

STATE HOUSE *Update*

March 8, 2013

What's New



The House of Representatives will go into session on Monday, March 11th at 1:00pm to begin budget deliberations. Speaker Bobby Harrell announced that Representatives should expect to meet from Tuesday through Thursday from 9:30 until 6:00 unless more time is needed. We have included some links below for materials related to the Budget.

[House Budget](#)

[Capital Reserve Fund Appropriations](#)

[House Ways and Means Committee Proviso Summaries](#)

[House Budget Summary Presentation](#)

Want to send Weekly Updates to clients?

If you would like your clients added to the distribution list, please send them to Courtney Belton at cbelton@nexsenpruet.com. Also, please let us know if you have any suggestions for improving the Update. There are a number of issues being discussed at the State House that directly impact our clients, and we want to make sure they get the most relevant information possible.

Have you missed a previous Weekly Update?

Click [here](#) to check out the newsletter archives on the firm's website.

Details from Each Chamber



Economic Development Tax Credits

The Senate Finance Sales and Income Tax Subcommittee met Tuesday and gave a favorable as amended report to [S.387](#), a bill that increases the current tax credit for job retraining. The amendment keeps direct oversight by the Department of Revenue, but removes some fees. The bill also makes changes to the Utility Tax Credit.

Cyber Breach

The Senate Finance Cyber Security Subcommittee met Tuesday to discuss [S.334](#), the cyber security and identity theft bill, and took extensive testimony from Clarissa Cerda, the executive vice-president of Lifelock. Lifelock is an identity theft protection company based in Arizona. Cerda testified that the State should look at proactive enterprise solutions, providing consumers with proactive comprehensive tools, law enforcement training, and protect children and seniors. She also suggested greater penalties for those caught stealing identities and providing a tax incentive for those who choose to participate in the latest technologies to protect consumers.

Home Owner Rentals

The Senate Finance Property Tax Subcommittee met Tuesday and gave a favorable as amended report to [S.437](#), allowing homeowners to rent their home for up to 100 days and maintain a 4% assessment ratio as a primary residence. The bill strikes existing language limiting this to 15 days. Senator Ray Cleary (R-Georgetown) spoke in support of the bill and said that people are burdened with large insurance premiums, particularly in the coastal area, and are renting their homes for periods of time to offset the costs. He concluded that this bill would reduce the burden on these individuals. The Association of Counties stated that they had no position on the bill, other than for it not to be retroactive.

Early Voting

The House Judiciary Committee gave a favorable as amended report to [H.3176](#), a bill to establish early voting in South Carolina. Currently, registered voters can vote up to 30 days prior to a general election if they have one of the 18 approved excuses for early voting. The amendment would reduce the 30 days to 9, and would eliminate the required excuses. There was intense debate on the bill with Democrats arguing that the amendment reduced the voters' access to the poles. Representative Bakari Sellers (D-Bamberg) argued that Republicans only opposed early voting because it gives Democrats an organizing advantage.

Sweepstake Machines

The House of Representatives debated [S.3](#), the sweepstake machines bill. Representative Todd Rutherford (D-Richland) offered an amendment to allow machines to be returned if the local magistrate ruled it legal. His amendment was tabled. The House adjourned debate on the bill until March 19th.

Freedom of Information Act

The House Judiciary Committee gave a favorable as amended report to [H.3163](#), amending the Freedom of Information Act (FOIA). The House of Representatives adjourned debate on the bill until March 19.

Accommodations Tax

The Senate passed [S.294](#) to allow the use of accommodation tax funds to be used for beach renourishment.

Guns & Mentally Ill

A Senate Judiciary Subcommittee met Wednesday to discuss [S.413](#), a bill that would prohibit the mentally incapacitated or committed from possessing or acquiring a gun, and create a statewide database detailing those who are prohibited from possessing a gun. Senator Greg Gregory (R-Lancaster) argued that SC needed to be in compliance with other states by including names of people with a mental illness in a database. Two women spoke in support of the bill on behalf of Ashley Hall, citing the recent gun incident at the school. Representatives from the South Carolina Sheriffs' Association and the South Carolina Commission on Prosecution Coordination also testified in support of the bill. The subcommittee will reconvene in a few weeks to continue discussing the bill and to consider various amendments.

