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COMMITTEE REPORT

April 14, 2016

**H. 4138**

Introduced by Reps. Bedingfield and Clemmons

S. Printed 4/14/16--S.

Read the first time March 17, 2016.

**THE COMMITTEE ON**

**LABOR, COMMERCE AND INDUSTRY**

To whom was referred a Bill (H. 4138) to amend Section 40‑11‑270, Code of Laws of South Carolina, 1976, relating to contractor’s licenses and license classifications and subclassifications, so as to provide, 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**

**Fiscal Impact Summary**

This bill would have no expenditure impact on the general fund, federal funds, or other funds.

**Explanation of Fiscal Impact**

**State Expenditure**

This bill requires licensed heating, ventilating, and air conditioning contractors to display their license in a conspicuous manner at their principal place of business. They must also prominently display their contractor license number on their business vehicles, all invoices, and proposal forms.

The Department of Labor, Licensing and Regulation reports that this bill would have no expenditure impact on the general fund, federal funds, or other funds.

Frank A. Rainwater, Executive Director

Revenue and Fiscal Affairs Office

**A** **BILL**

TO AMEND SECTION 40‑11‑270, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO CONTRACTOR’S LICENSES AND LICENSE CLASSIFICATIONS AND SUBCLASSIFICATIONS, SO AS TO PROVIDE THAT EACH PERSON HOLDING A LICENSE IN THE MECHANICAL CONTRACTOR SUBCLASSIFICATION OF AIR CONDITIONING, HEATING, OR PACKAGED EQUIPMENT SHALL DISPLAY THE MECHANICAL CONTRACTOR LICENSE IN A CONSPICUOUS MANNER AT HIS PRINCIPAL PLACE OF BUSINESS, TO PROVIDE THAT ALL COMMERCIAL VEHICLES USED BY MECHANICAL CONTRACTORS LICENSED IN THE SUBCLASSIFICATION OF AIR CONDITIONING, HEATING, OR PACKAGED EQUIPMENT EXCLUSIVELY IN THE DAILY OPERATION OF THEIR BUSINESS SHALL HAVE PROMINENTLY DISPLAYED ON THEM THE MECHANICAL CONTRACTOR LICENSE NUMBER, AND TO PROVIDE THAT THE MECHANICAL CONTRACTOR LICENSE NUMBER ALSO MUST BE PROMINENTLY DISPLAYED ON ANY ADVERTISING IN THE YELLOW PAGES, NEWSPAPERS, WEBSITES, SOCIAL MEDIA MARKETING, OR OTHER MEDIUMS RELATING TO WORK WHICH THE MECHANICAL CONTRACTOR LICENSE HOLDER PURPORTS TO HAVE THE CAPACITY TO PERFORM, AND ALSO ON PROPOSALS AND INVOICES.

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

SECTION 1. Section 40‑11‑270 of the 1976 Code is amended to read:

“Section 40‑11‑270. (A) A licensee is confined to the limitations of the licensee’s license group and license classifications or subclassifications as provided in this chapter.

(B) Each person holding a license in the mechanical contractor subclassification of air conditioning, heating, or packaged equipment shall display the mechanical contractor license in a conspicuous manner at his principal place of business.

(C) All commercial vehicles, used by mechanical contractors licensed in the subclassification of air conditioning, heating, or packaged equipment exclusively in the daily operation of their business, shall have prominently displayed on them the mechanical contractor license number issued by the Department of Labor, Licensing and Regulation. Each invoice and proposal form also shall contain the mechanical contractor license number.

(D) An entity may apply for and be licensed in more than one classification or subclassification if all qualifications for licensure prescribed by this chapter have been met. An applicant may apply for a license in more than one classification or subclassification on the same application form.

(~~C~~E) Licensees may utilize the services of unlicensed subcontractors to perform work within the limitations of the licensee’s license group and license classification or subclassification; provided, the licensee provides supervision. The licensee is fully responsible for any violations of this chapter resulting from the actions of unlicensed subcontractors performing work for the licensee.”

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

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