

# **REPORT OF THE GENERAL GOVERNMENT LEGISLATIVE SUBCOMMITTEE**

(Cobb-Hunter, Hayes, Ballentine, Willis, Murphy- Staff Contact: Terikah Staggers)

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## **HOUSE BILL 3514**

H. 3514 – Reps. Wooten, Mitchell, Pedalino, Guest and Crawford: A BILL TO AMEND THE SOUTH CAROLINA CODE OF LAWS BY ADDING SECTION 11-1-130 SO AS TO PROVIDE THAT STATE DEPARTMENTS, AGENCIES, INSTITUTIONS, AND POLITICAL SUBDIVISIONS MAY NOT USE PUBLIC FUNDS TO PURCHASE CERTAIN FLAGS UNLESS THE FLAGS ARE MADE IN THE UNITED STATES

***Received by Ways and Means:***                      ***12/5/2024***

***Summary of Bill:***

This bill requires that any flag of the United States of America, or the State of South Carolina, purchased with public funds by state agencies, departments, or political subdivisions, must be manufactured in the United States. Furthermore, the articles, materials, or supplies used in the manufacturing of the flags must have been grown or otherwise produced in the United States.

***Estimated Revenue Impact:***

N/A

***Subcommittee Action/Explanation***

The proposed amendment allows public entities as specified in the bill, to use previously purchased flags until replacements are needed. The bill is reported out favorable from the General Government Subcommittee, as amended.

***Full Committee Action/Explanation***

***Other Notes/Comments:***

This bill will have an undetermined fiscal impact on both state and local expenditures. Impact is dependent on the cost and availability of flags, that

"THE BELOW CONSTITUTED SUMMARY IS PREPARED BY THE STAFF OF THE SOUTH CAROLINA HOUSE OF REPRESENTATIVES AND IS NOT THE EXPRESSION OF THE LEGISLATION'S SPONSOR(S) OR THE HOUSE OF REPRESENTATIVES. IT IS STRICTLY FOR THE INTERNAL USE AND BENEFIT OF MEMBERS OF THE HOUSE OF REPRESENTATIVES AND IS NOT TO BE CONSTRUED BY A COURT OF LAW AS AN EXPRESSION OF LEGISLATIVE INTENT".

meet the manufacturing requirements set forth in the bill.

**SOUTH CAROLINA**  
**HOUSE AMENDMENT**

AMENDMENT NO. \_\_\_\_\_

Samantha Allen  
April 29, 2025

ADOPTED	REJECTED	TABLED	ADJOURN DEBATE	RECONSIDERED	ROO

\_\_\_\_\_  
Clerk of the House

ADOPTION NO. \_\_\_\_\_

**BILL NO: H. 3514**

(Reference is to the original version)

The General Government subcommittee proposes the following amendment (LC-3514.SA0001H):

Amend the bill, as and if amended, SECTION 1, by striking Section 11-1-130 and inserting:

Section 11-1-130. A state department, agency, institution, or political subdivision of the State, including a school district, may not use public funds to purchase a flag of the United States of America or the State of South Carolina unless the flag has been one hundred percent manufactured in the United States from articles, materials, or supplies that have been grown or one hundred percent produced or manufactured in the United States. [A state department, agency, institution, or political subdivision of the State, including a school district, may continue the use of previously purchased flags until a replacement flag is necessary.](#)

Renumber sections to conform.  
Amend title to conform.



# SOUTH CAROLINA REVENUE AND FISCAL AFFAIRS OFFICE

## STATEMENT OF ESTIMATED FISCAL IMPACT

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*This fiscal impact statement is produced in compliance with the South Carolina Code of Laws and House and Senate rules. The focus of the analysis is on governmental expenditure and revenue impacts and may not provide a comprehensive summary of the legislation.*

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<b>Bill Number:</b>	H. 3514	Introduced on January 14, 2025
<b>Subject:</b>	Flags	
<b>Requestor:</b>	House Ways and Means	
<b>RFA Analyst(s):</b>	Tipton	
<b>Impact Date:</b>	April 8, 2025	

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### Fiscal Impact Summary

This bill requires flags of the United States of America and the State of South Carolina purchased with public funds by state departments, agencies, institutions, or political subdivisions, including school districts to be 100 percent manufactured or produced in the United States. Currently, flag purchases by state entities are made through a statewide term contract held by the Division of Procurement Services (DPS) within the State Fiscal Accountability Authority (SFAA) with three flag vendors.<sup>1</sup>

This bill will have an undetermined expenditure impact on state departments, agencies, or institutions related to the procurement of a flag of the United States of America or the State of South Carolina. According to DPS, the existing contract for flag procurement does not require flags to be produced under the specifications of the bill. Thus, DPS reports that the agency would resolicit the contract and require suppliers to affirm that flags are produced under the requirements of the bill. DPS does not have information on the country of origin for flags from current suppliers. The impact of this bill on state entities procuring flags will depend on the price and availability of flags under the new procurement contract.

