**Thursday, June 2, 2011**

**(Statewide Session)**

~~Indicates Matter Stricken~~

## Indicates New Matter

The Senate assembled at 10:00 A.M., the hour to which it stood adjourned, and was called to order by the PRESIDENT.

A quorum being present, the proceedings were opened with a devotion by the Chaplain as follows:

Close to the end of the book of Exodus we read that Moses:

“... set up the court around the tabernacle and the altar, and put up the screen at the gate of the court. So Moses finished the work.”

(Exodus 40:33)

Please, bow in prayer with me:

Holy God, we recognize that we have reached something of a milestone today, this last day of this 1st regular session of the 119th South Carolina General Assembly. And even though we might envy Moses and his completion of significant tasks, the work of this Senate is not finished. Much remains to be done. Still, we are humbled and grateful for what these Senators and their staff members have accomplished, and we trust that You will guide and bless these servants now as they catch their breath, only to return soon to work further for the good of the people of this State. Bless our women and men in uniform wherever they serve. And may all of us honor You, dear God, by the work we do. In Your name we pray, holy Lord.

Amen.

The PRESIDENT called for Petitions, Memorials, Presentments of Grand Juries and such like papers.

**Doctor of the Day**

Senator LOURIE introduced Dr. Patricia Witherspoon of Columbia, S.C., Doctor of the Day, along with second year resident, Trinidad Osselyn.

**Leave of Absence**

At 10:30 A.M., Senator CROMER requested a leave of absence beginning at 12:00 P.M. and lasting until 3:00 P.M. today.

**Leave of Absence**

At 10:30 A.M., Senator CROMER requested a leave of absence from June 13 - 22, 2011.

**INTRODUCTION OF BILLS AND RESOLUTIONS**

The following were introduced:

S. 951 -- Senators Lourie, Alexander, Anderson, Bright, Bryant, Campbell, Campsen, Cleary, Coleman, Courson, Cromer, Davis, Elliott, Fair, Ford, Grooms, Hayes, Hutto, Jackson, Knotts, Land, Leatherman, Leventis, Malloy, L. Martin, S. Martin, Massey, Matthews, McConnell, McGill, Nicholson, O'Dell, Peeler, Pinckney, Rankin, Reese, Rose, Ryberg, Scott, Setzler, Sheheen, Shoopman, Thomas, Verdin and Williams: A CONCURRENT RESOLUTION TO RECOGNIZE AND HONOR TEAM IN TRAINING, THE LEUKEMIA & LYMPHOMA SOCIETY’S ENDURANCE SPORTS TRAINING PROGRAM AND TO RECOGNIZE THE TREMENDOUS IMPACT THIS PREMIER SPORTS ENDURANCE TRAINING PROGRAM HAS IN THE FIGHT AGAINST LEUKEMIA AND LYMPHOMA.

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The Concurrent Resolution was adopted, ordered sent to the House.

S. 952 -- Senator Fair: A BILL TO AMEND THE CODE OF LAWS OF SOUTH CAROLINA, 1976, TO ENACT THE “TOURISM DEVELOPMENT ACT”, BY ADDING SECTION 6-1-525 SO AS TO PROVIDE THAT THE GOVERNING BODIES OF COUNTIES IN WHICH AN INTERNATIONAL AIRPORT IS LOCATED AND WHICH COLLECT ABOVE A CERTAIN AMOUNT OF ACCOMMODATIONS TAX REVENUE, BY A POSITIVE MAJORITY VOTE, MAY IMPOSE BY ORDINANCE AN ADDITIONAL LOCAL ACCOMMODATIONS MARKETING FEE NOT TO EXCEED TWO PERCENT IN ONE PERCENT INCREMENTS IN THE UNINCORPORATED AREAS OF THOSE COUNTIES, TO PROVIDE LIMITATIONS ON THE TOTAL AMOUNT OF STATE AND LOCAL SALES AND USE TAXES AND ACCOMMODATIONS TAXES THAT MAY BE IMPOSED IN THESE JURISDICTIONS, AND TO PROVIDE THE REVENUE MUST BE USED EXCLUSIVELY FOR TOURISM MARKETING COMMUNICATIONS DIRECTED AT NON-SOUTH CAROLINA RESIDENTS.

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Read the first time and referred to the Committee on Finance.

S. 953 -- Senators Lourie, McConnell, Thomas, Elliott, McGill, Jackson, Williams, Scott, Hutto, Gregory, Fair and Hayes: A BILL TO AMEND SECTION 12-21-625, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO A SURTAX ON CIGARETTES, INCLUDING THE DEFINITION OF “CIGARETTE”, SO AS TO REVISE THE WEIGHT LIMITATION ON CIGARETTES FROM THREE POUNDS OR LESS PER ONE THOUSAND CIGARETTES TO FOUR AND ONE-HALF POUNDS OR LESS PER ONE THOUSAND CIGARETTES AND TO EXEMPT THOSE WRAPPED TOTALLY IN TOBACCO LEAF WITH NO FILTER; TO ALSO DEFINE “CIGARETTE” TO INCLUDE 0.325 OUNCES OF TOBACCO LIKELY INTENDED TO BE PURCHASED TO ROLL YOUR OWN CIGARETTES; AND TO REQUIRE THE DIRECTOR OF THE DEPARTMENT OF REVENUE TO DETERMINE IF THERE ARE BARRIERS TO THE ENFORCEMENT OR COLLECTION OF CIGARETTE TAXES, TO MAKE RECOMMENDATIONS TO REMOVE THESE BARRIERS, AND TO REPORT THEIR FINDINGS TO THE GENERAL ASSEMBLY.

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Read the first time and referred to the Committee on Finance.

S. 954 -- Senators S. Martin, Rose, Cleary, Bright, Lourie, Campsen, Courson, Malloy, Bryant, Fair, Nicholson, Land, Peeler, Sheheen, Anderson, Verdin, Hayes, Davis, Massey, Shoopman, Gregory and Thomas: A BILL TO AMEND CHAPTER 2, TITLE 12 OF THE 1976 CODE, BY ADDING SECTION 12-2-110 TO PROVIDE THAT LEGISLATION PROVIDING TAX INCENTIVES OR SUBSIDIES MAY NOT RECEIVE SECOND READING IN EITHER HOUSE WITHOUT AN ECONOMIC ANALYSIS REPORT BY THE DEPARTMENT OF COMMERCE AND TO DETAIL THE REQUIREMENTS OF THE REPORT.

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Read the first time and referred to the Committee on Finance.

S. 955 -- Senator Bryant: A BILL TO AMEND SECTION 40-28-80 OF THE 1976 CODE, RELATING TO LICENSE FEES CHARGED BY THE DEPARTMENT OF LABOR, LICENSING AND REGULATION TO LANDSCAPE ARCHITECTS, TO ADD A REINSTATEMENT FEE.

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Read the first time and referred to the Committee on Labor, Commerce and Industry.

S. 956 -- Senator Land: A SENATE RESOLUTION TO THANK ELIZABETH ASHE RUMPH FOR HER DISTINGUISHED AND EXMEPLARY SERVICE TO THE PEOPLE OF SOUTH CAROLINA AND TO WISH HER WELL IN ALL HER FUTURE ENDEAVORS.

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The Senate Resolution was adopted.

H. 4346 -- Reps. Huggins, Agnew, Alexander, Allen, Allison, Anderson, Anthony, Atwater, Bales, Ballentine, Bannister, Barfield, Battle, Bedingfield, Bikas, Bingham, Bowen, Bowers, Brady, Branham, Brannon, Brantley, G. A. Brown, H. B. Brown, R. L. Brown, Butler Garrick, Chumley, Clemmons, Clyburn, Cobb-Hunter, Cole, Cooper, Corbin, Crawford, Crosby, Daning, Delleney, Dillard, Edge, Erickson, Forrester, Frye, Funderburk, Gambrell, Gilliard, Govan, Hamilton, Hardwick, Harrell, Harrison, Hart, Hayes, Hearn, Henderson, Herbkersman, Hiott, Hixon, Hodges, Horne, Hosey, Howard, Jefferson, Johnson, King, Knight, Limehouse, Loftis, Long, Lowe, Lucas, Mack, McCoy, McEachern, McLeod, Merrill, Mitchell, D. C. Moss, V. S. Moss, Munnerlyn, Murphy, Nanney, J. H. Neal, J. M. Neal, Neilson, Norman, Ott, Owens, Parker, Parks, Patrick, Pinson, Pitts, Pope, Quinn, Rutherford, Ryan, Sabb, Sandifer, Sellers, Simrill, Skelton, G. M. Smith, G. R. Smith, J. E. Smith, J. R. Smith, Sottile, Spires, Stavrinakis, Stringer, Tallon, Taylor, Thayer, Toole, Tribble, Vick, Viers, Weeks, Whipper, White, Whitmire, Williams, Willis and Young: A CONCURRENT RESOLUTION TO DECLARE THAT THE WINNER OF THE YEARLONG MASTER BARBEQUE AWARD CONTEST, AS DIRECTED BY THE SOUTH CAROLINA BARBEQUE ASSOCIATION, WILL BE DECLARED THE SOUTH CAROLINA STATE CHAMPION BARBEQUE TEAM.

The Concurrent Resolution was adopted, ordered returned to the House.

**REPORTS OF STANDING COMMITTEES**

**Appointment Reported**

Senator GROOMS from the Committee on Transportation submitted a favorable report on:

**Statewide Appointment**

Initial Appointment, South Carolina State Ports Authority, with the term to commence February 13, 2010, and to expire February 13, 2015

At-Large:

Willie Edison Jeffries, 85 Nance Drive, Elloree, SC 29047 *VICE* Douglas Robertson

Received as information.

**Message from the House**

Columbia, S.C., June 2, 2011

Mr. President and Senators:

The House respectfully informs your Honorable Body that it insists upon the amendments proposed by the House to:

H. 3295 -- Rep. Herbkersman: A BILL TO AMEND SECTION 61‑6‑1820, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO THE CRITERIA FOR A NONPROFIT ORGANIZATION TO OBTAIN A LICENSE TO SELL ALCOHOLIC LIQUORS BY THE DRINK, SO AS TO PROVIDE THAT UNDER CERTAIN CONDITIONS A HOMEOWNERS ASSOCIATION, CHARTERED AS A NONPROFIT ORGANIZATION BY THE SECRETARY OF STATE, WHOSE MEMBERSHIP IS LIMITED TO INDIVIDUALS WHO OWN PROPERTY IN THE RESIDENTIAL COMMUNITY AND WHOSE AFFAIRS ARE GOVERNED BY A BOARD OF DIRECTORS ELECTED BY THE MEMBERSHIP, IS ALSO ELIGIBLE FOR SUCH A LICENSE.

asks for a Committee of Conference, and has appointed Reps. Tallon, Herbkersman and Merrill to the committee on the part of the House.

Very respectfully,

Speaker of the House

Received as information.

**H. 3295--CONFERENCE COMMITTEE APPOINTED**

H. 3295 -- Rep. Herbkersman: A BILL TO AMEND SECTION 61‑6‑1820, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO THE CRITERIA FOR A NONPROFIT ORGANIZATION TO OBTAIN A LICENSE TO SELL ALCOHOLIC LIQUORS BY THE DRINK, SO AS TO PROVIDE THAT UNDER CERTAIN CONDITIONS A HOMEOWNERS ASSOCIATION, CHARTERED AS A NONPROFIT ORGANIZATION BY THE SECRETARY OF STATE, WHOSE MEMBERSHIP IS LIMITED TO INDIVIDUALS WHO OWN PROPERTY IN THE RESIDENTIAL COMMUNITY AND WHOSE AFFAIRS ARE GOVERNED BY A BOARD OF DIRECTORS ELECTED BY THE MEMBERSHIP, IS ALSO ELIGIBLE FOR SUCH A LICENSE.

Whereupon, Senators HUTTO, CAMPBELL and DAVIS were appointed to the Committee of Conference on the part of the Senate and a message was sent to the House accordingly.

**Message from the House**

Columbia, S.C., June 1, 2011

Mr. President and Senators:

The House respectfully informs your Honorable Body that it concurs in the amendments proposed by the Senate to:

S. 588 -- Senators Jackson, Hayes, O’Dell, Rose, Ford and Knotts: A BILL TO AMEND THE CODE OF LAWS OF SOUTH CAROLINA, 1976, BY ENACTING THE “STROKE PREVENTION ACT OF 2011” BY ADDING ARTICLE 6 TO CHAPTER 61, TITLE 44 SO AS TO ESTABLISH A STATEWIDE SYSTEM OF STROKE CARE, WHICH REQUIRES THE DEPARTMENT OF HEALTH AND ENVIRONMENTAL CONTROL TO RECOGNIZE AND DESIGNATE HOSPITALS THAT ARE CERTIFIED TO BE PRIMARY STROKE CENTERS AND ACUTE STROKE CAPABLE CENTERS, TO DISTRIBUTE A LIST OF PRIMARY STROKE CENTERS AND ACUTE STROKE CAPABLE CENTERS TO EACH EMERGENCY MEDICAL SERVICES PROVIDER AND TO POST THIS LIST ON ITS WEBSITE, TO ADOPT AND DISTRIBUTE A NATIONALLY STANDARDIZED STROKE‑TRIAGE ASSESSMENT TOOL TO EACH EMERGENCY MEDICAL SERVICES PROVIDER, TO ESTABLISH PRE‑HOSPITAL CARE PROTOCOLS FOR THE CARE AND TRANSPORT OF STROKE PATIENTS BY EMERGENCY MEDICAL SERVICE PROVIDERS, TO ESTABLISH A STROKE REGISTRY TASK FORCE TO ANALYZE AND IMPROVE STROKE CARE IN THIS STATE, AND TO ENSURE CONFIDENTIALITY IN SHARING HEALTH CARE INFORMATION; AND TO PROVIDE THAT THE DEPARTMENT’S RESPONSIBILITIES PURSUANT TO THIS ARTICLE ARE CONTINGENT UPON ADEQUATE FUNDING.

and has ordered the Bill enrolled for Ratification.

Very respectfully,

Speaker of the House

Received as information.

**Message from the House**

Columbia, S.C., June 1, 2011

Mr. President and Senators:

The House respectfully informs your Honorable Body that it concurs in the amendments proposed by the Senate to:

H. 3748 -- Reps. Owens, Bowen, Erickson, Daning, Whitmire, Spires, McCoy, Loftis, Gambrell, Lucas, Skelton, Bingham, Thayer, Hardwick, Harrell, Crosby, Battle, Sottile, Patrick, Clemmons, Cole, Forrester, Hamilton, Henderson, Hixon, Huggins, Murphy, J.M. Neal, Pinson, Pope, G.R. Smith, Stringer, Tallon, White, Willis and Taylor: A BILL TO AMEND SECTION 59‑59‑30, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO THE IMPLEMENTATION OF THE EDUCATION AND ECONOMIC DEVELOPMENT ACT, SO AS TO EXTEND THE DATE BY WHICH THE ACT MUST BE IMPLEMENTED FULLY.

and has ordered the Bill enrolled for Ratification.

Very respectfully,

Speaker of the House

Received as information.

**Message from the House**

Columbia, S.C., June 1, 2011

Mr. President and Senators:

The House respectfully informs your Honorable Body that it concurs in the amendments proposed by the Senate to:

H. 4119 -- Rep. G.A. Brown: A BILL TO AMEND SECTION 39‑5‑38, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO DECEPTIVE OR MISLEADING ADVERTISEMENT OF A LIVE MUSICAL PERFORMANCE, SO AS TO DEFINE A SOUND RECORDING, AND TO PROVIDE CERTAIN EXEMPTIONS, REMEDIES, AND A FINE.

and has ordered the Bill enrolled for Ratification.

Very respectfully,

Speaker of the House

Received as information.

**Message from the House**

Columbia, S.C., June 1, 2011

Mr. President and Senators:

The House respectfully informs your Honorable Body that it concurs in the amendments proposed by the Senate to:

H. 4195 -- Rep. Harrell: A CONCURRENT RESOLUTION TO PROVIDE THAT PURSUANT TO SECTION 9, ARTICLE III, OF THE CONSTITUTION OF THIS STATE, 1895, AND SECTION 2‑1‑180 OF THE 1976 CODE, WHEN THE RESPECTIVE HOUSES OF THE GENERAL ASSEMBLY ADJOURN ON THURSDAY, JUNE 2, 2011, NOT LATER THAN 5:00 P.M., OR ANYTIME EARLIER, EACH HOUSE SHALL STAND ADJOURNED TO MEET IN STATEWIDE SESSION AT NOON ON TUESDAY, JUNE 14, 2011, AND CONTINUE IN STATEWIDE SESSION, IF NECESSARY, UNTIL NOT LATER THAN 5:00 P.M. ON FRIDAY, JULY 1, 2011, FOR THE CONSIDERATION OF CERTAIN MATTERS, AND TO PROVIDE THAT WHEN THE RESPECTIVE HOUSES OF THE GENERAL ASSEMBLY ADJOURN NOT LATER THAN 5:00 P.M. ON FRIDAY, JULY 1, 2011, THE GENERAL ASSEMBLY SHALL STAND ADJOURNED SINE DIE.

Very respectfully,

Speaker of the House

Received as information.

