~~Indicates Matter Stricken~~

Indicates New Matter

COMMITTEE REPORT

April 9, 2014

**H. 4997**

Introduced by Reps. Herbkersman, Bowers, Owens, Simrill, Branham, G.M. Smith, Burns, Alexander, Hiott, Whipper, Douglas, Allison, Limehouse, Lowe, George, Bales, R.L. Brown, Gagnon, Hayes, Hodges, Hosey, W.J. McLeod, Murphy, Sabb, Sandifer and Sellers

S. Printed 4/9/14--H.

Read the first time March 27, 2014.

**THE COMMITTEE ON EDUCATION AND PUBLIC WORKS**

To whom was referred a Bill (H. 4997) to amend the Code of Laws of South Carolina, 1976, by adding Section 56‑15‑415 so as to provide that an applicant for an initial nonfranchise automobile dealer, 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, Section 56‑15‑415(D), as contained in SECTION 1, page 2, by deleting Section 56‑15‑415(D), and inserting:

/ (D) All providers of continuing education must be approved by the Department of Motor Vehicles. /

Renumber sections to conform.

Amend title to conform.

Majority favorable. Minority unfavorable.

PHILLIP D. OWENS JOHN RICHARD C. KING

For Majority. For Minority.

**A** **BILL**

TO AMEND THE CODE OF LAWS OF SOUTH CAROLINA, 1976, BY ADDING SECTION 56‑15‑415 SO AS TO PROVIDE THAT AN APPLICANT FOR AN INITIAL NONFRANCHISE AUTOMOBILE DEALER LICENSE ISSUED AFTER JANUARY 1, 2015, MUST COMPLETE PRELICENSING EDUCATION COURSES BEFORE HE MAY BE ISSUED A LICENSE, TO PROVIDE THAT CERTAIN EDUCATIONAL REQUIREMENTS MUST BE SATISFIED BEFORE A LICENSE MAY BE RENEWED, AND TO PROVIDE THAT A PERSON WHO PROVIDES EDUCATION COURSES MUST BE AFFILIATED WITH A NATIONAL OR STATE INDUSTRY TRADE ASSOCIATION; AND TO AMEND SECTIONS 56‑15‑430, 56‑15‑440, AND 56‑15‑450, RELATING TO THE NONAPPLICABILITY OF THE PROVISIONS THAT REGULATE NONFRANCHISE AUTOMOBILE DEALER PRELICENSING TO FRANCHISED AUTOMOBILE DEALERS, NONFRANCHISED AUTOMOBILE DEALERS OWNED AND OPERATED BY A FRANCHISED AUTOMOBILE DEALER, NONFRANCHISED AUTOMOBILE DEALERS WHOSE PRIMARY BUSINESS IS SALVAGE MOTOR VEHICLES, AND NONFRANCHISED AUTOMOBILE DEALERS WHOSE PRIMARY BUSINESS OBJECTIVE AND SUBSTANTIAL BUSINESS ACTIVITY IS IN THE RENTAL OF MOTOR VEHICLES, SO AS TO PROVIDE THAT THE PROVISIONS THAT REQUIRE AN APPLICANT FOR AN INITIAL NONFRANCHISE AUTOMOBILE DEALER LICENSE TO COMPLETE CERTAIN EDUCATION REQUIREMENTS ALSO DO NOT APPLY TO THESE AUTOMOBILE DEALERS.

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

SECTION 1. Article 4, Chapter 15, Title 56 of the 1976 Code is amended by adding:

Section 56‑15‑415. (A) An initial nonfranchise automobile dealer license issued after January 1, 2015, entitles the licensee to carry on and conduct the business of a nonfranchise automobile dealer. Each license issued after January 1, 2015 to a nonfranchise automobile dealer expires annually on the last day of the month of the year following its issuance.

(B) Renewal of a license must not be granted unless the licensee submits satisfactory proof of at least four hours of attendance at Department of Motor Vehicles‑approved continuing education prior to renewal of a license.

(C) When a licensee makes application for renewal of a license, the licensee shall attach to the renewal application a certificate from a Department of Motor Vehicles‑approved provider of continuing education, as proof of successful completion of the required training prior to a renewal of the license.

(D) For a provider of training to qualify for Department of Motor Vehicles approval to offer continuing education, it must be affiliated with a national or state industry trade association.

(E) The provisions of this section shall apply only to nonfranchise automobile dealers licensed after January 1, 2015, and must not be retroactively applied to nonfranchise automobile dealers licensed before that date.”

SECTION 2. Section 56‑15‑430 of the 1976 Code, as added by Act 9 of 2005, is amended to read:

“Section 56‑15‑430. The provisions contained in Sections 56‑15‑410, 56‑15‑415, and 56‑15‑420 shall not apply to a franchised automobile dealer or a nonfranchised automobile dealer owned and operated by a franchised automobile dealer.”

SECTION 3. Section 56‑15‑440 of the 1976 Code, as added by Act 9 of 2005, is amended to read:

“Section 56‑15‑440. The provisions contained in Sections 56‑15‑410, 56‑15‑415, and 56‑15‑420 shall not apply to a nonfranchised automobile dealer whose primary business is salvage motor vehicles, regulated by Title 56.

SECTION 4. Section 56‑15‑450 of the 1976 Code, as added by Act 9 of 2005, is amended to read:

“Section 56‑15‑450. The provisions contained in Sections 56‑15‑410, 56‑15‑415, and 56‑15‑420 shall not apply to a nonfranchised automobile dealer whose primary business objective and substantial business activity is the rental of motor vehicles, regulated by Title 56.”

SECTION 5. This act takes effect upon approval by the Governor.

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