**Wednesday, April 5, 2017**

**(Statewide Session)**

~~Indicates Matter Stricken~~

Indicates New Matter

The Senate assembled at 10:00 A.M., the hour to which it stood adjourned, and was called to order by the PRESIDENT.

A quorum being present, the proceedings were opened with a devotion by the Chaplain as follows:

2 Timothy 1:7

“God has not given us a spirit of fear, but of power and of love and of a sound mind.”

Let us pray. Gracious and loving God, we are prone to let circumstances overwhelm us and we feel fear invading our spirit and testing our faith. Over and over You instruct us to “fear not,” to remember that You and You alone can give us the peace that passes all understanding.

Help us when we feel out of control to remember that if we are afraid, it is not from You. You are the author of our destiny and the one who casts out our fears.

As Ralph Waldo Emerson once said, “He who is not every day conquering some fear has not learned the secret of life.” That secret abides in our faith in You O God, our savior and our redeemer. May we have eyes to see and ears to hear Your eternal truth. Amen.

The PRESIDENT called for Petitions, Memorials, Presentments of Grand Juries and such like papers.

**Point of Quorum**

At 10:04 A.M., Senator LEATHERMAN made the point that a quorum was not present. It was ascertained that a quorum was not present.

**MESSAGE FROM THE HOUSE**

The following appointments were transmitted by the Honorable James H. Lucas:

**Statewide Appointments**

Initial Appointment, South Carolina State Ethics Commission, with the term to commence April 1, 2017, and to expire April 1, 2022

House - Majority:

Donald H. Jackson, 13186 Indian Mound Road, Ware Shoals, SC 29692

Referred to the Committee on Judiciary.

Initial Appointment, South Carolina State Ethics Commission, with the term to commence April 1, 2017, and to expire April 1, 2020

House - Minority:

Victor K. Li, 11 Lord Nelson Court, Columbia, SC 29209

Referred to the Committee on Judiciary.

**Expression of Personal Interest**

Senator HUTTO rose for an Expression of Personal Interest.

**CO-SPONSORS ADDED**

The following co-sponsors were added to the respective Bills:

S. 131 Sen. Malloy

S. 478 Sen. McElveen

S. 579 Sen. Hembree

S. 596 Sen. Gambrell

**RECALLED**

S. 617 -- Senators McLeod, Setzler, Malloy, Massey, McElveen, Rice, Bennett, M.B. Matthews, Gregory, Timmons, Talley, Senn, Nicholson, Sabb, Jackson, Peeler, Davis, Alexander, Fanning, Sheheen and Grooms: A BILL TO AMEND CHAPTER 3, TITLE 56 OF THE 1976 CODE, BY ADDING ARTICLE 140, TO PROVIDE THAT THE DEPARTMENT OF MOTOR VEHICLES SHALL ISSUE “UNIVERSITY OF SOUTH CAROLINA 2017 WOMEN’S BASKETBALL NATIONAL CHAMPIONS” SPECIAL LICENSE PLATES.

Senator GROOMS asked unanimous consent to make a motion to recall the Bill from the Committee on Transportation.

The Bill was recalled from the Committee on Transportation and ordered placed on the Calendar for consideration tomorrow.

**RECALLED**

S. 530 -- Senator Talley: A BILL TO AUTHORIZE THE PELHAM-BATESVILLE FIRE DISTRICT, WHICH PROVIDES FIRE PROTECTION SERVICES TO PORTIONS OF GREENVILLE AND SPARTANBURG COUNTY, TO ISSUE BONDS TO FINANCE CERTAIN NECESSARY CAPITAL IMPROVEMENTS AND TO PROVIDE FOR THE AMOUNT AND PROCESS THROUGH WHICH THE BONDS MAY BE ISSUED.

Senator TALLEY asked unanimous consent to make a motion to recall the Bill from the Committee on Finance.

The Bill was recalled from the Committee on Finance and ordered placed on the Calendar for consideration tomorrow.

**RECALLED**

H. 4033 -- Reps. Hixon, Taylor, Blackwell, Clyburn, Allison, Daning, Yow, Erickson, B. Newton, Bennett, Arrington, Murphy, Crawford and Clemmons: A BILL TO AMEND SECTION 56‑5‑1535, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO SPEEDING IN WORK ZONES AND PENALTIES ASSOCIATED WITH SPEEDING IN WORK ZONES, SO AS TO DELETE THIS PROVISION AND PROVIDE A DEFINITION FOR THE TERMS “HIGHWAY WORK ZONE” AND "HIGHWAY WORKER", TO CREATE THE OFFENSE OF “ENDANGERMENT OF A HIGHWAY WORKER”, AND TO PROVIDE A PENALTY FOR THIS OFFENSE; TO AMEND SECTION 56‑1‑720, RELATING TO THE POINT SYSTEM ESTABLISHED FOR THE EVALUATION OF THE DRIVING RECORD OF PERSONS OPERATING MOTOR VEHICLES, SO AS TO PROVIDE THAT THE OFFENSE OF ENDANGERMENT OF A HIGHWAY WORKER RESULTING IN NO INJURY IS A TWO POINT VIOLATION, THE OFFENSE OF ENDANGERMENT OF A HIGHWAY WORKER IN WHICH INJURY OCCURS IS A FOUR POINT VIOLATION, AND THE OFFENSE OF ENDANGERMENT OF A HIGHWAY WORKER IN WHICH GREAT BODILY INJURY OCCURS IS A SIX POINT VIOLATION; AND TO REPEAL SECTION 56‑5‑1536 RELATING TO DRIVING IN TEMPORARY WORK ZONES AND PENALTIES FOR UNLAWFUL DRIVING IN TEMPORARY WORK ZONES.

Senator GROOMS asked unanimous consent to make a motion to recall the Bill from the Committee on Transportation.

The Bill was recalled from the Committee on Transportation and ordered placed on the Calendar for consideration tomorrow.

**INTRODUCTION OF BILLS AND RESOLUTIONS**

The following were introduced:

S. 616 -- Senator Young: A CONCURRENT RESOLUTION TO DESIGNATE THE THIRD FULL WEEK OF APRIL 2017 AS "SHAKEN BABY SYNDROME AWARENESS WEEK", TO RAISE AWARENESS REGARDING SHAKEN BABY SYNDROME, AND TO COMMEND THE HOSPITALS, CHILD CARE COUNCILS, SCHOOLS, AND OTHER ORGANIZATIONS THAT EDUCATE PARENTS AND CAREGIVERS ON HOW TO PROTECT CHILDREN FROM ABUSE.

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The Concurrent Resolution was introduced and referred to the Committee on Medical Affairs.

S. 617 -- Senators McLeod, Setzler, Malloy, Massey, McElveen, Rice, Bennett, M. B. Matthews, Gregory, Timmons, Talley, Senn, Nicholson, Sabb, Jackson, Peeler, Davis, Alexander, Fanning, Sheheen and Grooms: A BILL TO AMEND CHAPTER 3, TITLE 56 OF THE 1976 CODE, BY ADDING ARTICLE 140, TO PROVIDE THAT THE DEPARTMENT OF MOTOR VEHICLES SHALL ISSUE "UNIVERSITY OF SOUTH CAROLINA 2017 WOMEN'S BASKETBALL NATIONAL CHAMPIONS" SPECIAL LICENSE PLATES.

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Read the first time and referred to the Committee on Transportation.

S. 618 -- Senator Massey: A BILL TO AMEND SECTION 6-1-320(A) OF THE 1976 CODE, RELATING TO MILLAGE RATE INCREASE LIMITATIONS, TO CREATE A NEW ITEM ALLOWING MUNICIPALITIES WITHOUT AN OPERATING MILLAGE ON JANUARY 1, 2017, OR MUNICIPALITIES THAT INCORPORATE AFTER JANUARY 1, 2017, TO IMPOSE AN OPERATING MILLAGE AND TO IMPOSE LIMITATIONS.

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Read the first time and referred to the Committee on Judiciary.

S. 619 -- Senator M. B. Matthews: A SENATE RESOLUTION TO EXPRESS THE PROFOUND SORROW OF THE MEMBERS OF THE SOUTH CAROLINA SENATE UPON THE PASSING OF REVEREND JAMES RONALD CANNION AND TO EXTEND THEIR DEEPEST SYMPATHY TO HIS FAMILY AND MANY FRIENDS.

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The Senate Resolution was adopted.

S. 620 -- Senator Nicholson: A SENATE RESOLUTION TO HONOR LIONS CLUBS INTERNATIONAL ON THE OCCASION OF THE ORGANIZATION'S ONE HUNDREDTH ANNIVERSARY AND TO COMMEND THE MORE THAN ONE HUNDRED FIFTY LIONS CLUBS IN THE PALMETTO STATE FOR THEIR MANY YEARS OF SELFLESS COMMUNITY SERVICE.

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The Senate Resolution was adopted.

S. 621 -- Senator Fanning: A SENATE RESOLUTION TO EXPRESS THE PROFOUND SORROW OF THE MEMBERS OF THE SOUTH CAROLINA SENATE UPON THE PASSING OF DR. LAURENS WARREN FORT, JR. OF CHESTER COUNTY AND TO EXTEND THEIR DEEPEST SYMPATHY TO HIS LARGE AND LOVING FAMILY AND HIS MANY FRIENDS.

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The Senate Resolution was adopted.

S. 622 -- Senators Massey, Bennett, Climer, Davis, Goldfinch, Grooms, Hembree, Rice, Talley, Timmons and Turner: A BILL TO AMEND THE CODE OF LAWS OF SOUTH CAROLINA, 1976, TO ESTABLISH THE "EQUAL OPPORTUNITY EDUCATION SCHOLARSHIP ACCOUNT ACT" BY ADDING CHAPTER 8 TO TITLE 59 SO AS TO PROVIDE A CITATION, TO STATE THE PURPOSE OF THE CHAPTER, TO PROVIDE NECESSARY DEFINITIONS, TO PROVIDE PARENTS OF ELIGIBLE CHILDREN MAY ESTABLISH AND FUND ACCOUNTS FOR USE IN MEETING CERTAIN EDUCATION EXPENSES, TO PROVIDE GUIDELINES FOR THE USE OF SUCH FUNDS AND PENALTIES FOR MISUSE, AND TO PROVIDE CERTAIN RELATED POWERS AND DUTIES OF THE EDUCATION OVERSIGHT COMMITTEE, AND TO CREATE A PARENTAL REVIEW PANEL TO ASSIST IN DETERMINING WHETHER CERTAIN EXPENSES CONSTITUTE QUALIFIED EDUCATION EXPENSES, AMONG OTHER THINGS.

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Read the first time and referred to the Committee on Education.

S. 623 -- Senators McLeod and Scott: A SENATE RESOLUTION TO EXPRESS THE PROFOUND SORROW OF THE MEMBERS OF THE SOUTH CAROLINA SENATE UPON THE UNTIMELY PASSING OF ELLIS FITZGERALD HAWKINS II AND TO EXTEND THEIR DEEPEST SYMPATHY TO HIS FAMILY AND MANY FRIENDS.

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The Senate Resolution was adopted.

S. 624 -- Senators Scott, Alexander, Allen, Bennett, Campbell, Campsen, Climer, Corbin, Cromer, Davis, Fanning, Gambrell, Goldfinch, Gregory, Grooms, Hembree, Hutto, Jackson, Johnson, Kimpson, Leatherman, Malloy, Martin, Massey, J. Matthews, M. B. Matthews, McElveen, McLeod, Nicholson, Peeler, Rankin, Reese, Rice, Sabb, Senn, Setzler, Shealy, Sheheen, Talley, Timmons, Turner, Verdin, Williams and Young: A SENATE RESOLUTION TO HONOR AND RECOGNIZE ELAINE NICHOLS OF CHARLOTTE FOR HER WORK IN CURATING AND PRESERVING AFRICAN AMERICAN HISTORY.

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The Senate Resolution was adopted.

S. 625 -- Senators Scott, Alexander, Allen, Bennett, Campbell, Campsen, Climer, Corbin, Cromer, Davis, Fanning, Gambrell, Goldfinch, Gregory, Grooms, Hembree, Hutto, Jackson, Johnson, Kimpson, Leatherman, Malloy, Martin, Massey, J. Matthews, M. B. Matthews, McElveen, McLeod, Nicholson, Peeler, Rankin, Reese, Rice, Sabb, Senn, Setzler, Shealy, Sheheen, Talley, Timmons, Turner, Verdin, Williams and Young: A CONCURRENT RESOLUTION TO RECOGNIZE A'JA WILSON OF RICHLAND COUNTY FOR HER ACCOMPLISHMENTS AS A UNIVERSITY OF SOUTH CAROLINA WOMEN'S BASKETBALL PLAYER, AND TO CONGRATULATE HER ON THE TEAM'S 2017 NCAA CHAMPIONSHIP AND HER SELECTION AS THE MOST OUTSTANDING PLAYER OF THE TOURNAMENT AS WELL AS THE RECIPIENT OF MANY OTHER AWARDS.

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The Concurrent Resolution was adopted, ordered sent to the House.

H. 3093 -- Reps. Loftis, Clyburn, Elliott, Long, G. M. Smith, Whipper, Brown, Gilliard and S. Rivers: A BILL TO AMEND SECTION 12-43-220, AS AMENDED, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO ASSESSMENT RATIOS, SO AS TO PROVIDE THAT WHEN AN OWNER RECEIVING THE FOUR PERCENT ASSESSMENT RATIO DIES, THE PROPERTY SHALL CONTINUE TO RECEIVE THE SPECIAL ASSESSMENT RATE UNTIL THE DECEASED'S ESTATE IS CLOSED, SO LONG AS THE PROPERTY IS NOT RENTED.

Read the first time and referred to the Committee on Finance.

H. 3290 -- Reps. Stavrinakis, Clyburn, Gilliard and Henegan: A BILL TO AMEND SECTION 56-7-10, AS AMENDED, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO UNIFORM TRAFFIC TICKETS, SO AS TO AUTHORIZE LAW ENFORCEMENT OFFICERS AND OTHER PERSONS AUTHORIZED TO PROSECUTE THOSE OFFENSES TO REISSUE A UNIFORM TRAFFIC TICKET FOR ANOTHER OFFENSE INCIDENT TO A PLEA NEGOTIATION OR AGREEMENT.

Read the first time and referred to the Committee on Transportation.

H. 3559 -- Reps. Pitts, Ott, Putnam, Gagnon, Atkinson, Dillard, Martin, West, Hill, Bedingfield, Gilliard, Kirby, Davis, King, Whipper and Govan: A BILL TO AMEND CHAPTER 55, TITLE 46, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO THE CULTIVATION OF INDUSTRIAL HEMP, SO AS TO REVISE THE DEFINITIONS OF TERMS CONTAINED IN THIS CHAPTER, TO PROVIDE A DEFINITION FOR THE TERM "HUMAN CONSUMPTION", TO CREATE THE SOUTH CAROLINA INDUSTRIAL HEMP PROGRAM, TO PROVIDE THAT INDUSTRIAL HEMP IS AN AGRICULTURAL CROP UPON WHICH AN INSTITUTION OF HIGHER EDUCATION MAY CONDUCT RESEARCH, TO PROVIDE THAT INDUSTRIAL HEMP OR HEMP PRODUCTS MAY NOT BE CONSIDERED AN ADULTERANT, TO PROVIDE PROVISIONS THAT REGULATE THE GROWING, SELLING, AND IMPORTATION OF INDUSTRIAL HEMP AND HEMP SEED, TO DELETE THE PROVISION THAT EXCLUDES INDUSTRIAL HEMP FROM THE DEFINITION OF MARIJUANA, TO REVISE THE PROVISION THAT SPECIFIES THAT CERTAIN CONDUCT REGARDING THE MANUFACTURING, DISTRIBUTION, PURCHASE, AND OTHER ACTIVITIES RELATING TO DISGUISING MARIJUANA TO MAKE IT APPEAR TO BE INDUSTRIAL HEMP, AND TO PROVIDE FOR LABORATORY TESTING OF INDUSTRIAL HEMP.

Read the first time and referred to the Committee on Agriculture and Natural Resources.

H. 3809 -- Reps. Finlay, Bernstein, Collins, Spires, J. E. Smith, Ridgeway, Clary, Dillard, Gilliard, Huggins and Knight: A BILL TO AMEND THE CODE OF LAWS OF SOUTH CAROLINA, 1976, BY ADDING SECTION 38-71-120 SO AS TO ESTABLISH THAT AN INDIVIDUAL OR GROUP HEALTH INSURANCE POLICY PROVIDING COVERAGE FOR CONTRACEPTIVE DRUGS MUST PROVIDE REIMBURSEMENT FOR A TWELVE-MONTH REFILL OF CONTRACEPTIVE DRUGS OBTAINED AT ONE TIME; AND BY ADDING SECTION 44-6-120 SO AS TO AUTHORIZE THE DEPARTMENT OF HEALTH AND HUMAN SERVICES TO MAKE ARRANGEMENTS FOR ALL MEDICAID PROGRAMS OFFERED THROUGH MANAGED CARE PLANS OR FEE-FOR-SERVICE PROGRAMS TO REQUIRE THE DISPENSING OF CONTRACEPTIVE DRUGS WITH A TWELVE-MONTH SUPPLY PROVIDED AT ONE TIME.

Read the first time and referred to the Committee on Banking and Insurance.

H. 3815 -- Reps. Hardee and Johnson: A CONCURRENT RESOLUTION TO REQUEST THE DEPARTMENT OF TRANSPORTATION NAME THE BRIDGE THAT CROSSES THE WACCAMAW RIVER ALONG UNITED STATES HIGHWAY 501 BYPASS IN HORRY COUNTY "LOIS EARGLE BRIDGE" AND TO ERECT APPROPRIATE MARKERS OR SIGNS AT THIS BRIDGE CONTAINING THIS DESIGNATION.

The Concurrent Resolution was introduced and referred to the Committee on Transportation.

H. 3823 -- Reps. Henderson, Bedingfield, Fry, Huggins, Johnson, Hewitt, Crawford, Duckworth, Allison, Forrester, Arrington, Tallon, Hamilton, Felder, Elliott, G. R. Smith, Jordan, B. Newton, Martin, Erickson, V. S. Moss, Long, Bradley, Weeks, Taylor, Putnam and Cogswell: A BILL TO AMEND SECTION 63-7-310, AS AMENDED, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO MANDATED REPORTING OF SUSPECTED CHILD ABUSE OR NEGLECT, SO AS TO REQUIRE REPORTING WHEN AN INFANT OR FETUS IS EXPOSED TO ALCOHOL OR CONTROLLED SUBSTANCES.

Read the first time and referred to the General Committee.

H. 3824 -- Reps. Henderson, Bedingfield, Fry, Huggins, Johnson, Hewitt, Crawford, Duckworth, Allison, Arrington, Forrester, Tallon, Hamilton, Felder, Elliott, Jordan, B. Newton, Martin, Erickson, Jefferson, Cobb-Hunter, Govan, Long, Putnam, Cogswell and Collins: A BILL TO AMEND THE CODE OF LAWS OF SOUTH CAROLINA, 1976, BY ADDING SECTION 44-53-1645 SO AS TO REQUIRE HEALTH CARE PRACTITIONERS TO REVIEW A PATIENT'S CONTROLLED SUBSTANCE PRESCRIPTION HISTORY, AS MAINTAINED IN THE PRESCRIPTION DRUG MONITORING PROGRAM, BEFORE PRESCRIBING A SCHEDULE II CONTROLLED SUBSTANCE, WITH EXCEPTIONS; TO AMEND SECTION 44-53-1630, AS AMENDED, RELATING TO THE PRESCRIPTION DRUG MONITORING PROGRAM, SO AS TO ADD A DEFINITION OF "PRACTITIONER"; TO AMEND SECTION 44-53-1640, AS AMENDED, RELATING TO THE PRESCRIPTION DRUG MONITORING PROGRAM, SO AS TO MAKE CONFORMING CHANGES; TO AMEND SECTION 44-53-1680, AS AMENDED, RELATING TO PENALTIES FOR VIOLATING REQUIREMENTS OF THE PRESCRIPTION DRUG MONITORING PROGRAM, SO AS TO ESTABLISH A PENALTY IF A PRACTITIONER OR AUTHORIZED DELEGATE FAILS TO REVIEW A PATIENT'S CONTROLLED SUBSTANCE PRESCRIPTION HISTORY, AS MAINTAINED IN THE PRESCRIPTION DRUG MONITORING PROGRAM, BEFORE PRESCRIBING A SCHEDULE II CONTROLLED SUBSTANCE; BY ADDING SECTION 40-15-145 SO AS TO ESTABLISH EDUCATIONAL REQUIREMENTS FOR DENTISTS ADDRESSING THE PRESCRIPTION AND MONITORING OF CERTAIN CONTROLLED SUBSTANCES; TO AMEND SECTIONS 40-37-240, 40-47-965, AS AMENDED, AND 40-51-140, RELATING TO CONTINUING EDUCATION REQUIREMENTS FOR CERTAIN HEALTH CARE PRACTITIONERS, SO AS TO ADD REQUIREMENTS ADDRESSING THE PRESCRIPTION AND MONITORING OF CERTAIN CONTROLLED SUBSTANCES; AND TO AMEND SECTION 40-43-130, RELATING TO CONTINUING EDUCATION REQUIREMENTS FOR PHARMACISTS, SO AS TO ADD REQUIREMENTS ADDRESSING CERTAIN CONTROLLED SUBSTANCES.

Read the first time and referred to the Committee on Medical Affairs.

H. 3864 -- Reps. Bernstein, Collins, Erickson, King and Elliott: A BILL TO AMEND SECTIONS 56-5-6410 AND 56-5-6420, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO THE REQUIREMENT THAT CERTAIN CHILDREN MUST BE SECURED IN A CHILD PASSENGER RESTRAINT SYSTEM WHILE TRAVELING IN A MOTOR VEHICLE, AND THE TRANSPORTATION OF CHILDREN IN A VEHICLE WITH AN INSUFFICIENT NUMBER OF CHILD RESTRAINT DEVICES, SO AS TO REVISE THE AGE, WEIGHT, AND POSITION OF A CHILD WHO MUST BE SECURED IN A CHILD PASSENGER RESTRAINT SYSTEM.

Read the first time and referred to the Committee on Transportation.

H. 3865 -- Reps. Bernstein, Delleney, Ridgeway, King, Whipper, J. E. Smith and Knight: A BILL TO AMEND THE CODE OF LAWS OF SOUTH CAROLINA, 1976, SO AS TO ENACT THE "SOUTH CAROLINA PREGNANCY ACCOMMODATIONS ACT"; TO AMEND SECTION 1-13-30, RELATING TO DEFINITIONS UNDER THE SOUTH CAROLINA HUMAN AFFAIRS LAWS, SO AS TO REVISE THE TERMS "BECAUSE OF SEX" OR "ON THE BASIS OF SEX" USED IN THE CONTEXT OF EQUAL TREATMENT FOR WOMEN AFFECTED BY PREGNANCY, CHILDBIRTH, OR RELATED MEDICAL CONDITIONS; TO AMEND SECTION 1-13-80, AS AMENDED, RELATING TO UNLAWFUL EMPLOYMENT PRACTICES OF AN EMPLOYER, SO AS TO ADD CERTAIN OTHER UNLAWFUL EMPLOYMENT PRACTICES IN REGARD TO FAILURE TO PROVIDE REASONABLE ACCOMMODATIONS FOR AN APPLICANT FOR EMPLOYMENT OR EMPLOYEE WITH LIMITATIONS BECAUSE OF PREGNANCY, CHILDBIRTH, OR RELATED MEDICAL CONDITIONS, AND TO PROVIDE FOR NOTICE AND APPLICABILITY TO EMPLOYEES TO WHOM THE ABOVE PROVISIONS APPLY; AND TO PROVIDE NO LATER THAN TWO YEARS AFTER THE EFFECTIVE DATE OF THIS ACT, THE SOUTH CAROLINA HUMAN AFFAIRS COMMISSION SHALL PROMULGATE REGULATIONS, WHICH SHALL IDENTIFY SOME REASONABLE ACCOMMODATIONS ADDRESSING KNOWN LIMITATIONS RELATED TO PREGNANCY, CHILDBIRTH, OR RELATED MEDICAL CONDITIONS THAT MUST BE PROVIDED TO A JOB APPLICANT OR EMPLOYEE, UNLESS THE EMPLOYER CAN DEMONSTRATE THAT DOING SO WOULD IMPOSE AN UNDUE HARDSHIP.

Read the first time and referred to the Committee on Judiciary.

H. 3895 -- Rep. Herbkersman: A BILL TO AMEND ARTICLES 9 AND 11 OF CHAPTER 9, TITLE 11, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO REVENUE AND FISCAL AFFAIRS, SO AS TO REORGANIZE THE ARTICLES, TO ELIMINATE CERTAIN DIVISIONS, AND TO MAKE CONFORMING CHANGES; TO AMEND SECTIONS 2-7-71 AND 2-7-78, RELATING TO CERTAIN IMPACT STATEMENTS, SO AS TO REQUIRE THE STATEMENTS TO BE CERTIFIED BY THE EXECUTIVE DIRECTOR OF THE REVENUE AND FISCAL AFFAIRS OFFICE; TO AMEND SECTION 2-7-73, AS AMENDED, RELATING TO HEALTH COVERAGE IMPACT STATEMENTS, SO AS TO REQUIRE THE DEPARTMENT OF INSURANCE TO CONDUCT THE ANALYSIS; TO AMEND SECTION 4-10-790, RELATING TO DISTRIBUTIONS FROM A LOCAL OPTION SALES AND USE TAX, SO AS TO REQUIRE THE DEPARTMENT OF REVENUE TO FURNISH DATA TO THE STATE TREASURER, AND TO REQUIRE THE REVENUE AND FISCAL AFFAIRS OFFICE TO PROVIDE CERTAIN ASSISTANCE; TO AMEND SECTION 6-1-50, AS AMENDED, RELATING TO FINANCIAL REPORTS FROM COUNTIES AND MUNICIPALITIES, SO AS TO DELAY THE REPORTS UNTIL MARCH FIFTEENTH; TO AMEND SECTION 23-47-65, AS AMENDED, RELATING TO THE SOUTH CAROLINA 911 ADVISORY COMMITTEE, SO AS TO ALLOW THE EXECUTIVE DIRECTOR OF THE REVENUE AND FISCAL AFFAIRS OFFICE TO APPOINT A MEMBER; TO AMEND SECTIONS 27-2-85 AND 27-2-95, RELATING TO THE SOUTH CAROLINA GEODETIC SURVEY, SO AS TO DELETE OBSOLETE REFERENCES; TO AMEND SECTION 44-6-170, RELATING TO THE DATA OVERSIGHT COUNCIL, SO AS TO DELETE OBSOLETE REFERENCES, AND TO REVISE THE COMPOSITION OF THE COUNCIL; TO AMEND SECTION 44-6-5, RELATING TO THE DEPARTMENT OF HEALTH AND HUMAN SERVICES, SO AS TO DELETE AN OBSOLETE REFERENCE; TO REDESIGNATE CERTAIN SECTIONS OF THE CODE; AND TO REPEAL SECTIONS 1-11-360, 2-7-62, 44-6-175, AND 48-22-20 ALL RELATING TO THE DUTIES OF THE REVENUE AND FISCAL AFFAIRS OFFICE.

Read the first time and referred to the Committee on Finance.

