

ALERTS

South Carolina Legislative Update - March 9, 2015

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The General Assembly was extremely busy this week. The House adopted a comprehensive ethics reform bill similar to the individual bills already sent to the Senate, legislation authorizing a veterans' services study committee and legislation regarding infant safe havens. The Senate confirmed Rick Reames as the director of the Department of Revenue and Marcia Adams as the director of Department of Administration. In addition, the Senate approved the following: a joint resolution regarding the removal of the current Board of Trustees for South Carolina State University; legislation establishing the Intrastate Vision Waiver Program; and clarification of contract terms between a joint power and energy authority and municipalities.

Introductions

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

In The News

Auto industry expansion across South Carolina causing economic tidal wave

Friday's announcement that Mercedes-Benz's parent company will pump a half-billion dollars into a new Lowcountry van-making plant - coupled with the prospect of a huge Volvo factory in the vicinity - will send an economic tsunami across the entire state, experts say. There are 401 companies in South Carolina that produce automotive parts, according to the S.C. Department of Commerce. That's up from 305 in 2008. And each could profit from new automakers. Automaker suppliers are in 37 of the state's 46 counties and make just about everything that goes into an automobile: seats, radiators, windshields, hydraulics, tires, plastics, cables, fuel tanks, fuel systems, brakes, transmissions, glass, aluminum, steel, carpet, windshield wipers and dozens of other components. The BMW X6 alone contains about 76,000 parts - each of which needs a supplier, said Lewis Gossette, executive director of the S.C. Manufacturers Alliance. Read more [here](#).

Volvo speeding toward SC, lawmakers say

Volvo soon could drive into South Carolina with a manufacturing plant, likely in the Charleston area, four state legislators told The State on Wednesday. South Carolina is a finalist for a Volvo plant, which would join BMW as a major automaker in the Palmetto State, the lawmakers said. North Carolina and Kentucky also are pursuing the Swedish carmaker's plant, according to media reports. Gov. Nikki Haley returned Wednesday from a four-day economic-development trip to an undisclosed location with state Commerce Secretary Bobby Hitt.

Schools, education winners in proposed SC borrowing

After cutting spending during the Great Recession, S.C. House budget writers say it is time for the state to borrow again for colleges and job training, overdue maintenance and to lay the groundwork for more economic development. The state Senate's top leader said Friday that he is inclined to agree. Republican Gov.

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Nikki Haley is reserving judgment for now, her spokeswoman said Friday. The House Ways and Means Committee voted late Thursday to borrow nearly \$500 million for the projects, the first major state bond issue for buildings and infrastructure in 15 years. Read more [here](#).

Jenny Sanford applies for DHEC director post

Former S.C. First Lady Jenny Sanford has applied for the vacant job as director of the state Department of Health and Environmental Control. Sanford said she is looking to get back into the workforce, adding the DHEC post was a logical position to seek. Sanford said she sent a resume to the state's health-and-environment agency within the past week. She said she has not heard back from the agency. Sanford is also a longtime supporter of Gov. Nikki Haley. Another longtime Haley supporter, Eleanor Kitzman, recently withdrew from consideration for the DHEC job, which pays about \$150,000 a year, after a Senate screening committee questioned her lack of qualifications and her ties to the governor. Read more [here](#).

Tax plan would raise \$2 billion for schools and roads

Two state representatives – one a Republican, one a Democrat – unveiled a proposal Tuesday that they say could be part of the solution to making South Carolina schools more equal and repairing the state's roads. State Reps. Jenny Horne, R-Dorchester, and Mia McLeod, D-Richland, are proposing to raise roughly \$2 billion for roads and schools by taxing [items currently exempt from the state's 6 percent sales tax](#). The proposal could cost S.C. residents \$721.8 million a year more at the gas pump and another \$448.8 million more on their prescriptions, according to estimates. Read more [here](#).

