

ALERTS

South Carolina Legislative Update - June 9, 2015

June 9, 2015

The General Assembly finished the 1st Regular session of the 121st Session last Thursday, but will return the week of June 16 to take up gubernatorial vetoes, conference reports, and any of the appropriations bills related to the next fiscal year beginning on July 1, 2015. It is anticipated they may need to return for a few additional weeks to finish the budget process and any gubernatorial vetoes. The Budget Conference Committee met yesterday, but recessed to allow more time for the conferees to work out differences, especially the differences between the House and Senate plans on road funding. As a contingency, the House in the final weeks of session passed a continuing resolution funding state government at last year's levels if the 2015-2016 general appropriations bill was not adopted by July 1, 2015, so the Senate Finance Committee is scheduled to debate the continuing resolution tomorrow. In addition to the budget bill, the following bills are currently before conference committees: 1) booking/arrest records publishing and 30 day notice to remove if charges are discharged or found not guilty; 2) SC Pain-Capable Unborn Child Protection Act; 3) Regulation of "Transportation Network Companies" or the "Uber" bill; and 4) The restructuring of the elements of the degrees of arson. Furthermore, the General Assembly sent Governor Haley thirty-five pieces of legislation last week. The Governor has signed nineteen of the bills and is still considering the other sixteen, which include body-cameras for law enforcement, human trafficking, tax penalty amnesty program, corporate officers and unemployment benefits, and the Trespasser Responsibility Act.

Introductions

To view this week's introductions in the Senate, please [click here](#), and [here](#) for the House.

In The News

SC budget not likely by July 1

S.C. legislators will not pass a state budget by July 1. Instead, legislators hope to pass a continuing resolution to keep state government running and spending at current levels until they can agree on how spend roughly \$7 billion in taxpayer money in the fiscal year that starts July 1. A conference committee of House and Senate members met Monday morning to try to hammer out a compromise on differing versions of the general fund budget passed by the House and Senate. The largest sticking point is how to spend an additional \$322 million in state surplus money added to that budget last month. After legislation to increase the state's gas tax to raise money for roads died in the state Senate last week, many lawmakers want that surplus money used to pay for road repairs. Senate Majority Leader Harvey Peeler, R-Cherokee, said the new budget must include a minimum of \$300 million to pay for road-repairs. Neither the House nor the Senate budget proposals include anywhere near that amount. The Senate's budget proposal would send roughly \$120 million in surplus money to counties to repair state roads. The House's proposal suggests sending roughly \$150 million to counties for roads. Fearful of a budget stalemate, the House already has passed a continuing resolution for spending.

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Senate Finance Committee chairman Hugh Leatherman, R-Florence, said he would call a meeting later this week of that panel to pass a continuing resolution governing spending that the full Senate can consider next week. The regular legislative session ended last Thursday. Legislators already were planning on returning to Columbia at least twice this summer—to pass a budget and consider any vetoes by Gov. Nikki Haley. But the budget impasse sets the stage for legislators to have to be in Columbia much longer.

Bonuses, road money? Check back after July 1

South Carolina employees who make less than \$100,000 will have to wait to find out if they will get an \$800 bonus. Legislators gave up Monday on passing a budget in time for the start of the state's July 1 fiscal year. Instead, they will opt for passing a continuing resolution to keep state government running and spending at current levels.

Also in flux:

- How much the state will spend next year to repair its crumbling roads and bridges. Senator Majority Leader Harvey Peeler, R-Cherokee, said Monday the roads spending needs to be at least \$300 million.
- Whether the state's embattled Social Services agency will get 262 new workers, including child caseworkers and assistants. Those new hires have been approved by the state Senate but not the S.C. House.
- How to spend \$85 million from a state savings account, filibustered the last three weeks of the Senate's session by Sen. Tom Davis, R-Beaufort.

