**A** **BILL**

TO AMEND SECTION 39‑6‑100, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO A WARRANTY AGREEMENT ON CERTAIN FARM AND OUTDOOR EQUIPMENT, SO AS TO PROVIDE THAT THAT THE MANUFACTURER MAY NOT PAY LESS THAN THE HOURLY LABOR RATE, PLUS OTHER EXPENSES INVOLVED IN THE WORK, THAT THE DEALER REGULARLY CHARGES TO A RETAIL CUSTOMER NOT ASSERTING A WARRANTY, TO PROVIDE THAT THE DEALER ONLY MAY CLAIM THE NUMBER OF HOURS OF LABOR ACTUALLY PERFORMED, OR ONE AND ONE‑HALF TIMES THE SUPPLIER’S RECOMMENDED HOURS FOR THE REPAIR INVOLVED, WHICHEVER IS LESS, AND TO PROVIDE THAT THE DEALER MUST BE PAID ITS NET PRICE FOR PARTS, PLUS FIFTEEN PERCENT.

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

SECTION 1. Section 39‑6‑100(A) of the 1976 Code, as added by Act 369 of 2000, is amended to read:

“(A)(1) Each manufacturer, distributor, wholesaler, distributor branch or division, factory branch or division, or wholesale branch or division must fulfill properly a warranty agreement and compensate ~~adequately and fairly~~ each of its equipment dealers ~~for labor and parts~~ in accordance with the provisions of this item. A dealer may not be paid less than the hourly labor rate, plus other expenses involved in the warranty work, that the dealer regularly charges to a retail customer not asserting a warranty. For such work, a dealer only may claim the number of hours of labor actually performed, or one and one‑half times the supplier’s recommended hours for the repair involved, whichever is less. Additionally, for such work, a dealer must be paid its net price for parts, plus fifteen percent.

(2) All claims made by equipment dealers pursuant to this section for the labor and parts and pursuant to Section 39‑6‑90 must be paid within thirty days following their approval. All claims must be approved or disapproved within thirty days after their receipt. The equipment dealer who submits a disapproved claim must be notified in writing of its disapproval within that period, and the notice must state the specific grounds for the disapproval. Special handling of claims required by the manufacturer, distributor, wholesaler, distributor branch or division, factory branch or division, or wholesale branch or division, but not uniformly required of all dealers of that make, may be enforced only after thirty days’ notice in writing of good and sufficient reason.”

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

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