**South Carolina General Assembly**

125th Session, 2023-2024

**H. 4488**

**STATUS INFORMATION**

General Bill

Sponsors: Reps. Sessions, G.M. Smith, Hiott, Davis, M.M. Smith, B.L. Cox, Gatch, Lawson, O'Neal, Pace, Pedalino, Beach, Rutherford and Leber

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Introduced in the House on May 16, 2023

Currently residing in the House

Summary: Health Care Facilities

**HISTORY OF LEGISLATIVE ACTIONS**

Date Body Action Description with journal page number

5/16/2023 House Introduced and read first time ([House Journal‑page 12](h:\hj\20230516.docx))

5/16/2023 House Referred to Committee on **Judiciary** ([House Journal‑page 12](h:\hj\20230516.docx))

6/7/2023 House Member(s) request name added as sponsor: Leber

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**VERSIONS OF THIS BILL**

[05/16/2023](https://www.scstatehouse.gov/sess125_2023-2024/prever/4488_20230516.docx)

A bill

TO AMEND THE SOUTH CAROLINA CODE OF LAWS BY ADDING SECTION 44‑7‑267 SO AS TO PROHIBIT THE USE OF CONTRACTUAL AGREEMENTS BY HEALTH CARE FACILITIES TO LIMIT A PHYSICIAN’S ABILITY TO PRACTICE AFTER TERMINATION OF THE CONTRACTUAL RELATIONSHIP, WITH EXCEPTIONS.

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

SECTION 1. Article 3, Chapter 7, Title 44 of the S.C. Code is amended by adding:

Section 44‑7‑267. (A) In order to be licensed by the department, a health care facility is prohibited from including any clauses that restrict the right of a physician to practice after termination of the relationship in any contract or agreement which creates or establishes an employment or any other form of professional relationship with a physician; provided, however, that the health care facility may require a physician who has worked for the health care facility three years or less to repay all or a portion of the actual costs of the following: relocation expenses, a signing bonus or other renumeration to induce the physician to relocate or establish a health care practice in a specified geographic area, or recruiting, education or training expenses, if the specific items and value of each item the health care facility seeks in repayment are outlined within the agreement at the time of signing; provided further, however, that the health care facility may not in any contract or agreement prevent a physician from complying with his ethical duties to the patient upon departure as set forth in regulations which shall be promulgated by the Board of Medical Examiners. The requirements of this section shall apply only to new contracts or renewals of contracts entered into on or after the effective date of this section.

(B) The prohibitions as to contract or agreements set forth in subsection (A) shall apply only to the clauses that restrict the right of a physician to practice after termination of the relationship, and shall not apply to any other clause including, without limitation, those pertaining to the protection of medical trade secrets.

(C)(1) The requirements of this section shall apply to new contracts or renewals of contracts entered into on or after the effective date of this section.

(2) The requirements of this section do not apply to a contract for the sale of a business or medical practice until thirty‑six months after the sale of the business or medical practice.

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

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