Affordable Care Act

The Senate Medical Affairs Affordable Care Act Subcommittee held their final hearing Thursday morning and took testimony from Health and Human Services Director Keck. He reviewed how implementation would work and the debates on healthcare expansion. He testified that the states that have agreed to the Medicaid expansion are cutting their Medicaid programs already and a number of physicians taking Medicaid patients have decreased in those states. Senator Cleary (R-Georgetown) asked if it wouldn't make more sense to agree to the federal expansion and use that 3 year period to make changes or determine if we wanted to continue it. Keck said the State did not need more money in the system: "We are spending too much in healthcare. It will not be easier to reform the system." Keck ended his presentation by encouraging the Legislature to consider Tort Reform as a way to reduce healthcare costs.

Liability of LLC Members

A Senate Judiciary Subcommittee met this week to consider [S.124](#), a bill related to the liability of members of managers of limited liability companies. The bill ultimately provides that a member or manager cannot be personally held liable for a debt, obligation, or liability of a company. The Subcommittee decided to carry the bill over because there are currently three bills dealing with liability issues that the subcommittee wanted to consider at the same time. Additionally, the SC Supreme Court has a pending ruling on a similar matter and Senators thought it was appropriate to wait until the opinion was published to move forward.

Accountability-Based Funding for Public Colleges and Universities

The House Higher Education Subcommittee met on Wednesday and gave a favorable report to [H.3518](#), a bill that would essentially change the funding model for higher education institutions in South Carolina. Under an accountability-based funding model, appropriations for institutions would be based on a set of criteria that includes affordability and access, economic development and institutional mission, graduation rates, educational quality, among others. Representatives from the South Carolina Commission on Higher Education spoke in support of the bill and mentioned that University Presidents were generally supportive of the bill. The bill now goes to the full House Education Committee.

The Governor's Office



On Monday, about 150 economic development leaders from around the State met in Aiken for the annual South Carolina Rural Summit. Governor Haley addressed the group and discussed her administration's efforts to encourage companies to develop and expand in rural communities. She also talked about infrastructure improvements as the key to economic growth in rural communities, and called on the Legislature to invest money in improving our State's bridges and roads. Click [here](#) to view the Governor's remarks.

The Governor also announced on Monday that Thomas & Betts Corporation, a manufacturer of connectors and components for electrical and communication markets in Lancaster County, plans to expand its current manufacturing operations, increasing the number of employees at the plant by roughly 30 percent in 2013. Click [here](#) for more information about the company.

Recently, Governor Haley, the South Carolina Department of Commerce and the State Ports Authority announced the State's 2012 exports totaled nearly \$25.3 billion in goods sold to 197 countries around the world, according to data from the U.S. Department of Commerce. South Carolina's growth ranked 17th in the country. The State's top export industries last year included vehicles, machinery, rubber products, electrical machinery, plastics, optical and medical equipment, paper and paperboard, organic chemicals, wood pulp and cotton yarn and fabric. South Carolina ranked 1st in exports of tires, holding nearly 30% of all U.S. made exported tires.

Governor Haley and Spirit Pharmaceuticals announced Wednesday that the company will locate its new facility in Clarendon County. Spirit produces a range of generic pharmaceuticals for retailers such as Walgreens, Dollar Tree and CVS. The company expects to invest more than \$12.2 million in the project and generate over 300 new jobs. The Governor's Office also announced that anyone interested in job opportunities with the company should contact Kunjal Joshi with Spirit Pharmaceuticals at 215-943-4000 or kunjal@spiritpharma.com. For more information about Spirit Pharmaceuticals, please visit www.spiritpharma.com.

Newly Introduced Legislation



ECONOMIC DEVELOPMENT/TAX:

[H. 3763](#) Ballentine: TO ENACT THE "SOUTH CAROLINA MARKETPLACE AND INFRASTRUCTURE IMPROVEMENT ACT" - Referred to Committee on Ways and Means.