State sending some tax refunds by mail to deter fraud

The state tax refund you are expecting to be deposited electronically may arrive in your mailbox instead, the result of escalating fraudulent tax returns in South Carolina and a dramatic increase in tax fraud in states nationwide. South Carolina tax officials disclosed Monday they are sending out an undisclosed number of paper refund checks, even if taxpayers requested direct deposit, because of rising fraud nationally with state returns and also because of potentially fraudulent returns in South Carolina they would not detail but which they say are more than double what they were last year at this time. Read more [here](#).

Senate confirms 4 cabinet directors

The state Senate unanimously confirmed four state cabinet directors Thursday, including the first head of a new state agency. Budget and Control Board director Marcia Adams was confirmed to run that agency's successor, the Department of Administration. The new agency starts July 1. Also winning confirmation were: Sylvia Murray, Department of Juvenile Justice; Rick Reames, Department of Revenue; and Christian Soura, Department of Health and Human Services. All four directors won confirmation by a 33-0 vote. Read more [here](#).

SC Gov. Nikki Haley on economic trip to undisclosed location

Gov. Nikki Haley left Sunday for an undisclosed location on an economic development trip, her office said. S. C. Department of Commerce Secretary Bobby Hitt joined her on the trip that lasts through Wednesday, the governor's office said. A flight manifest with the S.C. Aeronautics Commission shows Hitt flying on a state plane to Washington Dulles International Airport on Sunday afternoon with three "confidential" passengers. Haley's office would disclose neither the location nor the industrial prospect. Top state lawmakers said they had no knowledge about the governor's trip. But recent speculation about big projects has centered on plant

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sites for two auto manufacturers. Volvo is looking at the Southeast and made inquiries with several state legislatures about economic development incentive packages, including South Carolina, according to a Financial Times report. South Carolina also is in the mix for a Jaguar Land Rover plant, according to several automotive trade websites. Volvo declined comment Monday and Jaguar Land Rover said it is exploring many options. Haley is traveling with other Commerce officials, a member of the governor's staff and a security detail, her office said. "Due to the competitive nature of economic development, ongoing projects are confidential," Haley spokesman Rob Godfrey said. "But we will release details of the governor's trip, including the costs of travel, as soon as we are able to." N.C. Gov. Pat McCrory made an economic development trip to the United Kingdom in January. The Geneva Auto Show starts in Switzerland this week. Read more [here](#).

More than 100,000 in SC could lose health insurance if Supreme Court rules against subsidies

Tim Liszewski didn't have health insurance for a decade before signing up for a subsidized policy through the Affordable Care Act's federal marketplace last year. He likely will be uninsured again if the U.S. Supreme Court rules federal subsidies are illegal in states such as South Carolina that didn't create their own insurance exchanges. The court hears arguments about that issue in the King v. Burwell case on Wednesday, with a decision likely coming in June. The case against subsidies is simple - based on a few words in the massive legislation that set up the Affordable Care Act - and complicated enough to undermine the entire health care law. In the short term, a ruling would affect only one aspect of the law - the subsidies given to people who pay for federal marketplace policies in 34 states without their own exchanges. That's a lot of people, maybe as many as 8 million. In South Carolina, nearly 154,000 people selected policies in the federal marketplace enrollment period that ended Feb. 15. About 90 percent had income low enough to qualify for a subsidy. Taking into account a 20 percent dropout rate, Read more [here](#).

President Obama shares vision of US future at Benedict meeting with youth leaders

President Barack Obama will hold a town-hall meeting Friday with Benedict College students and Columbia-area youth leaders about the importance of community involvement, the White House said Thursday. The discussion comes on the eve of the 50th anniversary of the Selma voting-rights marches. During his first visit to South Carolina since being elected president in 2008, Obama will spend an hour taking questions from a group of a few hundred members of youth community groups, including City Year and Youthbuild, said Cecilia Munoz, director of the White House's domestic policy council. "You'll hear him talk about the importance of engaging in your community and being a part of the effort to make sure that we are lifting everybody up," Munoz said, describing the town-hall format as "a conversation." Read more [here](#).

