**A** **BILL**

TO AMEND SECTION 40-11-240 OF THE 1976 CODE, RELATING TO QUALIFICATIONS THAT A CONTRACTOR MUST MEET FOR LICENSURE, TO REQUIRE A CERTIFICATE OF WORKERS’ COMPENSATION INSURANCE COVERAGE; AND TO AMEND SECTION 40-11-350, RELATING TO EVIDENCE OF LICENSE AS A PREREQUISITE TO A BUILDING PERMIT, TO PROHIBIT BUILDING PERMITS FROM BEING ISSUED TO CONTRACTORS THAT DO NOT HAVE WORKERS’ COMPENSATION COVERAGE.

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

SECTION 1. Section 40‑11‑240(A) of the 1976 Code is amended to read:

“(A) To qualify for licensure, an entity must:

(1) be organized or registered under applicable South Carolina law as a sole proprietorship, partnership, limited liability partnership, limited liability company, or a domestic or foreign corporation;

(2) have a certified qualifying party in full‑time employment in a responsible management position; ~~and~~

(3) meet all requirements for licensure as provided in this chapter; and

(4) have a certificate of workers’ compensation insurance coverage.”

SECTION 2. Section 40‑11‑350 of the 1976 Code is amended to read:

“Section 40‑11‑350. A building official, or other authority charged with issuing building or other similar permits, of a county, municipality, or subdivision of a county or municipality shall refuse to issue a permit for an undertaking which would classify the applicant as a contractor under this chapter unless the applicant has furnished evidence that the applicant is ~~either~~ licensed as required by this chapter and has a certificate of insurance for workers’ compensation coverage or that the applicant has furnished evidence that he is exempt from the requirements of this chapter. A building official, or other authority charged with issuing building or other similar permits, shall report to the department the name and address of an entity believed to have violated this chapter by bidding or contracting for work which is regulated under this chapter.”

SECTION 3. This act takes effect upon approval by the Governor.

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