H. 3968 -- Reps. Sandifer and Forrester: A BILL TO AMEND SECTION 40-1-140, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO EFFECTS OF PRIOR CRIMINAL CONVICTIONS ON PERSONS SEEKING AUTHORIZATION TO PRACTICE, PURSUE, OR ENGAGE IN REGULATED PROFESSIONS OR OCCUPATIONS, SO AS TO DELETE PROVISIONS PROHIBITING DENIALS OF SUCH AUTHORIZATIONS SOLELY FOR CERTAIN PRIOR CRIMINAL CONVICTIONS, TO ALLOW THE DENIAL OF AN AUTHORIZATION TO PRACTICE WHICH WOULD POSE CERTAIN THREATS TO THE PUBLIC, TO REQUIRE CERTAIN MINIMUM CRIMINAL RECORD BACKGROUND CHECKS OF PERSONS SEEKING AUTHORIZATION TO PRACTICE, TO PROVIDE SUCH REQUIREMENTS ARE INTENDED TO OPERATE IN THE ABSENCE OF SUCH REQUIREMENTS BUT DO NOT LIMIT OR OTHERWISE RESTRICT THE ABILITY OF BOARDS, COMMISSIONS, AND PANELS FROM IMPOSING MORE RESTRICTIVE AND ADDITIONAL REQUIREMENTS, AND TO SPECIFY THE BOARDS, COMMISSIONS, AND PANELS TO WHICH THESE BACKGROUND CHECK REQUIREMENTS APPLY; TO AMEND SECTION 40-1-110, RELATING TO SPECIFIC GROUNDS FOR DISCIPLINARY ACTION AGAINST PERSONS AUTHORIZED TO PRACTICE, PURSUE, OR ENGAGE IN REGULATED PROFESSIONS AND AUTHORIZATIONS, SO AS TO INCLUDE CERTAIN PRIOR CRIMINAL CONVICTIONS OR PLEAS TO CRIMINAL CONDUCT; AND TO PROVIDE THAT THE PROVISIONS OF THIS ACT TAKE EFFECT TWO YEARS AFTER APPROVAL BY THE GOVERNOR.

Read the first time and referred to the Committee on Labor, Commerce and Industry.

H. 4033 -- Reps. Hixon, Taylor, Blackwell, Clyburn, Allison, Daning, Yow, Erickson, B. Newton, Bennett, Arrington, Murphy, Crawford and Clemmons: A BILL TO AMEND SECTION 56-5-1535, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO SPEEDING IN WORK ZONES AND PENALTIES ASSOCIATED WITH SPEEDING IN WORK ZONES, SO AS TO DELETE THIS PROVISION AND PROVIDE A DEFINITION FOR THE TERMS "HIGHWAY WORK ZONE" AND "HIGHWAY WORKER", TO CREATE THE OFFENSE OF "ENDANGERMENT OF A HIGHWAY WORKER", AND TO PROVIDE A PENALTY FOR THIS OFFENSE; TO AMEND SECTION 56-1-720, RELATING TO THE POINT SYSTEM ESTABLISHED FOR THE EVALUATION OF THE DRIVING RECORD OF PERSONS OPERATING MOTOR VEHICLES, SO AS TO PROVIDE THAT THE OFFENSE OF ENDANGERMENT OF A HIGHWAY WORKER RESULTING IN NO INJURY IS A TWO POINT VIOLATION, THE OFFENSE OF ENDANGERMENT OF A HIGHWAY WORKER IN WHICH INJURY OCCURS IS A FOUR POINT VIOLATION, AND THE OFFENSE OF ENDANGERMENT OF A HIGHWAY WORKER IN WHICH GREAT BODILY INJURY OCCURS IS A SIX POINT VIOLATION; AND TO REPEAL SECTION 56-5-1536 RELATING TO DRIVING IN TEMPORARY WORK ZONES AND PENALTIES FOR UNLAWFUL DRIVING IN TEMPORARY WORK ZONES.

Read the first time and referred to the Committee on Transportation.

H. 4050 -- Rep. Johnson: A CONCURRENT RESOLUTION TO REQUEST THE DEPARTMENT OF TRANSPORTATION NAME THE INTERSECTION LOCATED AT THE JUNCTION OF SOUTH CAROLINA HIGHWAY 129 AND VAUGHT ROAD IN HORRY COUNTY "LONNIE HOYT MARTIN INTERSECTION" AND ERECT APPROPRIATE MARKERS OR SIGNS AT THIS INTERSECTION CONTAINING THIS DESIGNATION.

The Concurrent Resolution was introduced and referred to the Committee on Transportation.

**REPORTS OF STANDING COMMITTEES**

Senator GROOMS from the Committee on Transportation polled out S. 565 favorable:

S. 565 -- Senators Grooms, Young, Massey and Campbell: A BILL TO AMEND SECTION 56‑5‑1535 OF THE 1976 CODE, RELATING TO SPEEDING IN WORK ZONES AND PENALTIES ASSOCIATED WITH SPEEDING IN WORK ZONES, TO DELETE THIS PROVISION, TO PROVIDE A DEFINITION FOR THE TERMS “HIGHWAY WORK ZONE” AND “HIGHWAY WORKER”, TO CREATE THE OFFENSE OF “ENDANGERMENT OF A HIGHWAY WORKER”, AND TO PROVIDE PENALTIES FOR THESE OFFENSES; TO AMEND SECTION 56‑1‑720, RELATING TO THE POINT SYSTEM ESTABLISHED FOR THE EVALUATION OF THE DRIVING RECORD OF PERSONS OPERATING MOTOR VEHICLES, TO PROVIDE THAT “ENDANGERMENT OF A HIGHWAY WORKER” VIOLATIONS RANGE BETWEEN TWO AND SIX POINTS; AND TO REPEAL SECTION 56‑5‑1536, RELATING TO DRIVING IN TEMPORARY WORK ZONES AND PENALTIES FOR UNLAWFUL DRIVING IN TEMPORARY WORK ZONES.

**Poll of the Transportation Committee**

**Polled 17; Ayes 15; Nays 1; Not Voting 1**

**AYES**

Grooms Leatherman Rankin

Verdin Campsen Peeler

Campbell Bennett Hembree

McElveen Johnson Kimpson

Sabb Climer McLeod

**Total--15**

**NAYS**

*M.B. Matthews*

**Total--1**

**NOT VOTING**

Malloy

**Total--1**

Ordered for consideration tomorrow.

**Recommitted**

Senator GROOMS asked unanimous consent to recommit the Bill to the Committee on Transportation.

There was no objection.

The Bill was recommitted to the Committee of Transportation.

Senator PEELER from the Committee on Education polled out S. 596 favorable:

S. 596 -- Senators Peeler, Nicholson, Sheheen and Gambrell: A JOINT RESOLUTION TO REMOVE THE CURRENT MEMBERS OF THE BOARD OF TRUSTEES OF JOHN DE LA HOWE SCHOOL AND DEVOLVE THE BOARD’S POWERS UPON AN INTERIM BOARD OF TRUSTEES WHO SHALL SERVE UNTIL JUNE 30, 2019, OR UNTIL A FULL NEW BOARD OF TRUSTEES IS APPOINTED AND QUALIFIED; TO PROVIDE THAT THE INTERIM BOARD OF TRUSTEES IS RESPONSIBLE FOR THE SELECTION, PERIODIC EVALUATION, RETENTION, AND TERMINATION OF THE SCHOOL’S PRESIDENT; TO PROVIDE FOR OTHER SPECIFIC DUTIES OF THE INTERIM BOARD OF TRUSTEES; AND TO DIRECT THE INTERIM BOARD OF TRUSTEES, IN CONSULTATION WITH THE PRESIDENT OF THE SCHOOL, TO REVIEW EDUCATIONAL ACCREDITATION AND THE PAST AND CURRENT FINANCIAL SITUATION OF THE SCHOOL AND MAKE RECOMMENDATIONS TO DIRECT THE SCHOOL OUT OF THE CURRENT FINANCIAL CRISIS, WITH AN EMPHASIS ON DETERMINING THE MOST FEASIBLE PATH THE STATE MUST PURSUE TO BE IN COMPLIANCE WITH THE LAST WILL AND TESTAMENT OF JOHN DE LA HOWE.

**Poll of the Education Committee**

**Polled 15; Ayes 15; Nays 0; Not Voting 1**

**AYES**

Setzler *John Matthews* Rankin

Peeler Jackson Grooms

Hutto Sheheen Hembree

Nicholson Young Turner

Rice Senn Talley

**Total--15**

**NAYS**

**Total--0**

**NOT VOTING**

Malloy

**Total--1**

Ordered for consideration tomorrow.

**Motion Adopted**

On motion of Senator NICHOLSON, with unanimous consent, the Senate proceeded to the consideration of S. 596.

**AMENDED, READ THE SECOND TIME**

S. 596 -- Senators Peeler, Nicholson, Sheheen and Gambrell: A JOINT RESOLUTION TO REMOVE THE CURRENT MEMBERS OF THE BOARD OF TRUSTEES OF JOHN DE LA HOWE SCHOOL AND DEVOLVE THE BOARD’S POWERS UPON AN INTERIM BOARD OF TRUSTEES WHO SHALL SERVE UNTIL JUNE 30, 2019, OR UNTIL A FULL NEW BOARD OF TRUSTEES IS APPOINTED AND QUALIFIED; TO PROVIDE THAT THE INTERIM BOARD OF TRUSTEES IS RESPONSIBLE FOR THE SELECTION, PERIODIC EVALUATION, RETENTION, AND TERMINATION OF THE SCHOOL’S PRESIDENT; TO PROVIDE FOR OTHER SPECIFIC DUTIES OF THE INTERIM BOARD OF TRUSTEES; AND TO DIRECT THE INTERIM BOARD OF TRUSTEES, IN CONSULTATION WITH THE PRESIDENT OF THE SCHOOL, TO REVIEW EDUCATIONAL ACCREDITATION AND THE PAST AND CURRENT FINANCIAL SITUATION OF THE SCHOOL AND MAKE RECOMMENDATIONS TO DIRECT THE SCHOOL OUT OF THE CURRENT FINANCIAL CRISIS, WITH AN EMPHASIS ON DETERMINING THE MOST FEASIBLE PATH THE STATE MUST PURSUE TO BE IN COMPLIANCE WITH THE LAST WILL AND TESTAMENT OF JOHN DE LA HOWE.

The Senate proceeded to the consideration of the Resolution.

Senator NICHOLSON proposed the following amendment (596R001.SP.FN), which was adopted:

Amend the resolution, as and if amended, page 2, by striking lines 13-15 and inserting:

/ and Public Works Committee of the House of Representatives;

(7) one member appointed by the Chairman of the Education Committee of the Senate;

(8) one member appointed by the Speaker of the South Carolina House of Representatives; and

(9) one member appointed by the President Pro Tempore of the South Carolina Senate. /

Renumber sections to conform.

Amend title to conform.

Senator NICHOLSON explained the amendment.

The question then was second reading of the Resolution.

The "ayes" and "nays" were demanded and taken, resulting as follows:

**Ayes 43; Nays 0**

**AYES**

Alexander Allen Bennett

Campbell Campsen Climer

Corbin Cromer Davis

Fanning Gambrell Goldfinch

Gregory Grooms Hembree

Hutto Jackson Johnson

Kimpson Malloy Martin

Massey *Matthews, John Matthews, Margie*

McElveen McLeod Nicholson

Peeler Rankin Reese

Rice Sabb Scott

Senn Setzler Shealy

Sheheen Talley Timmons

Turner Verdin Williams

Young

**Total--43**

**NAYS**

**Total--0**

There being no further amendments, the following Resolution having been read the second time, was ordered placed on the Third Reading Calendar.

Senator GROOMS from the Committee on Transportation polled out S. 478 favorable:

S. 478 -- Senators Hutto, Jackson, Shealy and McElveen: A BILL TO AMEND SECTIONS 56‑5‑6410 AND 56‑5‑6420, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO THE REQUIREMENT THAT CERTAIN CHILDREN MUST BE SECURED IN A CHILD PASSENGER RESTRAINT SYSTEM WHILE TRAVELING IN A MOTOR VEHICLE, AND THE TRANSPORTATION OF CHILDREN IN A VEHICLE WITH AN INSUFFICIENT NUMBER OF CHILD RESTRAINT DEVICES, SO AS TO REVISE THE AGE, WEIGHT, AND POSITION OF A CHILD WHO MUST BE SECURED IN A CHILD PASSENGER RESTRAINT SYSTEM.

**Poll of the Transportation Committee**

**Polled 19; Ayes 18; Nays 0; Not Voting 1**

**AYES**

Grooms Leatherman Rankin

Verdin Campsen Peeler

Campsen Peeler Campbell

Bennett Hembree McElveen

Johnson Kimpson Sabb

*M.B. Matthews* Climer McLeod

**Total--18**

**NAYS**

**Total--0**

**NOT VOTING**

Malloy

**Total--1**

Ordered for consideration tomorrow.

Senator GROOMS from the Committee on Transportation polled out S. 479 favorable:

S. 479 -- Senator Hutto: A BILL TO AMEND SECTION 56‑1‑2080 OF THE 1976 CODE, RELATING TO QUALIFICATIONS FOR A COMMERCIAL DRIVER’S LICENSE, TO ESTABLISH THE INTRASTATE VISION WAIVER PROGRAM, TO PROVIDE THAT CERTAIN VISUALLY IMPAIRED INDIVIDUALS MAY OBTAIN A WAIVER FROM THE SIGHT REQUIREMENTS ASSOCIATED WITH A COMMERCIAL DRIVER’S LICENSE, AND TO PROVIDE FOR THE ELIGIBILITY REQUIREMENTS FOR THE WAIVER, THE CIRCUMSTANCES UNDER WHICH A WAIVER MAY BE GRANTED, AND THE PROCEDURES FOR OBTAINING A WAIVER.

**Poll of the Transportation Committee**

**Polled 17; Ayes 14; Nays 2; Not Voting 1**

**AYES**

Grooms Leatherman Rankin

Verdin Campsen Peeler

Campsen Bennett Hembree

McElveen Johnson Sabb

Climer McLeod

**Total--14**

**NAYS**

Kimpson *M.B. Matthews*

**Total--2**

**NOT VOTING**

Malloy

**Total--1**

Ordered for consideration tomorrow.

Senator GROOMS from the Committee on Transportation polled out H. 3289 favorable:

H. 3289 -- Reps. G.R. Smith and Knight: A BILL TO AMEND SECTION 56‑5‑1930, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO THE DISTANCE THAT MUST BE MAINTAINED BETWEEN VEHICLES TRAVELING ALONG A HIGHWAY, SO AS TO PROVIDE THAT THIS SECTION DOES NOT APPLY TO THE OPERATOR OF ANY NONLEADING VEHICLE TRAVELING IN A PROCESSION OF VEHICLES IF THE SPEED OF EACH VEHICLE IS AUTOMATICALLY COORDINATED.

**Poll of the Transportation Committee**

**Polled 17; Ayes 9; Nays 5; Abstain 3; Not Voting 3**

**AYES**

Grooms Verdin Campbell

Bennett Hembree Johnson

Sabb Climer McLeod

**Total--9**

**NAYS**

Rankin Campsen McElveen

Kimpson *M.B. Matthews*

**Total--5**

**NOT VOTING**

Leatherman Malloy Peeler

**Total--3**

Ordered for consideration tomorrow.

**Message from the House**

Columbia, S.C., April 5, 2017

Mr. President and Senators:

The House respectfully informs your Honorable Body that it concurs in the amendments proposed by the Senate to:

H. 3438 -- Reps. Henderson, G.M. Smith, Sandifer, Hiott, Loftis and Robinson‑Simpson: A BILL TO AMEND SECTION 39‑24‑20, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO DEFINITIONS IN THE DRUG PRODUCT SELECTION ACT, SO AS TO CHANGE THE DEFINITION OF “SUBSTITUTE” TO INCLUDE INTERCHANGEABLE BIOLOGICAL PRODUCTS; TO AMEND SECTION 39‑24‑30, RELATING TO THE SUBSTITUTION OF EQUIVALENT DRUGS, SO AS TO ALLOW A PHARMACIST TO SUBSTITUTE AN INTERCHANGEABLE BIOLOGICAL PRODUCT FOR A SPECIFIC BIOLOGICAL PRODUCT; TO AMEND SECTION 39‑24‑40, AS AMENDED, RELATING TO THE SUBSTITUTION OF PRESCRIPTIONS BY PHARMACISTS, SO AS TO ALLOW PHARMACISTS TO SUBSTITUTE INTERCHANGEABLE BIOLOGICAL PRODUCTS WHEN APPROPRIATE; TO AMEND SECTION 40‑43‑30, RELATING TO DEFINITIONS IN THE PHARMACY PRACTICE ACT, SO AS TO ADD DEFINITIONS FOR “BIOLOGICAL PRODUCT” AND “INTERCHANGEABLE”; AND TO AMEND SECTION 40‑43‑86, RELATING IN PART TO LABEL REQUIREMENTS FOR PRESCRIPTIONS, SO AS TO INCLUDE INTERCHANGEABLE BIOLOGICAL PRODUCTS AND LIMIT USE OF INTERCHANGEABLE BIOLOGICAL PRODUCTS NOT APPROVED BY THE FEDERAL FOOD AND DRUG ADMINISTRATION, TO REQUIRE PHARMACIES TO KEEP RECORDS OF DISPENSED BIOLOGICAL PRODUCTS, TO REQUIRE THE BOARD OF PHARMACY TO HAVE A DATABASE OF ALL APPROVED BIOLOGICAL PRODUCTS, AND TO MAKE CONFORMING CHANGES.

and has ordered the Bill enrolled for Ratification.

Very respectfully,

Speaker of the House

Received as information.

**Message from the House**

Columbia, S.C., April 5, 2017

Mr. President and Senators:

The House respectfully informs your Honorable Body that it concurs in the amendments proposed by the Senate to:

H. 3793 -- Reps. Crawford, Clemmons, Jordan, Johnson, Fry, Hardee, Bennett, Anderson, Alexander, Atkinson, Kirby, Crosby, Arrington, Sottile, McCoy, Daning, Duckworth, Hayes, Lowe, S. Rivers, Stavrinakis, Knight, Ryhal, Hewitt, Davis, Yow and Whipper: A BILL TO AMEND SECTION 59‑103‑15, AS AMENDED, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO THE MISSION AND GOALS OF INSTITUTIONS OF HIGHER LEARNING, SO AS TO AUTHORIZE CERTAIN DOCTORAL DEGREE PROGRAMS SO LONG AS STATE GENERAL FUNDS ARE NOT APPROPRIATED FOR THE OPERATIONS OF THE DEGREE PROGRAM.

and has ordered the Bill enrolled for Ratification.

Very respectfully,

Speaker of the House

Received as information.

**Message from the House**

Columbia, S.C., April 5, 2017

Mr. President and Senators:

The House respectfully informs your Honorable Body that it has overridden the veto by the Governor on R.6, S. 457 by a vote of 69 to 18:

(R6, S457) -- Senator Fanning: AN ACT 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.

Very respectfully,

Speaker of the House

Received as information.

**Message from the House**

Columbia, S.C., April 5, 2017

Mr. President and Senators:

The House respectfully informs your Honorable Body that it has adopted the Report of the Committee of Conference on:

H. 3726 -- Reps. Herbkersman, 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 FOUR 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 9-1-240, RELATING TO THE APPOINTMENT AND DUTIES OF THE ACTUARY, SO AS TO PROVIDE THAT THE STATE FISCAL ACCOUNTABILITY AUTHORITY SHALL APPROVE THE ACTUARY AND TO PROVIDE THAT THE RETIREMENT SYSTEM INVESTMENT COMMISSION IS A THIRD-PARTY BENEFICIARY OF THE CONTRACT WITH THE ACTUARY; 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 9-16-30, RELATING TO THE DELEGATION OF FUNCTIONS BY THE COMMISSION, AS AMENDED, SO AS TO PROVIDE THAT THE COMMISSION SHALL CAST CERTAIN SHAREHOLDER PROXY VOTES; TO AMEND SECTION 9‑16‑90, AS 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 A CHIEF EXECUTIVE OFFICER; 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 RETIREMENT SYSTEM, AND THE POLICE OFFICERS RETIREMENT SYSTEM.

Very respectfully,

Speaker of the House

Received as information.

**Appointments Reported**

Senator GROOMS from the Committee on Transportation submitted a favorable report on:

**Statewide Appointments**

Initial Appointment, South Carolina State Ports Authority, with the term to commence February 13, 2016, and to expire February 13, 2021

At-Large:

Kenneth R. Jackson, 218 Winding Oak Way, Blythewood, SC 29016 *VICE* Patrick W. McKinney

Received as information.

Initial Appointment, South Carolina State Ports Authority, with the term to commence February 13, 2017, and to expire February 13, 2022

At-Large:

William W. Jones, Jr., 910 May River Road, Bluffton, SC 29910 *VICE* Robert Michael Sisk

Received as information.

**HOUSE CONCURRENCES**

S. 614 -- Senators Malloy, Setzler, McLeod, Alexander, Allen, Bennett, Campbell, Campsen, Climer, Corbin, Cromer, Davis, Fanning, Gambrell, Goldfinch, Gregory, Grooms, Hembree, Hutto, Jackson, Johnson, Kimpson, Leatherman, Martin, Massey, J. Matthews, M.B. Matthews, McElveen, Nicholson, Peeler, Rankin, Reese, Rice, Sabb, Scott, Senn, Shealy, Sheheen, Talley, Timmons, Turner, Verdin, Williams and Young: A CONCURRENT RESOLUTION TO CONGRATULATE THE UNIVERSITY OF SOUTH CAROLINA WOMEN’S BASKETBALL TEAM ON WINNING THE 2017 NCAA WOMEN’S BASKETBALL NATIONAL CHAMPIONSHIP TITLE AND TO REQUEST THAT THE DEPARTMENT OF TRANSPORTATION ERECT APPROPRIATE MARKERS OR SIGNAGE IN THE STATE THAT CONTAIN THIS DESIGNATION.

Returned with concurrence.

Received as information.

S. 615 -- Senators Malloy, Setzler, McLeod, Alexander, Allen, Bennett, Campbell, Campsen, Climer, Corbin, Cromer, Davis, Fanning, Gambrell, Goldfinch, Gregory, Grooms, Hembree, Hutto, Jackson, Johnson, Kimpson, Leatherman, Martin, Massey, J. Matthews, M.B. Matthews, McElveen, Nicholson, Peeler, Rankin, Reese, Rice, Sabb, Scott, Senn, Shealy, Sheheen, Talley, Timmons, Turner, Verdin, Williams and Young: A CONCURRENT RESOLUTION TO CONGRATULATE THE UNIVERSITY OF SOUTH CAROLINA WOMEN’S AND MEN’S BASKETBALL TEAMS AND COACHES FOR AN OUTSTANDING SEASON, TO INVITE THE WOMEN’S AND MEN’S GAMECOCK BASKETBALL TEAMS AND UNIVERSITY OF SOUTH CAROLINA OFFICIALS TO JOIN THE GENERAL ASSEMBLY IN JOINT SESSION AT A DATE AND TIME SCHEDULED BY THE SPEAKER OF THE HOUSE OF REPRESENTATIVES AND THE PRESIDENT PRO TEMPORE OF THE SENATE, WHEREBY COACH DAWN STALEY IS INVITED TO ADDRESS THE JOINT SESSION, AND TO EXTEND THE PRIVILEGE OF THE FLOOR DURING THE JOINT SESSION.

Returned with concurrence.

Received as information.

**THE SENATE PROCEEDED TO A CALL OF THE UNCONTESTED LOCAL AND STATEWIDE CALENDAR.**

**READ THE SECOND TIME**

S. 199 -- Senators Bryant, Alexander, Shealy and Grooms: A BILL TO AMEND ARTICLE 21, CHAPTER 5, TITLE 56 OF THE 1976 CODE, RELATING TO REQUIRED STOPS FOR VEHICLES, BY ADDING A NEW SECTION, TO ALLOW THE DEPARTMENT OF PUBLIC SAFETY TO OBTAIN A CIVIL PENALTY CITATION AGAINST THE REGISTERED OWNER OF A VEHICLE VIOLATING SECTION 56-5-2770 AND TO PROVIDE A METHOD TO APPEAL THE CITATION.

The Senate proceeded to the consideration of the Bill.

Senator GROOMS explained the Bill.

The question then was second reading of the Bill.

The "ayes" and "nays" were demanded and taken, resulting as follows:

**Ayes 29; Nays 10**

**AYES**

Alexander Allen Bennett

Campbell Climer Fanning

Gambrell Goldfinch Grooms

Hembree Hutto Jackson

Johnson Kimpson Leatherman

Massey McElveen Nicholson

Peeler Rankin Reese

Rice Sabb Scott

Senn Shealy Turner

Verdin Young

**Total--29**

**NAYS**

Campsen Corbin Cromer

Davis Malloy Martin

*Matthews, Margie* McLeod Talley

Timmons

**Total--10**

The Bill was read the second time, passed and ordered to a third reading.

**COMMITTEE AMENDMENT TABLED**

**AMENDED, READ THE SECOND TIME**

S. 131 -- Senators McLeod, Hutto, Jackson, Kimpson, M.B. Matthews, Fanning, Shealy, Senn and Malloy: A BILL TO AMEND SECTION 16‑17‑420, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO OFFENSES INVOLVING DISTURBING SCHOOLS, SO AS TO RESTRUCTURE THE OFFENSES TO PROVIDE A DELINEATED LIST OF THOSE ACTIONS WHICH INVOLVE DISTURBING SCHOOLS, TO REVISE THE PENALTY FOR A VIOLATION OF A DISTURBING SCHOOLS OFFENSE, AND TO PROVIDE AN EXCEPTION FOR SCHOOL‑SPONSORED ATHLETIC EVENTS.

The Senate proceeded to a consideration of the Bill.

The Committee on Judiciary proposed the following amendment (JUD0131.004), which was tabled:

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

/ SECTION 1. Section 16‑17‑420 of the 1976 Code is amended to read:

“Section 16‑17‑420. (A) It ~~shall be~~ is unlawful~~:~~

~~(1)~~ ~~for any person wilfully or unnecessarily (a) to interfere with or to disturb in any way or in any place the students or teachers of any school or college in this State, (b) to loiter about such school or college premises or (c) to act in an obnoxious manner thereon; or~~

~~(2)~~ ~~for any person to (a) enter upon any such school or college premises or (b) loiter around the premises, except on business, without the permission of the principal or president in charge.~~ for a person who is not a student to wilfully interfere with, disrupt, or disturb the normal operations of a school or college in this State by:

(1) entering upon school or college grounds or property without the permission of the principal or president in charge;

(2) loitering upon or about school or college grounds or property, after notice is given to vacate the grounds or property and after having reasonable opportunity to vacate;

(3) initiating a physical assault on, or fighting with, another person on school or college grounds or property;

(4) being loud or boisterous on school or college grounds or property after instruction by school or college personnel to refrain from the conduct;

(5) threatening physical harm to a student or a school or college employee while on school or college grounds or property; or

(6) threatening the use of deadly force on school or college property or involving school or college grounds or property when the person has the present ability, or is reasonably believed to have the present ability, to carry out the threat.

(B) For the purpose of this subsection, ‘person who is not a student’ means a person who:

(1) is not enrolled in the school or college that the person interferes with, disrupts, or disturbs as described by subsection (A); or

(2) is suspended from or expelled from the school or college, has left school property, and returns while under suspension or expulsion to the school or college and causes the interference, disruption, or disturbance as described by subsection (A).

~~(B)~~(C) Any person ~~violating any of the provisions~~ who violates a provision of this ~~section shall be~~ section is guilty of a misdemeanor and, ~~on~~ upon conviction ~~thereof, shall pay a fine of~~, must be fined not more than ~~one~~ two thousand dollars or ~~be~~ imprisoned ~~in the county jail~~ for not more than ~~ninety days~~ one year, or both.

~~(C)~~ ~~The summary courts are vested with jurisdiction to hear and dispose of cases involving a violation of this section. If the person is a child as defined by Section 63-19-20, jurisdiction must remain vested in the Family Court.~~”

SECTION 2. Article 7, Chapter 17, Title 16 of the 1976 Code is amended by adding:

“Section 16-17-425. (A) It is unlawful for a student of a school or college in this State to refuse or fail to leave school or college grounds or property after that student has received notice by a school or college administrator that the student has been suspended from school. The notice may be given verbally or in writing. The suspended student shall not be charged with a violation of this section if the student complies with a directive to report to the school administrative offices, or to another office or area designated by the school personnel, and cooperates with school personnel to arrange for transportation from the school. Where practicable, school administrators should comply with this subsection before calling for law enforcement intervention.