**Message from the House**

Columbia, S.C., June 1, 2011

Mr. President and Senators:

The House respectfully informs your Honorable Body that it concurs in the amendments proposed by the Senate to:

S. 785 -- Senator Land: A BILL TO AUTHORIZE THE BOARD OF TRUSTEES OF FLORENCE COUNTY SCHOOL DISTRICT FOUR TO ISSUE GENERAL OBLIGATION BONDS OF THE SCHOOL DISTRICT WITHIN ITS CONSTITUTIONAL DEBT LIMIT, IN ONE OR MORE SERIES, IN A TOTAL AMOUNT NOT TO EXCEED TWO MILLION FIVE HUNDRED THOUSAND DOLLARS, TO DEFRAY THE LOSS OF EDUCATION FINANCE ACT FUNDS TO THE SCHOOL DISTRICT, TO PRESCRIBE THE CONDITIONS UNDER WHICH THE BONDS MAY BE ISSUED AND THE PURPOSES FOR WHICH THE PROCEEDS MAY BE EXPENDED, AND TO MAKE PROVISION FOR THE PAYMENT OF THE BONDS.

and has ordered the Bill enrolled for Ratification.

Very respectfully,

Speaker of the House

Received as information.

**Message from the House**

Columbia, S.C., June 1, 2011

Mr. President and Senators:

The House respectfully informs your Honorable Body that it concurs in the amendments proposed by the Senate to:

H. 3762 -- Reps. Cooper, White, Bowen, Gambrell, Thayer, Sandifer, D.C. Moss, McLeod, Viers and Clemmons: A BILL TO AMEND SECTION 41‑31‑5 OF THE 1976 CODE, RELATING TO DEFINITIONS CONCERNING THE RATE OF CONTRIBUTIONS TO THE UNEMPLOYMENT TRUST FUND, TO MODIFY THE METHOD OF COMPUTATION;

and has ordered the Bill enrolled for Ratification.

Very respectfully,

Speaker of the House

Received as information.

**Message from the House**

Columbia, S.C., June 2, 2011

Mr. President and Senators:

The House respectfully informs your Honorable Body that it has returned the following Bill to the Senate with amendments:

S. 336 -- Senator Grooms: A BILL TO AMEND SECTION 56‑7‑30 OF THE 1976 CODE, RELATING TO GENERATING UNIFORM TRAFFIC CITATIONS WITH AN ELECTRONIC DEVICE, TO REQUIRE THAT A COPY OF THE CITATION IS HANDED DIRECTLY TO THE OFFENDER BY THE LAW ENFORCEMENT OFFICER ISSUING THE TICKET; TO AMEND CHAPTER 7, TITLE 56, RELATING TO MOTOR VEHICLE TRAFFIC TICKETS, BY ADDING SECTION 56‑7‑35 TO PROVIDE THAT A LAW ENFORCEMENT OFFICER MUST STOP AN OWNER OR OPERATOR OF A VEHICLE TO ISSUE A TRAFFIC TICKET, TO PROVIDE THAT THE TRAFFIC TICKET MUST BE HANDED DIRECTLY TO THE OWNER OR OPERATOR OF THE VEHICLE, TO PROVIDE THAT A LAW ENFORCEMENT AGENCY MAY NOT MAIL OR OTHERWISE SEND A TRAFFIC TICKET TO AN OFFENDER, TO PROVIDE THAT A TRAFFIC TICKET CANNOT BE ISSUED BASED IN WHOLE OR IN PART UPON PHOTOGRAPHIC EVIDENCE REGARDLESS OF WHETHER THE CAMERA OR OTHER DEVICE CAPTURING THE IMAGE WAS ATTENDED OR UNATTENDED, AND TO PROVIDE THAT THE PROVISIONS OF THE SECTION DO NOT APPLY TO TOLL COLLECTION; TO AMEND SECTION 56‑5‑710, RELATING TO THE POWER OF LOCAL AUTHORITIES CONCERNING TRAFFIC LAWS, TO PROVIDE THAT A TRAFFIC TICKET CANNOT BE ISSUED BASED IN WHOLE OR IN PART UPON PHOTOGRAPHIC EVIDENCE REGARDLESS OF WHETHER THE CAMERA OR OTHER DEVICE CAPTURING THE IMAGE WAS ATTENDED OR UNATTENDED; TO AMEND SECTION 56‑5‑70, AS AMENDED, RELATING TO CERTAIN VEHICLE REQUIREMENTS BEING SUSPENDED DURING A STATE OF EMERGENCY, TO CLARIFY THAT UNIFORM TRAFFIC CITATIONS MAY NOT BE ISSUED IN WHOLE OR IN PART ON PHOTOGRAPHIC EVIDENCE REGARDLESS OF WHETHER THE CAMERA OR OTHER ELECTRONIC DEVICE CAPTURING THE PHOTOGRAPHIC EVIDENCE WAS ATTENDED OR UNATTENDED AT THE TIME IT CAPTURED THE PHOTOGRAPHIC EVIDENCE; AND TO DISGORGE ANY FINES COLLECTED IN VIOLATION OF SECTION 56‑5‑70.

Respectfully submitted,

Speaker of the House

Received as information.

**Motion Adopted**

On motion of Senator GROOMS, the Senate agreed to waive the provisions of Rule 32A requiring the Bill to be printed on the Calendar.

The Bill was ordered placed in the category of Bills Returned from the House and would be taken up for consideration when that category was reached in the order of the day.

**HOUSE CONCURRENCE**

S. 950 -- Senator Cromer: A CONCURRENT RESOLUTION TO RECOGNIZE AND COMMEND BARBARA M. PALMER UPON THE OCCASION OF HER RETIREMENT FROM THE SALUDA COUNTY SCHOOL DISTRICT AFTER MANY YEARS OF DEDICATED AND EXEMPLARY SERVICE TO THE SOUTH CAROLINA PUBLIC SCHOOL SYSTEM, AND TO WISH HER THE BEST IN ALL HER FUTURE ENDEAVORS.

Returned with concurrence.

Received as information.

**THE SENATE PROCEEDED TO A CALL OF THE UNCONTESTED LOCAL AND STATEWIDE CALENDAR.**

**ORDERED ENROLLED FOR RATIFICATION**

The following Bills were read the third time and, having received three readings in both Houses, it was ordered that the titles be changed to that of Acts and enrolled for Ratification:

H. 3431 -- Rep. G.M. Smith: A BILL TO AMEND THE CODE OF LAWS OF SOUTH CAROLINA, 1976, SO AS TO ENACT “JOHN’S LAW” BY ADDING SECTION 57‑1‑80 SO AS TO REQUIRE THE DEPARTMENT OF TRANSPORTATION TO PUBLISH ITS LIST OF RAILROAD CROSSINGS AT WHICH IT PLANS TO INSTALL CROSSING ARMS, PLACE TRAFFIC STOP SIGNS AT DANGEROUS CROSSING LOCATIONS UNTIL CROSSING ARMS ARE INSTALLED, AND INCREASE THE NUMBER OF INSTALLATIONS OF CROSSING ARMS AT DANGEROUS RAILROAD CROSSINGS THROUGHOUT THE STATE.

Senator LAND explained the Bill.

H. 3378 -- Reps. Crawford and McLeod: A BILL TO AMEND ARTICLE 3, CHAPTER 31, TITLE 44, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO COMMITMENT OF TUBERCULOSIS PATIENTS, SO AS TO PROVIDE FOR AN EMERGENCY ORDER ISSUED BY THE DEPARTMENT OF HEALTH AND ENVIRONMENTAL CONTROL OR AN ORDER ISSUED BY THE PROBATE COURT FOR THE DETENTION, EXAMINATION, ISOLATION, AND TREATMENT OF A PERSON WITH TUBERCULOSIS WHO POSES A RISK TO THE PUBLIC; TO PROVIDE FOR THE CIRCUMSTANCES UNDER WHICH AN EMERGENCY ORDER MAY BE ISSUED AND THE SCOPE OF AN EMERGENCY ORDER; TO PROVIDE REVIEW AND APPEAL PROCEDURES FOR AN EMERGENCY ORDER; TO AUTHORIZE THE COURT TO WAIVE NOTICE REQUIREMENTS UNDER CERTAIN CIRCUMSTANCES; TO PROHIBIT STAYING A COMMITMENT ORDER PENDING APPEAL; TO PROVIDE THAT INVOLUNTARY EXAMINATION OF A PERSON WITH SUSPECTED TUBERCULOSIS IS NOT COMPULSORY TREATMENT; AND TO DELETE PROVISIONS PERTAINING TO THE ESTABLISHMENT OF TUBERCULOSIS FACILITIES AT THE STATE PARK HEALTH CENTER AND THAT THE ENFORCEMENT OF THIS ARTICLE IS CONTINGENT UPON THE AVAILABILITY OF FACILITIES FOR HOSPITALIZATION.

Senator HUTTO explained the Bill.

H. 3582 -- Reps. Harrison and Weeks: A BILL TO AMEND SECTION 17‑22‑320, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO ELIGIBILITY FOR A TRAFFIC EDUCATION PROGRAM, SO AS TO PROVIDE THAT A PERSON MAY BE CONSIDERED FOR THE PROGRAM IF HE HAS NO SIGNIFICANT HISTORY OF TRAFFIC VIOLATIONS.

Senator HUTTO explained the Bill.

**HOUSE BILLS RETURNED**

The following House Bills were read the third time and ordered returned to the House with amendments:

H. 3584 -- Reps. Sandifer and Gambrell: A BILL TO AMEND SECTION 58‑37‑50, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO THE FINANCING AGREEMENTS FOR THE INSTALLATION OF CERTAIN ENERGY‑EFFICIENCY AND CONSERVATION IMPROVEMENTS, SO AS TO CORRECT AN ERRONEOUS CROSS‑REFERENCE, AND TO PROVIDE WHERE AN ELECTRICITY OR NATURAL GAS PROVIDER CONTRACTS WITH A THIRD PARTY TO PERFORM CERTAIN FUNCTIONS, THE LIABILITY OF THE THIRD PARTY IS LIMITED IN A SPECIFIC MANNER.

Senator CAMPBELL explained the Bill.

H. 3249 -- Reps. G.M. Smith, Taylor and G.R. Smith: A BILL TO AMEND SECTION 61‑6‑4020, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO THE TRANSPORTATION OF ALCOHOLIC LIQUORS IN A MOTOR VEHICLE, SO AS TO CLARIFY THAT THE LUGGAGE COMPARTMENT OR CARGO AREA IN WHICH ONE MAY LAWFULLY TRANSPORT A CONTAINER OF ALCOHOLIC LIQUOR WITH A BROKEN OR OPENED SEAL OR CAP IS NOT LIMITED TO A CLOSED TRUNK THAT IS ACCESSIBLE ONLY FROM THE EXTERIOR OF THE VEHICLE SO LONG AS THE LUGGAGE COMPARTMENT OR CARGO AREA IS SEPARATE AND DISTINCT FROM THE DRIVER’S AND PASSENGERS’ COMPARTMENTS; AND TO PROVIDE THAT A PERSON’S DRIVER’S LICENSE MAY NOT BE SUSPENDED FOR A VIOLATION OF THIS SECTION.

Senator HUTTO explained the Bill.

H. 3792 -- Rep. Rutherford: A BILL TO AMEND SECTION 50‑21‑85, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO THE CONDITIONS UPON WHICH A PERSON MAY OPERATE A VESSEL DISPLAYING, REFLECTING, OR FLASHING A BLUE LIGHT, SO AS TO REVISE THE CIRCUMSTANCES IN WHICH A PERSON MAY OPERATE A VESSEL WHILE DISPLAYING A BLUE LIGHT, AND TO REVISE THE PENALTY PROVISION.

Senator CROMER explained the Bill.

**AMENDED, READ THE THIRD TIME**

**RETURNED TO THE HOUSE**

H. 3713 -- Reps. Merrill, J.R. Smith, Ryan, Hamilton, G.R. Smith, Bedingfield, Barfield, Sandifer, McCoy, Horne, Stavrinakis, Clemmons, Loftis, Lucas, Herbkersman, Patrick, Erickson, G.M. Smith, Hixon, Pinson, Viers and Henderson: A BILL TO AMEND THE CODE OF LAWS OF SOUTH CAROLINA, 1976, BY ADDING SECTION 12‑37‑3135 SO AS TO PROVIDE THAT WHEN A PARCEL OF REAL PROPERTY AND IMPROVEMENTS THEREON PREVIOUSLY SUBJECT TO PROPERTY TAX UNDERGOES AN ASSESSABLE TRANSFER OF INTEREST AND THE VALUE OF THE PARCEL AS DETERMINED AT THE TIME OF THE ASSESSABLE TRANSFER OF INTEREST IS GREATER THAN THE VALUE OF THE PARCEL USED IN THE PROPERTY TAX ASSESSMENT ON THE PARCEL FOR THE MOST RECENTLY COMPLETED PROPERTY TAX YEAR, THERE IS ALLOWED AN EXEMPTION OF AN AMOUNT OF THE FAIR MARKET VALUE OF THE PARCEL SUFFICIENT TO ELIMINATE ANY INCREASE IN THE VALUE OF THE PARCEL; TO AMEND SECTION 12‑37‑3140, AS AMENDED, RELATING TO DETERMINING FAIR MARKET VALUE, SO AS TO MAKE A CONFORMING CHANGE; AND TO AMEND SECTION 12‑60‑30, AS AMENDED, RELATING TO DEFINITIONS IN THE REVENUE PROCEDURES ACT, SO AS TO CLARIFY THE DEFINITION OF PROPERTY TAX ASSESSMENT.

Senator LEATHERMAN asked unanimous consent to take the Bill up for immediate consideration.

There was no objection.

The Senate proceeded to a consideration of the Bill, the question being the third reading of the Bill.

Senators LEATHERMAN, LAND, HUTTO, McGILL, O’DELL, ALEXANDER, NICHOLSON and CAMPBELL proposed the following amendment (BBM\10344HTC11), which was adopted:

Amend the bill, as and if amended, by striking all after the enacting words and inserting:

/ SECTION 1. A. Article 25, Chapter 37, Title 12 of the 1976 Code is amended by adding:

“Section 12‑37‑3135. (A) As used in this section:

(1) ‘ATI fair market value’ means the fair market value of a parcel of real property and any improvements thereon as determined by appraisal at the time the parcel last underwent an assessable transfer of interest.

(2) ‘Current fair market value’ means the fair market value of a parcel of real property as reflected on the books of the property tax assessor for the current property tax year.

(3) ‘Exemption value’ means the ATI fair market value when reduced by the exemption allowed by this section.

(4) ‘Fair market value’ means the fair market value of a parcel of real property and any improvements thereon as determined by the property tax assessor by an initial appraisal, by an appraisal at the time the parcel undergoes an assessable transfer of interest, and as periodically reappraised pursuant to Section 12‑43‑217.

(5) ‘Property tax value’ means fair market value as it may be adjusted downward to reflect the limit imposed pursuant to Section 12‑37‑3140(B).

(B)(1) When a parcel of real property and any improvements thereon subject to the six percent assessment ratio provided pursuant to Section 12‑43‑220(e) and which is currently subject to property tax undergoes an assessable transfer of interest after 2010, there is allowed an exemption from property tax of an amount of the ATI fair market value of the parcel as determined in the manner provided in item (2) of this subsection. Calculation of property tax value for such parcels is based on exemption value. The exemption allowed by this section applies at the time the ATI fair market value first applies.

(2)(a) The exemption allowed by this section is an amount equal to twenty-five percent of ATI fair market value of the parcel. However, no exemption value calculated pursuant to this section may be less than current fair market value of the parcel.

(b) If the ATI fair market value of the parcel is less than the current fair market value, the exemption otherwise allowed pursuant to this section does not apply and the ATI fair market value applies as provided pursuant to Section 12‑37‑3140(A)(1)(b).

(C) The exemption allowed in this section does not apply unless the owner of the property, or the owner’s agent, notifies the county assessor that the property will be subject to the six percent assessment ratio provided pursuant to Section 12‑43‑220(e) before January thirty‑first for the tax year for which the owner first claims eligibility for the exemption. No further notifications are necessary from the current owner while the property remains subject to the six percent assessment ratio.”

SECTION 2. A. Section 6‑1‑320(A), as last amended by Act 116 of 2007 of the 1976 Code, is further amended to read:

“(A)(1) Notwithstanding Section 12‑37‑251(E), a local governing body may increase the millage rate imposed for general operating purposes above the rate imposed for such purposes for the preceding tax year only to the extent of the increase in the average of the twelve monthly consumer price indices for the most recent twelve‑month period consisting of January through December of the preceding calendar year, plus, beginning in 2007, the percentage increase in the previous year in the population of the entity as determined by the Office of Research and Statistics of the State Budget and Control Board. If the average of the twelve monthly consumer price indices experiences a negative percentage, the average is deemed to be zero. If an entity experiences a reduction in population, the percentage change in population is deemed to be zero. However, in the year in which a reassessment program is implemented, the rollback millage, as calculated pursuant to Section 12‑37‑251(E), must be used in lieu of the previous year’s millage rate.

(2) There may be added to the operating millage increase allowed pursuant to item (1) of this subsection any such increase, allowed but not previously imposed, for the three property tax years preceding the year to which the current limit applies.”

