

## Session 126 - (2025-2026)

### H 4518 General Bill, By Herbkersman

**Summary:** Residential home builders

A BILL TO AMEND THE SOUTH CAROLINA CODE OF LAWS BY ADDING SECTION 40-59-225 SO AS TO REQUIRE SURETY BONDS FOR RESIDENTIAL BUILDERS, RESIDENTIAL TRADE CONTRACTORS, AND RESIDENTIAL TRADE REGISTRANTS, AND TO PROVIDE FOR ACTIONS AGAINST SUCH BONDS LIABILITY LIMITATIONS, AMONG OTHER THINGS; BY AMENDING SECTION 40-59-10, RELATING TO THE SOUTH CAROLINA RESIDENTIAL BUILDERS COMMISSION, SO AS TO MODIFY COMPOSITION OF THE COMMISSION; BY AMENDING SECTION 40-59-20, RELATING TO DEFINITIONS CONCERNING THE SOUTH CAROLINA RESIDENTIAL BUILDERS COMMISSION, SO AS TO REVISE DEFINITIONS OF VARIOUS LICENSEES OF THE COMMISSION, TO RENAME "RESIDENTIAL SPECIALTY CONTRACTORS" AS "RESIDENTIAL TRADE CONTRACTORS," TO CREATE THE "RESIDENTIAL TRADE REGISTRANT" CATEGORY OF LICENSEES, AND TO PROVIDE OTHER NECESSARY DEFINITIONS; BY AMENDING SECTION 40-59-25, RELATING TO ROOFING CONTRACT CANCELLATION FOR INSURANCE COVERAGE DENIAL, SO AS TO MAKE CONFORMING CHANGES; BY AMENDING SECTION 40-59-30, RELATING TO LICENSE REQUIREMENTS FOR RESIDENTIAL BUILDING AND RESIDENTIAL SPECIALTY CONTRACTING, SO AS TO MAKE CONFORMING CHANGES; BY AMENDING SECTION 40-59-50, RELATING TO MISCELLANEOUS PROVISIONS CONCERNING THE COMMISSION, SO AS TO REMOVE THE REQUIREMENT THAT ROSTERS OF RESIDENTIAL BUILDERS AND RESIDENTIAL TRADE CONTRACTORS BE PREPARED AND DISTRIBUTED TO COUNTY CLERKS OF COURT ANNUALLY; BY AMENDING SECTION 40-59-105, RELATING TO ADMINISTRATIVE CITATIONS AND PENALTIES FOR VIOLATIONS, SO AS TO IMPOSE A MONETARY PENALTY ON CERTAIN VIOLATIONS; BY AMENDING SECTION 40-59-110, RELATING TO REVOCATIONS, SUSPENSIONS, OR RESTRICTIONS OF LICENSES FOR FINDINGS OF MISCONDUCT AND NONCOMPLIANCE WITH APPLICABLE PROFESSIONAL STANDARDS, SO AS TO MAKE CONFORMING CHANGES; BY AMENDING SECTION 40-59-140, RELATING TO DENIALS OF LICENSURE AND REGISTRATION BASED ON A PRIOR CRIMINAL RECORD, SO AS MAKE SUCH DENIALS DISCRETIONARY, TO PROVIDE NEW APPLICANTS MUST SUPPLY CERTAIN CRIMINAL BACKGROUND REPORTS FOR THEIR STATES OF RESIDENCE FOR THE LAST TEN YEARS, AND TO PROVIDE APPLICANTS SHALL BEAR THE COSTS OF SUCH BACKGROUND REPORTS; BY AMENDING SECTION 40-59-220, RELATING TO LICENSURE AND REGISTRATION FEES, SO AS TO MAKE CONFORMING CHANGES, TO MAKE FEES DUE BIENNIALLY INSTEAD OF ANNUALLY, AND TO MAKE REGISTRATION ISSUANCE MANDATORY IF THE APPLICANT ESTABLISHES QUALIFICATIONS THROUGH EXAMINATION; BY AMENDING SECTION 40-59-230, RELATING