**South Carolina General Assembly**

122nd Session, 2017-2018

**H. 3648**

**STATUS INFORMATION**

General Bill

Sponsors: Rep. G.R. Smith

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Introduced in the House on February 2, 2017

Currently residing in the House Committee on **Labor, Commerce and Industry**

Summary: Unemployment trust fund

**HISTORY OF LEGISLATIVE ACTIONS**

Date Body Action Description with journal page number

2/2/2017 House Introduced and read first time ([House Journal‑page 16](file:///h:\hj\20170202.docx))

2/2/2017 House Referred to Committee on **Labor, Commerce and Industry** ([House Journal‑page 16](file:///h:\hj\20170202.docx))

View the latest [legislative information](http://www.scstatehouse.gov/billsearch.php?billnumbers=3648&session=122&summary=B) at the website

**VERSIONS OF THIS BILL**

[2/2/2017](file:///p:\pprever\2017-18\3648_20170202.docx)

**A** **BILL**

TO AMEND SECTION 41‑33‑45, AS AMENDED, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO THE REPORTS CONCERNING THE UNEMPLOYMENT TRUST FUND MADE BY THE DEPARTMENT OF EMPLOYMENT AND WORKFORCE REVIEW COMMITTEE, SO AS TO REMOVE REQUIREMENTS CONCERNING COST‑SHIFTING; AND TO CREATE THE “DEPARTMENT OF WORKFORCE STATUTORY REVIEW STUDY COMMITTEE” TO REVIEW RECOMMENDATIONS OF THE LEGISLATIVE AUDIT COUNCIL AND RECOMMEND STATUTORY CHANGES NEEDED TO IMPLEMENT THE RECOMMENDATIONS OF THE COUNCIL.

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

SECTION 1. Section 41‑33‑45(B)(2) of the 1976 Code, as last amended by Act 146 of 2010, is further amended to read:

“(2) The annual assessment report also must contain an analysis of the cost paid to beneficiaries ~~and cost‑shifting, if any,~~ from companies without a negative balance in their account fund to companies with a negative balance in their fund account. The analysis must be conducted with accepted actuarial principles on the basis of statistics of employment, business activity, and other relevant factors for the longest possible period. ~~The analysis also must include recommendations for adjusting the tax structure to address inequities that arise due to cost‑shifting.~~”

SECTION 2. (A) There is created the “Department of Workforce Statutory Revision Study Committee” to review recommendations by the Legislative Audit Council in its 2014 report, including:

(1) review conflicts between federal law and provisions enacted in Act 63 of 2011 concerning unemployment benefits for seasonal workers, particularly the state law’s failure to include a uniform charging method, as required by Section 3303(a)(1) of the Federal Unemployment Tax Act, by charging seasonal employee accounts differently than others, and to develop recommendations for making state law conform with federal requirements;

(2) with the goal of ultimately requiring the Department of Employment and Workforce to only provide one trust fund report annually to the General Assembly, review Sections 41‑33‑45 and 41‑29‑280 and determine how to consolidate these requirements into one report;

(3) review and clarify the duties of the Department of Workforce Review Committee created pursuant to Section 41‑27‑700, and the extent to which the committee is performing those duties; and

(4) examine the contingency assessment to determine if the tax rate should be maintained, eliminated, or reduced.

(B) Membership of the study committee must be comprised of:

(1) two members of the House of Representatives Labor, Commerce and Industry Committee, appointed by that committee’s chair;

(2) two members of the Senate Labor, Commerce and Industry Committee, appointed by that committee’s chair; and

(3) one member appointed by the Governor.

(C) The study committee shall provide a report to the General Assembly by December 31, 2017, at which time the study committee shall dissolve. Members of the study committee shall serve without mileage, per diem, or subsistence. A vacancy in the study committee must be filled in the original manner of appointment.

SECTION 3. This act takes effect upon approval by the Governor.

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