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**HOUSE WEEK IN REVIEW**

The House of Representatives adopted the conference committee report on **S.22**, the "**SOUTH CAROLINA RESTRUCTURING ACT OF 2014"**, legislation that provides for comprehensive changes to the organization and oversight of state government. The Senate subsequently adopted the conference report and enrolled the bill for ratification. The legislation abolishes the State Budget and Control Board and transfers the majority of the board's functions, including facilities management, property services, vehicle fleet management, information technology, and human resources responsibilities, to a new Department of Administration that is established in the executive branch and headed by a director who is appointed by the Governor upon the advice and consent of the Senate. Composed of the Governor, Treasurer, Comptroller General, Chairman of the Senate Finance Committee, and Chairman of the House Ways and Means Committee, the State Fiscal Accountability Authority is established to assume some of the Budget and Control Board's key responsibilities relating to the state's finances. The State Fiscal Accountability Authority houses such offices as the State Auditor, the Procurement Services Division, and the Insurance Reserve Fund, and is given approval authority over all decisions that relate to the state's bonded indebtedness, lending, and major transactions involving state property. A Revenue and Fiscal Affairs Office is created comprising the Board of Economic Advisors and other components of the Budget and Control Board that relate to state revenue forecasts, the preparation of the state government budget in the legislature, estimation of the fiscal impact of proposed legislation, economic research, and precinct demographics. In addition to various restructuring initiatives, the legislation includes new provisions for the legislative oversight of executive departmentsthat empower legislative committees to conduct periodic reviews and launch special investigations for the purpose of determining which state government programs continue to serve worthwhile purposes and which should be scaled back or eliminated altogether.

**State Budget and Control Board Abolished**

Effective July 1, 2015, the legislation abolishes the State Budget and Control Board and transfers its various divisions and responsibilities. The legislation provides for the elimination of at least sixty vacant full time employee positions within the board prior to the devolvement of its duties and functions.

**Department of Administration**

The legislation establishes the Department of Administration under the executive branch of state government to be headed by a director who is appointed by the Governor upon the advice and consent of the Senate. The following offices, divisions or components of the State Budget and Control Board, Office of Governor, or other agencies are transferred to and incorporated into the Department of Administration:

 Division of General Services encompassing Business Operations, Facilities Management, State Building and Property Services, and Agency Services, including surplus property, intrastate mail, parking, and state vehicle fleet management

 Office of Human Resources

 Division of State Information Technology including the Data Center, Telecommunications and Information Technology Services, the South Carolina Enterprise Information System, and the Division of Information Security

 Those portions of the State Budget Office necessary to create an Executive Budget Office

 Office of Economic Opportunity

 Developmental Disabilities Council

 Continuum of Care for Emotionally Disturbed Children

 Guardian Ad Litem Program

 Children's Case Resolution System

 Division for the Review of the Foster Care of Children

 Client Assistance Program

 Division of Veterans' Affairs

 Commission on Women

 Office of Victims Assistance, including the SC Victims Advisory Board and the Victims Compensation Fund

 Crime Victims' Ombudsman

 Governor's Office of Ombudsman

 Division of Small and Minority Business Contracting and Certification

 Nuclear Advisory Council

**State Fiscal Accountability Authority**

The legislation establishes the State Fiscal Accountability Authority which is composed of: the Governor, who serves as chair; the State Treasurer; the Comptroller General; the Chairman of the Senate Finance Committee; and the Chairman of the House Ways and Means Committee. The State Fiscal Accountability Authority assumes all of the authority and responsibilities of the Budget and Control Board that relate to the issuance of bonds and bonding authority as well as grants, loans, and other forms of financial assistance. The State Fiscal Accountability Authority houses the Budget and Control Board's Procurement Services Division, the State Auditor, the Insurance Reserve Fund, the Permanent Improvement Projects Authority, the Infrastructure Facilities Authority, and the Water Quality Revolving Fund Authority. The approval of the State Fiscal Accountability Authority is required for undertaking major permanent improvements and for sales, leases, and other transactions involving state property of significant value. The Authority selects an executive director for a four-year term, and the executive director may only be removed for certain causes, such as misconduct, incompetency, conflicts of interest, persistent neglect of duty, or incapacity.

