

SOUTH CAROLINA STATE REGISTER DISCLAIMER

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SOUTH CAROLINA STATE REGISTER

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This issue contains notices, proposed regulations, emergency regulations, final form regulations, and other documents filed in the Office of the Legislative Council, pursuant to Article 1, Chapter 23, Title 1, Code of Laws of South Carolina, 1976.

South Carolina State Register

An official state publication, the *South Carolina State Register* is a temporary update to South Carolina's official compilation of agency regulations--the *South Carolina Code of Regulations*. Changes in regulations, whether by adoption, amendment, repeal or emergency action must be published in the *State Register* pursuant to the provisions of the Administrative Procedures Act. The *State Register* also publishes the Governor's Executive Orders, notices or public hearings and meetings, and other documents issued by state agencies considered to be in the public interest. All documents published in the *State Register* are drafted by state agencies and are published as submitted. Publication of any material in the *State Register* is the official notice of such information.

STYLE AND FORMAT

Documents are arranged within each issue of the *State Register* according to the type of document filed:

Notices are documents considered by the agency to have general public interest.

Notices of Drafting Regulations give interested persons the opportunity to comment during the initial drafting period before regulations are submitted as proposed.

Proposed Regulations are those regulations pending permanent adoption by an agency.

Pending Regulations Submitted to the General Assembly are regulations adopted by the agency pending approval by the General Assembly.

Final Regulations have been permanently adopted by the agency and approved by the General Assembly.

Emergency Regulations have been adopted on an emergency basis by the agency.

Executive Orders are actions issued and taken by the Governor.

2006 PUBLICATION SCHEDULE

Documents will be accepted for filing on any normal business day from 8:30 A.M. until 5:00 P.M. All documents must be submitted in the format prescribed in the *Standards Manual for Drafting and Filing Regulations*.

To be included for publication in the next issue of the *State Register*, documents will be accepted no later than 5:00 P.M. on any closing date. The modification or withdrawal of documents filed for publication must be made **by 5:00 P.M.** on the closing date for that issue.

	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.
Submission Deadline	1/13	2/10	3/10	4/14	5/12	6/9	7/14	8/11	9/8	10/13	11/10	12/8
Publishing Date	1/27	2/24	3/24	4/28	5/26	6/23	7/28	8/25	9/22	10/27	11/24	12/22

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ADOPTION, AMENDMENT AND REPEAL OF REGULATIONS

To adopt, amend or repeal a regulation, an agency must publish in the *State Register* a Notice of Drafting; a Notice of the Proposed Regulation that contains an estimate of the proposed action's economic impact; and, a notice that gives the public an opportunity to comment on the proposal. If requested by twenty-five persons, a public hearing must be held at least thirty days after the date of publication of the notice in the *State Register*.

After the date of hearing, the regulation must be submitted to the General Assembly for approval. The General Assembly has one hundred twenty days to consider the regulation. If no legislation is introduced to disapprove or enacted to approve before the expiration of the one-hundred-twenty-day review period, the regulation is approved on the one hundred twentieth day and is effective upon publication in the *State Register*.

EMERGENCY REGULATIONS

An emergency regulation may be promulgated by an agency if the agency finds imminent peril to public health, safety or welfare. Emergency regulations are effective upon filing for a ninety-day period. If the original filing began and expired during the legislative interim, the regulation can be renewed once.

REGULATIONS PROMULGATED TO COMPLY WITH FEDERAL LAW

Regulations promulgated to comply with federal law are exempt from General Assembly review. Following the notice of proposed regulation and hearing, regulations are submitted to the *State Register* and are effective upon publication.

EFFECTIVE DATE OF REGULATIONS

Final Regulations take effect on the date of publication in the *State Register* unless otherwise noted within the text of the regulation.

Emergency Regulations take effect upon filing with the Legislative Council and remain effective for ninety days. If the original ninety-day period begins and expires during legislative interim, the regulation may be refiled for one additional ninety-day period.

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 South Carolina General Assembly Home Page: www.scstatehouse.net

DOC No.	RAT No.	FINAL ISSUE	SUBJECT	EXP. DATE	AGENCY
2955	R216	SR30-2	Motorist Insurance Identification Database (Repeal)	1/15/06	Department of Public Safety
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2935		SR30-2	Property Tax (Repeal 117-8)	1/17/06	Department of Revenue
2915		SR30-2	Repeal of Bulk Sales Regulation	1/17/06	Department of Revenue
2936		SR30-2	Sales and Use Tax Exemption for Machines	1/17/06	Department of Revenue
2937		SR30-2	Alcoholic Beverages, Beer and Wine	1/17/06	Department of Revenue
2914		SR30-2	Electric Power Tax	1/17/06	Department of Revenue
2966			Repeal Annual Renewal Plan	2/19/06	Department of Insurance
2968			Workers' Compensation Assigned Risk Rates	2/19/06	Department of Insurance
2942			Graduation Requirements	2/20/06	Board of Education
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2945			Standards for Licensing Tattoo Facilities	2/21/06	Department of Health and Envir Control
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2971			Assessment Program	3/22/06	Board of Education
2972			Transportation of Unmanufactured Forest Products	3/22/06	Department of Public Safety
2975			211 Network Provider Certification Requirements	4/09/06	Budget and Control Board
2970			Seasons, Limits, Restrictions on WMA's, Turkey Hunting	4/11/06	Department of Natural Resources
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Bd					
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3015			SC LIFE Scholarship Program	5/10/06	Commission on Higher Education
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3017			Palmetto Fellows Scholarship Program	5/10/06	Commission on Higher Education
3018			LIFE, HOPE, Palmetto Fellows Scholarships Appeals Regulations	5/10/06	Commission on Higher Education
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Ed					
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3030			Supervising Licensees	5/11/06	LLR: Board of Nursing
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3007			Imported Fire Ant Quarantine	5/18/06	Clemson University
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3025	Classified Waters	1/28/07	Department of Health and Envir Control
3047	Milk Producers Tax Credit	1/28/07	Department of Agriculture
3043	State Recognition of Native American Indians	1/29/07	Commission for Minority Affairs

Permanently Withdrawn: None

Resolution Introduced to Disapprove

2927	The Practice of Selling and Fitting Hearing Aids	Department of Health and Envir Control
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BUDGET AND CONTROL BOARD, BOARD OF ECONOMIC ADVISORS**NOTICE**

Section 15-32-220(F) of the South Carolina Noneconomic Damages Award Act of 2005 requires that,

“at the end of each calendar year, the State Budget and Control Board, Board of Economic Advisors must determine the increase or decrease in the ratio of the Consumer Price Index to the index as of December 31 of the previous year, and the limitation on compensation for noneconomic damages pursuant to subsection (A), (B), or (C) must be increased or decreased accordingly.”

In accordance with this provision the limit on civil liability for noneconomic damages on a medical malpractice claim is adjusted each fiscal year based on the increase or decrease in the ratio of the Consumer Price Index for All Urban Consumers as of December 31 of the previous calendar year. As of December 31, 2005, the Index published by the Bureau of Labor Statistics, *Monthly Labor Review*, Table 37, “Consumer Price Index for All Urban Consumers”, increased by 3.4% from a value of 190.3 in December 2004 to 196.8 in December 2005. Therefore, the limit not to exceed \$350,000 would increase to \$361,900 against a single health care provider and a health care institution for each claimant for civil liability for noneconomic damages on medical malpractice claims when final judgment is rendered. Also, the limit not to exceed \$1,050,000 would increase to \$1,085,700 for all health care providers and all health care institutions for each claimant for civil liability for noneconomic damages on medical malpractice claims. The adjusted limitations on compensation for noneconomic damages become effective upon publication in the State Register pursuant to Section 1-23-40(2).

DEPARTMENT OF HEALTH AND ENVIRONMENTAL CONTROL

In accordance with Section 44-7-200(C), Code of Laws of South Carolina, the public is hereby notified that a Certificate of Need application has been accepted for filing and publication February 24, 2006, for the following project(s). After the application is deemed complete, affected persons will be notified that the review cycle has begun. For further information, please contact Mr. Albert N. Whiteside, Director, Division of Planning and Certification of Need, 2600 Bull St., Columbia, SC 29201 at (803) 545-4200.

Affecting Berkeley County

Construction of a freestanding ambulatory surgery facility (ASF) with two (2) operating rooms.
Wando Outpatient Surgery Center
Daniel Island, South Carolina
Project Cost: \$7,811,222

Affecting Greenville County

Construction of a freestanding ambulatory surgery facility (ASF) with two (2) operating rooms (ORs).
Piedmont Ambulatory Surgery Center, LLC
Mauldin, South Carolina
Project Cost: \$9,073,797

Construction of thirty (30) nursing home beds as part of a Continuing Care Retirement Community (CCRC) to include thirteen (13) institutional nursing home beds which do not provide a community service and seventeen (17) nursing home beds that do not participate in the Medicaid (Title XIX) Program.
University Place at Furman
Greenville, South Carolina
Project Cost: \$2,300,000

4 NOTICES

Affecting Horry County

Purchase and installation of a linear accelerator and the development of a freestanding radiation oncology facility adjacent to Conway Medical Center in Conway, South Carolina.

South Carolina Radiation Oncology Center, LLC

Conway, South Carolina

Project Cost: \$3,537,426

Affecting Lancaster County

Addition of ten (10) acute care beds for a total of 210 beds.

Springs Memorial Hospital

Lancaster, South Carolina

Project Cost: \$25,000

Affecting Pickens County

Provision of emergency (primary) Percutaneous Coronary Intervention (PCI) without an on-site comprehensive cardiac catheterization and open-heart surgery program.

Palmetto Health Baptist Easley

Easley, South Carolina

Project Cost: \$38,492

Affecting Spartanburg County

Construction of a twelve (12) bed inpatient hospice facility.

Hospice House of the Carolina Foothills

Landrum, South Carolina

Project Cost: \$5,526,761

In accordance with S.C. DHEC Regulation 61-15, the public and affected persons are hereby notified that the review cycle has begun for the following project(s) and a proposed decision will be made within 60 days beginning February 24, 2006. "Affected persons" have 30 days from the above date to submit comments or requests for a public hearing to Mr. Albert N. Whiteside, Director, Division of Planning and Certification of Need, 2600 Bull Street, Columbia, S.C. 29201. For further information call (803) 545-4200.

Affecting Anderson County

Replacement and relocation of the existing mobile Positron Emission Tomography (PET) unit operating two (2) days per week with a mobile Positron Emission Tomography/Computed Tomography (PET/CT) unit to operate two (2) days per week to operate at AnMed Health Cancer Center.