(B) For the purpose of this section ‘student’ means a person who is enrolled in the school or college where the refusal or failure to leave occurs. This definition does not include a person who has left school property due to a previous suspension or expulsion and returns without permission during the term of his suspension or expulsion.

(C) A person who violates a provision of this section is guilty of a misdemeanor and, upon conviction, must be fined not more than one hundred dollars, or imprisoned for not more than 30 days, or both.

(D) Nothing in this section, including requests or demands by school personnel, shall limit or impair the authority of the law enforcement officer to make the determination of whether or not the actions of the student constitute sufficient probable cause for an arrest.

(E) The provisions of this section do not apply to school‑sponsored athletic events.”

SECTION 3. 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 4. This act takes effect upon approval by the Governor. /

Renumber sections to conform.

Amend title to conform.

Senator HUTTO explained the committee amendment.

The amendment was tabled.

Senator MARTIN proposed the following amendment (131R001.DR.SRM), which was adopted:

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

/TO AMEND SECTION 16‑17‑420, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO OFFENSES INVOLVING DISTURBING SCHOOLS, SO AS TO RESTRUCTURE THE OFFENSES TO PROVIDE A DELINEATED LIST OF THOSE ACTIONS WHICH INVOLVE DISTURBING SCHOOLS, TO REVISE THE PENALTY FOR A VIOLATION OF A DISTURBING SCHOOLS OFFENSE, AND TO PROVIDE AN EXCEPTION FOR SCHOOL‑SPONSORED ATHLETIC EVENTS.

Whereas recent reports indicate there has been an increase in the number of South Carolina students arrested for disturbing schools; and

Whereas it is in the best interest of all South Carolinians that all students be given every opportunity to succeed in South Carolina’s school systems. Now, therefore,

Be it resolved that educators and school administrators throughout the State are urged to exhaust all avenues of behavioral discipline in accordance with the school’s code of conduct prior to requesting the involvement of law enforcement officials. Similarly, law enforcement officials are urged to seek the normal standards of proof when enforcing the criminal laws of this State on school grounds. Law enforcement officials should also maintain and apply officer discretion when enforcing the criminal laws of this State on school grounds.

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

SECTION 1. Section 16‑17‑420 of the 1976 Code is amended to read:

“Section 16‑17‑420. (A) It ~~shall be~~ is unlawful~~:~~

~~(1)~~ ~~for any person wilfully or unnecessarily (a) to interfere with or to disturb in any way or in any place the students or teachers of any school or college in this State, (b) to loiter about such school or college premises or (c) to act in an obnoxious manner thereon; or~~

~~(2)~~ ~~for any person to (a) enter upon any such school or college premises or (b) loiter around the premises, except on business, without the permission of the principal or president in charge.~~ for a person who is not a student to wilfully interfere with, disrupt, or disturb the normal operations of a school or college in this State by:

(1) entering upon school or college grounds or property without the permission of the principal or president in charge;

(2) loitering upon or about school or college grounds or property, after notice is given to vacate the grounds or property and after having reasonable opportunity to vacate;

(3) initiating a physical assault on, or fighting with, another person on school or college grounds or property;

(4) being loud or boisterous on school or college grounds or property after instruction by school or college personnel to refrain from the conduct;

(5) threatening physical harm to a student or a school or college employee while on school or college grounds or property; or

(6) threatening the use of deadly force on school or college property or involving school or college grounds or property when the person has the present ability, or is reasonably believed to have the present ability, to carry out the threat.

(B) For the purpose of this subsection, ‘person who is not a student’ means a person who is not enrolled in, or who is suspended or expelled from, the school or college that the person interferes with, disrupts, or disturbs at the time the interference, disruption, or disturbance occurs.

~~(B)~~(C) Any person ~~violating any of the provisions~~ who violates a provision of this ~~section shall be~~ section is guilty of a misdemeanor and, ~~on~~ upon conviction ~~thereof, shall pay a fine of~~, must be fined not more than ~~one~~ two thousand dollars or ~~be~~ imprisoned ~~in the county jail~~ for not more than ~~ninety days~~ one year, or both.

~~(C)~~ ~~The summary courts are vested with jurisdiction to hear and dispose of cases involving a violation of this section. If the person is a child as defined by Section 63-19-20, jurisdiction must remain vested in the Family Court.~~”

SECTION 2. Article 7, Chapter 17, Title 16 of the 1976 Code is amended by adding:

“Section 16-17-425. (A) It is unlawful for a student of a school or college in this State to make threats to take the life of or to inflict bodily harm upon another by using any form of communication whatsoever.

(B) Nothing contained in this section may be construed to repeal, replace, or preclude application of any other criminal statute.”

SECTION 3. 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 4. This act takes effect upon approval by the Governor. /

Renumber sections to conform.

Amend title to conform.

The amendment was adopted.

The question then was second reading of the Bill.

The "ayes" and "nays" were demanded and taken, resulting as follows:

**Ayes 33; Nays 8**

**AYES**

Alexander Allen Campbell

Campsen Corbin Fanning

Gambrell Goldfinch Gregory

Grooms Hutto Jackson

Johnson Kimpson Leatherman

Malloy Martin Massey

*Matthews, Margie* McElveen McLeod

Nicholson Rankin Reese

Rice Sabb Scott

Senn Setzler Shealy

Talley Timmons Turner

**Total--33**

**NAYS**

Bennett Climer Cromer

Davis Hembree Peeler

Verdin Young

**Total--8**

There being no further amendments, the following Bill having been read the second time, was ordered placed on the Third Reading Calendar.

**READ THE SECOND TIME**

S. 415 -- Senators Malloy and Campsen: A BILL TO AMEND THE CODE OF LAWS OF SOUTH CAROLINA, 1976, BY ADDING SECTION 62‑1‑112 SO AS TO CLARIFY THE PROBATE COURT’S AUTHORITY TO IMPOSE PENALTIES FOR CONTEMPT AND TO GRANT A MOTION FOR A PARTY TO PROCEED IN FORMA PAUPERIS; TO AMEND SECTION 8‑21‑800, RELATING TO RELIEF FROM FILING FEES, COURT COSTS, AND PROBATE COSTS, SO AS TO CLARIFY THAT THE PROBATE JUDGE MAY WAIVE FILING FEES FOR INDIGENT PERSONS IN THE SAME MANNER AS OTHER CIVIL CASES; TO AMEND SECTION 62‑1‑302, AS AMENDED, RELATING TO SUBJECT MATTER JURISDICTION AND CONCURRENT JURISDICTION WITH FAMILY COURT, SO AS TO CLARIFY THE COURT’S JURISDICTION IN MATTERS INVOLVING THE ESTABLISHMENT, ADMINISTRATION, OR TERMINATION OF A SPECIAL NEEDS TRUST FOR DISABLED INDIVIDUALS AND TO REVISE OUTDATED TERMINOLOGY; TO AMEND SECTION 62‑1‑401, AS AMENDED, RELATING TO NOTICE, SO AS TO AUTHORIZE NOTICE TO BE MADE BY A QUALIFYING COMMERCIAL DELIVERY SERVICE AND IS SIMILAR TO NOTICE BY REGISTERED MAIL OR CERTIFIED MAIL; TO STRIKE PARTS 1, 2, 3, 4, AND 7, ARTICLE 5, TITLE 62, AND TO ADD NEW AND REVISED PROVISIONS RELATING TO THE PROTECTION OF PERSONS UNDER DISABILITY AND THEIR PROPERTY, SO AS TO PROMOTE UNIFORMITY AMONG THE STATE’S FORTY‑SIX PROBATE COURTS, TO SAFEGUARD ADEQUATE DUE PROCESS PROTECTIONS FOR THE STATE’S ALLEGED INCAPACITATED INDIVIDUALS, TO ELIMINATE OVER RELIANCE UPON RESTRICTIVE FULL OR PLENARY GUARDIANSHIPS, TO REDUCE THE COSTS OF PROCEEDINGS, TO ESTABLISH CONSISTENCY BETWEEN GUARDIANSHIP AND CONSERVATORSHIP PROCEEDINGS, AND TO CREATE AN ADEQUATE SYSTEM FOR MONITORING GUARDIANS AND CONSERVATORS.

The Senate proceeded to a consideration of the Bill.

Senator GROOMS explained the Bill.

The question then was second reading of the Bill.

The "ayes" and "nays" were demanded and taken, resulting as follows:

**Ayes 41; Nays 0**

**AYES**

Alexander Allen Bennett

Campbell Campsen Climer

Corbin Cromer Davis

Fanning Gambrell Goldfinch

Gregory Grooms Hembree

Hutto Jackson Johnson

Kimpson Leatherman Malloy

Martin Massey *Matthews, Margie*

McElveen McLeod Nicholson

Peeler Rankin Reese

Rice Sabb Scott

Senn Setzler Shealy

Talley Timmons Turner

Verdin Young

**Total--41**

**NAYS**

**Total--0**

The Bill was read the second time, passed and ordered to a third reading.

**READ THE SECOND TIME**

S. 480 -- Senator Hutto: A BILL TO AMEND SECTION 59-53-630 OF THE 1976 CODE, RELATING TO THE POWERS AND FUNDING FOR DENMARK TECHNICAL COLLEGE, TO PROVIDE THAT THE GOVERNING BODY FOR DENMARK TECHNICAL COLLEGE IS THE STATE BOARD FOR TECHNICAL AND COMPREHENSIVE EDUCATION, AND TO REQUIRE THE STATE BOARD FOR TECHNICAL AND COMPREHENSIVE EDUCATION TO COMMISSION A STUDY INTO THE MOST EFFECTIVE, EFFICIENT DELIVERY OF TECHNICAL COLLEGE EDUCATION OPPORTUNITIES IN CERTAIN COUNTIES; AND TO REPEAL SECTIONS 59-53-610, 59-53-620, AND 59-53-640.

The Senate proceeded to a consideration of the Bill.

Senator GROOMS explained the Bill.

The question then was second reading of the Bill.

The Bill was read the second time, passed and ordered to a third reading.

**Motion Under Rule 26B**

Senator MALLOY asked unanimous consent to make a motion to take up further amendments pursuant to the provisions of Rule 26B.

There was no objection.

**COMMITTEE AMENDMENT ADOPTED**

**READ THE SECOND TIME**

S. 367 -- Senator Alexander: A BILL TO AMEND SECTION 50‑21‑870(B)(6) OF THE 1976 CODE, RELATING TO PROVISIONS THAT REGULATE THE OPERATION OF VARIOUS TYPES OF WATERCRAFT, TO INCREASE THE DISTANCE BETWEEN A WATERCRAFT AND ANOTHER OBJECT NEAR WHICH A WATERCRAFT MAY BE OPERATED IN EXCESS OF IDLE SPEED, AND TO PROVIDE THAT CERTAIN WATERCRAFT MAY NOT BE OPERATED UPON THE INTRACOASTAL WATERWAY IN EXCESS OF IDLE SPEED WITHIN FIFTY FEET OF CERTAIN OBJECTS.

The Senate proceeded to a consideration of the Bill.

The Committee on Fish, Game and Forestry proposed the following amendment (367R002.DR.GEC), which was adopted:

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

/ SECTION 1. Section 50‑21‑870(B) of the 1976 Code is amended to read:

“(B) No person may:

(1)(a) operate, be in possession of, or give permission to operate a personal watercraft or specialty propcraft while upon the waters of this State unless each person aboard the personal watercraft or specialty propcraft is wearing a United States Coast Guard approved personal flotation device, Type I, Type II, Type III, or Type V;

(b) operate, be in possession of, or give permission to operate a Class ‘A’ motor boat while upon the waters of this State unless each person under the age of twelve aboard the Class ‘A’ motor boat is wearing a United States Coast Guard approved personal flotation device, Type I, Type II, Type III, or Type V;

Each personal flotation device must be fastened properly, in good and serviceable condition, and the proper size for the person wearing it;

(2) operate or be in possession of a personal watercraft or specialty propcraft while upon the waters of this State after sunset or before sunrise;

(3) operate or be in possession of a personal watercraft or specialty propcraft while upon the waters of this State unless it is equipped with a self‑circling device or a lanyard‑type engine cutoff switch;

(4) operate or be in possession of while upon the waters of this State a personal watercraft or specialty propcraft which has been equipped by the manufacturer with a lanyard‑type engine cutoff switch unless the lanyard and the switch are operational and unless the lanyard is attached to the operator, the operator's clothing, or a personal flotation device worn by the operator;

(5) operate or be in possession of while upon the waters of this State a personal watercraft or specialty propcraft which has been equipped by the manufacturer with a self‑circling device if the self‑circling device or the engine throttle has been altered in a way that would prohibit the self‑circling device from operating in its intended manner;

(6) operate a personal watercraft, specialty propcraft, or vessel while upon the waters of ~~this State~~ Lake Greenwood, Lake Hartwell, Lake Jocassee, Lake Keowee, Lake Marion, Lake Monticello, Lake Moultrie, Lake Murray, Lake Robinson, Lake Russell, Lake Secession, Lake Thurmond, Lake Wateree, Lake Wylie, Fishing Creek Reservoir, or Parr Reservoir in excess of idle speed within ~~50~~ one hundred feet of a moored or an anchored vessel, wharf, dock, bulkhead, pier, or a person in the water~~, or within 100 yards of the Atlantic Ocean coast line~~. The prohibitions contained in this item ~~(6)~~ do not apply to an unoccupied, moored vessel or watercraft;

(7) operate a personal watercraft, specialty propcraft, or vessel while upon all other waters of this State in excess of idle speed within fifty feet of a moored or anchored vessel, wharf, dock, bulkhead, pier, or person in the water or within one hundred yards of the Atlantic Ocean coastline. The prohibitions contained in this item do not apply to an unoccupied, moored vessel or watercraft;

~~(7)~~(8) chase, harass, molest, worry, or disturb wildlife with a personal watercraft, specialty propcraft, or vessel except while lawfully angling for, hunting, or trapping wildlife;

~~(8)~~(9) tow a water skier or a person on a floating device with a personal watercraft or specialty propcraft unless the watercraft is equipped with a wide‑angled mirror which permits the operator to observe the person being towed or carrying a person other than the operator who is in position to observe the person being towed. No person may tow a water skier or a floating device unless the person being towed is wearing a personal flotation device as provided in item (1). A personal watercraft or specialty propcraft may be used to tow another vessel when rendering assistance;

~~(9)~~(10)(a) operate a personal watercraft, specialty propcraft, or vessel if he is younger than sixteen years of age, unless accompanied by an adult, eighteen years or older, who is not under the influence of alcohol, drugs, or a combination of them. However, a person younger than sixteen years of age may operate a personal watercraft, specialty propcraft, or vessel without being accompanied by an adult if one or more of the following applies:

(i) the person completes a boating safety program as administered by the Department of Natural Resources; or

(ii) the person completes a boating safety program approved by the Department of Natural Resources;

(iii) anyone operating a vessel with less than fifteen horsepower engine will not be required to take the boating safety program.

(b) It is unlawful for a person who has temporary or permanent responsibility for a child to knowingly or wilfully violate item (9) of subsection (B).

(c) The Department of Natural Resources shall promulgate regulations relating to boating safety programs administered by the department or subject to its approval.”

SECTION 2. This act takes effect upon approval by the Governor. /

Renumber sections to conform.

Amend title to conform.

Senator CAMPSEN explained the committee amendment.

The amendment was adopted.

There being no further amendments, the Bill was read the second time, passed and ordered to a third reading.

**Motion Under Rule 26B**

Senator MARTIN asked unanimous consent to make a motion to take up further amendments pursuant to the provisions of Rule 26B.

There was no objection.

**COMMITTEE AMENDMENT ADOPTED**

**AMENDED, READ THE SECOND TIME**

H. 3721 -- Ways and Means Committee: A JOINT RESOLUTION TO APPROPRIATE MONIES FROM THE CAPITAL RESERVE FUND FOR FISCAL YEAR 2016‑2017, AND TO ALLOW UNEXPENDED FUNDS APPROPRIATED TO BE CARRIED FORWARD TO SUCCEEDING FISCAL YEARS AND EXPENDED FOR THE SAME PURPOSES.

The Senate proceeded to a consideration of the Resolution.

The Committee on Finance proposed the following amendment (DG\3721C001.BBM.DG17), which was adopted:

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

/ SECTION 1. In accordance with the provisions of Section 36(B)(2) and (3), Article III, Constitution of South Carolina, 1895, and Section 11‑11‑320(C) and (D) of the 1976 Code, there is appropriated from the monies available in the Capital Reserve Fund for Fiscal Year 2016‑2017 the following amounts:

(1) E240 ‑ Office of Adjutant General

Emergency Management Division

Hurricane Matthew FEMA Match $75,272,282

(2) E240 ‑ Office of Adjutant General

Emergency Management Division

Pinnacle Mountain Fire FEMA Match $1,250,000

(3) H590 ‑ State Board for Technical and

Comprehensive Education

readySC $9,255,891

(4) L040 ‑ Department of Social Services

Child Support System $24,500,000

(5) R400 ‑ Department of Motor Vehicles

Real ID $6,727,718

(6) J040 ‑ Department of Health and

Environmental Control

Dam Safety Program $4,893,750

(7) J020 ‑ Department of Health and

Human Services

Medicaid Management

Information System $8,832,619

(8) L040 ‑ Department of Social Services

Criminal Domestic Violence ‑ SCCADVASA $500,000

(9) P280 ‑ Department of Parks, Recreation

and Tourism Palmetto Trail $300,000

(10) D100 ‑ State Law Enforcement Division

Counter Terrorism and Arson Equipment $165,529

(11) D100 ‑ State Law Enforcement Division

Alcohol Enforcement and Narcotics Equipment $235,000

(12) N200 ‑ Law Enforcement Training Council

Criminal Justice Academy

Lead Remediation $175,000

(13) H240 ‑ South Carolina State University

Technology Upgrades $350,000

(14) L240 ‑ Commission for the Blind

Software Customization‑

Case Management System $100,000

(15) P120 ‑Forestry Commission

Firefighter Safety and Public

Protection Equipment $1,000,000

(16) P160 ‑ Department of Agriculture

Consumer Protection and

Safety Equipment $650,000

(17) P400 ‑ S. C. Conservation Bank

Conservation Bank Trust $5,000,000

$139,207,789

SECTION 2. The funds appropriated to the Office of Adjutant General, Emergency Management Division in item (1) for Hurricane Matthew FEMA Match and in item (2) for Pinnacle Mountain Fire FEMA Match shall be utilized to provide the state cost share of the FEMA matching funds.

SECTION 3. The funds appropriated to the Department of Social Services in item (8) for Criminal Domestic Violence ‑ SCCADVASA shall be distributed equitably between member organizations to provide additional residential shelter for victims of Criminal Domestic Violence in Fiscal Year 2017‑18.

SECTION 4. The Comptroller General shall post the appropriations contained in this joint resolution as provided in Section 11‑11‑320(D) of the 1976 Code. Unexpended funds appropriated pursuant to this joint resolution may be carried forward to succeeding fiscal years and expended for the same purposes.

SECTION 5. This joint resolution takes effect thirty days after the completion of the 2016‑2017 Fiscal Year in accordance with the provisions of Section 36(B)(3)(a), Article III, Constitution of South Carolina, 1895, and Section 11‑11‑320(D)(1) of the 1976 Code. /

Renumber sections to conform.

Amend title to conform.

Senator LEATHERMAN explained the committee amendment.

The committee amendment was adopted.

**Amendment No. 1A**

Senators YOUNG, HEMBREE, HUTTO, BENNETT and SABB proposed the following amendment (DG\3721C004.BBM.DG17), which was adopted:

Amend the joint resolution, as and if amended, SECTION 1, by striking item (1) and inserting:

/ (1) E240 ‑ Office of Adjutant General

Emergency Management Division

Hurricane Matthew FEMA Match $ 68,000,000 /

Amend the joint resolution further, SECTION 1, by adding an appropriately numbered item at the end to read:

/ ( ) E240 ‑ Office of Adjutant General

2014 Winter Storm Local Matching Funds $ 7,272,282 /

Amend the joint resolution further, by striking SECTION 2 and inserting:

/ SECTION 2. (A) The funds appropriated to the Office of Adjutant General, Emergency Management Division in item (1) for Hurricane Matthew FEMA Match shall be utilized to provide the state cost share of the FEMA matching funds. It is the intent of the General Assembly that the amount allocated to each eligible local government be 90% of their Total Non-Federal Aid Share.

(B) The funds appropriated to the Office of Adjutant General, Emergency Management Division in item (2) for Pinnacle Mountain Fire FEMA Match shall be utilized to provide the state cost share of the FEMA matching funds.

(C) The funds appropriated to the Office of Adjutant General in item ( ) for 2014 Winter Storm Local Matching Funds, shall be disbursed to eligible counties and municipalities to offset storm cleanup expenses associated with the 2014 Winter Storm during states of emergency declared by Executive Orders 2014‑06 and 2014‑11. A county or municipality is eligible for disbursement if the county or municipality was eligible for reimbursement by the Federal Emergency Management Agency (FEMA), but was not reimbursed due to local match requirements. /

Renumber sections to conform.

Amend title to conform.

Senator HUTTO explained the amendment.

The amendment was adopted.

**Recorded Vote**

Senators CAMPSEN and SENN desired to be recorded as voting against the adoption of the amendment.

The question then was second reading of the Resolution.

The "ayes" and "nays" were demanded and taken, resulting as follows:

**Ayes 42; Nays 1**

**AYES**

Alexander Allen Bennett

Campbell Campsen Climer

Corbin Cromer Davis

Fanning Gambrell Goldfinch

Gregory Grooms Hembree

Hutto Jackson Johnson

Kimpson Leatherman Malloy

Martin *Matthews, Margie* McElveen

McLeod Nicholson Peeler

Rankin Reese Rice

Sabb Scott Senn

Setzler Shealy Sheheen

Talley Timmons Turner

Verdin Williams Young

**Total--42**

**NAYS**

Massey

**Total--1**

There being no further amendments, the Resolution was read the second time, passed and ordered to a third reading.

**AMENDMENT PROPOSED, OBJECTION**

S. 83 -- Senator Hembree: A BILL TO AMEND SECTION 16-3-60 OF THE 1976 CODE, RELATING TO INVOLUNTARY MANSLAUGHTER, TO INCLUDE WITHIN THE DEFINITION OF INVOLUNTARY MANSLAUGHTER THE SALE OR DELIVERY OF CONTROLLED SUBSTANCES, THEIR ANALOGUES, OR OTHER UNLAWFUL SUBSTANCES THAT CAUSE THE DEATH OF THE USER WHEN INGESTED, AND TO PROVIDE THAT A PERSON CONVICTED OF INVOLUNTARY MANSLAUGHTER MUST BE IMPRISONED NOT MORE THAN FIFTEEN YEARS.

The Senate proceeded to the consideration of the Bill.

Senator MALLOY proposed the following amendment (83R002.SP.GM):

Amend the bill, as and if amended, page 1, by striking SECTION 1 in its entirety and inserting:

/ SECTION 1. Section 16‑3‑60 of the 1976 Code is amended to read:

“Section 16-3-60. ~~With regard to the crime of involuntary manslaughter, criminal negligence is defined as the reckless disregard of the safety of others. A person charged with the crime of involuntary manslaughter may be convicted only upon a showing of criminal negligence as defined in this section. A person convicted of involuntary manslaughter must be imprisoned not more than five years.~~ (A) Involuntary manslaughter is the death of a person caused by the criminal negligence of another or the reckless disregard of the safety of others. Involuntary manslaughter may include:

(1) the unlawful sale or delivery of a controlled substance, controlled substance analogue, or other unlawful substance when the ingestion of such a substance caused the death of the user; and

(2) the ownership of a firearm that is used by a person when the use results in suicide.

(B) A person convicted of involuntary manslaughter must be imprisoned not more than five years.” /

Renumber sections to conform.

Amend title to conform.

Senator MALLOY explained the amendment.

Senator HEMBREE objected to further consideration of the Bill.

**OBJECTION**

S. 92 -- Senators Gregory, Bennett, Fanning and Shealy: A BILL TO AMEND SECTION 20-3-130(C), CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO THE AWARD OF ALIMONY AND OTHER ALLOWANCES, SO AS TO PROVIDE THAT CERTAIN EARNINGS OF A SUBSEQUENT SPOUSE ARE NOT TO BE CONSIDERED BY THE COURT WHEN MAKING, MODIFYING, OR TERMINATING THE AWARD OF ALIMONY.

Senator MALLOY objected to consideration of the Bill.

**THE SENATE PROCEEDED TO A CONSIDERATION OF REPORTS OF COMMITTEES OF CONFERENCE AND FREE CONFERENCE.**

**H. 3726--REPORT OF THE**

**COMMITTEE OF CONFERENCE ADOPTED**

H. 3726 -- Reps. Herbkersman, 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 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 RETIREMENT SYSTEM, AND THE POLICE OFFICERS RETIREMENT SYSTEM.

On motion of Senator SHEHEEN, with unanimous consent, the Report of the Committee of Conference was taken up for immediate consideration.

Senator SHEHEEN spoke on the report.

Senator GAMBRELL spoke on the report.

Senator BENNETT spoke on the report.

Senator DAVIS spoke on the report.

The question then was adoption of the Report of Committee of Conference.

The "ayes" and "nays" were demanded and taken, resulting as follows:

**Ayes 33; Nays 7**

**AYES**

Alexander Allen Bennett

Campbell Cromer Fanning

Gambrell Goldfinch Gregory

Grooms Hembree Hutto

Jackson Johnson Kimpson

Leatherman Malloy Martin

*Matthews, Margie* McElveen McLeod

Rankin Reese Sabb

Scott Senn Setzler

Shealy Sheheen Talley

Timmons Turner Verdin

**Total--33**

**NAYS**

Campsen Climer Corbin

Davis Peeler Rice

Young

**Total--7**

**Statement by Senators DAVIS and CAMPSEN**

We voted against H. 3726, commonly referred to as the “Pension-Reform Bill,” for two reasons.

First, the “fix” to the pension’s unfunded liability in this Bill is to increase the state’s taxpayers’ contributions to the public employees’ pension fund from 11.56 percent of aggregate employee salary to 18.56 percent, said increase to be implemented in increments of over a period of six years, with a two-percent increase in the first year and one percent in each of the subsequent five years.  Each percentage-point increase represents an additional $118 million of taxpayers’ money that is taken from the general fund and put into state employees’ pension; in other words, at the end of the six-year phase-in, $826 million additional dollars will be taken out of the general fund on an annual basis, a recurring expense that is projected to last until 2044.

By contrast, the Bill provides for an increase in the public employees’ contributions to their own pension which is only 0.34%, or $40 million. I do not think it’s equitable to increase the taxpayers’ annual contribution to the pension by $826 million while requiring public employees to pay only an additional $40 million into their own retirement plan.  The Heartland Institute studied pension plans in the 50 states and in Washington DC and concluded, in part, that: “It seems that a fair rule of thumb would be that government workers should contribute at least as much toward their retirement as taxpayers.  Roughly half of all pension plans require taxpayers to contribute more than employees.  This is unfair and needs to be changed.  Employees should pay, at minimum, half the cost of their own pensions.”

This Bill results in the state’s taxpayers paying more than double into the pension fund than employees do (i.e., 18.56 percent vs. 9.00 percent).   This is unfair.

Second, the Bill fails to mandate that newly hired public employees be placed in a defined-contribution plan as opposed to a defined-benefit plan.  In recent years, at least 15 other states have shifted at least one of their state pension systems to a mandatory defined-contribution plan.  As noted by the Reason Foundation, this trend tracks what has happened in the private sector: “Over the past several decades, the private sector has rapidly shifted away from defined-benefit plans toward defined-contribution plan for good reason -- traditional plans are expensive, unpredictable and unsustainable in the long run.  Defined-benefit plans put virtually no risk on the workers or retirees, because taxpayers must make up any funding shortfalls.”

