

NO. 32

JOURNAL
of the
HOUSE OF REPRESENTATIVES
of the
STATE OF SOUTH CAROLINA



REGULAR SESSION BEGINNING TUESDAY, JANUARY 10, 2017

WEDNESDAY, MARCH 1, 2017
(STATEWIDE SESSION)

Wednesday, March 1, 2017
(Statewide Session)

~~Indicates Matter Stricken~~
Indicates New Matter

The House assembled at 10:00 a.m.

Deliberations were opened with prayer by Rev. Charles E. Seastrunk, Jr., as follows:

Our thought for today is from Leviticus 19:1-2: "The Lord spoke to Moses, saying, 'Speak to all the congregation of the people of Israel and say to them; You shall be holy, for I the Lord your God am holy'."

Let us pray. Almighty God, we are grateful for Your love and the forgiveness You have given to us as Your holy people. Inspire these Representatives and staff to continue the work that has been given to them with joy. Bless each and keep them in Your care. Bless those who lead our Nation and State, our President, Governor, Speaker, and all who give of their talents to fulfill their duties. Protect our first responders and those who defend us at home and abroad. Heal the wounds, those seen and those hidden, of our women and men who suffer and sacrifice for our freedom. Lord, in Your mercy, hear our prayers. Amen.

Pursuant to Rule 6.3, the House of Representatives was led in the Pledge of Allegiance to the Flag of the United States of America by the SPEAKER.

After corrections to the Journal of the proceedings of yesterday, the SPEAKER ordered it confirmed.

MOTION ADOPTED

Rep. FUNDERBURK moved that when the House adjourns, it adjourn in memory of Lonnie Dennis Stokes of Antioch, which was agreed to.

INVITATIONS

On motion of Rep. BALES, with unanimous consent, the following were taken up for immediate consideration and accepted:

February 21, 2017

The Honorable Jimmy Bales
Chairman, House Invitations Committee

WEDNESDAY, MARCH 1, 2017

503-A Blatt Building
Columbia, South Carolina 29201

Dear Chairman Bales:

On behalf of ALEC, the Members of the House of Representatives are invited to a legislative reception. This event will be held on Wednesday, March 22, 2017, from 7:00 p.m. to 9:00 p.m. at the Palmetto Club.

Sincerely,
Gary R. Smith
SC Chairman ALEC

March 1, 2017
The Honorable Jimmy Bales
Chairman, House Invitations Committee
503-A Blatt Building
Columbia, South Carolina 29201

Dear Chairman Bales:

On behalf of the South Carolina Association of Nonprofit Organizations, the Members of the House of Representatives and their staff are invited to a legislative reception. This event will be held on March 7, 2017, from 7:00 p.m. to 9:00 p.m. at the Columbia Museum of Art.

Sincerely,
Jennifer C. Suber
SCANPO Event Planner

REGULATION WITHDRAWN AND RESUBMITTED

Document No. 4736
Agency: Department of Health and Environmental Control
Statutory Authority: 1976 Code Section 44-1-140
Shellfish
Received by Speaker of the House of Representatives January 10, 2017
Referred to Regulations and Administrative Procedures Committee
Legislative Review Expiration May 10, 2017

WEDNESDAY, MARCH 1, 2017

REPORT OF STANDING COMMITTEE

Rep. DOUGLAS, from the Committee on Fairfield Delegation, submitted a favorable report on:

S. 457 -- Senator Fanning: A BILL TO AMEND ACT 191 OF 1991, AS AMENDED, RELATING TO THE BOARD OF TRUSTEES OF THE FAIRFIELD COUNTY SCHOOL DISTRICT, SO AS TO ALLOW BOARD MEMBERS TO RECEIVE A MONTHLY STIPEND IN AN AMOUNT TO BE DETERMINED BY THE BOARD, AND TO REQUIRE ACTUAL ATTENDANCE AT A DULY CONSTITUTED BOARD MEETING IN ORDER TO RECEIVE THE MONTHLY STIPEND.

Ordered for consideration tomorrow.

HOUSE RESOLUTION

The following was introduced:

H. 3866 -- Rep. King: A HOUSE RESOLUTION TO RECOGNIZE AND HONOR THEODORE WILDER, A MASTER LOGISTICIAN WITH THE SOUTH CAROLINA ARMY NATIONAL GUARD, UPON THE OCCASION OF HIS RETIREMENT AFTER THIRTY-SEVEN YEARS OF OUTSTANDING SERVICE, AND TO WISH HIM CONTINUED SUCCESS AND HAPPINESS IN ALL HIS FUTURE ENDEAVORS.

The Resolution was adopted.

HOUSE RESOLUTION

The following was introduced:

H. 3868 -- Rep. Douglas: A HOUSE RESOLUTION TO HONOR DR. ROBERT M. SCOTLAND OF SHILOH FIRST PRESBYTERIAN CHURCH IN WINNSBORO ON THE OCCASION OF HIS FIFTIETH ANNIVERSARY OF GOSPEL MINISTRY AND TO EXTEND HIM BEST WISHES FOR GOD'S RICHEST BLESSINGS AS HE CONTINUES TO SERVE THE LORD.

The Resolution was adopted.

WEDNESDAY, MARCH 1, 2017

HOUSE RESOLUTION

The following was introduced:

H. 3869 -- Rep. Elliott: A HOUSE RESOLUTION TO HONOR AND COMMEND ABIGAIL MCCARTER OF GREENVILLE FOR HER OUTSTANDING RECORD OF VOLUNTEER SERVICE, PEER LEADERSHIP, AND COMMUNITY SPIRIT AND TO LAUD HER FOR EARNING THE ILLUSTRIOUS 2017 PRUDENTIAL SPIRIT OF COMMUNITY AWARD.

The Resolution was adopted.

INTRODUCTION OF BILLS

The following Bills and Joint Resolution were introduced, read the first time, and referred to appropriate committees:

H. 3867 -- Reps. Herbkersman, Pitts, Hayes and Anthony: A BILL TO AMEND SECTION 12-37-220, AS AMENDED, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO EXEMPTIONS FROM PROPERTY TAX, SO AS TO EXEMPT ALL PROPERTY DEVOTED TO HOUSING LOW INCOME RESIDENTS IF THE PROPERTY IS OWNED BY AN INSTRUMENTALITY OF A NONPROFIT HOUSING CORPORATION.

Referred to Committee on Ways and Means

H. 3870 -- Rep. Weeks: A BILL TO AMEND SECTION 14-7-1550, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO THE AUTHORITY OF A COUNTY GRAND JURY FOREMAN TO SWEAR WITNESSES AND OBTAIN ATTENDANCE OF WITNESSES, SO AS TO PROHIBIT THE USE OF THIRD PARTY SUMMARY, HEARSAY EVIDENCE AS THE SOLE EVIDENCE PRESENTED TO THE COUNTY GRAND JURY FOR INDICTMENT, TO REQUIRE THE PRESENTMENT TO THE COUNTY GRAND JURY OF MATERIAL EVIDENCE, AND TO REQUIRE THE COUNTY GRAND JURY FOREMAN TO NOTE ALL EVIDENCE CONSIDERED BY THE COUNTY GRAND JURY IN THE RECORD.

Referred to Committee on Judiciary

H. 3871 -- Reps. Henderson and W. Newton: A BILL TO AMEND SECTIONS 63-17-3010, 63-17-3810, BOTH AS AMENDED, AND 63-

WEDNESDAY, MARCH 1, 2017

17-3935, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO THE "UNIFORM INTERSTATE FAMILY SUPPORT ACT", SO AS TO MAKE TECHNICAL CORRECTIONS.

Referred to Committee on Judiciary

H. 3872 -- Reps. Henderson and W. Newton: A BILL TO AMEND SECTION 43-5-220, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO CHILD SUPPORT PAYMENTS OWED BY CERTAIN PARENTS, SO AS TO MAKE USE OF THE CHILD SUPPORT SCALE ESTABLISHED BY THE DEPARTMENT MANDATORY IN ESTABLISHING THE AMOUNT OWED BY THE ABSENT PARENT.

Referred to Committee on Judiciary

S. 453 -- Medical Affairs Committee: A JOINT RESOLUTION TO APPROVE REGULATIONS OF THE DEPARTMENT OF HEALTH AND ENVIRONMENTAL CONTROL, RELATING TO WIC VENDORS, DESIGNATED AS REGULATION DOCUMENT NUMBER 4671, PURSUANT TO THE PROVISIONS OF ARTICLE 1, CHAPTER 23, TITLE 1 OF THE 1976 CODE.

Referred to Committee on Regulations and Administrative Procedures

ROLL CALL

The roll call of the House of Representatives was taken resulting as follows:

Alexander	Allison	Anderson
Anthony	Arrington	Atkinson
Atwater	Bales	Ballentine
Bamberg	Bannister	Bedingfield
Bennett	Bernstein	Blackwell
Bowers	Bradley	Brown
Burns	Caskey	Chumley
Clary	Clemmons	Clyburn
Cobb-Hunter	Cogswell	Cole
Collins	Crawford	Crosby
Danig	Davis	Delleney
Dillard	Douglas	Duckworth
Elliott	Erickson	Felder
Finlay	Forrest	Forrester
Fry	Funderburk	Gagnon
Gilliard	Govan	Hamilton

WEDNESDAY, MARCH 1, 2017

Hardee	Hart	Hayes
Henderson	Henegan	Herbkersman
Hewitt	Hill	Hiott
Hixon	Hosey	Howard
Huggins	Jefferson	Johnson
Jordan	King	Kirby
Knight	Loftis	Long
Lowe	Lucas	Mack
Magnuson	Martin	McCoy
McCravy	McEachern	McKnight
Mitchell	D. C. Moss	V. S. Moss
Murphy	B. Newton	W. Newton
Ott	Parks	Pitts
Pope	Putnam	Quinn
Ridgeway	S. Rivers	Robinson-Simpson
Ryhal	Sandifer	Simrill
G. M. Smith	G. R. Smith	J. E. Smith
Sottile	Spires	Stavrinakis
Stringer	Tallon	Taylor
Thayer	Thigpen	Toole
Weeks	West	Wheeler
Whipper	White	Whitmire
Williams	Willis	Yow

Total Present--117

LEAVE OF ABSENCE

The SPEAKER granted Rep. NORRELL a leave of absence for the day due to a prior commitment.

LEAVE OF ABSENCE

The SPEAKER granted Rep. M. RIVERS a temporary leave of absence.

DOCTOR OF THE DAY

Announcement was made that Dr. T. John Burrell of Irmo was the Doctor of the Day for the General Assembly.

SPECIAL PRESENTATION

Rep. FORRESTER presented to the House the students and school officials of the South Carolina School for the Deaf and Blind.

WEDNESDAY, MARCH 1, 2017

SPECIAL PRESENTATION

Reps. GAGNON, WEST and WHITE presented to the House the Dixie High School Boys Cross Country Team, coaches and other school officials.

CO-SPONSORS ADDED

In accordance with House Rule 5.2 below:

"5.2 Every bill before presentation shall have its title endorsed; every report, its title at length; every petition, memorial, or other paper, its prayer or substance; and, in every instance, the name of the member presenting any paper shall be endorsed and the papers shall be presented by the member to the Speaker at the desk. A member may add his name to a bill or resolution or a co-sponsor of a bill or resolution may remove his name at any time prior to the bill or resolution receiving passage on second reading. The member or co-sponsor shall notify the Clerk of the House in writing of his desire to have his name added or removed from the bill or resolution. The Clerk of the House shall print the member's or co-sponsor's written notification in the House Journal. The removal or addition of a name does not apply to a bill or resolution sponsored by a committee."

CO-SPONSOR ADDED

Bill Number: H. 3240
Date: ADD:
03/01/17 HENDERSON

CO-SPONSOR ADDED

Bill Number: H. 3323
Date: ADD:
03/01/17 COBB-HUNTER

CO-SPONSOR ADDED

Bill Number: H. 3516
Date: ADD:
03/01/17 ANDERSON

WEDNESDAY, MARCH 1, 2017

CO-SPONSORS ADDED

Bill Number: H. 3804
Date: ADD:
03/01/17 CHUMLEY, DELLENEY, BURNS, LONG,
G. R. SMITH, BEDINGFIELD, V. S. MOSS,
HERBKERSMAN, YOW, HIXON and KING

CO-SPONSOR ADDED

Bill Number: H. 3818
Date: ADD:
03/01/17 G. R. SMITH

CO-SPONSOR ADDED

Bill Number: H. 3823
Date: ADD:
03/01/17 G. R. SMITH

CO-SPONSOR ADDED

Bill Number: H. 3825
Date: ADD:
03/01/17 G. R. SMITH

CO-SPONSOR ADDED

Bill Number: H. 3845
Date: ADD:
03/01/17 CHUMLEY

H. 3231--ORDERED TO THIRD READING

The following Bill was taken up:

H. 3231 -- Reps. Tallon, Cole and Mitchell: A BILL TO PROVIDE THAT CONSISTENT WITH CERTAIN PROVISIONS OF SECTION 34, ARTICLE III OF THE CONSTITUTION OF SOUTH CAROLINA, 1865, CREATING A CIVIL SERVICE COMMISSION OF THE CITY OF SPARTANBURG FOR ITS POLICE AND FIRE DEPARTMENTS UNDER SUCH TERMS AND CONDITIONS AS THE GENERAL ASSEMBLY SHALL PROVIDE, THE GOVERNING BODY OF THE CITY OF SPARTANBURG BY ORDINANCE SHALL ESTABLISH THE TERMS, CONDITIONS, MEMBERSHIP, AND PROCEDURES OF THE CITY OF SPARTANBURG'S CIVIL SERVICE COMMISSION FOR THE BENEFIT OF THE POLICE AND FIRE

WEDNESDAY, MARCH 1, 2017

DEPARTMENTS, AND TO REPEAL ACT 612 OF 1936 RELATING TO CIVIL SERVICE COMMISSIONS FOR MUNICIPALITIES OF A CERTAIN POPULATION THE SIZE OF THE CITY OF SPARTANBURG, AND ACT 345 OF 1965, ACT 991 OF 1966, AND ACT 618 OF 1992 RELATING TO A CIVIL SERVICE COMMISSION OF THE CITY OF SPARTANBURG FOR THE POLICE AND FIRE DEPARTMENTS.

The yeas and nays were taken resulting as follows:

Yeas 91; Nays 0

Those who voted in the affirmative are:

Alexander	Allison	Anderson
Anthony	Atwater	Bales
Bamberg	Bannister	Bennett
Bernstein	Bowers	Bradley
Brown	Burns	Chumley
Clary	Clemmons	Cogswell
Cole	Collins	Crawford
Crosby	Davis	Delleney
Dillard	Douglas	Duckworth
Elliott	Felder	Finlay
Forrest	Forrester	Fry
Funderburk	Gagnon	Gilliard
Govan	Hamilton	Hardee
Hart	Hayes	Henderson
Henegan	Herbkersman	Hewitt
Hosey	Huggins	Jefferson
Johnson	Jordan	Knight
Loftis	Long	Lowe
Lucas	Magnuson	Martin
McCoy	McCravy	McEachern
McKnight	Mitchell	D. C. Moss
V. S. Moss	Murphy	B. Newton
W. Newton	Ott	Pope
Putnam	Ridgeway	S. Rivers
Robinson-Simpson	Rutherford	Ryhal
Sandifer	Simrill	Sottile
Spires	Stavrinakis	Stringer
Tallon	Thayer	Thigpen
Toole	Weeks	West

[HJ]

WEDNESDAY, MARCH 1, 2017

Wheeler
Yow

White

Willis

Total--91

Those who voted in the negative are:

Total--0

So, the Bill was read the second time and ordered to third reading.

H. 3651--RECOMMITTED

The following Bill was taken up:

H. 3651 -- Reps. Sandifer and Finlay: A BILL TO AMEND THE CODE OF LAWS OF SOUTH CAROLINA, 1976, BY ADDING SECTION 6-1-180 SO AS TO PROHIBIT THE MUNICIPAL ASSOCIATION OF SOUTH CAROLINA OR ANY OTHER POLITICAL SUBDIVISION FROM COLLECTING CERTAIN BUSINESS LICENSE TAXES AND INSURANCE TAXES; TO AMEND SECTION 38-45-10, AS AMENDED, RELATING TO DEFINITIONS OF THE INSURANCE BROKERS AND SURPLUS LINES INSURANCE, SO AS TO DELETE THE DEFINITION OF "MUNICIPAL AGENT"; AND TO AMEND SECTION 38-45-60, AS AMENDED, RELATING TO THE ACCOUNTING OF THE STATE PORTION OF BROKER'S PREMIUM TAX RATE PAYMENT COLLECTED AND THE DISTRIBUTION FROM EARMARKED FUNDS, SO AS TO PROVIDE THAT THE AMOUNT MUST BE PAID TO THE MUNICIPALITY INSTEAD OF THE MUNICIPAL AGENT.

Rep. SANDIFER moved to recommit the Bill to the Committee on Labor, Commerce and Industry, which was agreed to.