AnMed Health Medical Center

Anderson, South Carolina

Project Cost: \$997,042

Affecting Greenville County

Establishment of a mobile Positron Emission Tomography/Computed Tomography (PET/CT) unit to operate four (4) days per week.

Greenville Memorial Hospital

Greenville, South Carolina

Project Cost: \$1,848,000

Affecting Greenwood County

Construction of a rehabilitation hospital with thirty-four (34) comprehensive rehabilitation beds and twelve (12) nursing home beds, which twelve (12) nursing home beds will not participate in the Medicaid (Title XIX) Program.

Greenwood Regional Rehabilitation Hospital

Greenwood, South Carolina

Project Cost: \$13,090,636

Affecting Horry County

Construction of a freestanding radiation therapy program and comprehensive cancer treatment center including the purchase and installation of a Linear Accelerator, Eclipse Treatment Planning System, Varis Vision Record and Verify System, and a multi-slice, wide-bore Computed Tomography (CT) unit.

Atlantic Cancer Treatment Center, LLC

Myrtle Beach, South Carolina

Project Cost: \$6,972,981

Expansion of existing megavoltage therapy services to include the purchase and installation of a Tomo Therapy Hi-ART System linear accelerator

Carolina Regional Cancer Center, P.A.

Myrtle Beach, South Carolina

Project Cost: 4,380,258

Addition of a third comprehensive cardiac catheterization laboratory.

Grand Strand Regional Medical Center

Myrtle Beach, South Carolina

Project Cost: \$1,699,080

Affecting Horry County

Construction of a freestanding radiation therapy including the purchase and installation of a Siemens Oncor Impression Linear Accelerator with IMRT.

North Strand Radiation Oncology Center, LLC

Myrtle Beach, South Carolina

Project Cost: \$5,847,358

Purchase and installation of a linear accelerator and the development of a freestanding radiation oncology facility adjacent to Conway Medical Center in Conway, South Carolina.

South Carolina Radiation Oncology Center, LLC

Conway, South Carolina

Project Cost: \$3,537,426

6 NOTICES

Affecting Richland County

Replacement of three (3) Linear Accelerator units at Palmetto Health Richland with the subsequent relocation of two (2) of the aforementioned replacement units to Radiation Oncology LLC's South Carolina Oncology Associates site.

Radiation Oncology, LLC
Columbia, South Carolina
Project Cost: \$9,968,511

Construction and renovation for the addition of three (3) operating rooms for a total of 18 operating rooms, obstetrical, and neonatal intensive care unit (NICU) and support space for each of the foregoing units.

Palmetto Health Baptist Hospital
Columbia, South Carolina
Project Cost: \$56,904,662

DEPARTMENT OF HEALTH AND ENVIRONMENTAL CONTROL

Bureau of Land and Waste Management
Blackberry Valley Landfill Superfund Site, Greenville County

NOTICE OF INTENT TO SETTLE AND OPPORTUNITY FOR PUBLIC COMMENT

PLEASE TAKE NOTICE that the South Carolina Department of Health and Environmental Control ("SCDHEC") intends to enter into a Cost Recovery Settlement Agreement with Crown Metro Chemicals, Inc. and its predecessors, successors, affiliates and assigns, including without limitation the former Celanese Fibers facility (collectively referred to as "Crown"). Prior to final execution by SCDHEC, the Cost Recovery Settlement Agreement is subject to a 30-day public comment period, consistent with the Comprehensive Environmental Response, Compensation, and Liability Act ("CERCLA") Section 122, 42 U.S.C. Section 9622 and the South Carolina Hazardous Waste Management Act ("HWMA") S.C. Code Ann. Section 44-56-200 (2003).

The Cost Recovery Settlement Agreement relates to the release, and threatened release, of hazardous substances, pollutants, or contaminants at the Blackberry Valley Landfill Site (the "Site"), located in Greenville County, South Carolina, on Groce Road, approximately 1.5 miles from the intersection of S-199 and S-132 and is approximately 4.5 miles northwest of the City of Greenville and approximately one mile east of Pickens County. The Cost Recovery Settlement Agreement provides for recovery of costs of response from the Crown in the amount of \$12,500.00 for the Department's past response actions at the Site.

Notice of the proposed Cost Recovery Settlement Agreement has been provided to all identified potentially responsible parties.

Copies of the Cost Recovery Settlement Agreement may be obtained by providing a written Freedom of Information request to the South Carolina Department of Health and Environmental Control at:

Mr. Jody Hamm
Freedom of Information Office
South Carolina Department of Health and Environmental Control
2600 Bull Street
Columbia, SC 29201-1708

Any comments must be submitted in writing, postmarked no later than March 27, 2006, and addressed to:

Ms. Pat Vincent
Bureau of Land & Waste Management
South Carolina Department of Health and Environmental Control
2600 Bull Street
Columbia, SC 29201

DEPARTMENT OF HEALTH AND ENVIRONMENTAL CONTROL

PUBLIC NOTICE

Section IV of R.61-98, the State Underground Petroleum Environmental Response Bank (SUPERB) Site Rehabilitation and Fund Access Regulation, requires that the Department of Health and Environmental Control evaluate and certify site rehabilitation contractors to perform site rehabilitation of releases from underground storage tanks under the State Underground Petroleum Environmental Response Bank (SUPERB) Act.

Class I Contractors perform work involving the collection and interpretation of investigative data; the evaluation of risk; and/or the design and implementation of corrective action plans. Class I applicants must satisfy registration requirements for a Professional Engineer or Geologist in South Carolina. Class II Contractors perform work involving routine investigative activities (e.g., soil or ground water sampling, well installation, aquifer testing) where said activities do not require interpretation of the data and are performed in accordance with established regulatory or industry standards.

Pursuant to Section IV.B.1. the Department is required to place a list of those contractors requesting certification on public notice and accept comments from the public for a period of thirty (30) days. If you wish to provide comments regarding the companies and/or individuals listed below, please submit your comments in writing, no later than March 27, 2006 to:

Contractor Certification Program
South Carolina Department of Health and Environmental Control
Bureau of Land and Waste Management - Underground Storage Tank Program
Attn: Heather K. Price
2600 Bull Street
Columbia, SC 29201

The following companies and/or individuals have applied for certification as Underground Storage Tank Site Rehabilitation Contractors:

Class I

K-Plus Environmental Services
Mineral Springs Environmental

Class II

8 DRAFTING

DEPARTMENT OF HEALTH AND ENVIRONMENTAL CONTROL CHAPTER 61

Statutory Authority: S.C. Code Section 48-1-10 *et seq.*

Notice of Drafting:

The Department is proposing to amend R.61-62, *Air Pollution Control Regulations and Standards* and the State Implementation Plan (SIP). The purpose of this notice is to extend the drafting period previously established by the July 22, 2005, drafting notice published in Volume 29, Issue No. 7 of the *South Carolina State Register*. All previous comments, as well as any additional comments received after this publishing, will be considered. Interested persons are invited to present their views in writing to L. Nelson Roberts, Jr., Regulatory Development Section, Bureau of Air Quality, 2600 Bull Street, Columbia, SC 29201. To be considered, comments must be received no later than 5:00 pm on Monday, March 27, 2006, the close of the drafting comment period.

Synopsis:

On March 10, 2005, and March 15, 2005, the United States Environmental Protection Agency (EPA) finalized two rules known as the “Rule to Reduce Interstate Transport of Fine Particulate Matter and Ozone (Clean Air Interstate Rule),” (also referred to as CAIR) and the “Standards of Performance for New and Existing Stationary Sources: Electric Utility Steam Generating Units,” (also referred to as CAMR), respectively.

CAIR was published in the Federal Register on May 12, 2005 [70 FR 25162]. This rule affects 28 states and the District of Columbia. In CAIR, the EPA found that South Carolina is one of the 28 states that contributes significantly to nonattainment of the National Ambient Air Quality Standards (NAAQS) for fine particles (PM_{2.5}) and/or 8-hour ozone in downwind States. The EPA is requiring these states to revise their SIPs to reduce emissions of sulfur dioxide (SO₂) and/or nitrogen oxides (NO_x). Sulfur dioxide is a precursor to PM_{2.5} formation, and NO_x is a precursor to both PM_{2.5} and ozone formation. The EPA has determined that electric generating units (EGUs) in South Carolina contribute to nonattainment of PM_{2.5} and 8-hour ozone in downwind states.

CAMR was published in the Federal Register on May 18, 2005 [70 FR 28606]. This rule establishes standards of performance for mercury (Hg) for new and existing coal-fired electric utility steam generating units, as defined in Clean Air Act (CAA) section 111(d). This amendment to the CAA establishes a mechanism by which Hg emissions from new and existing coal-fired Utility Units are capped at specified, nation-wide levels. States must adopt standards of performance for Hg emissions reductions by submitting an implementation plan, referred to as an “111(d) Plan” which requires a State rulemaking action followed by submittal to the EPA for review and approval.

EPA coordinated the concurrent release of CAMR with CAIR because a “co-benefit” of implementing the mechanisms for controlling SO₂ and NO_x emissions as required by CAIR is the reduction of Hg emissions. Coordinating the development of CAMR with the CAIR rule allows states to take advantage of the Hg emissions reductions that can be achieved by the air pollution controls designed and installed to reduce SO₂ and NO_x.

The EPA has established a schedule for states to submit their SIP and 111(d) Plan. South Carolina must submit its SIP under CAIR to EPA by September 11, 2006, and the 111(d) Plan under CAMR to EPA by November 17, 2006.

The Department proposes to amend Regulations 61-62, *Air Pollution Control Regulations and Standards* and the SIP to address the requirements of CAIR and CAMR.

The proposed amendments will require legislative review.

SOUTH CAROLINA LAW ENFORCEMENT DIVISION
CHAPTER 73

Statutory Authority: 1976 Code Section 40-18-30, et seq.

Notice of Drafting:

The South Carolina Law Enforcement Division (hereinafter “the Division”) proposes to amend and replace in its entirety Article 4 of Chapter 73, South Carolina Code of Regulations, relating to the operation of private security and private investigation businesses in South Carolina. Interested persons may submit comments to Captain Clifton Weir, South Carolina Law Enforcement Division (SLED), PO Box 21398, Columbia, South Carolina, 29221-1398. To be considered, comments must be received no later than 5:00 p.m. on March 24, 2006, the close of the drafting comment period.

Synopsis:

The current regulation comprising Article 4, R. 73-40 was written to compliment Chapter 17, Title 40, South Carolina Code of Laws of 1976, which related to the regulation of private security and private investigation businesses, which was repealed by the General Assembly and replaced with Chapter 18 of the same Title. The Division now intends to draft regulations complementary to Chapter 18 to replace language conflictive with current statutory restrictions, authorities and fees and further define certain relevant terms, provisions and interpretations of the statutory law.