We are told that another Bill to be filed at some later date will address this critical reform.  If past is prelude, however, any subsequent legislative effort to require newly hired public employees to participate in a defined-contribution plan is doomed to fail.  Public employees are a powerful constituency whose interests are vigorously protected by many legislators.  The time to get this “DC” reform enacted was now, that is, as part of H. 3726.  That Bill contains something that public employees very much want -- a bailout of their pension financed by the state’s taxpayers.  Now that public employees have gotten what they want, with the passage of H. 3726, there will be little to no political will to enact subsequent “DC” reforms.  I hope that I am wrong in this assessment, but fear I am not. For these reasons we voted “no” on passage of H. 3726.

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The Committee of Conference Committee was adopted as follows:

**H. 3726 -- Conference Report**

The General Assembly, Columbia, S.C., April 4, 2017

The COMMITTEE OF CONFERENCE, to whom was referred:

H. 3726 -- Reps. Herbkersman, 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 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 RETIREMENT SYSTEM, AND THE POLICE OFFICERS RETIREMENT SYSTEM.

Beg leave to report that they have duly and carefully considered the same and recommend:

That the same do pass with the following amendments: Amend the bill, as and if amended, by striking all after the enacting words and inserting:

/ Part I

Funding of the Retirement System

SECTION 1. Section 9‑1‑1085 of the 1976 Code, as added by Act 278 of 2012, is amended to read:

“Section 9‑1‑1085. (A) As provided in Sections 9‑1‑1020 and 9‑1‑1050, the employer and employee contribution rates for the system beginning in Fiscal Year ~~2012‑2013~~ 2017‑2018, expressed as a percentage of earnable compensation, are as follows:

Fiscal Year Employer Contribution Employee Contribution

~~2012‑2013~~ ~~10.60~~ ~~7.00~~

~~2013‑2014~~ ~~10.60~~ ~~7.50~~

~~2014‑2015 and after~~ ~~10.90~~ ~~8.00~~

2017‑2018 13.56 9.00

2018‑2019 14.56 9.00

2019‑2020 15.56 9.00

2020‑2021 16.56 9.00

2021‑2022 17.56 9.00

2022‑2023 18.56 9.00

2023‑2024 18.56 9.00

2024‑2025 18.56 9.00

2025‑2026 18.56 9.00

2026‑2027 and after 18.56 9.00

The employer contribution rate set out in this schedule includes contributions for participation in the incidental death benefit plan provided in Sections 9‑1‑1770 and 9‑1‑1775. The employer contribution rate for employers that do not participate in the incidental death benefit plan must be adjusted accordingly.

(B) After June 30, ~~2015~~ 2027, the board may increase the percentage rate in employer ~~and employee~~ contributions for the system on the basis of the actuarial valuation~~, but any such increase may not result in a differential between the employee and employer contribution rate for the system that exceeds 2.9 percent of earnable compensation~~. An increase in the employer contribution rate adopted by the board pursuant to this section may not provide for an increase in an amount of more than one‑half of one percent of earnable compensation in any one year.

(C)(1) The unfunded actuarial accrued liability (UAAL) of the system as determined by the annual actuarial valuation must be amortized over a funding period that does not exceed the following schedule:

Fiscal Year Funding Period

2017‑2018 30 years

2018‑2019 29 years

2019‑2020 28 years

2020‑2021 27 years

2021‑2022 26 years

2022‑2023 25 years

2023‑2024 24 years

2024‑2025 23 years

2025‑2026 22 years

2026‑2027 21 years

2027‑2028 and after 20 years

(2) If the scheduled employer and employee contributions provided in subsection (A), or the rates last adopted by the board pursuant to subsection (B), are insufficient to ~~maintain a thirty year~~ ~~amortization schedule for the unfunded liabilities of the system~~ meet the funding period set forth in item (1) for the applicable year, then the board shall increase the employer contribution rate ~~as provided in subsection (A) or as last adopted by the board~~ ~~in equal percentage amounts for employer and employee contributions~~ as necessary to ~~maintain an amortization schedule of no more than thirty years~~ meet the funding period set forth in item (1). Such adjustments may be made without regard to the annual limit increase of one‑half of one percent of earnable compensation provided pursuant to subsection (B)~~, but the differential in the employer and employee contribution rates provided in subsection (A) or subsection (B), as applicable, of this section must be maintained at the rate provided in the schedule for the applicable fiscal year~~. Participating employers must be notified of any contribution rate increase required by this item by July first of the fiscal year preceding the fiscal year in which the increase takes effect.

(D)(1) After June 30, ~~2015~~ 2027, if the most recent annual actuarial valuation of the system shows a ratio of the actuarial value of system assets to the actuarial accrued liability of the system (the funded ratio) that is equal to or greater than ~~ninety~~ eighty‑five percent, then the board, effective on the following July first, may decrease the then current employer and employee contribution rates in equal amounts upon making a finding that the decrease will not result in a funded ratio of less than ~~ninety~~ eighty‑five percent. However, the employee contribution rate may not be less than one-half of the normal cost for the system and any contribution reduction allowed by this item after the employee contribution rate equals one-half of the normal cost must be a reduction in the employer contribution rate. ~~Any decrease in contribution rates must maintain the 2.9 percent differential between employer and employee contribution rates provided pursuant to subsection (B) of this section.~~

(2) If contribution rates are decreased pursuant to item (1) of this subsection and the most recent annual actuarial valuation of the system shows a funded ratio of less than ~~ninety~~ eighty‑five percent, then effective on the following July first, and annually ~~thereafter~~ after that time as necessary, the board shall increase the then current employer and employee contribution rates ~~as provided pursuant to subsection (B) of this section~~ in equal amounts not exceeding one‑half of one percent of earnable compensation in any one year until a subsequent annual actuarial valuation of the system shows a funded ratio that is equal to or greater than ~~ninety~~ eighty‑five percent. However, the employee contribution rate may not exceed nine percent and any contribution increase required by this item after the employee contribution rate equals nine percent must be an employer contribution rate.”

SECTION 2. Section 9‑11‑225 of the 1976 Code, as added by Act 278 of 2012, is amended to read:

“Section 9‑11‑225. (A) As provided in Sections 9‑11‑210 and 9‑11‑220, the employer and employee contribution rates for the system beginning in Fiscal Year ~~2012‑2013~~ 2017‑2018, expressed as a percentage of earnable compensation, are as follows:

Fiscal Year Employer Contribution Employee Contribution

~~2012‑2013~~ ~~12.30~~ ~~7.00~~

~~2013‑2014~~ ~~12.50~~ ~~7.50~~

~~2014‑2015 and after~~ ~~13.00~~ ~~8.00~~

2017‑2018 16.24 9.75

2018‑2019 17.24 9.75

2019‑2020 18.24 9.75

2020‑2021 19.24 9.75

2021‑2022 20.24 9.75

2022‑2023 21.24 9.75

2023‑2024 21.24 9.75

2024‑2025 21.24 9.75

2025‑2026 21.24 9.75

2026‑2027 and after 21.24 9.75

The employer contribution rate set out in this schedule includes contributions for participation in the incidental death benefit plan provided in Sections 9‑11‑120 and 9‑11‑125 and for participation in the accidental death benefit program provided in Section 9‑11‑140. The employer contribution rate for employers that do not participate in these programs must be adjusted accordingly.

(B) After June 30, ~~2015~~ 2027, the board may increase the percentage rate in employer ~~and employee~~ contributions for the system on the basis of the actuarial valuation~~, but any such increase may not result in a differential between the employee and employer contribution rate for that system that exceeds 5.00 percent of earnable compensation~~. An increase in the employer contribution rate adopted by the board pursuant to this section may not provide for an increase in an amount of more than one‑half of one percent of earnable compensation in any one year.

(C)(1) The unfunded actuarial accrued liability (UAAL) of the system as determined by the annual actuarial valuation must be amortized over a funding period that does not exceed the following schedule:

Fiscal Year Funding Period

2017‑2018 30 years

2018‑2019 29 years

2019‑2020 28 years

2020‑2021 27 years

2021‑2022 26 years

2022‑2023 25 years

2023‑2024 24 years

2024‑2025 23 years

2025‑2026 22 years

2026‑2027 21 years

2027‑2028 and after 20 years

(2) If the scheduled employer and employee contributions provided in subsection (A), or the rates last adopted by the board pursuant to subsection (B), are insufficient to ~~maintain a thirty year~~ ~~amortization schedule for the unfunded liabilities of the system~~ meet the funding period set forth in item (1), for the applicable year, then the board shall increase the employer contribution rate ~~as provided in subsection (A) or as last adopted by the board~~ ~~in equal percentage amounts for employer and employee contributions~~ as necessary to ~~maintain an amortization schedule of no more than thirty years~~ meet the funding period set forth in item (1). Such adjustments may be made without regard to the annual limit increase of one‑half of one percent of earnable compensation provided pursuant to subsection (B)~~, but the differential in the employer and employee contribution rates provided in subsection (A) or subsection (B), as applicable, of this section must be maintained at the rate provided in the schedule for the applicable fiscal year~~. Participating employers must be notified of any contribution rate increase required by this item by July first of the fiscal year preceding the fiscal year in which the increase takes effect.

(D)(1) After June 30, ~~2015~~ 2027, if the most recent annual actuarial valuation of the system shows a ratio of the actuarial value of system assets to the actuarial accrued liability of the system (the funded ratio) that is equal to or greater than ~~ninety~~ eighty‑five percent, then the board, effective on the following July first, may decrease the then current employer and employee contribution rates in equal amounts upon making a finding that the decrease will not result in a funded ratio of less than ~~ninety~~ eighty‑five percent. However, the employee contribution rate may not be less than one-half of the normal cost for the system and any contribution reduction allowed by this item after the employee contribution rate equals one-half of the normal cost must be a reduction in the employer contribution rate. ~~Any decrease in contribution rates must maintain the 5.0 percent differential between employer and employee contribution rates provided pursuant to subsection (B) of this section.~~

(2) If contribution rates are decreased pursuant to item (1) of this subsection and the most recent annual actuarial valuation of the system shows a funded ratio of less than ~~ninety~~ eighty‑five percent, then effective on the following July first, and annually ~~thereafter~~ after that time as necessary, the board shall increase the then current employer and employee contribution rates ~~as provided pursuant to subsection (B) of this section~~ in equal amounts not exceeding one‑half of one percent of earnable compensation in any one year until a subsequent annual actuarial valuation of the system shows a funded ratio that is equal to or greater than ~~ninety~~ eighty‑five percent. However the employee contribution rate may not exceed nine and three quarters of one percent and any contribution increase required by this item after the employee contribution rate equals nine and three quarters of one percent must be an increase in the employer contribution rate.”

SECTION 3. Section 9‑16‑335 of the 1976 Code, as added by Act 278 of 2012, is amended to read:

“Section 9‑16‑335. (A) For all purposes of this title, the assumed annual rate of return on the investments of the Retirement System must be established by the General Assembly pursuant to this section. Effective July 1, ~~2012~~ 2017, the assumed annual rate of return on retirement system investments is seven ~~and one~~‑~~half~~ and one quarter percent.

(B) The assumed rate of return set in subsection (A) expires on July 1, 2021. A new annual rate of return must be set and made effective no later than July 1, 2021, and, every four years after, a new annual rate must be set and made effective. Before January first of each year that the assumed rate of return is due to expire, the board shall submit a proposed assumed annual rate of return for the corresponding four‑year period. The proposed assumed annual rate of return must be developed based on the recommendations of the board’s actuary and in consultation with the commission, and must be submitted to the Chairman of the Senate Finance Committee and the Chairman of the House Ways and Means Committee. If the General Assembly does not enact a joint resolution that continues or amends the assumed annual rate of return before expiration, the assumed annual rate of return developed and submitted by the board takes effect for the corresponding four‑year period until subsequent action of the General Assembly.”

Part II

Public Employee Benefit Authority

SECTION 4. Section 9‑4‑10 of the 1976 Code, as added by Act 278 of 2012, is amended to read:

“Section 9‑4‑10. (A) Effective July 1, 2012, there is created the South Carolina Public Employee Benefit Authority. The sole governing body of the authority is a board of directors consisting of eleven members. The functions of the authority must be performed, exercised, and discharged under the supervision and direction of the board of directors.

(B)(1) The board is composed of:

(a) three nonrepresentative members appointed by the Governor;

(b) two members appointed by the President Pro Tempore of the Senate, one a nonrepresentative member and one a representative member who is either an active or retired member of SCPORS;

(c) two members appointed by the Chairman of the Senate Finance Committee, one a nonrepresentative member and one a representative member who is a retired member of SCRS;

(d) two members appointed by the Speaker of the House of Representatives, one a nonrepresentative member and one a representative member who must be a state employee who is an active contributing member of SCRS; and

(e) two members appointed by the Chairman of the House Ways and Means Committee, one a nonrepresentative member and one a representative member who is an active contributing member of SCRS employed by a public school district.

(2) For purposes of the appointments provided by this section, a nonrepresentative member may not belong to those classes of employees and retirees from whom representative members must be appointed.

(C)(1) A nonrepresentative member may not be appointed to the board unless the person possesses at least one of the following qualifications:

(a) at least twelve years of professional experience in the financial management of pensions or insurance plans;

(b) at least twelve years academic experience and holds a bachelor’s or higher degree from a college or university as classified by the Carnegie Foundation;

(c) at least twelve years of professional experience as a certified public accountant with financial management, pension, or insurance audit expertise;

(d) at least twelve years as a Certified Financial Planner credentialed by the Certified Financial Planner Board of Standards; or

(e) at least twelve years membership in the South Carolina Bar and extensive experience in one or more of the following areas of law:

(i) taxation;

(ii) insurance;

(iii) health care;

(iv) securities;

(v) corporate;

(vi) finance; or

(vii) the Employment Retirement Income Security Act (ERISA).

(2) A representative member may not be appointed to the board unless the person:

(a) possesses one of the qualifications set forth in item (1); or

(b) has at least twelve years of public employment experience and holds a bachelor’s degree from a college or university as classified by the Carnegie Foundation.

(D) In making appointments, the appointing authorities shall select members who are representative of the racial, gender, and geographical diversity of the State.

(E) Members of the board shall serve for terms of ~~two~~ four years and until their successors are appointed and qualify, except that the terms of the board members appointed by the Governor on July 1, 2016, expire on June 30, 2018, the terms of the nonrepresentative board members appointed by members of the General Assembly on July 1, 2016, expire on June 30, 2019, and the terms of the representative board members appointed by members of the General Assembly on July 1, 2016, expire on June 30, 2020. Vacancies must be filled within sixty days in the manner of original appointment for the unexpired portion of the term. Terms ~~commence on July first of even numbered years~~ expire after June thirtieth of the year in which the term is due to expire. Upon a ~~member’s~~ person’s appointment, the appointing official shall certify to the Secretary of State that the appointee meets or exceeds the qualifications set forth in subsections (B) and (C). ~~No~~ A person appointed may not qualify unless he first certifies that he meets or exceeds the qualifications applicable for their appointment. A member ~~serves at the pleasure of the member’s appointing authority~~ may be removed before the term expires only by the Governor for the reasons provided in Section 1‑3‑240(C). A member may not be appointed to serve more than two consecutive four‑year terms, except that a member of the board who has five or more years of consecutive service on the board at the expiration of his term, beginning July 1, 2016, may not be appointed to serve for more than one additional consecutive four‑year term.

~~(E)~~(F) The members shall select a nonrepresentative member to serve as chairman and shall select those other officers they determine necessary. Subject to the qualifications for chairman provided in this section, members may set their own policy related to the rotation of the selection of a chairman of the board.

~~(F)~~(G)(1) Each member ~~must~~ shall receive an annual salary of twelve thousand dollars. This compensation must be paid from approved accounts of general funds and retirement system funds based on the proportionate amount of time the board devotes to its various functions. Members may receive the mileage and subsistence authorized by law for members of state boards, commissions, and committees paid from approved accounts funded by general funds and retirement system funds in the proportion that compensation is paid.

(2) Notwithstanding any other provision of law, membership on the board does not make a member eligible to participate in a retirement system administered pursuant to this title and does not make a member eligible to participate in the employee insurance program administered pursuant to Article 5, Chapter 11, Title 1. Any compensation paid on account of the member’s service on the board is not considered earnable compensation for purposes of any state retirement system.

~~(G)~~(H) Minimally, the board shall meet ~~monthly~~ quarterly and at other times set by the board. If the chairman considers it more effective, the board may meet by teleconferencing or video conferencing. However, if the agenda of the meeting consists of items that are not exempt from disclosure or the meeting may not be closed to the public pursuant to Chapter 4, Title 30, the provisions of Chapter 4, Title 30 apply, and the meeting must be open to the public.

~~(H)~~(I) Effective July 1, 2012, the following offices, divisions, or components of the State Budget and Control Board are transferred to, and incorporated into, an administrative agency of state government to be known as the South Carolina Public Employee Benefit Authority:

(1) Employee Insurance Program; and

(2) the Retirement Division.

(J) The board shall employ an executive director who will serve at the pleasure of the board. The executive director is the chief administrative officer of the authority as an agency and is charged with the affirmative duty to carry out the mission, policies, and direction of the board as established by the board. The executive director is delegated all the authority of the board necessary, reasonable, and prudent to carry out the operation and management of the authority as an agency and to implement the board’s decisions and directives. The executive director shall employ the other professional, administrative, and clerical personnel he determines necessary to support the administration and operation of the authority and fix their compensation pursuant to an organizational plan approved by the authority.

(K) Members of the board and the executive director, and other employees or agents designated by the board, are fiduciaries of the authority and in discharging their duties as fiduciaries shall act:

(1) only in the interest of the participants and beneficiaries of the employee benefit plans administered by the authority;

(2) for the exclusive purpose of providing retirement and insurance benefits to participants and beneficiaries of the employee benefit plans administered by the authority and paying reasonable expenses of administering those employee benefit plans;

(3) with the care, skill, and caution under the circumstances then prevailing which a prudent person acting in a like capacity and familiar with those matters would use in the conduct of an activity of like character and purpose;

(4) impartially, taking into account any differing interests of participants and beneficiaries;

(5) incurring only costs that are appropriate and reasonable; and

(6) in accordance with a good faith interpretation of this chapter and other applicable provisions of law.

(L)(1) A board member or other fiduciary employed by the authority who breaches a duty imposed by this section personally is liable to the affected employee benefit plan administered by the authority for any losses resulting from the breach and any profits resulting from the breach or made by the board member or other fiduciary through use of assets of the employee benefit plan by the board member or other fiduciary. The board member or other fiduciary is subject to other equitable remedies, as the court considers appropriate, including removal.

(2) An agreement that purports to limit the liability of a fiduciary for a breach of duty under this section is void.

(3) The authority may insure a fiduciary or itself against liability or losses occurring because of a breach of duty under this section.

(4) A fiduciary may insure against personal liability or losses occurring because of a breach of duty under this section if the insurance is purchased or provided by the individual fiduciary, but a fiduciary who obtains insurance pursuant to this section shall disclose all terms, conditions, and other information relating to the insurance policy to the authority.

(5) Nothing in this subsection may be construed to limit the applicability of the provisions of Section 9‑4‑15.”

SECTION 5. Section 9‑4‑40 of the 1976 Code, as last amended by Act 278 of 2012, is further amended to read:

“Section 9‑4‑40. ~~Each year in the general appropriations act, the General Assembly shall appropriate sufficient funds to the Office of the State Inspector General to~~ Every four years the State Auditor shall employ a private audit firm to perform a fiduciary audit on the South Carolina Public Employee Benefit Authority. The audit firm must be selected by the ~~State Inspector General~~ State Auditor. ~~The~~ A report from ~~the previous fiscal year~~ the private audit firm must be completed by January ~~fifteenth~~ 15, 2019, and every four years after that time. Upon completion, the report must be submitted to the Governor, the President Pro Tempore of the Senate, the Speaker of the House of Representatives, the Chairman of the Senate Finance Committee, and the Chairman of the House Ways and Means Committee.”

SECTION 6. Section 9-1-240 of the 1976 Code is amended to read:

“Section 9-1-240. The board shall designate an actuary, subject to the approval of the State Fiscal Accountability Authority or its successor, who ~~shall be~~ is the technical advisor of the board on matters regarding the operation of the system and shall perform such other duties as are required in connection therewith, provided, however, that the Retirement System Investment Commission is a third-party beneficiary of the contract with the actuary, with full rights to all actuarial valuations prepared by the actuary. The board shall provide to the State Fiscal Accountability Authority or its successor actuarial valuations and reports requested.”

Part III

Retirement System Investment Commission

SECTION 7. Section 9‑16‑10(4) of the 1976 Code, as last amended by Act 153 of 2005, is further amended by adding an appropriately lettered subitem to read:

“( ) is the commission’s chief executive officer.”

SECTION 8. Section 9-16-30 of the 1976 Code, as last amended by Act 153 of 2005, is further amended by adding an appropriately lettered subsection to read:

“( ) The commission shall cast shareholder proxy votes that are in keeping with its fiduciary duties that are consistent with the best interest of the trust fund and most likely to maximize shareholder value.”

SECTION 9. Section 9‑16‑90(B) of the 1976 Code, as last amended by Act 153 of 2005, is further amended to read:

“(B) In addition to the quarterly reports provided in subsection (A), the commission shall provide an annual report to the State Fiscal Accountability Authority, Revenue and Fiscal Affairs Office, and the Executive Budget Office, the Speaker of the House of Representatives, members of the House of Representatives or Senate, but only upon their request, the President Pro Tempore of the Senate, and other appropriate officials and entities of the investment status of the retirement systems. The report must contain:

(1) a description of a material interest held by a trustee, fiduciary, or an employee who is a fiduciary with respect to the investment and management of assets of the system, or by a related person, in a material transaction with the system within the last three years or proposed to be effected;

(2) a schedule of the rates of return, net of total investment expense, on assets of the system overall and on assets aggregated by category over the most recent one‑year, three‑year, five‑year, and ten‑year periods, to the extent available, and the rates of return on appropriate benchmarks for assets of the system overall and for each category over each period;

(3) a schedule of the sum of total investment expense, manager fees and expenses, and ~~total~~ general administrative expense for the fiscal year expressed as a percentage of the fair value of assets of the system on the last day of the fiscal year, and an equivalent percentage for the preceding five fiscal years; ~~and~~

(4) a schedule of the net manager fees and expenses for each asset class for the fiscal year, including the total amount of manager fee and expense for each asset class and the amount of manager fee and expense for each asset class divided into the amounts attributable to management fees, performance fees or carried interest, and other expenses charged to the managed investment vehicle. The amount of manager fees and expenses must be expressed in total, and in each category of fee and expense, as a dollar amount and a percentage of the fair value of assets of the system on the last day of the fiscal year. The schedule also must include the net investment return for each asset class. In addition to being included in the annual report required by this subsection, the schedule of manager fees and expenses required by this item also must be published in a conspicuous location on the commission’s website; and

(5) a schedule of all assets held for investment purposes on the last day of the fiscal year aggregated and identified by issuer, borrower, lessor, or similar party to the transaction stating, if relevant, the asset’s maturity date, rate of interest, par or maturity value, number of shares, costs, and fair value and identifying an asset that is in default or classified as uncollectible.

(6) a schedule of investment decisions that have been delegated from the commission to the chief investment officer to include the name, asset class, asset value, fees paid, and performance since inception by manager.

These disclosure requirements are cumulative to and do not replace other reporting requirements provided by law.”

SECTION 10. Section 9‑16‑315 of the 1976 Code, as last amended by Act 278 of 2012, is further amended to read:

“Section 9‑16‑315. (A) There is established the ‘Retirement System Investment Commission’ (RSIC) consisting of ~~seven~~ eight members, seven of which have voting privileges, as follows:

(1) ~~one~~ two ~~member~~ members appointed by the Governor, one of which is an active member of the South Carolina Retirement System, Police Officers Retirement System, the Judges and Solicitors Retirement System, or the National Guard Retirement System;

(2) one member appointed by the State Treasurer~~, ex officio~~;

(3) one member appointed by the Comptroller General;

(4) one member appointed by the Chairman of the Senate Finance Committee;

(5) one member appointed by the Chairman of the House Ways and Means Committee ~~of the House of Representatives~~;

(6) one member who is a retired member of the ~~retirement system~~ South Carolina Retirement System, Police Officers Retirement System, Judges and Solicitors Retirement System, or National Guard Retirement System. This representative member must be appointed by unanimous vote of the voting members of the commission; and

(7) the Executive Director of South Carolina Public Employee Benefit Authority, ex officio, without voting privileges.

(B) ~~The State Treasurer may appoint a member to serve in his stead. A member appointed by the State Treasurer shall serve for a term coterminous with the State Treasurer and must possess at least one of the qualifications provided in subsection (E). Once appointed, this member may not be removed except as provided in subsection (C)~~ In making appointments, the appointing authorities shall select members who are representative of the racial, gender, and geographical diversity of the State.

~~(C)~~ ~~Except as provided in subsection (B), members~~ shall serve for terms of ~~five~~ four years and until their successors are appointed and qualify~~, except that of those first appointed, the appointees of the Comptroller General and the Chairman of the Senate Finance Committee shall serve for terms of three years and the appointee of the Chairman of the Committee on Ways and Means and the representative appointee shall serve for terms of one year~~. Except for the Executive Director of the South Carolina Public Employee Benefit Authority, a person appointed may not serve until the appointing official certifies to the Secretary of State that the appointee meets or exceeds the qualifications set forth in subsections (D) and (E). A person appointed may not qualify unless he first certifies that he meets or exceeds the qualifications applicable for his appointment. Terms are deemed to expire after June thirtieth of the year in which the term is due to expire. Members are appointed for a term and may be removed before the term expires only by the Governor for the reasons provided in Section 1‑3‑240(C). A member may not be appointed to serve more than two consecutive full four‑year terms. A member serving a second or greater term, beginning July 1, 2016, may not serve an additional consecutive four‑year term upon the expiration of his term pursuant to the provisions of this subsection. A member who has served for ten or more years as of July 1, 2017, may complete the term for which he was appointed but may not be reappointed to the commission.

~~(D)~~(C) The commission shall select one of the voting members to serve as chairman and shall select those other officers it determines necessary~~, but the State Treasurer may not serve as chairman~~.

~~(E)~~(D) A person may not be appointed to the commission unless the person possesses at least one of the following qualifications:

(1) the Chartered Financial Analyst credential of the CFA Institute;

(2) ~~the~~ at least twelve years as a Certified Financial Planner ~~credential of~~ credentialed by the Certified Financial Planner Board of Standards;

(3) ~~reserved~~ the Chartered Alternative Investment Analyst certification of the Chartered Alternative Investment Analyst Association;

(4) at least twenty years professional actuarial experience, including at least ten as an Enrolled Actuary licensed by a Joint Board of the Department of the Treasury and the Department of Labor, to perform a variety of actuarial tasks required of pension plans in the United States by the Employee Retirement Income Security Act of 1974;

(5) at least twenty years professional teaching experience in economics or finance, ten of which must have occurred at a doctorate‑granting university, master’s granting college or university, or a baccalaureate college as classified by the Carnegie Foundation;

(6) an earned Ph.D. in economics or finance from a doctorate‑granting institution as classified by the Carnegie Foundation; ~~or~~

(7) the Certified Internal Auditor credential of The Institute of Internal Auditors;

(8) at least twelve years of professional experience in the financial management of pensions or insurance plans; or

(9) at least twelve years of professional experience as a certified public accountant with financial management, pension, or insurance audit expertise.

