

## Session 113 - (1999-2000)

### **S\*0565 (Rat #0246, Act #0240 of 2000) General Bill, By Setzler, Moore, Leatherman and Leventis**

**Summary:** Mechanic's liens, contractor's bonds, construction services; right to sue on payment bond; Construction, Property

A BILL TO AMEND CHAPTER 5, TITLE 29, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO MECHANICS' LIENS, BY ADDING SECTION 29-5-440 SO AS TO PROVIDE, AMONG OTHER THINGS, THAT A PERSON WHO HAS FURNISHED LABOR, MATERIAL, OR RENTAL EQUIPMENT TO A BONDED CONTRACTOR OR THE LATTER'S SUBCONTRACTORS FOR WORK PROVIDED FOR IN A CONTRACT FOR CONSTRUCTION, AND WHO HAS NOT BEEN PAID IN FULL THEREFOR BEFORE THE EXPIRATION OF A PERIOD OF NINETY DAYS AFTER THE DAY ON WHICH THE LAST OF THE LABOR WAS DONE OR MATERIAL OR RENTAL EQUIPMENT WAS FURNISHED OR SUPPLIED, FOR WHICH THE CLAIM IS MADE, HAS THE RIGHT TO SUE ON THE PAYMENT BOND FOR THE AMOUNT OR BALANCE THEREOF UNPAID AT THE TIME OF THE INSTITUTION OF THE SUIT AND TO PROSECUTE THE ACTION TO FINAL EXECUTION AND JUDGMENT FOR THE SUM OR SUMS DUE HIM; TO AMEND SECTION 11-35-3030, AS AMENDED, RELATING TO THE SOUTH CAROLINA CONSOLIDATED PROCUREMENT CODE, CONSTRUCTION, ARCHITECT-ENGINEER CONSTRUCTION MANAGEMENT, LAND SURVEYING SERVICES, BOND AND SECURITY, SUITS ON PAYMENT BONDS, AND THE RIGHT TO INSTITUTE THE SAME, SO AS TO, AMONG OTHER THINGS, EXTEND THE RIGHT TO SUE TO PERSONS WHO HAVE FURNISHED RENTAL EQUIPMENT OR LABOR OR MATERIAL TO A BONDED CONTRACTOR OR THE LATTER'S SUBCONTRACTORS FOR THE WORK SPECIFIED IN THE CONTRACT, DELETE CERTAIN LANGUAGE AND PROVISIONS, AND PROVIDE FOR A REMOTE CLAIMANT TO HAVE A RIGHT OF ACTION ON THE PAYMENT BOND UPON CERTAIN CIRCUMSTANCES; TO AMEND SECTION 57-5-1660, AS AMENDED, RELATING TO THE STATE HIGHWAY SYSTEM, CONSTRUCTION CONTRACTS AND PURCHASES, CONTRACTORS' BONDS AND AMOUNTS AND ACTIONS ON SUCH BONDS, SO AS TO, AMONG OTHER THINGS, EXTEND THE RIGHT TO SUE, UNDER CERTAIN CIRCUMSTANCES TO ONE WHO FURNISHES RENTAL EQUIPMENT IN THE PROSECUTION OF THE WORK PROVIDED INT HE CONTRACT, DELETE CERTAIN LANGUAGE AND PROVISIONS, AND PROVIDE FOR A REMOTE CLAIMANT TO HAVE A RIGHT OF ACTION UPON A BOND; TO AMEND CHAPTER 1, TITLE 11, RELATING TO PUBLIC FINANCE, BY ADDING SECTION 11-1-120 SO AS TO PROVIDE THAT WHEN THE STATE OR A COUNTY, CITY, PUBLIC SERVICE DISTRICT OR A POLITICAL SUBDIVISION THEREOF, OR OTHER PUBLIC ENTITY CONTRACTS FOR CONSTRUCTION AND REQUIRES THE PERSON OR ENTITY PERFORMING THE WORK TO FURNISH A PAYMENT BOND, NOT GOVERNED BY CERTAIN OTHER PROVISIONS OF LAW, FOR THE PROTECTION OF PERSONS WHO FURNISH LABOR, MATERIAL, OR RENTAL EQUIPMENT TO THE CONTRACTOR OR HIS SUBCONTRACTORS FOR THE WORK SPECIFIED IN THE CONTRACT SHALL HAVE THE RIGHT TO SUE ON THE BOND UNDER CERTAIN CIRCUMSTANCES, AND PROVIDE FOR RELATED MATTERS; AND TO AMEND SECTION 29-5-23, AS AMENDED, RELATING TO MECHANICS' LIENS, NOTICE OF PROJECT COMMENCEMENT, AND LOCATION NOTICE, SO AS TO PROVIDE THAT THE FAILURE TO FILE A NOTICE OF PROJECT COMMENCEMENT RENDERS CERTAIN OTHER PROVISIONS OF LAW CONTAINED IN THIS ACT, RELATING TO THE REQUIREMENT OF A NOTICE OF PROVIDING LABOR, MATERIALS, OR RENTAL EQUIPMENT, INAPPLICABLE FOR A CLAIM AGAINST A PAYMENT BOND FURNISHED BY A CONTRACTOR HOLDING DIRECT CONTRACTUAL AGREEMENT WITH AN OWNER.-AMENDED TITLE

