~~Indicates Matter Stricken~~

Indicates New Matter

COMMITTEE REPORT

March 4, 2010

**H. 3354**

Introduced by Reps. Chalk, Brantley, G.A. Brown, Clyburn, Erickson, Herbkersman and Sottile

S. Printed 3/4/10--H.

Read the first time January 27, 2009.

**THE COMMITTEE ON**

**LABOR, COMMERCE AND INDUSTRY**

To whom was referred a Bill (H. 3354) to amend Section 40‑11‑360, as amended, Code of Laws of South Carolina, 1976, relating to exemptions from statutes applicable to licensed contractors, so as to provide, etc., respectfully

**REPORT:**

That they have duly and carefully considered the same and recommend that the same do pass with amendment:

Amend the bill, as and if amended, by deleting in its entirety Section 40‑11‑360(A)(5)(d), as contained in SECTION 1, page 2, lines 5‑10, and inserting:

/ (d) When an owner of residential property makes an improvement to the property or builds or improves a structure on or appurtenance to the property as described in this item, the owner owes to a subsequent owner of the property the same duty as a licensed contractor to comply with applicable building codes and industry standards. Obtaining and passing an inspection by a building codes enforcement officer, as defined in Section 6‑8‑10, is prima facie evidence that an owner has satisfied the duty of care required by this subitem regarding these improvements;” /

Renumber sections to conform.

Amend title to conform.

WILLIAM E. SANDIFER for Committee.

**A** **BILL**

TO AMEND SECTION 40‑11‑360, AS AMENDED, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO EXEMPTIONS FROM STATUTES APPLICABLE TO LICENSED CONTRACTORS, SO AS TO PROVIDE AN OWNER OF RESIDENTIAL PROPERTY WHO MAKES CERTAIN IMPROVEMENTS TO THE PROPERTY OWES TO A SUBSEQUENT OWNER OF THE PROPERTY THE SAME DUTY AS A LICENSED CONTRACTOR TO COMPLY WITH APPLICABLE BUILDING CODES AND STANDARDS.

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

SECTION 1. Section 40‑11‑360(A)(5) of the 1976 Code is amended to read:

“(5)(a) An owner of residential property who improves the property or who builds or improves structures or appurtenances on the property if he does the work himself, with his own employees, or with licensed contractors; provided that the structure, group of structures, or appurtenances, including the improvements, are intended for the owner’s sole occupancy or occupancy by the owner’s family and are not intended for sale or rent, and ~~provided further,~~ that the general public does not have access to this structure.

(b) In an action brought under this chapter, proof of the sale or rent or the offering for sale or rent of the structure by the owner‑builder within two years after completion or issuance of a certificate of occupancy is prima facie evidence that the project was undertaken for the purpose of sale or rent and is subject to the penalties provided in this chapter.

(c) As used in this item, ‘sale’ or ‘rent’ includes an arrangement by which an owner receives compensation in money, provisions, chattel, or labor from the occupancy~~,~~ or ~~the~~ transfer of the property or ~~the structures~~ a structure on the property.

(d) When an owner of residential property makes an improvement to the property or builds or improves a structure or appurtenance on the property as described in this item, the owner owes to a subsequent owner of the property the same duty as a licensed contractor to comply with applicable building codes and industry standards;”

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

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