the General Statutes and (ii) remedy any violations the Division
11 determines to have been made by the community association by taking all steps the Division
12 deems necessary, including commencing legal proceedings against the community association."

13 **SECTION 2.1.(b)** The Department of Justice shall adopt rules, or amend its rules,
14 to implement the requirement set forth in subsection (a) of this section. The Department may use
15 the procedure set forth in G.S. 150B-21.1 to adopt or amend any rules as required under this
16 subsection.

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18 **PART III. EFFECTIVE DATE**

19 **SECTION 3.1.** This act becomes effective July 1, 2023, and applies to homeowner
20 complaints submitted on or after that date.