10 PROPOSED REGULATIONS

Document No. 3060
DEPARTMENT OF CONSUMER AFFAIRS
CHAPTER 28
Statutory Authority: 1976 Code Section 40-68-20

Preamble:

In 2005, the General Assembly passed its Act No. 112, revising Title 40 Chapter 68 of the Code, which deals with the licensing and regulation of Professional Employer Organizations. The proposed revisions to the existing regulations will clean up the regulations and conform them to the revised Code. A substantial portion of the language of the existing regulations was redundant to the statute, and the revisions delete that text. The proposed regulation deletes the entire existing regulations 28-905 through 28-995, and replaces it with a new renumbered regulation 28-1000 (with subparts A-L), which is substantially shorter than the existing regulations. The renumbering is necessary to eliminate a confusing numbering structure in the current Consumer Affairs regulations. It also allows there to be a separate title for professional employer organizations portion which is lacking in the current version.

Section-by-Section Discussion:

28-1000

- A. This section provides definitions of terms that are not otherwise defined in the revised statute.
- B. This section eliminates text which is redundant or contrary to the revised statute.
- C. This section deletes certain text and provides for a revised delinquent license fee.
- D. This section eliminates text which is redundant or contrary to the revised statute and clarifies language related to the late penalty fee for payment of assessment fees.
- E. This section revises the existing regulation concerning the documentation submitted to demonstrate net worth by eliminating text which is redundant or contrary to the revised statute and adds language concerning documentation submitted by startup professional employer organizations.
- F. This section revises language in the existing regulation concerning annual audited financial statements. The revised statute requires audited financial statements.
- G. This section revises the existing regulation concerning quarterly financial reporting by conforming language to the revised statute, changing the fee for late filing of reports, and revising language concerning the adequacy of working capital.
- H. This section revises the existing regulation concerning restricted licenses by conforming language to the revised statute, and adding reporting requirements for holders of restricted licenses.
- I. This section conforms existing language to the revised statute.
- J. This section conforms existing language to the revised statute and further clarifies the manner in which companies must post notices.
- K. This section conforms existing language to the revised statute.

- L. This section simplifies and shortens the language in the existing regulation concerning the reporting of changes in status of companies and controlling persons.

Notice of Public Hearing and Opportunity for Public Comment:

Should a hearing be requested pursuant to Section 1-23-110(b) of the 1976 Code of Laws of South Carolina, as amended, such hearing will be conducted at the April 2006 meeting of the South Carolina Commission on Consumer Affairs. The meeting will take place at the Department's offices at 3600 Forest Drive, Third Floor, Columbia, South Carolina on Tuesday, April 11, 2006 at 2:00 p.m. Persons desiring to make oral comments at the hearing are asked to limit their statements to five minutes or less, and as a courtesy are asked to provide written copies of their presentation for the record. Written comments may be directed to Elliott F. Elam, Jr., South Carolina Department of Consumer Affairs, P.O. Box 5757, Columbia, South Carolina 29250-5757 no later than 5:00 p.m., Tuesday March 28, 2006.

Preliminary Fiscal Impact Statement:

There will be no increased costs to the State or its political subdivisions.

Statement of Need and Reasonableness:

This statement of need and reasonableness was determined pursuant to S.C. Code Ann. Section 1-23-115 (C).

DESCRIPTION OF REGULATION: 23A S.C. Code Ann. Regs. 28-1000, *et. seq.*

Purpose: 2005 S.C. Acts No. 112 modified Title 40 Chapter 68 of the Code, which deals with the licensing and regulation of Professional Employer Organizations. The purpose of the revisions to 23A S.C. Code Ann. Regs. 28-905, *et. seq.* (1976 & Supp. 2005) is to amend the regulations to conform to the new standards set out by Act 112 of 2005.

Legal Authority: S.C. Code Ann. Section 40-68-10 *et. seq.* (Supp. 2005)

Plan for Implementation: The proposed amendments will take effect upon approval by the General Assembly and publication in the *State Register*.

DETERMINATION OF NEED AND REASONABLENESS OF THE PROPOSED REGULATION BASED ON ALL FACTORS HEREIN AND EXPECTED BENEFITS:

Due to the changes in Title 40 Chapter 68, there is a need to change the regulations such that they are consistent with, but not duplicative of the revised statute. These changes also clean up provisions which are either inconsistent with the statute, or obsolete.

DETERMINATION OF COSTS AND BENEFITS:

Although costs related to revising the regulation are minimal, the benefits include regulations that are much shorter and which conform to Title 40 Chapter 68 of the South Carolina Code.

UNCERTAINTIES OF ESTIMATES:

None.

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EFFECT ON ENVIRONMENT AND PUBLIC HEALTH:

None.

DETRIMENTAL EFFECT ON THE ENVIRONMENT AND PUBLIC HEALTH IF THE REGULATION IS NOT IMPLEMENTED:

The amended regulations will have no detrimental effect on the environment and public health if the regulation is not implemented.

Statement of Rationale:

The purpose of the revisions to 23A S.C. Code Ann. Regs. 28-905 *et. seq.* is to conform the Department's regulations with Act No. 112 of 2005. There was no scientific or technical basis relied upon in the development of this regulation.

Text:

The full text of this regulation is available on the South Carolina General Assembly Home Page: <http://www.scstatehouse.net/regnsrch.htm>. Full text may also be obtained from the promulgating agency.

Document No. 3061

DEPARTMENT OF INSURANCE

CHAPTER 69

Statutory Authority: 1976 Code Section 38-91-10 *et seq.*

69-62. Termination of the SCAAIP Joint Underwriting Association and its wind up period

Preamble:

Section 38-91-10 provides that the Director of Insurance may promulgate regulations which may be necessary to implement the transition from the South Carolina Associated Auto Insurers Plan (SCAAIP) to the assigned risk plan including the termination of the joint underwriting association and its wind-up period. Accordingly, the Department proposes this regulation to provide for the orderly termination and wind-up of the affairs of the SCAAIP. This regulation proposes the termination of the SCAAIP effective with the financial quarter ending June 30, 2006.

A Notice of Drafting for the proposed regulation was published in the State Register on December 30, 2005. No comments were received concerning the proposed regulation.

Notice of Opportunity for Public Hearing

Interested members of the public and regulated community are invited to make oral or written comments on the proposed regulation at a public hearing to be conducted by the Administrative Law Court (ALC) on April 19, 2006 at 2:00 p.m. The order of presentation for this public hearing is set forth in the rules for the ALC. Persons desiring to make oral comments at the hearing must request a hearing and are asked to limit their statements to five (5) minutes or less, and are asked to provide written copies of their presentation for the record.

Interested persons are also provided an opportunity to submit written comments on the proposed regulation by sending them to Jeffrey A. Jacobs, Chief Legal Counsel, South Carolina Department of Insurance, 300 Arbor Lake Drive, Suite 1200, Columbia, South Carolina 29223. Comments must be received by 4:00 p.m. on March 24, 2006. Comments received shall be considered by staff in formulating the final proposed regulation for public hearing on April 19, 2006 at 10:00 as noticed above.

Preliminary Fiscal Impact Statement:

Staff anticipates no additional financial impact upon state government. Additional costs to the Department are also not anticipated.

Statement of Need and Reasonableness:

This statement of need and reasonableness was determined by staff analysis pursuant to SC Code Ann. Section 1-23-115 (C)(1) through (3) and (9) through (11).

Purpose: This regulation provides for the termination and orderly transition of liabilities of the SCAAIP.

Legal Authority: The legal authority for this regulation is Section 38-91-10 of the SC Code of Laws.

Plan for Implementation: The proposed regulation will take effect upon approval by the General Assembly and publication in the *State Register*. The proposed regulation will be implemented by providing copies of the regulation to members of the insurance industry.

DETERMINATION OF NEED AND REASONABLENESS OF THE PROPOSED REGULATION ON ALL FACTORS HEREIN AND EXPECTED BENEFITS: The last automobile insurance policy issued by the SCAAIP terminated effective March 1, 2004. There has been minimal new claim activity within the last 12 months. Termination of the SCAAIP will save the cost of administration of this mechanism.

DETERMINATION OF COSTS AND BENEFITS: By transitioning the liabilities of the SCAAIP to the AAIP of South Carolina, the cost of administering the SCAAIP will be saved. Historically, it has cost approximately \$200,000 per year to administer the SCAAIP.

UNCERTAINTIES OF ESTIMATES: None

EFFECT ON ENVIRONMENT AND PUBLIC HEALTH: None.

DETRIMENTAL EFFECTS ON THE ENVIRONMENT AND PUBLIC HEALTH IF REGULATIONS ARE NOT IMPLEMENTED: There will be no detrimental effects on the environment and public health.

Statement of Rationale:

The Department relied upon the professional expertise of the SCAAIP Board members and department staff in determining the basis of this regulation which lies within SC Code of Laws Section 38-91-10.

Text:

The full text of this regulation is available on the South Carolina General Assembly Home Page: <http://www.scstatehouse.net/regnsrch.htm>. Full text may also be obtained from the promulgating agency.

14 PROPOSED REGULATIONS

Document No. 3062
DEPARTMENT OF LABOR, LICENSING AND REGULATION
BOILER SAFETY PROGRAM
CHAPTER 71

Statutory Authority: 1976 Code Sections 41-14-10 through 41-14-150.

Preamble:

Initially, Document No. 3034 was filed and published November 25, 2005. Additional input regarding boiler safety has been obtained by the Agency and the proposed regulations were amended in response to the public comments.

The Boiler Safety Program is proposing to add Article 9 regarding boiler safety to the regulations of the South Carolina Department of Labor, Licensing and Regulation (Chapter 71).

Section by Section Discussion:

The following is a section by section discussion of the amendments proposed by the Boiler Safety Program:

71-9100. Application. The proposed regulation is based upon the exemption criteria of S.C. Code 41-14-60 and clarifies the steps to be taken to claim exemption.

71-9101. Definitions. The proposed regulation is based upon the Recommended Administrative Boiler and Pressure Vessel Safety Rules and Regulations approved by the Board of Trustees of the National Board of Boiler and Pressure Vessel Inspectors on October 25, 2004. The national consensus regulation has been modified to meet local conditions.

71-9102. Administration. The proposed regulation is based upon the Recommended Administrative Boiler and Pressure Vessel Safety Rules and Regulations approved by the Board of Trustees of the National Board of Boiler and Pressure Vessel Inspectors on October 25, 2004. The national consensus regulation has been modified to meet local conditions.

