**A** **BILL**

TO AMEND SECTIONS 8‑13‑100 AND 8‑13‑1300 OF THE 1976 CODE, RELATING TO DEFINITIONS FOR PURPOSES OF THE STATE ETHICS ACT, TO AMEND THE DEFINITION OF “CONTRIBUTION” TO INCLUDE A LOAN GUARANTEE AS A CONTRIBUTION; TO AMEND SECTION 8‑13‑1326, RELATING TO CIRCUMSTANCES WHEN A LOAN TO A CANDIDATE IS CONSIDERED A CONTRIBUTION, TO INCLUDE A LOAN GUARANTEE; AND TO AMEND SECTION 8‑13‑1328, RELATING TO LIMITS ON THE REPAYMENT OF LOANS BY A CANDIDATE, TO PROVIDE THAT AFTER AN ELECTION A CANDIDATE MAY REIMBURSE HIMSELF FOR THE REPAYMENT OF A LOAN.

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

SECTION 1. A. Section 8‑13‑100(9) of the 1976 Code is amended to read:

“(9) ‘Contribution’ means a gift, subscription, loan, loan guarantee ~~guarantee upon which collection is made~~, forgiveness of a loan, an advance, in‑kind contribution or expenditure, a deposit of money or anything of value made to a candidate or committee, as defined in Section 8‑13‑1300(6), for the purpose of influencing an election; or payment or compensation for the personal service of another person which is rendered for any purpose to a candidate or committee without charge. ‘Contribution’ does not include volunteer personal services on behalf of a candidate or committee for which the volunteer receives no compensation from any source.”

B. Section 8‑13‑1300(7) of the 1976 Code is amended to read:

“(7) ‘Contribution’ means a gift, subscription, loan, ~~guarantee upon which collection is made~~ loan guarantee, forgiveness of a loan, an advance, in‑kind contribution or expenditure, a deposit of money, or anything of value made to a candidate or committee to influence an election; or payment or compensation for the personal service of another person which is rendered for any purpose to a candidate or committee without charge, whether any of the above are made or offered directly or indirectly. ‘Contribution’ does not include (a) volunteer personal services on behalf of a candidate or committee for which the volunteer or any person acting on behalf of or instead of the volunteer receives no compensation either in cash or in‑kind, directly or indirectly, from any source; or (b) a gift, subscription, loan, ~~guarantee upon which collection is made~~ loan guarantee, forgiveness of a loan, an advance, in‑kind contribution or expenditure, a deposit of money, or anything of value made to a committee, other than a candidate committee, and is used to pay for communications made not more than forty‑five days before the election to influence the outcome of an elective office as defined in Section 8‑13‑1300(31)(c). These funds must be deposited in an account separate from a campaign account as required in Section 8‑13‑1312.”

SECTION 2. Section 8‑13‑1326 of the 1976 Code is amended to read:

“Section 8‑13‑1326. (A) A loan or a loan guarantee is considered a contribution from the maker or the guarantors of the loan and is subject to the contribution limitations of this article.

(B) A loan to a candidate must be by written agreement.

(C) The proceeds of a loan made to a candidate under the following conditions are not subject to the contribution limits of this article:

(1) by a commercial lending institution;

(2) in the regular course of business;

(3) on the same terms ordinarily available to members of the public; and

(4) secured ~~or guaranteed upon which collection is not made~~.”

SECTION 3. Section 8‑13‑1328 of the 1976 Code is amended to read:

“Section 8‑13‑1328. (A) A candidate for statewide office or the candidate’s family member must not be repaid, for a loan made to the candidate, more than twenty‑five thousand dollars in the aggregate after the election.

(B) A candidate for an elective office other than those specified in subsection (A) or a family member of a candidate for an elective office other than those specified in subsection (A) must not be repaid, for a loan made to the candidate, more than ten thousand dollars in the aggregate after the election.

(C) After the election, a candidate may use personal funds to retire a loan to the candidate obtained in compliance with Section 8‑13‑1326 and may reimburse himself for the payment of the loan with campaign contributions, provided the candidate discloses the personal payments and source of personal payments and accounts for the reimbursement expenditures on his certified campaign report for all applicable periods that payments and reimbursements are made.”

SECTION 4. This act takes effect upon approval by the Governor.

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