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COMMITTEE REPORT

April 6, 2021

**H. 3786**

Introduced by Reps. G.M. Smith, Murphy and Weeks

S. Printed 4/6/21--H.

Read the first time February 2, 2021.

**THE COMMITTEE ON WAYS AND MEANS**

To whom was referred a Bill (H. 3786) to amend Section 1‑1‑1210, as amended, Code of Laws of South Carolina, 1976, relating to the annual salaries of state constitutional officers, so as, etc., respectfully

**REPORT:**

That they have duly and carefully considered the same and recommend that the same do pass with amendment:

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

/ SECTION 1. Section 1‑1‑1210 of the 1976 Code, as last amended by Act 178 of 2018, is further amended to read:

“Section 1‑1‑1210. (A) The annual salaries of the state officers listed below are:

Governor $98,000

Lieutenant Governor 43,000

Secretary of State 85,000

State Treasurer 85,000

Attorney General 85,000

Comptroller General 85,000

Superintendent of Education 85,000

Adjutant General 85,000

Commissioner of Agriculture 85,000

(B) These salaries must be increased by two percent on July 1, 1991, and on July first of each succeeding year through July 1, 1994.

(C) A state officer whose salary is provided in this section may not receive compensation for ex officio service on any state board, committee, or commission.

(D) Beginning with Fiscal Year 2022‑2023, and beginning when the state officer’s term commences and lasting until the term concludes, with the exception of the Governor and Lieutenant Governor, salaries for the state officers listed in subsection (A) must be based on recommendations by the Agency Head Salary Commission to the General Assembly as provided in Sections 8‑11‑160 and 8‑11‑165.”

SECTION 2. Section 8‑11‑160 of the 1976 Code is amended to read:

“Section 8‑11‑160. (A) All boards and commissions are required to submit justification of an agency head’s performance and salary recommendations to the Agency Head Salary Commission.

(B) This commission consists of four appointees of the chairman of the House Ways and Means Committee, four appointees of the chairman of the Senate Finance Committee, and three appointees of the Governor with experience in executive compensation.

(C) Beginning with Fiscal Year 2022‑2023:

(1) salaries for the term of state officers listed in Section 1‑1‑1210(A) must be based on recommendations by the Agency Head Salary Commission to the General Assembly; and

(2) the Agency Head Salary Commission shall authorize a study be conducted every four years to recommend a salary range for each state constitutional officer based on their job duties and responsibilities as well as the pay of state constitutional officers in other states.

(D) Salary increases for agency heads must be based on recommendations by each agency board or commission to the Agency Head Salary Commission and their recommendations to the General Assembly.”

SECTION 3. Section 8‑11‑165 of the 1976 Code is amended to read:

“Section 8‑11‑165. (A) It is the intent of the General Assembly that:

(1) A salary and fringe benefit survey for agency heads must be conducted by the ~~Office of Human Resources of the Department of Administration~~ State Fiscal Accountability Authority every ~~three~~ four years. The staff of the ~~office~~ authority shall serve as the support staff to the Agency Head Salary Commission.

(2) Beginning with the Fiscal Year 2022‑2023 and every four years thereafter, the Agency Head Salary Commission shall commission a study to recommend a salary range for the term of each state constitutional officer listed in Section 1‑1‑1210 based on each state constitutional officer’s job duties and responsibilities as well as the pay of other state constitutional officers in other states. The commission shall then determine a salary for the term of each state constitutional officer within the recommended pay range subject to funding being provided in the annual appropriations act.

(B) No employee of agencies reviewed by the Agency Head Salary Commission may receive a salary in excess of ninety‑five percent of the midpoint of the agency head salary range or the agency head actual salary, whichever is greater, except on approval of the ~~State Budget and Control Board~~ Director of the Division of State Human Resources at the Department of Administration, and except for employees of higher education technical colleges, colleges, and universities.

~~No president of a technical college may receive a salary in excess of ninety‑five percent of the midpoint of the agency head salary range or the agency head actual salary, whichever is greater, except on approval of the Agency Head Salary Commission and the State Budget and Control Board.~~

(C) The Agency Head Salary Commission may recommend to the ~~State Budget and Control Board~~ General Assembly that agency head salaries be adjusted to the minimum of their salary ranges and may recommend to the board that agency head salaries be adjusted when necessary up to the midpoints of their respective salary ranges. These increases must be based on criteria developed and approved by the Agency Head Salary Commission.

(D) All new members appointed to a governing board of an agency where the performance of the agency head is reviewed and ranked by the Agency Head Salary Commission shall attend the training in agency head performance appraisal provided by the commission within the first year of their appointment unless specifically excused by the chairman of the Agency Head Salary Commission.”

SECTION 4. This act takes effect upon approval by the Governor. /

Renumber sections to conform.

Amend title to conform.

G. MURRELL SMITH, JR. for Committee.

**A** **BILL**

TO AMEND SECTION 1‑1‑1210, AS AMENDED, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO THE ANNUAL SALARIES OF STATE CONSTITUTIONAL OFFICERS, SO AS TO PROVIDE THAT BEGINNING WITH FISCAL YEAR 2022‑2023 SALARIES FOR THE STATE CONSTITUTIONAL OFFICERS MUST BE BASED ON RECOMMENDATIONS BY THE AGENCY HEAD SALARY COMMISSION TO THE GENERAL ASSEMBLY; TO AMEND SECTION 8‑11‑160, RELATING TO THE AGENCY HEAD SALARY COMMISSION AND SALARY INCREASES FOR AGENCY HEADS, SO AS TO PROVIDE THAT THE AGENCY HEAD SALARY COMMISSION MUST MAKE RECOMMENDATIONS TO THE GENERAL ASSEMBLY FOR THE SALARIES FOR STATE CONSTITUTIONAL OFFICERS; AND TO AMEND SECTION 8‑11‑165, RELATING TO SALARY AND FRINGE BENEFIT SURVEYS, SO AS TO PROVIDE THAT SALARY SURVEYS BE CONDUCTED FOR STATE CONSTITUTIONAL OFFICERS.