B. Section 6‑1‑320 of the 1976 Code, as last amended by Act 410 of 2008, is further amended by adding at the end:

“(F) The restriction contained in this section does not affect millage imposed to pay bonded indebtedness or operating expenses of a special tax district established pursuant to Section 4-9-30(5), but the special tax district is subject to the millage rate limitations in Section 4-9-30(5).”

SECTION 3. A. Section 12‑37‑251(E) of the 1976 Code is amended to read:

“(E) Rollback millage is calculated by dividing the prior year property ~~tax revenues~~ taxes levied as adjusted by abatements and additions by the adjusted total assessed value applicable in the year the values derived from a countywide equalization and reassessment program are implemented. This amount of assessed value must be adjusted by deducting assessments added for property or improvements not previously taxed, for new construction, ~~and~~ for renovation of existing structures, and assessments attributable to increases in value due to an assessable transfer of interest.”

B. Section 12‑37‑251 of the 1976 Code, as last amended by Act 388 of 2006, is further amended by adding at the end:

“(G) If the boundaries of a municipality extend into more than one county and those counties implement the countywide appraisal and equalization programs required pursuant to Section 12‑43‑217 on different schedules, then the governing body of the municipality shall set an equivalent millage to be used to compute municipal ad valorem property taxes. The equivalent millage to be set by the municipal governing body must be determined by methodology established by the respective county auditors which must be consistent with the methodology for calculating equivalent millage to be established by the Department of Revenue for use in these situations for the purpose of equalizing the municipal property tax on real property situated in different counties.”

C. This section takes effect for rollback millage calculated for property tax years beginning after 2010.

SECTION 4. Except where otherwise provided, this act takes effect upon approval by the Governor. /

Renumber sections to conform.

Amend title to conform.

Senator LEATHERMAN explained the amendment.

The amendment was adopted.

The question then was third reading of the Bill.

The "ayes" and "nays" were demanded and taken, resulting as follows:

**Ayes 42; Nays 0**

**AYES**

Alexander Anderson Bright

Bryant Campbell Campsen

Cleary Coleman Courson

Cromer Davis Elliott

Fair Ford Gregory

Grooms Hayes Hutto

Jackson Knotts Land

Leatherman Malloy *Martin, Larry*

*Martin, Shane* Massey Matthews

McConnell McGill Nicholson

O'Dell Peeler Reese

Rose Ryberg Scott

Setzler Sheheen Shoopman

Thomas Verdin Williams

**Total--42**

**NAYS**

**Total--0**

There being no further amendments, the Bill was read the third time, passed and ordered returned to the House of Representatives with amendments.

**Statement by Senator LOURIE**

Having been out of the Chamber at the time the vote was taken, I would have voted in favor of the third reading of H. 3713, the point of sale Bill.

**THIRD READING BILLS**

The following Bills and Joint Resolution were read the third time and ordered sent to the House of Representatives:

S. 461 -- Senators Cleary, Sheheen, Lourie, Ford, Reese and Scott: A BILL TO AMEND THE CODE OF LAWS OF SOUTH CAROLINA, 1976, BY ADDING SECTION 61-2-85, SO AS TO PROVIDE THAT A HOLDER OF A PERMIT THAT ALLOWS ON-PREMISES CONSUMPTION OF BEER, WINE, OR ALCOHOLIC LIQUORS SHALL RECYCLE EACH RECYCLABLE BEVERAGE CONTAINER SOLD ON THE PREMISES IN ACCORDANCE WITH A MODEL RECYCLING PROGRAM DEVELOPED BY THE DEPARTMENT OF HEALTH AND ENVIRONMENTAL CONTROL; TO AMEND SECTION 61-2-90, RELATING TO REQUIRING AN APPROVED RECYCLING PLAN TO BE INCLUDED IN A PERMIT APPLICATION FOR ON-PREMISES CONSUMPTION; AND TO AMEND SECTION 6-4-20, RELATING TO THE USE OF ACCOMMODATIONS TAXES, SO AS TO PROVIDE FOR FUNDING FOR THE ADMINISTRATION AND IMPLEMENTATION OF THE MODEL RECYCLING PROGRAM.

**Recorded Vote**

Senators BRIGHT, BRYANT and DAVIS desired to be recorded as voting against the third reading of the Bill.

S. 799 -- Labor, Commerce and Industry Committee: A JOINT RESOLUTION TO APPROVE REGULATIONS OF THE DEPARTMENT OF EMPLOYMENT AND WORKFORCE, RELATING TO UNEMPLOYMENT INSURANCE REFORM (ARTICLE 2), DESIGNATED AS REGULATION DOCUMENT NUMBER 4170, PURSUANT TO THE PROVISIONS OF ARTICLE 1, CHAPTER 23, TITLE 1 OF THE 1976 CODE.

Senator BRYANT explained the amendment.

S. 79 -- Senators Hayes, Rose, McConnell and Campsen: A BILL TO AMEND SECTION 8-13-1320 OF THE CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO CONTRIBUTIONS WITHIN A SPECIFIED PERIOD AFTER PRIMARY, SPECIAL, OR GENERAL ELECTION ATTRIBUTED TO THE PRIMARY OR ELECTION, SO AS TO PROVIDE SPECIFIC PROVISIONS FOR CONTRIBUTIONS MADE IN A PRIMARY RUNOFF.

S. 510 -- Senator Sheheen: A BILL TO AMEND SECTION 40‑47‑760 OF THE 1976 CODE, RELATING TO EXEMPTIONS FROM THE ACUPUNCTURE ACT OF SOUTH CAROLINA, TO ADD PHYSICIANS TRAINED TO PERFORM ACUPUNCTURE TO THE LIST OF EXEMPTIONS.

S. 929 -- Senator Peeler: A BILL TO AMEND THE CODE OF LAWS OF SOUTH CAROLINA, 1976, BY ADDING SECTION 41‑18‑170 TO ENACT “BENJI’S LAW” SO AS TO SPECIFY PERMIT REQUIREMENTS FOR MINIATURE TRAINS OPERATED FOR THE USE OF THE PUBLIC AS AN AMUSEMENT DEVICE IN AN AMUSEMENT PARK.

Senator PEELER asked unanimous consent to take the Bill up for immediate consideration.

There was no objection.

The Bill was read the third time and ordered sent to the House.

**AMENDED**

**OBJECTION TO FURTHER CONSIDERATION**

H. 3124 -- Reps. Pitts and G.R. Smith: A BILL TO AMEND THE CODE OF LAWS OF SOUTH CAROLINA, 1976, BY ADDING ARTICLES 108, 109, 110, 111, 112, 113, 114, 116, 117, 118, 119, 120, 121, 122, 123, AND 124 TO CHAPTER 3, TITLE 56, SO AS TO PROVIDE THAT THE DEPARTMENT OF MOTOR VEHICLES MAY ISSUE “DISTINGUISHED SERVICE MEDAL” SPECIAL LICENSE PLATES, “SECOND AMENDMENT” SPECIAL LICENSE PLATES, “DISTINGUISHED SERVICE CROSS” SPECIAL LICENSE PLATES, “DEPARTMENT OF NAVY” SPECIAL LICENSE PLATES, “PARENTS AND SPOUSES OF ACTIVE DUTY OVERSEAS VETERANS” SPECIAL LICENSE PLATES, “STATE FLAG” SPECIAL LICENSE PLATES, “SOUTH CAROLINA HIGHWAY PATROL‑RETIRED” LICENSE PLATES, “I SUPPORT LIBRARIES” SPECIAL LICENSE PLATES, “SOUTH CAROLINA EDUCATOR” SPECIAL LICENSE PLATES, “COON HUNTERS” LICENSE PLATES, “BEACH MUSIC” SPECIAL LICENSE PLATES, “CITADEL ALUMNI ASSOCIATION ‘BIG RED’” SPECIAL LICENSE PLATES, “LARGE MOUTH BASS” SPECIAL LICENSE PLATES, “HIGH SCHOOL” SPECIAL LICENSE PLATES, “SOUTH CAROLINA WILDLIFE FEDERATION” SPECIAL LICENSE PLATES AND “HISTORIC” SPECIAL LICENSE PLATES; TO AMEND SECTION 56‑3‑7330, RELATING TO THE ISSUANCE OF “BOY SCOUTS OF AMERICA” SPECIAL LICENSE PLATES, SO AS TO MAKE TECHNICAL CHANGES AND TO PROVIDE FOR THE ISSUANCE OF “EAGLE SCOUTS OF AMERICA” SPECIAL LICENSE PLATES; TO AMEND SECTION 56‑3‑2150, AS AMENDED, RELATING TO THE ISSUANCE OF SPECIAL LICENSE PLATES TO CERTAIN CURRENT AND FORMER ELECTED OFFICIALS AND JUDICIAL OFFICERS, SO AS TO INCREASE THE NUMBER OF SPECIAL LICENSE PLATES THAT A CORONER MAY BE ISSUED FROM ONE TO TWO; TO AMEND SECTION 56‑3‑1240, AS AMENDED, RELATING TO THE DISPLAY OF A LICENSE PLATE, SO AS TO PROVIDE THAT A FRAME MAY BE PLACED ON A LICENSE PLATE UNDER CERTAIN CIRCUMSTANCES; TO AMEND SECTION 56‑3‑10410, RELATING TO THE ISSUANCE OF “VETERAN” SPECIAL LICENSE PLATES, SO AS TO PROVIDE FOR THE PLACEMENT OF THE WHEELCHAIR SYMBOL ON CERTAIN “VETERAN” LICENSE PLATES; TO AMEND SECTION 56‑3‑3310, AS AMENDED, RELATING TO THE ISSUANCE OF “PURPLE HEART” SPECIAL LICENSE PLATES, SO AS TO INCREASE THE NUMBER OF LICENSE PLATES THAT MAY BE ISSUED TO A PERSON FROM ONE TO THREE AND TO PROVIDE A FEE FOR THE THIRD LICENSE PLATE; TO AMEND SECTION 56‑3‑8000, AS AMENDED, RELATING TO THE ISSUANCE OF SPECIAL LICENSE PLATES THAT CONTAIN THE EMBLEM OF A TAX EXEMPT ORGANIZATION, SO AS TO SPECIFY THEIR SIZE, GENERAL DESIGN, PERIOD OF VALIDITY, TO REVISE THEIR COSTS AND DISTRIBUTION OF FEES COLLECTED FROM THEIR SALE, TO REVISE THE MINIMUM NUMBER OF PREPAID APPLICATIONS AND MINIMUM PAYMENT THAT THE DEPARTMENT OF MOTOR VEHICLES MUST RECEIVE BEFORE A SPECIAL LICENSE PLATE MAY BE ISSUED, AND TO PROVIDE THAT THE ORGANIZATION MUST GIVE ITS LEGAL AUTHORITY TO THE DEPARTMENT FOR THE DEPARTMENT’S USE OF THE ORGANIZATION’S LOGO, TRADE MARK, OR DESIGN; AND TO AMEND SECTION 56‑3‑8100, AS AMENDED, RELATING TO THE ISSUANCE OF SPECIAL LICENSE PLATES CREATED BY THE GENERAL ASSEMBLY SO AS TO REVISE THE MINIMUM NUMBER OF PREPAID APPLICATIONS AND MINIMUM PAYMENT THAT THE DEPARTMENT OF MOTOR VEHICLES MUST RECEIVE BEFORE A SPECIAL LICENSE PLATE MAY BE ISSUED AND TO REVISE THEIR COSTS AND DISTRIBUTION OF FEES COLLECTED FROM THEIR SALES.

Senator HUTTO asked unanimous consent to take the Bill up for immediate consideration.

There was no objection.

The Senate proceeded to a consideration of the Bill, the question being the third reading of the Bill.

Senator KNOTTS proposed the following amendment (3124R002.JMK), which was adopted:

Amend the bill, as and if amended, page 29, after line 16, by adding an appropriately numbered new SECTION to read:

/ SECTION \_\_\_. Section 56-3-6000 of the 1976 Code is amended to read:

“Section 56-3-6000. (A) The department may issue a distinct and separate special license ~~plates~~ plate for the United States Army, the United States Navy, the United States Marines Corps, the United States Air Force, and the United States Coast Guard for use on private passenger motor vehicles and motorcycles owned or leased by residents of this State ~~which separately honor the United States Army, United States Navy, United States Marines Corps, United States Air Force, and the United States Coast Guard~~. The biennial fee for ~~the~~ each special license plate issued for a branch of the military is the regular motor vehicle license plate fee contained in Article 5, Chapter 3 of this title plus thirty dollars.

(B) Notwithstanding any other provision of law, from the fees collected pursuant to this section, the Comptroller General shall place sufficient funds into a special restricted account to be used by the Department of Motor Vehicles to defray the expenses of the Department of Motor Vehicles in producing and administering the special license plates. The remaining funds collected from the special motor vehicle license fee must be ~~administered by the Department of Education and deposited in an appropriate account designated by the Department of Education for distribution to the ROTC program~~ disbursed in equal amounts to the various county Veterans’ Administration offices to be used for operational expenses.

(C) Before the department produces and distributes a special license plate pursuant to this section, it must receive:

(1) ~~four hundred prepaid applications for the special license plate or~~ a deposit of ~~four~~ six thousand nine hundred dollars from the individual or organization seeking issuance of the license plate. If a deposit of ~~four~~ six thousand nine hundred dollars is made by an individual or organization pursuant to this section, the department must refund the ~~four thousand dollars~~ deposit once an equivalent amount of license plate fees is collected for that organization’s license plate~~. If the equivalent amount is not collected within four years of the first issuance of the license plate, then the department must retain the deposit.~~;

(2) a plan to market the sale of the special license plate that must be approved by the department.

(D) If the department receives less than three hundred biennial applications and renewals for a particular license plate, it shall not produce additional special license plates in that series. The department shall continue to issue special license plates of that series until the existing inventory is exhausted.

(E) The special license plates must be of the same size and general design as regular motor vehicle license plates. The department shall imprint the special license plates with a distinctive emblem approved by the United States Department of Defense and United States Department of Transportation, as applicable, which distinguishes each branch of the United States Armed Services.” /

Renumber sections to conform.

Amend title to conform.

Senator CAMPSEN explained the amendment.

The amendment was adopted.

Senator BRIGHT objected to further consideration of the Bill, as amended.

**AMENDMENT PROPOSED**

**OBJECTION TO FURTHER CONSIDERATION**

H. 3630 -- Reps. Bedingfield, Loftis, Hardwick and McLeod: A BILL TO AMEND SECTION 61‑4‑720, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO THE SALE OF WINE BY A LICENSED WINERY LOCATED IN SOUTH CAROLINA, SO AS TO ELIMINATE THE REQUIREMENT THAT A MAJORITY OF THE JUICE USED IN THE WINE BE DERIVED FROM FRUIT OR BERRIES GROWN IN THIS STATE; AND TO AMEND SECTION 61‑4‑730, RELATING TO THE SALE OF WINE BY PERMITTED WINERIES, SO AS TO ELIMINATE THE REQUIREMENT THAT A MAJORITY OF THE JUICE USED IN THE WINE BE DERIVED FROM FRUIT OR BERRIES GROWN IN THIS STATE.

The Senate proceeded to a consideration of the Bill, the question being the third reading of the Bill.

**Motion Under Rule 26B**

Senator VERDIN asked unanimous consent to make a motion to take up further amendments pursuant to the provisions of Rule 26B.

There was no objection.

Senator VERDIN proposed the following amendment (SWB\6264CM11):

Amend the bill, as and if amended, by deleting SECTION 2 in its entirety and inserting:

/ SECTION 2. Section 61‑4‑730 of the 1976 Code is amended to read:

“Section 61‑4‑730. (A) Permitted wineries which produce and sell wine produced on its premises with ~~a majority~~ at least sixty percent of the juice from fruit and berries which are grown in this State may sell the wine at retail, wholesale, or both, and deliver or ship the wine to the purchaser or consumer homes in and outside the State. Wine must be delivered between 7:00 a.m. and 7:00 p.m.

(B) Permitted wineries which produce and sell wine produced on their premises with less than sixty percent of the juice from fruit and berries which are grown in this State may retail from the winery and ship the wine directly to consumers’ homes in and outside the State. These wineries must use a licensed South Carolina wholesaler to deliver or ship the wine to licensed retailers in this State.” /

Renumber sections to conform.

Amend title to conform.

Senator VERDIN explained the amendment.

Senator RYBERG objected to further consideration of the Bill.