~~(F)~~(E) ~~Not including the State Treasurer~~ Except for the member appointed pursuant to subsection (A)(6) and (7), ~~no~~ a person may not be appointed or continue to serve who is an elected or appointed officer ~~or employee~~ of the State or any of its political subdivisions, including school districts.

~~(G)~~(F) The Retirement System Investment Commission is established to invest the funds of the retirement system. All of the powers and duties of the State Budget and Control Board as investor in equity securities and the State Treasurer’s function of investing in fixed income instruments are transferred to and devolved upon the Retirement System Investment Commission.

(G) The commission shall employ a chief executive officer who serves at the pleasure of the commission. The chief executive officer is the chief administrative officer of the commission as an agency and is charged with the affirmative duty to carry out the mission, policies, and direction of the commission as established by the commission. The chief executive officer is delegated the authority of the commission necessary, reasonable, and prudent to carry out the operation and management of the commission as an agency and to implement the commission’s decisions and directives. Notwithstanding Section 9‑16‑30, the chief executive officer may execute on behalf of the commission any documents necessary to implement a final decision to invest.

(H)(1) ~~To assist the commission in its investment function, it~~ The chief executive officer shall employ a chief investment officer~~, who under the direction and supervision of the commission, and as its agent~~. The chief investment officer shall develop and maintain annual investment plans and invest and oversee the investment of retirement system funds subject to the oversight of the chief executive officer. ~~The chief investment officer serves at the pleasure of the commission and must receive the compensation the commission determines appropriate.~~

(2) The ~~commission may~~ chief executive officer shall employ the other professional, administrative, and clerical personnel ~~it~~ he determines necessary to support the administration and operation of the commission and fix their compensation pursuant to an organizational plan approved by the commission. All employees of the commission are employees at will and serve at the pleasure of the chief executive officer. The compensation of the chief executive officer, chief investment officer, and other employees of the commission is not subject to the state compensation plan.

(I) Notwithstanding Section 1‑7‑170, the commission, in consultation with the Attorney General, may engage, on a fee basis, attorneys necessary to exercise its exclusive authority to invest and manage the retirement system’s assets. The commission shall establish policies and procedures for the retention of attorneys pursuant to this subsection and shall notify the Attorney General of the terms and conditions of a representation upon engagement. The commission shall provide quarterly reports to the Attorney General on attorneys retained, hourly rates, and estimated maximum fees, which he shall monitor for reasonableness and to ensure consistency with the terms and conditions of the representation.

~~(H)~~(J)(1) The administrative costs of the Retirement System Investment Commission must be paid from the earnings of the state retirement system ~~in the manner provided in Section 9‑1‑1310~~.

(2) ~~Effective beginning July 1, 2012,~~ Each commission member, ~~not including~~ except for the Executive Director of the South Carolina Public Employee Benefit Authority, ~~must~~ shall receive an annual salary of twenty thousand dollars plus mileage and subsistence as provided by law for members of state boards, committees, and commissions ~~paid as provided pursuant to item (1) of this subsection~~. Notwithstanding any other provision of law, membership on the commission does not make a member eligible to participate in a retirement system administered pursuant to this title and does not make a member eligible to participate in the employee insurance program administered pursuant to Article 5, Chapter 11, Title 1, if the member is not otherwise eligible. Compensation paid on account of the member’s service on the commission is not considered earnable compensation for purposes of any retirement system administered pursuant to this title.”

SECTION 11. Section 9‑16‑330 of the 1976 Code, as last amended by Act 153 of 2005, is further amended to read:

“Section 9‑16‑330. (A) The commission shall provide the chief executive officer and the chief investment officer with a statement of general investment objectives. The commission ~~shall~~ also shall provide the chief executive officer and the chief investment officer with a statement of actuarial assumptions developed by the system’s actuary and approved by the board. The commission shall review the statement of general investment objectives annually for the purpose of affirming or changing it and advise the chief executive officer and the chief investment officer of its actions. The retirement system shall provide the commission, ~~and~~ its chief executive officer and chief investment officer that data or other information needed to prepare the annual investment plan.

(B)(1) Notwithstanding Section 9‑16‑30(A), the commission’s statement of general investment objectives may include a delegation to the chief investment officer of the final authority to invest an amount not to exceed:

(a) two percent of the total value of portfolio assets for each investment, if the investment is in assets that are publicly tradeable and the investment provides for liquidity in ninety days or less; or

(b) one percent of the total value of portfolio assets for each investment, if the investment is in assets that are not publicly tradeable or the investment’s liquidity provision is greater than ninety days.

(2) Any final authority delegated to the chief investment officer pursuant to this subsection must be exercised subject to the oversight of the chief executive officer. The closing documentation of an investment made pursuant to this delegation must include the chief executive officer’s certification that the investment conforms to the amount and the extent of the delegation. Any authority exercised pursuant to this section must be exercised in a manner consistent with the limitations imposed by this section and investments may not be divided into smaller amounts in order to avoid these limitations. The commission must be notified of an investment made pursuant to any delegated authority within three business days of the investment’s closing and the investment must be reviewed with the commission at its next regularly scheduled meeting. The commission may amend, suspend, or revoke the delegation of the final authority to invest at any time and may place stricter limits on any delegated authority than those provided in this subsection.

(C) The annual investment plan must be consistent with actions taken by the commission pursuant to subsection (A) and must include, but is not limited to, the following components:

(1) general operational and investment policies;

(2) investment objectives and performance standards;

(3) investment strategies, which may include indexed or enhanced indexed strategies as the preferred or exclusive strategies for equity investing, and an explanation of the reasons for the selection of each strategy;

(4) industry sector, market sector, issuer, and other allocations of assets that provide diversification in accordance with prudent investment standards, including desired rates of return and acceptable levels of risks for each asset class;

(5) policies and procedures providing flexibility in responding to market contingencies;

(6) procedures and policies for selecting, monitoring, compensating, and terminating investment consultants, equity investment managers, and other necessary professional service providers; ~~and~~

(7) methods for managing the costs of the investment activities; and

(8) a detailed description of the amount and extent of the final authority to invest made by the commission pursuant to subsection (B).

~~(C)~~(D) In developing the annual investment plan, the chief investment officer shall:

(1) diversify the investments of the retirement systems, unless the commission reasonably determines that, because of special circumstances, it is clearly not prudent to do so; and

(2) make a reasonable effort to verify facts relevant to the investment of assets of the retirement systems.

(E) Before the implementation of delegation of final investment authority from the commission to the chief investment officer, the commission’s external investment consultant shall provide an analysis of the extent of investment authority delegation in other public pension funds, including resulting investment performance, and recommendations regarding policy parameters to govern investment authority delegation. The analysis and recommendations must be completed and provided to the commission before the implementation of delegation of final investment authority to the chief investment officer.”

SECTION 12. Section 9‑16‑380 of the 1976 Code, as added by Act 278 of 2012, is amended to read:

“Section 9‑16‑380. ~~Each year in the general appropriations act, the General Assembly shall appropriate sufficient funds to the Office of the State Inspector General to~~ Every four years the State Auditor shall employ a private audit firm to perform a fiduciary audit on the Retirement System Investment Commission. The audit firm must be selected by the State ~~Inspector General~~ Auditor. ~~The~~ A report from the ~~previous fiscal year~~ private audit firm must be completed by January ~~fifteenth~~ 15, 2019, and every four years after that time. Upon completion, the report must be submitted to the Governor, the President Pro Tempore of the Senate, the Speaker of the House of Representatives, the Chairman of the Senate Finance Committee, and the Chairman of the House Ways and Means Committee.”

SECTION 13. Article 1, Chapter 16, Title 9 of the 1976 Code is amended by adding:

“Section 9‑16‑100. (A) A lobbyist, as defined in Section 2‑17‑10(13), may not contact any member of the commission, the chief executive officer, chief investment officer, or staff member of the commission to solicit the investment of funds with a particular entity regardless of whether the lobbyist represents that entity.

(B) The commission may not make an investment with or invest in a fund managed by an external investment manager if a placement agent receives compensation as a result of the commission’s investment. For purposes of this subsection, ‘placement agent’ means an individual directly or indirectly hired, engaged, or retained by, or serving for the benefit of or on behalf of, an external manager or an investment fund managed by an external manager, and who acts or has acted for compensation as a finder, solicitor, marketer, consultant, broker, or other intermediary in connection with making an investment with or investing in a fund managed by the external investment manager.

(C) The commission may not invest in any asset or with any entity in which a commissioner or his immediate family has any interest. This subsection does not apply to publicly traded securities.”

Part IV

Administration of Retirement System Funds

SECTION 14. Section 9‑1‑1310(A) of the 1976 Code, as last amended by Act 278 of 2012, is further amended to read:

“(A) The South Carolina Public Employee Benefit Authority and the ~~State Fiscal Accountability Authority, or its successor,~~ Retirement System Investment Commission are cotrustees of the assets of the retirement system as ‘assets’ and ‘retirement system’ ~~is~~ are defined in Section 9‑16‑10(1) and (8) ~~in performing the functions imposed on them by law in the governance of the Retirement System~~. Notwithstanding any other provision of law, any reference in law to the trustee of the assets of the Retirement System must be construed to conform to the cotrusteeship as provided in this subsection. The Public Employee Benefit Authority shall hold the assets of the Retirement System in a group trust as provided in Section 9‑16‑20. The Retirement System Investment Commission shall invest and reinvest the ~~funds~~ assets of the retirement system ~~as ‘retirement system’ is defined in Section 9‑16‑10(8)~~, subject to all the terms, conditions, limitations, and restrictions imposed by Section 16, Article X of the South Carolina Constitution, 1895, subsection (B) of this section, and Chapter 16 of this title.”

SECTION 15. Section 9‑1‑1320 of the 1976 Code is amended to read:

“Section 9‑1‑1320. (A) The ~~State Treasurer~~ board ~~shall be~~ is the custodian of the ~~funds~~ assets of the Retirement System as ‘assets’ and ‘retirement system’ are defined in Section 9‑16‑10(1) and (8), and the Retirement System Investment Commission has the exclusive authority to select the custodial bank, provided, however, that the Public Employee Benefit Authority is a third‑party beneficiary of the contract with the custodial bank with full rights to information under them. ~~All payments from such funds shall be made by him only upon vouchers signed by two persons designated by the Board.~~ The custodial banking agreement may provide for electronic signatory approval.

(B)(1) A custodial bank selected by the commission must:

(a) be a United States domiciled trust company and a member of the Federal Reserve;

(b) have in excess of one trillion dollars of assets under custody;

(c) have provided custody services for at least the previous fifteen years; and

(d) provide custody services to other public fund institutional clients that individually have assets under management that meet or exceed the amount of assets managed by the commission.

(2) Nothing in this subsection prohibits the commission from imposing more stringent or additional qualifications as part of its selection process.”

Part V

Miscellaneous and Time Effective

SECTION 16. Section 1‑3‑240(C)(1) of the 1976 Code, as last amended by Act 275 of 2016, is further amended by adding appropriately lettered subitems to read:

“( ) South Carolina Retirement Investment Commission members appointed by the Governor or members of the General Assembly;

( ) South Carolina Public Benefit Authority members.”

SECTION 17. Sections 9‑4‑45, 9‑8‑170, 9‑9‑160, 9‑10‑80, and 9‑11‑250 of the 1976 Code are repealed.

SECTION 18. This act takes effect on July 1, 2017./

Amend title to read:

/ 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 FOUR 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 9-1-240, RELATING TO THE APPOINTMENT AND DUTIES OF THE ACTUARY, SO AS TO PROVIDE THAT THE STATE FISCAL ACCOUNTABILITY AUTHORITY SHALL APPROVE THE ACTUARY AND TO PROVIDE THAT THE RETIREMENT SYSTEM INVESTMENT COMMISSION IS A THIRD-PARTY BENEFICIARY OF THE CONTRACT WITH THE ACTUARY; 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 9-16-30, RELATING TO THE DELEGATION OF FUNCTIONS BY THE COMMISSION, AS AMENDED, SO AS TO PROVIDE THAT THE COMMISSION SHALL CAST CERTAIN SHAREHOLDER PROXY VOTES; TO AMEND SECTION 9‑16‑90, AS 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 A CHIEF EXECUTIVE OFFICER; 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 RETIREMENT SYSTEM, AND THE POLICE OFFICERS RETIREMENT SYSTEM. /

/s/Sen. Vincent A. Sheheen /s/Rep. William G. Herbkersman

/s/Sen. Sean Bennett Rep. Tommy M. Stringer

/s/Sen. Mike Gambrell /s/Rep. Gilda Cobb-Hunter

On Part of the Senate. On Part of the House.

, and a message was sent to the House accordingly.

**THE SENATE PROCEEDED TO A CONSIDERATION OF H. 3720, GENERAL APPROPRIATIONS BILL.**

**AMENDED, READ THE SECOND TIME**

H. 3720 -- Ways and Means Committee: A BILL TO MAKE APPROPRIATIONS AND TO PROVIDE REVENUES TO MEET THE ORDINARY EXPENSES OF STATE GOVERNMENT FOR THE FISCAL YEAR BEGINNING JULY 1, 2017, TO REGULATE THE EXPENDITURE OF SUCH FUNDS, AND TO FURTHER PROVIDE FOR THE OPERATION OF STATE GOVERNMENT DURING THIS FISCAL YEAR AND FOR OTHER PURPOSES.

The Senate proceeded to a consideration of the Bill, the question being the second reading of the Bill.

**Amendment No. 3A**

Senators CROMER and JOHN MATTHEWS proposed the following amendment (DAD SBFI MORTGAGE2), which was adopted (#1):

Amend the bill, as and if amended, Part IA, Section 79, STATE BOARD OF FINANCIAL INSTITUTIONS, page 195, by inserting after line 19,

COLUMN 7 COLUMN 8

/New Positions Auditor III 106,000

(2.00) /

Amend the bill further, as and if amended, Part IA, Section 79, STATE BOARD OF FINANCIAL INSTITUTIONS, page 195, line 26, by:

COLUMN 7 COLUMN 8

/ STRIKING: 957,418

and

INSERTING: 994,418 /

Renumber sections to conform.

Amend sections, totals and title to conform.

Senator LEATHERMAN spoke on the amendment.

The amendment was adopted.

**Amendment No. 16**

Senators GROOMS and ALEXANDER proposed the following amendment (DG RWC CDL STUDY), which was adopted (#8):

Amend the bill, as and if amended, Part IB, Section 78, DEPARTMENT OF INSURANCE, page 416, after line 2, by adding an appropriately numbered new proviso to read:

/ *(DOI: CDL Study Committee) (A) In the current fiscal year, there is created the CDL Driver Insurance Study Committee to review the State’s motor vehicle liability and insurance‑related statutes, court decisions and administration, and the State’s insurance marketplace in order to report findings and make recommendations which will foster conditions for the creation of a viable pool of qualified, insurable CDL truck drivers. From the funds appropriated, the Department of Insurance shall cover the costs of the committee and provide staffing for the committee.*

*(B) The committee shall be composed of:*

*(1) from the House, two members appointed by the Chairman of the Labor, Commerce and Industry Committee and one member appointed by the Chairman of the Education & Public Works Committee.*

*(2) from the Senate, one member appointed by the Chairman of the Labor, Commerce and Industry Committee, one member appointed by the Chairman of Banking and Insurance, and one member appointed by the Chairman of the Transportation Committee.*

*(3) one member designated by the following trade associations: Carolinas Associated General Contractors, Forestry Association of South Carolina, South Carolina Trucking Association, and the South Carolina Beverage Association.*

*(4) one member designated by the South Carolina Association for Justice and one member designated by the South Carolina Defense Trial Lawyers Association.*

*(5) one member designated by the Independent Insurance Agents & Brokers Association and one member designated by the Property Casualty Insurers Association of America.* /

Renumber sections to conform.

Amend sections, totals and title to conform.

Senator ALEXANDER spoke on the amendment.

The amendment was adopted.

**Amendment No. 9A**

Senator SCOTT proposed the following amendment (DAD 117.149 JS2), which was adopted (#9):

Amend the bill, as and if amended, Part IB, Section 117, GENERAL PROVISIONS, page 506, proviso 117.149, line 34, by inserting at the end before /;/:

*/ or his designee*/

Amend the bill further, as and if amended, Part IB, Section 117, GENERAL PROVISIONS, page 507, proviso 117.149, after line 6, by inserting

/ *Members of the committee shall serve without compensation, but are allowed the usual per diem and mileage as provided by law for members of boards, commissions, and committees while on official business.* /

Amend the bill further, as and if amended, Part IB, Section 117, GENERAL PROVISIONS, page 507, proviso 117.149, line 7, by striking the line in its entirety and inserting:

/ *The Speaker of the House of Representatives and the President Pro Tempore of the Senate or their designees shall serve as Co-Chairmen of the committee and shall convene a meeting as soon as practicable after all appointees have been named.*

*Staff support shall be provided by the Commission on Higher Education, the House Education and Public Works Committee, and the Senate Education Committee. The committee shall provide findings and recommendations to the General Assembly on or before December 31, 2017.* /

Renumber sections to conform.

Amend sections, totals and title to conform.

Senator SCOTT spoke on the amendment.

The amendment was adopted.

**Amendment No. 12**

Senator GROOMS proposed the following amendment (DG LKG PP EASE), which was withdrawn:

Amend the bill, as and if amended, Part IB, Section 117, GENERAL PROVISIONS, page 507, after line 7, by adding an appropriately numbered new proviso to read:

*/ (GP: Easement transfer) In the current fiscal year, the Department of Natural Resources shall transfer its 21.22 acre easement at the Patriot’s Point Development Authority to the University of Charleston.* /

Renumber sections to conform.

Amend sections, totals and title to conform.

On motion of Senator HUTTO, with unanimous consent, the amendment was withdrawn.

**Amendment No. 13**

Senator WILLIAMS proposed the following amendment (DAD 118.14 ADDL REV BASE), which was tabled:

Amend the bill, as and if amended, Part IB, Section 118, STATEWIDE REVENUE, page 520, proviso 118.14, after line 34, by inserting an appropriately numbered subsection to read:

/ *( ) The source of revenue appropriated in this subsection is unobligated Fiscal Year 2016-17 General Fund surplus revenues collected above the amounts certified by the Board of Economic Advisors. The appropriations are listed in priority order. Item (1) must be funded first and each remaining item must be fully funded before any funds are allocated to the next item. Provided, however, that any individual item may be partially funded in the order in which it appears to the extent that revenues are available.*

*The State Treasurer shall disburse the following appropriations by September 30, 2017, for the purposes stated:*

/ *(1) D500 - Department of Administration*

*Marion County Veteran’s Facility $250,000;*

Renumber sections to conform.

Amend sections, totals and title to conform.

Senator WILLIAMS spoke on the amendment.

Senator MASSEY moved to lay the amendment on the table.

The "ayes" and "nays" were demanded and taken, resulting as follows:

**Ayes 22; Nays 15**

**AYES**

Alexander Bennett Campbell

Campsen Climer Corbin

Cromer Davis Gambrell

Goldfinch Grooms Martin

Massey Peeler Rice

Senn Shealy Talley

Timmons Turner Verdin

Young

**Total--22**

**NAYS**

Allen Fanning Hutto

Johnson Kimpson Malloy

*Matthews, John Matthews, Margie* McElveen

Nicholson Sabb Scott

Setzler Sheheen Williams

**Total--15**

The amendment was laid on the table.

**Amendment No. 17**

Senator SCOTT proposed the following amendment (DAD 118.14 ADV NURSING SCHOOL), which was carried over and subsequently withdrawn:

Amend the bill, as and if amended, Part IB, Section 118, STATEWIDE REVENUE, page 520, proviso 118.14, by amending the subsection added by the document bearing file path N:\S-FINANC\AMEND\DAD 118.14 ADDL REV BASE.DOCX, by adding appropriately numbered items at the end to read:

/ *( ) H270 - University of South Carolina*

*Advanced Nursing Scholarship $50,000*

*( .1) The University of South Carolina shall utilize this appropriation to provide scholarships to students who are enrolled in the university seeking an advanced nursing degree. The university shall establish an application process by which students may apply. To receive a scholarship, the student must have at least ten years of state service and be employed in a healthcare or related field. A scholarship recipient may receive up to $5,000 per semester, excluding summer school, for tuition, fees, and books.*/

Renumber sections to conform.

Amend sections, totals and title to conform.

Senator SCOTT spoke on the amendment.

On motion of Senator SCOTT, the amendment was carried over.

**Amendment No. 24**

Senator REESE proposed the following amendment (3720 US29.DOCX), which was carried over and subsequently withdrawn:

Amend the bill, as and if amended, Part IB, Section 118, STATEWIDE REVENUE, page 520, proviso 118.14, by amending the subsection added by the document bearing file path N:\S-FINANC\AMEND\DAD 118.14 ADDL REV BASE.DOCX, by adding an appropriately numbered item at the end to read:

*/ U120- Department of Transportation*

*US-29 Improvements $750,000* /

Renumber sections to conform.

Amend sections, totals and title to conform.

Senator MALLOY spoke on the amendment.

Senator REESE spoke on the amendment.

On motion of Senator REESE, the amendment was carried over.

**Objection**

Senator MARTIN asked unanimous consent that any amendment on the desk that deals with supplemental money be carried over.

Senator GROOMS objected.

**Amendment No. 38**

Senator MARTIN proposed the following amendment (DAD 118.14 C FUNDS), which was carried over and subsequently withdrawn:

Amend the bill, as and if amended, Part IB, Section 118, STATEWIDE REVENUE, page 520, after line 34, by adding an appropriately numbered subsection to read:

/ *( ) Any unobligated Fiscal Year 2016-17 General Fund surplus revenues collected above the amounts certified by the Board of Economic Advisors shall be directed to County Transportation Funds. The department shall distribute these funds to the County Transportation Committee Road Program pursuant to Section 12-28-2740 of the 1976 Code. County Transportation Committees shall utilize the funds distributed pursuant to this provision solely for use on the state-owned highway system for paving, rehabilitation, resurfacing, and/or reconstruction, and bridge repair, replacement, or reconstruction. No funds from this allocation shall be used for any road, bridge, or highway that is not part of the state-owned system.* /

Renumber sections to conform.

Amend sections, totals and title to conform.

Senator MARTIN spoke on the amendment.

On motion of Senator MARTIN, the amendment was carried over.

**Amendment No. 31**

Senator MARTIN proposed the following amendment (DAD 1.59 SUMMER READING CAMPS), which was carried over and subsequently withdrawn:

Amend the bill, as and if amended, Part IB, Section 1, DEPARTMENT OF EDUCATION, page 283, proviso 1.59, lines 32 - 34, by striking: / . The Education Oversight Committee will document and evaluate the partnerships and the impact of the partnerships on student academic success and make recommendations on the characteristics of effective partnerships and on methods of duplicating effective partnerships throughout the state /

Renumber sections to conform.

Amend sections, totals and title to conform.

Senator MARTIN spoke on the amendment.

On motion of Senator MARTIN, the amendment was carried over.

**Point of Order**

Senator MASSEY raised a Point of Order under Rule 24A that Proviso 34.55 of Part 1B was out of order inasmuch as it was not germane to the Bill.

**34.55.** (DHEC: Remedial Actions on Regulated Dams) With funds appropriated or authorized for the Department of Health and Environmental Control in Fiscal Year 2017-18, the department may enter into contracts with one or more contractors, and shall use competitive procedures for the selection of the contractor(s), to perform remedial actions on dams regulated under the SC Dams and Reservoir and Safety Act as necessary to protect life or property. Remedial actions may be implemented where the department has issued an emergency order for a dam to protect life or property. Remedial actions include, but are not limited to, lowering water levels, placing rip rap, and breaching dams. These contracts shall be exempt from the purchasing procedures of the South Carolina Consolidated Procurement Code.

The PRESIDENT sustained the Point of Order.

Proviso 34.55 was ruled out of order.

**Point of Order**

Senator MASSEY raised a Point of Order under Rule 24A that Proviso 47.11 of Part 1B was out of order inasmuch as it was not germane to the Bill.

**47.11.** (DNR: Water Recreation Resources Fund) For the current fiscal year, from the portion of the gasoline user fee distributed to the Water Recreation Resources Fund, in addition to the current authorized department uses, the department may extend use to programs supporting water resources and marine resources.

The PRESIDENT sustained the Point of Order.

Proviso 47.11 was ruled out of order.

**Point of Order**

Senator MASSEY raised a Point of Order under Rule 24A that Proviso 47.12 of Part 1B was out of order inasmuch as it was not germane to the Bill.

**47.12.** (DNR: Saltwater License Revenue) For the current fiscal year, from the fees collected by the department for any recreational saltwater, shrimp baiting, charter vessel and saltwater fishing pier license issued for this fiscal year, the department may designate the law enforcement portion to be used in whole or in part to support the operations of the Marine Resources Division operations. The department may also designate a portion of the law enforcement fees for deferred maintenance on Marine Resources Division facilities and ocean research vessel maintenance.

The PRESIDENT sustained the Point of Order.

Proviso 47.12 was ruled out of order.

**Point of Order**

Senator MASSEY raised a Point of Order under Rule 24A that Proviso 81.13 of Part 1B was out of order inasmuch as it was not germane to the Bill.

**81.13.** (LLR: Amusement Park Rides) For the current fiscal year, the Department of Labor, Licensing, and Regulation may not enforce provisions contained in Chapter 18, Title 41 of the 1976 Code, relating to amusement park rides, against open-wheel motorsport vehicles, karts, superkarts, gearbox or shifter karts, or go karts used for racing at speeds in excess of fifty miles per hour.

The PRESIDENT overruled the Point of Order.

**Point of Order**

Senator MASSEY raised a Point of Order under Rule 24A that Proviso 96.4 of Part 1B was out of order inasmuch as it was not germane to the Bill.

**96.4.** (SS: Charity Fine Revenue) The Secretary of State may retain up to $300,000 of administrative fine revenue collected pursuant to Section 33-56-160 of the 1976 Code and utilize the funds to offset the expenses of enforcing the Solicitation of Charitable Funds Act.

The PRESIDENT sustained the Point of Order.

Proviso 96.4 was ruled out of order.

**Point of Order**

Senator MASSEY raised a Point of Order under Rule 24A that Proviso 117.143 of Part 1B was out of order inasmuch as it was not germane to the Bill.

**117.143.** (GP: IBC Requirements) For Fiscal Year 2017-18, high schools shall be exempt from Section 2902.1 A-5 of the 2015 International Building Code pertaining to the minimum plumbing requirements for stadiums, bleachers and grandstands.

The PRESIDENT sustained the Point of Order.

Proviso 117.143 was ruled out of order.

**Point of Order**

Senator MALLOY raised a Point of Order under Rule 24A that Proviso 11.22 of Part 1B was out of order inasmuch as it was not germane to the Bill.

**11.22.** (CHE: SmartState Review Board Study) Whereas, in 2002, the General Assembly created the Research Centers of Excellence or “SmartState” program for the purpose of expanding the state’s knowledge base through the creation of private-public partnerships that lead to high skilled, high wage jobs in South Carolina, and whereas, the state’s investment in these partnerships of almost $200,000,000 since the program was launched has met the amount envisioned by the original enabling legislation and has created approximately $2,400,000,000 in total economic impact statewide, and whereas 51 SmartState Centers of Excellence are in operation, and 66 Endowed Chairs and their dedicated teams continue to work each year on research projects for the betterment of our state, nation and world, and whereas, as of July 31, 2016, 100 percent of the program’s required 1 to 1 match has been pledged, and a full 100 percent of that match has been received, the General Assembly finds that it is time to celebrate the successes of the SmartState program while streamlining the orderly and thoughtful accountability and oversight of active awards such that the 51 SmartState Centers continue to thrive and attract new investments in South Carolina. As such, effective August 2, 2017, Sections 2-75-40, 2-75-50, and 2-75-60 of the South Carolina Code of Laws are suspended for the remainder of the fiscal year. On or before December 31, 2017, the Research Centers of Excellence Review Board shall submit to the President Pro Tempore of the Senate, the Speaker of the House of Representatives, the Chairman of the Senate Finance Committee, the Chairman of the House Ways and Means Committee, and the Governor, written recommendations regarding a plan to sunset the SmartState Board and how best to transition some of its responsibilities to an appropriate entity of state government for any continuing administrative program management, including a minimum budget necessary for administration, as well as for oversight and/or accountability responsibilities related to awards made on or before August 1, 2017, that may remain after the SmartState Board sunsets.