**Revenue and Fiscal Affairs Office**

The legislation establishes the Revenue and Fiscal Affairs Office to be governed by the three appointed members of the Board of Economic Advisors. The office is comprised of the Board of Economic Advisors, those portions of the Office of State Budget that are not transferred to the Department of Administration to form an Executive Budget Office, and the Office of Research and Statistics, which is made up of an Economic Research division and an Office of Precinct Demographics division. The legislation provides for the Board of Economic Advisors unanimously to select an Executive Director of the Revenue and Fiscal Affairs Office to serve a four‑year term. The executive director may only be removed for certain causes, such as misconduct, incompetency, conflicts of interest, persistent neglect of duty, or incapacity.

**Other Transfers and Revisions**

The Budget and Control Board's Local Government Division, Water Resources Coordinating Council, and Division of Regional Development are transferred to the South Carolina Rural Infrastructure Authority.

The State Energy Office is transferred from the Budget and Control Board to the Office of Regulatory Staff.

The Department of Health and Environmental Control assumes responsibilities of the Budget and Control Board that relate to the regulation of geothermal resources and minerals and mineral interests on public land.

The South Carolina Confederate Relic Room and Military Museum is transferred from the Budget and Control Board to be governed by a new nine-member commission composed of gubernatorial and legislative appointees.

The legislation provides for four additional members of the Charleston Naval Complex Redevelopment Authority, establishes the Charleston Navy Base Museum Authority as a division of Redevelopment Authority, and assigns new duties relating to the Hunley Commission.

**Revenue Shortfalls and Agency Deficits**

With the abolition of the Budget and Control Board, the legislation establishes a revised protocol for responding to state revenue shortfalls. Under the revisions, the Director of the Executive Budget Office is responsible for ordering the necessary across-the-board reductions in general fund appropriations within three days of when the Board of Economic Advisors, at the end of the first, second, or third quarter of any fiscal year, reduces its revenue forecast for the fiscal year by three percent or less below the amount projected when the general appropriations bill was ratified. If at the end of the first, second, or third quarter of any fiscal year, the Board of Economic Advisors reduces its revenue forecast by more than three percent, the President Pro Tempore of the Senate and the Speaker of the House of Representatives may call each respective house into session to take action to avoid a year‑end deficit. If the General Assembly has not taken action within twenty days of the BEA's determination, the Director of the Executive Budget Office must make the required reductions in general fund appropriations.

The legislation includes the "State Agency Deficit Prevention and Recognition Act" which establishes the responsibility of each state agency, department, and institution to operate within the limits of appropriations, imposes reporting requirements concerning impending agency deficits, and prescribes steps that must be taken to counter deficits. Under the legislation, the General Assembly has exclusive authority over recognizing a state agency deficit through a joint resolution.

**Legislative Oversight of Executive Departments**

The legislation includes new provisions for the legislative oversight of executive departmentsthat authorize legislative committees to conduct periodic reviews and launch special investigations for the purpose of determining which state government programs continue to serve worthwhile purposes and which should be scaled back or eliminated altogether. All agencies are subjected to a periodic review utilizing a seven-year rotation schedule in the standing committees that have subject matter jurisdiction. Authority is provided for a committee of the General Assembly to conduct special investigations, as needed, without regard to the usual seven-year schedule for agency review. Joint investigating committees may also be formed. All testimony given to a legislative investigating committee must be under oath. All witnesses are entitled to counsel, and a witness shall be given the benefit of any privilege which he may have claimed in court as a party in a civil action. Anyone who wilfully gives false, materially misleading, or materially incomplete testimony under oath to a legislative investigating committee is guilty of the felony offense of contempt of the General Assembly subject to a fine within the discretion of the court and/or imprisonment for not more than five years. A person is guilty of criminal contempt when, having been duly subpoenaed to attend as a witness before an investigating committee of the General Assembly, he: fails or refuses to attend without lawful excuse; refuses to be sworn; refuses to answer any material and proper question; or, refuses, after reasonable notice, to produce books, papers, or documents in his possession or under his control which constitute material and proper evidence. A violator of this felony offense is subject to a fine within the discretion of the court and/or imprisonment for not more than five years. The chairman of the investigating committee may also direct the Legislative Audit Council to perform evaluations, and the scope of the Legislative Audit Council's audits of state agencies is expanded to include determinations of whether organizations, programs, activities, or functions should be continued, revised, or eliminated.