Links possible between 2012 hacking, tax fraud

Some cyber security experts believe much of the tax fraud hitting states, including South Carolina, is the result of the theft of personal information through hacking. And two experts told *The Greenville News* that it is possible the massive hacking of South Carolina's tax agency 2¹/₂ years ago may be playing some role in the spike in potentially fraudulent returns that caused the state last week to switch to paper checks for state tax refunds. South Carolina tax officials [announced Monday](#) they are sending out an undisclosed number of paper refund checks, even if taxpayers requested direct deposit, because of rising fraud nationally with state returns. Another reason, they said, is because of potentially fraudulent returns in South Carolina they would not detail but said are more than double what they were at this time last year. Read more [here](#).

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Winthrop Poll: Most in SC want minimum wage raised

Columbia's Tamarria Mitchell worked for a year in a fast-food job, earning the minimum wage of \$7.25 an hour and never getting a raise. She enjoyed helping customers, but the pay barely was enough to cover rent and daily cab fare to and from work, leaving little for other expenses, she said. "You barely have enough to pay for your food," Mitchell said. "You really have nothing." Now in a better-paying job as an assistant in a downtown homeless shelter, Mitchell says S.C. lawmakers should pass a law raising the state's minimum wage above the federal rate. Two-thirds of South Carolinians agree, according to a new Winthrop Poll.

Nuclear waste, arsenic at SC coal plant raise concern

Just a few hundred yards from Lake Robinson lies an old waste pond that, until this year, was among the least of Duke Energy's worries in the Carolinas. The pond had virtually dried up and, as coal ash basins go, didn't appear to present the same threat to groundwater, rivers or lakes that other ash basins do, environmentalists say. But documents that have surfaced recently show the unlined 55-acre basin has leaked arsenic - and it has the unusual legacy of being a dump site for low-level nuclear waste. Both findings are producing new questions about how to cleanse the mess at Duke Energy's H.B. Robinson power station. Pollution test results from last year show that the Hartsville plant's coal waste pond has released higher levels of arsenic into groundwater than state regulators ever had recorded there. In some cases, the arsenic levels rival those at other power plant sites in South Carolina that already are undergoing cleanup. Read more [here](#).

Meeting Schedule

Monday, March 9

- 10:30 am -- Blatt Room 433 -- Education Oversight Committee
- 11:00 am -- Blatt Room 305 -- Minority Caucus
- 11:30 am -- Blatt Room 112 -- Majority Caucus
- 1:00 pm -- State House, House Chamber -- House of Representatives
- 1:00 pm -- State House, House Chamber -- House of Representatives
- 1:00 pm -- Blatt Room 433 -- Education Oversight Committee

Tuesday, March 10

- 10:00 am -- Gressette Room 408 -- Agency Head Salary Commission
- 12:00 pm -- State House, Senate Chamber -- Senate
- Upon recess of the House -- Blatt Room 112 -- Majority Caucus
- Upon recess of the House -- Blatt Room 305 -- Minority Caucus
- 3:00 pm -- Gressette Room 105 -- Judiciary Committee

I. H. 3722 - State Ethics Commission

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II. S. 255 - Destruction of Booking and Arrest Records

III. S. 374 - Nonjudicial Candidates

IV. S. 436 - Election of Judges

V. S. 156 - Election Commission

VI. S. 216 - County Boards Registration

- **3:00 pm** -- Gressette Room 308 -- Finance Committee on S.212, S.381, S.444 and S.453

I. S.212 - Property Tax Assessment of Boats

II. S. 381 - Termination - Retirement Service Purchase

III. S. 444 - Jobs Tax Credits

IV. S. 453 - \$5 Criminal Surcharge - Criminal Justice Academy

- **Upon adjournment of the Finance Committee** -- Gressette Room 407 -- Finance Higher Education Subcommittee Budget Hearings

I. Coastal Carolina

II. Clemson University

III. College of Charleston

- **Upon adjournment of the Finance Committee** -- Gressette Room 207 -- Finance Property Taxation Subcommittee

I. S. 460 - Electronic Tax Bills

- **Upon adjournment of the Finance Committee** -- Gressette Room 308 -- Finance Transportation Funding Special Subcommittee

