**A** **BILL**

TO AMEND THE CODE OF LAWS OF SOUTH CAROLINA, 1976, 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 THE PEOPLE’S REPUBLIC OF CHINA OR THE CHINESE COMMUNIST PARTY, AND TO PROHIBIT ANY COMPANY RECEIVING AN INCENTIVE FROM CONTRACTING WITH SUCH PROHIBITED COMPANIES.

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

SECTION 1. 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 the People’s Republic of China or the Chinese Communist Party.

(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 2. This act takes effect upon approval by the Governor.

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