**South Carolina General Assembly**

121st Session, 2015-2016

**A155, R160, H3576**

**STATUS INFORMATION**

General Bill

Sponsors: Reps. Bannister, Merrill, Murphy, Atwater, Collins, Gagnon, Hamilton, Hicks, Pitts, Sandifer, G.R. Smith, Tallon, Whitmire, Henderson and Herbkersman

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Introduced in the House on February 11, 2015

Introduced in the Senate on March 5, 2015

Last Amended on March 1, 2016

Passed by the General Assembly on March 16, 2016

Governor's Action: April 21, 2016, Signed

Summary: Youth sports organizations

**HISTORY OF LEGISLATIVE ACTIONS**

Date Body Action Description with journal page number

2/11/2015 House Introduced and read first time ([House Journal‑page 63](file:///h:\HJ%20Archive\2015\02-11-15.docx))

2/11/2015 House Referred to Committee on **Judiciary** ([House Journal‑page 63](file:///h:\HJ%20Archive\2015\02-11-15.docx))

2/12/2015 House Member(s) request name added as sponsor: Henderson

2/25/2015 House Committee report: Favorable with amendment **Judiciary** ([House Journal‑page 2](file:///h:\HJ%20Archive\2015\02-25-15.docx))

2/26/2015 Scrivener's error corrected

3/3/2015 House Amended ([House Journal‑page 28](file:///h:\HJ%20Archive\2015\03-03-15.docx))

3/3/2015 House Read second time ([House Journal‑page 28](file:///h:\HJ%20Archive\2015\03-03-15.docx))

3/3/2015 House Roll call Yeas‑106 Nays‑0 ([House Journal‑page 31](file:///h:\HJ%20Archive\2015\03-03-15.docx))

3/4/2015 House Read third time and sent to Senate ([House Journal‑page 12](file:///h:\HJ%20Archive\2015\03-04-15.docx))

3/5/2015 Senate Introduced and read first time ([Senate Journal‑page 13](file:///h:\SJ%20Archive\2015\03-05-15.docx))

3/5/2015 Senate Referred to Committee on **Judiciary** ([Senate Journal‑page 13](file:///h:\SJ%20Archive\2015\03-05-15.docx))

5/13/2015 Senate Recalled from Committee on **Judiciary** ([Senate Journal‑page 2](file:///h:\SJ%20Archive\2015\05-13-15.docx))

5/13/2015 Senate Committed to Committee on **Labor, Commerce and Industry** ([Senate Journal‑page 2](file:///h:\SJ%20Archive\2015\05-13-15.docx))

2/25/2016 Senate Committee report: Favorable with amendment **Labor, Commerce and Industry** ([Senate Journal‑page 14](file:///h:\SJ%20Archive\2016\02-25-16.docx))

3/1/2016 Senate Committee Amendment Adopted ([Senate Journal‑page 15](file:///h:\SJ%20Archive\2016\03-01-16.docx))

3/2/2016 Senate Read second time ([Senate Journal‑page 30](file:///h:\SJ%20Archive\2016\03-02-16.docx))

3/2/2016 Senate Roll call Ayes‑39 Nays‑0 ([Senate Journal‑page 30](file:///h:\SJ%20Archive\2016\03-02-16.docx))

3/10/2016 Senate Read third time and returned to House with amendments ([Senate Journal‑page 12](file:///h:\SJ%20Archive\2016\03-10-16.docx))

3/16/2016 House Read third time and enrolled ([House Journal‑page 87](file:///h:\HJ%20Archive\2016\03-16-16.docx))

3/16/2016 House Roll call Yeas‑102 Nays‑0 ([House Journal‑page 88](file:///h:\HJ%20Archive\2016\03-16-16.docx))

4/19/2016 Ratified R 160

4/21/2016 Signed By Governor

4/27/2016 Effective date 04/21/16

5/2/2016 Act No. 155

View the latest [legislative information](http://www.scstatehouse.gov/billsearch.php?billnumbers=3576&session=121&summary=B) at the website