**OBJECTION TO FURTHER CONSIDERATION**

H. 3266 -- Reps. Owens, Hiott, Whipper and R.L. Brown: A BILL TO AMEND SECTION 57‑5‑10, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO THE GENERAL COMPOSITION OF THE STATE HIGHWAY SYSTEM, SO AS TO PROVIDE THAT ALL HIGHWAYS IN THE STATE HIGHWAY SYSTEM MUST BE BUILT ACCORDING TO STATE STANDARDS AND TO PROVIDE THAT THE DEPARTMENT OF TRANSPORTATION MAY USE CERTAIN FUNDS TO MAINTAIN THE STATE HIGHWAY SYSTEM; TO AMEND SECTION 57‑5‑70, RELATING TO ADDITIONS TO THE STATE HIGHWAY SECONDARY SYSTEM, SO AS TO ALLOW THE DEPARTMENT OF TRANSPORTATION TO ADD COUNTY AND MUNICIPAL ROADS TO THE STATE HIGHWAY SYSTEM WHEN NECESSARY FOR THE INTERCONNECTIVITY OF THE STATE HIGHWAY SYSTEM; TO AMEND SECTION 57‑5‑80, RELATING TO THE DELETION AND REMOVAL OF ROADS FROM THE STATE HIGHWAY SECONDARY SYSTEM, SO AS TO REVISE THE PROCEDURE FOR THE REMOVAL OF ROADS FROM THE STATE HIGHWAY SYSTEM WHEN A GOVERNMENTAL AGENCY AGREES TO ACCEPT THE ROAD INTO ITS OWN HIGHWAY SYSTEM; AND TO REPEAL SECTION 57‑5‑90 RELATING TO BELT LINES AND SPURS.

Senators CAMPBELL and GROOMS explained the Bill.

Senator PEELER objected to further consideration of the Bill.

**OBJECTION TO FURTHER CONSIDERATION**

H. 3095 -- Reps. Clemmons, Erickson, Stavrinakis, McCoy, Bowen, Sandifer, Whitmire, Hixon, J.R. Smith, Allison, Long, Toole, Weeks, Atwater, Hardwick, Agnew, Govan and Bales: A BILL TO AMEND THE CODE OF LAWS OF SOUTH CAROLINA, 1976, BY ADDING SECTION 27‑1‑70 SO AS TO PROVIDE CERTAIN DEFINITIONS RELATED TO TRANSFER FEE COVENANTS, TO STATE CERTAIN FINDINGS RELATED TO TRANSFER FEE COVENANTS, TO PROVIDE A TRANSFER FEE COVENANT RECORDED AFTER THE EFFECTIVE DATE OF THIS SECTION, OR ANY LIEN TO THE EXTENT THAT IT PURPORTS TO SECURE THE PAYMENT OF A TRANSFER FEE, IS NOT BINDING ON OR ENFORCEABLE AGAINST THE AFFECTED REAL PROPERTY OR ANY SUBSEQUENT OWNER, PURCHASER, OR MORTGAGEE OF ANY INTEREST IN THE PROPERTY, AND TO PROVIDE THE SECTION DOES NOT IMPLY THAT A TRANSFER FEE COVENANT RECORDED BEFORE THE EFFECTIVE DATE OF THIS SECTION IS VALID OR ENFORCEABLE.

Senator SETZLER asked unanimous consent to take the Bill up for immediate consideration and give the Bill a third reading.

Senator RYBERG objected to taking up the Bill.

**OBJECTION**

Senator RYBERG objected to the uncontested Bills and Joint Resolutions on the Statewide Calendar.

**THE CALL OF THE UNCONTESTED CALENDAR HAVING BEEN COMPLETED, THE SENATE PROCEEDED TO THE MOTION PERIOD.**

**MOTION ADOPTED**

On motion of Senator McCONNELL, the Senate agreed to dispense with the Motion Period.

**Status Report on Redistricting**

Senator McCONNELL was recognized to give a status report on redistricting to the members of the Senate.

**RECESS**

At 12:18 P.M., on motion of Senator McCONNELL, the Senate receded from business until 1:00 P.M.

**Recorded Vote**

Senators BRYANT, BRIGHT and SHANE MARTIN desired to be recorded as voting against the motion to recede.

**AFTERNOON SESSION**

The Senate reassembled at 1:16 P.M. and was called to order by the PRESIDENT.

**Point of Quorum**

At 1:18 P.M., Senator THOMAS made the point that a quorum was not present. It was ascertained that a quorum was not present.

**Call of the Senate**

Senator PEELER moved that a Call of the Senate be made. The following Senators answered the Call:

Alexander Anderson Bright

Bryant Campbell Campsen

Cleary Coleman Courson

Davis Elliott Fair

Ford Gregory Grooms

Hayes Hutto Jackson

Knotts Land Leatherman

Lourie Malloy *Martin, Larry*

*Martin, Shane* Massey Matthews

McConnell McGill Nicholson

O'Dell Peeler Reese

Rose Ryberg Scott

Setzler Sheheen Shoopman

Thomas Verdin Williams

A quorum being present, the Senate resumed.

**Recorded Presence**

Senator CROMER recorded his presence subsequent to the Call of the Senate.

**THE SENATE PROCEEDED TO A CONSIDERATION OF THE VETOES.**

**VETO OVERRIDDEN**

(R47, S232) -- Senators Cleary and Ford: AN ACT TO AMEND SECTION 44‑7‑130, AS AMENDED, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO DEFINITIONS OF THE STATE CERTIFICATION OF NEED AND HEALTH CARE FACILITY ACT, SO AS TO REVISE THE DEFINITION OF HEALTH CARE FACILITY.

The veto of the Governor, having been sustained and reconsidered on June 1, 2011, was taken up for immediate consideration.

Senator CLEARY explained the veto.

Senator CLEARY moved that the veto of the Governor be overridden.

The question was put, “Shall the Act become law, the veto of the Governor to the contrary notwithstanding?”

The "ayes" and "nays" were demanded and taken, resulting as follows:

**Ayes 27; Nays 11**

**AYES**

Alexander Anderson Campbell

Cleary Coleman Courson

Elliott Fair Ford

Gregory Hutto Jackson

Knotts Land Malloy

*Martin, Larry* Massey Matthews

McGill Nicholson O'Dell

Reese Scott Setzler

Sheheen Verdin Williams

**Total--27**

**NAYS**

Bright Bryant Campsen

Davis Grooms *Martin, Shane*

McConnell Peeler Rose

Ryberg Shoopman

**Total--11**

The necessary two-thirds vote having been received, the veto of the Governor was overridden, and a message was sent to the House accordingly.

**THE SENATE PROCEEDED TO A CONSIDERATION OF BILLS AND RESOLUTIONS RETURNED FROM THE HOUSE.**

**CARRIED OVER**

S. 20 -- Senators Grooms, McConnell, Thomas, Alexander, Leatherman, Knotts, Bryant, Hayes, Rose, Verdin, S. Martin, Peeler, L. Martin, Fair, Ryberg, Cromer, Campsen, Davis, Shoopman, Rankin and Bright: A BILL TO AMEND CHAPTER 1, TITLE 23 OF THE 1976 CODE, BY ADDING SECTION 23‑1‑250 TO PROVIDE THAT WHERE A LAW ENFORCEMENT OFFICER HAS REASONABLE SUSPICION THAT A PERSON STOPPED, DETAINED, OR ARRESTED BY LAW ENFORCEMENT IS AN ALIEN UNLAWFULLY IN THE UNITED STATES, THE OFFICER OR HIS AGENCY MUST FOLLOW CERTAIN PROCEDURES TO VERIFY HIS IMMIGRATION STATUS; AND TO AMEND ARTICLE 5, CHAPTER 9, TITLE 16, BY ADDING SECTION 16‑9‑480 TO PROVIDE THAT IT IS UNLAWFUL FOR A PERSON UNLAWFULLY IN THE UNITED STATES TO SOLICIT OR ATTEMPT TO SOLICIT WORK, AND TO PROVIDE PROCEDURES FOR VERIFYING IMMIGRATION STATUS.

Senator PEELER move to carry over the Bill.

The "ayes" and "nays" were demanded and taken, resulting as follows:

**Ayes 23; Nays 16**

**AYES**

Alexander Bright Bryant

Cleary Courson Davis

Elliott Fair Gregory

Hayes *Martin, Shane* Massey

McGill O'Dell Peeler

Rose Ryberg Setzler

Sheheen Shoopman Thomas

Verdin Williams

**Total--23**

**NAYS**

Anderson Campbell Campsen

Ford Grooms Hutto

Jackson Knotts Land

Lourie Malloy *Martin, Larry*

McConnell Nicholson Reese

Scott

**Total--16**

The Bill was carried over.

**Statement by Senators ROSE, THOMAS, HAYES, DAVIS BRYANT and BRIGHT**

We  voted to carry over S. 20 for three reasons.  First, we have not seen a copy of a substantial new amendment to S. 20 and need to read and understand it before considering S. 20 further.  Secondly, we will have weeks to consider S. 20 when the Senate returns on June 14, 2011, according to the S*ine Die* Resolution, so failing to consider S. 20 at this time does not mean S. 20 will not pass into law soon.  In contrast,  we need to take up now H. 3066 to restructure state government with a Department of Administration, because the *Sine Die* Resolution does not allow H. 3066 to be taken up when the Senate reconvenes on June 14, 2011, or anytime during this year after today.  Thus, the only possible way to get H. 3066 passed by the Senate this year is to consider it now during the remaining 3.5 hours of today’s Senate session.  We cannot consider both H. 3066 and S. 20 today as there is not enough time to do  so.  We opt to consider H. 3066 today, the last day we can do so this year, and to consider S. 20 in two weeks after we have reviewed the new amendment to S. 20.

**CARRIED OVER**

S. 336 -- Senator Grooms: A BILL TO AMEND SECTION 56‑7‑30 OF THE 1976 CODE, RELATING TO GENERATING UNIFORM TRAFFIC CITATIONS WITH AN ELECTRONIC DEVICE, TO REQUIRE THAT A COPY OF THE CITATION IS HANDED DIRECTLY TO THE OFFENDER BY THE LAW ENFORCEMENT OFFICER ISSUING THE TICKET; TO AMEND CHAPTER 7, TITLE 56, RELATING TO MOTOR VEHICLE TRAFFIC TICKETS, BY ADDING SECTION 56‑7‑35 TO PROVIDE THAT A LAW ENFORCEMENT OFFICER MUST STOP AN OWNER OR OPERATOR OF A VEHICLE TO ISSUE A TRAFFIC TICKET, TO PROVIDE THAT THE TRAFFIC TICKET MUST BE HANDED DIRECTLY TO THE OWNER OR OPERATOR OF THE VEHICLE, TO PROVIDE THAT A LAW ENFORCEMENT AGENCY MAY NOT MAIL OR OTHERWISE SEND A TRAFFIC TICKET TO AN OFFENDER, TO PROVIDE THAT A TRAFFIC TICKET CANNOT BE ISSUED BASED IN WHOLE OR IN PART UPON PHOTOGRAPHIC EVIDENCE REGARDLESS OF WHETHER THE CAMERA OR OTHER DEVICE CAPTURING THE IMAGE WAS ATTENDED OR UNATTENDED, AND TO PROVIDE THAT THE PROVISIONS OF THE SECTION DO NOT APPLY TO TOLL COLLECTION; TO AMEND SECTION 56‑5‑710, RELATING TO THE POWER OF LOCAL AUTHORITIES CONCERNING TRAFFIC LAWS, TO PROVIDE THAT A TRAFFIC TICKET CANNOT BE ISSUED BASED IN WHOLE OR IN PART UPON PHOTOGRAPHIC EVIDENCE REGARDLESS OF WHETHER THE CAMERA OR OTHER DEVICE CAPTURING THE IMAGE WAS ATTENDED OR UNATTENDED; TO AMEND SECTION 56‑5‑70, AS AMENDED, RELATING TO CERTAIN VEHICLE REQUIREMENTS BEING SUSPENDED DURING A STATE OF EMERGENCY, TO CLARIFY THAT UNIFORM TRAFFIC CITATIONS MAY NOT BE ISSUED IN WHOLE OR IN PART ON PHOTOGRAPHIC EVIDENCE REGARDLESS OF WHETHER THE CAMERA OR OTHER ELECTRONIC DEVICE CAPTURING THE PHOTOGRAPHIC EVIDENCE WAS ATTENDED OR UNATTENDED AT THE TIME IT CAPTURED THE PHOTOGRAPHIC EVIDENCE; AND TO DISGORGE ANY FINES COLLECTED IN VIOLATION OF SECTION 56‑5‑70.

Pursuant to Rule 32A, the Senate proceeded to take up the Bill for immediate consideration.

On motion of Senator PEELER, the Bill was carried over.

**THE SENATE PROCEEDED TO THE SPECIAL ORDERS.**

**COMMITTEE AMENDMENT AMENDED**

**AMENDMENT PROPOSED**

**DEBATE INTERRUPTED**

H. 3066 -- Reps. G.R. Smith, Daning, Ballentine, Harrison, Allison, Hamilton, G.M. Smith, Bingham, Long, Henderson, Erickson, Horne, Willis, Weeks, McLeod, Pope, Simrill, Lucas, Norman, D.C. Moss, Clemmons, Harrell, Atwater, Bedingfield, Funderburk and Edge: A BILL TO ENACT THE “SOUTH CAROLINA RESTRUCTURING ACT OF 2011” INCLUDING PROVISIONS TO AMEND SECTION 1‑30‑10, AS AMENDED, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO THE AGENCIES OF THE EXECUTIVE BRANCH OF STATE GOVERNMENT BY ADDING THE DEPARTMENT OF ADMINISTRATION; BY ADDING SECTION 1‑30‑125 SO AS TO ESTABLISH THE DEPARTMENT OF ADMINISTRATION AS AN AGENCY OF THE EXECUTIVE BRANCH OF STATE GOVERNMENT TO BE HEADED BY A DIRECTOR APPOINTED BY THE GOVERNOR UPON THE ADVICE AND CONSENT OF THE GENERAL ASSEMBLY, AND TO TRANSFER TO THIS NEWLY CREATED DEPARTMENT CERTAIN OFFICES AND DIVISIONS OF THE STATE BUDGET AND CONTROL BOARD, OFFICE OF THE GOVERNOR, AND OTHER AGENCIES, AND TO PROVIDE FOR TRANSITIONAL AND OTHER PROVISIONS NECESSARY TO ACCOMPLISH THE ABOVE; BY ADDING CHAPTER 2 TO TITLE 2 SO AS TO PROVIDE FOR LEGISLATIVE OVERSIGHT OF EXECUTIVE DEPARTMENTS AND THE PROCESSES AND PROCEDURES TO BE FOLLOWED IN CONNECTION WITH THIS OVERSIGHT; TO AMEND SECTIONS 1‑11‑20, AS AMENDED, 1‑11‑22, 1‑11‑55, 1‑11‑56, 1‑11‑58, 1‑11‑65, 1‑11‑67, 1‑11‑70, 1‑11‑80, 1‑11‑90, 1‑11‑100, 1‑11‑110, 1‑11‑180, 1‑11‑220, 1‑11‑225, 1‑11‑250, 1‑11‑260, 1‑11‑270, 1‑11‑280, 1‑11‑290, 1‑11‑300, 1‑11‑310, AS AMENDED, 1‑11‑315, 1‑11‑320, 1‑11‑335, 1‑11‑340, 1‑11‑435, 2‑13‑240, CHAPTER 9, TITLE 3; 10‑1‑10, 10‑1‑30, AS AMENDED, 10‑1‑40, 10‑1‑130, 10‑1‑190, CHAPTER 9, TITLE 10, 10‑11‑50, AS AMENDED, 10‑11‑90, 10‑11‑110, 10‑11‑140, 10‑11‑330; 11‑9‑610, 11‑9‑620, 11‑9‑630, 11‑35‑3810, AS AMENDED, 11‑35‑3820, AS AMENDED, 11‑35‑3830, AS AMENDED, 11‑35‑3840, AS AMENDED, 13‑7‑30, AS AMENDED, 13‑7‑830, AS AMENDED, 44‑53‑530, AS AMENDED, AND 44‑96‑140; 48‑46‑30, 48‑46‑40, 48‑46‑50, 48‑46‑60, 48‑46‑90, 48‑52‑410, 48‑52‑440, AND 48‑52‑460; AND BY ADDING SECTION 1‑11‑185 RELATING TO VARIOUS AGENCY OR DEPARTMENT PROVISIONS SO AS TO CONFORM THEM TO THE ABOVE PROVISIONS PERTAINING TO THE NEW DEPARTMENT OF ADMINISTRATION OR TO SUPPLEMENT SUCH PROVISIONS.

The Senate proceeded to a consideration of the Bill, the question being the third reading of the Bill.

Senator LARRY MARTIN explained the Bill.

Senator FORD spoke on the Bill.

Senator KNOTTS spoke on the Bill.

**Amendment No. P1**

Senators HAYES and FORD proposed the following amendment (DKA\3695SD11), which was adopted:

Amend the Committee Report of the Committee on Judiciary, as and if amended, Part IV ‑ Legislative Fiscal Office, by adding a new SECTION immediately after SECTION 9, page [3066‑10], after line 38, to be appropriately numbered to read:

/ SECTION \_\_. Section 2‑7‑76 of the 1976 Code is amended to read:

“Section 2‑7‑76. (A) The chairman of the legislative committee to which a bill or resolution was referred shall direct the ~~Budget Division or the Economic Research Section of the Budget and Control Board, as appropriate,~~ Legislative Fiscal Office to prepare and affix to it a statement of the estimated fiscal ~~or~~ and revenue impact and cost to the counties and municipalities of the proposed legislation before the legislation is reported out of that committee if a bill or resolution:

(1) requires a county or municipality to expend funds allocated to the county or municipality pursuant to Chapter 27 of Title 6;

(2) is introduced in the General Assembly to require the expenditure of funds by a county or municipality;

(3) requires the use of county or municipal personnel, facilities, or equipment to implement a general law or regulations promulgated pursuant to a general law; or

(4) relates to taxes imposed by political subdivisions.