This bill will have no expenditure impact on DPS within SFAA, as the agency indicates that the requirements of the bill, including the solicitation of a new contract for flag suppliers, will be managed with existing staff and resources. Further, this bill will have no impact on the Department of Administration (Admin) in its duties purchasing flags for state buildings operated or maintained by the agency.

This bill will also have an undetermined expenditure impact on local governments and school districts related to the procurement of a flag of the United States of America or the State of South Carolina. The impact on these entities will depend on the price and availability of flags meeting the new requirements.

<sup>1</sup> State Fiscal Accountability Authority, Division of Procurement Services, *Statewide Term Contracts: Flags – SC & US*, Retrieved April 7, 2025, <https://www.procurement.sc.gov/contracts/search?d=21737-9919-0-0>

## **Explanation of Fiscal Impact**

**Introduced on January 14, 2025**

### **State Expenditure**

This bill requires flags of the United States of America and the State of South Carolina purchased with public funds by state departments, agencies, or institutions to be 100 percent manufactured in the United States from articles, materials, or supplies that have been grown or 100 percent produced or manufactured in the United States.

DPS within SFAA manages procurement for state departments, agencies, institutions, and political subdivisions subject to the Consolidated Procurement Code and reports that the existing term contract for flag purchases does not require flags to be produced under the specifications of the bill. Thus, DPS reports that under the bill, this contract would be cancelled and resolicited to include the manufacturing or production location requirements. Suppliers would be required to affirm that their flags are produced according to the requirements of the bill. DPS does not have information on the country of origin for flags from current suppliers. Based on the websites of the three vendors currently under contract for flag procurement, two vendors, the Columbia Flag and Sign Company and Ruffin Flag Company, advertise their products as made in the United States, while the country of origin is unclear for flags produced by the third vendor, AGAS MFG. Therefore, this bill will have an undetermined impact on any state department, agency or institution related to the procurement of a flag of the United States of America or the State of South Carolina. The impact will depend on the price and availability of flags under the new procurement contract.

DPS within SFAA indicates that the requirements of the bill, including the solicitation of a new term contract for flag suppliers, will be managed with existing staff and resources. Therefore, this bill will have no expenditure impact on SFAA. Further, this bill will have no impact on Admin in its duties purchasing flags for state buildings operated or maintained by the agency.

### **State Revenue**

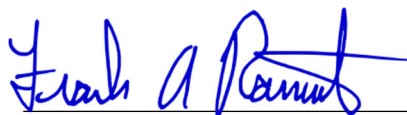
N/A

### **Local Expenditure**

This bill requires flags of the United States of America and the State of South Carolina purchased with public funds by state political subdivisions, including school districts, to be 100 percent manufactured or produced in the United States. The impact on local governments and school districts is undetermined and will depend on the price and availability of flags that meet the new requirements.

### **Local Revenue**

N/A



Frank A. Rainwater, Executive Director

**South Carolina General Assembly**  
126th Session, 2025-2026

**H. 3514**

**STATUS INFORMATION**

General Bill

Sponsors: Reps. Wooten, Mitchell, Pedalino, Guest and Crawford

Document Path: LC-0019SA25.docx

Introduced in the House on January 14, 2025

Currently residing in the House

Summary: Flags

**HISTORY OF LEGISLATIVE ACTIONS**

Date	Body	Action Description with journal page number
12/5/2024	House	Prefiled
12/5/2024	House	Referred to Committee on <b>Ways and Means</b>
1/14/2025	House	Introduced and read first time (House Journal-page 230)
1/14/2025	House	Referred to Committee on <b>Ways and Means</b> (House Journal-page 230)
2/26/2025	House	Member(s) request name added as sponsor: Guest, Crawford

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**VERSIONS OF THIS BILL**

12/05/2024

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**A BILL**

TO AMEND THE SOUTH CAROLINA CODE OF LAWS BY ADDING SECTION 11-1-130 SO AS TO PROVIDE THAT STATE DEPARTMENTS, AGENCIES, INSTITUTIONS, AND POLITICAL SUBDIVISIONS MAY NOT USE PUBLIC FUNDS TO PURCHASE CERTAIN FLAGS UNLESS THE FLAGS ARE MADE IN THE UNITED STATES.

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

SECTION 1. Chapter 1, Title 11 of the S.C. Code is amended by adding:

Section 11-1-130. A state department, agency, institution, or political subdivision of the State, including a school district, may not use public funds to purchase a flag of the United States of America or the State of South Carolina unless the flag has been one hundred percent manufactured in the United States from articles, materials, or supplies that have been grown or one hundred percent produced or manufactured in the United States.

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

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