TO LICENSURE RENEWAL AND CONTINUING EDUCATION, SO AS TO MAKE RENEWALS BIENNIAL INSTEAD OF ANNUAL, TO MAKE CERTAIN INACTIVE LICENSE RENEWAL REQUIREMENTS DISCRETIONARY FOR THE BOARD, AND TO CREATE A TIERED SYSTEM OF RESIDENTIAL BUILDERS' LICENSES; BY AMENDING SECTION 40-59-240, RELATING TO RESIDENTIAL SPECIALTY CONTRACTORS, SO AS TO MAKE CONFORMING CHANGES AND REMOVE EXEMPTIONS FROM LOCAL REQUIREMENTS AND CERTAIN SURETY BOND REQUIREMENTS; BY AMENDING SECTION 40-59-250, RELATING TO THE CONSIDERATION OF CERTAIN FACTORS INDICATING FINANCIAL STATUS, SO AS TO MAKE CONFORMING CHANGES; BY AMENDING SECTION 40-59-260, RELATING TO EXCEPTIONS FOR PROJECTS BY PROPERTY OWNERS FOR PERSONAL USE, SO AS TO MAKE CONFORMING CHANGES AND REVISE THE MANDATORY DISCLOSURE STATEMENT; BY AMENDING SECTION 40-59-300, RELATING TO THE AUTHORITY TO CONSTRUCT LOW-INCOME HOUSING USING VOLUNTEER LABOR BY NONPROFIT ORGANIZATIONS WITHOUT PRESENCE OF A QUALIFIER, SO AS TO MAKE CONFORMING CHANGES; BY AMENDING SECTION 40-59-400, RELATING TO DEFINITIONS CONCERNING RESIDENTIAL BUSINESS CERTIFICATES OF AUTHORIZATION REQUIRED TO ENGAGE IN RESIDENTIAL HOME BUILDING, RESIDENTIAL SPECIALTY CONTRACTING, AND HOME INSPECTING, SO AS TO MAKE CONFORMING CHANGES; BY AMENDING SECTION 40-59-410, RELATING TO THE REQUIREMENT THAT RESIDENTIAL BUILDING, RESIDENTIAL SPECIALTY CONTRACTING, AND HOME INSPECTING MUST BE PRACTICED AND OFFERED THROUGH ENTITIES HOLDING RESIDENTIAL BUSINESS CERTIFICATES OF AUTHORIZATION, SO AS TO MAKE CONFORMING CHANGES; BY AMENDING SECTION 40-59-530, RELATING TO PERSONS EXEMPT FROM REQUIREMENTS FOR THE LICENSING OF HOME INSPECTORS, SO AS TO PROVIDE SUCH EXEMPT PERSONS SHALL REGISTER WITH THE COMMISSION AND PAY RELATED FEES, AND TO SUBJECT SUCH REGISTERED EXEMPT PERSONS TO DISCIPLINE FOR VIOLATIONS OF CERTAIN PROVISIONS RELATED TO LICENSED HOME INSPECTORS; BY AMENDING SECTION 40-59-580, RELATING TO REDRESS AVAILABLE TO THE COMMISSION FOR VIOLATIONS BY LICENSEES, SO AS TO MAKE CONFORMING CHANGES AND OTHER REMEDIES; BY AMENDING SECTION 40-59-600, RELATING TO PENALTIES FOR LICENSURE VIOLATIONS BY HOME INSPECTORS, SO AS TO REVISE THE PENALTIES; AND BY AMENDING SECTION 40-59-820, RELATING TO

DEFINITIONS IN THE SOUTH CAROLINA NOTICE AND OPPORTUNITY TO CURE CONSTRUCTION DWELLING DEFECTS ACT, SO AS TO MAKE CONFORMING CHANGES.

**05/06/25 House Introduced and read first time (House Journal-page 229)**

**05/06/25 House Referred to Committee on Labor, Commerce and Industry (House Journal-page 229)**