(B) A revised estimated fiscal ~~or~~ and revenue impact and cost statement must be prepared at the direction of the presiding officer of the House of Representatives or the Senate by the ~~Budget Division or Economic Research Section of the Budget and Control Board~~ Legislative Fiscal Office before third reading of the bill or resolution, if there is a significant amendment to the bill or resolution.

(C) For purposes of this section, ‘political subdivision’ means a county, municipality, school district, special purpose district, public service district, or consolidated political subdivision.” /

Renumber sections to conform.

Amend title to conform.

Senator LARRY MARTIN explained the amendment.

Senator HAYES explained the amendment.

The "ayes" and "nays" were demanded and taken, resulting as follows:

**Ayes 42; Nays 1**

**AYES**

Alexander Anderson Bright

Bryant Campbell Campsen

Cleary Coleman Courson

Cromer Davis Elliott

Fair Gregory Grooms

Hayes Hutto Jackson

Knotts Land Leatherman

Lourie Malloy *Martin, Larry*

*Martin, Shane* Massey Matthews

McConnell McGill Nicholson

O'Dell Peeler Reese

Rose Ryberg Scott

Setzler Sheheen Shoopman

Thomas Verdin Williams

**Total--42**

**NAYS**

Ford

**Total--1**

The amendment was adopted.

**Amendment No. 2A**

Senators LARRY MARTIN and FORD proposed the following amendment (JUD3066.020), which was adopted:

Amend the committee amendment, as and if amended, page [3066-10], after line 41, by adding an appropriately numbered SECTION to read:

/ SECTION \_\_\_. A. Section 63-11-1310 of the 1976 Code is amended to read:

“Section 63‑11‑1310. It is the purpose of this article to develop and enhance the delivery of services to severely emotionally disturbed children and youth and to ensure that the special needs of this population are met appropriately to the extent possible within this State. To achieve this objective, the Continuum of Care for Emotionally Disturbed Children Division is established in the ~~office of the Governor~~ Department of Administration. This article supplements and does not supplant existing services provided to this population.”

B. Section 63-11-1510 of the 1976 Code is amended to read:

“Section 63‑11‑1510. There is established the Interagency System for Caring for Emotionally Disturbed Children, an integrated system of care to be developed by the Continuum of Care for Emotionally Disturbed Children ~~of the Governor’s Office~~ in the Department of Administration, the Department of Disabilities and Special Needs, the State Health and Human Services Finance Commission, the Department of Mental Health, and the Department of Social Services to be implemented by November 1, 1994. The goal of the system is to implement South Carolina’s Families First Policy and to support children in a manner that enables them to function in a community setting. The system shall provide assessment and evaluation procedures to insure a proper service plan and placement for each child. This system must have as a key component the clear identification of the agency accountable for monitoring on a regular basis each child’s care plan and procedures to evaluate and certify the programs offered by providers.”

C. Section 1-30-110 of the 1976 Code is repealed. /

Renumber SECTIONS to conform.

Amend title to conform.

Senator LARRY MARTIN explained the amendment.

The "ayes" and "nays" were demanded and taken, resulting as follows:

**Ayes 39; Nays 1**

**AYES**

Alexander Anderson Bright

Bryant Campbell Campsen

Cleary Coleman Courson

Cromer Davis Elliott

Fair Gregory Grooms

Hayes Hutto Jackson

Knotts Land Lourie

Malloy *Martin, Larry Martin, Shane*

Massey McGill Nicholson

O'Dell Peeler Reese

Rose Ryberg Scott

Setzler Sheheen Shoopman

Thomas Verdin Williams

**Total--39**

**NAYS**

Ford

**Total--1**

The amendment was adopted.

**Motion Adopted**

On motion of Senator CAMPBELL, with unanimous consent, Senators DAVIS, HUTTO and CAMPBELL were granted leave to attend a subcommittee meeting and were granted leave to vote from the balcony.

**Amendment No. P3**

Senators COLEMAN and FORD proposed the following amendment (JUD3066.019), which was adopted:

Amend the committee amendment, as and if amended, by striking lines 40-43 on page [3066-2] and by striking lines 1 through 5 on page [3066-3], in Section 1‑11‑20(C), as contained in SECTION 2, and inserting therein the following:

/ (C) Effective July 1, 2011, the following offices, divisions, or components of the State Budget and Control Board are transferred to, and incorporated into, the South Carolina Rural Infrastructure Authority as established in Section 11‑50‑30:

(1) South Carolina Infrastructure Facilities Authority;

(2) Office of Local Government in support of the local government loan and grant programs;

(3) State Revolving Fund in support of water quality projects./

Amend the committee amendment further, as and if amended, page [3066-66], after line 30, by inserting an appropriately numbered PART and SECTIONS to read:

/ Part \_\_\_

South Carolina Rural Infrastructure Authority

SECTION \_\_\_. Section 11‑50‑50 of the 1976 Code is amended to read:

“Section 11-50-50. (A) The board of directors is the governing board of the authority. The board consists of ~~seven~~ eight voting directors appointed as follows:

(1) ~~six~~ seven members who reside in counties designated as distressed or least developed pursuant to Section 12‑6‑3360 for 2009; one appointed by the President Pro Tempore of the Senate, one appointed by the Speaker of the House of Representatives, one appointed by the Chairman of the Senate Finance Committee, one appointed by the Chairman of the House Ways and Means Committee, and ~~two~~ three appointed by the Governor, one of which must be selected from three candidates recommended by the Municipal Association of South Carolina, one must be selected from three candidates recommended by the South Carolina Association of Counties, and one must be selected from three candidates recommended by the South Carolina Rural Water Association; and

(2) the Secretary of Commerce, ex officio, who shall serve as chairman.

(B) ~~Appointed members~~ Members shall serve for terms of four years and until their successors are appointed and qualify except that of the members first appointed by the Speaker of the House, President Pro Tempore of the Senate, and one of the members first appointed by the Governor, the member shall serve for a term of two years and the term must be noted on the appointment. Vacancies must be filled in the manner of original appointment for the unexpired portion of the term. Members shall serve without compensation but are allowed mileage, subsistence, and per diem allowed by law for members of state boards, committees, and commissions.”

SECTION \_\_\_. Section 11-50-60(A)(15) of the 1976 Code is amended to read:

/ (15) expend funds to obtain accounting, management, legal, financial consulting, and other professional services necessary to the operations of the authority and may hire a director for the authority, so long as one of the gubernatorial appointees and three of the legislative appointees vote in favor of the hiring; /

SECTION \_\_\_. Chapter 10 of Title 12 of the 1976 Code is amended by adding:

“Section 12‑10‑86. Notwithstanding Section 12‑10‑85, the Department of Revenue is authorized to deposit revenues from the Rural Infrastructure Fund in excess of twelve million dollars to the South Carolina Rural Infrastructure Fund under the South Carolina Rural Infrastructure Authority. Any revenues in excess of seventeen million dollars shall be deposited in the Rural Infrastructure Fund under the Department of Commerce, Coordinating Council.”

SECTION \_\_\_. The State Budget and Control Board shall transfer all the funds in the South Carolina Rural Infrastructure Bank Trust Fund, created by Act 115 of 2005, to the South Carolina Rural Infrastructure Fund, authorized by Act 171 of 2010.

SECTION \_\_\_. Section 1‑11‑25 of the 1976 Code, relating to the Local Government Division of the State Budget and Control Board, and Section 1‑11‑26 of the 1976 Code, relating to the use of funds from the Local Government Division, are repealed. /

Renumber parts and sections to conform.

Amend title to conform.

Senator COLEMAN explained the amendment.

The "ayes" and "nays" were demanded and taken, resulting as follows:

**Ayes 42; Nays 0**

**AYES**

Alexander Anderson Bright

Bryant Campbell Campsen

Cleary Coleman Courson

Cromer Davis Fair

Ford Gregory Grooms

Hayes Hutto Jackson

Knotts Land Leatherman

Lourie Malloy *Martin, Larry*

*Martin, Shane* Massey Matthews

McConnell McGill Nicholson

O'Dell Peeler Reese

Rose Ryberg Scott

Setzler Sheheen Shoopman

Thomas Verdin Williams

**Total--42**

**NAYS**

**Total--0**

The amendment was adopted.

**Amendment No. P4C**

Senators MASSEY, SHEHEEN, DAVIS, HUTTO, SCOTT and FORD proposed the following amendment (3066R015.ASM), which was adopted:

Amend the committee amendment, as and if amended, by striking PART II in its entirety and inserting:

/ Part II

Budget and Control Board

SECTION 2. Section 1‑11‑20 of the 1976 Code is amended to read:

“Section 1‑11‑20. (A) The functions of the State Budget and Control Board must be performed, exercised, and discharged under the supervision and direction of the board through ~~three~~ its divisions.~~, the Finance Division (embracing the work of the State Auditor, the former State Budget Commission, the former State Finance Committee and the former Board of Claims for the State of South Carolina), the Purchasing and Property Division (embracing the work of the former Commissioners of the Sinking Fund, the former Board of Phosphate Commissioners, the State Electrician and Engineer, the former Commission on State House and State House Grounds, the central purchasing functions, the former Surplus Procurement Division of the State Research, Planning and Development Board and the Property Custodian) and the Division of Personnel Administration (embracing the work of the former retirement board known as the South Carolina Retirement System and the administration of all laws relating to personnel), each~~ Each division ~~to consist~~ consists of a director and clerical, stenographic and technical employees necessary, to be employed by the respective directors with the approval of the board. The directors of the divisions must be employed by the State Budget and Control Board for that time and compensation as may be fixed by the board in its judgment.

(B) Effective July 1, 2011, the following offices, divisions, or components of the State Budget and Control Board are transferred to, and incorporated into, the Department of Administration:

(1) Division of General Services including Business Operations, Facilities Management, State Building and Property Services, and Agency Services including surplus property, intra state mail, parking, state fleet management, except that this division shall not be transferred to the Department of Administration until the director of the Department of Administration enters into a memorandum of understanding with appropriate officials of applicable legislative and judicial agencies or departments as provided in Section 1‑30‑125;

(2) Division of State Information Technology including the Data Center, Information Technology Services, and South Carolina Enterprise Information System, but not including, support of the Joint Strategic Technology Committee;

(3) Office of Human Resources;

(4) the State Engineer’s Office;

(5) the Insurance Reserve Fund;

(6) that portion of the Office of Research and Statistics required to support the Governor’s executive budget writing duties; and

(7) Office of State Budget, except for the employees required to provide fiscal impact statements on proposed legislation and to support the General Assembly’s budget writing duties who are transferred to the Legislative Fiscal Office.

(C) Effective July 1, 2011, the Board of Economic Advisors and the Procurement Division are transferred to, and incorporated into, the State Financial Affairs Authority.

(D) Effective January 1, 2012, the Office of Research and Statistics, except for the employees required to support the Governor’s executive budget writing duties, is transferred to, and incorporated into, the Legislative Fiscal Office.

(E) Effective July 1, 2011, the following offices, divisions, or components of the State Budget and Control Board are transferred to, and incorporated into, the Department of Health and Environmental Control:

(1) South Carolina Infrastructure Facilities Authority;

(2) Office of Local Government in support of the local government loan program;

(3) State Revolving Fund in support of water quality projects.

(F) Effective July 1, 2011, the State Energy Office is transferred from the State Budget and Control Board to the Office of Regulatory Staff.

(G) Effective July 1, 2011, the State Auditor is transferred from the State Budget and Control Board to the Office of the State Treasurer.

(H) Effective July 1, 2011, the Confederate Relic Room is transferred from the State Budget and Control Board to the Department of Archives and History.

(I) Effective July 1, 2011, and until July 1, 2013, the State Budget and Control Board consists of the:

(1) Employee Insurance Program; and

(2) Retirement Division.

Effective July 1, 2013, the State Budget and Control Board is abolished.

(J)(1) Effective July 1, 2013, the following offices, divisions, or components of the State Budget and Control Board and the Department of Administration are transferred to, and incorporated into, an administrative agency of state government to be known as the Public Employee Benefit Agency:

(a) the Employee Insurance Program;

(b) the Retirement Division.

Effective July 1, 2011, and until June 30, 2013, any additions or amendments to the State Employee Insurance Plan or the retirement system may not be adopted without the unanimous consent of the State Budget and Control Board. Effective July 1, 2013, the State Budget and Control Board is abolished.

(2) The agency shall be comprised of the Employee Insurance Division, the Retirement Systems Division, the Insurance Reserve Fund Division, and the Administration Division. A board of trustees must be appointed to manage and make policy decisions for the Employee Insurance Division and the Retirement Systems Division. The daily office functions and other administrative tasks for all divisions shall be managed through the Administration Division by an executive director.

(3)(a) On the effective date of this section, there is established a transition committee to provide the expertise necessary to facilitate the transfer of operations from the Budget and Control Board to the Public Employee Benefit Agency.

(b) The transition committee is authorized to study and evaluate all actions necessary, both legislative and executive, for an orderly transition of the related trust funds and their operations to the trustee‑based system to be administered by the Public Employee Benefit Agency. The transition committee must conduct a comprehensive survey of the structure, trustee governance, and operations of other similar systems throughout the United States and make recommendations to the General Assembly concerning the legislative actions that are needed to implement the most efficient, effective system.

(c) The transition committee shall be comprised of eight voting members and the State Treasurer, ex officio, who shall serve as its chairman and may only vote when the committee is equally divided on any question. The eight voting members must be appointed by the State Budget and Control Board as follows:

(i) one member representing municipal employees;

(ii) one member representing county employees;

(iii) three members representing state employees, one of whom must be retired and one of whom must be an active or retired law enforcement officer who is contributing to or receiving benefits from the Police Officers Retirement System. If this law enforcement member is retired, the other two members representing state employees do not have to be retired;

(iv) two members representing public school teachers, one of whom must be retired;

(v) one member representing the Retirement Investment Commission.

The Budget and Control Board shall invite the appropriate associations, groups, and individuals to recommend persons to serve on the board. The Budget and Control Board must appoint members from among the recommendations. Members must be appointed within sixty days of the effective date of this section.

Members of the General Assembly may not be appointed to the transition committee. Members of the transition committee must have substantial academic or professional experience or specialization in one or more areas of public finance, government budgeting and administration, insurance, retirement investment, economics, accounting, or related legal fields.

(d) The members of the committee:

(i) must meet as soon as practicable after appointment to organize itself by electing officers as the committee may consider necessary. Thereafter, the committee must meet as necessary to fulfill the duties required in this subsection at the call of the chairman or by a majority of the members. A quorum exists of seven members. The committee must engage or employ staff or consultants as may be necessary or prudent to assist the committee in the performance of its duties and responsibilities. Any staff or consultants must possess an academic background or substantial career experience of such a nature as to assist the committee in fulfilling its duties, including, but not limited to, being credentialed in structure and board governance policy;

(ii) shall serve without compensation but may receive the usual mileage, subsistence, and per diem allowed by law for members of state boards, committee, or commissions; and

(iii) expenses incurred by the commission shall be paid by the Employee Insurance Program and the Retirement Division.

(e) No later than January 1, 2013, the committee must prepare and deliver a report to the President Pro Tempore of the Senate and the Speaker of the House of Representatives containing the committee’s recommendations concerning agency governance structure, statutory changes relative to the transition, and any other actions that must be taken to transition public employee insurance and retirement operations to the Public Employee Benefit Agency.

(K) Notwithstanding another provision of law, if the State Budget and Control Board maintains primary responsibility related to a program the board must receive and expend revenues generated by the programs to support the board’s responsibilities related to the programs. The funds may be retained and expended in subsequent fiscal years until the date upon which the board is abolished. The funds then must be transferred to the appropriate agency for support that agency’s responsibilities related to the programs.” /

Amend the bill further, as and if amended, page [3066‑5], by striking lines 19 ‑ 43, and page [3066‑6], by striking lines 1 ‑ 10 and inserting:

/ (2) Division of State Information Technology including the Data Center, Information Technology Services, and South Carolina Enterprise Information System, but not including, support of the Joint Strategic Technology Committee;

(a) The Division of State Information Technology must submit the Statewide Strategic Information Technology Plan to the Joint Strategic Technology Commission by September first of each year;

(b) The Joint Strategic Technology Commission shall make recommendations to the division including, but not limited to, priorities for state government enterprise information technology projects, resource requirements, and efficiency. In addition, the division shall cooperate with and provide assistance to the Joint Strategic Technology Commission in the furtherance of the commission’s mission;

(3) The portion of the Office of Research and Statistics required to support the Governor’s executive budget writing duties;

(4) Office of State Budget, except for the employees required to provide fiscal impact statements on proposed legislation and to support the General Assembly’s budget writing duties who are transferred to the Legislative Fiscal Office;

(5) the State Engineer’s Office;

(6) the Insurance Reserve Fund;

(7) Office of Human Resources, except that any additions or amendments to the State Human Resource Regulations must be submitted for approval to the State Financial Affairs Authority;

(8) Office of Executive Policy and Programs, except for the State Ombudsman, Children’s Services programs, and the Guardian ad Litem program that are contained within this office;

(9) Office of Economic Opportunity;

(10) Developmental Disabilities Council;

(11) Continuum of Care as established by Section 20‑7‑5610;

(12) Children’s Foster Care as established by Section 20‑7‑2379;

(13) Veterans Affairs as established by Section 25‑11‑10;

(14) Commission on Women as established by Section 1‑15‑10;

(15) Victims Assistance as established by Article 13, Chapter 3, Title 16; and

(16) Small and Minority Business as established by Section 11‑35‑5270. /

Amend the bill further, as and if amended, by striking SECTION 5 in its entirety, and inserting:

/ SECTION 5. Chapter 3, Title 2 of the 1976 Code is amended by adding:

“Section 2‑3‑240. (A) Effective July 1, 2011, the following personnel of the State Budget and Control Board are transferred to a Legislative Fiscal Office organized as recommended by the Clerk of the Senate and the Clerk of the House of Representatives and approved by the President Pro Tempore of the Senate and the Speaker of the House of Representatives:

(1) the employees of the Office of State Budget required to provide fiscal impact statements on proposed legislation and to support the General Assembly’s budget writing duties; and

(2) the employees of the Office of Research and Statistics required to provide revenue impact statements on proposed legislation and to support the General Assembly’s budget writing duties.

