COMMITTEE REPORT

March 17, 2015

**S. 276**

Introduced by Senator Alexander

S. Printed 3/17/15--S.

Read the first time January 13, 2015.

**THE COMMITTEE ON**

**LABOR, COMMERCE AND INDUSTRY**

To whom was referred a Bill (S. 276) to amend the Code of Laws of South Carolina, 1976, by adding Section 40‑59‑135 so as to require applicants applying to the Department of Labor, Licensing and Regulation, etc., respectfully

**REPORT:**

That they have duly and carefully considered the same and recommend that the same do pass with amendment:

Amend the bill, as and if amended, by deleting all after the enacting words and inserting:

/ SECTION 1. Article 1, Chapter 59, Title 40 of the 1976 Code is amended by adding:

“Section 40‑59‑135. (A)(1)(a) A person applying to the department for licensure or renewal as a residential builder or registration as a residential specialty contractor must disclose on his application whether he has been found guilty of any criminal offense, excluding minor traffic violations, regardless of when or where the conviction occurred. The applicant also must describe the nature, date, and location of each conviction, if any, along with a written explanation, and must specifically indicate if a conviction required him to register as a sex offender.

(b) The department shall require each applicant for initial licensure or registration to remit, at his expense, a fingerprint‑based statewide criminal background check from this State. If an applicant discloses a conviction in another state on his application, the department also shall require the applicant to remit, at his expense, a fingerprint‑based, statewide criminal background check from that state, if the conviction occurred in the United States, along with a written explanation.

(2) A person who became licensed by the department as a residential builder or registered as a residential specialty contractor with the department before the effective date of this section must disclose on his first application for renewal made after the effective date of this section whether he has been found guilty of any criminal offense, excluding minor traffic violations, regardless of when or where the conviction occurred. The applicant also must describe the nature, date, and location of each conviction, if any, and must specifically indicate if a conviction required him to register as a sex offender. At the first renewal of an applicant following the effective date of this act, the department also shall require an applicant to remit, at his expense, a fingerprint‑based statewide criminal background check from this State, and if an applicant discloses a conviction in another state on his application, the department also shall require the applicant to remit, at his expense, a fingerprint‑based statewide criminal background check from that state along, if the conviction occurred in the United States, with a written explanation.

(B) The department shall retain any criminal background check report remitted pursuant to the section for at least three years after the applicant ceases to be licensed or registered with the department.

(C) In addition to other penalties provided in this chapter, failure to comply with the provisions of this section is a misdemeanor and, upon conviction, must be fined not less than five hundred dollars nor more than ten thousand dollars or imprisoned for not less than thirty days, or both. Additionally, failure to disclose a conviction for which a person must register as a sex offender carries is a separate violation that also is a misdemeanor and, upon conviction, must be fined not less than five hundred dollars nor more than ten thousand dollars or imprisoned for not less than thirty days, or both.”

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

Renumber sections to conform.

Amend title to conform.

THOMAS C. ALEXANDER for Committee.

**A** **BILL**

TO AMEND THE CODE OF LAWS OF SOUTH CAROLINA, 1976, BY ADDING SECTION 40‑59‑135 SO AS TO REQUIRE APPLICANTS APPLYING TO THE DEPARTMENT OF LABOR, LICENSING AND REGULATION FOR LICENSURE AS A RESIDENTIAL BUILDER OR REGISTRATION AS A RESIDENTIAL SPECIALTY CONTRACTOR TO DISCLOSE AND DESCRIBE ANY CRIMINAL CONVICTIONS, EXCEPT FOR MINOR TRAFFIC VIOLATIONS, ON HIS APPLICATION, TO PROVIDE THE COMMISSION SHALL REQUIRE AN APPLICANT FOR INITIAL LICENSURE TO SUBMIT TO A FINGERPRINT‑BASED CRIMINAL BACKGROUND CHECK IN THIS STATE AND IN ANY STATE WHERE HE DISCLOSES HAVING A CONVICTION, TO PROVIDE SIMILAR REQUIREMENTS FOR APPLICANTS SEEKING RENEWALS, TO IMPOSE RELATED ADMINISTRATIVE REQUIREMENTS ON THE COMMISSION, TO PROVIDE PENALTIES FOR VIOLATIONS, AND TO PROVIDE AN ADDITIONAL PENALTY FOR FAILING TO DISCLOSE CONVICTIONS REQUIRING REGISTRATION AS A SEX OFFENDER.

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

SECTION 1. Article 1, Chapter 59, Title 40 of the 1976 Code is amended by adding:

“Section 40‑59‑135. (A)(1)(a) A person applying to the department for licensure or renewal as a residential builder or registration as a residential specialty contractor must disclose on his application whether he has been found guilty of any criminal offense, excluding minor traffic violations, regardless of when or where the conviction occurred. The applicant also must describe the nature, date, and location of each conviction, if any, along with a written explanation, and must specifically indicate if a conviction required him to register as a sex offender.

(b) The department shall require each applicant for initial licensure to remit a fingerprint‑based statewide criminal background check from this State. If an applicant discloses a conviction in another state on his application, the department also shall require the applicant to remit, at his expense, a fingerprint‑based, statewide criminal background check from that state, if the conviction occurred in the United States, along with a written explanation.

(2) A person who became licensed by the department as a residential builder or registered as a residential specialty contractor with the department before the effective date of this section must disclose on his first application for renewal made after the effective date of this section whether he has been found guilty of any criminal offense, excluding minor traffic violations, regardless of when or where the conviction occurred. The applicant also must describe the nature, date, and location of each conviction, if any, and must specifically indicate if a conviction required him to register as a sex offender. At the first renewal of an applicant following the effective date of this act, the department also shall require an applicant to remit a fingerprint‑based statewide criminal background check from this State, and if an applicant discloses a conviction in another state on his application, the department also shall require the applicant to remit, at his expense, a fingerprint‑based statewide criminal background check from that state along, if the conviction occurred in the United States, with a written explanation.

(B) The department shall retain any criminal background check report remitted pursuant to the section for at least five years after the applicant ceases to be licensed or registered with the department.

(C) In addition to other penalties provided in this chapter, failure to comply with the provisions of this section is a misdemeanor and, upon conviction, must be fined not less than five hundred dollars nor more than ten thousand dollars or imprisoned for not less than thirty days, or both. Additionally, failure to disclose a conviction for which a person must register as a sex offender carries is a separate violation that also is a misdemeanor and, upon conviction, must be fined not less than five hundred dollars nor more than ten thousand dollars or imprisoned for not less than thirty days, or both.”

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

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