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- 01/08/2019 Received by Lt. Gov & Speaker 05/08/2019

H 01/08/2019 Referred to Committee

S 01/08/2019 Referred to Committee

S 02/20/2019 Resolution Introduced to Approve 542

H 04/25/2019 Committee Requested Withdrawal

120 Day Period Tolled

- 04/25/2019 Withdrawn and Resubmitted 01/19/2020

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provided for in the Regulation

Document No. 4848

**DEPARTMENT OF LABOR, LICENSING AND REGULATION**

**CONTRACTOR**’**S LICENSING BOARD**

Chapter 29

Statutory Authority: 1976 Code Section 40‑11‑60

29‑2. Group One Licensure Requirements.

29‑3. Financial Statements.

29‑4. Inactive License.

29‑5. Construction Management License Requirements.

29‑6. Residential Construction Licensure Requirements.

29‑7. Fees.

29‑8. Administrative Penalties

29‑9. Change of Address.

29‑11. Owner-Prepared Financial Statement.

29‑12. General Contractors‑Highway Classification.

29‑70. Definitions.

29‑75. Application, Fees.

29‑80. Certificate Holder; Grandfathered Qualifier.

29‑85. Transfer of Qualifications.

29‑90. Renewals.

29‑95. Contract Bids, Awards.

29‑100. Exemptions.

29‑105. Plan Review Fees.

29‑110. Violations, Complaints.

**Synopsis:**

The South Carolina Contractor’s Licensing Board proposes to amend its regulations to repeal the following regulations: R.29‑2, 29‑4, 29‑6, 29‑70, 29‑75, 29‑80, 29‑85, 29‑90, 29‑95, 29‑100, 29‑105, and 29‑110. The Board further intends to add the language of 29‑11 into 29‑3. Finally, the Board intends to amend R.29‑3, 29‑5, 29‑7, 29‑8, 29‑9, and 29‑12.

A Notice of Drafting was published in the *State Register* on August 24, 2018.

**Instructions:**

Replace regulation as shown below. All other items and sections remain unchanged.

**Text:**

29‑2. Repealed.

29‑3. Financial Statements.

(A) Where an applicant is required to have a financial statement submitted by a certified public accountant or public accountant, the board may accept a financial statement based on “Other Comprehensive Basis of Accounting” (OCBOA) or on an accepted international accounting standard that, if the certified public accountant or public accountant provides a statement indicating if the financial statement had been prepared according to “General Accepted Accounting Principles” (GAAP), the financial requirements would be met.

(B) Financial statements must be submitted in English.

(C) The board may accept a financial statement based upon a foreign currency if the applicant provides adequate documentation that shows the net worth of the company, converted to United States dollars, meets or exceeds the net worth and other financial requirements of the appropriate license group in which the applicant is applying.

(D) The latest revision of a financial balance sheet form (FBS) issued by the Department must be completed by an owner filing an owner‑prepared financial statement. The Department will furnish this form to all applicants for initial licensing or renewal in the applicable group limitations. The form must contain assets, liabilities and total net worth of the licensee.

29‑4. Repealed.

29‑5. Construction Management Licensure Requirements.

(A) An architectural or engineering entity acting as a construction manager shall file a letter or application with the department designating one professional license of a full‑time employee employed by the entity to qualify the entity for the practice of construction management pursuant to Section 40‑11‑320.

(1) The letter or application shall ask the department to list the entity as a construction manager. The letter or application shall include the following: the applicant’s name and license number to be listed as a construction manager; the name should be the exact name used by the applicant when conducting business on a daily basis; list the type of license and license number of the employee qualifying the entity as a construction manager.

(2) A proper financial statement pursuant to Section 40‑11‑260 must be submitted with the letter or application. The financial statement must be for the entity.

(B) A general or mechanical contractor acting as a construction manager shall file a letter or application with the department designating one of their primary qualifying parties as the employee that will qualify the entity for the practice of construction management. The entity shall comply with the other requirements of this regulation.

29‑6. Repealed.

29‑7. Fees.

(A) Fees shall be as specified in Chapter 10 of the Code of Regulations or as may be modified in accordance with law.

(B) Fees, except replacement fees, may be adjusted on a biennial basis as appropriate.

29‑8. Administrative Penalties.

Administrative penalties assessed pursuant to a citation under Section 40‑11‑100 shall be for the following:

(A) entering into a contract with an unlicensed contractor for work to be performed for which a license is required; or

(B) failure to obtain a building permit as required by a local or state government before engaging in construction; or

(C) failure to provide information, records, or documents as requested by the department; or

(D) failure to notify the department of changes in information required in an original or renewal application; or

(E) contracting or offering to contract for construction work exceeding the limitations of a license group or outside the classification or subclassification of a license; or

(F) engaging or offering to engage in contracting without a valid license as required under this chapter; or

(G) submitting a bid without a valid license when one is required by law; or

(H) awarding or accepting a bid or signing a contract for a project when the contractor is not properly licensed; or

(I) failure to timely notify the department of changes in the licensee’s current mailing address, business street address, and business telephone number.

29‑9. Change of Address.

(A) Each licensee must maintain a current mailing address, business street address, and business telephone number.

(B) Each licensee must notify the department within fifteen days of any changes listed above in (A).

29‑11. Repealed.

29‑12. General Contractors‑Highway Classification.

Any contractor that has been issued all of the following license classifications referenced in Section 40‑11‑410(2) will be designated as HIGHWAY (HY) on the license card and license certificate:

(1) Bridges; and

(2) Concrete Paving; and

(3) Asphalt Paving; and

(4) Grading, and

(5) Highway Incidental.

ARTICLE 6

[Regulations Administering Fire Protection Sprinkler Systems Act]

Repealed.

**Fiscal Impact Statement:**

There will be no cost incurred by the State or any of its political subdivisions for these regulations.

**Statement of Rationale:**

The Board proposes repealing Regulations 29‑2, 29‑4, 29‑6, 29‑70, 29‑75, 29‑80, 29‑85, 29‑90, 29‑95, 29‑100, 29‑105, and 29‑110 as they are unnecessary or duplicative of statute. Regulation 29‑11 is added to the related 29‑3. Regulations 29‑3, 29‑5, 29‑7, 29‑8, 29‑9, and 29‑12 are amended to conform to existing practice and law.