H. 3650--RECOMMITTED

The following Bill was taken up:

H. 3650 -- Reps. Sandifer, Simrill, Anderson, Atwater, Forrester, Erickson, Hamilton, Jordan, McEachern, Bedingfield, Ryhal, Taylor, White and Tallon: A BILL TO AMEND THE CODE OF LAWS OF SOUTH CAROLINA, 1976, BY ADDING SECTION 6-1-340 SO AS

[HJ]

WEDNESDAY, MARCH 1, 2017

TO ENACT THE "SOUTH CAROLINA BUSINESS LICENSE TAX STANDARDIZATION ACT", TO PROVIDE THE SOLE MANNER IN WHICH A COUNTY OR MUNICIPAL BUSINESS LICENSE TAX MAY BE IMPOSED, INCLUDING DURATION, CALCULATION, AND PAYMENT, TO PROVIDE CERTAIN REQUIREMENTS FOR ISSUING A CERTIFICATE OF OCCUPANCY, TO PROVIDE FOR CERTAIN REFUNDS, TO PROVIDE THAT CERTAIN SPECIAL ORDINANCES OR FORMAL OR INFORMAL AGREEMENTS ENTERED INTO BEFORE THE EFFECTIVE DATE OF THIS ACT ARE CONSIDERED VALID, TO PROVIDE THAT A SINGLE ISOLATED ACT DOES NOT AUTOMATICALLY CONSTITUTE DOING BUSINESS, AND TO PROVIDE THAT A COUNTY OR MUNICIPALITY MAY NOT IMPOSE A HIGHER BUSINESS LICENSE TAX ON CERTAIN BUSINESSES; BY ADDING SECTION 6-1-350 SO AS TO CREATE THE BUSINESS LICENSE CLASS SCHEDULE BOARD, TO RESTRICT COLLECTIONS IN THE 2019 LICENSE YEAR; BY ADDING SECTION 6-1-360 SO AS TO PROVIDE FOR A NOTICE OF ASSESSMENT AND TO PROVIDE FOR AN APPEALS PROCESS; TO AMEND SECTION 4-9-30, AS AMENDED, RELATING TO THE POWERS OF THE COUNTY GOVERNMENT, SO AS TO PROVIDE THAT A WHOLESALER DELIVERING GOODS TO RETAILERS IN A COUNTY IS NOT SUBJECTED TO THE BUSINESS LICENSE TAX UNLESS HE MAINTAINS A CERTAIN WAREHOUSE OR MERCANTILE ESTABLISHMENT; TO AMEND SECTION 5-7-30, AS AMENDED, RELATING TO THE POWERS CONFERRED UPON MUNICIPALITIES, SO AS TO PROVIDE THAT A WHOLESALER DELIVERING GOODS TO RETAILERS IN A COUNTY IS NOT SUBJECTED TO THE BUSINESS LICENSE TAX UNLESS HE MAINTAINS A CERTAIN WAREHOUSE OR MERCANTILE ESTABLISHMENT, AND TO PROVIDE FOR CERTAIN EXEMPTIONS; TO AMEND SECTION 6-1-120, AS AMENDED, RELATING TO THE CONFIDENTIALITY OF CERTAIN INFORMATION, SO AS TO AUTHORIZE THE SHARING OF BUSINESS LICENSE INFORMATION AMONG LOCAL GOVERNMENTS; TO AMEND SECTION 12-4-310, AS AMENDED, RELATING TO POWERS OF THE DEPARTMENT OF REVENUE, SO AS TO ALLOW THE DEPARTMENT TO SHARE MUNICIPAL BUSINESS LICENSE INFORMATION AMONG OTHER LOCAL GOVERNMENTS; AND TO AMEND SECTION 38-7-160, RELATING TO MUNICIPAL LICENSE FEES AND TAXES

WEDNESDAY, MARCH 1, 2017

IN INSURANCE LAW, SO AS TO DISTINGUISH BETWEEN LICENSE FEES AND TAXES MUNICIPALITIES MAY LEVY AND COLLECT FOR RISKS LOCATED WITHIN AND OUTSIDE THE MUNICIPALITY.

Rep. SANDIFER moved to recommit the Bill to the Committee on Labor, Commerce and Industry, which was agreed to.

H. 3726--SENT TO THE SENATE

The following Bill was taken up:

H. 3726 -- Reps. Herbkerman, Cobb-Hunter, Anthony, Whitmire, Stringer, Bradley, Lucas and White: A BILL TO AMEND SECTION 9-1-1085, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO THE SOUTH CAROLINA RETIREMENT SYSTEM EMPLOYER AND EMPLOYEE CONTRIBUTION RATES, SO AS TO CHANGE FUTURE EMPLOYER AND EMPLOYEE CONTRIBUTION RATES AND TO REQUIRE THAT THE UNFUNDED LIABILITIES OF THE SYSTEM MUST BE ON A CERTAIN AMORTIZATION SCHEDULE; TO AMEND SECTION 9-11-225, RELATING TO THE POLICE OFFICERS RETIREMENT SYSTEM EMPLOYER AND EMPLOYEE CONTRIBUTION RATES, SO AS TO CHANGE FUTURE EMPLOYER AND EMPLOYEE CONTRIBUTION RATES AND TO REQUIRE THAT THE UNFUNDED LIABILITIES OF THE SYSTEM MUST BE ON A CERTAIN AMORTIZATION SCHEDULE; TO AMEND SECTION 9-16-335, RELATING TO THE ASSUMED RATE OF RETURN, SO AS TO CHANGE THE ASSUMED RATE OF RETURN TO SEVEN AND ONE QUARTER PERCENT AND TO PROVIDE THAT THE ASSUMED RATE OF RETURN EXPIRES EVERY FOUR YEARS; TO AMEND SECTION 9-4-10, RELATING TO THE TERM OF MEMBERS OF THE BOARD OF DIRECTORS OF THE SOUTH CAROLINA PUBLIC EMPLOYEE BENEFIT AUTHORITY (PEBA), SO AS TO CHANGE THE TERM FROM TWO TO FIVE YEARS AND TO REQUIRE THE BOARD TO EMPLOY AN EXECUTIVE DIRECTOR; TO AMEND SECTION 9-4-40, RELATING TO THE AUDIT OF PEBA, SO AS TO REQUIRE PEBA TO BE AUDITED EVERY FOUR YEARS; TO AMEND SECTION 9-16-10, AS AMENDED, RELATING TO RETIREMENT SYSTEM FUNDS "FIDUCIARY" DEFINITION, SO AS TO ADD THE COMMISSION'S "CHIEF EXECUTIVE OFFICER" TO THE DEFINITION; TO AMEND SECTION 9-16-90, AS

WEDNESDAY, MARCH 1, 2017

AMENDED, RELATING TO CERTAIN INVESTMENT REPORTS, SO AS TO PROVIDE THAT CERTAIN REPORTS MUST CONTAIN A SCHEDULE OF NET MANAGER FEES AND EXPENSES; TO AMEND SECTION 9-16-315, AS AMENDED, RELATING TO THE RETIREMENT SYSTEM INVESTMENT COMMISSION, SO AS TO CHANGE CERTAIN MEMBERS OF THE COMMISSION, TO ADD QUALIFICATIONS, AND TO REQUIRE THE COMMISSION TO EMPLOY AN EXECUTIVE DIRECTOR; TO AMEND SECTION 9-16-330, AS AMENDED, RELATING TO CERTAIN STATEMENTS OF ACTUARIAL ASSUMPTIONS AND INVESTMENT OBJECTIVES, SO AS TO ALLOW FOR CERTAIN DELEGATIONS TO THE CHIEF INVESTMENT OFFICER, AND TO REQUIRE THE INVESTMENT PLAN TO INCLUDE THE FINAL AUTHORITY TO INVEST MADE BY THE COMMISSION; TO AMEND SECTION 9-16-380, RELATING TO THE AUDIT OF THE RETIREMENT SYSTEM INVESTMENT COMMISSION, SO AS TO PROVIDE THAT THE RETIREMENT SYSTEM INVESTMENT COMMISSION BE AUDITED EVERY FOUR YEARS; BY ADDING SECTION 9-16-100 SO AS TO PLACE CERTAIN RESTRICTIONS ON LOBBYISTS AND TO PROHIBIT THE COMMISSION FROM MAKING CERTAIN INVESTMENTS; TO AMEND SECTION 9-1-1310, AS AMENDED, RELATING TO THE TRUSTEE OF THE RETIREMENT SYSTEM, SO AS TO CHANGE A TRUSTEE FROM THE STATE FISCAL ACCOUNTABILITY AUTHORITY TO THE RETIREMENT SYSTEM INVESTMENT COMMISSION; TO AMEND SECTION 9-1-1320, RELATING TO THE CUSTODY OF THE ASSETS OF THE RETIREMENT SYSTEM, SO AS TO CHANGE THE CUSTODIAN OF THE ASSETS FROM THE STATE TREASURER TO THE BOARD OF DIRECTORS OF PEBA; TO AMEND SECTION 1-3-240, AS AMENDED, RELATING TO THE REMOVAL OF OFFICERS BY THE GOVERNOR, SO AS TO ADD THE SOUTH CAROLINA RETIREMENT INVESTMENT COMMISSION MEMBERS AND THE SOUTH CAROLINA PUBLIC BENEFIT AUTHORITY MEMBERS; AND TO REPEAL SECTIONS 9-4-45, 9-8-170, 9-9-160, 9-10-80, AND 9-11-250 RELATING TO POLICY DETERMINATIONS AND THE CUSTODY OF FUNDS FOR THE RETIREMENT SYSTEM FOR JUDGES AND SOLICITORS, THE RETIREMENT SYSTEM FOR MEMBERS OF THE GENERAL ASSEMBLY, THE NATIONAL GUARD

WEDNESDAY, MARCH 1, 2017

RETIREMENT SYSTEM, AND THE POLICE OFFICERS RETIREMENT SYSTEM.

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

MOTION PERIOD

The motion period was dispensed with on motion of Rep. SIMRILL.

H. 3204--DEBATE ADJOURNED

The following Bill was taken up:

H. 3204 -- Reps. Pope, Elliott, Long, Magnuson, Daning, Pitts, Hixon, Crosby, Taylor, W. Newton, Loftis, Erickson and Bedingfield: A BILL TO AMEND SECTIONS 2-19-10, 2-19-20, 2-19-35, 2-19-70, 2-19-80, AND 2-19-90, CODE OF LAWS OF SOUTH CAROLINA, 1976, ALL RELATING TO THE JUDICIAL MERIT SELECTION COMMISSION, SO AS TO CHANGE THE COMMISSION'S PROCESS FOR NOMINATING JUDICIAL CANDIDATES FROM THE NOMINATION OF THREE QUALIFIED CANDIDATES TO THE RELEASE OF A LIST OF ALL QUALIFIED CANDIDATES TO THE GENERAL ASSEMBLY.

Rep. POPE moved to adjourn debate on the Bill until Thursday, March 2, which was agreed to.

H. 3529--DEBATE ADJOURNED

The following Bill was taken up:

H. 3529 -- Reps. Bedingfield, Sandifer, Hamilton, Forrester, Atwater, Yow, Clemmons, Crawford, Fry, Hill, Lowe, Pitts, Putnam, Anderson, Martin and G. R. Smith: A BILL TO AMEND THE CODE OF LAWS OF SOUTH CAROLINA, 1976, BY ADDING CHAPTER 77 TO TITLE 39 SO AS TO PROVIDE THAT ANY REGULATION REGARDING THE USE, DISPOSITION, SALE, OR ANY IMPOSITION OF ANY PROHIBITION, RESTRICTION, FEE IMPOSITION, OR TAXATION OF AUXILIARY CONTAINERS MUST BE DONE ONLY BY THE GENERAL ASSEMBLY, TO DEFINE AUXILIARY CONTAINER, TO PROVIDE FOR LEGISLATIVE FINDINGS, AND TO PROVIDE FOR EXCEPTIONS.

Rep. BEDINGFIELD moved to adjourn debate on the Bill until Thursday, March 2, which was agreed to.

[HJ]

WEDNESDAY, MARCH 1, 2017

H. 3516--AMENDED AND ORDERED TO THIRD READING

The following Bill was taken up:

H. 3516 -- Reps. Simrill, Lucas, White, G. M. Smith, Pope, Stringer, W. Newton, Bales, Clary, Cole, Delleney, Herbkersman, Hixon, Sandifer, Douglas, Knight, Erickson, Henegan, Ridgeway, Williams, Jefferson, Ott, Govan, Henderson, V. S. Moss, Martin, Spires, Funderburk, D. C. Moss, Brown, Whipper, Cobb-Hunter, Felder, Bernstein, J. E. Smith, Clemmons, Clyburn, Daning, Cogswell, Davis, B. Newton, Anthony, Crosby, S. Rivers, Thigpen, Hosey, Murphy, Hardee, Weeks, King, Sottile and Anderson: A BILL TO AMEND SECTION 12-28-310, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO THE MOTOR FUEL USER FEE, SO AS TO PHASE IN AN INCREASE OF TEN CENTS ON THE FEE OVER FIVE YEARS; TO AMEND SECTIONS 56-11-410 AND 56-11-450, BOTH RELATING TO THE ROAD TAX, SO AS TO INCREASE THE ROAD TAX IN THE SAME MANNER AS THE MOTOR FUEL USER FEE; TO AMEND SECTION 56-3-620, AS AMENDED, RELATING TO THE BIENNIAL REGISTRATION OF A MOTOR VEHICLE, SO AS TO INCREASE THE FEE FOR THE REGISTRATION; BY ADDING SECTION 56-3-627 SO AS TO REQUIRE EACH RESIDENT TO PAY AN INFRASTRUCTURE MAINTENANCE FEE UPON FIRST REGISTERING ANY VEHICLE AND CERTAIN OTHER ITEMS IN THIS STATE AND TO SPECIFY THE MANNER IN WHICH THE FEE IS CALCULATED, CREDITED, AND ADMINISTERED; BY ADDING SECTION 56-3-645 SO AS TO IMPOSE A ROAD USE FEE ON CERTAIN MOTOR VEHICLES THAT OPERATE ON FUEL THAT IS NOT SUBJECT TO THE MOTOR FUEL USER FEE; TO AMEND SECTION 12-36-2110, RELATING TO THE MAXIMUM SALES TAX, SO AS TO INCREASE THE MAXIMUM TAX ON CERTAIN ITEMS; TO AMEND SECTION 12-36-2120, AS AMENDED, RELATING TO EXEMPTIONS FROM THE STATE SALES TAX, SO AS TO EXEMPT ANY ITEM SUBJECT TO THE INFRASTRUCTURE MAINTENANCE FEE; TO AMEND SECTION 12-36-1710, RELATING TO THE CASUAL EXCISE TAX, SO AS TO PROVIDE THAT MOTOR VEHICLES AND MOTORCYCLES ARE NOT SUBJECT TO THE TAX; AND TO AMEND ARTICLE 23, CHAPTER 37, TITLE 12, RELATING TO MOTOR CARRIERS, SO AS TO DEFINE TERMS, TO PROVIDE THAT THE ARTICLE DOES NOT APPLY TO A SMALL COMMERCIAL VEHICLE, TO PROVIDE

WEDNESDAY, MARCH 1, 2017

THAT CERTAIN VEHICLES ARE ASSESSED AND APPORTIONED BASED ON A ROAD USE FEE INSTEAD OF PROPERTY TAXES, TO PROVIDE THAT THE ROAD USE FEE IS DUE AT THE SAME TIME AS REGISTRATION FEES, TO PROVIDE FOR THE DISTRIBUTION OF THE ROAD USE FEE, AND TO EXEMPT CERTAIN SEMITRAILERS, TRAILERS, LARGE COMMERCIAL MOTOR VEHICLES, AND BUSES FROM AD VALOREM TAXATION.

The Committee on Ways and Means proposed the following Amendment No. 1 to H. 3516 (COUNCIL\DG\3516C004.BBM.DG17), which was adopted:

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

/ SECTION 1. Section 57-11-20(A) of the 1976 Code is amended to read:

“(A)(1) All state revenues and state monies dedicated by statute to the operation of the department must be deposited into either the ‘State Highway Fund’, ~~or the ‘State Non-Federal Aid Highway Fund’~~ or the ‘Infrastructure Maintenance Trust Fund’. ~~Both~~ All funds must be held and managed by the State Treasurer separate and distinct from the general fund, except as to monies utilized by the State Treasurer for the payment of principal or interest on state highway bonds as provided by law. Interest income from the State Highway Fund must be deposited to the credit of the State Highway Fund. Interest income from the Non-Federal Aid Highway Fund must be deposited to the credit of the Non-Federal Aid Highway Fund. Interest income from the Infrastructure Maintenance Fund must be deposited to the credit of the Infrastructure Maintenance Trust Fund. The commission may commit up to the maximum annual debt service provided in Article X, Section 13 of the South Carolina Constitution into a special fund to be used for the sole purpose of paying the principal and interest, as it comes due, on bonds issued for the construction or maintenance of state highways, or both. This special account will be designated as the State Highway Construction Debt Service Fund.

(2) The Infrastructure Maintenance Trust Fund must be used exclusively for the repairs, maintenance, and improvements to the existing transportation system.”

SECTION 2. Article 1, Chapter 1, Title 57 of the 1976 Code is amended by adding:

WEDNESDAY, MARCH 1, 2017

“Section 57-1-100. Notwithstanding any other provision of law requiring the Department of Transportation to transfer revenues to another entity, if the department determines that the transfer of funds is not prudent and the transfer would not best serve the transportation infrastructure needs of this State, then the department may delay the transfer indefinitely. However, the transfer may not be delayed if the funds are to be used to pay debt service on outstanding bond issuances.”

SECTION 3. Section 12-28-310 of the 1976 Code is amended by adding an appropriately lettered subsection to read:

“() On July 1, 2017, and each July first thereafter until after July 1, 2021, the department shall permanently increase the amount of the user fees imposed pursuant to subsection (A) by two cents, for a total of ten cents. All of the funds raised by the increase in the motor fuel user fee imposed by this subsection must be credited to the Infrastructure Maintenance Trust Fund.”