71-9103.1. Power Boilers. The proposed regulation is based upon the Recommended Administrative Boiler and Pressure Vessel Safety Rules and Regulations approved by the Board of Trustees of the National Board of Boiler and Pressure Vessel Inspectors on October 25, 2004. The national consensus regulation has been modified to exclude references to Pressure Vessels which are not regulated in South Carolina

71-9103.2. Heating Boilers. The proposed regulation is based upon the Recommended Administrative Boiler and Pressure Vessel Safety Rules and Regulations approved by the Board of Trustees of the National Board of Boiler and Pressure Vessel Inspectors on October 25, 2004. The national consensus regulation has been modified to exclude references to Pressure Vessels which are not regulated in South Carolina.

71-9104. General Requirements. The proposed regulation is based upon the Recommended Administrative Boiler and Pressure Vessel Safety Rules and Regulations approved by the Board of Trustees of the National Board of Boiler and Pressure Vessel Inspectors on October 25, 2004. The national consensus regulation has been modified to exclude references to Pressure Vessels which are not regulated in South Carolina.

Notice of Public Hearing and Opportunity for Public Comment:

Should a hearing be requested pursuant to Section 1-23-110(b) of the 1976 Code of Laws of South Carolina, as amended, such hearing will be conducted at the Administrative Law Court at 3 p.m. on Tuesday, April 11, 2006. Written comments may be directed to Ronald E. Galloway, Administrator, Boiler Safety Program, Department of Labor, Licensing and Regulation, Post Office Box 11329, Columbia, South Carolina 29211-1329, no later than 5:00 p.m., Tuesday, March 28, 2006.

Preliminary Fiscal Impact Statement:

There will be no additional cost incurred by the State or any political subdivision.

Statement of Need and Reasonableness:

The Boiler Safety Program has determined that it is in the best interest of the State of South Carolina that its boiler safety regulations follow the national consensus standards to the extent possible. For that reason, these regulations incorporate major sections of the Recommended Administrative Boiler and Pressure Vessel Safety Rules and Regulations as published by the National Board of Boiler and Pressure Vessel Inspectors. Following the national consensus standards facilitates the use of established forms and computer programs to reduce the administrative costs to the citizens of South Carolina. Following the national consensus standards also allows the state to rely upon the established expertise of older inspection programs.

DESCRIPTION OF REGULATION:

Purpose: To add initial regulations for the administration of the South Carolina Boiler Safety Program.

Legal Authority: Statutory Authority: 1976 Code Sections 41-14-10 through 41-14-150

Plan for Implementation: Administratively, the Board will see that these provisions are implemented by informing the applicants through written and oral communications.

DETERMINATION OF NEED AND REASONABLENESS BASED ON ALL FACTORS HEREIN AND EXPECTED BENEFITS:

This regulation needs to be added in order to ensure compliance with the South Carolina Boiler Safety Act, added by 2005 Act No. 59, effective May 18, 2005.

DETERMINATION OF COSTS AND BENEFITS:

There will be no additional cost incurred by the State or its political subdivisions.

UNCERTAINTIES OF ESTIMATES:

There are no uncertainties of estimates concerning these regulations.

EFFECT ON THE ENVIRONMENT AND PUBLIC HEALTH:

This regulation will have no effect on the environment. The public health of this State will be enhanced by conforming the guidelines for boiler inspections to national standards.

DETRIMENTAL EFFECT ON THE ENVIRONMENT AND PUBLIC HEALTH IF THE REGULATION IS NO IMPLEMENTED:

There will be no detrimental effect on the environment and public health of this State if the regulations are not implemented in this State.

Statement of Rationale:

The guidelines for boilers are added to conform with national guidelines in order to assure public safety.

Text:

The full text of this regulation is available on the South Carolina General Assembly Home Page: <http://www.scstatehouse.net/regnsrch.htm>. Full text may also be obtained from the promulgating agency.

16 PROPOSED REGULATIONS

Document No. 3063
PUBLIC SERVICE COMMISSION OF SOUTH CAROLINA
CHAPTER 103
Statutory Authority: 1976 Code Section 58-3-140

26 S.C. Code Ann. Regs. 103-500, *et. seq.* Sewerage Utilities

26 S.C. Code Ann. Regs. 103-700, *et. seq.* Water Utilities

Preamble:

In 2004, the General Assembly passed Act No. 175 which restructured the Public Service Commission. This Act modified the structure of the Agency and its functions and created the Office of Regulatory Staff. Several duties of the Public Service Commission were transferred to the Office of Regulatory Staff on January 1, 2005. The purpose of the revisions to 26 S.C. Code Ann. Regs. 103-500, *et. seq.* (1976 & Supp. 2005) and 26 S.C. Code Ann. Regs. 103-700 *et. seq.* (1976 & Supp. 2005) is to amend Articles 5 and 7 to conform to the new standards set out by Act 175 of 2004.

Section-by-Section Discussion

- 103-501 This Section is amended to conform to Act No. 175 of 2004 and is amended to allow the Commission more flexibility in granting a waiver of its regulations.
- 103-502 This Section is modified to conform numbering, to conform to Act No. 175 of 2004, to alphabetize this section covering definitions, and to add “wastewater” terminology.
- 103-503 This Section is amended to conform to Act No. 175 of 2004.
- 103-504 This Section is amended to conform to Act No. 175 of 2004.
- 103-505 This Section is amended to conform to Act No. 175 of 2004.
- 103-506 This Section is amended to conform to Act No. 175 of 2004.
- 103-510 This Section is amended to conform to Act No. 175 of 2004.
- 103-511 This Section is amended to require retention of records related to a rate adjustment.
- 103-512 This Section is amended to conform to Act No. 175 of 2004.
- 103-512.1 This Section is amended to conform to Act No. 175 of 2004.
- 103-512.2 This Section is being deleted because certain information will no longer be filed at the Commission.
- 103-512.2.1 This Section is amended to conform to Act No. 175 of 2004.
- 103-512.2.2 This Section is amended to conform to Act No. 175 of 2004.
- 103-512.2.3 This Section is amended to conform to Act No. 175 of 2004.
- 103-512.2.4 This Section is amended to conform to Act No. 175 of 2004.
- 103-512.2.5 This Section is amended to conform to Act No. 175 of 2004.
- 103-512.3 This Section is amended to conform to Act No. 175 of 2004.
- 103-512.3.1 This Section is amended to set the amount of bond based on verified expenses of the utility for the preceding twelve-month period and conforms the regulation to Act No. 175 of 2004.
- 103-512.3.3 This Section is amended to conform to Act No. 175 of 2004.
- 103-513 This Section is amended to conform to Act No. 175 of 2004.
- 103-514 This Section is amended to conform to Act No. 175 of 2004.
- 103-515 This Section is amended to conform to Act No. 175 of 2004.
- 103-517 This Section is amended to conform to Act No. 175 of 2004.
- 103-530 This Section is amended to conform to Act No. 175 of 2004.
- 103-531.6 This Section is amended to conform the regulation to existing law governing unclaimed deposits.
- 103-532.3 This Section is amended to allow for payment by certified funds and defines “good cause.”

- 103-532.4 This Section is amended to reduce disconnection fees when disconnection has been made by the use of an elder valve in conformance with Commission Order No. 1994-367.
- 103-532.5 This Section is amended to conform to Act No. 175 of 2004.
- 103-534 This Section is amended to conform to Act No. 175 of 2004.
- 103-535 This Section is amended by deleting the word “and” and adding the word “or.” “Section 1” of this Section is being deleted because it is duplicative of Section 103-535.1. Additionally, Section 103-535(O) is amended to conform existing state law. Finally, Section 103-535(Q) is amended to delete duplicative language.
- 103-535.1 This Section is amended to conform to Act No. 175 of 2004 and updates the regulation by modifying the name of a division within the Department of Health and Environmental Control.
- 103-537 This Section is amended to conform to Act No. 175 of 2004.
- 103-538 This Section is amended to conform to Act No. 175 of 2004 and specifies that service shall not be discontinued if the complainant requests in writing a hearing before the Commission.
- 103-539 This Section is amended to conform to Act No. 175 of 2004.
- 103-541 This Section is amended to conform to Act No. 175 of 2004.
- 103-551 This Section is amended by modifying the name of a Department of Health and Environmental Control bureau.
- 103-553 This Section is amended to conform to Act No. 175 of 2004.
- 103-555 This Section is modified to conform to standard engineering practices.
- 103-556 This Section is amended to conform to Act No. 175 of 2004.
- 103-561 This Section is amended to conform to Act No. 175 of 2004.
- 103-562 This Section is amended to conform to Act No. 175 of 2004.
- 103-563 This Section is amended to conform to Act No. 175 of 2004.
- 103-571 This Section is amended to conform to Act No. 175 of 2004.
- 103-581 This Section is amended to conform to Act No. 175 of 2004 and states that the utility shall give reasonable assistance to the Commission and the ORS in the determination of suitable means of accident prevention.

- 103-701 This Section is amended to conform to Act No. 175 of 2004 and is amended to allow the Commission more flexibility in granting a waiver of its regulations.
- 103-702 This Section is modified to conform numbering, to conform Act No. 175 of 2004, and to alphabetize this section governing definitions.
- 103-703 This Section is amended to conform to Act No. 175 of 2004.
- 103-704 This Section is amended to conform to Act No. 175 of 2004.
- 103-705 This Section is amended to conform to Act No. 175 of 2004.
- 103-706 This Section is amended to conform to Act No. 175 of 2004.
- 103-710 This Section is amended to conform to Act No. 175 of 2004.
- 103-711 This Section is amended to require retention of records related to a rate adjustment.
- 103-712 This Section is amended to conform to Act No. 175 of 2004.
- 103-712.1 This Section is amended to conform to Act No. 175 of 2004.
- 103-712.2 This Section is amended to conform to Act No. 175 of 2004.
- 103-712.2.1 This Section is amended to conform to Act No. 175 of 2004.
- 103-712.2.2 This Section is amended to conform to Act No. 175 of 2004.
- 103-712.2.3 This Section is amended to conform to Act No. 175 of 2004.
- 103-712.2.4 This Section is amended to conform to Act No. 175 of 2004 and specifies that location of cross-connection and control devices be shown on operating area maps.
- 103-712.2.5 This Section is amended to conform to Act No. 175 of 2004.
- 103-712.3 This Section is amended to conform to Act No. 175 of 2004.
- 103-712.3.1 This Section is amended to set the amount of bond based on verified expenses of the utility for the preceding twelve-month period and conforms the regulation to Act No. 175 of 2004.

