**South Carolina General Assembly**

125th Session, 2023-2024

**S. 195**

**STATUS INFORMATION**

General Bill

Sponsors: Senator Fanning

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Introduced in the Senate on January 10, 2023

Currently residing in the Senate Committee on **Judiciary**

Summary: State Ethics Commission and Campaign Bank Accounts

**HISTORY OF LEGISLATIVE ACTIONS**

 Date Body Action Description with journal page number

 11/30/2022 Senate Prefiled

 11/30/2022 Senate Referred to Committee on **Judiciary**

 1/10/2023 Senate Introduced and read first time (Senate Journal‑page 102)

 1/10/2023 Senate Referred to Committee on **Judiciary** (Senate Journal‑page 102)

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**VERSIONS OF THIS BILL**

[11/30/2022](https://www.scstatehouse.gov/sess125_2023-2024/prever/195_20221130.docx)

A bill

to amend the South Carolina Code of Laws by amending Section 8‑13‑365, relating to an electronic filings system for disclosures and reports, so as to require the state ethics commission to establish a new online campaign account monitoring and auditing department, to delineate the department’s duties and responsibilities, and to require the state ethics commission to ensure the department is staffed sufficiently with adequately trained legal and accounting personnel; and by amending Section 8‑13‑1312, relating to Campaign bank accounts, so as to require all candidates and elected public officials who are required to file certified campaign reportS pursuant to article 13, chapter 13, title 8 to locate, host, or maintain their campaign accounts in a financial institution that satisfies the requirements of this act and offers real‑time online banking or access to a customer’s internet website, to require all candidates and elected public officials to provide the state ethics commission access to their campaign account online banking information, and to require all candidates and elected public officials to pay, transfer, or remit to the state ethics commission an amount equal to five percent of the total contributions received by the candidate or elected public official during the reporting period.

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

SECTION 1. Section 8‑13‑365 of the S.C. Code is amended to read:

 Section 8‑13‑365. (A) The commission shall establish a system of electronic filing for all disclosures and reports required pursuant to Chapter 13, Title 8 and Chapter 17, Title 2 except for forms and reports required pursuant to Article 9, Chapter 13, Title 8. These disclosures and reports must be filed using an Internet‑based filing system as prescribed by the commission. The information contained in the reports and disclosure forms, with the exception of social security numbers, campaign bank account numbers, and tax ID numbers, must be publicly accessible, searchable, and transferable.

 (B) By January 1, 2024, from the funds collected pursuant to Section 8‑13‑1312(B)(3), the commission shall establish a new online campaign account monitoring and auditing department. The commission shall ensure the new department is staffed sufficiently with adequately trained legal and accounting personnel in order to perform the following duties:

 (1) real‑time online monitoring and auditing of all active campaign accounts established pursuant to Section 8‑13‑1312;

 (2) identifying suspicious or potentially unlawful campaign transactions and promptly notifying the account holder of the suspect transaction and giving him seven calendar days either to correct the error or provide a written explanation clarifying the validity of the transaction;

 (3) upon written request, preapproving or rejecting a candidate’s or public official’s proposed campaign transaction, provided the candidate or public official has furnished sufficient information regarding the nature and purpose of the proposed transaction for the department to render an informed decision; and

 (4) other duties as required by the Executive Director of the State Ethics Commission.

SECTION 2. Section 8‑13‑1312 of the S.C. Code is amended to read:

 Section 8‑13‑1312. (A) Except as is required for the separation of funds and expenditures under the provisions of Section 8‑13‑1300(7), a candidate shall not establish more than one campaign checking account and one campaign savings account for each office sought, and a committee shall not establish more than one checking account and one savings account unless federal or state law requires additional accounts. For purposes of this article, certificates of deposit or other interest bearing instruments are not considered separate accounts. A candidate's accounts must be established in a financial institution that conducts business within the State and in an office located within the State that conducts business with the general public. The candidate or a duly authorized officer of a committee must maintain the accounts in the name of the candidate or committee. An acronym must not be used in the case of a candidate's accounts. An acronym or abbreviation may be used in the case of a committee's accounts if the acronym or abbreviation commonly is known or clearly recognized by the general public. Except as otherwise provided under Section 8‑13‑1348(C), expenses paid on behalf of a candidate or committee must be drawn from the campaign account and issued on a check signed by the candidate or a duly authorized officer of a committee. All contributions received by the candidate or committee, directly or indirectly, must be deposited in the campaign account by the candidate or committee within ten days after receipt. All contributions received by an agent of a candidate or committee must be forwarded to the candidate or committee not later than five days after receipt. A contribution must not be deposited until the candidate or committee receives information regarding the name and address of the contributor. If the name and address cannot be determined within seven days after receipt, the contribution must be remitted to the Children's Trust Fund.

 (B) Beginning July 1, 2023, each candidate or elected public official who is required by law to file periodic certified campaign reports with the State Ethics Commission pursuant to this article shall:

 (1) locate, host, or maintain his campaign checking account and campaign savings account, if any, in a financial institution that satisfies the requirements of subsection (A) and offers real‑time online banking or access to a customer’s account information through the financial institution’s Internet website;

 (2) provide the State Ethics Commission access to his campaign account’s current online banking through the financial institution’s Internet website; and

 (3) pay, transfer, or remit to the State Ethics Commission an amount equal to five percent of the total contributions received by the candidate or elected public official during the reporting period at the same time the candidate or elected public official files one or more of the following:

 (a) a statement of organization pursuant to Section 8‑13‑1304(A); or

 (b) each quarterly certified campaign report pursuant to Section 8‑13‑1308(B).

 The funds collected pursuant to this item must be used exclusively by the State Ethics Commission for the purposes described in Section 8‑13‑365(B).

SECTION 3. This act takes effect upon approval by the Governor.

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