[H. 3767](#) Hixon: RELATING TO THE TWO PERCENT STATE SALES TAX IMPOSED ON ACCOMMODATIONS - Referred to Committee on Ways and Means.

[H. 3783](#) Lucas: RELATING TO THE ADMISSIONS LICENSE TAX EXEMPTION FOR A MOTORSPORTS ENTERTAINMENT COMPLEX - Referred to Committee on Ways and Means.

[S. 474](#) Setzler: RELATING TO EXEMPTIONS FROM THE ADMISSIONS LICENSE TAX, SO AS TO EXEMPT ADMISSIONS CHARGED BY THE STATE MUSEUM. - Referred to the Committee on Finance.

[S. 481](#) Malloy: RELATING TO THE ADMISSIONS LICENSE TAX EXEMPTION FOR A MOTORSPORTS ENTERTAINMENT COMPLEX - Referred to the Committee on Finance.

[S. 487](#) Peeler: TO PROVIDE WHEN CALCULATING ROLL-BACK TAX DUE ON A PARCEL OF REAL PROPERTY CHANGED FROM AGRICULTURAL TO COMMERCIAL OR RESIDENTIAL USE - Referred to the Committee on Finance.

[S. 491](#) Matthews: RELATING TO DEFINITIONS FOR PURPOSES OF THE STATE GENERAL OBLIGATION ECONOMIC DEVELOPMENT BOND ACT - Referred to the Committee on Finance.

[S. 492](#) Campbell: RELATING TO THE REMISSION OF REDEVELOPMENT FEES TO A REDEVELOPMENT AUTHORITY - Referred to the Committee on Finance.

[S. 503](#) Thurmond: TO ENACT THE "BEACH PRESERVATION ACT" - Referred to the Committee on Finance.

EDUCATION:

[H. 3784](#) J. E. Smith: RELATING TO THE NATIONAL GUARD COLLEGE ASSISTANCE PROGRAM - Referred to Committee on Ways and Means.

EMPLOYMENT:

[H. 3750](#) White: RELATING TO THE SOUTH CAROLINA RETIREMENT SYSTEM - Referred to Committee on Ways and Means.

[H. 3751](#) Sandifer: TO CONFORM WITH FEDERAL MANDATES ENACTED BY THE UNITED STATES CONGRESS IN THE TRADE ADJUSTMENT ASSISTANCE EXTENSION ACT OF 2011 - Referred to Committee on Labor, Commerce and Industry.

GOVERNMENT:

[H. 3772](#) Bingham: TO RECONSTITUTE THE STATE ETHICS COMMISSION AND REVISE ITS POWERS, DUTIES, AND PROCEDURES - Referred to Committee on Judiciary.

[S. 505](#) Hayes: TO ESTABLISH THE SOUTH CAROLINA PUBLIC INTEGRITY UNIT - Referred to the Committee on Judiciary.

HEALTHCARE:

[H. 3779](#) K. R. Crawford: TO ENACT THE "SOUTH CAROLINA TELEMEDICINE INSURANCE REIMBURSEMENT ACT" - Referred to Committee on Labor, Commerce and Industry.

JUDICIAL:

[H. 3734](#) Douglas: RELATING TO THE OFFENSE OF ASSAULT AND BATTERY OF A HIGH AND AGGRAVATED NATURE - Referred to Committee on Judiciary.

[H. 3756](#) Herbkersman: RELATING TO GAMBLING AND LOTTERIES - Referred to Committee on Judiciary.

[H. 3764](#) Long: TO ENACT THE "NONEMBRYONIC AND NONFETAL CELL THERAPY ACT" - Referred to Committee on Judiciary.

[H. 3768](#) D. C. Moss: TO ENACT THE "DRUG COURT PROGRAM ACT" - Referred to Committee on Judiciary.

[S. 496](#) Campbell: RELATING TO THE DEFINITIONS CONCERNING DEFINITIONS IN THE ABC ACT - Referred to the Committee on Judiciary.

