**South Carolina General Assembly**

126th Session, 2025-2026

**H. 3854**

**STATUS INFORMATION**

General Bill

Sponsors: Reps. Huff, Gilreath, McCabe and Cromer

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Introduced in the House on January 30, 2025

Currently residing in the House Committee on **Ways and Means**

Summary: Earmark Responsibility, Accountability, Integrity, and Transparency Act

**HISTORY OF LEGISLATIVE ACTIONS**

Date Body Action Description with journal page number

1/30/2025 House Introduced and read first time ([House Journal‑page 41](h:\hj\20250130.docx))

1/30/2025 House Referred to Committee on **Ways and Means** ([House Journal‑page 41](h:\hj\20250130.docx))

View the latest  [legislative information](https://www.scstatehouse.gov/billsearch.php?billnumbers=3854&session=126&summary=B)  at the website

**VERSIONS OF THIS BILL**

[01/30/2025](https://www.scstatehouse.gov/sess126_2025-2026/prever/3854_20250130.docx)

A bill

TO AMEND THE SOUTH CAROLINA CODE OF LAWS by ENACTing THE “EARMARK RESPONSIBILITY, ACCOUNTABILITY, INTEGRITY, AND TRANSPARENCY ACT” BY ADDING SECTION 11‑1‑130 SO AS TO REQUIRE ORGANIZATIONS RECEIVING STATE FUNDS TO PROVIDE ITEMIZED SPENDING UPDATES AND ITEMIZED ACCOUNTINGS OF THE MANNER IN WHICH SUCH FUNDS WERE EXPENDED, INCLUDING COPIES OF ALL RECEIPTS FOR THE PURCHASE OF GOODS AND PROCUREMENT OF SERVICES.

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

SECTION 1. This act may be cited as the “Earmark Responsibility, Accountability, Integrity, and Transparency Act.”

SECTION 2. Chapter 1, Title 11 of the S.C. Code is amended by adding:

Section 11‑1‑130. (A)(1) 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 and the public goals to be accomplished.

(2)(a) After receiving the funds, the organization must provide quarterly itemized spending updates to the respective state agency. After all state funds have been expended, the organization must provide an itemized accounting of how the funds were spent, including an itemized accounting of funds provided to subgrantees and affiliated nonprofits. The respective agency must forward such updates and accountings to the Senate Finance Committee and the House Ways and Means Committee.

(b) The quarterly spending updates and accounting required by subitem (a) must include copies of any receipts where such funds were used for the purchases of goods or procurement of services.

(c) If the provisions of this item are not met, then the recipient organization must pay back the respective agency the entirety of the amount contributed by the respective agency plus interest.

(B) Beginning with the quarterly itemized spending updates made in the fiscal year beginning two fiscal years after the contribution was made, the organization must include an accounting of any unexpended funds, the reason funds still exist, and the expected timing of the expenditure of the unexpended funds. If the director of the state agency making the contribution determines that there is insufficient justification for the funds remaining unexpended, the director may require the unexpended funds be returned to the agency.

(C) 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 3. This act takes effect upon approval by the Governor.

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