**South Carolina General Assembly**

120th Session, 2013-2014

**A266, R286, S1100**

**STATUS INFORMATION**

General Bill

Sponsors: Senators Bryant, Sheheen, Young and Setzler

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Introduced in the Senate on March 11, 2014

Introduced in the House on April 9, 2014

Last Amended on May 21, 2014

Passed by the General Assembly on May 29, 2014

Governor's Action: June 6, 2014, Signed

Summary: Unemployment benefits

**HISTORY OF LEGISLATIVE ACTIONS**

Date Body Action Description with journal page number

3/11/2014 Senate Introduced and read first time ([Senate Journal‑page 7](file:///H:\SJ%20Archive\2014\03-11-14.docx))

3/11/2014 Senate Referred to Committee on **Labor, Commerce and Industry** ([Senate Journal‑page 7](file:///H:\SJ%20Archive\2014\03-11-14.docx))

4/1/2014 Senate Committee report: Favorable **Labor, Commerce and Industry** ([Senate Journal‑page 10](file:///H:\SJ%20Archive\2014\04-01-14.docx))

4/2/2014 Scrivener's error corrected

4/3/2014 Senate Read second time ([Senate Journal‑page 24](file:///H:\SJ%20Archive\2014\04-03-14.docx))

4/3/2014 Senate Roll call Ayes‑41 Nays‑0 ([Senate Journal‑page 24](file:///H:\SJ%20Archive\2014\04-03-14.docx))

4/8/2014 Senate Read third time and sent to House ([Senate Journal‑page 17](file:///H:\SJ%20Archive\2014\04-08-14.docx))

4/9/2014 House Introduced and read first time ([House Journal‑page 13](file:///H:\HJ%20Archive\2014\04-09-14.docx))

4/9/2014 House Referred to Committee on **Labor, Commerce and Industry** ([House Journal‑page 13](file:///H:\HJ%20Archive\2014\04-09-14.docx))

5/15/2014 House Committee report: Favorable with amendment **Labor, Commerce and Industry** ([House Journal‑page 10](file:///H:\HJ%20Archive\2014\05-15-14.docx))

5/19/2014 Scrivener's error corrected

5/21/2014 House Amended ([House Journal‑page 181](file:///H:\HJ%20Archive\2014\05-21-14.docx))

5/21/2014 House Debate interrupted ([House Journal‑page 181](file:///H:\HJ%20Archive\2014\05-21-14.docx))

5/22/2014 House Read second time ([House Journal‑page 10](file:///H:\HJ%20Archive\2014\05-22-14.docx))

5/22/2014 House Roll call Yeas‑91 Nays‑0 ([House Journal‑page 11](file:///H:\HJ%20Archive\2014\05-22-14.docx))

5/22/2014 House Unanimous consent for third reading on next legislative day ([House Journal‑page 12](file:///H:\HJ%20Archive\2014\05-22-14.docx))

5/23/2014 House Read third time and returned to Senate with amendments ([House Journal‑page 1](file:///H:\HJ%20Archive\2014\05-23-14.docx))

5/29/2014 Senate Concurred in House amendment and enrolled ([Senate Journal‑page 105](file:///H:\SJ%20Archive\2014\05-29-14.docx))

6/5/2014 Ratified R 286

6/6/2014 Signed By Governor

6/13/2014 Effective date 01/01/15

6/26/2014 Act No. 266

**VERSIONS OF THIS BILL**

[3/11/2014](file:///p:\pprever\2013-14\1100_20140311.docx)

[4/1/2014](file:///p:\pprever\2013-14\1100_20140401.docx)

[4/2/2014](file:///p:\pprever\2013-14\1100_20140402.docx)

[5/15/2014](file:///p:\pprever\2013-14\1100_20140515.docx)

[5/19/2014](file:///p:\pprever\2013-14\1100_20140519.docx)

[5/21/2014](file:///p:\pprever\2013-14\1100_20140521.docx)

(A266, R286, S1100)

**AN ACT TO AMEND THE CODE OF LAWS OF SOUTH CAROLINA, 1976, BY ADDING SECTION 41‑27‑265 SO AS TO EXEMPT CORPORATE OFFICERS FROM UNEMPLOYMENT BENEFITS UNLESS THE EMPLOYER ELECTS COVERAGE PURSUANT TO SPECIFIED PROCEDURES, AND TO COMPLY WITH FEDERAL MANDATES BY PROVIDING EXEMPTIONS FOR INDIVIDUALS EMPLOYED BY AN INDIAN TRIBE AND FOR INDIVIDUALS EMPLOYED BY ORGANIZATIONS THAT ARE RELIGIOUS, CHARITABLE, OR EDUCATIONAL IN NATURE, OR AS OTHERWISE DEFINED BY FEDERAL LAW.**

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

**Corporate officers exempt absent employer election, procedure, exceptions**

SECTION 1. Article 3, Chapter 27, Title 41 of the 1976 Code is amended by adding:

“Section 41‑27‑265. (A) Solely for purposes of this title, services performed by a person appointed or otherwise serving as an officer for a corporation pursuant to Article 4, Chapter 8, Title 33 shall not be considered services in employment. However, a corporation may elect to cover not less than all of its corporate officers under subsection (B). If an employer does not elect to cover its corporate officers under subsection (B), the employer must notify its corporate officers in writing that they are ineligible for unemployment benefits. However, if the employer fails to provide notice, the individual’s status as a corporate officer is unchanged and the person remains ineligible for unemployment benefits.

(B) An employer may elect to cover its corporate officers by providing the department with a written election that all services performed by its corporate officers shall be deemed to constitute employment for all purposes related to Chapters 27 through 41 of this title for at least two calendar years. Upon written approval of the election by the department, the services shall be deemed to constitute employment for purposes of Chapters 27 through 41 of this title on and after the date of approval. Services covered under this subsection shall cease to be deemed employment as of January first of any calendar year subsequent to the two calendar year period, only if the employer files a written application for termination of coverage with the department before January fifteenth of that year.

(C)(1) Services performed by an individual employed by a religious, charitable, educational, or other organization which is excluded from the term ‘employment’ as defined in the federal Unemployment Tax Act solely by reason of 26 U.S.C. Section 3306(c)(8) of that act are not subject to the provisions of this section.

(2) Services performed by an individual employed by an Indian tribe, as defined in 26 U.S.C. Section 3306(u) of the federal Unemployment Tax Act, provided that the service is excluded from the term ‘employment’ as defined in the federal Unemployment Tax Act solely by reason of 26 U.S.C. Section 3306(c)(7) of that act are not subject to the provisions of this section.”

**Time effective**

SECTION 2. This act takes effect January 1, 2015.

Ratified the 5th day of June, 2014.

Approved the 6th day of June, 2014.

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