SECTION 4. A. Section 56-11-410 of the 1976 Code is amended to read:

“Section 56-11-410. (A) A road tax for the privilege of using the streets and highways in this State is imposed upon every motor carrier. The tax is equivalent to ~~sixteen cents a gallon~~ the user fee imposed pursuant to Section 12-28-310, calculated on the amount of gasoline or other motor fuel used by the motor carrier in its operations within this State. Except as credit for certain taxes as provided for in this chapter, taxes imposed on motor carriers by this chapter are in addition to taxes imposed upon the carriers by any other provision of law.

(B) Notwithstanding any other provision of law, all of the road tax funds collected in excess of sixteen cents a gallon after accounting for the credit provided in Section 56-11-450, must be credited to the Infrastructure Maintenance Trust Fund.”

B. Section 56-11-450(A) of the 1976 Code is amended to read:

“(A) Every motor carrier subject to the tax imposed under this chapter is entitled to a credit on the tax equivalent to ~~sixteen cents per gallon~~ the user fee imposed pursuant to Section 12-28-310 on all gasoline or other motor fuel purchased by the carrier within this State for use in operations either within or without this State and upon which gasoline or other motor fuel the tax imposed by the laws of this State has been paid by the carrier. Evidence of the payment of the tax in such form as may be required by or is satisfactory to the Department of Motor Vehicles must be furnished by each carrier claiming the credit.”

SECTION 5. A. Section 56-3-620 of the 1976 Code, as last amended by Act 353 of 2008, is further amended to read:

WEDNESDAY, MARCH 1, 2017

“Section 56-3-620. (A) For persons sixty-five years of age or older or persons who are handicapped, as defined in Section 56-3-1950, the biennial registration fee for every private passenger motor vehicle, excluding trucks, is ~~twenty~~ thirty-six dollars.

(B) ~~Beginning July 1, 1987,~~ For persons under the age of sixty-five years the biennial registration fee for every private passenger motor vehicle, excluding trucks, is ~~twenty-four~~ forty dollars.

(C) For persons sixty-five years of age or older, the biennial registration fee for a property-carrying vehicle with a gross weight of six thousand pounds or less is ~~thirty~~ forty-six dollars.

(D) For persons who are sixty-four years of age, the biennial registration fee for a private passenger motor vehicle, excluding trucks, is ~~twenty-two~~ thirty-eight dollars.

(E) Applicable truck fees, established by Section 56-3-660, are not negated by this section.

(F) Annual license plate validation stickers which are issued for nonpermanent license plates on certified South Carolina public law enforcement vehicles must be issued without charge.

(G) From each biennial registration and license fee collected, sixteen dollars must be credited to the Infrastructure Maintenance Trust Fund.”

B. This SECTION takes effect January 1, 2018.

SECTION 6. A. Article 5, Chapter 3, Title 56 of the 1976 Code is amended by adding:

“Section 56-3-627. (A) In order to account for the necessary road maintenance caused by each item traversing the roads of this State, in addition to the registration fees imposed by this chapter, the owner of each vehicle or other item that is required to be registered pursuant to this chapter must pay an infrastructure maintenance fee upon first registering the vehicle or other item. Also, the owner of each trailer or semi-trailer must pay the fee upon first registering the trailer or semi-trailer. The Department of Motor Vehicles may not issue a registration until the infrastructure maintenance fee has been collected. The infrastructure maintenance fee must be credited to the Infrastructure Maintenance Trust Fund.

(B) If upon purchasing or leasing the item from a dealer, the owner first registers the item in this State, then the fee equals five percent, not to exceed five hundred dollars, of the gross proceeds of sales, or sales price, as those terms are defined in Chapter 36, Title 12. If the dealer holds a South Carolina retail license or offers to license and register the

WEDNESDAY, MARCH 1, 2017

item, then the dealer must collect the fee and remit it to the Department of Motor Vehicles.

(C)(1) If upon purchasing or leasing the item from a person other than a dealer, the owner first registers the item in this State, then the fee equals five percent, not to exceed five hundred dollars, of the fair market value of the item.

(2) Excluded from the fee imposed pursuant to this subsection are:

- (a) items transferred:
 - (i) to members of the immediate family;
 - (ii) to a legal heir, legatee, or distributee;
 - (iii) from an individual to a partnership upon formation of a partnership, or from a stockholder to a corporation upon formation of a corporation;
 - (iv) to a licensed motor vehicle or motorcycle dealer for the purpose of resale;
 - (v) to a financial institution for the purpose of resale;
 - (vi) as a result of repossession to any other secured party, for the purpose of resale;
- (b) the fair market value of an item transferred to the seller or secured party in partial payment;
- (c) gross proceeds of transfers of items specifically exempted by Section 12-36-2120 from the sales or use tax;
- (d) items where a sales or use tax has been paid on the transaction necessitating the transfer.

(3) The Department of Motor Vehicles shall require every applicant for a certificate of title to supply information it considers necessary as to the time of purchase, the purchase price, and other information relative to the determination of fair market value. If the fee is based upon total purchase price as defined in this subsection, the department shall require a submission of a bill of sale and the signature of the owner subject to the perjury statutes of this State.

(4) For purposes of this subsection:

- (a) 'Fair market value' means the total purchase price less any trade-in, or the valuation shown in a national publication of used values adopted by the department, less any trade-in.
- (b) 'Immediate family' means spouse, parents, children, sisters, brothers, grandparents, and grandchildren.
- (c) 'Total purchase price' means the price of an item agreed upon by the buyer and seller with an allowance for a trade-in, if applicable.

WEDNESDAY, MARCH 1, 2017

(D)(1) If upon purchasing or leasing the item, the owner first registers the item in another state, and subsequently registers the item in this State, then the fee equals two hundred fifty dollars.

(2) This subsection does not apply if the owner of the item is serving on active duty in the armed forces of the United States. The exclusion allowed by this item also extends to items owned by the spouse or dependent of a person serving on active duty in the armed forces of the United States.

(E)(1) The Department of Transportation shall allocate eighty percent of every fee collected on motor vehicles pursuant to subsections (B) and (C), but not to exceed two hundred forty dollars, to the state-funded resurfacing program. The Department of Transportation shall develop and implement a needs-based methodology to distribute revenue within the state-funded resurfacing program, which shall include consideration on a county-by-county basis, to ensure that each county in the State is guaranteed funding for resurfacing.

(2) The Department of Transportation shall reduce the allocation to the state-funded resurfacing program required in item (1) in proportion to the amounts transferred to the South Carolina Transportation Infrastructure Bank pursuant to subsection (F) and in proportion to the amounts required by the Department of Transportation to fund repairs, maintenance, and improvements to the existing transportation system.

(F)(1) The Department of Transportation shall identify bridge and road projects to be financed utilizing nontax revenue transferred to the bank by the Department of Transportation in an amount equal to the financing requirements related to projects selected pursuant to this section, provided that:

(a) Fifty million dollars in revenue utilized by the bank shall be used to finance bridge replacement, rehabilitation projects, and expansion and improvements on existing roads in the State Highway System.

(b) Funds in excess of fifty million dollars utilized by the bank shall be used to finance expansion and improvements to existing mainline interstates.

(2) Funds transferred to the bank pursuant to this section may not be used to finance projects approved by the bank before July 1, 2013. The bank shall submit all projects proposed to be financed pursuant to subsection (B) to the Joint Bond Review Committee as provided in Section 11-43-180, before approving a project for financing.

WEDNESDAY, MARCH 1, 2017

(3) Following consideration by the Joint Bond Review Committee, the bank shall approve the projects to be financed. Upon approval, the bank shall provide the Department of Transportation with written notice that identifies each project selected, the amount of nontax revenue that must be transferred to the bank for financing each project, a schedule for the transfers, and any other information necessary to carrying out the financing of each project.

(4) Upon receipt of the notice provided in item (3), the Department of Transportation shall transfer nontax revenue to the bank in the amounts and upon the schedule provided in the notice. The department shall take any other action identified in the notice that is necessary for financing each project.

(5) Projects financed utilizing funds transferred pursuant to this subsection shall not require a local match.

(G) The Secretary of Transportation shall apply funds supplanted by the operation of this section to prioritized bridge and resurfacing needs.”

B. This SECTION takes effect on July 1, 2017.

SECTION 7. A. Chapter 3, Title 56 of the 1976 Code is amended by adding:

“Section 56-3-645. (A) In addition to the registration fees imposed by this chapter, the owner of motor vehicles that are powered:

(1) exclusively by electricity, hydrogen, or any fuel other than motor fuel, as defined in Section 12-28-110(39), that are not subject to motor fuel user fees imposed by Chapter 28, Title 12 shall pay a biennial road use fee of one hundred twenty dollars; and

(2) by a combination of motor fuel subject to motor fuel user fees imposed by Chapter 28, Title 12 and electricity, hydrogen, or any fuel other than motor fuel that is not subject to motor fuel user fees imposed by Chapter 28, Title 12 shall pay a biennial road use fee of sixty dollars.

(B) All of the fees collected pursuant to this section must be credited to the Infrastructure Maintenance Trust Fund.

(C) The Department of Motor Vehicles shall collect this fee at the same time as the vehicle subject to the fee is registered.”

B. This SECTION takes effect January 1, 2018.

SECTION 8. A. Section 12-36-2110(A) of the 1976 Code is amended to read:

“Section 12-36-2110. (A)(1) The maximum tax imposed by this chapter is three hundred dollars for each sale made after June 30, 1984, or lease executed after August 31, 1985, of each:

WEDNESDAY, MARCH 1, 2017

~~(1)(a)~~ aircraft, including unassembled aircraft which is to be assembled by the purchaser, but not items to be added to the unassembled aircraft;

~~(2)(b)~~ ~~motor vehicle~~ Reserved;

~~(3)(c)~~ ~~motorcycle~~ Reserved;

~~(4)(d)~~ boat;

~~(5)(e)~~ trailer or semitrailer, pulled by a truck tractor, as defined in Section 56-3-20, and horse trailers, but not including house trailers or campers as defined in Section 56-3-710 or a fire safety education trailer;

~~(6)(f)~~ recreational vehicle, including tent campers, travel trailer, park model, park trailer, motor home, and fifth wheel; or

~~(7)(g)~~ self-propelled light construction equipment with compatible attachments limited to a maximum of one hundred sixty net engine horsepower.

(2) In the case of a lease, the total tax rate required by ~~law~~ this section applies on each payment until the total tax paid equals three hundred dollars. Nothing in this section prohibits a taxpayer from paying the total tax due at the time of execution of the lease, or with any payment under the lease. To qualify for the tax limitation provided by this section, a lease must be in writing and specifically state the term of, and remain in force for, a period in excess of ninety continuous days.

(3) Notwithstanding any other provision of this subsection, after June 30, 2017, the maximum tax imposed pursuant to this chapter on the sale, lease, or registration of an item enumerated in item (1) only applies to items not subject to the fee pursuant to Section 56-3-627.

(4) Notwithstanding any other provision of this subsection, after June 30, 2017, the maximum tax imposed pursuant to this chapter on the sale, lease, or registration of an item enumerated in item (1) is increased from three hundred dollars to five hundred dollars, mutatis mutandis. Notwithstanding Section 59-21-1010, or any other provision of law, any revenue resulting from the increase contained in this item must be credited to the Infrastructure Maintenance Trust Fund."

B. Section 12-36-2120 of the 1976 Code, as last amended by Act 256 of 2016, is further amended by adding an appropriately numbered item to read:

“() any item subject to the fee set forth in Section 56-3-627.”

C. Section 12-36-1710(A) through (D) of the 1976 Code is amended to read:

“(A) In addition to all other fees prescribed by law there is imposed an excise tax for the issuance of every certificate of title, or other proof

WEDNESDAY, MARCH 1, 2017

of ownership, for every ~~motor vehicle, motorcycle,~~ boat, motor, or airplane, required to be registered, titled, or licensed. The tax is five percent of the fair market value of the ~~motor vehicle, motorcycle,~~ airplane, boat, and motor.

(B) Excluded from the tax are:

- (1) ~~motor vehicles, motorcycles,~~ boats, motors, or airplanes:
 - (a) transferred to members of the immediate family;
 - (b) transferred to a legal heir, legatee, or distributee;
 - (c) transferred from an individual to a partnership upon formation of a partnership, or from a stockholder to a corporation upon formation of a corporation;
 - (d) transferred to a licensed motor vehicle or motorcycle dealer for the purpose of resale;
 - (e) transferred to a financial institution for the purpose of resale;
 - (f) transferred as a result of repossession to any other secured party, for the purpose of resale;
- (2) the fair market value of a ~~motor vehicle, motorcycle,~~ boat, motor, or airplane, transferred to the seller or secured party in partial payment;
- (3) gross proceeds of transfers of ~~motor vehicles, motorcycles,~~ or airplanes specifically exempted by Section 12-36-2120 from the sales or use tax;
- (4) ~~motor vehicles, motorcycles,~~ boats, motors, or airplanes, where a sales or use tax has been paid on the transaction necessitating the transfer.

(C) 'Fair market value' means the total purchase price less any trade-in, or the valuation shown in a national publication of used values adopted by the department, less any trade-in.

(D) 'Total purchase price' means the price of a ~~motor vehicle, motorcycle,~~ boat, motor, or airplane agreed upon by the buyer and seller with an allowance for a trade-in, if applicable."

D. Section 12-36-2647 of the 1976 Code is repealed.

E. The Code Commissioner is directed to change or correct all references to the sales tax on vehicles and other such items to reflect the provisions of Section 56-3-627 as added by this act. References to the sales tax on vehicles and other such items in the 1976 Code or other provisions of law are considered to be and must be construed to mean appropriate references.

SECTION 9. A. Article 23, Chapter 37, Title 12 of the 1976 Code is amended to read:

WEDNESDAY, MARCH 1, 2017

“Article 23

Motor Carriers

Section 12-37-2810. As used in this article, unless the context requires otherwise:

(A) ‘Motor carrier’ means a person who owns, controls, operates, manages, or leases a commercial motor vehicle, or bus for the transportation of property or persons in intrastate or interstate commerce except for scheduled intercity bus service and farm vehicles using FM tags as allowed by the Department of Motor Vehicles. A motor carrier is defined further as being a South Carolina-based International Registration Plan registrant or owning or leasing real property within this State used directly in the transportation of freight or persons.

(B) ‘Commercial motor vehicle’ means a motor propelled vehicle used for the transportation of property on a public highway ~~with a gross vehicle weight of greater than twenty-six thousand pounds,~~ except for farm vehicles using FM tags as allowed by the Department of Motor Vehicles.

(C) ‘Large commercial motor vehicle’ means a commercial motor vehicle with a gross vehicle weight of greater than twenty-six thousand pounds that is registered under the International Registration Plan or used on a highway for the transportation of property.

(D) ‘Small commercial motor vehicle’ means a commercial motor vehicle with a gross vehicle weight of less than or equal to twenty-six thousand pounds that is registered under the International Registration Plan or used on a highway for the transportation of property.

~~(C)~~(E) ‘Highway’ means all public roads, highways, streets, and ways in this State, whether within a municipality or outside of a municipality.

~~(D)~~(F) ‘Person’ means any individual, corporation, firm, partnership, company or association, and includes a guardian, trustee, executor, administrator, receiver, conservator, or a person acting in a fiduciary capacity.

~~(E)~~(G) ‘Semitrailers’ means every vehicle with or without motive power, other than a pole trailer, designed for carrying property and for being drawn by a motor vehicle and constructed so that a part of its weight and of its load rests upon or is carried by another vehicle.

~~(F)~~(H) ‘Trailers’ means every vehicle with or without motive power, other than a pole trailer, designed for carrying property and for being drawn by a motor vehicle and constructed so that no part of its weight rests upon the towing vehicle.

WEDNESDAY, MARCH 1, 2017

~~(G)~~(I) 'Bus' means every motor vehicle designed for carrying more than sixteen passengers and used for the transportation of persons, for compensation, other than a taxicab or intercity bus.

(J) 'South Carolina apportionment factor' means the ratio of miles operated by a fleet of vehicles in South Carolina to the miles operated by the fleet of vehicles everywhere, which is used to apportion the registration fees of the fleet under the International Registration Plan.

Section 12-37-2815. The provisions contained in this article do not apply to small commercial motor vehicles that must be licensed, registered, and pay ad valorem taxes as otherwise provided by law.

Section 12-37-2820. (A) The Department of ~~Revenue~~ Motor Vehicles annually shall assess, equalize, and apportion the valuation of all large commercial motor vehicles and buses of motor carriers registered for use in this State under the International Registration Plan or otherwise pursuant to Section 56-3-190. The valuation must be based on fair market value for the motor vehicles and an assessment ratio of nine and one-half percent as provided by Section 12-43-220(g). Fair market value is determined by depreciating the gross capitalized cost of each motor carrier's large commercial motor vehicle, or bus by an annual percentage depreciation allowance down to ten percent of the cost as follows:

(1) Year One	--	.90
(2) Year Two	--	.80
(3) Year Three	--	.65
(4) Year Four	--	.50
(5) Year Five	--	.35
(6) Year Six	--	.25
(7) Year Seven	--	.20
(8) Year Eight	--	.15
(9) Year Nine	--	.10

(B) 'Gross capitalized cost', as used in this section, means the original cost upon acquisition for income tax purposes, not to include taxes, interest, or cab customizing.

