

Dear Community Volunteers & Managers:

Please take time to read this Call to Action, share it with your Community Leaders and ask them to support this effort with just \$1 for each parcel or unit in your community this year, and then build the contribution into their Association's Annual Budget.

Through the years, the CAI South Carolina Legislative Action Committee (SC-LAC) has been able to rally support to defeat onerous legislation. Without such efforts Community Associations would presently be saddled with a \$10/door registration fee and strict limits on the ability to create and enforce architectural controls and other beneficial rules and regulations.

### Successes in 2011

This year, through CAI's pro-active lobbying efforts supported by Dollar per Door donations, we have been able to have positive effects on proposed legislation, such as Senate Bill 431, which effectively restored billions of dollars in construction defects liability insurance coverage to community associations across the state. Yes, that is billions with a "B"! The SC-LAC was also able to play a key role in influencing both federal and state legislation on community benefiting transfer fees. Without the tag-team of our professional lobbying efforts combined with our citizens' contacts with their legislators, the financial tool of community-benefiting transfer fees would have gone by the wayside, with devastating effects on the hundreds of communities in South Carolina who use these transfer fees to fund capital improvements. These lobbying efforts, however, come with the expense of hiring professional lobbyists, funded by our "Dollar per Door" Campaign. Is your community contributing its fair share to support these important efforts?

### What can you do?

We are encouraging every community association in South Carolina and the vendors who support this industry to contribute to the SC-LAC. Just \$1.00 per door (unit or parcel) is all that we request. Your community's participation is vital to the sustained success of our effort to have a steady, professional, enduring presence in Columbia.

Collectively, South Carolina's Communities can have extraordinary influence, but without your help, we will be less effective. Again, please take this request to your Board of Directors for consideration of contributing this year, and building this into your annual budget in years to come.

### What is the SC-LAC working on right now?

**S.218** This is the same bill proposed last year (then S.30), that we were able to have favorably amended through several sub-committee meetings, it was not passed in last year's session and it is now back, but it is back in its original form, so we must go to work again to prevent being straddled with obligations, requirements and restrictions that would be very harmful to common-interest communities.

**H.3095** has been introduced in the House. It is attempting to restrict capital transfer fees. We have been able to have this bill favorably amended at the committee level, in order to support community-benefiting transfer fees. This work is however ongoing.

**H.3295** is a bill introduced for the purpose of clarifying that many HOA's own and operate food and beverage services where alcoholic beverages are sold, requiring equal treatment under the ABC laws and regulations of the state. We have been able to support this legislation to level the playing field for our associations with those types of interests.

**S.699** is a bill, crafted by the SC-LAC and has been introduced in the Senate, proposing to have community managers certified, recognizing the CAI/NBC-CAM Education and Certification programs as the standard for professional designations in South Carolina. Professionals who have been in the industry for 5 years or more will not have to pass initial certification tests, but will need to participate in continuing education courses going forward.

The trend across the country has demonstrated an increase in attempts to legislate at a state level to control what happens in private communities. We can anticipate this trend in South Carolina this year. The need to stay focused on these issues and respond quickly and completely is imperative to protecting the investments we all have in our private communities.

#### **What if we discontinue the lobbying program?**

Prior legislation, such as last year's S.30 and others, had attempted to:

- Charge a \$10 per year fee to every homeowner who lives in a planned community.
- Eliminate Associations' ability to collect Capital transfer fees or to charge differing levels of assessments for developed vs. undeveloped lots.
- Prevent us from having all owners participate in the maintenance of common elements in a community, preferring to charge only those who use the amenities.
- Require all financial documents to be disclosed, including confidential payroll and personnel documentation.
- Prevent Boards and Committees from holding workshops or training sessions without inviting the entire membership to participate.
- Etc...

The past two years have demonstrated that we, as managers and community leaders, have the contacts and clout to fight bad legislation. What we have been lacking is the ability to have our suggestions for positive legislation embraced by the legislators. For this we need professional help, and by professional help, we mean professional lobbyists to work by our side. The synergy created by professional lobbyists is a tried and true recipe, whereby an organized group with an effective political presence teams with well-connected strategists to deliver extraordinary results.

The SC-LAC has, after an extensive search, engaged the services of Tompkins & Kinard, a Columbia based lobbying firm with more than 50 years of collective lobbying experience, shared by their partners Graham Tew, Warren Tompkins and Kenneth Kinard. Their efforts will be focused on helping us develop working relationships with key real estate industry leaders, state regulatory and administrative departments, and Legislators, so that we can begin to have the collective body of Community Associations recognized as not only a professional industry, but also to position CAI as “The Authority” to be consulted on legislative matters relating to common-interest communities. After all, we are representing perhaps the single largest group of voters in the State; the 800,000 or so individuals who live in South Carolina’s planned communities need to have a collective voice, and CAI is in the best position to provide that voice.