**VERSIONS OF THIS BILL**

[2/11/2015](file:///p:\pprever\2015-16\3576_20150211.docx)

[2/25/2015](file:///p:\pprever\2015-16\3576_20150225.docx)

[2/26/2015](file:///p:\pprever\2015-16\3576_20150226.docx)

[3/3/2015](file:///p:\pprever\2015-16\3576_20150303.docx)

[2/25/2016](file:///p:\pprever\2015-16\3576_20160225.docx)

[3/1/2016](file:///p:\pprever\2015-16\3576_20160301.docx)

(A155, R160, H3576)

**AN ACT** **TO AMEND THE CODE OF LAWS OF SOUTH CAROLINA, 1976, BY ADDING SECTION 41‑1‑120 SO AS TO PROVIDE THAT CERTAIN WRITTEN AGREEMENTS BETWEEN NONPROFIT YOUTH SPORTS ORGANIZATIONS AND COACHES PROVIDE CONCLUSIVE EVIDENCE THAT THE COACH IS AN INDEPENDENT CONTRACTOR RATHER THAN AN EMPLOYEE OF THE ORGANIZATION AND THAT THE ORGANIZATION IS EXEMPT FROM CERTAIN OBLIGATIONS CONCERNING WORKERS’ COMPENSATION COVERAGE AND INCOME TAX WITHHOLDINGS, TO PROVIDE SPECIFIC REQUIREMENTS FOR THESE WRITTEN AGREEMENTS, TO PROVIDE THESE WRITTEN AGREEMENTS ARE NOT CONCLUSIVE PROOF OF THE EXISTENCE OF AN INDEPENDENT CONTRACTOR RELATIONSHIP FOR PURPOSES OF REQUIRED COVERAGE OF UNEMPLOYMENT INSURANCE AND OF ANY CIVIL ACTIONS INSTITUTED BY THIRD PARTIES, AND TO DEFINE THE TERM “NONPROFIT YOUTH SPORTS ORGANIZATION”.**

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

**Establishing independent contractor status, purposes, limits, definitions**

SECTION 1. Chapter 1, Title 41 of the 1976 Code is amended by adding:

“Section 41‑1‑120. (A) Notwithstanding another provision of law, a written agreement between a nonprofit youth sports organization and a coach which specifies that the coach is an independent contractor and not an employee of the nonprofit youth sports organization and also which otherwise satisfies the requirements of this section constitutes conclusive evidence that the relationship between the nonprofit youth sports organization and the coach is that of an independent contractor relationship rather than an employment relationship for the purposes of this section, and that the nonprofit youth sports organization consequently is not obligated to:

(1) secure compensation for the coach pursuant to the workers’ compensation law; and

(2) withhold federal and state income taxes from money paid to the coach for services he provides to the organization pursuant to the contract.

(B) A written agreement provided in subsection (A) must contain a conspicuously located disclosure appearing in bold‑faced, underlined, or large type. This agreement must be acknowledged by the parties as indicated by their signatures, initials, or other means to evince that the parties have read and understand the disclosure. This disclosure clearly must state that the coach is:

(1) an independent contractor and not an employee of the nonprofit youth sports organization for the purposes listed in subsection (A)(1) and (2);

(2) not entitled to workers’ compensation benefits in connection with his or her contract with the nonprofit youth sports organization; and

(3) obligated to pay federal and state income tax on any money paid pursuant to the contract for coaching services, and that as a consequence the nonprofit youth sports organization will not withhold any amounts from the coach for purposes of satisfying the coach’s income tax liability.

(C) A written agreement between a nonprofit youth sports organization and a coach formed pursuant to this subsection may not, in and of itself, be construed as conclusive evidence that an independent contractor relationship exists for purposes of required coverage under the state unemployment compensation law or any civil action instituted by a third party.

(D) As used in this section, ‘nonprofit youth sports organization’ means an organization that is exempt from federal taxation under Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, and is primarily engaged in conducting organized sports programs for persons under twenty‑one years of age.”

**Time effective**

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

Ratified the 19th day of April, 2016.

Approved the 21st day of April, 2016.

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