Section 12-37-2830. The value of a motor carrier's large commercial motor vehicles and buses subject to ~~property taxes~~ road use fees in this State must be determined ~~based on the ratio of total mileage operated within this State during the preceding calendar year to the total mileage of its fleet operated within and without this State during the same preceding calendar year according to the South Carolina apportionment factor for the fleet of which the commercial vehicle is a part.~~

WEDNESDAY, MARCH 1, 2017

Section 12-37-2840. (A) ~~Motor carriers must file an annual property tax return with the Department of Revenue no later than June 30 for the preceding calendar year and remit one half of the tax due or the entire tax due as stated on the return. If the motor carrier fails to pay either one half of the tax due or the entire tax due as of June 30, the department must issue a proposed assessment for the entire tax to the motor carrier. The tax as shown in the proposed assessment must be paid in full by cashier's check, money order, or cash within thirty days of the issuance of the proposed assessment, or the taxpayer may appeal the proposed assessment within thirty days using the procedures provided in subarticle 1, Article 5, Chapter 60 of this title.~~

~~(B)(1) If one half of the tax is remitted on or before June 30, the remaining one half of the tax due must be paid to the Department of Revenue on or before December 31 of that year. If the motor carrier fails to remit the remaining tax due pursuant to this section, the department shall issue a proposed assessment to the motor carrier.~~

~~(2) The tax shown in the proposed assessment must be paid in full by cashier's check, money order, or cash or appealed within thirty days of the issuance of the proposed assessment. The taxpayer may appeal the proposed assessment using the procedures provided in subarticle 1, Article 5, Chapter 60 of this title.~~

~~(C) If a motor carrier fails to timely file the return as required by this section, the department shall issue a proposed assessment which assumes all mileage of the motor carrier's fleet was driven within this State. A taxpayer may appeal this proposed assessment using the procedures provided in subarticle 1, Article 5, Chapter 60 of this title.~~

~~(D) A twenty five percent penalty must be added to the property tax due if the motor carrier fails to file a return or pay any tax due, including the one half of the tax due on June 30, as required by this section. The penalty must be applied the day after the date that the return was due to be filed or the tax was due to be paid. This penalty is instead of all other penalties and interest required by law, except those provided in Section 12-54-44.~~

~~(E) If the motor carrier fails to remit the tax due within thirty days of receipt of the proposed assessment and the taxpayer fails to appeal the proposed assessment as provided in subsection (B), the department shall assess the tax. Tax due pursuant to this section is subject to the collection procedures provided in Chapter 54, of this title, except that the penalty provisions of Section 12-54-43 do not apply A motor carrier registering a large commercial motor vehicle or bus must pay the road use fee due on the vehicle at the time and in the manner the person pays the~~

WEDNESDAY, MARCH 1, 2017

registration fees on the vehicle pursuant to Section 56-3-660. A person choosing to pay registration fees on a large commercial motor vehicle or bus in quarterly installments pursuant to Section 56-3-660 also must pay the road use fee on the vehicle in the same quarterly installments.

~~Section 12-37-2842. (A) The Department of Motor Vehicles, at the time of first registration by a motor carrier as defined in this article, shall notify the registrant of the Department of Revenue's registration and filing requirements and supply the required registration forms.~~

~~(B) The motor carrier must register with the Department of Revenue within thirty days following the year in which the vehicle or bus was first registered for operation in South Carolina.~~

~~(C) A motor carrier must notify the Department of Revenue, on forms supplied by the department, of a motor vehicle or bus that is disposed of before December 31.~~

Section 12-37-2850. Beginning on January 1, 2019, the Department of Revenue Motor Vehicles shall assess annually the taxes road use fee due on large commercial motor vehicles and buses based on the value determined in Section 12-37-2820 and an average millage for all purposes statewide for the preceding calendar year and shall publish the average millage for the preceding year by June 1 July first of each year. The Department of Revenue, in consultation with the Revenue and Fiscal Affairs Office, shall calculate the millage to be used to calculate the road use fee by June first of each year for the following calendar year. The taxes road use fee assessed must be paid to the Department of Revenue no later than December 31 of each year and may be made in two equal installments Motor Vehicles, in addition to the registration fees required pursuant to Sections 56-3-660 and 56-3-670, at the time and in the manner that the registration fees on the vehicle are paid pursuant to Sections 56-3-660 and 56-3-670. Distribution of the taxes fees paid must be made by the State Treasurer's Office of the State Treasurer based on the distribution formula contained provided in Section 12-37-2870 Sections 12-37-2865 and 12-37-2870.

Section 12-37-2860. (A) In addition to the property tax exemptions allowed pursuant to Section 12-37-220, one hundred percent of the fair market value of semitrailers and trailers as defined in Section 12-37-2810, and commonly used in combination with a large commercial motor vehicle, as defined pursuant to Section 12-37-2810, is exempt from property tax.

(B) Instead of the any property taxes tax and the registration requirements contained provided in Sections 56-3-110 and 56-3-700 on semitrailers and trailers of motor carriers as defined in Section

WEDNESDAY, MARCH 1, 2017

12-37-2810, and commonly used in combination with a large commercial motor vehicle, a one-time fee payable to the Department of Motor Vehicles in the amount of eighty-seven dollars is ~~due~~ imposed on all semitrailers and trailers currently registered and subsequently on each semitrailer and trailer before being placed in service.

(C) The fee imposed pursuant to subsection (B) and the registration requirements of this article are in lieu of any local road use fee, registration fees, or any other vehicle related fee imposed by a political subdivision of this State on a trailer or semitrailer.

~~(B)~~(D) Twelve dollars of the one-time fee must be distributed to the Department of ~~Revenue~~ Motor Vehicles and may be retained by the Department of ~~Revenue~~ Motor Vehicles and expended in budgeted operations to record and administer the fee. The remaining seventy-five dollars of the fee must be distributed based on the distribution formula ~~contained~~ provided in Section Sections 12-37-2865 and 12-37-2870, and must occur by the fifteenth day of the month following the month in which the fees are collected.

~~(C) The fee required by this section is due on or before March 31, 1998, for the initial registration.~~

~~(D)~~(E) The Department of Motor Vehicles shall design a permanent tag for display on the exterior of the rear of the trailer or semitrailer in a conspicuous place.

(F) If the apportioned registration fees of a large commercial motor vehicle or bus and the road use fees for large commercial motor vehicles required under this chapter are equal to or exceeds four hundred dollars, the fees may be remitted to the Department of Motor Vehicles quarterly provided that each installment is made online. A motor carrier who fails to make a quarterly payment on a timely basis may no longer make installment payments and must remit to the department the balance of the fees owed for any previous calendar year before the Department of Motor Vehicles will renew registration for the current calendar year. A motor carrier that opts out of installment payments must make full payment of fees at the time of registration.

Section 12-37-2865. Seventy-five percent of the revenues from the road use fee assessed pursuant to Section 12-37-2850 and the one-time fee assessed pursuant to Section 12-37-2860 must be distributed by the State Treasurer as provided in Section 12-37-2870. Distributions must be made by the last day of the next month succeeding the month in which the fee is paid. The remaining twenty-five percent must be credited to the Infrastructure Maintenance Trust Fund to be used to finance expansion and improvements to existing mainline interstates.

WEDNESDAY, MARCH 1, 2017

Section 12-37-2870. The distribution of the fee revenues required to be distributed pursuant to Section 12-37-2865(B) for each county must be determined on the ratio of total federal and state highway miles within each county during the preceding calendar year to the total federal and state highway miles within all counties of this State during the same preceding calendar year. The county must distribute the revenue from the payment-in-lieu of taxes received pursuant to this section within thirty days of its receipt to every governmental entity levying a property tax in the manner set forth below. For each governmental entity levying a property tax, the entire assessed value of the taxable property within its boundaries and the county area must be multiplied by the millage rate imposed by the governmental entity. That figure constitutes the numerator for that governmental entity. The total of the numerators for all property tax levying entities within the county area constitutes the denominator. The numerator for each governmental entity must be divided by the denominator. The resulting percentage must be multiplied by the ~~payment-in-lieu of tax~~ fee revenue received pursuant to this section and that amount distributed to the general fund of the appropriate governmental entity. The distribution of taxes and fees paid must be made by the last day of the next month succeeding the month in which the taxes and fees were paid.

Section 12-37-2880. (A) In addition to the property tax exemptions allowed pursuant to Section 12-37-220, one hundred percent of the fair market value of all large commercial motor vehicles and buses registered for use in this State under the International Registration Plan or otherwise pursuant to Section 56-3-190, is exempt from property tax and is instead subject to the road use fee imposed pursuant to this article.

(B) The ~~ad valorem taxes authorized~~ road use fee imposed by this article ~~are~~ is in lieu of all ~~other~~ ad valorem taxes upon ~~the large commercial motor vehicles or buses of motor carriers, and any road use or other vehicle-related fees imposed by a political subdivision of this State if registered for use in this State under the International Registration Plan. The fee in lieu of property taxes and registration requirements authorized by this article are in lieu of all other ad valorem taxes upon trailers and semitrailers of motor carriers.~~

~~Section 12-37-2890. (A) Upon request by the Department of Revenue, and after the time period for all appeals of tax due is exhausted, the Department of Motor Vehicles shall suspend the driver's license and vehicle registration of a person that fails to file or pay a motor carrier property tax on a vehicle, pursuant to this article. The request to suspend must be an electronic notification from the Department of Revenue to~~

WEDNESDAY, MARCH 1, 2017

~~the Department of Motor Vehicles. Before notification is sent to the Department of Motor Vehicles, the Department of Revenue shall notify the delinquent taxpayer by certified letter of the pending suspension and of the steps necessary to prevent the suspension from being entered on the taxpayer's driving and registration records. The department shall allow thirty days for payment of taxes before notifying the Department of Motor Vehicles to suspend the driver's license and vehicle registration.~~

~~(B) Notwithstanding the provisions of Sections 56-1-460 and 56-9-500, a charge of driving under suspension when the suspension is solely for failure to file or pay a motor carrier property tax or the reinstatement fee required for the property tax does not require proof of financial responsibility. A person is not subject to a custodial arrest solely for being under suspension pursuant to this section. Upon conviction of a violation of this section, the taxpayer is subject to:~~

- ~~(1) for a first offense a fine not to exceed fifty dollars;~~
- ~~(2) for a second offense a fine not to exceed two hundred fifty dollars; and~~
- ~~(3) for a third or subsequent offense under this section, the penalty is a fine not to exceed five hundred dollars or imprisonment not to exceed thirty days, or both.~~

~~(C) Notwithstanding the provisions of subsections (A) and (B) of this section or the provisions of Section 56-1-460, a charge of driving under suspension issued solely as a result of this section must be dismissed if the taxpayer provides proof on the taxpayer's court date that the personal property taxes on the vehicle which resulted in the charge being issued have been paid.~~

~~(D) Before the reinstatement of a driver's license or vehicle registration suspended due to a violation of this section, a fee of fifty dollars must be paid to the Department of Motor Vehicles. The Department of Motor Vehicles may retain revenues generated by payment of the reinstatement fees pursuant to this section for use in defraying costs associated with suspension and reinstatement actions pursuant to this section. Fees collected in excess of actual departmental direct costs related to suspension and reinstatement actions pursuant to this section must be deposited to the credit of the general fund of the State at the end of each fiscal year."~~

B. Section 56-3-376 of the 1976 Code is amended to read:

"Section 56-3-376. (A) All vehicles except those vehicles designated in Section 56-3-780 are designated as distinct classifications and must be assigned an annual registration period as follows:

WEDNESDAY, MARCH 1, 2017

(1) Classification (1). Vehicles for which the biennial registration fee is one-hundred sixty dollars or more. The Department of Motor Vehicles may register and license a vehicle for which the biennial registration fee is one-hundred sixty dollars or more or for a semiannual or one-half year upon application to the department by the owner and the payment of one-fourth of the specified biennial fee. Biennial registrations and licenses expire at midnight on the last day of the twenty-fourth month for the period for which they were issued. Semiannual or half-year registrations and licenses expire at midnight of the sixth month for the period for which they were issued and no person shall drive, move, or operate a vehicle upon a highway after the expiration of the registration and license until the vehicle is registered and licensed for the then current period. Trucks, truck tractors, or road tractors with an empty or unloaded weight of over five thousand pounds or less, or gross vehicle weight of eight thousand pounds or less also must be placed in this classification but may not be registered for less than a full biennial period.

(2) Classification (2). Other vehicles. All other vehicles except those vehicles described in classification (1) and (3) of this section are assigned a staggered biennial registration which expires on the last day of the month for the period for which they were issued.

(3) Classification (3). Large commercial motor vehicles and buses registered by motor carriers, as defined in Section 12-37-2810, are assigned a staggered annual registration which expires on the last day of the month for the period for which they were issued.

(B) Notwithstanding the registration periods provided in this section, upon appropriate notice, the department may revise the established renewal dates to allow renewals to be assigned an expiration date pursuant to a staggered monthly basis.”

C. Section 56-3-120(5) of the 1976 Code is amended to read:

“(5) a trailer or semitrailer ~~of a motor carrier commonly used in combination with a large commercial motor vehicle,~~ as defined in Section 12-37-2810, for which ~~trailer or semitrailer the fee in lieu of taxes and registration requirements has been paid~~ fee imposed pursuant to Section 12-37-2860 is paid and applicable registration requirements provided pursuant to Article 23, Chapter 37, Title 12, are met, and a distinctive permanent plate has been issued pursuant to Section 12-37-2860.”

D. Section 56-3-610 of the 1976 Code is amended to read:

“Section 56-3-610. (A) Except as provided in subsection (B), the owner of every motor vehicle, trailer, semitrailer, pole trailer, and special

WEDNESDAY, MARCH 1, 2017

mobile equipment vehicle required to be registered and licensed under this chapter shall pay to the Department of Motor Vehicles at the time of registering and licensing the vehicle and biennially after that time registration and license fees as set forth in this article.

(B) A large commercial motor vehicle or bus on which is imposed the road use fee provided pursuant to Article 23, Chapter 37, Title 12 is required to be registered and licensed annually pursuant to this chapter and the scheduled fees adjusted as provided pursuant to Section 56-3-660(E)."

E. Section 56-3-660(A) of the 1976 Code is amended to read:

"Section 56-3-660. (A) The determination of gross vehicle weight to register and license self-propelled property carrying vehicles is the empty weight of the vehicle or combination of vehicles and the heaviest load to be transported by the vehicle or combination of vehicles as declared by the registered owner. All determinations of weight must be made in units of one thousand pounds or major fraction of one thousand pounds. The declared gross vehicle weight applies to all self-propelled property carrying vehicles operating in tandem with trailers or semitrailers except that the gross weight of a trailer or semitrailer is not required to be included when the operation is to be in tandem with a self-propelled property carrying vehicle licensed for six thousand pounds or less gross weight, and the gross vehicle weight of the combination does not exceed nine thousand pounds. The Department of Motor Vehicles may register and license a ~~vehicle of this classification~~ small commercial motor vehicle, as defined in Section 12-37-2810, for which the biennial registration and license fee is one-hundred and sixty dollars or more for an annual or one-year period beginning on April first and ending on March thirty-first of the next year upon application to the department by the owner and the payment of one-half the specified biennial fee or for a semiannual or one-half year beginning on April first and ending on September thirtieth of the same year upon application to the department by the owner and the payment of the appropriate fees. The registration and license fee for small commercial motor vehicles in this classification ~~in this classification~~ which are registered for the remaining twenty-four months or less of the twenty-four month biennial period or for the eleven months or less of the twelve-month year ending on March thirty-first or the remaining five months or less for the one-half period ending on September thirtieth is the proportionate part of the specified biennial fee for the remainder of the twenty-four month period or year or one-half year based on one twenty-fourth of the specified twenty-four-month fee for each month or part of a month remaining in the biennial registration

WEDNESDAY, MARCH 1, 2017

period or license year or one-half year. ~~No~~ An proportionate fee may not be reduced lower than ten dollars. A person making application for a registration and license for a motor vehicle of this classification shall declare the true unloaded or empty weight of the vehicle.”

F. Section 56-3-660 of the 1976 Code is amended by adding an appropriately lettered subsection to read:

“() Fees for licensing and registration, and fees imposed pursuant to Article 23, Chapter 37, Title 12, may be credited or prorated as prescribed by the Department of Motor Vehicles.”

G. Section 56-3-660(E) of the 1976 Code is amended to read:

“(E) The department may register ~~an apportionable~~ a large commercial motor vehicle, as defined in Section 12-37-2810, for the payment of one-half of this State’s portion of the license and road fee for a vehicle whose portion of the license and road fee owed to this State exceeds ~~eight~~ four hundred dollars. The department may require any information necessary to complete the transaction.”

H. Section 58-23-620 of the 1976 Code is amended to read:

“Section 58-23-620. (A) ~~No city, town, A municipality~~ or county in this State ~~shall may not~~ impose a license fee or license tax upon a holder of a certificate A or a certificate B, and ~~no city, town, a municipality~~ or county ~~shall may not~~ impose a license fee or license tax on the holder of a certificate E or a certificate F, Certificate of Compliance, or a common or contract motor carrier of property, except the ~~city or town municipality~~ of ~~such~~ the carrier’s residence or the location of ~~his~~ the carrier’s principal place of business. However, the fee required of a holder of a certificate C is in addition to any license tax or license fee charged by a municipality.

(B) If a municipality or county imposes a license fee or license tax pursuant to subsection (A), the fee or tax in the case of any certificate holder or common or contract motor carrier of property which operates its vehicles both within and without this State, must be apportioned in the ratio that the miles traveled by the vehicles operated by the certificate holder in this State bears to miles traveled by those vehicles in all states.”

I. Article 21, Chapter 37, Title 12 of the 1976 Code is amended by adding:

“Section 12-37-2600. Motor carriers, as defined in Section 12-37-2810, are exempt from ad valorem taxes imposed pursuant to this chapter on large commercial motor vehicles and buses.”