In addition to fighting onerous legislation to ensure your property values are maintained, our focus this legislative session is to introduce and pass SC-CAI’s proposed Manager Certification Act (the MCA). The MCA will effectively raise the bar of professional education, practices and ethical standards for those individuals who are paid to provide management services to common-interest communities. The result of having Manager Certification should be to reduce the legislators’ apparent need to introduce knee-jerk, well-intended legislation that always seems to miss the mark.

Tompkins and Kinard will also be monitoring legislative issues on a daily basis and bring any areas of concern to our attention.

#### [Are we sure we need a professional lobbying firm?](#)

Professional lobbyists have not only access to decision makers and legislators, but influence and “political capital” to wield in moving his/her client’s agenda forward. Although many of our members have personal friendships and business relationships with key individuals and legislators throughout the State, we have lacked the influence to get the entire SC political machine to sway.

#### [Who else hires lobbyists?](#)

Any large business or organization that believes that political influence will help their business hires a lobbyist. It’s time that the collective Community Association industry embraces the fact that we are an industry and begin to act like an industry, influencing Legislators to provide beneficial legislation and prevent onerous legislation from adversely affecting “our business”.

#### [And... who else hires lobbyists?](#)

The REALTORS®, the State Bar, medical, insurance and banking organizations hire lobbyists. Professional associations hire lobbyists. Car dealers, manufacturers, homebuilders, payday lenders, hotels and restaurants hire lobbyists.

### Why do others hire Lobbyists?

Because if they did not, the vacuum caused by their lack of political presence allows other individuals and organizations to play in their sandbox in a manner that adversely affects their business. This vacuum is exactly why CAI and the collective community association industry have been reacting to adverse legislation, rather than proactively controlling our own destiny. We have now stepped up to the plate and have a professional collective presence in Columbia.

### What is the Cost?

Tompkins and Kinard has been hired for a fixed fee of \$30K for the first year. This is approximately 60% less than the market rate, and Tompkins Kinard told us in no uncertain terms that they see the SC-LAC as a future cornerstone client, and that they priced the first year very aggressively so that we would not chose another firm based upon price alone. Let me assure you, Tompkins and Kinard was the strongest viable candidate as well as their providing the best overall value.

### References

We have checked several references of the firm. Many were long-term clients and all had nothing but extraordinary respect and appreciation for Tompkins and Kinard's professionalism, hard work, ethical representation and effectiveness.

### How Do We Pay For It?

Through this "Dollar per Door" SC-LAC campaign. We are asking that each Association contribute \$1.00 per property in their association each year to the South Carolina LAC. This money will be used to pay for the lobbyist's contract, their reasonable, refundable expenses, and if we are able to raise enough funds, we will be able to also engage in the very routine practice of providing breakfasts or other opportunities for our members to express our appreciation for the attention of our legislators. If you want to see how common this practice is visit [www.scstatehouse.org](http://www.scstatehouse.org) and look at the daily calendars for the House and Senate. You will see how other organizations are presently more sophisticated at influencing Legislators than we are, by getting their people and issues in front of the Legislators and staff by sponsoring social gatherings. We need to be engaged in similar efforts if we are to be equally effective; and with your contributions we will have the funds to engage in this activity next year.

### **YOUR MISSION:**

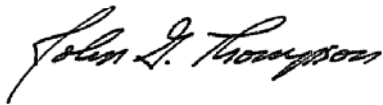
1. Take this information back to your individual Boards and seek a commitment for a SC-LAC contribution of \$1 per door, per year. Secure the commitment to build this into your annual budgets for coming years.
2. Sell this message to your Property Owners: Through the synergies provided by the collective efforts of SC-LAC members throughout the state of South Carolina, for just \$1.00 per year they

will start having a direct effect on how homeowner's associations are perceived and begin to raise the level of respect provided to the Community Association industry.

As you think about proposing contributions to the SC-LAC fund to your Board of Directors, think of your Association as a business. Your business assets are the value of not only your community's common property, but the collective value of your individual homes as well. It does not take a very large community to have several hundred million dollars worth of "Business Assets"! Ask your Board of Directors if they think \$1 per owner per year is worth assisting in protecting the value of their assets. Regardless of membership status with CAI, the SC-LAC needs your support in order to effectively work for the benefit of everyone living within common-interest developments in South Carolina.

The SC-LAC is the only organization focused on promoting positive legislation, and defeating harmful legislation, in an effort to protect the value of the (conservatively estimated) \$40 billion that South Carolina's citizens have invested in Planned Communities. CAI's legislative efforts will protect the ability of our community leaders to maintain local control, without unnecessarily burdensome requirements being handed down by otherwise well-meaning legislators.

