



2022

**Design Construction
Partnership Legislative Issues**



AMERICAN COUNCIL OF ENGINEERING COMPANIES
of South Carolina



Building Code Changes

Building Code Modifications (H.4060) have been debated for years. House Bill 4060 authorizes the South Carolina Building Code Council to review, adopt, modify, and promulgate the building codes for residential building codes. The effective date shall be no earlier than five years but no later than six years from the date of the previously adopted South Carolina Building Codes, and for commercial building codes the effective date shall be no earlier than two years but no later than three years from the date of the previously adopted South Carolina Building Codes. However, the council may begin these processes sooner. This bill passed the House of Representatives and is currently in the Senate Labor Commerce and Industry Committee. The Design Construction Partnership worked to craft this legislation to appease all parties and looks forward to further discussion on the bill.

Recommended Lawsuit Reform

Legislation introduced in 2021 dealing with lawsuit reform is important to the Design Construction Partnership, and our groups implore members of the General Assembly to consider them. These bills, both House and Senate versions, were referred to the House and Senate Judiciary Committees. They deserve Committee discussion and action in order to give the General Assembly the opportunity to debate and consider their merits.

Contribution Among Tortfeasors (H.370 & S.145), better known as Joint and Several Liability was enacted some years ago, but the courts remanded the law to the General Assembly to clarify the law's intent. This bill will fix this injustice in our civil justice system and ensure fault will be apportioned to all parties who were the proximate cause of the injuries or damages and that a minimally responsible party (less than 50% at fault) will not be forced to pay 100% of damages, only their share. Apportionment of fault does not increase the liability of an immune party or a party the plaintiff settles with before or during trial.

Asbestos Bankruptcy Trust Claims Transparency and Claims Legitimacy Act (S.763) was introduced last session. This common-sense legislation would require plaintiffs in asbestos suits to file their trust claims before proceeding to trial. This simple change would discourage fraud and prevent abusive "double dipping."

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The architectural, contracting, engineering, and surveying organizations and their members are interested in numerous issues relating to business as well as the health, safety and welfare of our citizens. The following issues are important during the Second Regular Session of the 124th South Carolina General Assembly.

Infrastructure Funding

The 117th Congress of the United States of America passed two significant bills providing infrastructure funding for projects on the state and local levels. The Design Construction Partnership urges the South Carolina General Assembly to make available matching funds when necessary to optimize those federal funds to come back to the state and local subdivisions.

The Infrastructure Investment & Jobs Act was enacted by the federal government. The Design Construction Partnership respectfully requests the General Assembly allocate \$200 million annually dedicated to matching these IJA funds to ensure South Carolina maximizes the federal funds for South Carolina projects.

The American Rescue Plan Act also was enacted by Congress. Funds contained in this legislation can be used for water projects. Investing in South Carolina's water infrastructure to improve, replace, and expand existing and aging systems is a direct return on investment for the health of our citizens as well as strengthen economic development activity throughout the state. Among the uses for these federal funds is updating aging water systems to prevent a tragedy like the Flint, Michigan, catastrophe. Therefore, the Design Construction Partnership encourages the General Assembly to promote the use of these funds throughout the state.

Governor Henry D. McMaster has proposed funding to accelerate the improvements for I-26 and for the advancement of the new I-73 highway in the Pee Dee. The Design Construction Partnership believes population growth, increased statewide industrial production, and motorists' safety requires funding for these projects.

Legislation Opposed by The Partnership

The following bills are opposed by the Design Construction Partnership because they have a negative effect on the professionals in the Partnership as well as the opportunity to increase costs to clients and the public.

Definition of Lobbying (House Bill 3200) expands the definition of lobbying to the point where design and construction professionals may be considered lobbyists in everyday interactions between themselves and their public sector clients. The ethics law was drafted and enacted more than 20 years ago, and the definition of lobbyist has served the state and public bodies well. This bill, H.3200, clouds the exchanges between professional architects, engineers, surveyors and contractors and their clients in state government and political subdivisions. This legislation is unnecessary and should be defeated if it is reported out of House Judiciary.

Sales Tax on Services (S.823 & H.3392) is another proposal that should be stopped; however, Senate Bill 823 and House Bill 3392 have been introduced. If passed, these bills would impose sales taxes on such services as architectural, engineering, surveying, contracting, attorney, accounting, etc. Sales taxes added to all these activities included in "services" add to the cost to consumers. The Design Construction Partnership joins others affected by this legislation and opposes its passage.

False Claims Act (S.81) also introduced last year allows claims against anyone who conducts business with the government. The False Claims Act is dangerous and potentially harmful to South Carolina's business climate. This legislation opens the door for litigation where none previously existed. It allows anyone to sue any person or company doing business with any public entity, whether the person suing has any relationship with the public body or the person or company offering the services. It creates an incentive for lawsuits to target companies that do business with the government. This legislation is not good for South Carolina or its citizens.

Adam B. Jones - ACEC-SC, SCSPE, and SCSPLS - (803) 771-4271 or adam@jma-associations.com.

Adrienne Montare - AIA of SC - (803) 252-6050 or adrienne@aiaasc.org.

Leslie Clark - Carolinas AGC - (803) 240-6649 or lclark@carolinasagc.org.