|          |        |   |
|----------|--------|---|
| 03/04/99 | Senate | Introduced and read first time SJ-6   |
| 03/04/99 | Senate | Referred to Committee on Banking and Insurance SJ-6   |
| 05/20/99 | Senate | Recalled from Committee on Banking and Insurance SJ-7   |
| 05/26/99 | Senate | Amended SJ-39   |
| 05/26/99 | Senate | Read second time SJ-39  |
| 05/26/99 | Senate | Ordered to third reading with notice of amendments SJ-39  |
| 05/27/99 | Senate | Read third time and sent to House SJ-83   |
| 06/01/99 | House  | Introduced and read first time HJ-10  |
| 06/01/99 | House  | Referred to Committee on Labor, Commerce and Industry HJ-11                                       |
| 02/16/00 | House  | Committee report: Favorable with amendment Labor, Commerce and Industry HJ-5                      |
| 02/22/00 | House  | Requests for debate-Rep(s). Easterday, Loftis, McGee, Leach, Knotts, Davenport and Hamilton HJ-16 |
| 02/24/00 | House  | Requests for debate removed-Rep(s). Davenport and Leach HJ-26                                     |
| 02/29/00 | House  | Requests for debate removed-Rep(s). McGee, Knotts and Loftis HJ-33                                |
| 02/29/00 | House  | Requests for debate-Rep(s). Rice HJ-39  |
| 02/29/00 | House  | Debate adjourned until Wednesday, March 1, 2000 HJ-39   |

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| <b>03/01/00</b> | <b>House</b>  | <b>Amended HJ-21</b>  |
| <b>03/01/00</b> | <b>House</b>  | <b>Read second time HJ-27</b>                                       |
| <b>03/01/00</b> | <b>House</b>  | <b>Requests for debate removed-Rep(s). Rice HJ-30</b>               |
| <b>03/02/00</b> | <b>House</b>  | <b>Read third time and returned to Senate with amendments HJ-14</b> |
| <b>03/09/00</b> | <b>Senate</b> | <b>Concurred in House amendment and enrolled SJ-18</b>              |
| <b>03/23/00</b> |               | <b>Ratified R 246</b>   |
| <b>03/29/00</b> |               | <b>Signed By Governor</b>   |
| <b>03/29/00</b> |               | <b>Effective date 03/29/00</b>                                      |
| <b>04/04/00</b> |               | <b>Copies available</b>   |
| <b>05/02/00</b> |               | <b>Act No. 240</b>  |