REGULATORY:

[S. 475](#) Setzler: RELATING TO EXEMPTIONS FROM CHAPTER 18, TITLE 40 PROVIDING FOR THE LICENSURE AND REGULATION OF PRIVATE SECURITY AND INVESTIGATION AGENCIES - Referred to the Committee on Labor, Commerce and Industry.

[S. 476](#) Labor, Commerce and Industry Committee: TO APPROVE REGULATIONS OF THE BOARD OF FUNERAL SERVICE - Placed on the Calendar without reference.

[S. 477](#) Labor, Commerce and Industry Committee: TO APPROVE REGULATIONS OF THE BOARD OF FUNERAL SERVICE - Placed on the Calendar without reference.

[S. 478](#) Malloy: TO PROVIDE THAT THE OWNER OF A "MOTORSPORTS ENTERTAINMENT COMPLEX" LOCATED IN THIS STATE OR HIS DESIGNEE MAY APPLY FOR AND BE ISSUED AN ANNUAL LICENSE WHICH AUTHORIZES THE PURCHASE, SALE, AND CONSUMPTION OF BEER AND WINE AT ANY OCCASION HELD ON THE GROUNDS OF THE COMPLEX YEAR ROUND ON ANY DAY OF THE WEEK - Referred to the Committee on Judiciary.

[S. 497](#) Campbell: RELATING TO THE REGULATION OF ENGINEERS AND SURVEYORS, TO PROVIDE THAT THE PRACTICE OF THE PROFESSION OF ENGINEERING AND SURVEYING IN THIS STATE IS SUBJECT TO REGULATION - Referred to the Committee on Labor, Commerce and Industry.

[H. 3771](#) Sandifer: RELATING TO THE MEMBERSHIP OF THE SOUTH CAROLINA REAL ESTATE COMMISSION - Referred to Committee on Labor, Commerce and Industry.



In the Media

SC Supreme Court should define 'public body' (2/28/13)

No matter what you think of Hilton Head Island businessman Skip Hoagland's tactics or his criticism of the Hilton Head Island-Bluffton Chamber of Commerce, he will have done the public a service if they result in clear legal direction about the definition of a public body under South Carolina law. [Read more.](#)

South Carolina is due for insurance review (3/3/13)

Six years have past since lawmakers took a close look at the cost to insure South Carolina's coastal properties against wind damage. It's time to do it again. [Read more.](#)

Solicitor for Charleston, Berkeley counties wants to keep efficient docket system (3/4/13)

Doing more with less. It's how Ninth Circuit Solicitor Scarlett Wilson has been operating as Charleston and Berkeley counties' chief prosecutor. [Read more.](#)

Rural SC counties seek jobs solution (3/4/13)

Jobs and the economy continue to be frontline issues across South Carolina, but nowhere more than in its rural communities, where unemployment always is higher and jobs scarcer than in the cities. [Read more.](#)

SC Senate hearing on bill to allow carrying handguns packs Rock Hill auditorium (3/4/13)

A crowd in Rock Hill Monday urged a state Senate panel to move quickly to pass a bill that would allow South Carolinians to carry handguns, concealed or not, without a permit. [Read more.](#)

SC Democratic says issues clearinghouse could grow into think tank (3/4/13)

State Rep. James Smith, one of the state's leading Democrats, is starting a clearinghouse that will

examine ways to move South Carolina forward on a number of issues, including economic development and education. [Read more.](#)

Head of S.C. hospital group says politics blocking Medicaid expansion (3/4/13)

The leader of the South Carolina Hospital Association and the state's health department director disagreed Monday about whether politics or economics pose the biggest roadblock to expanding Medicaid. [Read more.](#)

Survey finds majority in state support Medicaid expansion (3/5/13)

More than half of older adults in the state disagree with Gov. Nikki Haley's plan to turn down Medicaid expansion, according to a survey by the AARP. [Read more.](#)

Jobless benefits to drop in Georgia and South Carolina (3/5/13)

More than 80,000 unemployed people in Georgia and South Carolina soon will see a reduction in their unemployment benefits because of recent federal budget cuts. [Read more.](#)