The PRESIDENT took the Point of Order under advisement.

**Point of Order**

Senator MALLOY raised a Point of Order under Rule 24A that Proviso 82.12 of Part 1B was out of order inasmuch as it was not germane to the Bill.

82.12. (DMV: Car Dealer License Plates) Of the funds appropriated for the issuance of car dealer license plates, the Department of Motor Vehicles may issue a dealer two plates for the first ten vehicles sold during the preceding year.

The PRESIDENT sustained the Point of Order.

Proviso 82.12 was ruled out of order.

**Point of Order**

Senator MALLOY raised a Point of Order under Rule 24A that Proviso 104.9 of Part 1B was out of order inasmuch as it was not germane to the Bill.

**104.9.** (SFAA: Attorneys) For the current fiscal year, during the transition of the Insurance Reserve Fund from the Budget and Control Board to the State Fiscal Accountability Authority, the Insurance Reserve Fund shall continue to approve the attorneys-at-law retained to defend those it insures. In addition, the authority of the former Budget and Control Board under Section 1-7-170(A) is devolved upon the State Fiscal Accountability Authority.

The PRESIDENT overruled the Point of Order.

**Point of Order**

Senator MALLOY raised a Point of Order under Rule 24A that Proviso 109.7 of Part 1B was out of order inasmuch as it was not germane to the Bill.

**109.7.** (DOR: Admissions Tax Exemption) Any amount that an accredited college or university requires a season ticket holder to pay to a nonprofit athletic booster organization that is exempt from federal income taxation in order to receive the right to purchase athletic event tickets is exempt from admissions tax.

The PRESIDENT sustained the Point of Order.

Proviso 109.7 was ruled out of order.

**Point of Order**

Senator MALLOY raised a Point of Order under Rule 24A that Proviso 117.37 of Part 1B was out of order inasmuch as it was not germane to the Bill.

**117.37.** (GP: Use Tax Exemption) For the current fiscal year there is exempt from the use tax imposed pursuant to Chapter 36, Title 12 of the 1976 Code the sales price of tangible personal property purchased for use in private primary and secondary schools, including kindergartens and early childhood education programs, which are exempt from income taxes pursuant to Section 501(c)(3) of the Internal Revenue Code. For the purposes of this item, the Internal Revenue Code means Internal Revenue Code as described in Section 12-6-40 of the 1976 Code. This exemption applies for sales occurring after 1995. No refund is due any taxpayer of use tax paid on sales exempted by this paragraph.

On motion of Senator MALLOY, with unanimous consent, the Point of Order was withdrawn.

**Amendment No. 36**

Senator TIMMONS proposed the following amendment (DAD SDE BIG BRO & SIS), which was carried over:

Amend the bill, as and if amended, Part IB, Section 1, DEPARTMENT OF EDUCATION, page 294, after line 18, by adding an appropriately numbered new proviso to read:

/ *(SDE: Big Brothers and Big Sisters of the Upstate) Of the funds retained and carried forward by the Department of Education pursuant to proviso 117.23, the Department of Education is directed to transfer up to $100,000 to the Big Brothers and Big Sisters of the Upstate to support educational activities.* /

Renumber sections to conform.

Amend sections, totals and title to conform.

Senator TIMMONS spoke on the amendment.

On motion of Senator SHEHEEN, the amendment was carried over.

**Amendment No. 37**

Senator HEMBREE proposed the following amendment (DAD SDE CHERRY GROVE), which was carried over and subsequently withdrawn:

Amend the bill, as and if amended, Part IB, Section 1, DEPARTMENT OF EDUCATION, page 294, after line 18, by adding an appropriately numbered new proviso to read:

/ *(SDE: Cherry Grove) Of the funds retained and carried forward by the Department of Education pursuant to proviso 117.23, the Department of Education is directed expend up to $25,000 for roof repairs and maintenance at its Cherry Grove property.* /

Renumber sections to conform.

Amend sections, totals and title to conform.

Senator HEMBREE spoke on the amendment.

On motion of Senator HEMBREE, the amendment was carried over.

On motion of Senator HEMBREE, with unanimous consent, the amendment was withdrawn.

**Amendment No. 28**

Senators BENNETT and CLIMER proposed the following amendment (DAD HOLD HARMLESS BC) which was withdrawn:

Amend the bill, as and if amended, Part IB, Section 1A, DEPARTMENT OF EDUCATION-EIA, page 323, proviso 1A.85, lines 18 - 20, by striking the proviso in its entirety, and inserting:

*/* *1A.85. (SDE-EIA: Carry Forward) For Fiscal Year 2017-18, the Department of Education is directed to allocate $20,000,000 from carry forward or unencumbered or unobligated cash balances for the School Districts Capital Improvement Plan as set forth in this Act and $10,000,000 from carry forward or unencumbered or unobligated cash balances for the Education Foundation Supplement as set forth in this Act.* /

Amend the bill further, as and if amended, Part IB, Section 1, DEPARTMENT OF EDUCATION, page 324, after line 14, by adding an appropriately numbered new proviso to read:

/ *(SDE-EIA: Hold Harmless) The Department of Education shall distribute the $10,000,000 appropriated from Proviso 1A.85 for the Education Foundation Supplement distributed to public school districts which would in the current fiscal year recognize a loss in State financial requirement of the foundation program by utilizing an Index of Taxpaying Ability which imputes the assessed value of owner occupied property compared to the State financial requirement of the same Index of Taxpaying Ability without an imputed value of owner-occupied homes. Funds in the Education Foundation Supplement must be distributed to the school districts receiving a loss, in an amount equal to the amount of the loss. If funds are not sufficient to cover the full loss, funds will be reduced on a pro rata basis. This supplement shall not require a local financial requirement.* /

Renumber sections to conform.

Amend sections, totals and title to conform.

Senator BENNETT spoke on the amendment.

Senator SHEHEEN spoke on the amendment.

On motion of Senator BENNETT, with unanimous consent, the amendment was withdrawn.

**ACTING PRESIDENT PRESIDES**

At 11:48 A.M., Senator CROMER assumed the Chair.

**PRESIDENT PRESIDES**

At 11:55 A.M., the PRESIDENT assumed the Chair.

**Motion Adopted**

On motion of Senator LEATHERMAN, with unanimous consent, and with Senator SHEHEEN retaining the floor on Amendment No. 28, the Senate receded from business to attend the Joint Assembly and at the conclusion of the Joint Assembly, the Senate would stand in recess for 45 minutes.

There was no objection

**RECESS**

At 11:55 A.M., on motion of Senator LEATHERMAN, the Senate receded from business for the purpose of attending the Joint Assembly.

**JOINT ASSEMBLY**

**Elections**

At 12:00 P.M., the Senate appeared in the Hall of the House.

The PRESIDENTof the Senate called the Joint Assembly to order and announced that it had convened under the terms of a Concurrent Resolution adopted by both Houses.

S. 532 -- Senators Peeler, Alexander, Scott and Verdin: A CONCURRENT RESOLUTION TO FIX WEDNESDAY, APRIL 5, 2017, AT NOON, AS THE DATE AND TIME FOR THE HOUSE OF REPRESENTATIVES AND THE SENATE TO MEET IN JOINT SESSION IN THE HALL OF THE HOUSE OF REPRESENTATIVES FOR THE PURPOSE OF ELECTING AN AT‑LARGE MEMBER OF THE BOARD OF VISITORS OF THE CITADEL FOR A TERM TO EXPIRE JUNE 30, 2023; FOR THE PURPOSE OF ELECTING A MEMBER OF THE BOARD OF TRUSTEES OF COASTAL CAROLINA UNIVERSITY FROM THE SECOND CONGRESSIONAL DISTRICT, SEAT 2, FOR A TERM TO EXPIRE JUNE 30, 2021; A MEMBER FROM THE FOURTH CONGRESSIONAL DISTRICT, SEAT 4, FOR A TERM TO EXPIRE JUNE 30, 2021; FROM THE SIXTH CONGRESSIONAL DISTRICT, SEAT 6, FOR A TERM TO EXPIRE JUNE 30, 2021, AND AT‑LARGE MEMBERS FROM SEATS 8, 10, 12, 14, AND 15, RESPECTIVELY, ALL FOR TERMS TO EXPIRE JUNE 30, 2021; FOR THE PURPOSE OF ELECTING A MEMBER OF THE BOARD OF TRUSTEES OF THE COLLEGE OF CHARLESTON TO FILL THE TERM OF THE MEMBER FROM THE THIRD CONGRESSIONAL DISTRICT, SEAT 6, FOR A TERM TO EXPIRE JUNE 30, 2020; FOR THE PURPOSE OF ELECTING A MEMBER OF THE BOARD OF TRUSTEES OF LANDER UNIVERSITY TO FILL THE TERM OF THE MEMBER FROM AT‑LARGE SEAT 10, WHOSE TERM WILL EXPIRE JUNE 30, 2018; FOR THE PURPOSE OF ELECTING MEMBERS OF THE BOARD OF TRUSTEES OF THE MEDICAL UNIVERSITY OF SOUTH CAROLINA TO FILL THE TERMS OF THE HEALTH PROFESSION MEMBERS FROM THE THIRD AND SIXTH CONGRESSIONAL DISTRICTS WHOSE TERMS WILL EXPIRE JUNE 30, 2018; FOR THE PURPOSE OF ELECTING AN AT‑LARGE MEMBER FROM SEAT 8 FROM WINTHROP UNIVERSITY FOR A TERM TO EXPIRE JUNE 30, 2023; AND FOR THE PURPOSE OF ELECTING FOUR AT‑LARGE MEMBERS OF THE BOARD OF TRUSTEES OF THE WIL LOU GRAY OPPORTUNITY SCHOOL, ALL FOR TERMS TO EXPIRE JUNE 30, 2021; AND FOR THE PURPOSE OF ELECTING AN AT‑LARGE MEMBER OF THE LEGISLATIVE AUDIT COUNCIL PURSUANT TO SECTION 2‑15‑10 FROM AMONG THE CANDIDATES NOMINATED BY THE LEGISLATIVE AUDIT COUNCIL NOMINATING COMMITTEE PURSUANT TO SECTION 2‑15‑20, FOR A TERM TO EXPIRE ON JUNE 30, 2023.

**Election to an At-Large Position**

**on the Board of Trustees for the Citadel**

The PRESIDENT announced that nominations were in order to elect a successor to an at-large position on the Board of Trustees for the Citadel.

Senator PEELER, Chairman of the Committee to Screen Candidates for State Colleges and Universities, indicated that James “Jim” H. Harrison and Tee Hooper had been screened and found qualified to serve and placed their names in nomination.

On motion of Senator PEELER, the name of Tee Hooper was withdrawn from consideration.

Senator PEELER moved that nominations be closed and, with unanimous consent, the vote was taken by acclamation, resulting in the election of the nominee.

Whereupon, the PRESIDENT announced that the Honorable James “Jim” H. Harrison was elected to the position on the Board of Trustees for the Citadel*,* at-large for the term to expire June 30, 2023.

**Election to the Board of Trustees for**

**College of Charleston, 3rd Congressional District, Seat 6**

The PRESIDENT announced that nominations were in order to elect a successor to a position on the Board of Trustees for the College of Charleston, 3rd Congressional District, Seat 6.

Senator PEELER, Chairman of the Committee to Screen Candidates for State Colleges and Universities, indicated that Craig C. Thornton and A. Scott Ward had been screened and found qualified to serve and placed their names in nomination.

On motion of Senator PEELER, the name of A. Scott Ward was withdrawn from consideration.

Senator PEELER moved that nominations be closed and, with unanimous consent, the vote was taken by acclamation, resulting in the election of the nominee.

Whereupon, the PRESIDENT announced that the Honorable Craig C. Thornton was elected to the position on the Board of Trustees for the College of Charleston, 3rd Congressional District, Seat 6 for the term to expire June 30, 2020.

**Election to the Board of Trustees for**

**Coastal Carolina University, 2nd Congressional District, Seat 2**

The PRESIDENT announced that nominations were in order to elect a successor to a position on the Board of Trustees for Coastal Carolina University, 2nd Congressional District, Seat #2.

Senator PEELER, Chairman of the Committee to Screen Candidates for State Colleges and Universities, indicated that Oran P. Smith had been screened and found qualified to serve and placed his name in nomination.

Senator PEELER moved that nominations be closed and, with unanimous consent, the vote was taken by acclamation, resulting in the election of the nominee.

Whereupon, the PRESIDENT announced that the HonorableOran P. Smith was elected to the position on the Board of Trustees for Coastal Carolina University, 2nd Congressional District, Seat 2for the term to expire June 30, 2021.

**Election to the Board of Trustees for**

**Coastal Carolina University, 4th Congressional District, Seat 4**

The PRESIDENT announced that nominations were in order to elect a successor to a position on the Board of Trustees for Coastal Carolina University, 4th Congressional District, Seat 4.

Senator PEELER, Chairman of the Committee to Screen Candidates for State Colleges and Universities, indicated that D. Wyatt Henderson had been screened and found qualified to serve and placed his name in nomination.

Senator PEELER moved that nominations be closed and, with unanimous consent, the vote was taken by acclamation, resulting in the election of the nominee.

Whereupon, the PRESIDENT announced that the Honorable D. Wyatt Henderson was elected to the position on the Board of Trustees for Coastal Carolina University, 4th Congressional District, Seat 4 for the term to expire June 30, 2021.

**Election to the Board of Trustees for**

**Coastal Carolina University, 6th Congressional District, Seat 6**

The PRESIDENT announced that nominations were in order to elect a successor to a position on the Board of Trustees for Coastal Carolina University, 6th Congressional District, Seat 6.

Senator PEELER, Chairman of the Committee to Screen Candidates for State Colleges and Universities, indicated that John H. Bartell, Jr. had been screened and found qualified to serve and placed his name in nomination.

Senator PEELER moved that nominations be closed and, with unanimous consent, the vote was taken by acclamation, resulting in the election of the nominee.

Whereupon, the PRESIDENT announced that the Honorable John H. Bartell, Jr. was elected to the position on the Board of Trustees for Coastal Carolina University, 6th Congressional District, Seat 6 for the term to expire June 30, 2021.

**Election to the Board of Trustees for**

**Coastal Carolina University, At-Large, Seat 8**

The PRESIDENT announced that nominations were in order to elect a successor to a position on the Board of Trustees for Coastal Carolina University, at-large, Seat 8.

Senator PEELER Chairman of the Committee to Screen Candidates for State Colleges and Universities, indicated that Carlos C. Johnson and Edward R. Tkaczhad been screened and found qualified to serve and placed their names in nomination.

On motion of Senator PEELER, the name of Edward R. Tkacz was withdrawn from consideration.

Senator PEELER moved that nominations be closed and, with unanimous consent, the vote was taken by acclamation, resulting in the election of the nominee.

Whereupon, the PRESIDENT announced that the Honorable Carlos C. Johnson was elected to the position on the Board of Trustees for Coastal Carolina University, at-large, Seat 8 for the term to expire June 30, 2021.

**Election to the Board of Trustees for**

**Coastal Carolina University, At-Large, Seat 10**

The PRESIDENT announced that nominations were in order to elect a successor to a position on the Board of Trustees for Coastal Carolina University, at-large, Seat 10.

Senator PEELER, Chairman of the Committee to Screen Candidates for State Colleges and Universities, indicated that Samuel J. Swad had been screened and found qualified to serve and placed his name in nomination.

Senator PEELER moved that nominations be closed and, with unanimous consent, the vote was taken by acclamation, resulting in the election of the nominee.

Whereupon, the PRESIDENT announced that the Honorable Samuel J. Swad was elected to the position on the Board of Trustees for Coastal Carolina University, at-large, Seat 10for the term to expire June 30, 2021.

**Election to the Board of Trustees for**

**Coastal Carolina University, At-Large, Seat 12**

The PRESIDENT announced that nominations were in order to elect a successor to a position on the Board of Trustees for Coastal Carolina University, at-large, Seat 12.

Senator PEELER, Chairman of the Committee to Screen Candidates for State Colleges and Universities, indicated that H. Delan Stevens had been screened and found qualified to serve and placed his name in nomination.

Senator PEELER moved that nominations be closed and, with unanimous consent, the vote was taken by acclamation, resulting in the election of the nominee.

Whereupon, the PRESIDENT announced that the Honorable H. Delan Stevens was elected to the position on the Board of Trustees for Coastal Carolina University, at-large, Seat 12 for the term to expire June 30, 2021.

**Election to the Board of Trustees for**

**Coastal Carolina University, At-Large, Seat 14**

The PRESIDENT announced that nominations were in order to elect a successor to a position on the Board of Trustees for Coastal Carolina University, at-large, Seat 14.

Senator PEELER, Chairman of the Committee to Screen Candidates for State Colleges and Universities, indicated that Daniel W. R. Moore had been screened and found qualified to serve and placed his name in nomination.

Senator PEELER moved that nominations be closed and, with unanimous consent, the vote was taken by acclamation, resulting in the election of the nominee.

Whereupon, the PRESIDENT announced that the Honorable Daniel W. R. Moore was elected to the position on the Board of Trustees for Coastal Carolina University, at-large, Seat 14 for the term to expire June 30, 2021.

**Election to the Board of Trustees for**

**Coastal Carolina University, At-Large, Seat 15**

The PRESIDENT announced that nominations were in order to elect a successor to a position on the Board of Trustees for Coastal Carolina University, at-large, Seat 15.

Senator PEELER, Chairman of the Committee to Screen Candidates for State Colleges and Universities, indicated that Patrick Sparks had been screened and found qualified to serve and placed his name in nomination.

Senator PEELER moved that nominations be closed and, with unanimous consent, the vote was taken by acclamation, resulting in the election of the nominee.

Whereupon, the PRESIDENT announced that the Honorable Patrick Sparks was elected to the position on the Board of Trustees for Coastal Carolina University, at-large, Seat 15 for the term to expire June 30, 2021.

**Election to the Board of Trustees for**

**Lander University, At-Large, Seat 10**

The PRESIDENT announced that nominations were in order to elect a successor to a position on the Board of Trustees for Lander University, at-large, Seat 10.

Senator PEELER, Chairman of the Committee to Screen Candidates for State Colleges and Universities, indicated that Peggy Makinshad been screened and found qualified to serve and placed her name in nomination.

Senator PEELER moved that nominations be closed and, with unanimous consent, the vote was taken by acclamation, resulting in the election of the nominee.

Whereupon, the PRESIDENT announced that the Honorable Peggy Makins was elected to the position on the Board of Trustees for Lander University, at-large, Seat 10for the term to expire June 30, 2018.

**Election to the Board of Trustees for the**

**Medical University of South Carolina**

**3rd Congressional District, Medical Member**

The PRESIDENT announced that nominations were in order to elect a successor to a position on the Board of Trustees for the Medical University of South Carolina, 3rd Congressional District, Medical Member.

Senator PEELER, Chairman of the Committee to Screen Candidates for State Colleges and Universities, indicated that Richard M. Christian, Jr. and George P. Cone, Jr. had been screened and found qualified to serve and placed their names in nomination.

On motion of Senator PEELER, the name of George P. Cone, Jr. was withdrawn from consideration.

Senator PEELER, moved that nominations be closed and, with unanimous consent, the vote was taken by acclamation, resulting in the election of the nominee.

Whereupon, the PRESIDENT announced that the Honorable Richard M. Christian, Jr. was elected to the position on the Board of Trustees for the Medical University of South Carolina, 3rd Congressional District, Medical Member for the term to expire June 30, 2018.

**Election to the Board of Trustees for the**

**Medical University of South Carolina**

**6th Congressional District, Medical Member**

The PRESIDENT announced that nominations were in order to elect a successor to a position on the Board of Trustees for the Medical University of South Carolina, 6th Congressional District, Medical Member.

Senator PEELER, Chairman of the Committee to Screen Candidates for State Colleges and Universities, indicated that Robert C. Gordon had been screened and found qualified to serve and placed his name in nomination.

Senator PEELER, moved that nominations be closed and, with unanimous consent, the vote was taken by acclamation, resulting in the election of the nominee.

Whereupon, the PRESIDENT announced that the Honorable Robert C. Gordon was elected to the position on the Board of Trustees for the Medical University of South Carolina, 6th Congressional District, Medical Member for the term to expire June 30, 2018.

**Election to the Board of Trustees for**

**Winthrop University, At-Large, Seat 8**

The PRESIDENT announced that nominations were in order to elect a successor to a position on the Board of Trustees for Winthrop University, at-large, Seat 8.

Senator PEELER, Chairman of the Committee to Screen Candidates for State Colleges and Universities, indicated that Sandra Roberts Stroman had been screened and found qualified to serve and placed her name in nomination.

Senator PEELER, moved that nominations be closed and, with unanimous consent, the vote was taken by acclamation, resulting in the election of the nominee.

Whereupon, the PRESIDENT announced that the Honorable Sandra Roberts Stroman was elected to the position on the Board of Trustees for Winthrop University, at-large, Seat 8for the term to expire June 30, 2023.

**Election to the Board of Trustees for the**

**Wil Lou Gray Opportunity School,**

**Four At-Large Seats**

The PRESIDENT announced that nominations were in order to elect a successor to four at-large positions on the Board of Trustees for the Wil Lou Gray Opportunity School, four at-large seats.

Senator PEELER, Chairman of the Committee to Screen Candidates for State Colleges and Universities, indicated that D. Stewart Cooner, Angela Hanyak, Russell E. Hart and Jerome C. Wyatthad been screened and found qualified to serve and placed their names in nomination.

Senator PEELER, moved that nominations be closed and, with unanimous consent, the vote was taken by acclamation, resulting in the election of the nominees.

Whereupon, the PRESIDENT announced that the HonorableD. Stewart Cooner, Angela Hanyak, Russell E. Hart and Jerome C. Wyatt were elected to the positions on the Board of Trustees for the Wil Lou Gray Opportunity School, four at-large seatsfor the term to expire June 30, 2021.

**Election to the Legislative Audit Council**

Subsequent to the election to Boards of Trustees of certain Colleges and Universities, the PRESIDENT of the Senate announced that it had convened under the terms of a Concurrent Resolution adopted by both Houses:

The PRESIDENT announced that nominations were in order to elect a position to the Legislative Audit Council.

Senator MALLOY indicated that Mr. John B. Dangler had been screened and found qualified to serve and his name was placed in nomination.

Senator MALLOY moved that nominations be closed and, with unanimous consent, the vote was taken by acclamation, resulting in the election of the nominee.

Whereupon, the PRESIDENT announced that the Honorable John B. Dangler was elected to the Legislative Audit Council for the term to expire June 30, 2023.

The purposes of the Joint Assembly having been accomplished, the PRESIDENT declared it adjourned, whereupon the Senate returned to its Chamber and was called to order by the PRESIDENT.

At 1:35 P.M., the Senate resumed.

**Amendment No. 28**

Senators BENNETT and CLIMER proposed the following amendment (DAD HOLD HARMLESS BC), which was tabled:

Amend the bill, as and if amended, Part IB, Section 1A, DEPARTMENT OF EDUCATION-EIA, page 323, proviso 1A.85, lines 18 - 20, by striking the proviso in its entirety, and inserting:

*/* *1A.85. (SDE-EIA: Carry Forward) For Fiscal Year 2017-18, the Department of Education is directed to allocate $20,000,000 from carry forward or unencumbered or unobligated cash balances for the School Districts Capital Improvement Plan as set forth in this Act and $10,000,000 from carry forward or unencumbered or unobligated cash balances for the Education Foundation Supplement as set forth in this Act.* /

Amend the bill further, as and if amended, Part IB, Section 1, DEPARTMENT OF EDUCATION, page 324, after line 14, by adding an appropriately numbered new proviso to read:

/ *(SDE-EIA: Hold Harmless) The Department of Education shall distribute the $10,000,000 appropriated from Proviso 1A.85 for the Education Foundation Supplement distributed to public school districts which would in the current fiscal year recognize a loss in State financial requirement of the foundation program by utilizing an Index of Taxpaying Ability which imputes the assessed value of owner occupied property compared to the State financial requirement of the same Index of Taxpaying Ability without an imputed value of owner-occupied homes. Funds in the Education Foundation Supplement must be distributed to the school districts receiving a loss, in an amount equal to the amount of the loss. If funds are not sufficient to cover the full loss, funds will be reduced on a pro rata basis. This supplement shall not require a local financial requirement.* /

Renumber sections to conform.

Amend sections, totals and title to conform.

Senator SHEHEEN resumed speaking on the amendment.

**Objection**

Senator NICHOLSON asked unanimous consent to return to S. 596, give it a second reading today and a third reading tomorrow.

Senator MALLOY objected.

Senator SHEHEEN resumed speaking on the amendment.

Senator SHEHEEN moved to lay the amendment on the table.

The amendment was laid on the table.

**Amendment No. 41**

Senator MASSEY proposed the following amendment (3720R019.DR.ASM.DOCX), which was withdrawn:

Amend the bill, as and if amended, Part IB, Section 85, INFRASTRUCTURE BANK BOARD, page 423, proviso 1, line 15, by striking /*must provide live-streamed coverage of all Board meetings to ensure transparency and access for the public.*/ and inserting /*must provide live-streamed coverage of all Board meetings to ensure transparency and access for the public. The Board meetings shall be recorded and archived and made available on the Department of Transportation’s website.*/

Renumber sections to conform.

Amend sections, totals and title to conform.

On motion of Senator MASSEY, with unanimous consent, the amendment was withdrawn.

**Amendment No. 42**

Senator MASSEY proposed the following amendment (3720R018.DR.ASM.DOCX), which was withdrawn:

Amend the bill, as and if amended, Part IB, Section 84, DEPARTMENT OF TRANSPORTATION, page 422, proviso 10, lines 23-25, by striking /Planning and construction on a new U.S. 378 bridge crossing Lake J. Strom Thurmond must provide for and allow McCormick County to affix water lines to the new bridge just as the water lines are affixed to the existing bridge. McCormick County shall bear the cost of affixing the water lines to the new bridge./ and inserting /*Planning and construction on a new U.S. 378 bridge crossing Lake J. Strom Thurmond must provide for and allow McCormick County to affix water and sewer lines to the new bridge just as the water lines are affixed to the existing bridge. McCormick County shall bear the cost of affixing the water and sewer lines to the new bridge.*/

Renumber sections to conform.

Amend sections, totals and title to conform.

Senator MASSEY spoke on the amendment.

**Point of Order**

Senator M.B. MATTHEWS raised a Point of Order under Rule 24A that the amendment was out of order inasmuch as it was not germane to the Bill.

Senator MASSEY spoke on the Point of Order.

Senator M.B. MATTHEWS spoke on the Point of Order.

The PRESIDENT took the Point of Order under advisement.

On motion of Senator MASSEY, with unanimous consent, the amendment was withdrawn.

**Amendment No. 44**

Senator MASSEY proposed the following amendment (3720R020.DR.ASM.DOCX), which was adopted (#10):

Amend the bill, as and if amended, Part IB, Section 85, INFRASTRUCTURE BANK BOARD, page 423, proviso 1, line 15, by striking /*must provide live-streamed coverage of all Board meetings to ensure transparency and access for the public.*/ and inserting /*must provide live-streamed coverage of all Board meetings to ensure transparency and access for the public. The Board meetings shall be recorded and archived and made available on the South Carolina Transportation Infrastructure Bank’s website.*/

Renumber sections to conform.

Amend sections, totals and title to conform.

Senator MASSEY spoke on the amendment.