**Assessment of State Government Restructuring**

In 2020, the Legislative Audit Council is required to conduct a performance review of the provisions of this legislation to determine its effectiveness and achievements with regard to the more efficient performance of the functions and duties of the various agencies and the cost savings and benefits to the state.

The House concurred in Senate amendments to **S.308** and enrolled the bill for ratification. The legislation replaces the current prohibition on carrying a pistol or firearm into a business that sells alcoholic liquor, beer, or wine for on-premises consumption with new provisions, commonly referred to as **RESTAURANT CARRY PROVISIONS**, that afford concealed weapon permit holders new legal authority to carry their firearms into bars, restaurants, and other establishments that serve beer, wine, or alcoholic liquor. A concealed weapon permit holder making use of these restaurant carry provisions is not allowed to consume alcohol on the premises. A concealed weapon permit holder must also comply with a proprietor's requests to remove his firearm from the place of business or to leave the premises. A proprietor can prohibit the carrying of concealed weapons into the business by posting signs that comply with notification requirements. A concealed weapon permit holder who violates any of these restrictions is subject to a misdemeanor criminal offense that carries a fine of up to two thousand dollars and/or imprisonment for up to two years, and must have his concealed weapon permit revoked for a period of five years. Also, the legislation makes **REVISIONS TO THE** **REQUIREMENTS AND PROCESS FOR RECEIVING A CONCEALED WEAPON PERMIT**.  Notably, the legislation provides that the permit is valid for five years rather than four years, broadens criteria for acceptable photographic identification, allows the State Law Enforcement Division to make all contact with a permit applicant through online communications if an applicant submits his application online, eliminates the requirement that an education course must be a minimum of eight hours, and allows individuals with pertinent military or law enforcement training to complete only the portion of the class reviewing state law.  The legislation provides that a property owner or an agent acting on his behalf, by express written consent, may allow individuals of his choosing to enter the property carrying a concealed weapon regardless of any posted sign to the contrary.  Additionally, the legislation provides that a **CONCEALED WEAPON PERMIT HOLDER MAY SECURE HIS WEAPON UNDER A SEAT IN A VEHICLE**, or in any open or closed storage compartment within the vehicle's passenger compartment.

The House sustained the Governor's veto on **H.3342**, relating to **BENCH WARRANTS**. This legislation provides that, after an initial appearance, a circuit court judge may not issue a general sessions court bench warrant for failure to appear in court upon motion by a solicitor, unless the solicitor has conspicuously posted a list of potential bench warrants at the appropriate courthouse and on the solicitor’s Internet website at least forty-eight hours before the bench warrant is requested.

The House amended, approved, and sent the Senate **H.3764**, the **"NONEMBRYONIC AND NONFETAL CELL THERAPY ACT"**. This legislation creates legal rights within South Carolina regarding the use of embryonic and nonfetal cells; nothing in this legislation indicates whether these activities are authorized under federal law. Under this legislation, a person may be administered nonembryonic and nonfetal cells by himself or by a licensed medical practitioner, as long as the medical practitioner is authorized to deliver the cells in the mode used. A person may import a drug or treatment containing such cells for personal use into this state as long as it was not a violation of the laws of the state in which it was obtained. Additionally, medicines or other health products containing nonembryonic and nonfetal cells may be compounded within the state. Except as otherwise provided, no agency of the state or a local government may regulate activities involving nonembryonic and nonfetal cells nor may they penalize a person for conducting such activity. However, this legislation does not release a professional licensing board from its duty to oversee procedures for administration of cells or a person of liability for not using reasonable care, skill or knowledge when performing medical services.

