**A** **BILL**

TO AMEND THE CODE OF LAWS OF SOUTH CAROLINA, 1976, BY ADDING SECTION 39‑1‑100 SO AS TO PROVIDE THAT THE DEPARTMENT OF COMMERCE SHALL KEEP A RECORD OF ALL ECONOMIC DEVELOPMENT INCENTIVE CLAWBACKS AND SHALL REPORT ON ALL CLAWBACKS THAT HAVE BEEN TRIGGERED.

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

SECTION 1. Chapter 1, Title 39 of the 1976 Code is amended by adding:

“Section 39‑1‑100. (A) For the purposes of this section:

(1) ‘Clawback’ means a requirement that all or part of an economic development incentive will be returned or forfeited if the recipient business does not fulfill its responsibilities under the incentive law, contract, or both.

(2) ‘Economic development incentive’ means assistance from the State provided on a discretionary basis to attract or retain business operations including, but not limited to, tax credits or deductions, fees in lieu of taxes, monetary benefits, subsidies, or rebates.

(B) The Department of Commerce shall keep a record of all clawbacks in state and federal programs it administers, whether provided by statute, rule, or pursuant to a contract. The records must include a description of each clawback, the program to which it applies, and a citation to its source. The department shall publish the records on its website and update it every six months.

(C) By April first and October first of each year, the department shall report to the Senate Finance Committee, the House Ways and Means Committee, the Governor, and the Board of Economic Advisors on all clawbacks that have been triggered as set forth in law and its progress on obtaining repayments. The report must include the name of each business, the event that triggered the clawback, and the amount forfeited or to be repaid.

(D) The department shall consult with the Department of Revenue as necessary.”

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

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