(B) The Clerk of the Senate and the Clerk of the House of Representatives must direct and assist the transfer of these personnel. The Legislative Fiscal Office must support the work of the General Assembly through the provision of data without regard to political or other considerations beyond technical accuracy and professionalism required to perform the duties of the office.

(C) The executive director of the Budget and Control Board, in consultation with the Senate Finance Committee and the House Ways and Means Committee, shall determine the employees, authorized appropriations, and assets and liabilities to be transferred from items (1) and (2) of subsection (A).

Section 2‑3‑250. There is created within the Legislative Fiscal Office a Division of Precinct Demographics to be staffed by personnel as determined appropriate as recommended by the Clerk of the Senate and the Clerk of the House of Representatives and approved by the President Pro Tempore of the Senate and the Speaker of the House of Representatives. The division of Precinct Demographics shall:

(1) review existing precinct boundaries and maps for accuracy and develop and rewrite descriptions of precincts for submission to the legislative process;

(2) consult with members of the General Assembly or their designees on matters related to precinct construction or discrepancies that may exist or occur in precinct boundary development in the counties they represent;

(3) develop a system for originating and maintaining precinct maps and related data for the State;

(4) represent the Legislative Fiscal Office at public meetings, meetings with members of the General Assembly, and meetings with other state, county, or local governmental entities on matters related to precincts;

(5) assist the appropriate county officials in the drawing of maps and writing of descriptions or precincts preliminary to these maps and descriptions being filed in this office for submission to the United States Department of Justice;

(6) coordinate with the Census Bureau in the use of precinct boundaries in constructing census boundaries and the identification of effective uses of precinct and census information for planning purposes;

(7) serve as a focal point for verifying official precinct information for the counties of South Carolina.” /

Amend the bill further, as and if amended, page [3066‑10], after line 38, by adding PART V containing an appropriately numbered new SECTION to read:

/ Part V

State Financial Affairs Authority

SECTION \_\_\_. Title 1 of the 1976 Code is amended by adding:

“Chapter 12

State Financial Affairs Authority

Article 1

General Provisions

Section 1‑12‑10. The State Financial Affairs Authority shall be comprised of the Governor, ex officio, who shall be chairman, the State Treasurer, ex officio, the Comptroller General, ex officio, one Senator selected by a majority of the Senate who shall serve ex officio, and one member of the House of Representatives selected by a majority of the House of Representatives who shall serve ex officio.

Section 1‑12‑20. The functions of the authority must be performed, exercised, and discharged under the supervision and direction of the authority through such divisions as the authority may from time to time establish. The authority may organize its staff as it deems most appropriate to carry out the various duties, responsibilities, and authorities assigned to it and to its various divisions, provided that each division shall consist of a director and clerical, stenographic, and technical employees necessary, to be employed by the respective directors with the approval of the authority. The directors of the divisions must be employed by the State Financial Affairs Authority for that time and compensation as may be fixed by the authority in its judgment.

Section 1‑12‑30. The authority may cooperate with and assist the authorities of the counties, municipalities, school districts, and other subdivisions of the State in the handling, in whatever manner may be deemed by it desirable in each case, of the financial obligations of such counties, municipalities, school districts, and other subdivisions. The authority may, upon request of any such authorities, negotiate with the holders of such obligations and the authorities of the obligor to the end that such extensions and adjustments as may be desirable may be effected and may negotiate with any lending agency and perform any other act or service pursuant to the purpose hereof to the end that the credit of the subdivisions of the State and the rights of the holders of their obligations may be mutually protected.

Section 1‑12‑40. (A) To offset the costs incurred by the State in the review and processing of proposals by the governing bodies of counties and municipalities for the issuance or refunding of industrial, hospital, or pollution control revenue bonds or notes, the State Financial Affairs Authority may charge a single fee to cover initial processing ,including any amendments in accord with the following schedule:

Issue or Refunding Amount Fee

$1,000,000 or less $2,000

$1,000,001 through $25,000,000 3,000

$25,000,001 through $50,000,000 4,000

Over $50,000,000 5,000

(B) The revenue received from these fees must be deposited in the General Fund.

Section 1‑12‑50. (A) The State Financial Affairs Authority is authorized to provide insurance for the State, its departments, agencies, institutions, commissions, boards, and the personnel employed by the State in its departments, agencies, institutions, commissions, and boards to protect the State against tort liability and to protect these personnel against tort liability arising in the course of their employment. The insurance also may be provided for physicians or dentists employed by the State, its departments, agencies, institutions, commissions, or boards against any tort liability arising out of the rendering of any professional services as a physician or dentist for which no fee is charged or professional services rendered of any type whatsoever so long as any fees received are directly payable to the employer of a covered physician or dentist, or to any practice plan authorized by the employer whether or not the practice plan is incorporated and registered with the Secretary of State; provided, any insurance coverage provided by the authority may be on the basis of claims made or upon occurrences. The insurance also may be provided for students of high schools, South Carolina Technical Schools, or state‑supported colleges and universities while these students are engaged in work study, distributive education, or apprentice programs on the premises of private companies. Premiums for the insurance must be paid from appropriations to or funds collected by the various entities, except that in the case of the above‑referenced students in which case the premiums must be paid from fees paid by students participating in these training programs. The authority has the exclusive control over the investigation, settlement, and defense of claims against the various entities and personnel for whom it provided insurance coverage and may promulgate regulations in connection therewith.

(B) Any political subdivision of the State including, without limitations, municipalities, counties, and school districts, may procure the insurance for itself and for its employees in the same manner provided for the procurement of this insurance for the State, its entities, and its employees.

(C) The procurement of tort liability insurance in the manner provided is the exclusive means for the procurement of this insurance.

(D) The authority also is authorized to offer insurance to governmental hospitals and any subsidiary of or other entity affiliated with the hospital currently existing or as may be established; and chartered, nonprofit, eleemosynary hospitals and any subsidiary of or other entity affiliated with the hospital currently existing or as may be established in this State to protect these hospitals against tort liability. Notwithstanding any other provision of this section, the procurement of tort liability insurance by a hospital and any subsidiary of or other entity affiliated with the hospital currently existing or as may be established supported wholly or partially by public funds contributed by the State or any of its political subdivisions in the manner herein provided is not the exclusive means by which the hospital may procure tort liability insurance.

(E) The authority is authorized to provide insurance for duly appointed members of the boards and employees of health system agencies, and for members of the State Health Coordinating Council which are created pursuant to Public Law 93‑641.

(F) The authority is further authorized to provide insurance as prescribed in Sections 10‑7‑10 through 10‑7‑40, 59‑67‑710, and 59‑67‑790.

(G) Documentary or other material prepared by or for the authority in providing any insurance coverage authorized by this section or any other provision of law which is contained in any claim file is subject to disclosure to the extent required by the Freedom of Information Act only after the claim is settled or finally concluded by a court of competent jurisdiction.

(H) The authority is further authorized to provide insurance for state constables, including volunteer state constables, to protect these personnel against tort liability arising in the course of their employment, whether or not for compensation, while serving in a law enforcement capacity.

Section 1‑12‑60. (A) Agencies shall insure state‑owned vehicles through the authority or shall absorb the cost of accident repairs within the agency budget.

(B) State employees who, while driving state‑owned vehicles on official business, are involved in accidents resulting in damages to the vehicles may not be held liable to the State for the cost of repairs, except in the following cases:

(1) if the operator was convicted of driving under the influence of alcohol or illegal drugs at the time of the accident and the Accident Review Board determines that the operator’s impaired condition substantially was the cause of the accident, the operator may be assessed up to the full cost of repairs; and

(2) in all other cases, the employee operator may be assessed for an amount not to exceed two hundred dollars for each occurrence if he is found to be at fault in the accident after a review of records conducted by a duly appointed Accident Review Board.

(C) Employees subjected to these assessments may appeal the assessment to the following bodies, in the following order:

(1) Agency Accident Review Board;

(2) Agency Executive Director or governing board or commission;

(3) State Motor Vehicle Management Council; and

(4) State Budget and Control Board.

Section 1‑12‑70. The State Financial Affairs Authority may employ special agents to examine insurance risks carried by the authority and perform any other duties which may be required of them. The cost of necessary supplies, equipment, and travel expenses of the special agents shall be paid from the revenues of the Insurance Reserve Fund.

Section 1‑12‑80. To underwrite automobile liability insurance provided pursuant to this chapter, the authority is authorized to either self‑insure, purchase reinsurance, or use a combination of self‑insurance and reinsurance. Should the authority elect to purchase automobile liability reinsurance, the reinsurance shall be procured through a bid process in accordance with the South Carolina Consolidated Procurement Code with a contract term not to exceed three years.

Section 1‑12‑90. The authority is authorized to finance the construction of correctional facilities by issuance of capital improvement bonds or other methods of financing approved by the authority.

Section 1‑12‑100. A. By the provisions of Title 4, Chapter 29, of Title 4 (the Industrial Revenue Bond Act), Chapter 3, of Title 48 (the Pollution Control Facilities Revenue Bond Act), Article 11 of Chapter 7 of Title 44 (the Hospital Revenue Bond Act), all of the 1976 Code, and certain other provisions of South Carolina law, various political subdivisions and agencies of the State of South Carolina are authorized or enabled to issue their debt for the benefit of certain private entities in order to encourage and promote certain undertakings and activities which promote the public health, welfare, and economy of the State. There is pending in the Congress of the United States legislation which, if enacted in its present form, would impose a maximum dollar limit on the amount of the debt, referred to as ‘private activity bonds’, which could be issued by a state in a given year. The legislation purports to be effective, retroactively, to all the indebtedness issued subsequent to December 31, 1983. The legislation also provides that the inclusion of the indebtedness issued in any state within the limitation imposed must be determined in a manner as provided by the legislature of the state. The pendency of the legislation absent a mechanism for determining the inclusion of debt within the proposed limit has created uncertainty and difficulty in the issuance of debt to which the limitation, if imposed, might apply. In order to remove this uncertainty the General Assembly proposes to delegate to the State Financial Affairs Authority and the Joint Bond Review Committee, if a maximum limit upon the debt is imposed, the authority to designate which indebtedness is included within any limits on ‘private activity bonds’, which may be imposed by federal law or regulations and to promulgate rules and regulations as the State Financial Affairs Authority with the approval of the committee may consider necessary for the purposes.

(B) The authority and the Joint Bond Review Committee shall develop a plan pursuant to which the authority shall determine which issue of indebtedness, or portions of indebtedness, issued by the State of South Carolina or any agency or political subdivision of the State must be included within any limitation on ‘private activity bonds’ or any similar indebtedness, proposed or imposed by any federal legislation or regulations. The determination may be made without regard to the date of any agreements between the issuers and beneficiaries of any indebtedness, and no priority need be given any issue, issuer, or beneficiary based on any date.

(C) The authority, after review by the Joint Bond Review Committee, shall promulgate regulations as it considers necessary or useful in connection with the authority granted in this section.

Section 1‑12‑120. Any state governmental body which provides health care or social services and which has a legal right to be reimbursed from any private or governmental source for these services may contract with any vendor on a contingent basis to recover or to assist in the recovery of funds for reimbursement of the provided services. The governmental body may pay the vendor from funds actually collected from governmental or private sources as a result of the services provided by the vendor. The vendor must be selected pursuant to Section 11‑35‑1530, 11‑35‑1560, or 11‑35‑1570 and the contract must be approved by the State Budget and Control Board.

Section 1‑12‑130. No aircraft may be purchased, leased, or lease‑purchased for more than a thirty‑day period by any state agency without the prior authorization of the State Financial Affairs Authority.

Section 1‑12‑140. The State must defend the members of the State Financial Affairs Authority against a claim or suit that arises out of or by virtue of their performance of official duties on behalf of the authority and must indemnify these members for a loss or judgment incurred by them as a result of the claim or suit, without regard to whether the claim or suit is brought against them in their individual or official capacities, or both. The State must defend officers and management employees of the authority and legislative employees performing duties for board members against a claim or suit that arises out of or by virtue of performance of official duties unless the officer, management employee, or legislative employee was acting in bad faith and must indemnify these officers, management employees, and legislative employees for a loss or judgment incurred by them as a result of such claim or suit, without regard to whether the claim or suit is brought against them in their individual or official capacities, or both. This commitment to defend and indemnify extends to members, officers, management employees, and legislative employees after they have left their employment with the authority or General Assembly, as applicable, if the claim or suit arises out of or by virtue of their performance of official duties on behalf of the authority.

Section 1‑12‑150. The State Financial Affairs Authority is authorized to pay judgments against individual governmental employees and officials, in excess of one million dollars, subject to a maximum of four million dollars in excess of one million dollars for one employee and a maximum of twenty million dollars in excess of five million dollars in one fiscal year. These payments are limited to judgments rendered under 42 U.S.C. Section 1983 against governmental employees or officials who are covered by a tort liability policy issued by the Insurance Reserve Fund. These payments are also limited to judgments against governmental employees and officials for acts committed within the scope of employment. If a judgment is paid, the payment must be recovered by assessments against all governmental entities purchasing tort liability insurance from the Insurance Reserve Fund.

Section 1‑12‑160. (A) No funds appropriated by the General Assembly may be used by a constitutional officer to purchase space including, but not limited to, notices or advertisements, in a print medium or time from a radio or television medium without unanimous prior written approval of the State Financial Affairs Authority.

(B) No funds appropriated by the General Assembly may be used by a constitutional officer to print on, or distribute with, official documents extraneous promotional material or to purchase plaques, awards, citations, or other recognitions without unanimous prior written approval of the State Financial Affairs Authority.

(C) If nonpublic funds are used for the purposes enumerated in subsection (A), the constitutional officer expending the funds must submit the source of the funds showing all contributors to the State Financial Affairs Authority before the funds are expended.

(D) The provisions of this section do not apply to the Governor or to the General Assembly.

Section 1‑12‑170. (A) The State Financial Affairs Authority is directed to survey the progress of the collection of revenue and the expenditure of funds by all agencies, departments, and institutions. If the authority determines that a year‑end aggregate deficit may occur by virtue of a projected shortfall in anticipated revenues, it shall utilize those funds as may be available and required to be used to avoid a year‑end deficit and after that take action as necessary to restrict the rate of expenditure of all agencies, departments, and institutions consistent with the provisions of this section. No agencies, departments, institutions, activity, program, item, special appropriation, or allocation for which the General Assembly has provided funding in any part of this section may be discontinued, deleted, or deferred by the authority. A reduction of rate of expenditure by the financial affairs authority, pursuant to this section, must be applied as uniformly as may be practicable, except that no reduction must be applied to funds encumbered by a written contract with the agency, department, or institution not connected with state government. This reduction is subject to any bill or resolution enacted by the General Assembly.

(B) As far as practicable, all agencies, departments, and institutions of the State are directed to budget and allocate appropriations as a quarterly allocation to provide for operation on uniform standards throughout the fiscal year and in order to avoid an operating deficit for the fiscal year. It is recognized that academic year calendars of state institutions affect the uniformity of the receipt and distribution of funds during the year. The Comptroller General shall make reports to the authority as they consider advisable on an agency, department, or institution that is expending authorized appropriations at a rate which predicts or projects a general fund deficit for the agency, department, or institution. The authority is directed to require the agency, department, or institution to file a quarterly allocations plan and is further authorized to restrict the rate of expenditures of the agency, department, or institution if the authority determines that a deficit may occur. It is the responsibility of the agency, department, or institution to develop a plan, in consultation with the authority, which eliminates or reduces a deficit. If the authority makes a finding that the cause of, or likelihood of, a deficit is unavoidable due to factors which are outside the control of the agency, department, or institution, then the authority may determine that the recognition of the agency, department, or institution is appropriate and shall notify the General Assembly of this action or the presiding officer of the House and Senate if the General Assembly is not in session. The authority only may recognize a deficit by a vote of at least four members.

