~~Indicates Matter Stricken~~

Indicates New Matter

COMMITTEE REPORT

January 23, 2020

**H. 4246**

Introduced by Reps. Sandifer and Thayer

S. Printed 1/23/20--S.

Read the first time April 3, 2019.

**THE COMMITTEE ON LABOR, COMMERCE AND INDUSTRY**

To whom was referred a Bill (H. 4246) to amend Act 60 of 2017, relating to criminal background checks by the Real Estate Commission, so as to change the time effective date to July 1, 2020, etc., respectfully

**REPORT:**

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

THOMAS C. ALEXANDER for Committee.

**STATEMENT OF ESTIMATED FISCAL IMPACT**

**Explanation of Fiscal Impact**

**Amended by the House of Representatives on April 2, 2019**

**State Expenditure**

This bill changes the time effective date of Act 60 of 2017. The Act requires certain real estate professionals, property managers, and property managers-in-charge to undergo criminal background checks as a condition of initial licensure and license renewals.

**Department of Labor, Licensing and Regulation.** This bill changes the effective date of the provisions contained in Act 60 of 2017 to coincide with the licensure renewal date for real estate professionals. Real estate professionals are licensed by the Real Estate Commission (commission), which is under the administration of LLR. The agency indicates that changing the effective date of these provisions does not alter the regulatory responsibilities of the commission. Therefore, this bill will have no expenditure impact on LLR or the commission.

**State Law Enforcement Division.** SLED conducts criminal background checks for applicants seeking licensure with the Real Estate Commission. The agency has previously reported that any impacts as a result of the change in effective date can be managed within existing appropriations. Thus, there is no expenditure impact on SLED.

Frank A. Rainwater, Executive Director

Revenue and Fiscal Affairs Office

**A** **BILL**

TO AMEND ACT 60 OF 2017, RELATING TO CRIMINAL BACKGROUND CHECKS BY THE REAL ESTATE COMMISSION, SO AS TO CHANGE THE TIME EFFECTIVE DATE TO JULY 1, 2020.

Whereas, in Act 60 of 2017, the South Carolina General Assembly enacted various provisions concerning criminal background checks for licensees of the South Carolina Real Estate Commission, effective three years after approval by the Governor; and

Whereas, the Governor approved Act 60 of 2017 on May 19, 2017, which makes May 19, 2020, the effective date of that act; and

Whereas, the May 19, 2020, effective date falls during a licensee renewal period, which would make the criminal background check provisions applicable to some applicants for license renewal but not others, creating a disparate effect and unnecessarily complicating the renewal process for these hardworking professionals; and

Whereas, the General Assembly finds it necessary to revise the effective date of Act 60 of 2017 to occur immediately after the conclusion of this license renewal period. Now, therefore,

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

SECTION 1. SECTION 5 of Act 60 of 2017 is amended to read:

“SECTION 5. This act takes effect ~~three years after approval by the Governor~~ on July 1, 2020, and with respect to license renewals is only applicable to renewals initially due after June 30, 2020.”

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

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