**A** **BILL**

TO AMEND THE CODE OF LAWS OF SOUTH CAROLINA, 1976, BY ADDING SECTION 34‑3‑120 SO AS TO PROVIDE THAT A BANKING INSTITUTION OR INVESTMENT OR FINANCIAL FIRM THAT ADOPTS ANY ENVIRONMENTAL, SOCIAL, AND GOVERNANCE FACTORS FOR EVALUATING A BUSINESS MUST MEET CERTAIN CRITERIA.

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

SECTION 1. Article 1, Chapter 3, Title 34 of the 1976 Code is amended by adding:

“Section 34‑3‑120. A banking institution or investment or financial firm that adopts any Environmental, Social, and Governance (ESG) factors for evaluating a business must:

(1) advise clients that they are being scored using ESG criteria and state who is providing the score;

(2) clearly state criteria that is being scored in each area of ESG;

(3) offer a written report; and

(4) provide a means to appeal each scored area.”

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

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