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- 103-712.3.3 This Section is amended to conform to Act No. 175 of 2004.
- 103-713 This Section is amended to conform to Act No. 175 of 2004.
- 103-714 This Section is amended to conform to Act No. 175 of 2004.
- 103-715 This Section is amended to conform to Act No. 175 of 2004.
- 103-719 This Section is amended to conform to Act No. 175 of 2004.
- 103-724 This Section is amended to conform to Act No. 175 of 2004.
- 103-730 This Section is amended to conform to Act No. 175 of 2004.
- 103-731.6 This Section is amended to conform the regulation to existing law governing unclaimed deposits.
- 103-732.4 This Section is amended to allow for payment by certified funds and defines “good cause.”
- 103-732.7 This Section is amended to make a typographical correction.
- 103-734 This Section is amended to conform to Act No. 175 of 2004.
- 103-735 This Section is amended to allow the Commission or the Department of Health of Environmental Control to make a determination as to whether a dangerous or hazardous condition exist and conforms the language in this section to Regulation 103-535 and conforms the regulation to Act No. 175 of 2004.
- 103-735.1 This Section is amended by replacing “telephone” with the word “water” and conforms the regulation to Act No. 175 of 2004.
- 103-737 This Section is amended to conform to Act No. 175 of 2004.
- 103-738 This Section is amended to conform to Act No. 175 of 2004 and specifies that service shall not be discontinued if the complainant requests in writing a hearing before the Commission.
- 103-739 This Section is amended to conform to Act No. 175 of 2004.
- 103-743 This Section is amended to conform to Act No. 175 of 2004.
- 103-752 This Section is amended indicate the latest editions for acceptable references for standards of accepted good practices for water utilities.
- 103-756 This Section is amended to conform to Act No. 175 of 2004.
- 103-760 This Section is amended to conform to Act No. 175 of 2004.
- 103-761 This Section is amended to conform to Act No. 175 of 2004.
- 103-763 This Section is amended to conform to Act No. 175 of 2004.
- 103-771 This Section is amended to conform to Act No. 175 of 2004.
- 103-772 This Section is amended to conform to Act No. 175 of 2004.
- 103-773 This Section is amended to conform to Act No. 175 of 2004.
- 103-781 This Section is amended to conform to Act No. 175 of 2004 and states that the utility shall give reasonable assistance to the Commission and the ORS in the determination of a suitable means of accident prevention.

Notice of Public Hearing and Opportunity for Public Comment:

Interested persons may submit written comments to the Public Service Commission, Docketing Department, 101 Executive Center Drive, Columbia, South Carolina 29210. Please reference Docket Number 2006-9-W/S. To be considered, comments must be received no later than 4:45 p.m. on March 30, 2006. Interested members of the public and the regulated community are invited to make oral or written comments on the proposed regulation at a public hearing to be conducted by the Public Service Commission on **April 27, 2006, at 10:30 a.m.** in the Commission’s Hearing Room, 101 Executive Center Drive, Columbia, South Carolina 29210.

Preliminary Fiscal Impact Statement:

There will be no increased costs to the State or its political subdivisions.

Statement of Need and Reasonableness:

This statement of need and reasonableness was determined pursuant to S.C. Code Ann. Section 1-23-115(C)(1) through (3) and (9) through (11).

DESCRIPTION OF REGULATION: 26 S.C. Code Ann. Regs. 103-500, *et. seq.* and 26 S.C. Code Ann. Regs. 103-700, *et. seq.*

Purpose: 2004 S.C. Acts 175 modified the structure of the Public Service Commission and its functions and created the Office of Regulatory Staff. Several duties of the Commission Staff were transferred to the Office of Regulatory Staff on January 1, 2005. The purpose of the revisions to 26 S.C. Code Ann. Regs. 103-500, *et. seq.* and 26 S.C. Code Ann. Regs. 103-700, *et. seq.* is to revise the Commission’s sewerage and water regulations to conform to Act No. 175 of 2004.

Legal Authority: S.C. Code Ann. Section 58-3-140 (Supp. 2005)

Plan for Implementation: The proposed amendments will take effect upon approval by the General Assembly and publication in the *State Register*.

DETERMINATION OF NEED AND REASONABLENESS OF THE PROPOSED REGULATION BASED ON ALL FACTORS HEREIN AND EXPECTED BENEFITS:

Due to the major restructuring of the Public Service Commission and its governing statutes, the Commission regulations should be consistent with the recent revisions in Title 58 of the South Carolina Code. The proposed changes are intended to conform Articles 5 and 7 to the current law in the South Carolina Code.

DETERMINATION OF COSTS AND BENEFITS:

Although costs related to amending Articles 5 and 7 are minimal, the benefits include regulations that conform with Title 58 of the South Carolina Code.

UNCERTAINTIES OF ESTIMATES:

None.

EFFECT ON ENVIRONMENT AND PUBLIC HEALTH:

None.

DETRIMENTAL EFFECT ON THE ENVIRONMENT AND PUBLIC HEALTH IF THE REGULATION IS NOT IMPLEMENTED:

The amended regulations will have no detrimental effect on the environment and public health if the regulation is not implemented.

Statement of Rationale:

The purpose of the revisions to 26 S.C. Code Ann. Regs. 103-500, *et. seq.* and 26 S.C. Code Ann. Regs. 103-700, *et. seq.* is to conform the Public Service Commission’s sewerage and water utilities’ regulations with Act No. 175 of 2004. There was no scientific or technical basis relied upon in the development of these regulations.

Text:

The full text of this regulation is available on the South Carolina General Assembly Home Page: <http://www.scstatehouse.net/regnsrch.htm>. Full text may also be obtained from the promulgating agency.

20 PROPOSED REGULATIONS

Document No. 3059
DEPARTMENT OF TRANSPORTATION
Chapter 63
Statutory Authority: South Carolina Code Section 57-25-110 *et seq.*

63-341 – 354 Highway Advertising Control Act

Preamble:

The South Carolina Department of Transportation proposes to amend its regulations concerning the Highway Advertising Control Act, 63-341 to 63-354, to conform with current Federal regulations concerning changeable message signs and to amend other regulations dealing with outdoor advertising signs.

A Notice of Drafting for the proposed amendments was published in the State Register on December 23, 2005.

Section-By-Section Discussion:

SECTION EXPLANATION OF CHANGE:
CITATION:

- 63-342.A. New text is added to define the meaning of obsolete advertising message.
- 63-342.G. The text of item G is being revised to clarify the definition of “Destroyed Sign”.
- 63-342.U. The text of item U is being revised to clarify the definition of “Sham Activity”.
- 63-342.X. The text of item X is being revised to clarify the definition of “Sign Face”.
- 63-342.Z. The text of item Z is being revised to clarify the definition of “Sign Structure”.
- 63-342.CC The text of item CC is being revised to clarify the definition of “Transient or temporary activities”.
- 63-342.FF. The text of item FF is being revised to clarify the definition of “Unzoned commercial or industrial areas”.
- 63-342.KK New text is being added as item KK to set forth the definition of “Off-premise Changeable Message Signs”.
- 63-345.C. The text of item C which references Illustrations 2 and 3 is deleted.
- 63-348.B. The existing text of item B is being deleted.
- 63-348.B. Item previously numbered as C is being renumbered as B. The text did not change.
- 63-348.C. Item previously numbered as D is being renumbered as C. The text did not change.
- 63-349.C. The text of item C is revised to update obsolete contact information.
- 63-349.D. The text of item D is revised to provide for correction of application by the applicant prior to processing.
- 63-349.F. The text of item F is revised to add the requirement for compliance with local government building code requirements.

- 63-349.G. New text is being added as item G to require the submission of adequate documentation capable of showing significant commercial and meaningful business operation in the application process.
- 63-349.H. Item previously numbered as G is being renumbered as H and minor editorial changes are being made to the existing text.
- 63-349.I. Item previously numbered as H is being renumbered as I. The text did not change.
- 63-349.I. Item previously numbered as I is being deleted.
- 63-349.J. The text of item J is being revised to eliminated the coin toss in the event of a tie in submitting applications.
- 63-349.L. The text in item L is being revised to add the limits of the application review period to no longer than one (1) year.
- 63-349.M. The text in item M is being revised to provide for appeal to the Administrative Law Court.
- 63-349.N. The text in item N is being revised to clarify a significant change event.
- 63-349.O. The text in item O is being revised to include that the construction of sign faces must be completed within 180 days of permit issuance and the cancellation of permits and forfeiture of fees in the event construction is not completed timely.
- 63-349.P. New text is being added as item P to require the sign owners' name be prominently displayed and readable from the sign structure.
- 63-349.Q. Item previously numbered as P is being renumber as Q. The text did not change.
- 63-349.R. Item previously numbered as Q is being renumbered as R. The text did not change.
- 63-349.S. Item previously numbered as R is being renumbered as S. The text did not change.
- 63-349.T. Item previously numbered as S is being renumbered as T. The text did not change.
- 63-349.U. Item previously numbered as T is being renumbered as U and revised to provide that transfers may be pursuant to Department procedures.
- 63-349.V. Item previously numbered as U is being renumbered as V and the text did not change.
- 63-349.W. Item previously numbered as V is being renumbered as W and provides for the revocation of permits where the permit was issued based on false or materially misleading information given to the department in its investigation of the application.
- 63-349.X. Item previously numbered as W is being renumbered as X. The text did not change.
- 63-349.Y. Item previously numbered as X is being renumbered as Y. The text did not change.
- 63-349.Z. New text is being added as item Z to prohibit erection of signs within 600 feet of areas where vegetation has been illegally removed.

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- 63-350.C.(4) The text of item C.(4) is being revised to amend maintenance standard for nonconforming signs in the event the signs are partially destroyed.
- 63-350.C.(5) The text of item C.(5) is being revised to clarify when a nonconforming sign can be rebuilt.
- 63-350.C.(7) The text of item C.(7) is being revised to clarify the actions that make a nonconforming sign illegal
- 63-351.A.(8) The existing text of item A.(8) is deleted.
- 63-351.A.(8) Item previously numbered as A.(9) is being renumbered as A.(8). The text did not change.
- 63-352.C.(3) The existing text of C.(3) is deleted.
- 63-352.C.(3) Item previously numbered as C.(4) is being renumbered as C.(3). The text did not change.
- 63-352.C.(4) Item previously numbered as C.(5) is being renumbered as C.(4). The text did not change.
- 63-352.C.(5) Item previously numbered as C.(6) is being renumbered as C.(5) and clarifies on-premise sign when the land is diverted.
- 63-352.C.(6) Item previously numbered as C.(7) is being renumbered as C.(6). The text did not change.
- 63-352.E. New text is being added as item E to give the Department sole discretion to determine safety hazard of on-premise signs.
- 63-353 The text of existing Section 353 is deleted and new text is added to set forth design criteria for signs.
- 63.354. The text of existing Section 354 is deleted and new text is added to set forth criteria for off-premise changeable message signs.
- 63-355. Repeal of existing Section 355 – Penalty for Violations.
- Illustrations 2,3,4, and 5 The existing illustrations 2, 3, 4, and 5 are deleted.
- Illustration 2 Item previously numbered as Illustration 6 is being renumbered as Illustration 2. The text did not change.