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

SECTION 1. Section 1‑1‑1210 of the 1976 Code, as last amended by Act 178 of 2018, is further amended to read:

“Section 1‑1‑1210. (A) The annual salaries of the state officers listed below are:

Governor $98,000

Lieutenant Governor 43,000

Secretary of State 85,000

State Treasurer 85,000

Attorney General 85,000

Comptroller General 85,000

Superintendent of Education 85,000

Adjutant General 85,000

Commissioner of Agriculture 85,000

(B) These salaries must be increased by two percent on July 1, 1991, and on July first of each succeeding year through July 1, 1994.

(C) A state officer whose salary is provided in this section may not receive compensation for ex officio service on any state board, committee, or commission.

(D) Beginning with Fiscal Year 2022‑2023, and beginning when the state officer’s term commences and lasting until the term concludes, salaries for the state officers listed in subsection (A) must be based on recommendations by the Agency Head Salary Commission to the General Assembly as provided in Sections 8‑11‑160 and 8‑11‑165.”

SECTION 2. Section 8‑11‑160 of the 1976 Code is amended to read:

“Section 8‑11‑160. (A) All boards and commissions are required to submit justification of an agency head’s performance and salary recommendations to the Agency Head Salary Commission.

(B) This commission consists of four appointees of the chairman of the House Ways and Means Committee, four appointees of the chairman of the Senate Finance Committee, and three appointees of the Governor with experience in executive compensation.

(C)(1) Beginning with Fiscal Year 2022‑2023:

(a) salaries for the term of state officers listed in Section 1‑1‑1210(A) must be based on recommendations by the Agency Head Salary Commission to the General Assembly; and

(b) the Agency Head Salary Commission shall authorize a study be conducted every four years to recommend a salary range for each state constitutional officer based on their job duties and responsibilities as well as the pay of state constitutional officers in other states.

(2)(a) Pursuant to Section 16, Article IV, of the South Carolina Constitution, 1895, the salary of each Lieutenant Governor elected in and after 2022 is not established until the General Assembly provides for the salary as authorized in Section 1‑3‑610 following the Lieutenant Governor’s election.

(b) Beginning with the Lieutenant Governor elected in 2022, by no later than December first, the Governor‑elect is required to submit a description of the duties of the Lieutenant Governor, as required by Section 1‑3‑620, to the Agency Head Salary Commission.

(D) Salary increases for agency heads must be based on recommendations by each agency board or commission to the Agency Head Salary Commission and their recommendations to the General Assembly. Salary increases for the Lieutenant Governor must be based on recommendations by the Governor to the Agency Head Salary Commission and their recommendations to the General Assembly.”

SECTION 3. Section 8‑11‑165 of the 1976 Code is amended to read:

“Section 8‑11‑165. (A) It is the intent of the General Assembly that:

(1) A salary and fringe benefit survey for agency heads must be conducted by the ~~Office of Human Resources of the Department of Administration~~ State Fiscal Accountability Authority every ~~three~~ four years. The staff of the ~~office~~ authority shall serve as the support staff to the Agency Head Salary Commission.

(2) Beginning with the Fiscal Year 2022‑2023 and every four years thereafter, the Agency Head Salary Commission shall commission a study to recommend a salary range for the term of each state constitutional officer listed in Section 1‑1‑1210 based on each state constitutional officer’s job duties and responsibilities as well as the pay of other state constitutional officers in other states. The commission shall then determine a salary for the term of each state constitutional officer within the recommended pay range subject to funding being provided in the annual appropriations act.

(3) Beginning with the Lieutenant Governor elected in 2022, a salary range survey for the Lieutenant Governor must be conducted by the State Fiscal Accountability Authority based on the duties of the Lieutenant Governor as submitted by the Governor pursuant to Section 8‑11‑160. The staff of the authority shall serve as the support staff to the Agency Head Salary Commission.

(B) No employee of agencies reviewed by the Agency Head Salary Commission may receive a salary in excess of ninety‑five percent of the midpoint of the agency head salary range or the agency head actual salary, whichever is greater, except on approval of the ~~State Budget and Control Board~~ Director of the Division of State Human Resources at the Department of Administration, and except for employees of higher education technical colleges, colleges, and universities.

~~No president of a technical college may receive a salary in excess of ninety‑five percent of the midpoint of the agency head salary range or the agency head actual salary, whichever is greater, except on approval of the Agency Head Salary Commission and the State Budget and Control Board.~~

(C) The Agency Head Salary Commission may recommend to the ~~State Budget and Control Board~~ General Assembly that agency head salaries be adjusted to the minimum of their salary ranges and may recommend to the board that agency head salaries be adjusted when necessary up to the midpoints of their respective salary ranges. These increases must be based on criteria developed and approved by the Agency Head Salary Commission.

(D) All new members appointed to a governing board of an agency where the performance of the agency head is reviewed and ranked by the Agency Head Salary Commission shall attend the training in agency head performance appraisal provided by the commission within the first year of their appointment unless specifically excused by the chairman of the Agency Head Salary Commission.”

SECTION 4. This act takes effect upon approval by the Governor.

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