(C) Upon receipt of the notification from the authority, the General Assembly may authorize supplemental appropriations from any surplus revenues that existed at the close of the previous fiscal year. If the General Assembly fails to take action, then the finding of the authority shall stand, and the actual deficit at the close of the fiscal year must be reduced as necessary from surplus revenues or surplus funds available at the close of the fiscal year in which the deficit occurs and from funds available in the Capital Reserve Fund and General Reserve Fund, as required by the Constitution of this State. If the authority finds that the cause of or likelihood of a deficit is the result of the agency, department, or institution management, then the state officials responsible for management of the agency, department, or institution involved must be held liable for it and the financial affairs authority shall notify the Agency Head Salary Commission of this finding. In the case of a finding that a projected deficit is the result of the management of the agency, department, or institution, the authority shall take steps immediately to curtail agency, department, or institution expenditures to bring expenditures in line with authorized appropriations and avoid a year‑end operating deficit.

Section 1‑12‑180. If the State Financial Affairs Authority or the General Assembly mandates an across‑the‑board reduction, state agencies are encouraged to reduce general operating expenses including, but not limited to, travel, training, procurement, hiring of temporary and contractual employees before reductions are made to programs, special line items, or local provider services critical to an agency’s mission.

Section 1‑12‑190. (A) In addition to the powers granted the State Financial Affairs Authority pursuant to this chapter or another provision of law, the authority may require submission and approval of plans and specifications for permanent improvements by a state department, agency, or institution before a contract is awarded for the permanent improvement.

(B) The authority may promulgate regulations necessary to carry out its duties.

(C) The respective divisions of the authority and the Department of Administration are authorized to provide to and receive from other governmental entities, including other divisions and state and local agencies and departments, goods and services as will in its opinion promote efficient and economical operations. The divisions may charge and pay the entities for the goods and services, the revenue from which must be deposited in the state treasury in a special account and expended only for the costs of providing the goods and services, and those funds may be retained and expended for the same purposes.

Article 3

Allocation of State Ceiling on Issuance of Private Activity Bonds

Section 1‑12‑300. The state ceiling on the issuance of private activity bonds as defined in Section 146 of the Internal Revenue Code of 1986 (the Code) established in the act must be certified annually by the State Financial Affairs Authority based upon the provisions of the act. The financial affairs authority shall make this certification as soon as practicable after the estimates of the population of the State of South Carolina to be used in the calculation are published by the United States Bureau of the Census but in no event later than February first of each calendar year.

Section 1‑12‑310. (A) The private activity bond limit for all issuing authorities must be allocated by the financial affairs authority in response to authorized requests as described this article by the issuing authorities.

(B) The aggregate private activity bond limit amount for all South Carolina issuing authorities is allocated initially to the State for further allocation within the limits prescribed herein.

(C) Except as is provided in this article, all allocations must be made by the financial affairs authority on a first‑come, first‑served basis, to be determined by the date and time sequence in which complete authorized requests are received by the financial affairs authority.

Section 1‑12‑320. (A) The private activity bond limit for all state government issuing authorities now or hereafter authorized to issue private activity bonds as defined in the act, to be known as the ‘state government pool’, is forty percent of the state ceiling less any amount shifted to the local pool as described in subsection (B) of this section or plus any amount shifted from that pool.

(B) The private activity bond limit for all issuing authorities other than state government agencies, to be known as the ‘local pool’, is sixty percent of the state ceiling plus any amount shifted from the state government pool or less any amount shifted to that pool.

(C) The financial affairs authority, with review and comment by the Joint Bond Review Committee, may shift unallocated amounts from one pool to the other at any time.

Section 1‑12‑330. (A) For private activity bonds proposed for issue by other than state government issuing authorities, an authorized request is a request included in a petition to the financial affairs authority that a specific amount of the state ceiling be allocated to the bonds for which the petition is filed. The petition must be accompanied by a copy of the Inducement Contract, Inducement Resolution, or other comparable preliminary approval entered into or adopted by the issuing authority, if any, relating to the bonds. The financial affairs authority shall forward promptly to the committee a copy of each petition received.

(B) For private activity bonds proposed for issue by any state government issuing authority, an authorized request is a request included in a petition to the financial affairs authority that a specific amount of the state ceiling be allocated to the bonds for which the petition is filed. The petition must be accompanied by a bond resolution or comparable action by the issuing authority authorizing the issuance of the bonds. The authority shall forward promptly to the committee a copy of each petition received.

(C) Each authorized request must demonstrate that the allocation amount requested constitutes all of the private activity bond financing contemplated at the time for the project and any other facilities located at or used as a part of an integrated operation with the project.

Section 1‑12‑340. (A) The financial affairs authority, with review and comment by the committee, may disapprove, reduce, or defer any authorized request. If it becomes necessary to exercise this power, the financial affairs authority and the committee shall take into account the public interest in promoting economic growth and job creation.

(B) Authorized requests for state ceiling allocations of more than ten million dollars for a single project are deferred until after July first unless the financial affairs authority, after review and comment by the committee, determines in any particular instance that the positive impact upon the State of approving an allocation of an amount greater than ten million dollars is of such significance that approval of the allocation is warranted.

Section 1‑12‑350. (A) An allocation of the state ceiling approved by the State Financial Affairs Authority is made formal initially by a certificate which allocates tentatively a specific amount of the state ceiling to the bonds for which the allocation is requested. This tentative allocation certificate must specify the state ceiling amount allocated, the issuing authority and the project involved, and the time period during which the tentative allocation is valid. This certificate must remind the issuing authority that the tentative allocation is made final after the issuing authority chairman or other duly authorized official or agent of the issuing authority, before the issue is made, certifies the issue amount and the projected date of issue, as is required by subsection (B) of this section. It also may include other information considered relevant by the financial affairs authority.

(B) The chairman or other authorized official or agent of an issuing authority issuing any private activity bond for which a portion of the state ceiling has been allocated tentatively shall execute and deliver to the financial affairs authority an issue amount certificate setting forth the exact amount of bonds to be issued and the projected bond issue date which date must not be more than ten business days after the date of the issue amount certificate and it must be before the state ceiling allocation involved expires. The issue amount certificate may be an executed copy of the appropriate completed Internal Revenue Service form to be submitted to the Internal Revenue Service on the issue or it may be in the form of a letter which certifies the exact amount of bonds to be issued and the projected date of the issue.

(C) In response to the issuing authority’s issue amount certificate required by subsection (B) of this section, the financial affairs authority is authorized to issue and, as may be necessary, to revise a certificate making final the ceiling allocation approved previously by the financial affairs authority on a tentative basis, if the financial affairs authority determines that:

(1) the issuing authority’s issue amount certificate specifies an amount not in excess of the approved tentative ceiling allocation amount;

(2) the issue amount certificate was received prior to the issue date projected and that the certificate is dated not more than ten days prior to the issue date projected;

(3) the issue date projected is within the time period approved previously for the tentative ceiling allocation; and

(4) the bonds when issued and combined with the total amount of bonds requiring a ceiling allocation included in issue amount certificates submitted previously to the financial affairs authority by issuing authorities do not exceed the state ceiling for the calendar year. Except under extraordinary circumstances, the financial affairs authority shall issue this certificate within two business days following the date the issue amount certificate is received.

(D) In accordance with Section 149(e)(2)(F) of the Code, the chairman financial affairs authority is designated as the state official responsible for certifying, if applicable, that certain bonds meet the requirements of Section 146 of the Code relating to the volume cap on private activity bonds.

(E) Any tentative or final state ceiling allocation granted by the financial affairs authority before the effective date of this act remains valid as an allocation of a portion of the volume cap for South Carolina provided under Section 146 of the Code. The allocations expire in accordance with the regulations under which they were granted or extended and their validity may be extended or reinstated in accordance with the provisions of this article.

Section 1‑12‑360. (A) Any state ceiling allocation approved by the financial affairs authority is valid only for the calendar year in which it is approved, unless eligible and approved for carry‑forward election or unless specified differently in the financial affairs authority certificates required by this article.

(B) Unless eligible and approved for carry‑forward election or unless specified differently in financial affairs authority certificates required by this article, each state ceiling allocation expires automatically if the bonds for which the allocation is made are not issued within ninety consecutive calendar days from the date the allocation is approved by the financial affairs authority.

(C) In response to a written request by the chairman or other duly authorized official or agent of an issuing authority, the financial affairs authority, acting during the period an approved allocation is valid, may extend the period in which an allocation is valid in a single calendar year by thirty‑one consecutive calendar days to a total of not more than one hundred twenty‑one consecutive calendar days.

(D) In response to a written request by the chairman or other authorized official or agent of an issuing authority, the financial affairs authority may reinstate for a period of not more than thirty‑one consecutive calendar days in any one calendar year part or all of an allocation approved but not extended previously in accordance with subsection (C) of this section in that same calendar year which has expired. The reinstatement request must certify that the authorized request submitted previously is still true and correct or a new authorized request must be submitted.

(E) A tentative ceiling allocation is canceled automatically if the chairman or other authorized official or agent of the issuing authority involved fails to deliver the issue amount certificate required by this article to the financial affairs authority before the bonds for which the allocation is made are issued.

(F) The chairman or other authorized official or agent of an issuing authority shall advise the financial affairs authority in writing as soon as is practicable after a decision is made not to issue bonds for which a portion of the state ceiling has been allocated. All notices of relinquishment of ceiling allocations must be entered promptly in the financial affairs authority’s records.

(G) Ceiling allocations which are eligible and approved for carry‑forward election are not subject to the validity limits of this section. The financial affairs authority shall join with the issuing authorities involved in carry‑forward election statements to meet the requirements of the Internal Revenue Service.

Section 1‑12‑370. The financial affairs authority must adopt the policies and procedures it considers necessary for the equitable and effective administration of the provisions contained in this article.”/

Amend the committee amendment further, as and if amended, page [3066‑11], by striking lines 6 ‑ 9 and inserting:

/ (B) To the extent that any provision of law divides or devolves any responsibilities of any division, office, or program of the Budget and Control Board between the board and one or more state agencies, including the State Financial Affairs Authority, the receiving agency must, within forty‑five days of the /

Amend the committee amendment further, as and if amended, page [3066‑12], by striking lines 23 ‑ 26 and inserting:

/ (6) Any proposed real property transaction under the jurisdiction of the Department of Administration, either directly or indirectly, that exceeds one million dollars must be presented to the State Financial Affairs Authority for approval. /

Amend the committee amendment further, as and if amended, page [3066‑14], by striking lines 11 ‑ 14 and inserting:

/ (5) Any proposed surplus property transaction under the jurisdiction of the Department of Administration, either directly or indirectly, that exceeds one million dollars must be presented to the State Financial Affairs Authority for approval.” /

Amend the committee amendment further, as and if amended, page [3066‑14], by striking lines 21‑23 and inserting:

/ except that a transaction of real property exceeding one million dollars in value shall instead be approved by the State Financial Affairs Authority. Upon approval of the transaction ~~by the Budget~~ /

Amend the committee amendment further, as and if amended, page [3066‑15] by striking lines 29 ‑ 37 and inserting:

/ Section 1‑11‑90. The ~~State Budget and Control Board~~ Department of Administration may grant to agencies or political subdivisions of the State, without compensation, rights of way through and over such marshlands as are owned by the State for the construction and maintenance of roads, streets and highways or power or pipe lines, if, in the judgment of the ~~Budget and Control Board~~ department, the interests of the State will not be adversely affected thereby. A grant exceeding one million dollars in value shall instead require the approval of State Financial Affairs Authority. /

Amend the committee amendment further, as and if amended, page [3066‑16], by striking lines 14 ‑16 and inserting:

/ condemnation or otherwise. An acquisition exceeding one million dollars in value shall instead require the approval of the State Financial Affairs Authority. /

Amend the committee amendment further, as and if amended, page [3066‑25], by striking lines 35 ‑ 37 and inserting:

/ (h) Any proposed property transaction under the provisions of this chapter that exceeds one million dollars must be presented to the State Financial Affairs Authority for approval. /

Amend the committee amendment further, as and if amended, page [3066‑67], by striking lines 1 ‑ 4 and inserting:

/ SECTION 30. Section 1-11-115 of the 1976 Code is amended to read:

“Section 1-11-115. All proceeds from the sale of real property titled to or subject to the care and control of the ~~State Budget and Control Board~~ Department of Administration must be deposited to the credit of the Sinking Fund and used by the board for the acquisition and maintenance of facilities owned by it for the use and occupancy of state departments and agencies.”

SECTION 31. Section 1-11-170 of the 1976 Code is amended to read:

“Section 1-11-170. The ~~State Budget and Control Board~~ Department of Administration may maintain revolving funds adequate to finance inventories and accounts receivable for goods and services rendered by its Division of General Services on a reimbursement basis.”

SECTION 32. Section 1-11-420 of the 1976 Code is amended to read:

“Section 1-11-420. All institutions, departments, and agencies shall file an annual report with the ~~board~~ State Financial Affairs Authority, the Legislative Fiscal Office, and the Governor’s Budget Office at the time the ~~board~~ financial affairs authority specifies. The ~~board~~ financial affairs authority shall prescribe specifications and deadlines as are practicable for the reports, the objective being to limit the content and style of printing, and thus keep the cost of their publication within reasonable limits. The ~~board~~ financial affairs authority shall have the reports printed and made available on or before January first to the State Library, the Legislative Fiscal Office, and the Governor’s Budget Office, and each member of the General Assembly ~~at his request and to the State Library~~. The ~~board~~ financial affairs authority shall report annually to the General Assembly on the expenditure of appropriations for the reports showing, by departments, the number of copies and cost of publication. State agency annual reports required under the provisions of this section and reports to the General Assembly may not be printed in a multicolor format unless that format can be purchased at the cost of black and white printing, nor may these reports contain pictures of board or commission members, agency officers, or employees.”

SECTION 33. (A) All functions, powers, duties, responsibilities, and authority vested in the Budget and Control Board prior to the effective date of this act that is not otherwise specifically accounted for in this act is devolved upon the State Financial Affairs Authority along with funding, staff, facilities, and other items necessary to carry out the devolved functions, powers, duties, responsibilities or authority. The code commissioner is directed to make appropriate changes in the South Carolina Code to reflect this devolution.

(B)There is devolved upon the State Financial Affairs Authority all functions, powers, duties, responsibilities, and authority vested in the Budget and Control Board prior to the effective date of this act related to the issuance of bonds and bonding authority, generally found in Title 11 of the 1976 Code but also contained in certain other provisions of South Carolina law. The code commissioner is directed to make appropriate changes in the South Carolina Code to reflect this devolution.

SECTION 34. A. The following section of the South Carolina Code are repealed: 1‑11‑130, 1‑11‑135, 1‑11‑140, 1‑11‑141, 1‑11‑145, 1‑11‑147, 1‑11‑175, 1‑11‑360, 1‑11‑370, 1‑11‑395, 1‑11‑400, 1‑11‑405, 1‑11‑440, 1‑11‑460, 1‑11‑470, 1‑11‑495, and 1‑11‑497.

B. Article 3, Chapter 11 of Title 1 is repealed.

SECTION 35. Unless otherwise provided, this act takes effect July 1, 2011. The General Assembly shall undertake a joint oversight review investigation of the Department of Administration during the department’s fifth year of operation. /

Renumber sections to conform

Amend title to conform.

Senator SHEHEEN explained Amendment No. P4C to H. 3066.

Consideration of H. 3066 was interrupted to take up H. 3700 (GAB) and H. 3701 (Cap. Reserve).

**Message from the House**

Columbia, S.C., June 2, 2011

Mr. President and Senators:

The House respectfully informs your Honorable Body that it has returned the following Bill to the Senate with amendments:

H. 3700 -- Ways and Means Committee: A BILL TO MAKE APPROPRIATIONS AND TO PROVIDE REVENUES TO MEET THE ORDINARY EXPENSES OF STATE GOVERNMENT FOR THE FISCAL YEAR BEGINNING JULY 1, 2011, TO REGULATE THE EXPENDITURE OF SUCH FUNDS, AND TO FURTHER PROVIDE FOR THIS OPERATION OF STATE GOVERNMENT DURING THIS FISCAL YEAR AND FOR OTHER PURPOSES.

Respectfully submitted,

Speaker of the House

Received as information.

**NONCONCURRENCE**

H. 3700 -- Ways and Means Committee: A BILL TO MAKE APPROPRIATIONS AND TO PROVIDE REVENUES TO MEET THE ORDINARY EXPENSES OF STATE GOVERNMENT FOR THE FISCAL YEAR BEGINNING JULY 1, 2011, TO REGULATE THE EXPENDITURE OF SUCH FUNDS, AND TO FURTHER PROVIDE FOR THIS OPERATION OF STATE GOVERNMENT DURING THIS FISCAL YEAR AND FOR OTHER PURPOSES.

The House returned the Bill with amendments.

On motion of Senator PEELER, with unanimous consent, the Senate nonconcurred in the House amendments and a message was sent to the House accordingly.

**Recorded Vote**

Senators GROOMS, VERDIN, BRIGHT and BRYANT desired to be recorded as voting in favor of the motion to nonconcur.

**Message from the House**

Columbia, S.C., June 2, 2011

Mr. President and Senators:

The House respectfully informs your Honorable Body that it has returned the following Bill to the Senate with amendments:

H. 3701 -- Ways and Means Committee: A JOINT RESOLUTION TO APPROPRIATE MONIES FROM THE CAPITAL RESERVE FUND FOR FISCAL YEAR 2010‑2011.