J. Section 12-37-2610 of the 1976 Code, as last amended by Act 87 of 2015, is further amended to read:

WEDNESDAY, MARCH 1, 2017

“Section 12-37-2610. The tax year for licensed motor vehicles begins with the last day of the month in which a registration required by Section 56-3-110 is issued and ends on the last day of the month in which the registration expires or is due to expire. ~~No A registration may not be issued for motor vehicles until the ad valorem tax is paid for the year for which the registration is to be issued. Motor vehicles registered under the International Registration Plan may pay ad valorem property taxes on a semiannual basis.~~ Large commercial motor vehicles and buses, as defined in Section 12-37-2810, must pay road use fees pursuant to Article 23, Chapter 37, Title 12 in lieu of ad valorem property taxes. The provisions of this section do not apply to the transfer of motor vehicle registrations as specified in Section 12-37-2675 or to sales of motor vehicles by a licensed motor vehicle dealer. Notice of the sales must be furnished to the Department of Motor Vehicles by the dealer, along with other documents necessary for the registration and licensing of the vehicle concerned. The notice must be received by the Department of Motor Vehicles as a prerequisite to the registration and licensing of the vehicle and must include the name and address of the purchaser, the vehicle identification number, and the year and model of the vehicle. The notice must be an original and one copy, and the copy must be provided by the department to the auditor of the county in which the vehicle is taxable. All ad valorem taxes on a vehicle are due and payable one hundred twenty days from the date of purchase. The notice and the time in which to pay the tax applies to motor vehicles that are serviced and delivered by a licensed motor vehicle dealer for the benefit of an out-of-state dealer.”

K. The first paragraph of Section 12-37-2650 of the 1976 Code is amended to read:

“The auditor shall prepare a tax notice of all vehicles owned by the same person and licensed at the same time for each tax year within the two-year licensing period. A notice must describe the motor vehicle by name, model, and identification number. The notice must set forth the assessed value of the vehicle, the millage, the taxes due on each vehicle, and the license period or tax year. The notice must be delivered to the county treasurer who must collect or receive payment of the taxes. One copy of the notice must be in the form of a bill or statement for the taxes due on the motor vehicle and, when practical, the treasurer shall mail that copy to the owner or person having control of the vehicle. When the tax and all other charges included on the tax bill have been paid, the treasurer shall issue the taxpayer a paid receipt. The receipt or a copy may be delivered by the taxpayer to the Department of Motor Vehicles

WEDNESDAY, MARCH 1, 2017

with the application for the motor vehicle registration. A record of the payment of the tax must be retained by the treasurer. The auditor shall maintain a separate duplicate for motor vehicles. ~~No~~ A registration may not be issued by the Department of Motor Vehicles unless the application is accompanied by the receipt, a copy of the notification required by Section 12-37-2610 or notice from the county treasurer, by other means satisfactory to the Department of Motor Vehicles, of payment of the tax. ~~Motor vehicles registered under the International Registration Plan may pay ad valorem property taxes on a semiannual basis, and a proportional receipt must be issued by the treasurer subject to penalties in Section 12-37-2730. Large commercial motor vehicles and buses, as defined in Section 12-37-2810, must pay road use fees pursuant to Article 23, Chapter 37, Title 12 in lieu of ad valorem property taxes.~~ The treasurer, tax collector, or other official charged with the collection of ad valorem property taxes in each county may delegate the collection of motor vehicle taxes to banks or banking institutions, if each institution assigns, hypothecates, or pledges to the county, as security for the collection, federal funds or federal, state, or municipal securities in an amount adequate to prevent any loss to the county from any cause. Each institution shall remit the taxes collected daily to the county official charged with the collections. The receipt given to the taxpayer, in addition to the information required in this section and by Section 12-45-70, must contain the name and office of the treasurer or tax collector of the county and must also show the name of the banking institution to which payment was made.”

L.(1) Notwithstanding any provision to the contrary within this SECTION, a person who registers a vehicle for use in this State pursuant to Article 23, Chapter 37, Title 12, as amended by this act, must register his vehicle during calendar year 2019 and is required to pay the road fees calculated based on the fair market value of the vehicle as specified in Sections 12-37-2820 and 12-37-2850 at the time the vehicle’s registration fees are paid.

(2) Notwithstanding the provisions in Section 12-37-2865(B) and (C), as contained in this SECTION, to the contrary, during calendar year 2019 the first four hundred thousand dollars of fee revenue collected pursuant to Section 12-37-2865 must be retained by the Department of Motor Vehicles to defray programming costs.

(3) The initial millage required by Section 12-37-2850 must be calculated on or before June 1, 2018.

M. This SECTION takes effect January 1, 2019, except that the Department of Revenue, in consultation with the Revenue and Fiscal

WEDNESDAY, MARCH 1, 2017

Affairs Office, shall calculate the millage to be used to calculate the road use fee provided in Section 12-37-2850 by July 1, 2018.

SECTION 10. A. Section 57-1-310 through Section 57-1-330 of the 1976 Code, as last amended by Act 275 of 2016, are further amended to read:

“Section 57-1-310. (A) The congressional districts of this State are constituted and created Department of Transportation Districts of the State, designated by numbers corresponding to the numbers of the respective congressional districts. The Commission of the Department of Transportation shall be composed of one member from each transportation district and one member from the State at large, all appointed by the Governor, upon the advice and consent of the ~~Senate General Assembly~~, ~~subject to the provisions of Section 57-1-325~~. In making appointments to the commission, the Governor shall take into account race, gender, and other demographic factors, such as residence in rural or urban areas, so as to represent, to the greatest extent possible, all segments of the population of the State; however, consideration of these factors in making an appointment in no way creates a cause of action or basis for an employee grievance for a person appointed or for a person who fails to be appointed.

~~(B) The at large appointment made by the Governor must be transmitted to the Joint Transportation Review Committee.~~

~~(C)~~ The qualifications that each commission member must possess, include, but are not limited to:

(1) a baccalaureate or more advanced degree from:

(a) a recognized institution of higher learning requiring face-to-face contact between its students and instructors prior to completion of the academic program;

(b) an institution of higher learning that has been accredited by a regional or national accrediting body; or

(c) an institution of higher learning chartered before 1962; or

(2) a background of at least five years in any combination of the following fields of expertise:

(a) transportation;

(b) construction;

(c) finance;

(d) law;

(e) environmental issues;

(f) management; or

(g) engineering.

WEDNESDAY, MARCH 1, 2017

(D) A member of the General Assembly or member of his immediate family may not be appointed to the commission while the member is serving in the General Assembly; nor shall a member of the General Assembly or a member of his immediate family be appointed to the commission for a period of four years after the member either:

(1) ceases to be a member of the General Assembly; or

(2) fails to file for election to the General Assembly in accordance with Section 7-11-15.

Section 57-1-320. A county within a Department of Transportation district may not have a resident commission member for more than eight consecutive years and in no event shall any two persons from the same county serve as a commission member simultaneously.

~~Section 57-1-325. (A) The Governor shall submit his transportation district appointees to the Senate and the House of Representatives for referral to the appropriate legislative delegation. Legislative delegation for these purposes means legislators residing in the congressional district corresponding to the transportation district of the appointee.~~

~~(B) Upon receipt of a referral, the legislative delegation shall meet to approve or disapprove the Governor's appointee. The legislative delegation shall report its findings to the House of Representatives, the Senate, and the Governor. If the legislative delegation approves the Governor's appointee, the appointment shall be referred to the Joint Transportation Review Committee. If the delegation disapproves the appointee, the Governor shall make another appointment. If the legislative delegation fails to approve of the Governor's appointee within forty five days of the appointee's referral to the delegation, the appointee is deemed to have been disapproved.~~

Section 57-1-330. (A) All commission members are appointed to a term of office of four years which expires on February fifteenth of the appropriate year. However, a commission member may not serve more than two consecutive terms, and may not serve more than twelve years, regardless of when the term was served. Commissioners shall continue to serve until their successors are appointed and confirmed, provided that a commissioner only may serve in a hold-over capacity for a period not to exceed six months. Any vacancy occurring in the office of commissioner shall be filled by appointment in the manner provided in this article for the unexpired term only. Except for the at-large member, a person is not eligible to serve as a commission member who is not a resident of that district at the time of his appointment. Failure by such

WEDNESDAY, MARCH 1, 2017

commission member to maintain residency in the district for which he is appointed shall result in the forfeiture of his office.

(B) The at-large commission member may be appointed from any county in the State unless another commission member is serving from that county. Failure by the at-large commission member to maintain residence in the State shall result in a forfeiture of his office.

~~Commission members may be removed from office at the discretion of the Governor subject to the prior approval of the appropriate legislative delegation.~~

B. Section 57-1-410 of the 1976 Code, as last amended by Act 275 of 2016, is amended further to read:

“Section 57-1-410. The commission shall appoint, with the advice and consent of the ~~Senate~~ General Assembly, a Secretary of Transportation who shall serve at the pleasure of the commission. A person appointed to this position shall possess practical and successful business and executive ability and be knowledgeable in the field of transportation. The Secretary of Transportation shall receive such compensation as may be established under the provisions of Section 8-11-160 and for which funds have been authorized in the general appropriations act.”

C. Article 7, Chapter 1, Title 57 of the 1976 Code is repealed.

D.(A) This SECTION takes effect July 1, 2017, except that the members of the Commission of the Department of Transportation serving on June 30, 2017, shall continue to serve until their current term expires, and until their successor is appointed and confirmed. If a vacancy occurs in the seat of a member serving on June 30, 2017, before the member’s term otherwise expires, the vacancy must be filled in the manner specified in Chapter 1, Title 57 of the 1976 Code, as amended by this act, and the member filling the vacancy shall serve until the term expires. The members serving on June 30, 2017, if otherwise eligible, may be reappointed pursuant to Section 57-1-310, as amended by this act.

(B) The provisions of Section 57-1-410, as amended by this act, only apply to a Secretary of Transportation appointed after July 1, 2017.

SECTION 11. The General Assembly finds that all the provisions contained in this act relate to one subject as required by Section 17, Article III of the South Carolina Constitution in that each provision relates directly to or in conjunction with other sections to the subject of infrastructure financing and oversight.

The General Assembly further finds that a common purpose or relationship exists among the sections, representing a potential plurality

WEDNESDAY, MARCH 1, 2017

but not disunity of topics, notwithstanding that reasonable minds might differ in identifying more than one topic contained in the act.

SECTION 12. The repeal or amendment by this act of any law, whether temporary or permanent or civil or criminal, does not affect pending actions, rights, duties, or liabilities founded thereon, or alter, discharge, release or extinguish any penalty, forfeiture, or liability incurred under the repealed or amended law, unless the repealed or amended provision shall so expressly provide. After the effective date of this act, all laws repealed or amended by this act must be taken and treated as remaining in full force and effect for the purpose of sustaining any pending or vested right, civil action, special proceeding, criminal prosecution, or appeal existing as of the effective date of this act, and for the enforcement of rights, duties, penalties, forfeitures, and liabilities as they stood under the repealed or amended laws.

SECTION 13. If any section, subsection, paragraph, subparagraph, sentence, clause, phrase, or word of this act is for any reason held to be unconstitutional or invalid, such holding shall not affect the constitutionality or validity of the remaining portions of this act, the General Assembly hereby declaring that it would have passed this act, and each and every section, subsection, paragraph, subparagraph, sentence, clause, phrase, and word thereof, irrespective of the fact that any one or more other sections, subsections, paragraphs, subparagraphs, sentences, clauses, phrases, or words hereof may be declared to be unconstitutional, invalid, or otherwise ineffective.

SECTION 14. Except where specified otherwise, this act takes effect July 1, 2017. /

Renumber sections to conform.

Amend title to conform.

Rep. SIMRILL explained the amendment.

Rep. SIMRILL spoke in favor of the amendment.

The amendment was then adopted.

LEAVE OF ABSENCE

The SPEAKER granted Rep. STRINGER a leave of absence for the remainder of the day due to family medical reasons.

Reps. SIMRILL, WHITE, LUCAS, COBB-HUNTER, OTT, HAYES proposed the following Amendment No. 5 to H. 3516 (COUNCIL\DG\3516C040.BBM.DG17), which was adopted:

WEDNESDAY, MARCH 1, 2017

Amend the bill, as and if amended, SECTION 6, by striking Section 56-3-627(E)(1) and inserting:

/ (E)(1)(a) The Department of Motor Vehicles shall transfer eighty percent of every fee collected on motor vehicles pursuant to subsections (B) and (C), but not to exceed two hundred forty dollars, to the Department of Transportation to be allocated to the state-funded resurfacing program. The Department of Transportation shall develop and implement a needs-based methodology to distribute revenue within the state-funded resurfacing program, which shall include consideration of pavement condition on a county-by-county basis, to ensure that each county in the State is guaranteed funding for resurfacing.

(b) The Department of Motor Vehicles shall transfer twenty percent of every fee collected on motor vehicles pursuant to subsections (B) and (C), but not to exceed sixty dollars, to the South Carolina Education Improvement Act of 1984 Fund. /

Amend the bill further, SECTION 6, Section 56-3-627, by adding an appropriately lettered subsection at the end to read:

/ () Notwithstanding any other provision of this section, any transaction exempt pursuant to Section 12-36-2120(25), is also exempt from the infrastructure maintenance fee. /

Amend the bill further, by striking SECTION 8.A. and inserting:

/ SECTION 8. A. Section 12-36-2110(A) of the 1976 Code is amended to read:

“Section 12-36-2110. (A)(1) The maximum tax imposed by this chapter is three hundred dollars for each sale made after June 30, 1984, or lease executed, after August 31, 1985, of each:

(1)(a) aircraft, including unassembled aircraft which is to be assembled by the purchaser, but not items to be added to the unassembled aircraft;

(2)(b) motor vehicle;

(3)(c) motorcycle;

(4)(d) boat;

(5)(e) trailer or semitrailer, pulled by a truck tractor, as defined in Section 56-3-20, and horse trailers, but not including house trailers or campers as defined in Section 56-3-710 or a fire safety education trailer;

(6)(f) recreational vehicle, including tent campers, travel trailer, park model, park trailer, motor home, and fifth wheel; or

(7)(g) self-propelled light construction equipment with compatible attachments limited to a maximum of one hundred sixty net engine horsepower.

WEDNESDAY, MARCH 1, 2017

(2) In the case of a lease, the total tax rate required by law this section applies on each payment until the total tax paid equals three hundred dollars. Nothing in this section prohibits a taxpayer from paying the total tax due at the time of execution of the lease, or with any payment under the lease. To qualify for the tax limitation provided by this section, a lease must be in writing and specifically state the term of, and remain in force for, a period in excess of ninety continuous days.

(3) Notwithstanding any other provision of this subsection, after June 30, 2017, the maximum tax imposed pursuant to this chapter on the sale, lease, or registration of an item enumerated in item (1) only applies to items not subject to the fee pursuant to Section 56-3-627.

(4) Notwithstanding any other provision of this subsection, after June 30, 2017, the maximum tax imposed pursuant to this chapter on the sale, lease, or registration of an item enumerated in item (1) is increased from three hundred dollars to five hundred dollars, mutatis mutandis. Notwithstanding Section 59-21-1010, or any other provision of law, any revenue resulting from the increase contained in this item must be credited to the Infrastructure Maintenance Trust Fund.

(5) Notwithstanding any other provision of law, revenues resulting from the maximum tax imposed pursuant to this chapter on the sale, lease, or registration of an item enumerated in item (1) which would be subject to the fee set forth in Section 56-3-627 but for the state in which it is registered, must be collected by and remitted to the Department of Motor Vehicles. Upon collection, the Department of Motor Vehicles must transfer all the revenues to the Infrastructure Maintenance Trust Fund.” /

Amend the bill further, SECTION 10.A., by striking Section 57-1-330(A) and inserting:

/ Section 57-1-330. (A) All commission members are appointed to serve at the pleasure of the Governor to a term of office of four years which expires on February fifteenth of the appropriate year. However, a commission member may not serve more than ~~two~~ eight consecutive ~~terms~~ full years, and may not serve more than twelve years, regardless of when the ~~term was~~ years were served so long as four full years have passed since the commissioner last served. ~~Commissioners shall continue to serve until their successors are appointed and confirmed, provided that a commissioner only may serve in a hold over capacity for a period not to exceed six months. If either the eight consecutive year limit or the twelve total years limit is met, a vacancy occurs, and the commissioner may not serve in a hold over capacity.~~ Any vacancy occurring in the office of commissioner shall be filled by appointment in

WEDNESDAY, MARCH 1, 2017

the manner provided in this article ~~for the unexpired term only~~. Except for the at-large member, a person is not eligible to serve as a commission member who is not a resident of that district at the time of his appointment. Failure by such commission member to maintain residency in the district for which he is appointed shall result in the forfeiture of his office. /

Amend the bill further, by deleting SECTION 10.B.

Amend the bill further, by striking SECTION 10.D. and inserting:

/ D.This SECTION takes effect July 1, 2017, except that the members of the Commission of the Department of Transportation serving on June 30, 2017, shall continue to serve until their current term expires, and until their successor is appointed and confirmed. If a vacancy occurs in the seat of a member serving on June 30, 2017, before the member's term otherwise expires, the vacancy must be filled in the manner specified in Chapter 1, Title 57 of the 1976 Code, as amended by this act, and the member filling the vacancy shall serve until the term expires. Commissioners serving on June 30, 2017, and anyone serving for the remainder of their term do not serve at the pleasure of the Governor. The members serving on June 30, 2017, if otherwise eligible, may be reappointed pursuant to Section 57-1-310, as amended by this act. /

Amend the bill further, as and if amended, by adding appropriately numbered SECTIONS to read:

/ SECTION _____. The first paragraph in Section 12-28-2355(C), before the first colon, is amended to read:

“(C) Notwithstanding any other provision of law, ~~of the fees collected pursuant to subsection (A) of this section, ten percent must be transmitted by the Department of Revenue to the Department of Agriculture beginning upon the effective date of this act for use as provided in Section 39-41-70 and the remainder of the fees must be~~ credited to the Department of Transportation State Non-Federal Aid Highway Fund as provided in the following schedule.”

