

## Session 125 - (2023-2024)

### H 4086 General Bill, By Sandifer, Nutt, Chapman and M.M. Smith

#### Summary: Residential builders

A BILL TO AMEND THE SOUTH CAROLINA CODE OF LAWS BY ADDING SECTION 40-59-35 SO AS TO PROVIDE THAT THE WORK OF CERTAIN LICENSEES OF THE RESIDENTIAL BUILDERS COMMISSION THAT COMPLIES WITH APPLICABLE REGULATIONS OF THE COMMISSION MUST BE DEEMED TO SATISFY CERTAIN IMPLIED WARRANTIES; BY ADDING SECTION 40-59-40 SO AS TO PROVIDE IMPLIED WARRANTIES INCLUDE ONLY THOSE PERFORMANCE STANDARDS VIOLATIONS IDENTIFIED BY A HOMEOWNER WITHIN TWELVE MONTHS AFTER SUBSTANTIAL COMPLETION; BY AMENDING SECTION 40-59-10, RELATING TO COMPOSITION OF THE COMMISSION, SO AS TO REVISE ITS COMPOSITION; BY AMENDING SECTION 40-59-20, RELATING TO DEFINITIONS APPLICABLE TO THE COMMISSION AND ITS LICENSEES, SO AS TO REVISE VARIOUS DEFINITIONS, INCLUDING THE RENAMING OF SPECIALTY CONTRACTORS AS RESIDENTIAL TRADE CONTRACTORS; BY AMENDING SECTION 40-59-25, RELATING TO ROOFING CONTRACT CANCELLATIONS FOR INSURANCE COVERAGE DENIALS, SO AS TO EXPAND THE APPLICABILITY OF THESE PROVISIONS; BY AMENDING SECTION 40-59-30, RELATING TO THE REQUIREMENT OF LICENSURE TO ENGAGE IN RESIDENTIAL BUILDING AND RESIDENTIAL SPECIALTY CONTRACTING, SO AS TO MAKE CONFORMING CHANGES AND PROVIDE PENALTIES FOR VIOLATIONS; BY AMENDING SECTION 40-59-50, RELATING TO THE ROSTER OF LICENSEES OF THE COMMISSION, SO AS TO MAKE CONFORMING CHANGES; BY AMENDING SECTION 40-59-80, RELATING TO INVESTIGATIONS OF COMPLAINTS, SO AS TO PROVIDE LICENSEES OR REGISTRANTS MAY BE PRESENT FOR INSPECTIONS CONDUCTED PURSUANT TO AN INVESTIGATION, AND TO PROVIDE UNDERLYING COMPLAINTS THAT PROMPT AN INVESTIGATION MUST BE DISMISSED IF THE COMPLAINANT UNJUSTIFIABLY REFUSES TO COOPERATE WITH THIS REQUIREMENT; BY AMENDING SECTION 40-59-105, RELATING TO ADMINISTRATIVE CITATIONS AND PENALTIES, SO AS TO REVISE THE BASES FOR WHICH REFERRALS OF VIOLATIONS TO THE COMMISSION ARE MADE; BY AMENDING SECTION 40-59-110, RELATING TO REVOCATION, SUSPENSION, OR RESTRICTION OF A LICENSE, SO AS TO MAKE CONFORMING CHANGES; BY AMENDING SECTION 40-59-140, RELATING TO DENIALS OF LICENSURE OR REGISTRATION BASED ON THE PAST CRIMINAL RECORD OF THE APPLICANT, SO AS TO MAKE THE DENIALS DISCRETIONARY WITH THE COMMISSION AND TO PROVIDE THAT ALL NEW APPLICANTS SHALL PROVIDE CERTAIN CRIMINAL BACKGROUND REPORTS; BY AMENDING SECTION 40-59-220, RELATING TO LICENSES AND CERTIFICATES OF REGISTRATION, SO AS TO MAKE CONFORMING CHANGES, TO REVISE CRITERIA FOR LICENSURE, AND TO REVISE REQUIREMENTS FOR HOMEOWNER CLAIMS FOR LOSS, AMONG OTHER THINGS; BY AMENDING SECTION 40-59-230, RELATING TO LICENSURE RENEWALS AND CONTINUING EDUCATION REQUIREMENTS, SO AS TO MAKE THE EXAMINATION REQUIREMENT FOR CERTAIN INACTIVE LICENSEES DISCRETIONARY WITH THE COMMISSION, TO PROVIDE THE CONTINUING EDUCATION PROGRAMS MUST BE ADMINISTERED BY THE HOME BUILDERS ASSOCIATION OF SOUTH CAROLINA, AND TO PROVIDE A TIERED SYSTEM FOR RESIDENTIAL BUILDER LICENSES; BY AMENDING SECTION 40-59-240, RELATING TO THE CLASSIFICATIONS OF RESIDENTIAL SPECIALTY CONTRACTORS, SO AS TO MAKE CONFORMING CHANGES, TO REMOVE THE LIMITATION ON THE NUMBER OF CLASSIFICATIONS FOR WHICH THE COMMISSION MAY ISSUE REGISTRATIONS, AND TO INCREASE THE THRESHOLD COSTS OF AN UNDERTAKING THAT REQUIRES AN EXECUTED BOND WITH A SURETY IN AN AMOUNT APPROVED BY THE COMMISSION; BY AMENDING SECTION 40-59-250, RELATING TO CREDIT REPORTS REQUIRED FOR LICENSURE, SO AS TO MAKE CONFORMING CHANGES, AND TO MAKE PROOF OF NET WORTH AN AVAILABLE ALTERNATIVE TO A CREDIT REPORT; BY AMENDING SECTION 40-59-260, RELATING TO EXCEPTIONS FOR PROJECTS BY THE PROPERTY OWNER FOR PERSONAL USE, EXEMPTION DISCLOSURE STATEMENTS, AND CERTAIN NOTICES FILED WITH THE REGISTER OF DEEDS, SO AS TO MAKE CONFORMING CHANGES; BY AMENDING SECTION 40-59-270, RELATING TO THE APPLICABILITY OF CHAPTER 49, TITLE 40, TO LICENSEES OF THE CONTRACTOR'S LICENSING BOARD, SO AS TO MAKE CONFORMING CHANGES; BY AMENDING SECTION 40-59-300, RELATING TO CONSTRUCTION OF LOW-INCOME HOUSING USING VOLUNTEER LABOR BY CERTAIN ELEEMOSYNARY ORGANIZATIONS, SO AS TO MAKE CONFORMING CHANGES; BY AMENDING SECTION 40-59-400, RELATING TO DEFINITIONS CONCERNING CERTIFICATES OF AUTHORIZATION, SO AS TO MAKE CONFORMING CHANGES; BY AMENDING SECTION 40-59-410, RELATING TO RESIDENTIAL BUSINESS CERTIFICATES OF AUTHORIZATION, SO AS TO MAKE CONFORMING CHANGES, AMONG OTHER THINGS; BY AMENDING SECTION 40-59-530, RELATING TO EXCEPTIONS FROM PROVISIONS CONCERNING THE LICENSURE OF HOME INSPECTORS, SO AS TO MAKE CONFORMING CHANGES, AMONG OTHER THINGS; BY AMENDING SECTION 40-59-580, RELATING TO REMEDIES AVAILABLE TO THE COMMISSION FOR VIOLATIONS OF PROVISIONS CONCERNING THE LICENSURE OF HOME INSPECTORS, SO AS TO

