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Indicates New Matter

COMMITTEE REPORT

April 8, 2021

**H. 3664**

Introduced by Reps. Hewitt, Hixon, Stavrinakis, Crawford, Kirby, B. Cox, Anderson, Erickson, Bradley, Murray and B. Newton

S. Printed 4/8/21--S.

Read the first time March 3, 2021.

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

To whom was referred a Bill (H. 3664) to amend Section 40‑57‑115, Code of Laws of South Carolina, 1976, relating to criminal background checks required for initial licensure by the Real Estate Commission, 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**

**State Expenditure**

This bill requires applicants for initial licensure and for licensure renewal as a salesman, broker, broker-in-charge, property manager, and property manager-in-charge under the Real Estate Commission (commission) to submit to a social security number-based criminal records check from a source approved by the commission. Costs of conducting the records check must be borne by the applicant. Currently, an applicant is only required to submit to a state fingerprint-based criminal records check conducted by SLED and a national criminal records check, including fingerprints, conducted by the FBI. Currently, SLED makes use of social security numbers in state fingerprint-based criminal records checks.

This bill will have no expenditure impact on the commission or LLR because the cost of the social security number-based criminal records check will be borne by the applicant.

This bill will have no expenditure impact on SLED because the agency will administer policies resulting from the bill with the use of existing staff and resources.

Frank A. Rainwater, Executive Director

Revenue and Fiscal Affairs Office

**A** **BILL**

TO AMEND SECTION 40‑57‑115, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO CRIMINAL BACKGROUND CHECKS REQUIRED FOR INITIAL LICENSURE BY THE REAL ESTATE COMMISSION, SO AS TO REQUIRE SOCIAL SECURITY NUMBER‑BASED CRIMINAL RECORDS CHECKS IN ADDITION TO EXISTING REQUIREMENTS.

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

SECTION 1. Section 40‑57‑115 of the 1976 Code is amended to read:

“Section 40‑57‑115. In addition to other requirements established by law and for the purpose of determining an applicant’s eligibility for licensure as a salesman, broker, broker‑in‑charge, property manager, and property manager‑in‑charge, the commission shall require initial applicants and applicants for licensure renewal to submit to a state fingerprint‑based criminal records check, to be conducted by the State Law Enforcement Division (SLED)~~, and~~ ; a national criminal records check, supported by fingerprints, by the FBI; and a social security number‑based criminal records check from a source approved by the commission. Costs of conducting a criminal records check must be borne by the applicant. The commission shall keep information received pursuant to this section confidential, except that information relied upon in denying licensure may be disclosed as necessary to support the administrative action.”

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

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