**South Carolina General Assembly**

126th Session, 2025-2026

**H. 3867**

**STATUS INFORMATION**

General Bill

Sponsors: Reps. Pope, Martin and Terribile

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Introduced in the House on January 30, 2025

Currently residing in the House Committee on **Education and Public Works**

Summary: Annuity Contracts for Employees of Schools and Educational Institutions

**HISTORY OF LEGISLATIVE ACTIONS**

 Date Body Action Description with journal page number

 1/30/2025 House Introduced and read first time (House Journal‑page 46)

 1/30/2025 House Referred to Committee on **Education and Public Works** (House Journal‑page 46)

View the latest  [legislative information](https://www.scstatehouse.gov/billsearch.php?billnumbers=3867&session=126&summary=B)  at the website

**VERSIONS OF THIS BILL**

[01/30/2025](https://www.scstatehouse.gov/sess126_2025-2026/prever/3867_20250130.docx)

A bill

TO AMEND THE SOUTH CAROLINA CODE OF LAWS BY AMENDING SECTION 9‑15‑10, RELATING TO SCHOOL DISTRICTS AND STATE‑SUPPORTED INSTITUTIONS OF HIGHER LEARNING AUTHORIZED TO PURCHASE ANNUITY CONTRACTS, SO AS TO PROVIDE THAT CERTAIN CONTRACTS MUST OFFER CERTAIN INVESTMENT OPTIONS.

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

SECTION 1. Section 9‑15‑10 of the S.C. Code is amended to read:

 Section 9‑15‑10. (A) The various school districts of this State and State state‑supported institutions of higher learning are authorized to enter into agreements to pay, at the request of their employees, a part of the incomes of such employees, not to exceed the exclusion allowance provided in Section 403(b)(2) of the Internal Revenue Code of the United States, for the purchase of annuity or other contracts which meet the requirements of Section 403(b) of the Internal Revenue Code.

 (B) School districts and state‑supported institutions of higher learning can only enter contracts allowed pursuant to subsection (A) with vendors providing investment options that:

 (1) do not impose an administrative asset‑based fee in excess of 0.5%;

 (2) do not impose front‑end sales or advisory charges;

 (3) do not impose surrender charges;

 (4) offer access to all of the following types of funds:

 (a) a target‑based index fund with an expense ratio that is less than or equal to 0.25%;

 (b) a broad‑based domestic index fund with an expense ratio that is less than or equal to 0.10%;

 (c) a broad‑based bond index fund with an expense ratio that is less than or equal to 0.10%; and

 (d) an international index fund with an expense ratio that is less than or equal to 0.10%; and

 (e) provide employees with a one‑page summary of all administrative fees.

 (C) In the event a district or state‑supported institution of higher learning has entered into a contract with a vendor that does not meet the requirements of this section before July 1, 2026, a participant contributing to a 403(b) retirement savings plan account through a salary reduction agreement may continue to make contributions under the terms of the previous contract.

SECTION 2. This act takes effect on July 1, 2026.

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