REMOVE CIVIL PENALTIES FROM THE AVAILABLE REMEDIES; BY AMENDING SECTION 40-59-600, RELATING TO CRIMINAL PENALTIES FOR PERSONS UNDERTAKING THE BUSINESS OF HOME INSPECTION WITHOUT LICENSURE OR EXEMPTION, SO AS TO REMOVE TIERED PENALTIES; BY AMENDING SECTION 40-59-820, RELATING TO DEFINITIONS IN THE NOTICE AND OPPORTUNITY TO CURE THE CONSTRUCTION DWELLING DEFECTS ACT, SO AS TO REVISE VARIOUS DEFINITIONS; BY AMENDING SECTION 40-59-830, RELATING TO STAYS OF ACTIONS BROUGHT UNDER THE NOTICE AND OPPORTUNITY TO CURE THE CONSTRUCTION DWELLING DEFECTS ACT UNTIL THE CLAIMANT COMPLIES WITH THE PROVISIONS OF THE ACT, SO AS TO PROVIDE THE CLAIMANT'S UNJUSTIFIED FAILURE TO COMPLY WITH THE REQUIREMENTS OF THE ACT UNDER CIRCUMSTANCES THAT MAKE COMPLIANCE WITH THE CERTAIN PROVISIONS OF CHAPTER 59, TITLE 40, IMPOSSIBLE SHALL REQUIRE THE COURT TO DISMISS THE ACTION WITH PREJUDICE; AND BY REPEALING SECTION 40-59-560 RELATING TO INSPECTION REPORTS AND FORMS.

**03/07/23 House Introduced and read first time (House Journal-page 10)**  
**03/07/23 House Referred to Committee on Labor, Commerce and Industry (House Journal-page 10)**  
**03/08/23 House Member(s) request name added as sponsor: Nutt**  
**03/29/23 House Member(s) request name added as sponsor: Chapman**  
**03/30/23 House Committee report: Favorable with amendment Labor, Commerce and Industry (House Journal-page 5)**  
**04/05/23 House Member(s) request name added as sponsor: M.M.Smith**  
**04/05/23 House Recommitted to Committee on Labor, Commerce and Industry (House Journal-page 72)**  
**05/03/23 House Committee report: Favorable with amendment Labor, Commerce and Industry (House Journal-page 6)**  
**05/04/23 House Amended (House Journal-page 38)**  
**05/04/23 House Read second time (House Journal-page 38)**  
**05/04/23 House Roll call Yeas-101 Nays-0 (House Journal-page 48)**  
**05/04/23 House Unanimous consent for third reading on next legislative day (House Journal-page 50)**  
**05/05/23 House Read third time and sent to Senate (House Journal-page 1)**  
**05/08/23 Scrivener's error corrected**  
**05/09/23 Senate Introduced and read first time (Senate Journal-page 10)**  
**05/09/23 Senate Referred to Committee on Labor, Commerce and Industry (Senate Journal-page 10)**  
**05/02/24 Senate Committee report: Favorable with amendment Labor, Commerce and Industry**