The House amended, approved, and sent the Senate **H.4541**, a bill revising the restrictions placed on **SETTING NETS FOR CERTAIN NONGAME FISH ALONG THE LITTLE PEE DEE RIVER** upstream of Punch Bowl Landing.

**HOUSE COMMITTEE ACTION**

**EDUCATION AND PUBLIC WORKS**

The full House Education and Public Works Committee met on Tuesday, January 21.

The full committee gave a favorable with amendment recommendation to **H.3231**, legislation **PROHIBITING DISCRIMINATION AGAINST MOTORCYCLES**. This legislation provides that in formulating transportation policy, promulgating regulations, allocating funds, and planning, designing, constructing, equipping, operating and maintaining transportation facilities, no action of the South Carolina Transportation Commission, or the South Carolina Department of Transportation shall have the effect of discriminating against motorcycles, motorcycle operators, or motorcycle passengers. The legislation further provides that no regulation or action of the commission, or department shall have the effect of enacting a prohibition or imposing a requirement that applies only to motorcycles or motorcyclists, and the principal purpose of which is to restrict or inhibit access or motorcycles and motorcyclists to any highway, bridge, tunnel, or other transportation facility. Additionally, the legislation includes provisions requiring public transportation facilities, which have utilized state or local source funds, to provide for motorcycle parking.

**H.4384**, a bill pertaining to **MOPED SAFETY**, received a favorable with amendment report from the committee. This legislation requires moped operators and passengers to wear a reflective vest. The legislation prohibits operation of a moped on public roads that have a speed limit of greater than forty-five miles per hour; however, a moped may cross an intersection at a public road with a speed limit in excess of forty-five miles per hour.

**BILLS INTRODUCED IN THE**

**HOUSE THIS WEEK**

AGRICULTURE, NATURAL RESOURCES, AND

ENVIRONMENTAL AFFAIRS

 **H.4527 *"A DAY OF RECOGNITION FOR VETERANS' SPOUSES AND FAMILIES IN SOUTH CAROLINA"* Rep. Felder**

The Friday after Thanksgiving Day each year is designated as ‘A Day of Recognition for Veterans’ Spouses and Families in South Carolina.” This bill makes an effort to recognize the many and varied contributions of the spouses and families of veterans and the sacrifices for the benefit of the freedom that is enjoyed by all people.

 **H.4542 *PODIATRIC SURGERY* Rep. Long**

This bill provides that certain podiatric surgery must be performed in certain facilities, as well as to provide that a podiatrist who performs these procedures must meet certain criteria.

 **H.4550 *LONG TERM HEALTHCARE ADMINISTRATORS* Rep. Parks**

The bill revises and adds definitions that pertains to long term healthcare administrators.

**EDUCATION AND PUBLIC WORKS**

 **H.4526 *PROHIBITION ON LETTER GRADE RATING OF A SCHOOL OR DISTRICT* Rep. Alexander**

This legislation provides that no comprehensive annual report card or other report rating a public school or public school district and no other academic performance rating of a public school district or public school may produce or otherwise use or assign a letter grade rating of the school or district. The legislation further provides that the State Department of Education shall not employ or offer to employ such a letter grading system when seeking a waiver from a state or federal school accountability law.

 **H.4535 *ELECTION OF COLLEGE AND UNIVERSITY TRUSTEES* Rep. Barfield**

This legislation prohibits a person who serves as an employee of a public college or university from being elected to the board of trustees of another public college or university for a period of one year after he ceases to be an employee of that college or university.