**Point of Order**

Senator M.B. MATTHEWS raised a Point of Order under Rule 24A that the amendment was out of order inasmuch as it was not germane to the Bill.

The PRESIDENT overruled the Point of Order.

The amendment was adopted.

**Amendment No. 32**

Senators TURNER and DAVIS proposed the following amendment (3720R011.DR.RT.DOCX), which was adopted (#11):

Amend the bill, as and if amended, Part IB, Section 108, PUBLIC EMPLOYEE BENEFIT AUTHORITY, page 455, after line 7, by adding an appropriately numbered new proviso to read:

*/ 108 .\_\_ (PEBA: Shared-Savings Incentive Program Study Committee) From the funds appropriated to the authority, there is created a Shared-Savings Incentive Program Study Committee. The purpose of the study committee shall be to identify the requirements, costs, and benefits of implementing a shared-savings incentive program for state-employed, public sector or retired enrollees who elect to shop and receive health care services at a lower cost than the average price paid by their carrier for a comparable health care service. The study committee shall also assess whether the program should be administered by the authority or through a third party, or whether to require carriers to offer access to such a program for health care services eligible for shared incentives. The study committee shall be composed of members appointed as follows:*

*(1) the Speaker of the House of Representatives or his designee;*

*(2) the President Pro Tempore of the Senate or his designee;*

*(3) the Chairman of the Senate Finance Committee or his designee;*

*(4) the Chairman of the House Ways and Means Committee or his designee; and*

*(5) one member appointed by the Governor that is a nonrepresentative member of the South Carolina Public Employee Benefit Authority Board of Directors.*

*The committee shall provide findings and recommendations to the General Assembly on or before December 31, 2017.*/

Renumber sections to conform.

Amend sections, totals and title to conform.

Senator TURNER spoke on the amendment.

The amendment was adopted.

**Amendment No. 33**

Senator SHEHEEN proposed the following amendment (3720R009.KMM.VAS.DOCX), which was adopted (#12):

Amend the bill, as and if amended, Part IB, Section 109, DEPARTMENT OF REVENUE, page 461, proviso 109.11, by striking Subsection (J), found on lines 17 through 22 and inserting:

/ *(J) ~~On or before August 1, 2016, each scholarship funding organization organized and operating pursuant to SECTION 9 of H. 4230, R. 130, Act 92 of 2015 shall deposit with the Educational Credit for Exceptional Needs Children Fund all remaining funds on hand as of July 1, 2016. Scholarship funding organizations organized and operating pursuant to SECTION 9 shall remain in existence after the effective date of this act solely for the purpose of winding down operations and depositing remaining funds with the Educational Credit for Exceptional Needs Children Fund pursuant to this provision. On August 1, 2016 all scholarship funding organizations organized pursuant to SECTION 9 shall cease to exist.~~* *The department shall conduct a comprehensive study of the Exceptional Needs Tax Credit program. The study shall examine the following:*

*(1) whether or not the students participating in the program have experienced measurable improvement as a result of participation;*

*(2)* *the allocation of scholarship funds and tax credits among students, including the effect of funding limitations on the addition of new participants; the demographic and socio-economic data of the participants and their families; and the geographical distribution of the participants;*

*(3) the distribution of scholarship funds among all eligible schools;*

*(4) the nature and quality of services provided by eligible schools participating in the program, including retention rates of participating students among the schools, with an analysis of the reasons that students not retained by a school made a different educational choice and where those students chose to attend rather than the eligible school;*

*(5)* *identification of the schools in which the most measurable improvement has occurred among students, with an analysis of the types of schools achieving the best results and best practices implemented by those schools; and*

*(6) any other aspect of the program that the department determines would be relevant and useful in making future policy decisions in regard to the program and its continued existence or expansion.*

*The department shall submit a report of its study to the General Assembly no later than January 15, 2018. /*

Renumber sections to conform.

Amend sections, totals and title to conform.

Senator SHEHEEN spoke on the amendment.

The amendment was adopted.

**Amendment No. 39**

Senators GROOMS, SHEALY and SHEHEEN proposed the following amendment (3720R013.KMM.LKG.DOCX), which was carried over:

Amend the bill, as and if amended, Part IB, Section 109, DEPARTMENT OF REVENUE, page 461, after line 22, by adding an appropriately numbered new proviso to read:

*/* *109.12.* *(DOR: Retail Liquor Dealer License Supplemental Fee) In addition to other fees imposed by the Department of Revenue in relation to retail dealer licenses issued pursuant to Chapter 6, Title 61, the Alcoholic Beverage Control Act, the department shall collect a supplemental license fee for all applications for a fourth or subsequent retail dealer license. The supplemental fee shall apply to each location for which the applicant proposes to do business under the license. The supplemental fee for an existing licensee shall be equal to the average gross sales for each of the licensee’s existing licensed locations during the twelve months immediately preceding the month in which the application is submitted. The supplemental fee for an applicant who does not have any licensed locations from which to derive average gross sales data shall be equal to the average gross sales of the geographically nearest three licensees. The fee shall be remitted in twelve equal installments beginning on July 31 and on the last day of each month during the fiscal year. The fee imposed pursuant to this proviso is necessary to fund additional law enforcement, regulatory measures, health care costs, and associated impacts on the health, safety, and welfare of the State’s residents resulting from the anticipated additional sales of liquor.* /

Renumber sections to conform.

Amend sections, totals and title to conform.

Senator GROOMS spoke on the amendment.

**Point of Order**

Senator GREGORY raised a Point of Order under Rule 24A that the amendment was out of order inasmuch as it was not germane to the Bill.

Senator SCOTT spoke on the Point of Order.

Senator GROOMS spoke on the Point of Order.

The PRESIDENT took the point of order under advisement

On motion of Senator GROOMS, with unanimous consent, the amendment was carried over.

**Motion Adopted**

On motion of Senator HUTTO, with unanimous consent, the amendment was carried over to third reading waiving the provisions of Rule 26B.

**Amendment No. 34**

Senators SHEALY and CORBIN proposed the following amendment (DG KS AGHEAD), which was carried over and subsequently withdrawn:

Amend the bill, as and if amended, Part IB, Section 117, GENERAL PROVISIONS, page 507, after line 7, by adding an appropriately numbered new proviso to read:

*/ (GP: Agency Head Salaries) Notwithstanding any provision of Part 1.A., an agency head shall not receive an annual salary in the current fiscal year that exceeds the annual salary of that same position on December 31, 2016. Any appropriations for such purposes to the contrary are reduced appropriately.* /

Amend the bill further, as and if amended, Part IB, Section 109, DEPARTMENT OF REVENUE, page 459, proviso 109.11, beginning on line 5, by striking subsection (D)(1)(a) and inserting:

/ (D)(1)(a) Tax credits authorized by subsection (H)(1) and subsection (I) of this proviso annually may not exceed cumulatively a total of ~~ten~~ *eleven* million *four hundred forty-five thousand six hundred and twelve* dollars for contributions to the Educational Credit for Exceptional Needs Children Fund. /

Renumber sections to conform.

Amend sections, totals and title to conform.

Senator SHEALY spoke on the amendment.

On motion of Senator SHEALY, the amendment was carried over.

On motion of Senator SHEALY, with unanimous consent, the amendment was withdrawn.

**Amendment No. 35A**

Senator GOLDFINCH proposed the following amendment (DG SG GOVAUD COMM), which was adopted (#13):

Amend the bill, as and if amended, Part IB, Section 117, GENERAL PROVISIONS, page 507, after line 7, by adding an appropriately numbered new proviso to read:

*/ (GP: Governance Summit) In the current fiscal year and from the funds appropriated to each state‑supported comprehensive and research institution of higher learning, the Chairman of each institution’s Board of Trustees, or their designees, shall jointly convene a summit for the sole purpose of facilitating an exchange of ideas, including best‑practices, which are designed to encourage increasingly diversified and qualified membership among these boards over time. The summit shall convene as soon as practicable after July 1, 2017. In lieu of printed copies, findings and recommendations from the summit must be forwarded electronically to both the General Assembly’s Joint Legislative Committee to Screen Candidates for College and University Boards of Trustees established pursuant to Section 2‑20‑10 of the 1976 Code and the Commission on Higher Education no later than January 1, 2018. In addition, each state‑supported institution of higher learning shall provide the members of the General Assembly a copy of its audited financial statement no later than seven days following its submission of the same to the state Office of Comptroller General as required by law. Furthermore, on a conspicuous place on its website, each state‑supported institution of higher learning shall post a full copy of its audited financial statement, along with a detailed description of the institution’s external and internal budget development processes, to include the manner in which the institution monitors variance, if any, between budgeted income and expense versus actual income and expense during the fiscal year as well as what processes the institution utilizes to develop, oversee and evaluate the budgetary performance of each of the institution’s designated budgetary units during the fiscal year. A link to a copy of the contents of the website posting must be provided to the Chairman of the Senate Finance Committee, the Chairman of the Senate Education Committee, the Chairman of the House Ways and Means Committee, and the Chairman of the House Education and Public Works Committee.* /

Renumber sections to conform.

Amend sections, totals and title to conform.

Senator GOLDFINCH spoke on the amendment.

The amendment was adopted.

Senator MASSEY asked unanimous consent to proceed to Amendment No. 52.

There was no objection.

**Amendment No. 52**

Senators JACKSON, MASSEY, SETZLER, WILLIAMS, MALLOY, SHEALY, McELVEEN, KIMPSON, SHEHEEN, NICHOLSON, JOHNSON and McLEOD proposed the following amendment (DG DJ BONUS1), which was adopted (#14):

Amend the bill, as and if amended, Part IB, Section 118, STATEWIDE REVENUE, page 520, after line 34, by adding an appropriately numbered subsection to read:

/ *( ) The source of revenue appropriated in this subsection is unobligated Fiscal Year 2016-17 General Fund surplus revenues collected above the amounts certified by the Board of Economic Advisors. This item may be partially funded in the order in which it appears to the extent that revenues are available.*

*The State Treasurer shall disburse the following appropriations by September 30, 2017, for the purposes stated:*

*(1) F300‑Statewide Employee Benefits*

*Employee Bonus $10,600,000;*

*(1.1) From the funds appropriated to Statewide Employee Benefits for Bonus Pay, effective on the first pay date that occurs on or after October 16, 2017, the Department of Administration shall allocate to state agencies $10,600,000 to provide for a one‑time lump sum bonus. Each permanent state employee, in a full‑time equivalent position, who has been in continuous state service for at least six months prior to July 1, 2017, and who earns $50,000 or less, shall receive a $500 one‑time lump sum payment. This payment is not a part of the state employee’s base salary and is not earnable compensation for purposes of employer or employee contributions to respective retirement systems. This appropriation may be used for payments to employees only in the same ratio as the employee’s base salary is paid from appropriated sources and the employing agency shall pay the bonus for federal and other funded full‑time equivalent positions employees from federal or other funds available to the agency in the proportion that such funds are the source of the employee’s salary. The earnings limitation in Proviso 117.55 of this act do not apply to this bonus.*

*(1.2) Notwithstanding any other provision of this section, if the unobligated surplus revenues are not sufficient to provide a $500 bonus, the raise for each qualifying employee shall be reduced equally. However, if the revenues are not sufficient to provide at least a $100 bonus, then the provisions of this item do not apply, and the revenues shall lapse to the general fund. /*

Renumber sections to conform.

Amend sections, totals and title to conform.

Senator JACKSON spoke on the amendment.

The amendment was adopted.

**Motion Adopted**

On motion of Senator MARTIN, with unanimous consent, Amendment No. 38 and all other amendments related to unobligated surplus funds be withdrawn.

**Amendment No. 31**

Senator MARTIN proposed the following amendment (DAD 1.59 SUMMER READING CAMPS), which was adopted (#15):

Amend the bill, as and if amended, Part IB, Section 1, DEPARTMENT OF EDUCATION, page 283, proviso 1.59, lines 32 - 34, by striking: / . The Education Oversight Committee will document and evaluate the partnerships and the impact of the partnerships on student academic success and make recommendations on the characteristics of effective partnerships and on methods of duplicating effective partnerships throughout the state /

Renumber sections to conform.

Amend sections, totals and title to conform.

Senator MARTIN spoke on the amendment.

The amendment was adopted.

**Amendment No. 26**

Senators BENNETT, CLIMER and FANNING proposed the following amendment (DAD HOLD HARMLESS AND ETV), which was carried over:

Amend the bill, as and if amended, Part IB, Section 1, DEPARTMENT OF EDUCATION, page 294, after line 18, by adding an appropriately numbered new proviso to read:

*/*  *(SDE: Hold Harmless) The Department of Education shall distribute the $10,000,000 appropriated from Proviso 8.2 for the Education Foundation Supplement distributed to public school districts which would in the current fiscal year recognize a loss in State financial requirement of the foundation program by utilizing an Index of Taxpaying Ability which imputes the assessed value of owner occupied property compared to the State financial requirement of the same Index of Taxpaying Ability without an imputed value of owner-occupied homes. Funds in the Education Foundation Supplement must be distributed to the school districts receiving a loss, in an amount equal to the amount of the loss. If funds are not sufficient to cover the full loss, funds will be reduced on a pro rata basis. This supplement shall not require a local financial requirement.* /

Amend the bill further, as and if amended, Part IB, Section 8, EDUCATIONAL TELEVISION COMMISSION, page 339, proviso 8.2, lines 25 and 30, by striking /*$40,000,000*/ and inserting /*$30,000,000*/

Amend the bill further, as and if amended, Part IB, Section 8, EDUCATIONAL TELEVISION COMMISSION, page 339, proviso 8.2, line 31, after /used/ by inserting: / *as follows: $10,000,000 for the Education Foundation Supplement and any remaining proceeds* /

Renumber sections to conform.

Amend sections, totals and title to conform.

Senator BENNETT spoke on the amendment.

On motion of Senator BENNETT, the amendment was carried over.

**Amendment No. 27**

Senators BENNETT and CLIMER proposed the following amendment (DAD HOLD HARMLESS & ETV 5M), which was carried over and subsequently withdrawn:

Amend the bill, as and if amended, Part IB, Section 1, DEPARTMENT OF EDUCATION, page 294, after line 18, by adding an appropriately numbered new proviso to read:

*/*  *(SDE: Hold Harmless) The Department of Education shall distribute the $10,000,000 appropriated from Provisos 1A.85 and 8.2 for the Education Foundation Supplement distributed to public school districts which would in the current fiscal year recognize a loss in State financial requirement of the foundation program by utilizing an Index of Taxpaying Ability which imputes the assessed value of owner occupied property compared to the State financial requirement of the same Index of Taxpaying Ability without an imputed value of owner-occupied homes. Funds in the Education Foundation Supplement must be distributed to the school districts receiving a loss, in an amount equal to the amount of the loss. If funds are not sufficient to cover the full loss, funds will be reduced on a pro rata basis. This supplement shall not require a local financial requirement.* /

Amend the bill further, as and if amended, Part IB, Section 1A, DEPARTMENT OF EDUCATION-EIA, page 323, proviso 1A.85, lines 18 - 20, by striking the proviso in its entirety, and inserting:

*/* *1A.85. (SDE-EIA: Carry Forward) For Fiscal Year 2017-18, the Department of Education is directed to allocate $25,000,000 from carry forward or unencumbered or unobligated cash balances for the School Districts Capital Improvement Plan as set forth in this Act and $5,000,000 from carry forward or unencumbered or unobligated cash balances for the Education Foundation Supplement as set forth in this Act.* /

Amend the bill further, as and if amended, Part IB, Section 8, EDUCATIONAL TELEVISION COMMISSION, page 339, proviso 8.2, lines 25 and 30, by striking /*$40,000,000*/ and inserting /*$35,000,000*/

Amend the bill further, as and if amended, Part IB, Section 8, EDUCATIONAL TELEVISION COMMISSION, page 339, proviso 8.2, line 31, after /used/ by inserting: / *as follows: $5,000,000 for the Education Foundation Supplement and any remaining proceeds* /

Renumber sections to conform.

Amend sections, totals and title to conform.

Senator BENNETT spoke on the amendment.

On motion of Senator BENNETT, the amendment was carried over.

On motion of Senator BENNETT, with unanimous consent, the amendment was withdrawn.

**Point of Order**

Senator HEMBREE raised a Point of Order under Rule 24A that Proviso 117.123 of Part 1B was out of order inasmuch as it was not germane to the Bill.

**117.123.** (GP: Sentencing Reform Oversight Committee Reauthorization) The Sentencing Reform Oversight Committee established by Chapter 28 of Title 24 of the 1976 Code is reauthorized for ~~Fiscal Year 2016-17~~ the current fiscal year, notwithstanding the provisions of Section 24-28-20(c). Four members shall be added to the Sentencing Reform Oversight Committee. Two shall be members of the House of Representatives, one appointed by the Speaker of the House and one appointed by the Chairman of the Ways and Means Committee. Two shall be members of the Senate, one appointed by the President Pro Tempore of the Senate and one appointed by the Chairman of the Senate Finance Committee.

Senator MALLOY spoke on the Point of Order.

The PRESIDENT sustained the Point of Order.

Proviso 117.123 was ruled out of order.

**Amendment No. 36**

Senator TIMMONS proposed the following amendment (DAD SDE BIG BRO & SIS), which was withdrawn:

Amend the bill, as and if amended, Part IB, Section 1, DEPARTMENT OF EDUCATION, page 294, after line 18, by adding an appropriately numbered new proviso to read:

/ *(SDE: Big Brothers and Big Sisters of the Upstate) Of the funds retained and carried forward by the Department of Education pursuant to proviso 117.23, the Department of Education is directed to transfer up to $100,000 to the Big Brothers and Big Sisters of the Upstate to support educational activities.* /

Renumber sections to conform.

Amend sections, totals and title to conform.

On motion of Senator TIMMONS, with unanimous consent, the amendment was withdrawn.

**Amendment No. 53**

Senator TIMMONS proposed the following amendment (DAD BIG BRO SIS KINESTHETIC), which was adopted (#16):

Amend the bill, as and if amended, Part IB, Section 1, DEPARTMENT OF EDUCATION, page 294, after line 18, by adding an appropriately numbered new proviso to read:

/ *(SDE: Big Brothers Big Sisters) Of the funds retained and carried forward by the Department of Education pursuant to proviso 117.23, the Department of Education is directed to transfer up to $50,000 to Big Brothers Big Sisters of the Upstate and up to $50,000 to Big Brothers Big Sisters - Carolina Youth Development Center to support educational activities.* /

Amend the bill further, as and if amended, Part IB, Section 1A, DEPARTMENT OF EDUCATION - EIA, page 323, proviso 1A.89 (Kinesthetic Learning Platform, line 36, by striking /*$350,000*/ and inserting /*$250,000*/

Renumber sections to conform.

Amend sections, totals and title to conform.

Senator TIMMONS spoke on the amendment.

The amendment was adopted.

**Amendment No. 51**

Senators DAVIS and CAMPSEN proposed the following amendment (DG TD SCHOOLSHORT), which was adopted (#17):

Amend the bill, as and if amended, Part IB, Section 1A, DEPARTMENT OF EDUCATION - EIA, beginning on page 310, by striking proviso 1A.50 and inserting:

1A.50. (SDE-EIA: Surplus) For Fiscal Year ~~2016-17~~ *2017-18*, EIA ~~surplus~~ *cash* funds from the prior fiscal year and *EIA funds* not otherwise appropriated or authorized must be carried forward and expended on the following items *in the order listed*:

~~1. EOC - Partnerships for Innovation - $3,200,000;~~

~~2. Allendale County School District - $150,000;~~

~~3. Modernize Vocational Equipment - $1,501,307;~~

~~4. Industry Certification - $3,000,000;~~

~~5. Adult Education - $1,000,000;~~

~~6. Power Schools/Data Collection - $1,952,000;~~

~~7. IT Academy - $750,000;~~

~~8. Instructional Development and Digital Content Curation - $393,443; and~~

~~9. EOC - Customized STEM labs for grades 6-8 located in school districts that are a trial or plaintiff district in the Abbeville equity lawsuit - $200,000.~~

*1. Computer Science Task Force - $400,000;*

*2. EOC-Partnerships - $6,281,500;*

*3. Industry Certification - $3,000,000;*

*4. SDE-School Districts Capital Improvement Plan - $46,000,000;*

*5. SDE-Technical Assistance - $1,308,500; and*

*6. SDE - K-12 Funding Gap - $450,000.*

~~Any additional funds carried forward and not otherwise appropriated or authorized may be used for Instructional Materials.~~

~~If excess EIA revenues are less than the amounts appropriated, funding for the items listed herein shall be reduced on a pro rata basis.~~

*The State Department of Education shall disburse the funds for the K-12 Funding Gap proportionately to school districts that, in the current fiscal year, are cumulatively appropriated and allocated at least eight percent less state funds than the school district was appropriated and allocated in Fiscal Year 2016-17. For purposes of this proviso, state funds includes Education Improvement Act funds. Further, the amounts appropriated and allocated in Part 1.A. and Sections 1 and 1.A. of this Part 1.B., shall be considered for purposes of determining whether a school district received less state funds.*/

Renumber sections to conform.

Amend sections, totals and title to conform.

Senator DAVIS spoke on the amendment.

The amendment was adopted.

**Amendment No. 50**

Senators DAVIS and SABB proposed the following amendment (DG TD EDU 82), which was adopted (#18):

Amend the bill, as and if amended, Part IB, Section 1A, DEPARTMENT OF EDUCATION - EIA, beginning on page 321, by striking proviso 1A.82 and inserting:

/ *1A.82. (SDE-EIA: School Districts Capital Improvement Plan) The funds appropriated for the School Districts Capital Improvement Plan in Part IA, Section 1, VIII, J, School Districts Capital Improvements and by provisos 1.89, 1A.81, and 1A.85 shall be allocated by the Department of Education to school districts for the purpose of funding school facility upgrades, including public charter schools. 70% of the funds shall go to any school district that is a plaintiff in the Abbeville law suit or districts with a poverty index of eighty percent or higher, including public charter schools in those districts sponsored by that district or the SC Public Charter School District. The remaining balance shall go to the remaining school districts. For the purpose of this provision, “school facility” means only facilities necessary for instructional and related supporting purposes including, but not limited to, classrooms, libraries, media centers, laboratories, cafeterias, physical education spaces, and related interior and exterior facilities. Eligible school facility projects shall include: (a) health and safety upgrades; and (b) deferred maintenance needs as described in the district’s capital improvement plan. For purposes of this provision, school facilities shall not include unimproved real property, centralized district administration facilities, or other facilities, including those normally identified with interscholastic sports activities.*

*The department shall develop and maintain an application process for school districts, including public charter schools, to request funding for qualified school projects and establish policies, procedures, and priorities for the making of grants pursuant to this provision. At a minimum, results of the facilities assessments and a districts own ability to raise revenues as determined by the index of taxpaying ability shall be utilized to establish priority of the eligible projects for grants.* *At least twice a year and upon receipt of applications pursuant to the application process adopted by the department, the department shall prioritize the eligible projects with the greatest need and shall submit a list of recommended grant awards to the State Board of Education. Grants shall be awarded upon an affirmative vote of the State Board.*

*The financial assistance provided to school districts pursuant to this provision must be used for the eligible school facility project. The department is responsible for establishing policies and procedures to ensure that funds are expended in a manner consistent with this provision.*

*Following the close of the fiscal year, the department shall submit an annual report of its School Districts Capital Improvement Plan activities for the preceding year to the Governor, the Chairman of the Senate Finance Committee, the Chairman of the House Ways and Means Committee, the Chairman of the Senate Education Committee, and the Chairman of the House Education and Public Works Committee. /*

Renumber sections to conform.

Amend sections, totals and title to conform.

Senator DAVIS spoke on the amendment.

The amendment was adopted.

**Amendment No. 54**

Senators WILLIAMS and SHEHEEN proposed the following amendment (DAD EOC K READINESS 300K), which was adopted (#19):

Amend the bill, as and if amended, Part IB, Section 1A, DEPARTMENT OF EDUCATION - EIA, page 324, after line 14, by adding an appropriately numbered new proviso to read:

/ *(SDE-EIA: Kindergarten Readiness Program) Of the funds appropriated to the Education Oversight Committee for Partnerships for Innovation, $300,000 must be allocated to support a home based, technology delivered kindergarten readiness program with software aligned with NAEYC’s 2 Principles of Child Development and Learning that Inform Practice and with Head Start’s Early Learning Outcomes framework and with demonstrated RCT results.* /

Renumber sections to conform.

Amend sections, totals and title to conform.

Senator SHEHEEN spoke on the amendment.

The amendment was adopted.

**Amendment No. 45**

Senator HUTTO proposed the following amendment (DG HUTTO TECH), which was withdrawn:

Amend the bill, as and if amended, Part IB, Section 25, STATE BOARD FOR TECHNICAL & COMPREHENSIVE EDUCATION, page 348, after line 35, by adding an appropriately numbered new proviso to read:

*/ (TEC: ) Of the funds appropriated in Part 1A of this Act to the State Board for Technical and Comprehensive Education (Board) for “Instructional Programs ‑ Technical Colleges”, on or before July 16 of the current fiscal year, the Board shall increase or decrease its otherwise formula based allocations to and among the State’s 16 public technical colleges as follows:*

*Aiken Technical College: ($39,939)*

*Central Carolina Technical College: ($80,024)*

*Denmark Technical College $1,966,247*

*Florence‑Darlington Technical College: ($140,971)*

*Greenville Technical College: ($247,627)*

*Horry‑Georgetown Technical College: ($170,993)*

*Midlands Technical College: ($237,103)*

*Northeastern Technical College: ($27,555)*

*Orangeburg‑Calhoun Technical College: ($52,341)*

*Piedmont Technical College: ($129,708)*

*Spartanburg Community College: ($118,266)*

*Technical College of the Lowcountry: ($43,568)*

*Tri‑County Technical College: ($165,749)*

*Trident Technical College: ($380,723)*

*Williamsburg Technical College: ($20,596)*

*York Technical College: ($111,085)*

*On or before July 16, the Board shall have the discretion to adjust the increases and decreases noted herein but shall do so only to the extent necessary to ensure Denmark Technical College is not projected, at the time of the reallocations noted herein, to end the current year in a budgetary shortfall as calculated by the Board according to their established policies and procedures. /*

Renumber sections to conform.

Amend sections, totals and title to conform.

Senator HUTTO spoke on the amendment.

On motion of Senator HUTTO, with unanimous consent, the amendment was withdrawn.

**Amendment No. 47**

Senator JOHN MATTHEWS proposed the following amendment (DAD HAZ WASTE COUNTY), which was adopted (#20):

Amend the bill, as and if amended, Part IB, Section 34, DEPARTMENT OF HEALTH & ENVIRONMENTAL CONTROL, page 370, after line 30, by adding an appropriately numbered new proviso to read:

/ *(DHEC: Hazardous Waste Fund County Account) Funds in each county’s Hazardous Waste Fund County Account must be released by the State Treasurer, upon the written request of a majority of the county’s legislative delegation representing the economically depressed area of the county, and shall be used for infrastructure within the economically depressed area of that county. For purposes of this provision the definition of “infrastructure” includes, but is not limited to, improvements for water, sewer, gas, steam, electric energy, communication and other ancillary services that may be made to a building or land which are considered necessary, suitable, or useful to an eligible project that has a documented impact on economic development.* /

Renumber sections to conform.

Amend sections, totals and title to conform.

Senator ALEXANDER spoke on the amendment.

The amendment was adopted.

