

South Carolina General Assembly
119th Session, 2011-2012

A26, R49, S431

STATUS INFORMATION

General Bill

Sponsors: Senators McConnell, Rankin, Setzler, Campbell, Shoopman, Reese, Bright, Alexander, S. Martin, Fair, Cromer, Bryant, Elliott, O'Dell, Campsen, Ford, Rose, Lourie, Cleary, Verdin, McGill, Williams, Nicholson, Knotts, Land and Scott

Document Path: I:\council\bill\agm\18327ab11.docx

Companion/Similar bill(s): 3449

Introduced in the Senate on January 26, 2011

Introduced in the House on March 31, 2011

Last Amended on May 5, 2011

Passed by the General Assembly on May 12, 2011

Governor's Action: May 17, 2011, Signed

Summary: Insurance policies

HISTORY OF LEGISLATIVE ACTIONS

Date	Body	Action Description with journal page number
1/26/2011	Senate	Introduced and read first time (Senate Journal-page 6)
1/26/2011	Senate	Referred to Committee on Banking and Insurance (Senate Journal-page 6)
2/15/2011	Senate	Committee report: Favorable with amendment Banking and Insurance (Senate Journal-page 14)
2/16/2011		Scrivener's error corrected
3/3/2011	Senate	Special order, set for March 3, 2011 (Senate Journal-page 32)
3/3/2011	Senate	Roll call Ayes-33 Nays-12 (Senate Journal-page 32)
3/17/2011	Senate	Debate interrupted (Senate Journal-page 15)
3/22/2011	Senate	Debate interrupted (Senate Journal-page 17)
3/29/2011	Senate	Debate interrupted (Senate Journal-page 18)
3/30/2011	Senate	Committee Amendment Adopted (Senate Journal-page 48)
3/30/2011	Senate	Amended (Senate Journal-page 48)
3/30/2011	Senate	Read second time (Senate Journal-page 48)
3/30/2011	Senate	Roll call Ayes-41 Nays-2 (Senate Journal-page 48)
3/31/2011	Senate	Read third time and sent to House (Senate Journal-page 29)
3/31/2011	Senate	Roll call Ayes-39 Nays-2 (Senate Journal-page 29)
3/31/2011	House	Introduced and read first time (House Journal-page 75)
3/31/2011	House	Referred to Committee on Labor, Commerce and Industry (House Journal-page 75)
5/4/2011	House	Committee report: Favorable with amendment Labor, Commerce and Industry (House Journal-page 2)
5/5/2011	House	Amended (House Journal-page 15)
5/5/2011	House	Read second time (House Journal-page 15)
5/5/2011	House	Roll call Yeas-104 Nays-0 (House Journal-page 15)
5/5/2011	House	Unanimous consent for third reading on next legislative day (House Journal-page 18)
5/6/2011	House	Read third time and returned to Senate with amendments (House Journal-page 107)
5/12/2011	Senate	Concurred in House amendment and enrolled (Senate Journal-page 12)

5/12/2011	Senate	Roll call Ayes-36 Nays-0 (Senate Journal-page 12)
5/17/2011		Ratified R 49
5/17/2011		Signed By Governor
5/24/2011		Effective date See Act for Effective Date
5/24/2011		Act No. 26

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VERSIONS OF THIS BILL

[1/26/2011](#)

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(A26, R49, S431)

AN ACT TO AMEND THE CODE OF LAWS OF SOUTH CAROLINA, 1976, BY ADDING SECTION 38-61-70 SO AS TO DEFINE A “COMMERCIAL GENERAL LIABILITY INSURANCE POLICY”, “CONSTRUCTION PROFESSIONAL”, AND “CONSTRUCTION RELATED WORK”, TO PROVIDE THAT A COMMERCIAL GENERAL LIABILITY INSURANCE POLICY MUST DEFINE OR BE DEEMED TO DEFINE THE WORD “OCCURRENCE” IN A SPECIFIC MANNER, AND TO PROVIDE FOR THE SCOPE AND LIMITS OF APPLICABILITY OF THIS SECTION.

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

Commercial general liability insurance policies, definitions, requirements, application limited to coverage for construction professionals for liability arising from construction related work

SECTION 1. Chapter 61, Title 38 of the 1976 Code is amended by adding:

“Section 38-61-70. (A) For purposes of this section:

(1) ‘Commercial general liability insurance policy’ means a contract of insurance that covers occurrences of damages or injury during the policy period and insures a construction professional for liability arising from construction related work.

(2) ‘Construction professional’ means a person, sole proprietorship, partnership, corporation, limited liability company, or other recognized legal entity that engages in the development, construction, installation, or repair of an improvement to real property.

(3) ‘Construction related work’ means activities by a construction professional involving the development, construction, installation, or repair of an improvement to real property.

(B) Commercial general liability insurance policies shall contain or be deemed to contain a definition of ‘occurrence’ that includes:

(1) an accident, including continuous or repeated exposure to substantially the same general harmful conditions; and

(2) property damage or bodily injury resulting from faulty workmanship, exclusive of the faulty workmanship itself.

(C) This section is not intended to restrict or limit the nature or types of exclusions from coverage that an insurer, including a surplus

lines insurer, may include in a commercial general liability insurance policy.

(D) This section applies only to a commercial general liability insurance policy that insures a construction professional for liability arising from construction related work.

(E) This section applies to any pending or future dispute over coverage that would otherwise be affected by this section as to all commercial general liability insurance policies issued in the past, currently in existence, or issued in the future.”

Severability clause

SECTION 2. If any section, subsection, paragraph, subparagraph, sentence, clause, phrase, or word of this act is for any reason held to be unconstitutional or invalid, such holding shall not affect the constitutionality or validity of the remaining portions of this act, the General Assembly hereby declaring that it would have passed this act, and each and every section, subsection, paragraph, subparagraph, sentence, clause, phrase, and word thereof, irrespective of the fact that any one or more other sections, subsections, paragraphs, subparagraphs, sentences, clauses, phrases, or words hereof may be declared to be unconstitutional, invalid, or otherwise ineffective.

Time effective

SECTION 3. This act takes effect upon approval by the Governor and applies to any pending or future dispute over coverage that would otherwise be affected by this section as to commercial general liability insurance policies issued in the past, currently in existence, or issued in the future.

Ratified the 17th day of May, 2011.

Approved the 17th day of May, 2011.
