**A** **BILL**

TO AMEND THE CODE OF LAWS OF SOUTH CAROLINA, 1976, BY ADDING SECTION 11‑1‑130 SO AS TO REQUIRE AN ORGANIZATION TO PROVIDE CERTAIN FINANCIAL DISCLOSURES BEFORE RECEIVING A CONTRIBUTION OF FUNDS FROM A STATE AGENCY.

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

SECTION 1. Chapter 1, Title 11 of the 1976 Code is amended by adding:

“Section 11‑1‑130. (A)(1)(a) Before a state agency makes a contribution of funds to an organization, the organization must provide the state agency and the Executive Budget Office with a report which includes an accounting of the manner in which the funds will be spent, goals to be accomplished, including references to the statutory requirements of the state agency making the contribution to which those goals align, and proposed quantifiable outcome measures as defined in the state accountability report guidelines, including target values and calculation methods to evaluate success in implementing and meeting the goals. The organization must contemporaneously provide a copy of the organization’s adopted budget for the year in which the funds are accepted, and a copy of the organization’s most recent operating financial statement. The report must be attached to the invoice when the contribution is submitted for payment in the South Carolina Enterprise Information System.

(b) For accountability purposes, until the entire contribution is spent and upon the entire contribution being spent, each organization receiving contributions shall submit a report by June thirtieth of each year to the state agency making the contribution and the Executive Budget Office that includes:

(i) an accounting of how the funds were spent;

(ii) the current status of the outcome measures used to determine the success of the stated goals as compared to the initial target values; and

(iii) an explanation of any changes in how the funds were originally to be spent, as set forth in the accounting required by subitem (a), and the actual manner in which the funds were spent.

(2) The Executive Budget Office shall create and publish a standard form upon which the reports required pursuant to item (1) must be submitted. The Executive Budget Office shall publish each report on its website and provide an electronic copy to the General Assembly in the manner set forth in Section 2‑1‑230 within fifteen days of receipt. Each report must remain on the website for at least the following three fiscal years. The funds may not be released until the Executive Budget Office certifies, in writing, the receipt and publication of a completed report.

(3) A state agency receiving reported data required by item (1) shall forward the data to the Chairman of the Senate Finance Committee and the Chairman of the House Ways and Means Committee.

(4) Funds subject to the provisions of this section may not be disbursed to organizations or purposes which practice discrimination against persons by virtue of race, creed, color, or national origin.

(5) The State Auditor shall review and audit, if necessary, the financial structure and activities of each organization receiving contributions and make a report to the General Assembly of the review or audit, when requested to do so by the State Fiscal Accountability Authority.

(B) The provisions of this section apply to all contributions of funds made by a state agency to an organization regardless of whether the contribution is made in accordance with provisions of this code or in accordance with a provision of an appropriations act.”

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

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