Thank you for your consideration, and hopefully for your assistance,



John G. Thompson, Chairman  
South Carolina Legislative Action Committee



LEGISLATIVE CALL TO ACTION
June 2011

For simplicity, you may use this form to submit your contribution. An official invoice/receipt will be mailed. Checks should be made payable to the SC-LAC and mailed to the address below.

Organization: \_\_\_\_\_

Name of Authorizer: \_\_\_\_\_

Mailing Address: \_\_\_\_\_

City/State/Zip Code \_\_\_\_\_

Email Address: \_\_\_\_\_

Community/Association Website: \_\_\_\_\_

Is your association professionally managed or self-managed? [ ] Professionally [ ] Self

Name of Management Company: \_\_\_\_\_

Amount Due

# of Units \_\_\_\_\_ X \$1.00 = Total \$ \_\_\_\_\_

Additional Contribution: \$ \_\_\_\_\_

TOTAL CONTRIBUTION \$ \_\_\_\_\_

Mail to:
South Carolina LAC
Post Office Box 3592
Myrtle Beach, SC 29578
SC-LAC is a 501(c)6 non-profit entity

[ ] Check this box if your community would like to be recognized and appear in printed materials and on the South Carolina Chapter website www.cai-sc.net as a supporter of the SC-LAC.

If there are others in your organization who would like to receive LAC information via email from us, please provide the information below. If you have additional submissions, please attach a sheet or send an email request to Kati@cai-sc.net.

Name: \_\_\_\_\_ Email: \_\_\_\_\_

Name: \_\_\_\_\_ Email: \_\_\_\_\_

The SC-LAC is not a Political Action Committee (PAC), is bi-partisan and does not contribute to political candidates or campaigns, nor does it take positions on issues that do not affect common-interest communities.

**CURRENT DOLLAR PER DOOR COMMUNITY PARTNERS**

BelleGrove Preserve POA	Myrtle Beach
Beresford Commons HOA	Charleston
Berkeley Hall Club, Inc.	Bluffton
Buena Vists Plaza HOA	Myrtle Beach
Callawassie Island POA	Okatie
Campo Firenze II Condominium Assn.	Florence
Colleton River Plantation Club	Bluffton
Community Services Associates, Inc.	Hilton Head Island
Daniel Island	Daniel Island
Dataw Island Club	St Helena Island
DeBordieu Colony Community Assoc	Georgetown
Deerfield Links HOA, Inc.	Myrtle Beach
Dewees Island POA	Isle of Palms
Etiwan Pointe Townhomes	Charleston
Five Seasons	Murrells Inlet
Fripp Island	Fripp Island
Grand Dunes Master Association	Pawleys Island
Hilton Head Plantation	Hilton Head Island
Inlet Management, LLC	Murrells Inlet
Kalmia Landing Homeowners Association	Aiken
Keowee Key POA	Salem
Kiawah Island Community Association	Kiawah Island
Kings Grant Association, Inc.	Summerville
Litchfield by the Sea Community Assoc	Pawleys Island
Long Cove Club Owners Association	Hilton Head Island
Montclair Homeowners Association, Inc.	Mount Pleasant
Moss Creek Owners Association, Inc.	Hilton Head Island
Myrtle Beach Golf & Yacht Club	Myrtle Beach
Myrtle Beach HPR	Murrells Inlet
Ocean Forest Villas Homeowners Assoc.	Myrtle Beach
Ocean Front Spa HPR	Murrells Inlet
Palmetto Dunes POA Inc	Hilton Head Island
Palmetto Hall Plantation	Hilton Head Island
Pawleys Plantation	Murrells Inlet
Port Royal Plantation Assoc of Landowners	Hilton Head Island

Renaissance Tower	Murrells Inlet
Retreat @ Riverland HOA	Charleston
Sandra Salmon	Summerville
Savannah Lakes Village POA	McCormick
Seabrook Island Club	Johns Island
Seabrook Island POA	Johns Island
Seasons at Prince Creek West POA	Murrells Inlet
Shipyards Plantation POA	Hilton Head Island
Shorehaven Homeowners Association	Myrtle Beach
Southcreek at Myrtle Beach	Myrtle Beach
Spanish Wells	Hilton Head Island
Sun City Hilton Head Community Assoc.	Bluffton
The Moorings at Eastport HOA	Myrtle Beach
The Windy Hill Dunes Condo Assoc.	Myrtle Beach
Wachesaw East	Murrells Inlet
Walkers Woods	Pawleys Island
Waterfront at Briarcliffe	Myrtle Beach
Westbury Park	Hilton Head Island
Wexford Plantation HOA, Inc.	Hilton Head Island
Wild Dunes Community Association	Isle of Palms
Willoughby Place HOA	Myrtle Beach
Winchester at Wachesaw East	Murrells Inlet
Woodlake Village HOA	Myrtle Beach

**LAC Corporate Partners**