I. S. 2 - Interstate Lane Expansion Fund

II. S. 23 - Motor Fuel User Fees

III. S. 27 - Tax Rates for Individuals

IV. S. 142 - Highway Fund

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V. S. 244 - Local Option Motor Fuel User Fee Act

VI. S. 406 - Motor Fuels

Wednesday, March 11

- **9:00 am** -- Gressette Room 209 -- Transportation Subcommittee on S.409

I. S. 409 - SC Transportation Companies Act

- **9:00 am** -- Gressette Room 207 -- Finance Health and Human Services Subcommittee Budget Hearings

I. MUSC Hospital Authority

II. Department of Disabilities & Special Needs

- **9:00 am** -- Gressette Room 308 -- Judiciary Subcommittee on S.29, S.30, S.31 and S.198

I. S. 29 - Amendments to the US Constitution

II. S. 30 - Amendments to the US Constitution

III. S. 31 - Amendments to the US Constitution

IV. S. 198 - Convention of the State

- **9:00 am** -- Gressette Room 407 -- Judiciary Subcommittee on S.47

I. S. 47 - Body - Worn Cameras by Law Enforcement Officers

- **9:00 am** -- Blatt Room 321 -- Leadership Greer

- **9:30 am** -- Blatt Room 108 -- Legislative Group (Rep. Russell Ott)

- **10:00 am** -- Blatt Room 501 -- Procurement Review Panel Appeal Hearings

- **10:00 am** -- Gressette Room 105 -- Education Committee

I. S.391 - In-state Tuition Rates for Military Personnel

II. S.320 - Comprehensive Health Education Programs

III. S.437 - James B. Edwards Civics Education Initiative

- **10:00 am** -- Gressette Room 408 -- Finance Constitutional Subcommittee Budget Hearing

I. Curtis M. Loftis, Jr., Treasurer of the State of South Carolina

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II. MG Robert Livingston, Adjutant General of the State of South Carolina

III. Ethics Commission, Herbert R. Hayden, Jr., Executive Director

IV. Elections Commission, Marci Andino, Executive Director

- **10:30 am** -- Gressette Room 207 -- General Committee

- **11:00 am** -- Gressette Room 407 -- Judiciary Subcommittee on S.237

I. S. 237 - Study Commission on the Expungement of Criminal Records

- **11:00 am** -- Gressette Room 307 -- Judiciary Subcommittee on S.165

I. S. 165 - Administrative Law Clerk

- **11:00 am** -- Gressette Room 209 -- L.C.I. Professions and Occupations Subcommittee

I. S.296 - Mopeds on Road

II. S. 273 - Elizabeth Trull

- **11:00 am** -- Gressette Room 308 -- Banking and Insurance Subcommittee Public Hearing on S.217, S.219 and S.287

I. S. 217 - Deferred Presentment Transaction

II. S. 219 - Short Term Vehicle Secured Loans

III. S. 287 - SC Consumer Protection Code

- **3:00 pm** -- State House, 3rd Floor Conference Room -- Finance Sales and Income Taxation Subcommittee

I. S. 170 - Internet Sales Tax

Thursday, March 12

- **9:00 am** -- Gressette Room 207 -- Judiciary Subcommittee on S.16

I. S. 16 - Workers Compensation Exemptions

- **9:00 am** -- Gressette Room 105 -- Judiciary Subcommittee on S.13 and S.18

I. S. 13 - S.C. Common Interest Community Association Act

II. S. 18 - S.C. Homeowners Protection Act

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- 9:00 am -- Gressette Room 308 -- Labor, Commerce and Industry Committee
- 9:30 am -- Gressette Room 307 -- K-12 Education Subcommittee
- 9:30 am -- Gressette Room 209 -- Agriculture and Natural Resources Committee

I. S. 284 - Federal Good Manufacturing Practices Regulations

II. H. 3323 - SC Noxious Weed Act

- **Upon adjournment of the Senate** -- Gressette Room 105 -- Finance Special Subcommittee to Review the Investment of State Retirement Funds

Friday, March 13

No Meetings Scheduled.