Legion National Commander Testifies at South Carolina Statehouse (3/5/13)

The head of the nation's largest wartime veterans service organization testified before a joint session of the South Carolina legislature today and called on lawmakers to make it easier for employers to hire veterans. [Read more.](#)

S.C. early voting bills hit roadblocks (3/5/13)

Early voting is not coming to South Carolina anytime soon. [Read more.](#)

'HPV' vaccine bill advances in S.C. House (3/5/13)

An effort to vaccinate children against the human papillomavirus - a sexually transmitted disease that causes cervical cancer in women - advanced in the House Tuesday. [Read more.](#)

Skelton: Needed: Political courage to fix our roads (3/6/13)

Task forces and study committees have detailed the seriousness of the lack of road and bridge maintenance in South Carolina. By now, most of us who drive the roads are aware of the potholes and restricted-load bridges. [Read more.](#)

S.C. Senate bill would increase mandatory minimum coverage for auto insurance policies (3/6/13)

Some S.C. drivers would pay more for car insurance if a bill before the General Assembly becomes law. [Read more.](#)

Online job ads up 1.1% in February (3/6/13)

The number of job openings advertised online in South Carolina rose 700, or 1.1%, in February, according to the Conference Board Help Wanted Online. [Read more.](#)

Setzler: An investment plan for our roads (3/6/13)

Every day, South Carolinians depend on our roads and highways to travel to work, to school, to the doctor's office or to grandma's house. We need roads to move the food we eat to market and from the market to our homes. We'd lose millions of dollars per year from visitors to our state if we couldn't get them from Point A to Point B. Our modern economy would be virtually non-existent if we couldn't move goods and services efficiently along the roads and over rivers and

mountains. [Read more.](#)

Charleston Chamber favors Medicaid expansion in S.C. (3/6/13)

The Charleston Metro Chamber of Commerce says it supports "responsible" Medicaid expansion in South Carolina. [Read more.](#)

Will S.C. Get Better Public Records Law This Year? (3/6/13)

A stronger open records law in South Carolina died last year in the Senate toward the end of the legislative session. [Read more.](#)

CU-ICAR, EcoDual partner on natural gas engine research (3/6/13)

A new S.C. partnership aims to convert diesel engines to natural gas operations. [Read more.](#)

Envision SC: Diversity key to progress, Riley says (3/6/13)

Had Secretary Richard W. Riley heeded his father's advice and not ran for political office years ago, South Carolina's modern history may have been shaped in an entirely different manner. [Read more.](#)

In announcing Ashley Hall-inspired gun bill, Graham says he 'heard your voices' (3/7/13)

Anyone who has been treated against their will at a psychiatric hospital or avoided prison time by claiming insanity would not be able to buy a gun legally from a retailer under the proposal U.S. Sen. Lindsey Graham announced Wednesday. [Read more.](#)

Sheheen endorses temporary expansion of Medicaid (3/7/13)

South Carolina should give health insurance to more poor people -- at least as long as the federal government is willing to pay for it, state Sen. Vincent Sheheen said Thursday. [Read more.](#)

SC Gov. Haley touts state to 4k Wal-Mart supplier reps (3/7/13)

Gov. Nikki Haley spoke Thursday in Orlando, Fla., to 4,000 representatives of companies that supply Wal-Mart, pitching the retailer's push to buy more domestic goods and South Carolina's efforts to boost economic development. [Read more.](#)

Meetings and Events



Monday, March 11th

9:00 SCHIEX Implementation & Outreach - Conference Call/HSS (information only)

Tuesday, March 12th

3:30 SCHIEX Subcommittee Chair Coordination Conference Call

The Nexsen Pruet State House Update is published as a service to our attorneys, clients, and friends. It is intended to be a high level overview of the weekly activity at the South Carolina State House and does not constitute legal advice regarding any specific situation.

Firm clients who wish to receive individualized legislative updates, bill monitoring, or lobbying services may discuss options with Bob Coble. He can be reached at 803-253-8211 or bcoble@nexsenpruet.com.

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