**A** **BILL**

TO AMEND THE CODE OF LAWS OF SOUTH CAROLINA, 1976, BY ADDING SECTIONS 34‑29‑25 AND 37‑5‑304 SO AS TO PROVIDE THAT ALL BANKS AND FINANCIAL INSTITUTIONS AND ALL PRIVATE BUSINESSES, RESPECTIVELY, MAY NOT DISCRIMINATE BASED ON CERTAIN SUBJECTIVE OR ARBITRARY STANDARDS.

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

SECTION 1. Chapter 29, Title 34 of the 1976 Code is amended by adding:

“Section 34‑29‑25. (A) All banks and financial institutions doing business in this State, either directly or through the use of an outside contractor, may not discriminate against, advocate for, or cause adverse treatment of, any citizen or business in their business practices based on subjective or arbitrary standards such as social media posts; participation or membership in any clubs, associations, or unions; political affiliation; employer; or other social credit, environmental, social, and governance, or similar values‑based or impact criteria. However, the prohibition contained in this section does not apply if such posts, affiliations, associations, or the like discriminate on the basis of race, religion, color, sex, age, national origin, or disability. A provision of this section may not interfere with a bank’s or other financial institution’s ability to discontinue or refuse to conduct business with an individual account holder or potential customer when such action is necessary for the physical safety of its employees.

(B) Notwithstanding subsection (A), banks and other financial institutions may offer customers investments, products, and services that include subjective standards, provided that the standards are fully disclosed and explained to any potential customer or investor before entering into a contract for such products and services.

(C) Notwithstanding any other provision of law, any bank or credit union which violates subsection (A) or (B) is subject to a fifty thousand dollar fine for a first offense and a two hundred fifty thousand dollar fine for a second offense and each subsequent offense. If the bank or credit union has five or more offenses, fines for all subsequent violations must be doubled.”

SECTION 2. Chapter 5, Title 37 of the 1976 Code is amended by adding:

“Section 37‑5‑304. All private businesses doing business in this State, either directly or through the use of an outside contractor, may not discriminate against, advocate for, or cause adverse treatment of any citizen or business in their business practices based on subjective or arbitrary standards such as social media posts; participation or membership in any clubs, associations, or unions; political affiliation; employer; or other social credit, environmental, social, and governance, or similar values‑based or impact criteria unless the practice is fully disclosed to the potential consumer before the consumer and business enter into any business transaction. However, the prohibition contained in this section does not apply if such posts, affiliations, associations, or the like discriminate on the basis of race, religion, color, sex, age, national origin, or disability. A provision of this subsection may not interfere with a person’s or business’s ability to discontinue or refuse to conduct business with a customer when such action is necessary for the physical safety of the person, the business, or the business’s employees.”

SECTION 3. If any section, subsection, paragraph, subparagraph, sentence, clause, phrase, or word of this act is for any reason held to be unconstitutional or invalid, such holding shall not affect the constitutionality or validity of the remaining portions of this act, the General Assembly hereby declaring that it would have passed this act, and each and every section, subsection, paragraph, subparagraph, sentence, clause, phrase, and word thereof, irrespective of the fact that any one or more other sections, subsections, paragraphs, subparagraphs, sentences, clauses, phrases, or words hereof may be declared to be unconstitutional, invalid, or otherwise ineffective.

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

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