SECTION _____. Section 12-28-2740 of the 1976 Code is amended by adding an appropriately numbered subsection at the end to read:

“() Notwithstanding the provisions of subsection (A), on July 1, 2018, and each July first thereafter until after July 1, 2021, the amount of proceeds of the user fee on gasoline only as levied for in this chapter that must be deposited with the State Treasurer and expended for the purposes of this section must be increased by .3325 cents a gallon, until such time as the total amount equals three and ninety-nine one-hundredths cents a gallon. Any increase in proceeds resulting from

WEDNESDAY, MARCH 1, 2017

the provisions of this subsection must be used exclusively for the repairs, maintenance, and improvements to the state secondary highway system.” /

Renumber sections to conform.

Amend title to conform.

Rep. SIMRILL explained the amendment.

Rep. SIMRILL spoke in favor of the amendment.

The amendment was then adopted.

Rep. POPE proposed the following Amendment No. 6 to H. 3516 (COUNCIL\DG\3516C022.BBM.DG17), which was ruled out of order:

Amend the bill, as and if amended, by adding a penultimate SECTION to read:

/ SECTION __. A. Whereas, increasing motor fuel user fees and road taxes imposed on fuels used in personal motor vehicles and commercial vehicles driven on South Carolina roads and highways, and also increasing registration and other fees applicable to owning and titling motor vehicles in this state, and directing that all these additional revenues must be used for the exclusive purpose of improving and upgrading this state’s roads and highways, is the appropriate course of action to bring this state’s roads and highways and associated infrastructure up to twenty first century standards, thus making our roads and highways safer and better able to promote economic development; and

Whereas, the fee increases necessary for building a twenty-first century road and highway system will result in increased costs that must be borne by South Carolinians and it is appropriate that the General Assembly take action to offset these additional costs by providing, over time, a reduction in taxes paid by South Carolinians to offset some of these additional costs; and

Whereas, the appropriate method to reduce state imposed taxes is to replace the current three, four, five, and six percent brackets in the state individual income tax with one 3.75 percent bracket, thus establishing overall three state individual income tax brackets consisting of zero percent, 3.75 percent, and seven percent and phasing in these changes in such a way that no taxpayer pays more tax as a result of eliminating the 3 percent bracket.

B. This SECTION may be cited as the “South Carolina Twenty-First Century Highway System Cost Balancing Act”.

WEDNESDAY, MARCH 1, 2017

C. Article 5, Chapter 6, Title 12 of the 1976 Code is amended by adding:

“Section 12-6-511. (A) Notwithstanding the provisions of Section 12-6-510, for taxable years beginning after 2016, a tax is imposed on the South Carolina taxable income of individuals, estates, and trusts and any other entity except those taxed or exempted from taxation under Sections 12-6-530 through 12-6-550 computed at the following rates with the income brackets indexed in accordance with Section 12-6-520:

OVER BUT NOT OVER

\$ 0	\$2,930	0%	Times the amount
2,930	14,650	3.75%	Times the amount
			less \$110
14,650		7%	Times the amount
			less \$586

(B) The department may prescribe tax tables consistent with the rates set pursuant to subsection (A).

(C) Notwithstanding subsection (A), a taxpayer with a South Carolina taxable income of \$9,962 or less is not subject to the provisions of this section, but rather is subject to the rates and brackets imposed pursuant to Sections 12-6-510 and 12-6-515 until the highest income qualifying for the zero percent tax bracket pursuant to this section has attained \$9,962.

(D) The provisions of Sections 12-6-510, as indexed in accordance with Section 12-6-520, and Section 12-6-515 remain in effect until the highest income qualifying for the zero percent tax bracket pursuant to this section reaches \$9,962.

(E) A taxpayer that is eligible to elect the income tax rate established in Section 12-6-545 instead of the income tax rate established in Section 12-6-510, also may elect the income tax rate established in Section 12-6-545 instead of the income tax rate set forth in this section.”

D. Notwithstanding other effective dates provided in this act, this SECTION takes effect upon approval of this act by the Governor and applies for taxable years beginning after 2016. However, this SECTION does not take effect unless provisions of this act or another act enacted by the General Assembly in 2017 results in an increase effective in calendar year 2017 of the motor fuel user fee and the road tax applicable as of January 1, 2017. /

Renumber sections to conform.

Amend title to conform.

WEDNESDAY, MARCH 1, 2017

Rep. POPE explained the amendment.

POINT OF ORDER

Rep HILL raised the Rule 9.3 Point of Order that Amendment No. 6 to H. 3516 was not germane.

Rep. POPE spoke against the Point.

Rep. HILL spoke for the Point.

The SPEAKER stated that in determining germaneness we must look to House Rule 9.3, which states that, “[n]o motion or proposition on a subject different from that under consideration shall be admitted under color of amendment unless it refers to the intent of the motion or proposition under consideration..[I]n determining whether or not any amendment be germane, the Speaker of the House of Representatives shall be guided by the precedents of the House of Representatives to the extent available.”

The SPEAKER stated, “Throughout the years, prior Speakers have made many rulings under germaneness. The common standard utilized by the Speakers has been that an amendment must have the ‘same substantial effect or impact’ as the bill it seeks to amend.

H. 3516 is a Bill concerning the Department of Transportation and its governance, funding, and responsibilities – including the maintenance of our road system. In summary, the Bill does the following:

- (1) revises the process for appointing the DOT commissioners;
- (2) establishes a new fund called the Infrastructure Maintenance Trust Fund that DOT will manage to repair, maintain, and improve the existing transportation system; and,
- (3) utilizes user and registration fees to fund the Infrastructure Maintenance Trust Fund.

Amendment No. 6 concerns individual income tax brackets and lowers personal income taxes. It contains ‘whereas’ clauses stating that the amendment is being proposed in an effort to offset the bill’s use of fees to fund road repair and maintenance.

As stated earlier, there are numerous precedents concerning germaneness. In anticipation of this point of order being raised I did some research and found several precedents applicable to the issue today.

On May 5, 1992, former Speaker Bob Sheheen ruled that an amendment was not germane just because it merely referenced the topic of the Bill in a limited manner. Speaker Sheheen stated that the amendment must directly affect or impact the same subject as the Bill.

WEDNESDAY, MARCH 1, 2017

On February 2, 2005, former Speaker Wilkins addressed a situation where an amendment addressed real property taxes and a Bill concerned personal income taxes. Speaker Wilkins stated that the general subject of taxes was not sufficient to pass the germaneness test. He stated that an amendment to revise real property taxes was outside of the substantial effect or impact of a bill to lower income taxes.

On April 23, 2008, a similar Point of Order was sustained and an amendment ruled out of order when a Bill concerned homeowner real property taxes and an amendment concerned homeowner association fees. The Speaker stated that although both the amendment and the Bill affected homeowners, the amendment dealt with homeowner association fees and was not related to homeowner real property taxes.

Furthermore, on March 3, 2010, an amendment concerning personal income taxes was ruled not germane to a Bill dealing with corporate income taxes, economic incentives, and economic development. Again, the Speaker stated that the common topic of taxes was not sufficient. He stated that the amendment's subject of personal income taxes was not sufficiently related to corporate income taxes, economic incentives, and economic development, and he ruled the amendment out of order.

These precedents are just a few examples of the standard requiring an amendment to have the same substantial effect or impact of the Bill it seeks to amend. It is not sufficient for an amendment to merely reference the same general topic or subject matter – nor is it sufficient that the amendment merely be tangentially related to the Bill. The rule requires that the same 'intent' or 'substantial effect or impact' be met by both the Bill and the amendment.

Amendment No. 6 clearly does not have the same substantial effect or impact as H. 3516. Although the Amendment has 'whereas' clauses stating the Amendment seeks to reduce income taxes in an effort to offset fees associated with DOT reform and the maintenance and repair of the road system, Amendment No. 6 does not contain language concerning the selection of the DOT commissioners or funding the repair and maintenance of our road system.

Because Amendment No. 6 does not meet the 'same substantial effect or impact' of the Bill, I sustain the Point of Order and rule Amendment No. 6 to be non-germane to the Bill."

Rep. COLLINS proposed the following Amendment No. 9 to H. 3516 (COUNCIL\DG\3516C045.BBM.DG17), which was tabled:

Amend the bill, as and if amended, by striking SECTION 10 and inserting:

WEDNESDAY, MARCH 1, 2017

/ SECTION 10. A. Section 1-30-10(B)(1) of the 1976 Code, as last amended by Act 121 of 2014, is further amended to read:

“(B)(1) The governing authority of each department shall be:

(i) a director or a secretary, who must be appointed by the Governor with the advice and consent of the Senate, subject to removal from office by the Governor pursuant to provisions of Section 1-3-240(B); ~~or~~

(ii) a board to be appointed and constituted in a manner provided for by law; ~~or~~

(iii) in the case of the Department of Agriculture and the Department of Education, the State Commissioner of Agriculture and the State Superintendent of Education, respectively, elected to office under the Constitution of this State; or

(iv) in the case of the Department of Transportation, ~~a seven member commission constituted in a manner provided by law, and a~~ Secretary of Transportation appointed by and serving at the pleasure of the Governor.”

B. Section 57-1-10 of the 1976 Code, as last amended by Act 114 of 2007, is further amended to read:

“Section 57-1-10. For the purposes of this title, the following words, phrases, and terms are defined as follows:

(1) ~~‘Commission’ means the administrative and governing authority of the Department of Transportation.~~

~~(2)~~ ‘Department’ means the Department of Transportation (DOT).

~~(3)~~ (2) ‘Secretary of Transportation’ means the Chief Administrative Officer of the Department of Transportation appointed by the Governor as provided in Section 1-30-10(B)(1)(iv).”

C. Section 57-1-20 of the 1976 Code, as last amended by Act 206 of 2010, is further amended to read:

“Section 57-1-20. The Department of Transportation is established as an administrative agency of state government which is comprised of ~~a the~~ Division of Intermodal and Freight Programs, ~~a the~~ Division of Construction Engineering and Planning, ~~and a the~~ Division of Finance and Administration, and other divisions established by the Secretary pursuant to Section 57-3-10(B). Each division of the Department of Transportation shall have such functions and powers as provided for by law.”

D. Section 57-1-40 of the 1976 Code, as last amended by Act 114 of 2007, is further amended to read:

“Section 57-1-40. (A) It is unlawful for ~~a member of the commission or~~ an engineer, agent, or other employee, acting for or on

WEDNESDAY, MARCH 1, 2017

behalf of the department ~~or commission~~, to accept or agree to accept, receive or agree to receive, or ask or solicit, either directly or indirectly, with the intent to have his decision or action on any question, matter, cause, or proceeding which at the time may be pending or which by law may be brought before him in his official capacity or in his place of trust or profit influenced, any:

- (1) money;
- (2) contract, promise, undertaking, obligation, gratuity, or security for the payment of money or for the delivery or conveyance of anything of value;
- (3) political appointment or influence, present, or reward;
- (4) employment; or
- (5) other thing of value.

A person violating the provisions of subsection (A) is guilty of a felony and, upon conviction, must be imprisoned not more than five years and is disqualified forever from holding any office of trust or profit under the Constitution or laws of this State.

(B) It is unlawful for a person to give or offer to give, promise, or cause or procure to be promised, offered, or given, either directly or indirectly, to ~~a member of the commission or~~ an engineer, agent, or other employee acting for or on behalf of the ~~commission or~~ department with the intent to have his decision or action on any question, matter, cause, or proceeding which at the time may be pending or which by law may be brought before him in his official capacity or in his place of trust or profit influenced, any:

- (1) money;
- (2) contract, promise, undertaking, obligation, gratuity, or security for the payment of money or for the delivery or conveyance of anything of value;
- (3) political appointment or influence, present, or reward;
- (4) employment; or
- (5) other thing of value.

A person violating the provisions of subsection (B) is guilty of a felony and, upon conviction, must be imprisoned not more than five years and is disqualified forever from holding any office of trust or profit under the Constitution or laws of this State.

(C) The ~~members and~~ department's employees ~~of the commission and employees of the department~~ are subject to the provisions of Chapter 13, Title 8, the State Ethics Act, and the provisions of Chapter 78, Title 15, the South Carolina Tort Claims Act.”

WEDNESDAY, MARCH 1, 2017

E. Section 57-1-90(A) of the 1976 Code, as added by Act 148 of 2014, is amended to read:

“Section 57-1-90. (A) 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 taken by the department~~ shall have the effect of discriminating against motorcycles, motorcycle operators, or motorcycle passengers. 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.”

F. Article 3, Chapter 1, Title 57 of the 1976 Code is repealed.

G. Section 57-1-410 of the 1976 Code, as last amended by Act 275 of 2016, is further amended to read:

“Section 57-1-410. The ~~commission~~ Governor shall appoint, with the advice and consent of the Senate, a Secretary of Transportation who shall serve at the pleasure of the ~~commission~~ Governor. A person appointed to this position shall possess practical and successful business and executive ability and be knowledgeable in the field of transportation. The Secretary of Transportation shall receive such compensation as may be established under the provisions of Section 8-11-160 and for which funds have been authorized in the general appropriations act.”

H. Section 57-1-430 of the 1976 Code, as last amended by Act 114 of 2007, is further amended to read:

“Section 57-1-430. (A) The Secretary ~~is charged with the affirmative duty to carry out the policies of the commission, to must~~ administer the day-to-day affairs of the department, ~~to~~ direct the development and implementation of the Statewide Transportation Improvement Program and the Statewide Mass Transit Plan; ~~and to~~ ensure the timely completion of all projects undertaken by the department, and routine operation and maintenance requests, and emergency repairs; and ensure that the department’s functions and purposes as provided by law are carried out in a timely, efficient manner. He must represent the department in its dealings with other state agencies, local governments, special districts, and the federal government. The Secretary must prepare an annual budget for the department that must be approved by the ~~commission~~ General Assembly before becoming effective.

WEDNESDAY, MARCH 1, 2017

(B) For each division, the secretary may employ such personnel and prescribe their duties, powers, and functions as he considers necessary and as may be authorized by statute and for which funds have been authorized in the annual general appropriations act.”

I. Section 57-1-460 of the 1976 Code, as added by Act 114 of 2007, is amended to read:

“Section 57-1-460. (A)(1) ~~For purposes of this section ‘routine operation and maintenance’ includes, but is not limited to, signage of routes, pavement marking, replacement and installation of guard rails, repair and installation of signals, ‘chip seal’ of existing roads, enhancement projects such as streetscaping, adopt an interchange, bike lanes, curb cuts, installation of overhead message boards and cameras, research projects funded with federal aid, and pavement management system mapping.~~

(2) ~~For purposes of this section ‘emergency repairs’ means, but is not limited to, unforeseen deterioration of roads, bridges, or equipment due to accidents, natural disasters, or other causes that could not have been expected or that pose an immediate danger to the public.~~

(B) ~~The secretary is charged with evaluating and approving the routine operation and maintenance requests or emergency repairs that are needed for existing roads and bridges that are not included in the Statewide Transportation Improvement Program. However, requests made for resurfacing, installation of new signals, curb cuts on primary roads, bike lanes, or construction projects under ten million dollars must be approved by the commission pursuant to Section 57-1-370(N).~~

(A) The State Auditor shall employ an individual to serve as the chief internal auditor of the department and other professional, administrative, technical, and clerical personnel as the State Auditor determines to be necessary. The State Auditor also must provide professional, administrative, technical, and clerical personnel, as the State Auditor determines to be necessary in order for the chief internal auditor to properly discharge his duties and responsibilities authorized by the State Auditor or provided by law. Except as otherwise provided, any employees hired pursuant to this section shall serve at the pleasure of the State Auditor.

(B)(1) The chief internal auditor must be a certified public accountant and possess any other experience the State Auditor may require. The chief internal auditor must establish, implement, and maintain the exclusive internal audit function of all departmental activities. The State Auditor shall set the salary for the chief internal auditor as allowed by statute or applicable law.

WEDNESDAY, MARCH 1, 2017

(2) The audits performed by the chief internal auditor must comply with recognized governmental auditing standards. The department and any entity contracting with the department must fully cooperate with the chief internal auditor in the discharge of his duties and responsibilities and must timely produce all books, papers, correspondence, memoranda, and other records considered necessary in connection with an internal audit. All final audit reports must be submitted to the Governor, the Chairman of the Senate Transportation Committee, the Chairman of the Senate Finance Committee, the Chairman of the House of Representatives Education and Public Works Committee, and the Chairman of the House of Representatives Ways and Means Committee before being made public.

(3) The State Auditor is vested with the exclusive management and control of the chief internal auditor.

(C) The department, at its own expense, must provide appropriate office space within its headquarters, building, and facility service, including janitorial, utility and telephone services, computer and technology services, and related supplies, for the chief internal auditor and his support staff.”

