**South Carolina General Assembly**

122nd Session, 2017-2018

**A217, R257, H4612**

**STATUS INFORMATION**

General Bill

Sponsors: Reps. Sandifer and Toole

Document Path: l:\council\bills\agm\19252wab18.docx

Companion/Similar bill(s): 870

Introduced in the House on January 11, 2018

Introduced in the Senate on February 7, 2018

Last Amended on May 8, 2018

Passed by the General Assembly on May 8, 2018

Governor's Action: May 18, 2018, Signed

Summary: General and mechanical contractor licensure, financial statements

**HISTORY OF LEGISLATIVE ACTIONS**

Date Body Action Description with journal page number

1/11/2018 House Introduced and read first time ([House Journal‑page 594](file:///h:\hj\20180111.docx))

1/11/2018 House Referred to Committee on **Labor, Commerce and Industry** ([House Journal‑page 594](file:///h:\hj\20180111.docx))

1/23/2018 House Member(s) request name added as sponsor: Toole

2/1/2018 House Committee report: Favorable with amendment **Labor, Commerce and Industry** ([House Journal‑page 15](file:///h:\hj\20180201.docx))

2/6/2018 House Amended ([House Journal‑page 18](file:///h:\hj\20180206.docx))

2/6/2018 House Read second time ([House Journal‑page 18](file:///h:\hj\20180206.docx))

2/6/2018 House Roll call Yeas‑105 Nays‑0 ([House Journal‑page 19](file:///h:\hj\20180206.docx))

2/7/2018 Scrivener's error corrected

2/7/2018 House Read third time and sent to Senate ([House Journal‑page 12](file:///h:\hj\20180207.docx))

2/7/2018 Senate Introduced and read first time ([Senate Journal‑page 28](file:///h:\sj\20180207.docx))

2/7/2018 Senate Referred to Committee on **Labor, Commerce and Industry** ([Senate Journal‑page 28](file:///h:\sj\20180207.docx))

2/15/2018 Senate Committee report: Favorable **Labor, Commerce and Industry** ([Senate Journal‑page 13](file:///h:\sj\20180215.docx))

2/16/2018 Scrivener's error corrected

2/27/2018 Senate Amended ([Senate Journal‑page 25](file:///h:\sj\20180227.docx))

2/27/2018 Senate Read second time ([Senate Journal‑page 25](file:///h:\sj\20180227.docx))

2/27/2018 Senate Roll call Ayes‑38 Nays‑0 ([Senate Journal‑page 25](file:///h:\sj\20180227.docx))

3/1/2018 Senate Read third time and returned to House with amendments ([Senate Journal‑page 19](file:///h:\sj\20180301.docx))

3/8/2018 House Returned to Senate with amendments ([House Journal‑page 105](file:///h:\hj\20180308.docx))

3/8/2018 House Roll call Yeas‑80 Nays‑19 ([House Journal‑page 106](file:///h:\hj\20180308.docx))

4/18/2018 Senate Non‑concurrence in House amendment ([Senate Journal‑page 44](file:///h:\sj\20180418.docx))

4/18/2018 Senate Roll call Ayes‑0 Nays‑37 ([Senate Journal‑page 44](file:///h:\sj\20180418.docx))

4/19/2018 House House insists upon amendment and conference committee appointed Reps. Sandifer, Henderson, Anderson ([House Journal‑page 1](file:///h:\hj\20180419.docx))

4/24/2018 Senate Conference committee appointed Bennett, Johnson, Gambrell ([Senate Journal‑page 15](file:///h:\sj\20180424.docx))

5/8/2018 House Free conference powers granted ([House Journal‑page 23](file:///h:\hj\20180508.docx))

5/8/2018 House Free conference committee appointed Sandifer, Anderson, Henderson ([House Journal‑page 23](file:///h:\hj\20180508.docx))

5/8/2018 House Roll call Yeas‑102 Nays‑0 ([House Journal‑page 23](file:///h:\hj\20180508.docx))

5/8/2018 House Free conference report adopted ([House Journal‑page 24](file:///h:\hj\20180508.docx))

5/8/2018 House Roll call Yeas‑99 Nays‑0 ([House Journal‑page 26](file:///h:\hj\20180508.docx))

5/8/2018 Senate Free conference powers granted ([Senate Journal‑page 86](file:///h:\sj\20180508.docx))