Notice of Public Hearing and Opportunity for Public Comment:

Should a public hearing be requested pursuant to Section 1-23-110(b) of the 1976 Code of Laws, as amended, such a hearing will be conducted at 955 Park Street, Columbia, South Carolina, on April 6, 2006. Written comments or requests for a hearing may be directed to Deborah Brooks Durden, Governmental Liaison, PO Box 191, Columbia, South Carolina 29202. To be considered, comments should be received no later than March 27, 2006.

Preliminary Fiscal Impact Statement:

The South Carolina Department of Transportation estimates that there will be no additional costs incurred by the State or its political subdivisions in complying with the proposed amendments.

Statement of Need and Reasonableness:

DESCRIPTION OF REGULATIONS 63-341- 354 Highway Advertising Control Act.

Purpose of amendment: The amendments are designed to bring state regulations into conformity with certain federal requirements and to clarify certain definitions, delete obsolete language and to revise certain application processes.

Legal Authority: The legal authority for regulation 63-341 to 354 is section 57-25-110, *et seq.*, SC Code of Laws.

Plan for Implementation: The amendments will have no effect on the practices of SCDOT.

DETERMINATION OF NEED AND REASONABLENESS OF PROPOSED REGULATIONS BASED ON ALL FACTORS HEREIN AND EXPECTED BENEFITS: The proposed amendments will benefit the public by deleting confusing and outdated information from the regulations and by improving the process for reviewing applications for outdoor advertising permits.

The proposed amendments will benefit the public by deleting confusing and outdated information from the regulations and by improving the process for reviewing applications for outdoor advertising permits.

DETERMINATION OF COSTS AND BENEFITS: There will be no costs imposed by these changes to the State.

UNCERTAINTIES OF ESTIMATES: None.

EFFECT ON ENVIRONMENTAL AND PUBLIC HEALTH: None.

DETRIMENTAL EFFECTS ON ENVIRONMENTAL AND PUBLIC HEALTH IF THE REGULATIONS ARE NOT IMPLEMENTED: None.

Statement of Rationale:

The basis for the regulation changes was determine by administrative need for improving compliance with S.C. Code Ann. Section 57-25-110, et seq. (1991, as amended)(Highway Advertising Control Act). The new regulations and amendments incorporate definitional and procedural changes to assist in effectuating the requirements of the Act and ensuring consistency with the federal Highway Beautification Act, 23 USC 131.

Text:

The full text of this regulation is available on the South Carolina General Assembly Home Page: <http://www.scstatehouse.net/regnsrch.htm>. Full text may also be obtained from the promulgating agency.

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Filed: January 31, 2006, 12:04 pm

Document No. 3058
DEPARTMENT OF LABOR, LICENSING AND REGULATION
BOARD OF NURSING
CHAPTER 91

Statutory Authority: 1976 Code Sections 40-1-70, 40-33-1335(4), and 40-33-1345(C).

Emergency Situation:

The Board of Nursing is proposing to add a new Regulation 91-2 to implement the Nurse Licensure Compact (Compact). The Compact was enacted by Act 87 of 2005 to be effective September 30, 2006, to coincide with the then applicable renewal period and in order to allow time to implement uniform regulations required to support the Compact. Prior to the passage of Act 87, the Board's renewal period was changed to a biennial period beginning May 1, 2006. Therefore, the original implementation date of September 30, 2006, no longer has any efficacy and, in fact, will impede the timely and efficient implementation of the Compact. The uniform regulations to implement the Compact have been prepared and noticed for promulgation as permanent regulations in accordance with the Administrative Procedures Act. However, that process will not be completed by the time that the renewal season begins February 1, 2006. Implementation during the 2006 biennial renewal cycle will allow significant savings in cost and staff time to be achieved by avoiding temporary and duplicative licensing activities. Therefore, emergency action is required in order to allow South Carolina applicants for Compact licensure to be licensed in an efficient and cost-effective manner that is consistent with the legislative intent to implement the Compact as soon as practicable.

Text:

91-2. Nurse Licensure Compact.

A. Definition of Terms in the Compact.

For the Purpose of the Compact:

1. "Board" means party state's regulatory body responsible for issuing nurse licenses.
2. "Information system" means the coordinated licensure information system.
3. "Primary state of residence" means the state of a person's declared fixed permanent and principal home for legal purposes; domicile.
4. "Public" means any individual or entity other than designated staff or representatives of party state boards or the National Council of State Boards of Nursing, Inc.

Other terms used in these regulations are to be defined as in the Interstate Compact.

B. Issuance of a License by a Compact Party State.

For the purpose of the Compact:

1. As of July 1, 2005, no applicant for initial licensure will be issued a compact license granting a multi-state privilege to practice unless the applicant first obtains a passing score on the applicable NCLEX examination or its predecessor examination used for licensure.
2. A nurse applying for a license in a home party state shall produce evidence of the nurse's primary state of residence. Such evidence shall include a declaration signed by the licensee. Further evidence that may be requested and may include but is not limited to:
 - a. Driver's license with a home address;
 - b. Voter registration card displaying a home address; or
 - c. Federal income tax return declaring the primary state of residence.
3. A nurse changing primary state of residence from one party state to another party state may continue to practice under the former home state license and multi-state licensure privilege during the processing of the nurse's licensure application in the new home state for a period not to exceed thirty (30) days.

4. The licensure application in the new home state of a nurse under pending investigation by the former home state shall be held in abeyance and other applicable time periods shall be stayed until resolution of the pending investigation.

5. The former home state license shall no longer be valid upon the issuance of a new home state license.

6. If a decision is made by the new home state denying licensure, the new home state shall notify the former home state within ten (10) business days and the former home state may take action in accordance with that state's laws and rules.

C. Limitations on Multi-state Licensure Privilege.

Home state boards shall include in all licensure disciplinary orders and/or agreements that limit practice and/or require monitoring the requirement that the licensee subject to said order and/or agreement will agree to limit the licensee's practice to the home state during the pendency of the disciplinary order and/or agreement. This requirement may, in the alternative, allow the nurse to practice in other party states with prior written authorization from both the home state and such other party state boards.

D. Information System.

1. Levels of access

a. The public shall have access to nurse licensure information limited to:

- i. the nurse's name,
- ii. jurisdiction(s) of licensure,
- iii. license expiration date(s),
- iv. licensure classification(s) and status(es),
- v. public emergency and final disciplinary actions, as defined by contributing state authority, and
- vi. the status of multi-state licensure privileges.

b. Non-party state boards shall have access to all Information System data except current significant investigative information and other information as limited by contributing party state authority.

c. Party state boards shall have access to all Information System data contributed by the party states and other information as limited by contributing non-party state authority.

2. The licensee may request in writing to the home state board to review the data relating to the licensee in the Information System. In the event a licensee asserts that any data relating to him or her is inaccurate, the burden of proof shall be upon the licensee to provide evidence that substantiates such claim. The Board shall verify and within ten (10) business days correct inaccurate data to the Information System.

3. The Board shall report to the Information System within ten (10) business days

a. disciplinary action, agreement or order requiring participation in alternative programs or which limit practice or require monitoring (except agreements and orders relating to participation in alternative programs required to remain nonpublic by contributing state authority),

b. dismissal of complaint, and

c. changes in status of disciplinary action, or licensure encumbrance.

d. Current significant investigative information shall be deleted from the Information System within ten (10) business days upon report of disciplinary action, agreement or order requiring participation in alternative programs or agreements which limit practice or require monitoring or dismissal of a complaint.

e. Changes to licensure information in the Information System shall be completed within ten (10) business days upon notification by a board.

Statement of Need and Reasonableness:

DESCRIPTION OF REGULATION:

Purpose: To immediately implement uniform regulations for the Nurse Licensure Compact.

Legal Authority: Statutory Authority: 1976 Code Sections 40-1-40, 40-33-1335(4) and 40-33-1345(C).

Plan for Implementation: Administratively, the Board will see that these provisions are implemented by informing the applicants through written and oral communications.

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DETERMINATION OF NEED AND REASONABLENESS BASED ON ALL FACTORS HEREIN AND EXPECTED BENEFITS:

These regulations need to be added in order to implement the uniform regulations for the Nurse Licensure Compact.

DETERMINATION OF COSTS AND BENEFITS:

There will be no additional cost incurred by the State or its political subdivisions.

UNCERTAINTIES OF ESTIMATES:

There are no uncertainties of estimates concerning these regulations.

EFFECT ON THE ENVIRONMENT AND PUBLIC HEALTH:

These regulations will have no effect on the environment. The public health of this State will be enhanced by immediately implementing uniform regulations for the Nurse Licensure Compact.

DETRIMENTAL EFFECT ON THE ENVIRONMENT AND PUBLIC HEALTH IF THE REGULATION IS NO IMPLEMENTED:

These regulations will have no detrimental effect on the environment and public health of this State if the regulations are not implemented in this State.

Statement of Rationale:

The uniform regulations will implement the Nurse Licensure Compact and assist in the recruitment of nurses in this State.

Document No. 3046
DEPARTMENT OF AGRICULTURE
 CHAPTER 5
 Statutory Authority: 1976 Code Section 39-39-160

R 5-210 et seq. Egg Regulations

Synopsis:

The Department proposes to amend and update in its entirety Regulations 5-210 et al, regarding egg quality standards and inspections. The proposed amendments will clarify requirements for all persons subject to egg quality standards including recordkeeping requirements, quality standards and egg descriptions, marketing and labeling of eggs and license renewal procedures

Instructions: Amend R.5-210 thru 5-35, Egg Regulations, Chapter 5.

Text:

5-210. Producers Defined. Producers as defined in Section 39-39-110, S.C. Code, 1976: "Producer" means a person selling no eggs other than those eggs produced on his farm. Producers with five hundred or less hens may sell their eggs direct to the consumer without processing.

5-212. Records; [Wholesalers.] Wholesalers must keep a record of their purchases, sales and deliveries of eggs for a period of not less than ninety days. Invoices must show grade and size also name and address of distributor, as well as the date of production.

5-213. Records; [Retailers.] Retailers must keep a record of their purchases of eggs for a period of not less than ninety days. Invoices must show grade and size, also name and address of packer or distributor, as well as the date of production.