J. Section 57-1-470 of the 1976 Code, as added by Act 114 of 2007, is amended to read:

~~“Section 57-1-470. (A) At each commission meeting the secretary must provide a detailed written report of all:~~

~~(1) requests that he has received since the last commission meeting for routine operation and maintenance or emergency repairs, his decision concerning those requests, and a status report on all approved requests; and~~

~~(2) pending projects approved by the commission pursuant to Section 57-1-370(N) and the status of those projects, if there has been any material change in the status since the last commission meeting.~~

~~(B) The commission must review the report and make findings as to whether the requests approved by the secretary meet the needs of the public based upon objective and quantifiable factors.~~

~~(C) The commission may question the secretary concerning the approval or denial of any request and the process the secretary employed to reach his decision. The commission also may request additional information concerning any request and further investigate any request, approval, or denial of a project by the secretary. The secretary must fully cooperate with any request made of him or his office by the commission regarding any further investigation undertaken by the commission.~~

WEDNESDAY, MARCH 1, 2017

~~(D) The text of the secretary's written report and the findings made by the commission must be included in the commission meeting minutes. A list of all projects approved by the commission at its last meeting, together with its explanation of the objective and quantifiable factors used to justify its approval, also must be included in the commission meeting minutes.~~

(A) The department must develop the long-range statewide transportation plan, with a minimum twenty-year forecast period at the time of adoption, which provides for the development and implementation of the multimodal transportation system for the State. The plan must be developed in a manner consistent with all federal laws or regulations and in consultation with all interested parties, particularly the metropolitan planning organizations and the nonmetropolitan planning organization area local officials. The plan may be revised from time to time as permitted by and in the manner required by federal laws or regulations.

(B) Concerning the development, content, and implementation of the statewide transportation improvement program, the department must:

(1) develop a process for consulting with nonmetropolitan local officials, with responsibility for transportation, that provides an opportunity for their participation in the development of the long-range statewide transportation plan and the statewide transportation improvement program;

(2) approve the statewide transportation improvement program and ensure that it is developed pursuant to federal laws and regulations and approve an updated statewide transportation improvement program from time to time as permitted by and in the manner required by federal laws or regulations;

(3) develop and revise the transportation plan for inclusion in the statewide transportation improvement program, for each nonmetropolitan planning area in consultation with local officials with responsibility for transportation;

(4) work in consultation with each metropolitan planning organization to develop and revise a transportation improvement program for each metropolitan planning area;

(5) select from the approved statewide transportation improvement program the transportation projects undertaken in nonmetropolitan areas in consultation with the affected nonmetropolitan local officials with responsibility for transportation;

WEDNESDAY, MARCH 1, 2017

(6) select projects to be undertaken, in consultation with each metropolitan planning organization, from the metropolitan planning organization's approved transportation improvement plan in metropolitan areas not designated as a transportation management area;

(7) consult with each metropolitan planning organization, in metropolitan areas designated as transportation management areas, concerning the projects selected to be undertaken from the approved transportation improvement program and in accordance with the priorities approved by the transportation improvement program; and

(8) when selecting projects to be undertaken from nontransportation management area metropolitan planning organizations' transportation improvement programs, or selecting the nonmetropolitan area projects to be undertaken that are included in the statewide transportation improvement program, and when consulting with metropolitan planning organizations designated as transportation management areas, the department shall establish a priority list of projects to the extent permitted by federal laws or regulations, taking into consideration at least the following criteria:

(a) financial viability including a life cycle analysis of estimated maintenance and repair costs over the expected life of the project;

(b) public safety;

(c) potential for economic development;

(d) traffic volume and congestion;

(e) truck traffic;

(f) the pavement quality index;

(g) environmental impact;

(h) alternative transportation solutions; and

(i) consistency with local land use plans.

(C)(1) To the extent that state funds are available to address the needs of the state highway system, the department must develop a comprehensive plan specifying objectives and performance measures for the preservation and improvement of the existing system. The projects included in this plan must be supported solely by state funds including the Non-Federal Aid Highway Fund or other state revenue source. When developing the plan required by this subsection, the department must consider, but is not limited to, considering the criteria in subsection (B)(8).

(2) When state funding is programmed for a project selected from the plan to be undertaken, the department may use federal law,

WEDNESDAY, MARCH 1, 2017

regulations, or guidelines relevant to the type of project being undertaken in order to be eligible for federal matching funds.”

K. Section 57-1-490 of the 1976 Code, as last amended by Act 275 of 2016, is further amended to read:

“Section 57-1-490. (A) The department shall be audited by a certified public accountant or firm of certified public accountants once each year to be designated by the State Auditor. The designated accountant or firm of accountants shall issue audited financial statements in accordance with generally accepted accounting principles, and such financial statements must be made available annually by October fifteenth to the General Assembly. The costs and expenses of the audit must be paid by the department out of its funds.

(B) The Materials Management Office of the State Fiscal Accountability Authority annually must audit the department’s internal procurement operation to ensure that the department has acted properly with regard to the department’s exemptions contained in Section 11-35-710. The audit must be performed in accordance with applicable state law, including, but not limited to, administrative penalties for violations found as a result of the audit. The results of the audit must be made available by October fifteenth to the ~~Department~~ Secretary of Transportation ~~Commission~~, the State Auditor, the Governor, the Chairmen of the Senate Finance and Transportation Committees, and the Chairmen of the House of Representatives Ways and Means and Education and Public Works Committees. The costs and expenses of the audit must be paid by the department out of its funds.

(C) The Legislative Audit Council shall contract for an independent performance and compliance audit of the department’s finance and administration division, mass transit division, and construction engineering and planning division. This audit must be completed by January 15, 2010. The Legislative Audit Council may contract for follow-up audits or conduct follow-up audits as needed based upon the audit’s initial findings. The costs of these audits, including related administrative and management expenses of the Legislative Audit Council, are an operating expense of the department. The department shall pay directly to the Legislative Audit Council the cost of the audits.

(D) Copies of every audit conducted pursuant to this section must be made available to the ~~Department of Transportation Commission~~ Secretary, the State Auditor, the Governor, the Chairmen of the Senate Finance and Transportation Committees, and the Chairmen of the House

WEDNESDAY, MARCH 1, 2017

of Representatives Ways and Means and Education and Public Works Committees.”

L. Article 7, Chapter 1, Title 57 of the 1976 Code is repealed.

M. Section 57-3-20 of the 1976 Code, as last amended by Act 206 of 2010, is further amended to read:

“Section 57-3-20. The responsibilities and duties of the following division deputy directors must include, but not be limited to, the following:

(1) division deputy director for finance and administration:

(a) financial planning and management;

(b) accounting systems necessary to comply with all federal and/or state laws and/or regulations as well as all policies established by the Comptroller General; and

(c) administrative functions, including ~~recording proceedings of the commission~~ and developing policy and procedures to ensure compliance with these policies and procedures;

(2) division deputy director for construction, engineering, and planning:

(a) develop statewide strategic highway plans; and

(b) direct highway engineering activities, including construction, design, construction oversight, and maintenance of state highways;

(3) division deputy director for intermodal and freight programs:

(a) develop a statewide public transit system;

(b) coordinate the preservation and revitalization of existing rail corridors;

(c) develop and coordinate a statewide passenger and freight rail system, including the development of a comprehensive state rail plan for passenger and freight railroads and rail infrastructure services;

(d) plan, develop, and coordinate a comprehensive intermodal transportation program for the movement of passengers and freight through integrated highway, railroad, port, airport, and other transit systems;

(e) financial management of funding from federal, state, and local transit, rail, and other intermodal sources; and

(f) manage the Office of Railroads and the Office of Public Transit.”

N. Section 57-3-50 of the 1976 Code is amended to read:

“Section 57-3-50. The ~~commission~~ department may establish such highway districts as in its opinion shall be necessary for the proper and efficient performance of its duties. The ~~commission~~ department, every

WEDNESDAY, MARCH 1, 2017

ten years, must review the number of highway districts and the territory embraced within the districts and make such changes as may be necessary for the proper and efficient operation of the districts.”

O. Section 57-3-210(A) of the 1976 Code, as added by Act 206 of 2010, is amended to read:

“(A) The department is authorized to utilize public transit funds to contract directly with private operators of public transit systems to provide service to the general public, provided that the private operators have established a plan of service that has been approved by the local governmental entity that has jurisdiction over the area to be served, the department, ~~the commission~~, and the federal government.”

P. Section 57-3-700 of the 1976 Code is amended to read:

“Section 57-3-700. With the approval of the ~~commission~~ department, the county officials may designate the department, acting through its agents and employees, as agents of the county in securing necessary ~~rights-of-way~~ rights of way and other lands.”

Q. The Code Commissioner is directed to change or correct all references to the “Commission,” “Department of Transportation Commission,” or the like in the 1976 Code to “Department of Transportation,” “Secretary,” or “Secretary of Transportation,” as appropriate, to reflect that the Commission’s authority is devolved upon the Secretary of Transportation unless otherwise provided. References to the Commission in the 1976 Code or other provisions of law are considered to be and must be construed to mean the Secretary unless otherwise provided. /

Renumber sections to conform.

Amend title to conform.

Rep. COLLINS explained the amendment.

SPEAKER PRO TEMPORE IN CHAIR

Rep. COLLINS continued speaking.

Rep. COLLINS spoke in favor of the amendment.

Rep. SIMRILL moved to table the amendment.

Rep. MAGNUSON demanded the yeas and nays which were taken, resulting as follows:

Yeas 84; Nays 33

WEDNESDAY, MARCH 1, 2017

Those who voted in the affirmative are:

Alexander	Anderson	Anthony
Arrington	Atkinson	Bales
Ballentine	Bamberg	Bernstein
Blackwell	Bradley	Brown
Clary	Clemmons	Clyburn
Cobb-Hunter	Cogswell	Cole
Crawford	Delleney	Dillard
Douglas	Duckworth	Erickson
Felder	Finlay	Forrest
Fry	Funderburk	Gagnon
Gilliard	Govan	Hardee
Hart	Hayes	Henegan
Herbkersman	Hewitt	Hill
Hixon	Hosey	Howard
Huggins	Jefferson	Johnson
Jordan	King	Kirby
Knight	Lowe	Lucas
Mack	McEachern	McKnight
Mitchell	V. S. Moss	Murphy
W. Newton	Ott	Parks
Pitts	Pope	Ridgeway
Robinson-Simpson	Rutherford	Ryhal
Sandifer	Simrill	G. M. Smith
J. E. Smith	Sottile	Spires
Stavrinakis	Thayer	Thigpen
Weeks	West	Wheeler
Whipper	White	Whitmire
Williams	Willis	Yow

Total--84

Those who voted in the negative are:

Allison	Atwater	Bannister
Bedingfield	Bennett	Bowers
Burns	Caskey	Chumley
Collins	Crosby	Daning
Davis	Elliott	Forrester
Hamilton	Henderson	Hiott
Loftis	Long	Magnuson
Martin	McCoy	McCravy

WEDNESDAY, MARCH 1, 2017

D. C. Moss	B. Newton	Putnam
Quinn	S. Rivers	G. R. Smith
Tallon	Taylor	Toole

Total--33

So, the amendment was tabled.

Rep. MCKNIGHT proposed the following Amendment No. 10 to H. 3516 (COUNCIL\DG\3516C025.BBM.DG17), which was tabled:

Amend the bill, as and if amended, by striking SECTION 3 and inserting:

/ SECTION 3. Section 12-28-310 of the 1976 Code is amended by adding two subsections to read:

“(D) On July 1, 2017, and each July first thereafter until after July 1, 2021, the department shall permanently increase the amount of the user fees imposed pursuant to subsection (A) by two cents, for a total of ten cents. All of the funds raised by the increase in the motor fuel user fee imposed by this subsection must be credited to the Infrastructure Maintenance Trust Fund.

(E)(1) The department shall increase the amount of the motor fuel user fee imposed pursuant to subsections (A) and (D) on an annual basis by an inflation factor equal to the annual average percentage adjustment over the last ten completed calendar years of the Consumer Price Index for all-urban consumers as published by the United States Department of Labor, Bureau of Labor Statistics. Upon determining the increase, the department shall round the increase to the nearest one-tenth of a cent. If the increase is exactly between two-tenths of a cent, the department must round the increase up to the higher of the two. The department determines the increase in the motor fuel user fee by March thirty-first of each year, and the increase takes effect the following July first. The department must notify affected taxpayers of the motor fuel user fee to be in effect for the coming July first to June thirtieth period.

(2) Notwithstanding the provisions of subsection (E)(1), the motor fuel user fee may not be increased by more than two cents in a single year.

(3) All of the funds raised by the increase in the motor fuel user fee imposed by this subsection must be credited to the Infrastructure Maintenance Trust Fund.”

B. The first CPI adjustment made pursuant to this SECTION takes effect July 1, 2022. /

WEDNESDAY, MARCH 1, 2017

Renumber sections to conform.
Amend title to conform.

Rep. MCKNIGHT explained the amendment.

Rep. MCKNIGHT moved to table the amendment, which was agreed to.

Rep. ARRINGTON proposed the following Amendment No. 16 to H. 3516 (COUNCIL\DG\3516C050.BBM.DG17), which was ruled out of order:

Amend the bill, as and if amended, by adding an appropriately numbered SECTION to read:

/ SECTION __. Article 25, Chapter 6, Title 12 of the 1976 Code is amended by adding:

“Section 12-6-3765. Beginning in the first tax year in which the motor fuel user fee imposed pursuant to Section 12-28-310 is increased, each resident individual who owns a vehicle may claim an income tax credit equal to one dollar to offset the increase in the motor fuel user fee. Individuals filing jointly who own at least two vehicles are eligible to claim a tax credit equal to two dollars. The department may require the proof it determines necessary to implement the provisions of this section.” /

Renumber sections to conform.
Amend title to conform.

POINT OF ORDER

Rep. HILL raised the Point of Order that under Rule 9.3, Amendment No. 16 to H. 3516 was not germane.

Rep. ARRINGTON spoke against the Point.

Rep. HILL spoke for the Point.

The SPEAKER *PRO TEMPORE* sustained the Point of Order and ruled Amendment No. 16 out of order.

Rep. TOOLE proposed the following Amendment No. 17 to H. 3516 (COUNCIL\DG\3516C049.BBM.DG17), which was tabled:

Amend the bill, as and if amended, by striking SECTION 3 and inserting:

/ SECTION 3. A. Section 12-28-310 of the 1976 Code is amended by adding an appropriately lettered subsection to read:

WEDNESDAY, MARCH 1, 2017

“() On July 1, 2017, the department shall permanently increase the amount of the user fees imposed pursuant to subsection (A) by two cents. All of the funds raised by the increase in the motor fuel user fee imposed by this subsection must be credited to the Infrastructure Maintenance Trust Fund.”

B. The General Assembly finds that:

(1) The transportation infrastructure system in this State is improving and stifling its momentum would cause harm.

(2) An additional two cents a gallon on the motor fuel user fee would benefit the transportation infrastructure system, but is insufficient to bring the system to the necessary level; however, an increase in the motor fuel user is not the only manner in which additional funds can be utilized to improve the system.

(3) Redirecting funds from the current motor fuel user fee away from non-road allocations to addressing road needs would be equivalent to a six cent increase in the motor fuel user fee.

(4) Repealing some of the eighty-two sales tax exemptions could bring additional revenues to address road needs.

(5) Increasing the motor fuel user fee by two cents will keep the momentum of improving the transportation infrastructure system while allowing the General Assembly to discover new cost savings and revenue raising measures to address the transportation infrastructure system in the future. /

Renumber sections to conform.

Amend title to conform.

Rep. TOOLE explained the amendment.

Rep. TOOLE spoke in favor of the amendment.

Rep. OTT moved to table the amendment, which was agreed to.

Reps. MAGNUSON and ANDERSON proposed the following Amendment No. 18 to H. 3516 (COUNCIL\SA\3516C005.DKA.SA17), which was tabled:

Amend the bill, as and if amended, SECTION 6, by striking Section 56-3-627(B) in its entirety and inserting:

/ (B)(1) If upon purchasing or leasing any item subject to the fee, other than a motor vehicle or motorcycle, from a dealer, the owner first registers the item in this State, then the fee equals five percent, not to exceed five hundred dollars, of the gross proceeds of sales, or sales price, as those terms are defined in Chapter 36, Title 12. If the dealer holds a

WEDNESDAY, MARCH 1, 2017

South Carolina retail license or offers to license and register the item, then the dealer shall collect the fee and remit it to the Department of Motor Vehicles.

(2) If upon purchasing or leasing a motor vehicle or motorcycle from a dealer, the owner first registers the item in this State, then the fee equals three percent, not to exceed seven hundred dollars, of the gross proceeds of sales, or sales price, as those terms are defined in Chapter 36, Title 12. If the dealer holds a South Carolina retail license or offers to license and register the item, then the dealer must collect the fee and remit it to the Department of Motor Vehicles. /

Amend further SECTION 6, by striking Section 56-3-627(C)(1) in its entirety and inserting:

/ (1)(a) If upon purchasing or leasing any item subject to the fee, other than a motor vehicle or motorcycle, from a person other than a dealer, the owner first registers the item in this State, then the fee equals five percent, not to exceed five hundred dollars, of the fair market value of the item.

(b) If upon purchasing or leasing a motor vehicle or motorcycle from a person other than a dealer, the owner first registers the item in this State, then the fee equals three percent, not to exceed seven hundred dollars, of the fair market value of the item. /

Amend further SECTION 6, by striking Section 56-3-627(E)(1) in its entirety and inserting:

/ (1) The Department of Transportation shall allocate eighty percent of every fee collected on motor vehicles pursuant to subsections (B)(2) and (C)(1)(b), but not to exceed two hundred forty dollars, to the state-funded resurfacing program. The Department of Transportation shall develop and implement a needs-based methodology to distribute revenue within the state-funded resurfacing program, which shall include consideration on a county-by-county basis, to ensure that each county in the State is guaranteed funding for resurfacing. /

Renumber sections to conform.

Amend title to conform.

Rep. MAGNUSON explained the amendment.

Rep. SIMRILL moved to table the amendment.