Respectfully submitted,

Speaker of the House

Received as information.

**NONCONCURRENCE**

H. 3701 -- Ways and Means Committee: A JOINT RESOLUTION TO APPROPRIATE MONIES FROM THE CAPITAL RESERVE FUND FOR FISCAL YEAR 2010‑2011.

The House returned the Joint Resolution with amendments.

On motion of Senator PEELER, with unanimous consent, the Senate nonconcurred in the House amendments and a message was sent to the House accordingly.

**Recorded Vote**

Senators GROOMS, VERDIN, BRIGHT and BRYANT desired to be recorded as voting in favor of the motion to nonconcur.

The Senate resumed consideration of H. 3066.

Senator SHEHEEN resumed explaining Amendment No. P4C to H. 3066.

**Objection**

With Senator SHEHEEN retaining the floor and having voted on the prevailing side, Senator KNOTTS asked unanimous consent to make a motion to reconsider the vote whereby the Senate nonconcurred in H. 3700 and H. 3701 by unanimous consent.

Senator LEATHERMAN objected.

**Objection**

With Senator SHEHEEN retaining the floor, Senator LOURIE asked unanimous consent to make a motion that the Senate revert to the Morning Hour.

Senator ANDERSON objected.

**Motion Under Rule 15A Failed**

At 3:36 P.M., Senator PEELER moved under the provisions of Rule 15A to vote on the entire matter of H. 3066.

The “ayes” and “nays” were demanded and taken, resulting as follows:

**Ayes 22; Nays 20**

**AYES**

Alexander Bright Bryant

Campbell Campsen Courson

Cromer Davis Fair

Gregory Grooms Hayes

*Martin, Larry Martin, Shane* Massey

O'Dell Peeler Rose

Ryberg Shoopman Thomas

Verdin

**Total--22**

**NAYS**

Anderson Coleman Elliott

Ford Hutto Jackson

Knotts Land Leatherman

Lourie Malloy Matthews

McConnell McGill Nicholson

Reese Scott Setzler

Sheheen Williams

**Total--20**

Not having received the necessary vote, the motion under Rule 15A failed.

**Statement by Senator McCONNELL**

I voted against cloture because there is not enough time left to consider this Bill before 5:00 P.M. when by law we have to adjourn. Under our Rules if cloture is imposed, the Rule requires 10 minutes for and 10 minutes against each amendment. There is not time left before 5:00 pm to do this and the Bill, therefore, cannot be voted up or down today. Therefore, cloture is meaningless and kills the Bill.

The amendment before us is true reform. It gets rid of the Budget and Control Board and will bring accountability. Cloture would kill the Bill. The amendment would help move it to passage and give true reform.

I agreed to give this Bill an automatic second reading to take it up today. I did not agree to ram it through and cut off debate so quickly. That happened in Washington with Obamacare. We don’t need to repeat that practice here.

**Statement by Senator LEATHERMAN**

I voted against cloture because there is not enough time left to consider this Bill before 5:00 P.M. when by law we have to adjourn. Under our rules if cloture is imposed, the rule requires 10 minutes for and 10 minutes against each amendment. There are 70 amendments on the desk. There is not enough time left before 5:00 P.M. to consider 70 amendments and the Bill, therefore, cannot be voted up or down today. Therefore, cloture is meaningless and kills the Bill.

The bill before us is true reform.

I agreed to give this Bill an automatic second reading to take it up today. I did not agree to ram it through and cut off debate after only 2 hours of debate. That happened in Washington with Obamacare. We don’t need to repeat that practice here.

Senator MASSEY explained Amendment No. P4C to H. 3066.

**Expression of Personal Interest**

With Senator MASSEY retaining the floor, Senator SCOTT, with unanimous consent, rose for an Expression of Personal Interest.

Senator MASSEY resumed explaining Amendment No. P4C to H. 3066.

Senator MALLOY was recognized to speak on the amendment.

The "ayes" and "nays" were demanded and taken, resulting as follows:

**Ayes 43; Nays 0**

**AYES**

Alexander Anderson Bright

Bryant Campbell Campsen

Cleary Coleman Courson

Cromer Davis Elliott

Fair Ford Gregory

Grooms Hayes Hutto

Jackson Knotts Land

Leatherman Lourie Malloy

*Martin, Larry Martin, Shane* Massey

Matthews McConnell McGill

Nicholson O'Dell Peeler

Reese Rose Ryberg

Scott Setzler Sheheen

Shoopman Thomas Verdin

Williams

**Total--43**

**NAYS**

**Total--0**

The amendment was adopted.

**Objection**

Senator PEELER asked unanimous consent to make a motion to withdraw all the amendments on the Desk and give the Bill a third reading.

Senator SCOTT objected.

**Expression of Personal Interest**

Senator FORD rose for an Expression of Personal Interest.

**Objection**

Senator FORD asked unanimous consent to make a motion to take up H. 3124 for immediate consideration and give the Bill a third reading.

Senator RYBERG objected.

**Objection**

Senator LOURIE asked unanimous consent to make a motion to take up H. 3660 for immediate consideration and concur in the House amendments.

Senator RYBERG objected.

**Amendment No. P7**

Senator SHEHEEN proposed the following amendment (JUD3066.022), which was adopted:

Amend the committee amendment, as and if amended, lines 41 through 42 on page [3066-52], lines 1 through 42 on page [3066-53], and lines 1 through 2 on page [3066-54], by striking SECTION 19 in its entirety and inserting therein the following:

/ SECTION 19. Section 48-52-440 of the 1976 Code is amended to read:

“Section 48‑52‑440. ~~There is established the Energy Advisory Committee, whose members are appointed by the State Budget and Control Board, except as provided in item (14) of this section. Members shall serve at the pleasure of the State Budget and Control Board except that those appointed pursuant to item (14) shall serve for a term coterminous with that of their appointing authority. The committee is composed as follows:~~

~~(1)~~ ~~two representatives of investor‑owned electricity companies;~~

~~(2)~~ ~~two representatives of electric cooperatives~~;

~~(3)~~ ~~one representative of the South Carolina Public Service Authority, who shall serve ex officio;~~

~~(4)~~ ~~one representative of municipally‑owned electric utilities;~~

~~(5)~~ ~~one representative of publicly‑owned natural gas companies;~~

~~(6)~~ ~~one representative of investor‑owned gas companies;~~

~~(7)~~ ~~one representative of oil suppliers or dealers;~~

~~(8)~~ ~~one representative of propane suppliers or dealers;~~

~~(9)~~ ~~one representative of nonprofit public transportation providers;~~

~~(10)~~ ~~two representatives of industrial consumers;~~

~~(11)~~ ~~two representatives of commercial consumers;~~

~~(12)~~ ~~two representatives of individual consumers; one must be the Executive Director of the Office of Regulatory Staff or his designee, who shall serve ex officio;~~

~~(13)~~ ~~two representatives of environmental groups; and~~

~~(14)~~ ~~one at‑large member appointed by the Governor.~~

~~The Budget and Control Board shall elect one of the committee members to serve as chairman. The members of the Energy Advisory Committee are not eligible for per diem payments or for reimbursement for lodging or meals. The functions of the Energy Advisory Committee are advisory to the State Energy Office. The committee shall meet at least annually and at the call of the chair or at the request of at least six members to receive information on the activities of the State Energy Office and the formulation and implementation of the state energy action plan. It may comment and advise on the activities and the plan as considered appropriate by members of the committee. The State Energy Office may seek advice and guidance from the committee as considered appropriate by the director of the office.Members shall adopt rules governing meeting attendance and abide by these rules.~~

(A) All funds allocated or directed to this State by the federal government relating to energy planning, energy conservation, and energy efficiency must be allocated or directed to the State Energy Office in the Office of Regulatory Staff to be distributed in accordance with the provisions of this section; provided, however, that no funding from the following federal programs is subject to the provisions of this section:

(1) the Low Income Home Energy Assistance Program (LIHEAP), created by Title XXVI of the Omnibus Budget Reconciliation Act of 1981 and codified as Chapter 94, Title 42 of the United States Code, as amended by the Human Services Reauthorization Act of 1984, the Human Services Reauthorization Act of 1986, the Augustus F. Hawkins Human Services Reauthorization Act of 1990, the National Institutes of Health Revitalization Act of 1993, the Low‑Income Home Energy Amendments of 1994, the Coats Human Services Reauthorization Act of 1998, and the Energy Policy Act of 2005, which is administered and funded by the United States Department of Health and Human Services on the federal level and administered locally by community action agencies; or

(2) the Weatherization Assistance Program, created by Title IV of the Energy Conservation and Production Act of 1976 and codified as Part A, Subchapter III, Chapter 81, Title 42 of the United States Code, amended by the National Energy Conservation Policy Act, the Energy Security Act, the Human Services Reauthorization Act of 1984, and the State Energy Efficiency Programs Improvement Act of 1990 and administered and funded by the United States Department of Energy on the federal level and administered locally by community action agencies.

Nothing in this section changes the exclusive administration of the Low Income Energy Assistance Program and Weatherization Assistance Program by local community action agencies through the Department of Administration’s Office of Economic Opportunity pursuant to its authority under the provisions of Chapter 45, Title 43, the Community Economic Opportunity Act of 1983.

(B) All funds described in subsection (A) that are not exempted by items (1) and (2) of subsection (A) must be distributed by the State Energy Office in the Office of Regulatory Staff in accordance with all requirements of federal law associated with these funds. Persons seeking to obtain funding for energy related programs must submit to the State Energy Office a plan for the use of the funds in a manner consistent with the provisions of this section.

(C) Upon receipt of the plans required by subsection (B), the State Energy Office of the Office of Regulatory Staff must prepare an analysis of the plans and their consistency with the provisions of this section and submit that analysis to the Department Advisory Council for its review and recommendations.

(D) There is hereby created in the Office of Regulatory Staff the Energy Advisory Council, which will advise the State Energy Office on all matters for which the State Energy Office is responsible and specifically with respect to its review of the annual plans required to be submitted pursuant to this section. The Advisory Council shall be composed of nine members as follows:

(1) three appointed by the Governor, one of whom must have a substantial background in environmental or consumer protection matters;

(2) three appointed by the President Pro Tempore of the Senate, one of whom must have a substantial background in environmental or consumer protection matters; and

(3) three appointed by the Speaker of the House of Representatives, one of whom must have a substantial background in environmental or consumer protection matters.

All appointees must have backgrounds in environmental issues; the electricity, transportation or natural gas industries; or economic development related to these sectors.

(E) In evaluating the plans required by this section, the Advisory Council shall consider the extent to which the plans allocate funds in a cost effective manner and promote the following alternative sources of domestic energy or avoidance of consumption of energy:

(1) the development of energy efficiency and conservation;

(2) renewable sources of energy, including wind power; solar power, energy from biomass sources, and energy storage;

(3) nuclear energy; and

(4) alternative fuels or power sources for the transportation sector.

In considering the cost-effectiveness of the plans the Advisory Council must consider the cost of the proposed measures as to the expected useful life of the measures being proposed and the impact of the proposed measures on consumers. For each proposed plan, the Advisory Council must consider the value of the avoided cost of complying with anticipated state and federal environmental regulations.

(F) Upon completion of its review of plans submitted in compliance with this section, the Advisory Council must prepare a report describing the results of its review and submit copies of that report to the State Energy Office of the Office of Regulatory Staff and the Public Utility Review Committee of Article 5 of Chapter 3 of Title 58.

(G) The Executive Director of the Office of Regulatory Staff shall make the final determinations of distributions of funds as required by this section, taking into account the recommendations of the Advisory Council. Grant awards shall be made in a manner consistent with this section.” /

Renumber sections to conform.

Amend title to conform.

Senator SHEHEEN explained the amendment.

The "ayes" and "nays" were demanded and taken, resulting as follows:

**Ayes 32; Nays 9**

**AYES**

Alexander Bright Bryant

Campbell Campsen Cleary

Coleman Davis Ford

Gregory Grooms Hutto

Jackson Knotts Land

Lourie Malloy *Martin, Larry*

*Martin, Shane* Massey Matthews

McConnell Nicholson Reese

Rose Ryberg Scott

Setzler Sheheen Shoopman

Thomas Verdin

**Total--32**

**NAYS**

Anderson Courson Cromer

Fair Hayes McGill

O'Dell Peeler Williams

**Total--9**

The amendment was adopted.

**Amendment No. P5**

Senators HUTTO and FORD proposed the following amendment (3066R005.CBH):

Amend the committee amendment, as and if amended, page [3066‑3], by striking lines 29 - 36 and inserting:

/ (F)(1) Effective July 1, 2013, the following offices, divisions, or components of the State Budget and Control Board and the Department of Administration are transferred to and incorporated into, an administrative agency of state government to be known as the Public Employee Benefit Agency:

(a) the Employee Insurance Program;

(b) the Retirement Division; and

(c) the Insurance Reserve Fund.

Effective July 1, 2011, and until June 30, 2013, any additions or amendments to the State Employee Insurance Plan or the retirement system may not be adopted without the unanimous consent of the State Budget and Control Board. The transition committee established in item (3)(a) is not authorized to make any additions or amendments to the State Employee Insurance Plan or the retirement system.

(2) The Public Employee Benefit Agency shall be comprised of the Employee Insurance Division, the Retirement Systems Division, the Insurance Reserve Fund Division, and the Administration Division. A board of trustees must be appointed to manage and make policy decisions for the Employee Insurance Division and the Retirement Systems Division. The daily office functions and other administrative tasks for all divisions shall be managed through the Administration Division by an executive director.

(3)(a) On the effective date of this section, there is established a transition committee to provide the General Assembly with a plan for the structure of the board of trustees of the Public Employee Benefit Agency and its duties.

(b) The transition committee is authorized to take all executive actions necessary to provide a plan to the General Assembly for an orderly transition of the related trust funds and their operations to the trustee-based system to be administered by the Public Employee Benefit Agency. The transition committee must conduct a comprehensive survey of the structure, trustee governance, and operations of other similar systems throughout the United States and make recommendations to the General Assembly concerning the legislative actions that are needed to implement the most efficient, effective system of governance.

(c) The transition committee shall be comprised of nine voting members and the State Treasurer, ex officio, who shall serve as its chairman and may only vote when the committee is equally divided on any question. The nine voting members must be appointed by the State Budget and Control Board as follows:

(i) one member representing municipal employees;

(ii) one member representing county employees;

(iii) one member representing active state employees;

(iv) one member representing retired state employees;

(v) one member representing active law enforcement officers who is contributing to the Police Officers Retirement system;

(vi) one member representing retired law enforcement officers who is receiving benefits from the Police Officers Retirement system;

(vii) one member representing active public school teachers;

(viii) one member representing retired public school teachers; and

(ix) one member representing the Retirement Investment Commission.

The Budget and Control Board must invite the appropriate associations, groups, and individuals to recommend persons to serve on the board. The Budget and Control Board must appoint members from among the recommendations. Members must be appointed within sixty days of the effective date of this section.

Members of the General Assembly may not be appointed to the transition committee. Members of the transition committee must have substantial academic or professional experience or specialization in one or more areas of public finance, government budgeting and administration, insurance, retirement investment, economics, accounting, or related legal fields.

(d) The members of the committee:

(i) must meet as soon as practicable after appointment to organize itself by electing officers as the committee may consider necessary. Thereafter, the committee must meet as necessary to fulfill the duties required in this subsection at the call of the chairman or by a majority of the members. A quorum exists of seven members. The committee must engage or employ staff or consultants as may be necessary or prudent to assist the committee in the performance of its duties and responsibilities. Any staff or consultants must possess an academic background or substantial career experience of such a nature as to assist the committee in fulfilling its duties, including, but not limited to, being credentialed in structure and board governance policy; and

(ii) shall serve without compensation but may receive the usual mileage, subsistence, and per diem allowed by law for members of state boards, committee, or commissions.

(e) Expenses incurred by the commission shall be paid from the accounts of the the Employee Insurance Program and the Retirement Division.

(f) No later than January 1, 2013, the committee must prepare and deliver a report to the President Pro Tempore of the Senate and the Speaker of the House of Representatives containing the committee’s recommendations concerning agency governance structure, statutory changes relative to the transition, and any other actions that must be taken to transition public employee insurance and retirement operations to the Public Employee Benefit Agency.

(g) The transition committee is dissolved on the date that the report is delivered pursuant to subitem (3)(f).

(G) Notwithstanding another provision of law, if the State Budget and Control Board maintains primary responsibility related to a program administered by the Department of Administration, whether the responsibility is regulatory, oversight, approval, or other, the board may receive and expend revenues generated by the programs to support the board’s responsibilities related to the programs. The funds may be retained and expended in subsequent fiscal years.” /

Renumber sections to conform.

Amend title to conform.

Senator JACKSON was recognized to speak on the amendment.

**Point of Order**

Senator LARRY MARTIN raised a Point of Order that pursuant to the *Sine Die* Resolution, it was 5:00 P.M. and time had expired in regular Session.

The PRESIDENT sustained the Point of Order.

Debate was interrupted by adjournment.

**ADJOURNMENT**

At 5:00 P.M., the PRESIDENT declared the Senate adjourned to meet at Noon on Tuesday, June 14, 2011, pursuant to the provisions of H. 4195, the *Sine Die* Resolution.

\* \* \*