5-216. Weight of Eggs. The South Carolina weight class for shell eggs is the same as those published by the United States Department of Agriculture.

5-218. South Carolina Standards for Quality of Individual Shell Eggs. The South Carolina standards for egg quality shall be the same as those standards published by the United States Department of Agriculture.

5-219. Terms Descriptive of Shell. [Delete]

5-220. Terms Descriptive of the Air Cell. [Delete]

5-221. Terms Descriptive of the White. [Delete]

5-222. Terms Descriptive of the Yolk. [Delete]

5-223. General Terms. Inedible Eggs. Eggs of the following descriptions are classed as inedible: black rots, white rots, mixed rots (addled eggs), sour eggs, eggs with green whites, eggs with stuck yolks, moldy eggs, musty eggs, eggs showing blood rings, eggs containing embryo chicks (at or beyond the blood ring stage) and any eggs that are adulterated as such term is defined pursuant to the Federal Food, Drug, and Cosmetic Act.

5-224. South Carolina Consumer Grades for Shell Eggs. In accordance with Sections 39-39-110 to 39-39-180, S.C. Code, 1976, eggs can be sold, offered for sale or advertised under the following grades--South Carolina consumer grades for shell eggs is the same as those published by the United States Department of Agriculture.

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5-226. Packing, Marketing and Labeling. Every case (30 dozen) or partial case containing eggs offered, exposed, or packed for sale, or transported for sale within the State by any person (other than producer), firm, company or organization shall bear on one end of the case a label of not less than 2 × 2 inches in size conspicuously displaying in plain words and figures the following:

1. Origin--This item optional
2. Grade (Grade AA, A, B)
3. Minimum Size (Jumbo, Extra Large, Medium, Small or Peewee)
4. Name, address, and zip code of packer or distributor. License number or USDA plant number and date packed.

The provider of the information required above may utilize a system of "checking-off" the appropriate egg size on the end case label.

SAMPLE WHOLESALER LABEL--Size not less than 2 X 2 inches.

Minimum Requirement:

GRADE A, B. ETC.
LARGE EGGS

Optional Form
SOUTH CAROLINA EGGS
GRADE A
LARGE EGGS

DATE PACKED.....

DATE PACKED.....

LICENSE NO. 000

LICENSE NO. 000

PACKER'S OR DISTRIBUTOR'S NAME

PACKER'S OR DISTRIBUTOR'S NAME

ADDRESS

ADDRESS

CITY, STATE--ZIP CODE

CITY, STATE--ZIP CODE

The lettering displayed on a wholesaler label shall be not less than 1/4 inch in height.

5-228. Cartons.

(1) Eggs offered or exposed for sale in cartons, bags or other containers shall be plainly marked on top of carton, bag, or container the grade and size. Letters shall be not less than 5/16 inch in height. Also packer's or distributor's name and address letters not less than 1/8 inch in height. Eggs produced and packed in South Carolina may be labeled South Carolina Eggs if offered for sale in South Carolina. Letters shall not be less than 5/16 inch in height. If cartons or other containers can be divided to sell a part of a dozen the complete marking shall be on each division of the container.

(2) In accordance with the FDA in-lid regulations, cartons may carry the following printed statement in the lid of the carton: "Keep refrigerated at or below 45 degrees Fahrenheit."

5-229. Seal.

(1) All and only eggs produced in South Carolina and packed in South Carolina cartons for sale within the State may bear on top of the carton South Carolina Agricultural Products Seal as approved and adopted by the South Carolina Department of Agriculture for promotional purposes of quality and sanitation of South Carolina products.

(2) Eggs packed in cartons and transported into this State from other states may have affixed to those cartons the agricultural products seal of the state of origin.

5-232. Refrigeration at Wholesale and Retail Levels.

All eggs Grade B or better must be adequately refrigerated at wholesale and retail levels at all times. Packers shall be responsible for the quality of eggs for seven (7) days after delivery to retail outlets. All retail outlets shall be responsible for the quality of all eggs as marked as long as they are offered for sale thereafter. All producer packers or retail merchants shall date egg containers with either the packing or expiration date as he sees fit. He must notify the South Carolina Department of Agriculture and retail outlet of which method of dating he is using ten (10) days before operation begins. In accordance with the FDA regulations, cartons and cases may carry the following printed statement in the lid of the carton or the end of the case: "Keep refrigerated at or below 45 degrees Fahrenheit, ambient air." Note: Adequate refrigeration means any type of artificial refrigeration with controlled temperature and humidity, and which is in sanitary condition and free from objectionable odors. The most favorable ambient air temperature is 45 or below degrees Fahrenheit, with humidity of 75 to 85 percent.

5-233. Notice. [Delete]

5-234. [Representative Samples for Grading Purposes.]

The representative samples for grading shell eggs are the same as those published by the United States Department of Agriculture.

5-235 License Renewal

For the purposes of maintaining a current register of the active licensed egg wholesalers, the Department shall send out letters of license renewal on a biannual basis. Licensees who fail to renew their license in a timely manner will then receive notice from the Department that they have been removed to an inactive list and they shall be given the opportunity to return to active status upon written notice to the Department.

Document No. 2955

DEPARTMENT OF PUBLIC SAFETY

CHAPTER 38

Statutory Authority: 1976 Code Section 23-6-20 and Section 56-10-640
and the DMV Reform Act of 2003

Article 3 Division of Motor Vehicles, Subarticle 15 Motorist Insurance Identification Database Regulations

Synopsis:

The responsibility for administering the provisions of the South Carolina Automobile Liability Insurance Reporting System now falls under the Department of Motor Vehicles. The Department of Motor Vehicles is currently publishing new regulations on this matter under their regulation chapter (Chapter 90).

Instructions: Delete repealed regulations.

Text.

- 38-260. Repealed
- 38-261. Repealed
- 38-262. Repealed
- 38-263.0 Repealed
- 38-263.1 Repealed
- 38-263.2 Repealed
- 38-264. Repealed
- 38-264.1 Repealed
- 38-264.2 Repealed
- 38-265. Repealed
- 38-266. Repealed
- 38-267. Repealed

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38-268. Repealed

38-269. Repealed

Statement of Rationale: To facilitate the movement of these regulations under the Department of Motor Vehicles in accordance with the Department of Motor Vehicles Reform Act of 2003.

Fiscal Impact: The Department anticipates no fiscal impact as a result of these regulations. The responsibility for administering the provisions of the South Carolina Automobile Liability Insurance Reporting System now falls under the Department of Motor Vehicles. The Department of Motor Vehicles is currently publishing new regulations on this matter under their regulation chapter (Chapter 90).

Document No. 2937

DEPARTMENT OF REVENUE

CHAPTER 7

Statutory Authority: 1976 Code Section 12-4-320

Regulations: SC Regulation 7-200.1 Applications

Synopsis:

The South Carolina Department of Revenue is considering amending SC Regulation 7-200.1 to delete the cooking license provisions of subsection F and replace those provisions with one stating that the holder of a retail permit or license issued pursuant to Title 61 must obtain and maintain a retail sales tax license issued pursuant to Chapter 36 of Title 12. In addition, the provisions will state that if the retail sales tax license is revoked, then the Department must cancel, suspend or revoke all permits and licenses issued under Title 61. The Department is also considering amending subsection J to clarify that the request for refund only applies to the permit or license fee when a timely refund request is received with respect to a permit or license that was not used.

Instructions: Amend SC Regulation 7-200.1 to delete the cooking license provisions of Subsection F and replace those provisions with one stating that the holder of a retail permit or license issued pursuant to Title 61 must obtain and maintain a retail sales tax license issued pursuant to Chapter 36 of Title 12.

Text:

7-200.1

A. Filing fees. All applications filed with the South Carolina Department of Revenue must be accompanied by the appropriate filing fee before any application can be processed.

B. Contents of application. All applications shall describe with particularity the specific areas upon which the licensee shall store, sell and/or serve liquor, beer or wine. This description shall include but not be limited to the building or buildings affected, floors, rooms, patios, and recreation areas where authorization to conduct any of the above mentioned functions is requested.

C. Permits and licenses must be in same name. When a person applies for a beer and wine permit and/or a sale and consumption permit, a retail liquor store license, and/or a food preparation license, all permits and licenses must be applied for in the same name.

D. Change in Designee - Publicly Traded Corporation. A new license or permit is not necessary, provided no violations are pending, if the officer or employee designated to hold the permit or license on behalf of the publicly traded corporation is replaced by a different officer or employee. The replacement must be of good moral character, over the age of twenty-one and a resident of this State and notice of the substitution must be filed with the Department in writing.

E. Violation of license. A licensee or permittee, who permits or knowingly allows the storage, serving, sale or delivery of liquor, beer or wine in or upon those areas of this licensed establishment which were not specifically

designated in the application shall be deemed to have violated said license or permit; provided, however, this regulation shall not be construed to prohibit the delivery of such containers within licensed hotels and motels to rooms which are leased and used primarily for lodging purposes.

F. In order to hold any retail alcoholic beverage permit or license under Title 61 of the South Carolina Code of Laws, the applicant, or holder of a retail alcoholic beverage permit or license, must obtain and maintain a retail sales tax license issued pursuant to Chapter 36 of Title 12 of the South Carolina Code of Laws. If the retail sales tax license of a location is revoked, canceled or otherwise terminated for any reason, the Department must cancel, suspend or revoke all retail alcoholic beverage permits or licenses issued for that location if such permits or licenses are not immediately surrendered to the Department at the time the retail sales tax license for the location is revoked, canceled or otherwise terminated.

G. Retail Liquor Dealers. Must procure permit. Every holder of a retail liquor license in this State must make application for and procure from the Department a permit to sell alcoholic beverages in sealed containers of two (2) ounces or less before any such sale is made. This permit will be issued by the Department free of charge. Any holder of a retail liquor license will be in violation of Title 61 of the 1976 Code, if such sales are made prior to obtaining this permit from the Department.

H. Partnership--Change to Corporation Must Have New Permit. A permit or a license is a personal privilege granted by the State and cannot be transferred from one person to another. A corporation is a distinct entity, and is as a matter of law, a person. Therefore, if a partnership holding a beer license incorporates, even though the stockholders are the same persons as the partners were, a new permit or license must be secured for the corporation.

I. Stipulations. Any written stipulation and/or agreement which is voluntarily entered into by an applicant for a permit or license between the applicant and the Department, if accepted by the Department, will be incorporated into the basic requirements for the enjoyment and privilege of obtaining and retaining the permit or license and shall have the same effect as any and all laws and any and all other regulations pertaining to the permit or license. Knowing violation of the terms of the stipulation or agreement shall constitute sufficient grounds to revoke said license.

