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Indicates New Matter

COMMITTEE REPORT

May 19, 2011

**S. 580**

Introduced by Senator Setzler

S. Printed 5/19/11--S.

Read the first time February 16, 2011.

**THE COMMITTEE ON**

**LABOR, COMMERCE AND INDUSTRY**

To whom was referred a Bill (S. 580) to amend Section 40‑18‑140, Code of Laws of South Carolina, 1976, relating to exemptions from Chapter 18 of Title 40 providing for the licensure and regulation, etc., respectfully

**REPORT:**

That they have duly and carefully considered the same and recommend that the same do pass:

W. GREG RYBERG for Committee.

**A** **BILL**

TO AMEND SECTION 40‑18‑140, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO EXEMPTIONS FROM CHAPTER 18 OF TITLE 40 PROVIDING FOR THE LICENSURE AND REGULATION OF PRIVATE SECURITY AND INVESTIGATION AGENCIES, SO AS TO PROVIDE THAT THE CHAPTER MUST NOT APPLY TO A PERSON BASED SOLELY ON HIS BEING ENGAGED IN COMPUTER OR DIGITAL FORENSIC SERVICES, THE ACQUISITION, REVIEW, OR ANALYSIS OF DIGITAL OR COMPUTER‑BASED INFORMATION, OR SYSTEM VULNERABILITY TESTING.

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

SECTION 1. Section 40‑18‑140 of the 1976 Code is amended to read:

“Section 40‑18‑140. (A) This chapter does not apply to:

(1) an officer or employee of the federal government, or of this State or a political subdivision of either, or of a municipal corporation while the employee or officer is engaged in the performance of official duties;

(2) a person or firm engaged as a consumer reporting agency, as defined by the Federal Fair Credit Reporting Act, when gathering, processing, or reporting information directly related to a credit rating or credit status;

(3) an attorney‑at‑law while in the performance of his duties; or

(4) a person, as defined by Section 38‑1‑20(29), licensed or authorized by the Director of Insurance to transact business within the State, when performing duties directly related to that license or authorization.

(B) This chapter must not be applied to a person based solely on his being engaged in:

(1) computer or digital forensic services, or the acquisition, review, or analysis of digital or computer‑based information, whether for the purposes of obtaining or furnishing information for evidentiary or other purposes, or for providing expert testimony before a court; or

(2) network or system vulnerability testing, including network scans and risk assessment and analysis of computers connected to a network.”

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

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