 **H.4564 *SCHOOL EMPLOYEE OR VOLUNTEER INTERVENING IN STUDENT HARASSMENT, INTIMIDATION, OR BULLYING* Rep. Ryhal**

This legislation provides that a school employee or volunteer may gratuitously intervene on behalf of a student subjected to harassment, intimidation, or bullying. The legislation provides immunity from criminal or civil liability for a school employee or volunteer who in good faith gratuitously intervenes on behalf of a student subjected to harassment, intimidation, or bullying. The legislation further provides that the employer of a person who in good faith gratuitously intervenes on behalf of a student being subjected to harassment, intimidation, or bullying may not restrict, transfer, suspend, terminate, or otherwise hinder the employment of the individual because of this intervention.

**JUDICIARY**

 **H.4519 *ESTABLISHMENT OF THE CAPITOL POLICE FORCE* Rep. Pitts**

This legislation establishes the Capitol Police Force, which consists of the Capitol Police Force, the Sergeant at Arms of the Senate, the Sergeant at Arms of the House of Representatives, and the Marshal of the Supreme Court. The legislation provides for the appointment of a Marshal of the Supreme Court and defines his duties. The legislation provides that the functions, powers, duties, and responsibilities exercised by the Department of Public Safety and the Bureau of Protective Services at the State House and capitol grounds and the Supreme Court building, its grounds and parking lot, including all classified and unclassified employees whose duties involve the provision of security services at these areas, but excluding those areas of the State House that are reserved for the executive chamber and the Governor's staff, are devolved upon and transferred to the Capitol Police Force. The legislation provides that the Sergeant at Arms of the Senate and the Sergeant at Arms of the House of Representatives shall have exclusive care and charge over specific areas; the Marshal of the Supreme Court shall have primary responsibility over the Supreme Court building, its grounds and parking lot, and other specified areas. The legislation creates the Capitol Police Force Committee, consisting of three members of the Senate appointed by the President Pro Tempore, three members of the House of Representatives appointed by the Speaker, and three members appointed by the Chief Justice of the Supreme Court. The Director of General Services shall serve as a nonvoting member of the committee. The legislation provides for the duties of the Capitol Police Force Committee and permits the Chief of the Capitol Police Force to employ such deputy officers and other employees as necessary. The legislation provides that the Chief of the Capitol Police Force, the Sergeants at Arms of the Senate and House, the Marshal of the Supreme Court, and all their deputies shall have the same police powers as sheriffs and deputy sheriffs. The Chief of the Capitol Police force may enter into reciprocal law enforcement agreements. The legislation requires the Chief of the Capitol Police Force, and his deputies to demonstrate knowledge of the duties of law enforcement officers or undergo training required of officers of the South Carolina State Police. The legislation provides for the duties of the Capitol Police Force officers. Relating to the use of the State House lobbies, State House steps, and other public buildings and grounds, this legislation further provides for the use of these facilities and how this use is regulated. The Capitol Police Force shall provide security services for all uses of the State House lobbies, State House steps and grounds, and all public buildings and grounds in the capitol complex. Relating to trespasses and offenses on the capitol grounds and in capitol buildings, and related matters, this legislation further provides for these trespasses and offenses, for law enforcement authority over them, and the related jurisdiction of specified courts. The legislation deletes provisions relating to night watchmen and policemen employed by the State Budget and Control Board. The Capitol Police Force has the right to issue parking tickets.

 **H.4534 *MORTGAGE FORECLOSURES* Rep. Stavrinakis**

This legislation provides that no cause of action for foreclosure of a real estate mortgage may be commenced if the alleged default was based solely on a failure to purchase or maintain flood insurance covering the mortgaged property. This legislation further provides that no cause of action exists for foreclosing a real estate mortgage when the alleged default was based solely on a failure to purchase or maintain flood insurance covering the mortgaged property. Remaining provisions in a mortgage remain in full force and effect despite a failure to purchase or maintain flood insurance covering the mortgaged property. Compliance with these provisions does not constitute a waiver of any other rights or terms of a mortgage and does not estop a mortgagor or mortgagee from asserting those other rights.