A conference committee of six House and Senate members met Monday to try to work out a compromise on the differing versions of the roughly \$7 billion general fund budget passed by the House and Senate. But, saying too many moving parts are in the air, the committee adjourned. It now will wait until the House and Senate have resolved all budget-related proposals until meeting again. The biggest issue is the surplus money. While many lawmakers want that money used to pay for road repairs, the House and Senate do not agree on how much to spend or for what roads. The Senate's budget proposal would send roughly \$120 million in surplus money to counties to repair local roads. The House's proposal would send roughly \$150 million to counties to repair state roads. Peeler wants at least \$300 million. Fearful of a budget stalemate, the House already has passed a continuing resolution to keep state spending at current levels until a budget can be passed. Senate President Pro Tempore Hugh Leatherman, R-Florence, said the Senate Finance Committee will pass a continuing resolution Wednesday. The full Senate will consider that resolution next week, when legislators return to Columbia.

The regular legislative session ended last Thursday. Legislators already were planning on returning to Columbia at least twice this summer—to pass a budget and consider any vetoes by Gov. Nikki Haley. But the budget impasse sets the stage for legislators to have to be in Columbia much longer. Haley's office did not comment Monday on lawmakers' delay in acting on the state budget. House members and senators pointed fingers at each other Monday over the budget impasse. Senators criticized the House for not passing a proposal on what to do with the surplus money, which was not certified until after the House had passed its amended version of the budget. House Ways and Means Committee Chairman Brian White, R-Anderson, defended that decision. "We don't do wish-list spending." House members blamed senators for not passing proposals on how to spend the savings account money or pay for road repairs. "The recurring theme this year

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is: It's all in the Senate," White said. White, who has been a lawmaker for 16 years, said he only could remember one other year - 2012 - when legislators failed to pass a budget by the July 1 deadline. That year, a continuing resolution was passed to keep state government operating after lawmakers did not agree on a tax cut for small business owners until just before July 1.

WHAT'S NEXT

Lawmakers have to resolve several issues before agreeing to a compromise on the state's budget.

- **Passing a continuing resolution.** The Senate Finance Committee will meet Wednesday to pass a House-passed continuing resolution to fund state government operations at current levels after July 1, when the state's new fiscal year begins. The full Senate will consider that proposal when lawmakers return to Columbia next Tuesday.
- **Spending surplus money.** The S.C. House will take up a plan on how to use a \$300 million-plus state surplus when lawmakers return to Columbia Tuesday, including sending \$70 million to the state Commerce Department to pay for incentives used to land Volvo's Lowcountry auto plant. Once the House passes a plan, it will go to the Senate.
- **Spending savings account money.** A proposal that spends \$85 million from a savings account was filibustered in the Senate by Sen. Tom Davis, R-Beaufort, to prevent senators from getting to a proposal to increase the state's gas tax. After succeeding in killing the gas tax proposal for this year, Davis said last week he no longer plans to block the savings account spending. Senators expect to take up that plan when they return Tuesday.
- **Working out the differences.** The six-member budget conference committee, which met Monday, likely will resume meeting once the other issues have been resolved, likely after July 1.

Jeb Bush heading to SC on heels of official announcement

Soon-to-be presidential candidate Jeb Bush is visiting South Carolina on the heels of his official announcement. The campaign says Thursday that the former Florida governor will make a stop at the Charleston Maritime Center on June 18. Several senior aides confirmed Thursday that Bush would formally announce his decision to run on June 15 in Miami. After that announcement, the campaign says the 62-year-old Bush will travel to early voting states including Iowa, South Carolina and Nevada. Bush has been raising millions of dollars for a separate political group that's expected to support his candidacy.

Meeting Schedule

Tuesday, June 9

No Meetings Scheduled.

Wednesday, June 10

- **11:00 am** -- Gressette Room 105 -- Finance Committee on H.4266

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1. H. 4266 - Continuing Resolution

Thursday, June 11

- Blatt Rooms 108, 110, 112 -- South Carolina State Grand Jury

Friday, June 12

No Meetings Scheduled.