5/8/2018 Senate Roll call Ayes‑40 Nays‑2 ([Senate Journal‑page 86](file:///h:\sj\20180508.docx))

5/8/2018 Senate Free conference committee appointed Bennett, Johnson, Gambrell ([Senate Journal‑page 86](file:///h:\sj\20180508.docx))

5/8/2018 Senate Free conference report adopted ([Senate Journal‑page 87](file:///h:\sj\20180508.docx))

5/8/2018 Senate Roll call Ayes‑42 Nays‑0 ([Senate Journal‑page 87](file:///h:\sj\20180508.docx))

5/8/2018 Senate Ordered enrolled for ratification ([Senate Journal‑page 87](file:///h:\sj\20180508.docx))

5/14/2018 Ratified R 257

5/18/2018 Signed By Governor

5/25/2018 Effective date 05/18/18

5/31/2018 Act No. 217

View the latest [legislative information](http://www.scstatehouse.gov/billsearch.php?billnumbers=4612&session=122&summary=B) at the website

**VERSIONS OF THIS BILL**

[1/11/2018](file:///p:\pprever\2017-18\4612_20180111.docx)

[2/1/2018](file:///p:\pprever\2017-18\4612_20180201.docx)

[2/6/2018](file:///p:\pprever\2017-18\4612_20180206.docx)

[2/7/2018](file:///p:\pprever\2017-18\4612_20180207.docx)

[2/15/2018](file:///p:\pprever\2017-18\4612_20180215.docx)

[2/16/2018](file:///p:\pprever\2017-18\4612_20180216.docx)

[2/27/2018](file:///p:\pprever\2017-18\4612_20180227.docx)

[3/8/2018](file:///p:\pprever\2017-18\4612_20180308.docx)

[5/8/2018](file:///p:\pprever\2017-18\4612_20180508.docx)

(A217, R257, H4612)

**AN ACT** **TO AMEND THE CODE OF LAWS OF SOUTH CAROLINA, 1976, BY ADDING SECTION 40‑11‑262 SO AS TO PROVIDE APPLICANTS FOR GENERAL CONTRACTOR LICENSURE OR MECHANICAL CONTRACTOR LICENSURE WHO ARE SUBJECT TO CERTAIN FINANCIAL STATEMENT REQUIREMENTS MAY PROVIDE CERTAIN SURETY BONDS IN LIEU OF PROVIDING THESE FINANCIAL STATEMENTS, TO PROVIDE REQUIREMENTS CONCERNING THESE SURETY BONDS, AND TO PROVIDE PROCEDURES FOR FILING CLAIMS AGAINST THESE SURETY BONDS.**

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

**Surety bonds in lieu of financial statements**

SECTION 1. Article 1, Chapter 11, Title 40 of the 1976 Code is amended by adding:

“Section 40‑11‑262. (A) In lieu of providing a financial statement showing a minimum net worth for a license group as required by Section 40‑11‑260, an applicant may provide a surety bond from a surety authorized to transact surety business in this State in an amount of two times the required net worth for the applicant’s license group with his initial or renewal application.

(B) The surety bond provided in subsection (A) must:

(1) be continuous in form and must be maintained in effect for as long as the applicant maintains the license issued by the department or until the applicant submits a financial statement showing that he meets the net worth requirements for his license group as provided in Section 40‑11‑260;

(2) list the State of South Carolina as obligee for the bond;

(3) be for the benefit of any person who is damaged by an act or omission of the applicant constituting a breach of construction contract or a contract for the furnishing of labor, materials, or professional services for construction undertaken by the applicant, or by any unlawful act or omission of the applicant in performing construction; and

(4) be in addition to, and not in lieu of, any other surety bond required of the applicant by law or regulation, or by any party to a contract with the applicant.

(C) The surety bond provided in subsection (A) only may be canceled by notification to the board by the surety and the applicant thirty days prior to cancellation. When the surety bond is canceled, the licensee shall provide proof of net worth for his license group as required by Section 40‑11‑260 within ten days of cancellation or his license is suspended until written proof of net worth is provided.

(D) Claims may be filed against the bond on a form approved by the board in accordance with procedures established by the board in regulation.”

**Time effective**

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

Ratified the 14th day of May, 2018.

Approved the 18th day of May, 2018.

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