 **H.4553 *"CLEAN AIR ACT OF 2014"* Rep. Skelton**

This legislation changes the citation of the "Clean Indoor Air Act of 1990" to the "Clean Air Act of 2014". Relating to areas where smoking is prohibited, this legislation also prohibits the use of electronic cigarettes in these areas as well as provides that smoking is prohibited within fifteen feet of the entrance to or exit from these areas. The legislation prohibits smoking in public outdoor gated facilities where athletic events and other events are held. The legislation includes a misdemeanor penalty for violations of smoking prohibitions.

 **H.4560 *MATERIAL NOT SUBJECT TO AN ORDER FOR DESTRUCTION OF ARREST RECORDS* Rep. G. M. Smith**

This legislation provides that evidence gathered, incident reports, and investigative files produced as a result of a law enforcement action or investigation must be retained, under seal, by the agency for future investigative purposes or any other law enforcement purpose, and are not subject to an order for destruction of arrest records. Provided, however, specific language indicating a subject has been arrested or charged with a crime must be redacted from the incident report following a no conviction disposition of such criminal charge.

 **H.4562 *"KNOCKOUT GAME PREVENTION ACT"* Rep. Limehouse**

This legislation enacts the "Knockout Game Prevention Act". The legislation provides that a person who commits an assault and battery upon another person with intent to cause that person to lose consciousness is guilty of the felony offense of assault and battery of a high and aggravated nature. A person who violates these provisions who is under the age of seventeen, in the discretion of the judge, may be transferred to general sessions court to be tried as an adult. A conviction pursuant to these provisions is considered evidence of criminal gang activity. Relating to definitions for purposes of the Criminal Gang Prevention Act, this legislation revises the definition of "criminal gang activity" to include an offense pursuant to the Knockout Game Prevention Act.

 **H.4565 *IMMUNITY FROM LIABILITY FOR PROVIDING FREE HEALTH CARE SERVICES* Rep. Ryhal**

This legislation provides that the services of a health care provider treating a patient free of charge are deemed to be within the scope of the Good Samaritan statute. Additionally, the legislation reentitles Chapter 30, Title 44 as "Health Care Professionals" as well as designates Sections [44-30-10](http://www.scstatehouse.gov/code/t44c030.php#44-30-10) through [44-30-90](http://www.scstatehouse.gov/code/t44c030.php#44-30-90) as Article 1, Chapter 30, Title 44, entitled "Health Care Professional Compliance Act."

 **H.4566 *TRAFFIC VIOLATIONS* Rep. Rutherford**

This legislation prohibits a person from being placed under custodial arrest when he is charged with an offense for which a uniform traffic ticket is issued. The legislation prohibits a vehicle from being stopped for having a frame on its license plate that obscures the license plate letters or numbers in the absence of a violation of another law. Also, the legislation prohibits a vehicle from being stopped for having an inoperable tail lamp or separate lamp in the absence of a violation of another law.

 **H.4567 *REVISIONS PERTAINING TO DRIVER'S LICENSE SUSPENSIONS* Rep. Rutherford**

This legislation prohibits a person from being placed under custodial arrest when stopped for operating a motor vehicle with a suspended driver's license under certain circumstances. The legislation provides that when a person appeals a conviction that requires the suspension of his driver's license, the driver's license suspension must be stayed while the case is being appealed. The legislation further provides that the Department of Motor Vehicles may not suspend a person's driver's license if it fails to receive notice of a conviction that requires the license to be suspended within thirty days of the conviction.

**MEDICAL, MILITARY, PUBLIC AND MUNICIPAL AFFAIRS**

 **H.4543 *POSSESSION OF BLUE CATFISH* Rep. Southard**

This bill decreases the maximum length of a blue catfish that may be taken on certain bodies of water. The bill also establishes the daily possession limit for blue catfish which will be not more than ten in Lake Marion or Lake Moultrie.