Rep. MAGNUSON demanded the yeas and nays which were taken, resulting as follows:

Yeas 79; Nays 22

WEDNESDAY, MARCH 1, 2017

Those who voted in the affirmative are:

Anthony	Arrington	Atkinson
Atwater	Bales	Ballentine
Bennett	Blackwell	Bowers
Bradley	Brown	Caskey
Clary	Clemmons	Clyburn
Cobb-Hunter	Cogswell	Cole
Crawford	Crosby	Daning
Delleney	Dillard	Duckworth
Finlay	Forrester	Govan
Hamilton	Hardee	Hayes
Henderson	Henegan	Herbkersman
Hewitt	Hill	Hiott
Howard	Huggins	Jefferson
Jordan	King	Kirby
Lowe	Lucas	Mack
McCoy	McCravy	McEachern
McKnight	Mitchell	D. C. Moss
V. S. Moss	Murphy	B. Newton
W. Newton	Ott	Pitts
Pope	Ridgeway	S. Rivers
Robinson-Simpson	Rutherford	Ryhal
Sandifer	Simrill	G. M. Smith
Sottile	Spires	Stavrinakis
Tallon	Thayer	Weeks
West	Wheeler	Whipper
White	Whitmire	Willis
Yow		

Total--79

Those who voted in the negative are:

Alexander	Anderson	Bedingfield
Burns	Chumley	Collins
Elliott	Forrest	Fry
Gagnon	Gilliard	Johnson
Loftis	Long	Magnuson
Martin	Quinn	G. R. Smith

WEDNESDAY, MARCH 1, 2017

Taylor
Williams

Thigpen

Toole

Total--22

So, the amendment was tabled.

Rep. LOWE proposed the following Amendment No. 19 to H. 3516 (COUNCIL\SA\3516C003.DKA.SA17), which was rejected:

Amend the bill, as and if amended, by striking SECTION 3 in its entirety and inserting:

/ SECTION 3. Section 12-28-310 of the 1976 Code is amended by adding an appropriately lettered subsection to read:

“() On July 1, 2017, and each July first thereafter until after July 1, 2021, the department permanently shall increase the amount of the user fees imposed pursuant to subsection (A) by two cents, for a total of ten cents. Then on July 1, 2022, the department permanently shall increase the amount of the user fee imposed pursuant to subsection (A) by one cent. All of the funds raised by the increase in the motor fuel user fee imposed by this subsection must be credited to the Infrastructure Maintenance Trust Fund.” /

Amend further by adding an appropriately numbered SECTION to read:

/ SECTION __. Article 25, Chapter 6, Title 12 of the 1976 Code is amended by adding:

“Section 12-6-3765. Beginning in tax year 2022, a resident individual who owns a vehicle may claim an income tax credit equal to fifty dollars to offset the increase in the motor fuel user fee. Individuals filing jointly who own at least two vehicles are eligible to claim a tax credit equal to one hundred dollars. A business owner may claim the tax credit for a vehicle if he owns at least a portion of the business. A taxpayer may not claim more than one tax credit. The department may require the proof it determines necessary to implement the provisions of this section.” /

Renumber sections to conform.

Amend title to conform.

Rep. LOWE explained the amendment.

WEDNESDAY, MARCH 1, 2017

POINT OF ORDER

Rep. HILL raised the Point of Order that under Rule 9.3, Amendment No. 19 to H. 3516 was not germane.

Rep. LOWE spoke against the Point.

Rep. QUINN spoke against the Point.

Rep. HILL spoke for the Point

Rep. WHITE spoke against the Point.

The SPEAKER *PRO TEMPORE* overruled the Point of Order and ruled that Amendment No. 19 was germane.

The question then recurred to the adoption of the amendment.

Rep. QUINN demanded the yeas and nays which were taken, resulting as follows:

Yeas 30; Nays 84

Those who voted in the affirmative are:

Allison	Atwater	Bannister
Bedingfield	Bennett	Bradley
Caskey	Collins	Crawford
Duckworth	Elliott	Felder
Finlay	Forrest	Fry
Hamilton	Henderson	Hewitt
Hixon	Huggins	Johnson
Jordan	Loftis	Lowe
Magnuson	Murphy	Pope
Quinn	G. R. Smith	Taylor

Total--30

Those who voted in the negative are:

Alexander	Anderson	Anthony
Arrington	Atkinson	Bales
Ballentine	Bernstein	Blackwell
Bowers	Brown	Burns
Chumley	Clary	Clemmons
Clyburn	Cobb-Hunter	Cogswell
Cole	Crosby	Daning
Davis	Delleney	Dillard
Douglas	Erickson	Forrester
Funderburk	Gagnon	Gilliard

[HJ]

WEDNESDAY, MARCH 1, 2017

Govan	Hardee	Hayes
Henegan	Herbkersman	Hill
Hiott	Howard	Jefferson
King	Kirby	Knight
Long	Lucas	Mack
Martin	McCoy	McCravy
McEachern	McKnight	Mitchell
D. C. Moss	V. S. Moss	B. Newton
W. Newton	Ott	Parks
Pitts	Putnam	Ridgeway
S. Rivers	Robinson-Simpson	Rutherford
Ryhal	Sandifer	Simrill
G. M. Smith	J. E. Smith	Sottile
Spires	Stavrinakis	Tallon
Thayer	Thigpen	Toole
Weeks	West	Wheeler
Whipper	White	Whitmire
Williams	Willis	Yow

Total--84

So, the amendment was rejected.

SPEAKER IN CHAIR

Rep. THIGPEN proposed the following Amendment No. 8 to H. 3516 (COUNCIL\DG\3516C024.BBM.DG17), which was tabled:

Amend the bill, as and if amended, by striking SECTION 3 and inserting:

/ SECTION 3. Section 12-28-310 of the 1976 Code is amended by adding two subsections to read:

“(D) On July 1, 2017, and each July first thereafter until after July 1, 2021, the department shall permanently increase the amount of the user fees imposed pursuant to subsection (A) by two cents, for a total of ten cents. All of the funds raised by the increase in the motor fuel user fee imposed by this subsection must be credited to the Infrastructure Maintenance Trust Fund.

(E)(1) The department shall increase the amount of the motor fuel user fee imposed pursuant to subsections (A) and (D) on an annual basis by an inflation factor equal to the annual average percentage adjustment over the last ten completed calendar years of the Consumer Price Index

WEDNESDAY, MARCH 1, 2017

for all-urban consumers as published by the United States Department of Labor, Bureau of Labor Statistics. Upon determining the increase, the department shall round the increase to the nearest one-tenth of a cent. If the increase is exactly between two-tenths of a cent, the department must round the increase up to the higher of the two. The department determines the increase in the motor fuel user fee by March thirty-first of each year, and the increase takes effect the following July first. The department must notify affected taxpayers of the motor fuel user fee to be in effect for the coming July first to June thirtieth period.

(2) Notwithstanding the provisions of subsection (E)(1), the motor fuel user fee may not be increased by more than two cents in a single year.

(3) The provisions of item (E)(1) must be suspended by the Director of the Department of Revenue if they result in the motor fuel user fee exceeding the same in North Carolina and the Georgia county with the highest cumulative motor fuel user fee. The suspension must remain in place until such time the motor fuel user fees in North Carolina and the Georgia county with the highest cumulative motor fuel user fee are greater than or equal to that of South Carolina.

(4) All of the funds raised by the increase in the motor fuel user fee imposed by this subsection must be credited to the Infrastructure Maintenance Trust Fund.”

B. The first CPI adjustment made pursuant to this SECTION takes effect July 1, 2022. /

Renumber sections to conform.

Amend title to conform.

Rep. THIGPEN explained the amendment.

Rep. THIGPEN moved to table the amendment, which was agreed to.

Rep. WILLIAMS proposed the following Amendment No. 14 to H. 3516 (COUNCIL\DG\3516C047.BBM.DG17), which was tabled:

Amend the bill, as and if amended, SECTION 6, by striking Section 56-3-627(B) and inserting:

/ (B)(1) If upon purchasing or leasing any item subject to the fee, other than a motor vehicle, from a dealer, the owner first registers the item in this State, then the fee equals five percent, not to exceed five hundred dollars, of the gross proceeds of sales, or sales price, as those terms are defined in Chapter 36, Title 12. If the dealer holds a South Carolina retail license or offers to license and register the item, then the

WEDNESDAY, MARCH 1, 2017

dealer must collect the fee and remit it to the Department of Motor Vehicles.

(2) If upon purchasing or leasing a motor vehicle from a dealer with a sales price of twenty thousand dollars or less, the owner first registers the motor vehicle in this State, then the fee equals five percent, not to exceed three hundred dollars, of the gross proceeds of sales or sales price, as those terms are defined in Chapter 36, Title 12. If the dealer holds a South Carolina retail license or offers to license and register the motor vehicle, then the dealer must collect the fee and remit it to the Department of Motor Vehicles.

(3) If upon purchasing or leasing a motor vehicle from a dealer with a sales price of more than twenty thousand dollars, the owner first registers the motor vehicle in this State, then the fee equals five percent, not to exceed five hundred dollars, of the gross proceeds of sales or sales price, as those terms are defined in Chapter 36, Title 12. If the dealer holds a South Carolina retail license or offers to license and register the motor vehicle, then the dealer must collect the fee and remit it to the Department of Motor Vehicles. /

Amend further SECTION 6, by striking Section 56-3-627(C)(1) in its entirety and inserting:

/ (1)(a) If upon purchasing or leasing any item subject to the fee, other than a motor vehicle, from a person other than a dealer, the owner first registers the item in this State, then the fee equals five percent, not to exceed five hundred dollars, of the fair market value of the item.

(b) If upon purchasing or leasing a motor vehicle from a person other than a dealer with a fair market value of twenty thousand dollars or less, the owner first registers the motor vehicle in this State, then the fee equals five percent, not to exceed three hundred dollars, of the fair market value of the motor vehicle.

(c) If upon purchasing or leasing a motor vehicle from a person other than a dealer with a fair market value of more than twenty thousand dollars, the owner first registers the motor vehicle in this State, then the fee equals five percent, not to exceed five hundred dollars, of the fair market value of the motor vehicle. /

Amend further SECTION 6, by striking Section 56-3-627(E)(1) in its entirety and inserting:

/ (1) The Department of Transportation shall allocate eighty percent of every fee collected on motor vehicles pursuant to subsections (B)(2), (B)(3), (C)(1)(b), and (C)(1)(c) but not to exceed two hundred forty dollars, to the state-funded resurfacing program. The Department of Transportation shall develop and implement a needs-based methodology

WEDNESDAY, MARCH 1, 2017

to distribute revenue within the state-funded resurfacing program, which shall include consideration on a county-by-county basis, to ensure that each county in the State is guaranteed funding for resurfacing. /

Renumber sections to conform.

Amend title to conform.

Rep. WILLIAMS explained the amendment.

Rep. WILLIAMS moved to table the amendment, which was agreed to.

LEAVE OF ABSENCE

The SPEAKER granted Rep. WILLIS a temporary leave of absence.

Rep. HILL spoke against the Bill.

Rep. ARRINGTON spoke in favor of the Bill.

Rep. QUINN spoke against the Bill.

Rep. HILL spoke against the Bill.

LEAVE OF ABSENCE

The SPEAKER granted Rep. BOWERS a leave of absence for the remainder of the day due to medical reasons.

Rep. JEFFERSON spoke in favor of the Bill.

Rep. OTT spoke in favor of the Bill.

The question then recurred to the passage of the Bill.

The yeas and nays were taken resulting as follows:

Yeas 97; Nays 18

Those who voted in the affirmative are:

Alexander	Allison	Anderson
Anthony	Arrington	Atkinson
Atwater	Bales	Ballentine
Bamberg	Bannister	Bernstein
Blackwell	Bradley	Brown
Caskey	Clary	Clemmons
Clyburn	Cobb-Hunter	Cogswell
Cole	Crawford	Crosby
Danig	Davis	Delleney

[HJ]

WEDNESDAY, MARCH 1, 2017

Dillard	Douglas	Duckworth
Erickson	Felder	Finlay
Forrest	Forrester	Fry
Funderburk	Gagnon	Gilliard
Govan	Hardee	Hart
Hayes	Henderson	Henegan
Herbkersman	Hewitt	Hixon
Hosey	Howard	Huggins
Jefferson	Johnson	Jordan
King	Kirby	Knight
Loftis	Lowe	Lucas
Mack	Martin	McCoy
McCravy	McEachern	McKnight
Mitchell	D. C. Moss	V. S. Moss
Murphy	B. Newton	W. Newton
Ott	Parks	Pitts
Pope	Ridgeway	S. Rivers
Robinson-Simpson	Rutherford	Ryhal
Sandifer	Simrill	G. M. Smith
J. E. Smith	Sottile	Spires
Stavrinakis	Tallon	Thigpen
Weeks	West	Wheeler
Whipper	White	Whitmire
Williams		

Total--97

Those who voted in the negative are:

Bedingfield	Bennett	Burns
Chumley	Collins	Elliott
Hamilton	Hill	Hiott
Long	Magnuson	Putnam
Quinn	G. R. Smith	Taylor
Thayer	Toole	Yow

Total--18

So, the Bill, as amended, was read the second time and ordered to third reading.

WEDNESDAY, MARCH 1, 2017

RECORD FOR VOTING

I was out of the Chambers on temporary leave on a phone conference with a member of our federal delegation in regards to Real ID during the vote on H. 3516. If I had been present, I would have voted against the passage of the Bill.

Rep. Mark Willis

Rep. KING moved that the House do now adjourn, which was agreed to.

RETURNED WITH CONCURRENCE

The Senate returned to the House with concurrence the following:

H. 3457 -- Reps. Govan, J. E. Smith, Williams and Yow: A CONCURRENT RESOLUTION TO DECLARE MARCH 6, 2017, THE ANNIVERSARY OF THE DATE OF THE FINAL SIEGE AND FALL OF THE ALAMO FORTRESS IN SAN ANTONIO, TEXAS, AS "ALAMO DAY" IN SOUTH CAROLINA TO HONOR AND REMEMBER THE SEVEN BRAVE SOUTH CAROLINIANS, INCLUDING WILLIAM BARRET TRAVIS AND JAMES BUTLER BONHAM, WHO DIED IN THIS FIGHT FOR FREEDOM AND INDEPENDENCE.

H. 3569 -- Reps. Alexander, Kirby and Williams: A CONCURRENT RESOLUTION TO REQUEST THE DEPARTMENT OF TRANSPORTATION NAME THE PORTION OF 7 MILE ROAD IN FLORENCE COUNTY FROM ITS INTERSECTION WITH SOUTH CAROLINA HIGHWAY 51 TO ITS INTERSECTION WITH OLD RIVER ROAD "CORPORAL THOMAS WILLIAM SPEARS MEMORIAL ROAD" AND ERECT APPROPRIATE MARKERS OR SIGNS ALONG THIS PORTION OF HIGHWAY CONTAINING THIS DESIGNATION.

H. 3671 -- Reps. Bernstein, Allison, Arrington, Bennett, Cobb-Hunter, Crawford, Davis, Dillard, Douglas, Erickson, Felder, Funderburk, Henderson, Henegan, Knight, Norrell, Parks, Robinson-Simpson, Thayer, Alexander, Anderson, Anthony, Atkinson, Atwater, Bales, Ballentine, Bamberg, Bannister, Bedingfield, Blackwell, Bowers, Bradley, Brown, Burns, Caskey, Chumley, Clary, Clemmons, Clyburn, Cogswell, Cole, Collins, Crosby, Daning, Delleney, Duckworth, Elliott, Finlay, Forrest, Forrester, Fry, Gagnon, Gilliard, Govan, Hamilton,

[HJ]

WEDNESDAY, MARCH 1, 2017

Hardee, Hart, Hayes, Herbkersman, Hewitt, Hill, Hiott, Hixon, Hosey, Howard, Huggins, Jefferson, Johnson, Jordan, King, Kirby, Loftis, Long, Lowe, Lucas, Mack, Magnuson, Martin, McCoy, McCravy, McEachern, McKnight, Mitchell, D. C. Moss, V. S. Moss, Murphy, Neal, B. Newton, W. Newton, Norman, Ott, Pitts, Pope, Putnam, Quinn, Ridgeway, M. Rivers, S. Rivers, Rutherford, Ryhal, Sandifer, Simrill, G. M. Smith, G. R. Smith, J. E. Smith, Sottile, Spires, Stavrinakis, Stringer, Tallon, Taylor, Thigpen, Toole, Weeks, West, Wheeler, Whipper, White, Whitmire, Williams, Willis and Yow: A CONCURRENT RESOLUTION TO DECLARE FEBRUARY 26 THROUGH MARCH 4, 2017, AS "EATING DISORDERS AWARENESS WEEK" IN THE STATE OF SOUTH CAROLINA TO COINCIDE WITH NATIONAL EATING DISORDERS AWARENESS WEEK AND TO DECLARE THURSDAY, MARCH 2, 2017, AS "EATING DISORDERS AWARENESS DAY" IN SOUTH CAROLINA.

ADJOURNMENT

At 2:47 p.m. the House, in accordance with the motion of Rep. FUNDERBURK, adjourned in memory of Lonnie Dennis Stokes of Antioch, to meet at 10:00 a.m. tomorrow.

WEDNESDAY, MARCH 1, 2017

H. 3204	14	H. 3804	8
H. 3231	8	H. 3818	8
H. 3240	7	H. 3823	8
H. 3323	7	H. 3825	8
H. 3457	70	H. 3845	8
H. 3516	7, 15, 16, 39	H. 3866	3
H. 3516	43, 45, 46, 58	H. 3867	4
H. 3516	59, 60, 63, 64	H. 3868	3
H. 3516	65, 66, 70	H. 3869	4
H. 3529	14	H. 3870	4
H. 3569	70	H. 3871	4
H. 3650	10	H. 3872	5
H. 3651	10		
H. 3671	70	S. 453	5
H. 3726	12	S. 457	3