**Amendment No. 46**

Senator GROOMS proposed the following amendment (3720R008.SP.LKG.DOCX), which was carried over and subsequently withdrawn:

Amend the bill, as and if amended, Part IB, Section 82, DEPARTMENT OF MOTOR VEHICLES, page 419, after line 32, by adding an appropriately numbered new proviso to read:

*/ 82.\_\_\_ (DEPARTMENT OF MOTOR VEHICLES: Automotive Recyclers) For the purposes of this proviso, pursuant to Section 56-5-5670(E)(4), relating to the electronic systems for demolishers and secondary metal recyclers, “automotive recycler” means a person, firm, corporation, or other business entity that acquires vehicles for the purpose of dismantling, wrecking, shredding, compacting, crushing, or otherwise destroying reclaimable parts or scrap material. For this fiscal year, the provisions of Section 56-5-5670 apply to automotive recyclers but do not apply to automotive recyclers engaged in sales at salvage pool auctions.* /

Renumber sections to conform.

Amend sections, totals and title to conform.

Senator GROOMS spoke on the amendment.

On motion of Senator GROOMS, the amendment was carried over.

**Amendment No. 56**

Senators SCOTT and JACKSON proposed the following amendment (DAD COUNTY ELECTION BDS), which was adopted (#21):

Amend the bill, as and if amended, Part IB, Section 101, ELECTION COMMISSION, page 446, after line 23, by adding an appropriately numbered new proviso to read:

/ *(ELEC: Legal Fees) For Fiscal Year 2017-18, any county whose County Boards of Voter Registration and Elections has, as of July 1, 2017, not paid for fees related to the provision of legal services associated with the conduct of any election in prior fiscal years shall have $100,000 of their Aid to Subdivisions allocation withheld until such time as payment for such legal services has been rendered.* /

Renumber sections to conform.

Amend sections, totals and title to conform.

Senator SCOTT spoke on the amendment.

The amendment was adopted.

**Amendment No. 55**

Senator TIMMONS proposed the following amendment (3720R003.SP.WRT.DOCX), which was tabled:

Amend the bill, as and if amended, Part IB, Section 110, STATE ETHICS COMMISSION, page 461, following line 33, by adding an appropriately numbered new proviso to read:

*/110.\_\_ (ETHICS: Income Disclosure) Public officials and public members required to file a Statement of Economic Interest shall also file a separate detailed income disclosure as provided in this proviso and are applicable when the public official or a member of the public official’s immediate family holds a five percent or greater controlling interest in a business in which the official or immediate family derives income. The State Ethics Commission shall utilize funds appropriated by this act to provide for disclosure, publication, and availability to the public. The detailed income disclosure shall be filed at the same time as the Statement of Economic Interest and shall contain the following information:*

*(1) specific sources of income received by the public official, a member of the public official's immediate family, or a business with which the public official or a member of his immediate family are associated if the public official or a member of the public official's immediate family directly derives income from a:*

*(a) contractual or financial relationship, including a consultant or independent contractor's relationship, with a lobbyist's principal or an entity controlled by, affiliated with, or existing for the benefit of a lobbyist's principal;*

*(b) contractual or financial relationship, including a consultant or independent contractor’s relationship, with a state or local governmental entity, or any other entity receiving public funds; or*

*(c) source regulated by the governmental regulatory agency with which the public official serves;*

*(2) the specific sources of revenue realized by a public official’s employer in which a public official receives income from the employer and the employer engages in business activities of any kind with a state or local governmental entity or any other entity receiving public funds; and*

*(3) specific sources of income received by a public member, a member of the public member's immediate family, or a business with which the public member or a member of his immediate family are associated if the public member or his immediate family directly derives income from a source regulated by the governmental regulatory agency with which the public member serves.* /

Renumber sections to conform.

Amend sections, totals and title to conform.

Senator TIMMONS spoke on the amendment.

**Point of Order**

Senator HUTTO raised a Point of Order under Rule 24A that the amendment was out of order inasmuch as it was not germane to the Bill.

Senator HUTTO spoke on the Point of Order.

Senator TIMMONS spoke on the Point of Order.

The PRESIDENT overruled the Point of Order.

Senator TIMMONS spoke on the amendment.

Senator HUTTO spoke on the amendment.

On motion of Senator HUTTO, the amendment was tabled.

On motion of Senator BENNETT, with unanimous consent, Amendment No. 26 was substituted with Amendment No. 26A.

**Amendment No. 26A**

Senators BENNETT and CLIMER proposed the following amendment (DAD HOLD HARMLESS AND ETV2), which was carried over:

Amend the bill, as and if amended, Part IB, Section 1, DEPARTMENT OF EDUCATION, page 294, after line 18, by adding an appropriately numbered new proviso to read:

*/*  *(SDE: Hold Harmless) The Department of Education shall distribute the $10,000,000 appropriated from Proviso 8.2 for the Education Foundation Supplement distributed to public school districts which would in the current fiscal year recognize a loss in State financial requirement of the foundation program by utilizing an Index of Taxpaying Ability which imputes the assessed value of owner occupied property compared to the State financial requirement of the same Index of Taxpaying Ability without an imputed value of owner-occupied homes. Funds in the Education Foundation Supplement must be distributed to the school districts receiving a loss, in an amount equal to the amount of the loss. If funds are not sufficient to cover the full loss, funds will be reduced on a pro rata basis. This supplement shall not require a local financial requirement.* /

Amend the bill further, as and if amended, Part IB, Section 8, EDUCATIONAL TELEVISION COMMISSION, page 339, proviso 8.2, lines 25 and 30, by striking /*$40,000,000*/ and inserting /*$35,000,000*/

Amend the bill further, as and if amended, Part IB, Section 8, EDUCATIONAL TELEVISION COMMISSION, page 339, proviso 8.2, line 31, after /used/ by inserting: / *as follows: $5,000,000 for the Education Foundation Supplement and any remaining proceeds* /

Renumber sections to conform.

Amend sections, totals and title to conform.

Senator BENNETT spoke on the amendment.

On motion of Senator BENNETT, the amendment was carried over.

**Amendment No. 57**

Senator HEMBREE proposed the following amendment (DG GH EDUFUNDS), which was carried over and subsequently ruled out of order:

Amend the bill, as and if amended, Part IB, Section 1A, DEPARTMENT OF EDUCATION - EIA, page 324, after line 14, by adding an appropriately numbered new proviso to read:

*/ (SDE-EIA: Testing) Of the funds appropriated in Part I, Section VIII. A.2 – Assessment/Testing, students in grades 3 through 8 shall be assessed in English language arts and mathematics. Additionally, students in grades 4, 6 and 8 shall be assessed in science and students in grades 5 and 7 shall be assessed in social studies for the school year 2017‑18. End‑of‑course, WorkKeys, and college readiness assessments must continue to be administered as required in Chapter 18 of Title 59 of the 1976 Code. /*

Renumber sections to conform.

Amend sections, totals and title to conform.

**Point of Order**

Senator MARTIN raised a Point of Order under Rule 24A that the amendment was out of order inasmuch as it was not germane to the Bill.

The PRESIDENT took the Point of Order under advisement.

On motion of Senator HEMBREE, with unanimous consent, the amendment was carried over.

**Amendment No. 58**

Senators MALLOY and MARTIN proposed the following amendment (3720R022.DR.GM.DOCX), which was adopted (#22):

Amend the bill, as and if amended, Part IB, Section 117, GENERAL PROVISIONS, page 502, proviso 123, lines 35 - 4, by striking the proviso in its entirety, and inserting */117.123. (GP: Sentencing Reform Oversight Committee Reauthorization) There is established for the current fiscal year the South Carolina Sentencing Reform Oversight Committee. The oversight committee shall be composed of eleven members, two of whom shall be members of the Senate, both appointed by the Chair of the Senate Judiciary Committee and one being the Chair of the Senate Judiciary Committee or his designee; two of whom shall be members of the Senate, one appointed by the President Pro Tempore of the Senate and one appointed by the Chairman of the Senate Finance Committee; two of whom shall be members of the House of Representatives, both appointed by the Chair of the House Judiciary Committee and one being the Chair of the House Judiciary Committee or his designee; two of whom shall be members of the House of Representatives, one appointed by the Speaker of the House and one appointed by the Chairman of the House Ways and Means Committee; one of whom shall be appointed by the Chair of the Senate Judiciary Committee from the general public at large; one of whom shall be appointed by the Chair of the House Judiciary Committee from the general public at large; and one of whom shall be appointed by the Governor. Provided, however, that in making appointments to the oversight committee, race, gender, and other demographic factors should be considered to assure nondiscrimination, inclusion, and representation to the greatest extent of all segments of the population of the State. The members of the general public appointed by the chairs of the House and Senate Judiciary Committees must be representative of all citizens of this State and must not be members of the General Assembly.*

*The oversight committee must meet as soon as practicable after appointment and organize itself by electing one of its members as chair and such other officers as the oversight committee may consider necessary. Thereafter, the oversight committee must meet at the call of the chair or by a majority of the members. A quorum consists of seven members.*

*The oversight committee shall have the following powers and duties:*

*(1) to review the implementation of the recommendations made in the Sentencing Reform Commission report of February 2010, including, but not limited to:*

*(a) the plan required from the Department of Probation, Parole and Pardon Services on the parole board training and other goals identified in Section 24‑21‑10;*

*(b) the report from the Department of Probation, Parole and Pardon Services on its goals and the development of assessment tools consistent with evidence‑based practices;*

*(c) the report from the Office of Pretrial Intervention Coordinator in the Commission on Prosecution Coordination on diversion programs required by the provisions of Article 11, Chapter 22, Title 17; and*

*(d) the report from the Department of Probation, Parole and Pardon Services on:*

*(i) the number and percentage of individuals placed on administrative sanctions and the number and percentage of individuals who have earned compliance credits; and*

*(ii) the number and percentage of probationers and parolees whose supervision has been revoked for violations of conditions or for convictions of new offenses;*

*(2) to request data similar to the information contained in the report required by Section 17‑22‑1120 from private organizations for which programs are operated through a court and that divert individuals from prosecution, incarceration, or confinement, such as diversion from incarceration for failure to pay child support, and for which programs are sanctioned by, coordinated with, or funded by federal, state, or local governmental agencies;*

*(3)(a) to calculate:*

*(i) any state expenditures that have been avoided by reductions in the revocation rate as calculated by the Department of Probation, Parole and Pardon Services and reported under Sections 24‑21‑450 and 24‑21‑680; and*

*(ii) any state expenditures that have been avoided by reductions in the new felony offense conviction rate as calculated by the Department of Probation, Parole and Pardon Services and reported under Sections 24‑21‑450 and 24‑21‑680;*

*(b) to develop rules and regulations for calculating the savings in item (3)(a), which shall account at a minimum for the variable costs averted, such as food and medical expenses, and also to consider fixed expenditures that are avoided if larger numbers of potential inmates are avoided;*

*(c) on or before December first, to report the calculations made pursuant to item (3)(a) to the President of the Senate, the Speaker of the House of Representatives, the Chief Justice of the South Carolina Supreme Court, and the Governor. The report also shall recommend whether or not to appropriate up to thirty‑five percent of any state expenditures that are avoided as calculated in item (3)(a) to the Department of Probation, Parole and Pardon Services;*

*(i) with respect to the recommended appropriations in item (c), none of the calculated savings shall be recommended for appropriation for that fiscal year if there is an increase in the percentage of individuals supervised by the Department of Probation, Parole and Pardon Services who are convicted of a new felony offense as calculated in subitem (3)(a)(ii);*

*(d) any funds appropriated during this fiscal year pursuant to the recommendations in item (c) shall be used to supplement, not replace, any other state appropriations to the Department of Probation, Parole and Pardon Services;*

*(e) funds received through appropriations pursuant to this item shall be used by the Department of Probation, Parole and Pardon Services for the following purposes:*

*(i) implementation of evidence‑based practices;*

*(ii) increasing the availability of risk reduction programs and interventions, including substance abuse treatment programs, for supervised individuals; or*

*(iii) grants to nonprofit victim services organizations to partner with the Department of Probation, Parole and Pardon Services and courts to assist victims and increase the amount of restitution collected from offenders;*

*(4) to submit to the General Assembly, on an annual basis, the oversight committee's evaluation of the implementation of the recommendations of the Sentencing Reform Commission report of February 2010;*

*(5) to make reports and recommendations to the General Assembly on matters relating to the powers and duties set forth in this section, including recommendations on transfers of funding based on the success or failure of implementation of the recommendations; and*

*(6) to undertake such additional studies or evaluations as the oversight committee considers necessary to provide sentencing reform information and analysis.*

*The oversight committee members are entitled to such mileage, subsistence, and per diem as authorized by law for members of boards, committees, and commissions while in the performance of the duties for which appointed. These expenses shall be paid from the general fund of the State on warrants duly signed by the chair of the oversight committee and payable by the authorities from which a member is appointed.*

*The oversight committee is encouraged to apply for and may expend grants, gifts, or federal funds it receives from other sources to carry out its duties and responsibilities.*

*The oversight committee must use clerical and professional employees of the General Assembly for its staff, who must be made available to the oversight committee.*

*The oversight committee may employ or retain other professional staff, upon the determination of the necessity for other staff by the oversight committee.*

*The oversight committee may employ consultants to assist in the evaluations and, when necessary, the implementation of the recommendations of the Sentencing Reform Commission report of February 2010.* /

Renumber sections to conform.

Amend sections, totals and title to conform.

Senator MALLOY spoke on the amendment.

The amendment was adopted.

On motion of Senator BENNETT, with unanimous consent, Amendment No. 26A was substituted with Amendment No. 26B.

**Amendment No. 26B**

Senators BENNETT, CLIMER and GREGORY proposed the following amendment (DAD HOLD HARMLESS AND ETV3), which was adopted (#23):

Amend the bill, as and if amended, Part IB, Section 1, DEPARTMENT OF EDUCATION, page 294, after line 18, by adding an appropriately numbered new proviso to read:

*/*  *(SDE: Hold Harmless) The Department of Education shall distribute the $5,000,000 appropriated from Proviso 8.2 for the Education Foundation Supplement distributed to public school districts which would in the current fiscal year recognize a loss in State financial requirement of the foundation program by utilizing an Index of Taxpaying Ability which imputes the assessed value of owner occupied property compared to the State financial requirement of the same Index of Taxpaying Ability without an imputed value of owner-occupied homes. Funds in the Education Foundation Supplement must be distributed to the school districts receiving a loss, in an amount equal to the amount of the loss. If funds are not sufficient to cover the full loss, funds will be reduced on a pro rata basis. This supplement shall not require a local financial requirement.* /

Amend the bill further, as and if amended, Part IB, Section 8, EDUCATIONAL TELEVISION COMMISSION, page 339, proviso 8.2, lines 25 and 30, by striking /*$40,000,000*/ and inserting /*$35,000,000*/

Amend the bill further, as and if amended, Part IB, Section 8, EDUCATIONAL TELEVISION COMMISSION, page 339, proviso 8.2, line 31, after /used/ by inserting: / *as follows: $5,000,000 for the Education Foundation Supplement and any remaining proceeds* /

Renumber sections to conform.

Amend sections, totals and title to conform.

Senator BENNETT spoke on the amendment.

The amendment was adopted.

**Amendment No. 57**

Senator HEMBREE proposed the following amendment (DG GH EDUFUNDS), which was ruled out of order:

Amend the bill, as and if amended, Part IB, Section 1A, DEPARTMENT OF EDUCATION - EIA, page 324, after line 14, by adding an appropriately numbered new proviso to read:

*/ (SDE-EIA: Testing) Of the funds appropriated in Part I, Section VIII. A.2 – Assessment/Testing, students in grades 3 through 8 shall be assessed in English language arts and mathematics. Additionally, students in grades 4, 6 and 8 shall be assessed in science and students in grades 5 and 7 shall be assessed in social studies for the school year 2017‑18. End‑of‑course, WorkKeys, and college readiness assessments must continue to be administered as required in Chapter 18 of Title 59 of the 1976 Code. /*

Renumber sections to conform.

Amend sections, totals and title to conform.

**Point of Order Withdrawn**

On motion of Senator MARTIN, with unanimous consent, the Point of Order raised on Amendment No. 57 was withdrawn.

**Point of Order**

Senator FANNING raised a Point of Order under Rule 24A that the amendment was out of order inasmuch as it was not germane to the Bill.

The PRESIDENT sustained the Point of Order.

The amendment was ruled out of order.

**Amendment No. 25A**

Senators FANNING and CLIMER proposed the following amendment (DAD ACT388 STUDY COM2), which was adopted (#24):

Amend the bill, as and if amended, Part IB, Section 91, LEGISLATIVE DEPARTMENT, page 429, after line 22, by adding an appropriately numbered new proviso to read:

/ *(LEG: Act 388 Study Committee) Of the funds appropriated to the General Assembly, a study committee shall be established to review and study the effects of Act 388 of 2006 on the various classes of property and the impact on school district funding and on property tax payers.*

*Membership of the committee shall be comprised of the members as follows:*

*(1) one member of the Senate appointed by the President Pro Tempore of the Senate;*

*(2) one member of the Senate appointed by the Chairman of the Senate Finance Committee;*

*(3) one member of the Senate appointed by the Chairman of the Senate Judiciary Committee;*

*(4) one member of the Senate appointed by the Senate Majority Leader;*

*(5) one member of the Senate appointed by the Senate Minority Leader;*

*(6) one member of the House of Representatives appointed by the Speaker of the House;*

*(7) one member of the House of Representatives appointed by the Chairman of the House Ways and Means Committee;*

*(8) one member of the House of Representatives appointed by the Chairman of the House Judiciary Committee;*

*(9) one member of the House of Representatives appointed by the House Majority Leader; and*

*(10) one member of the House of Representatives appointed by the House Minority Leader.*

*The study committee shall provide a report with findings and recommendations to the General Assembly by June 30, 2018, at which time the study committee shall be dissolved.* /

Renumber sections to conform.

Amend sections, totals and title to conform.

Senator FANNING spoke on the amendment.

The amendment was adopted.

**Point of Order**

Senator MALLOY raised a Point of Order under Rule 24A that Proviso 117.137 of Part 1B was out of order inasmuch as it was not germane to the Bill.

**117.137.** (GP: Distribution Facility) The State Ports Authority shall be considered a distribution facility for the purpose of sales tax exemptions associated with the purchase of equipment and construction materials.

Senator MALLOY spoke on the Point of Order.

Senator CAMPSEN spoke on the Point of Order.

The PRESIDENT overruled the Point of Order.

**Amendment No. 59**

Senator JACKSON proposed the following amendment (DG DJ SMARTRATE), which was adopted (#25):

Amend the bill, as and if amended, Part IB, Section 11, COMMISSION ON HIGHER EDUCATION, page 343, by striking proviso 11.22 and inserting:

/ *11.22. (CHE: SmartState Review Board Study) Of the funds appropriated to the Commission on Higher Education, on or before December 31, 2017, the Research Centers of Excellence Review Board shall submit to the President Pro Tempore of the Senate, the Speaker of the House of Representatives, the Chairman of the Senate Finance Committee, the Chairman of the House Ways and Means Committee, and the Governor, written recommendations regarding a plan to sunset the SmartState Board and how best to transition some of its responsibilities to an appropriate entity of state government for any continuing administrative program management, including a minimum budget necessary for administration, as well as for oversight and/or accountability responsibilities related to awards made on or before August 1, 2017, that may remain after the SmartState Board sunsets. /*

Renumber sections to conform.

Amend sections, totals and title to conform.

Senator MARTIN spoke on the amendment.

The amendment was adopted.

There being no further amendments, the Bill was read the second time, passed and ordered to a third reading.

**Statement by Senator ALLEN**

Under the provisions of Section 8-13-745, S. C. Code of Laws, I abstained from consideration of and voting on matters pertaining to Clemson University, SC State University, the University of South Carolina, the State Board for Technical and Comprehensive Education, the Judicial Department, the Administrative Law Court, the Attorney General’s Office, the Department of Public Safety, the Department of Juvenile Justice, the Workers' Compensation Commission, Probation, Parole and Pardon Services and the Department of Transportation.

**Statement by Senator CAMPSEN**

Under the provisions of Section 8-13-745, S. C. Code of Laws, I abstained from consideration of and voting on matters pertaining to the Patriots Point Development Authority, the Judicial Department, and DHEC.

**Statement by Senator CLIMER**

Under the provisions of Section 8-13-745, S. C. Code of Laws, I abstained from consideration of and voting on matters pertaining to the Department of Insurance.

**Statement by Senator GOLDFINCH**

Under the provisions of Section 8-13-745, S. C. Code of Laws, I abstained from consideration of and voting on matters pertaining to DHEC, the Department of Health and Human Services, the Department of Social Services, the Administrative Law Court, the Commission on Indigent Defense, the Department of Public Safety, the Department of Corrections, the Department of Probation, Parole and Pardon Services, the Department of Juvenile Justice, the Human Affairs Commission, Public Service Commission, Workers’ Compensation Commission, the State Accident Fund, the Patients’ Compensation Fund, the Department of Insurance, the Department of Consumer Affairs, the Department of Labor, Licensing and Regulation, the Department of Motor Vehicles, the Department of Employment and Workforce, the Department of Transportation, the Election Commission, the Revenue and Fiscal Affairs Office, the State Fiscal Accountability Authority, the State Auditor’s Office, Statewide Employee Benefits, the Public Employee Benefit Authority, the Department of Revenue, the State Ethics Commission, and the Procurement Review Panel.

**Statement by Senator HEMBREE**

Under the provisions of Section 8-13-745, S. C. Code of Laws, I abstained from consideration of and voting on matters pertaining to the Workers' Compensation Commission.

**Statement by Senator HUTTO**

Under the provisions of Section 8-13-745, S. C. Code of Laws, I abstained from consideration of and voting on matters pertaining to the Workers' Compensation Commission, the Department of Motor Vehicles, the Probation, Parole and Pardon Services, the Administrative Law Court, DHEC, the Election Commission, the State Ethics Commission, the Office of Regulatory Staff, the Department of Juvenile Justice, the Department of Social Services, the State Accident Fund, Department of Labor, Licensing and Regulation, the Commission on Indigent Defense, the Department of Transportation, the Department of Employment and Workforce, and the Department of Insurance.

**Statement by Senator KIMPSON**

Under the provisions of Section 8-13-745, S. C. Code of Laws, I abstained from consideration of and voting on matters pertaining to the Administrative Law Court and the Workers' Compensation Commission.

**Statement by Senator RANKIN**

Under the provisions of Section 8-13-745, S. C. Code of Laws, I abstained from consideration of and voting on matters pertaining to the Workers' Compensation Commission, Probation, Parole and Pardon Services, the Public Service Commission, the Office of Regulatory Staff, the State Accident Fund, and the State Ethics Commission.

**Statement by Senator MALLOY**

Under the provisions of Section 8-13-745, S. C. Code of Laws, I abstained from consideration of and voting on matters pertaining to the Workers' Compensation Commission, the Department if Health and Human Services, Probation, Parole and Pardon Services, the Department of Juvenile Justice, the Department of Labor, Licensing and Regulation, the Department of Motor Vehicles, the Department of Employment and Workforce, the Office of the Lieutenant Governor, the Election Commission, the State Ethics Commission, and the Administrative Law Court.

**Statement by Senator BRIGHT-MATTHEWS**

Under the provisions of Section 8-13-745, S. C. Code of Laws, I abstained from consideration of and voting on matters pertaining to the Department of Motor Vehicles, the Administrative Law Court, the Workers' Compensation Commission, and Commission on Indigent Defense.

**Statement by Senator McELVEEN**

Under the provisions of Section 8-13-745, S. C. Code of Laws, I abstained from consideration of and voting on matters pertaining to the Administrative Law Court, the Commission on Indigent Defense, the Workers’ Compensation Commission, the Department of Motor Vehicles, Prosecution Coordination Commission, Department of Probation, Parole and Pardon Services, Department of Juvenile Justice, State Accident Fund, Department of Labor, Licensing and Regulation, Department of Employment and Workforce, Election Commission, and State Ethics Commission.

**Statement by Senator SHEHEEN**

Under the provisions of Section 8-13-745, S. C. Code of Laws, I abstained from consideration of and voting on matters pertaining to the Department of Administration, the Workers' Compensation Commission, the Administrative Law Court, the Commission on Indigent Defense, Probation, Parole and Pardon Services, the Human Affairs Commission, the State Accident Fund, the Department of Employment and Workforce, the Department of Labor, Licensing and Regulation and the Department of Parks, Recreation and Tourism.

**Statement by Senator TALLEY**

Under the provisions of Section 8-13-745, S. C. Code of Laws, I abstained from consideration of and voting on any matters pertaining to the Department of Social Services, the Administrative Law Court, and the Workers’ Compensation Commission.

**Statement by Senator TIMMONS**

Under the provisions of Section 8-13-745, S. C. Code of Laws, I abstained from consideration of and voting on matters pertaining to DHEC, the Department of Health and Human Services, the Department of Social Services, the Administrative Law Court, the Commission on Indigent Defense, the Department of Public Safety, the Department of Probation, Parole and Pardon Services, the Department of Juvenile Justice, Public Service Commission, Workers’ Compensation Commission, the State Accident Fund, the Patients’ Compensation Fund, the Department of Insurance, the Department of Labor, Licensing and Regulation, the Department of Motor Vehicles, the Department of Employment and Workforce, the Department of Transportation, the Election Commission, the State Fiscal Accountability Authority, Statewide Employee Benefits, the Public Employee Benefit Authority, the Department of Revenue, the State Ethics Commission, and the Procurement Review Panel.

**Statement by Senator MASSEY**

Under the provisions of Section 8-13-745, S. C. Code of Laws, I abstained from consideration of and voting on matters pertaining to the Workers' Compensation Commission.

**Statement by Senator SENN**

Under the provisions of Section 8-13-745, S. C. Code of Laws, I abstained from consideration of and voting on matters pertaining to SLED, MUSC, the Department of Social Services, the Department of Public Safety, the Department of Corrections, the Department of Probation, Parole and Pardon Services, the Department of Juvenile Justice, the Department of Motor Vehicles, the Department of Transportation, and the State Fiscal Accountability Authority.

**Statement by Senator DAVIS**

Under the provisions of Section 8-13-745, S. C. Code of Laws, I abstained from consideration of and voting on matters pertaining to the Workers' Compensation Commission, the Department of Motor Vehicles, the Department of Probation, Parole and Pardon Services, the Administrative Law Court, DHEC, the Department of Health and Human Services, the Judicial Department, the State Accident Fund, the Department of Labor, Licensing and Regulation, the Department of Employment and Workforce, the Department of Transportation, and the Rural Infrastructure Authority.

**Statement by Senator SABB**

Under the provisions of Section 8-13-745, S. C. Code of Laws, I abstained from consideration of and voting on matters pertaining to the Administrative Law Court, the Prosecution Coordination, the Department of Public Safety, the Workers’ Compensation Commission, the Department of Juvenile Justice, the Office of the Attorney General, the Department of Labor, Licensing and Regulation, the Department of Transportation, and the Election Commission.

**Statement by Senator SETZLER**

Under the provisions of Section 8-13-745, S. C. Code of Laws, I abstained from consideration of and voting on matters pertaining to the DHEC, the Administrative Law Court, SLED, the Department of Motor Vehicles, the Department of Labor, Licensing and Regulation, the Department of Insurance, the State Accident Fund, the Workers' Compensation Commission the Department of Revenue, and the Department of Commerce.

**Statement by Senator YOUNG**

Under the provisions of Section 8-13-745, S. C. Code of Laws, I abstained from consideration of and voting on matters pertaining to the Administrative Law Court, DHEC, the Workers’ Compensation Commission, the State Accident Fund, the Department of Consumer Affairs, the Department of Labor, Licensing and Regulation, the Department of Motor Vehicles, the Department of Employment and Workforce, the State Ports Authority, the Department of Revenue, and the Department of Probation, Parole and Pardon Services.

**Statement by Senator GROOMS**

Under the provisions of Section 8-13-745, S. C. Code of Laws, I abstained from consideration of and voting on matters pertaining to the Lottery Expenditure Account.

On motion of Senator MASSEY, the Senate agreed to stand adjourned.

**ADJOURNMENT**

At 7:18 P.M., on motion of Senator MASSEY, the Senate adjourned to meet tomorrow at 10:00 A.M.

\* \* \*