 **H.4551 *UNLAWFUL TAKING OF A GREAT WHITE SHARK* Rep. Limehouse**

It is unlawful to take or possess a great white shark. Any great white shark that is caught must be released immediately and must remain completely in the water at all times while being unhooked and released.

 **H.4552 *POULTRY OPERATION* Rep. Taylor**

This legislation states that the Department of Health and Environmental Control shall not issue a permit to allow a person to construct a confined poultry operation within five thousand two hundred eighty feet of a community that contains more than forty residences. This provision may be waived if the permit applicant obtains waivers signed by the owners of the residences in the affected area.

 **H.4561 *INTERSTATE BOATING VIOLATOR COMPACT* Rep. Hixon**

This bill authorizes the South Carolina Department of Natural Resources (DNR) to enter into the Interstate Boating Violator Compact with all other jurisdictions. DNR shall execute all documents and perform all other acts necessary to carry out the provisions.

**WAYS AND MEANS**

 **H.4518 *LOTTERY PROCEEDS MAY NOT BE APPROPRIATED FOR HIGHER***

 ***EDUCATION CAPITAL IMPROVEMENT PROJECTS* Rep. White**

This bill provides that, notwithstanding another provision of law, no portion of the lottery net proceeds may be appropriated for capital improvement projects at or associated with an institution of higher learning.

 **H.4520 *“UNCLE PRESTON’S LAW”* Rep. Herbkersman**

This bill enacts “Uncle Preston’s Law” to allow a taxpayer to claim the four percent assessment ratio on a residential property other than their legal residence if the additional residence is used as a residence by a family member who is over the age of sixty‑five. For purposes of these provisions a family member is a parent, sibling, child, aunt, uncle, mother‑in‑law, father‑in‑law, son‑in‑law, daughter‑in‑law, brother‑in‑law, sister‑in‑law, grandparent, or grandchild.

 **H.4536 *HOSPITAL EMPLOYEES OPTING OUT OF MEMBERSHIP IN THE***

 ***SOUTH CAROLINA RETIREMENT SYSTEM* Rep. Allison**

This bill relating to the option of certain employees of hospital members of the South Carolina Retirement System (SCRS) to opt out of membership in SCRS, so as to allow all such employees, rather than specific categories of hospital employees to opt out of membership in SCRS and to extend this option to employees of a hospital system that is an employer member of SCRS.

 **H.4549 *ZERO‑BASED STATE BUDGET PROCESS* Rep. Atwater**

This bill requires the annual state budget to employ a zero‑based budget process in both the preparation of the Governor’s proposed state budget and in the General Assembly’s consideration of the state budget beginning July 1, 2015, and every second fiscal year thereafter. A zero‑based process makes use of an agency operating plan or budget that starts with the assumption that there are no authorized or appropriated funds. In a zero‑based budget, each activity to be funded must be justified as the budget is prepared and considered.

 **H.4563 *MOTOR FUEL USER FEE INCREASE FOR ROAD AND BRIDGE***

 ***MAINTENANCE WITH AN INCOME TAX CREDIT TO OFFSET COST***

 ***FOR SOUTH CAROLINA DRIVERS* Rep. Skelton**

This bill revises the user fee on gasoline and diesel fuel, so as to increase the fee each year for the next three years by five cents a gallon, require that the user fee be adjusted twice a year based on the change in the wholesale price of motor fuel, and provide that the user fee may not exceed the average state fee charged in North Carolina and Georgia. The legislation adjusts road tax provisions accordingly and redesignates the tax as a road user fee. The legislation provides for a refundable income tax credit for each vehicle registered to a taxpayer in this state that is licensed in this state. The legislation revises provisions for the distribution of the user fee on gasoline and diesel fuel to counties, so as to increase the amount distributed to three and one‑half cents and to eliminate a nine and a half million dollar transfer to certain donor counties. The legislation revises provisions relating to the distribution of user fees to the State Highway Fund, so as to provide that all excess revenue resulting from this act only may be used for road and bridge maintenance.

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