A bill

TO AMEND THE SOUTH CAROLINA CODE OF LAWS BY ADDING SECTION 11‑1‑130 SO AS TO PROHIBIT CERTAIN CONTRACTS WITH CERTAIN FOREIGN‑OWNED COMPANIES IN CONNECTION WITH CRITICAL INFRASTRUCTURE.

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

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

 Section 11‑1‑130. (A) As used in this section:

 (1) “Company” means a sole proprietorship, organization, association, corporation, partnership, joint venture, limited partnership, limited liability partnership, or limited liability company, including a wholly owned subsidiary, majority‑owned subsidiary, parent company, or affiliate of those entities or business associations, that exists to make a profit.

 (2) “Critical infrastructure” means a communication infrastructure system, cybersecurity system, electric grid, hazardous waste treatment system, or water treatment facility.

 (3) “Cybersecurity” means the measures taken to protect a computer, computer network, computer system, or other technology infrastructure against unauthorized use or access.

 (4) “Designated country” means a country designated by the Governor as a threat to critical infrastructure.

 (5) “Access to” means the ability to approach or enter critical infrastructure.

 (6) “Control of” means the ability to manage or manipulate critical infrastructure.

 (7) “Provider” means a company that provides utility services, including a power company or a city.

 (8) “Utility services” means the end product provided to a consumer, including power or water.

 (B) A business or governmental entity may not enter into an agreement relating to critical infrastructure in this State with a company:

 (1) if, under the agreement, the company would be granted direct or remote access to or control of critical infrastructure in this State, excluding access specifically allowed by the business entity for product warranty and support purposes; and

 (2) if the business entity knows that the company is:

 (a) owned by or the majority of stock or other ownership interest of the company is held or controlled by:

 (i) individuals who are citizens of China, Iran, North Korea, Russia, or a designated country; or

 (ii) a company or other entity, including a governmental entity, that is owned or controlled by citizens of or is directly controlled by the government of China, Iran, North Korea, Russia, or a designated country; or

 (b) headquartered in China, Iran, North Korea, Russia, or a designated country.

 (C) The prohibition described by subsection (B) applies regardless of whether:

 (1) the company’s or its parent company’s securities are publicly traded; or

 (2) the company or its parent company is listed on a public stock exchange as:

 (a) a Chinese, Iranian, North Korean, or Russian company; or

 (b) a company of a designated country.

 (D) The prohibition described in subsection (B) does not apply to a consumer’s receipt of utility services from a provider.

 (E) The Governor, after consultation with the Director of the Department of Public Safety, may designate a country as a threat to critical infrastructure for purposes of this section.

 (F) The Governor shall consult the Homeland Security Council to assess a threat to critical infrastructure for purposes of making a designation pursuant to this section.

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

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