**South Carolina General Assembly**

124th Session, 2021-2022

**H. 5054**

**STATUS INFORMATION**

General Bill

Sponsors: Reps. Fry, Davis, Jones, Haddon, Yow, Burns, Pope, Wetmore, May, Dabney, Bennett, Caskey, Trantham, Elliott, T. Moore, Nutt, McGarry, Gilliam, Forrest, Carter, McCravy, Calhoon, Huggins, McCabe, Chumley, Matthews, Daning, Gagnon, Jordan, Lowe, D.C. Moss, West and Wooten

Document Path: l:\council\bills\cc\16165sa22.docx

Companion/Similar bill(s): 1111

Introduced in the House on March 1, 2022

Currently residing in the House Committee on **Judiciary**

Summary: Investment Prohibitions in Russia

**HISTORY OF LEGISLATIVE ACTIONS**

Date Body Action Description with journal page number

3/1/2022 House Introduced and read first time ([House Journal‑page 24](file:///h:\hj\20220301.docx))

3/1/2022 House Referred to Committee on **Judiciary** ([House Journal‑page 24](file:///h:\hj\20220301.docx))

View the latest [legislative information](http://www.scstatehouse.gov/billsearch.php?billnumbers=5054&session=124&summary=B) at the website

**VERSIONS OF THIS BILL**

[3/1/2022](file:///p:\pprever\2021-22\5054_20220301.docx)

**A** **BILL**

TO AMEND THE CODE OF LAWS OF SOUTH CAROLINA, 1976, BY ADDING SECTION 9‑16‑57 SO AS TO PROVIDE THAT THE RETIREMENT INVESTMENT COMMISSION MAY NOT INVEST PUBLIC EMPLOYEE RETIREMENT FUNDS IN CERTAIN COMPANIES OWNED, IN WHOLE OR IN PART, BY RUSSIA; BY ADDING SECTION 13‑1‑55 SO AS TO PROHIBIT THE DEPARTMENT OF COMMERCE FROM OFFERING OR AWARDING INCENTIVES TO CERTAIN COMPANIES OWNED OR CONTROLLED BY RUSSIA, AND TO PROHIBIT ANY COMPANY RECEIVING AN INCENTIVE FROM CONTRACTING WITH SUCH PROHIBITED COMPANIES; AND TO AMEND SECTION 11‑9‑660, RELATING TO THE INVESTMENT OF STATE FUNDS, SO AS TO PROHIBIT THE STATE TREASURER FROM INVESTING IN CERTAIN COMPANIES OWNED OR CONTROLLED BY RUSSIA OR WHOSE PRINCIPAL PLACE OF BUSINESS IS LOCATED WITHIN RUSSIA.

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

SECTION 1. Article 1, Chapter 16, Title 9 of the 1976 Code is amended by adding:

“Section 9‑16‑57. (A) The commission may not invest public employee retirement funds, in any manner, in the obligations of any company or development:

(1) owned or controlled by a company that is owned, in whole or in part, by, or is a subsidiary of, a company that is owned by Russia; or

(2) whose principal place of business is located within Russia.

(B) For purposes of this section:

(1) ‘Company’ or ‘development’ means a sole proprietorship, organization, association, corporation, partnership, trust, venture, group, subgroup, or any other entity or organization, its subsidiary or affiliate that exists for profit‑making purposes or to otherwise secure economic advantage.

(2) ‘Russia’ includes all agencies, institutions, instrumentalities, and political subdivisions of Russia.”

SECTION 2. Article 1, Chapter 1, Title 13 of the 1976 Code is amended by adding:

“Section 13‑1‑55. (A) The Department of Commerce, including any division thereof, may not offer or award any incentive or development grant to any company or development that is at least fifty percent owned or controlled by a company that is owned, in whole or in part, by, or is a subsidiary of, a company that is owned by Russia.

(B) Any company who is offered or awarded incentives from the department must sign a statement agreeing that the company will not contract with any company prohibited from receiving an incentive or grant pursuant to subsection (A).

(C) For purposes of this section:

(1) ‘Company’ or ‘development’ means a sole proprietorship, organization, association, corporation, partnership, venture, or other entity, its subsidiary or affiliate that exists for profit‑making purposes or to otherwise secure economic advantage.

(2) ‘Incentive’ or ‘development grant’ means tax credits, deductions, exemptions, exclusions, fees in lieu of taxes, monetary benefits, subsidies, rebates, information required by the Governmental Accounting Standards Board regarding economic incentives, awards from the Governor’s Closing Fund, assistance from the State provided on a discretionary basis to attract or retain business operations, and other preferential tax benefits given to businesses for the purpose of recruitment.”

SECTION 3. Section 11‑9‑660 of the 1976 Code is amended by adding an appropriately lettered subsection to read:

“( )(1) In addition to the other restrictions imposed pursuant to this section or in other laws restricting the investment of state funds, the State Treasurer shall not invest any state funds, in any manner, in the obligations of any company or development:

(a) owned or controlled by a company that is owned, in whole or in part, by, or is a subsidiary of, a company that is owned by Russia; or

(b) whose principal place of business is located within Russia.

(2) The prohibition set forth in item (1) also extends to the investment of any state funds by any state agency.

(3) For purposes of this subsection:

(a) ‘company’ or ‘development’ means a sole proprietorship, organization, association, corporation, partnership, trust, venture, group, subgroup, or any other entity or organization, its subsidiary or affiliate that exists for profit‑making purposes or to otherwise secure economic advantage;

(b) ‘Russia’ includes all agencies, institutions, instrumentalities, and political subdivisions of Russia.”

SECTION 4. This act takes effect upon approval by the Governor.

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