J. Refund on Permit Applications. When an application for a permit or license is approved by the Department and is not used, a request for the refund of the permit or license fee must be received by the Department within the fiscal year for which the permit was issued, and in no event will a refund of an application fee be made unless a request is received by the Department within sixty (60) days of the date the permit was issued. An agent of the Department or the State Law Enforcement Division must verify in writing that the permit was not used.

Fiscal Impact Statement:

There will be no impact on state or local political subdivisions expenditures in complying with this proposed legislation.

Statement of Need and Reasonableness:

The proposal to amend SC Regulation 7-200.1 is needed to ensure that taxpayers understand (1) that only a cooking license is needed if a location that offers meals to the public purchases liquor for use solely in the cooking and preparing meals served by the location and not for sale to the public; (2) that all holders of a retail permit or license issued pursuant to the alcoholic beverage laws must also maintain a retail sales tax license for the same location; and (3) that only the permit or license fee is refundable if a timely refund request is received with respect to a permit or license that was not used. The proposal to amend SC Regulation 7-200.1 is also reasonable in that it is the department's responsibility to maintain regulations that are up-to-date and consistent with the law.

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Statement of Rationale:

The proposal amend SC Regulation 7-200.1 is needed (1) since the statute requires only a cooking license under Code Section 61-6-700 and does not require a minibottle license when a location that offers meals to the public purchases liquor for use solely in the cooking and preparing meals served by the location and does not sell liquor as a beverage to the public, and (2) since only the permit or license fee is refundable if a timely refund request is received with respect to a permit or license that was not used. In addition, it is needed to advise taxpayers that all holders of a retail permit or license issued pursuant to the alcoholic beverage laws must also maintain a retail sales tax license for the same location.

Document No. 2914

DEPARTMENT OF REVENUE

CHAPTER 117

Statutory Authority: 1976 Code Section 12-4-320

Regulations: SC Regulation 117-1400

Synopsis:

The South Carolina Department of Revenue is considering amending SC Regulation 117-1400 concerning the electric power tax to state that the Department will no longer use the Standard Industrial Classification (“SIC”) Manual from 1967 as its guide in classifying “industrial customers” as that term is used in the electric power tax law. The Department, if this amendment is approved, will use the North American Industry Classification System (“NAICS”) Manual as its guide in classifying industrial customers under the electric power tax law. The NAICS Manual has replaced the U.S. Standard Industrial Classification (SIC) system as the classification system used by the Census Bureau.

Instructions: Amend SC Regulation 117-1400 concerning the electric power tax to state that the Department will no longer use the Standard Industrial Classification Manual from 1967 as its guide in classifying “industrial customers”.

Text:

117-1400. Hereafter, the South Carolina Department of Revenue will use Sections 31, 32, and 33 of the North American Industry Classification System (“NAICS”) Manual, as a guide to classify “industrial customers,” as such term is used in Section 12-23-10.

Persons engaged in the business of manufacturing, generating and selling electric power must furnish to the Department a list, on or before January 31 and July 31 of each year, of industrial customers for which an exemption is claimed for the preceding periods, June through December and January through June, respectively. Such lists must show the name, address, KWH consumption and the classification code as provided in the NAICS Manual.

Fiscal Impact Statement:

There will be no impact on state or local political subdivisions expenditures in complying with this proposed legislation.

Statement of Rationale:

The purpose of this proposal is to amend SC Regulation 117-1400 concerning the electric power tax to state that the Department will use the North American Industry Classification System (“NAICS”) Manual as its guide in classifying industrial customers under the electric power tax law. The NAICS Manual has replaced the U.S. Standard Industrial Classification (SIC) system as the classification system used by the Census Bureau. The proposal to amend the regulation is needed to reduce any taxpayer confusion that may result from having a published regulation that is using a classification system that is no longer used by the Census Bureau. The proposal to amend this regulation is also reasonable in that it is the department’s responsibility to maintain regulations that are up-to date and consistent with the law.

Document No. 2935
DEPARTMENT OF REVENUE
 CHAPTER 117
 Statutory Authority: 1976 Code Section 12-4-320

Regulations: SC Regulation 117-8

Synopsis:

The South Carolina Department of Revenue is considering repealing SC Regulation 117-8 concerning responsibilities of the Department of Revenue with respect to property taxation and fees in lieu of property taxes. Since this same regulation was codified on June 25, 2004 as SC Regulation 117-1720.1, SC Regulation 117-8 is no longer needed.

Instructions: Repeal SC Regulation 117-8

Text:

No text is necessary since the proposal is only repealing a regulation that is no longer needed since the same regulation was codified on June 25, 2004 as SC Regulation 117-1720.1

Fiscal Impact Statement:

There will be no impact on state or local political subdivisions expenditures in complying with this proposed legislation.

Statement of Rationale:

The purpose of this proposal is to repeal SC Regulation 117-8 concerning responsibilities of the Department of Revenue with respect to property taxation and fees in lieu of property taxes. Since this same regulation was codified on June 25, 2004 as SC Regulation 117-1720.1, SC Regulation 117-8 is no longer needed. The proposal to repeal this regulation is needed to reduce any taxpayer confusion that may result from having two identical published regulations on the same subject. The proposal to repeal this regulation is also reasonable in that it is the department’s responsibility to maintain regulations that are up-to date.

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Document No. 2915
DEPARTMENT OF REVENUE
CHAPTER 117
Statutory Authority: 1976 Code Section 12-4-320

Regulations: SC Regulation 117-325

Synopsis:

The South Carolina Department of Revenue is considering repealing SC Regulation 117-325 concerning the sales and use tax and the bulk sales statute. Since the bulk sales statute in Title 36, Chapter 6 of the Commercial Code was repealed effective July 1, 2001 by Act 67 of 2001, SC Regulation 117-325 is no longer needed.

Instructions: Repeal SC Regulation 117-325 concerning the sales and use tax and the bulk sales statute.

Text:

No text is necessary since the proposal is only repealing a regulation that is no longer needed since the bulk sales statute in Title 36, Chapter 6 of the Commercial Code was repealed effective July 1, 2001 by Act 67 of 2001.

Fiscal Impact Statement:

There will be no impact on state or local political subdivisions expenditures in complying with this proposed legislation.

Statement of Rationale:

The purpose of this proposal is to repeal SC Regulation 117-325 concerning the sales and use tax and the bulk sales statute. Since the bulk sales statute in Title 36, Chapter 6 of the Commercial Code was repealed effective July 1, 2001 by Act 67 of 2001, SC Regulation 117-325 is no longer needed. The proposal to repeal this chapter in the code of regulations is needed to reduce any taxpayer confusion that may result from having a published regulation that is no longer needed. The proposal to repeal this regulation is also reasonable in that it is the department's responsibility to maintain regulations that are up-to date and consistent with the law.

Document No. 2936
DEPARTMENT OF REVENUE
CHAPTER 117
Statutory Authority: 1976 Code Section 12-4-320

Regulations: SC Regulation 117-302.5

Synopsis:

The South Carolina Department of Revenue is considering amending SC Regulation 117-302.5 which concerns the sales and use tax exemption for machines used in manufacturing, processing, compounding, mining, or quarrying tangible personal property for sale. As a result of two recent court decisions, the Department issued an advisory opinion, SC Revenue Ruling #04-7. This proposal to amend SC Regulation 117-302.5 will combine the guidance provided in the advisory opinion, which is based on the two court cases, with provisions of the present regulation that are still applicable under these two court decisions.

Instructions:

Amend SC Regulation 117-302.5 to combine guidance provided in the advisory opinion, which is based on the two court cases, with provisions of the present regulation that are still applicable under these two court decisions.

Text:

117-302.5 Machines

(A) Introduction:

Machines used in manufacturing, processing, compounding, mining, or quarrying tangible personal property for sale, and the replacement parts and attachments to such machines, are exempt from the sales and use tax under Code Section 12-36-2120(17). Materials or equipment which might constitute a machine or machinery when not used for manufacturing, processing, compounding, mining, or quarrying tangible personal property for sale are not exempted.

(B) General Guidance:

(1) A “machine used in manufacturing ... tangible personal property for sale” is exempt from the sales and use tax. For purposes of this regulation subsection (117-302.5), manufacturing includes processing, compounding, mining and quarrying.

A machine qualifies for the exemption under Code Section 12-36-2120(17) if the machine is integral and necessary to the manufacturing process and the product being manufactured is being manufactured “for sale.” A machine, which includes every mechanical device or combination of mechanical powers, parts, attachments and devices to perform some function and produce a certain effect or result, is integral and necessary to the manufacturing process if it meets all of the following:

(a) The machine is used at a manufacturing facility. This exemption only applies to machines used at a facility whose purpose is that of manufacturing a product “for sale.” It does not apply to machines used at a facility whose purpose is retailing, wholesaling, distributing, or some other non-manufacturing purposes. For example, machines used by a large industrial baker in manufacturing breads, cakes, and pies for sale may be purchased tax free; however, similar machines used by a “Ma & Pa” bakery on Main Street may not be purchased tax free since they are used at a facility whose purpose is retailing.

(b) The machine is used in, and serves as an essential and indispensable component part of the manufacturing process, and is used on an ongoing and continuous basis during the manufacturing process. A machine is not a part of the manufacturing process merely because it is integral and necessary to the manufacturer. For example, machines used for warehouse, distribution, or administrative purposes are integral and necessary to the manufacturer, but not part of the manufacturing process.

(c) The machine must be substantially “used in manufacturing ... tangible personal property for sale.” The statute does not require that the machine be used exclusively in manufacturing; however, incidental manufacturing use will not qualify for the exemption. For purposes of the exemption, more than one-third of a machine’s use in manufacturing is substantial.

Machines that meet the above requirements do not lose the exemption because they do not have moving parts or because they are fixtures upon the real estate where they stand. However, buildings and parts of buildings, as well as other improvements which benefit the land generally and may serve other users of the land, do not come within the exemption.

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(2) Machine Parts:

Parts of machines, attachments, and replacements used, or manufactured for use, on or in the operation of machines are also exempt, provided the parts, attachments or replacements are used on or in the operation of such machines, manufactured for use on or in the operation of such machines, integral and necessary to the operation of such machines, and must be customarily so used. These restrictions are interpreted to mean that the part or attachment must be purchased in the form in which it will be used by the manufacturer without any fabrication or alteration by him, except the usual and customary minor adjustment, (except as stated in "Building of Machines") and that it is a standard part or attachment customarily used and, further, that the machine or machinery on which it is used would not do the work for which it was designed if it were not used. This, of course, exempts all parts and attachments without which the machine would do no work, and, in addition, it exempts parts and attachments designed to increase the efficiency of the machine.

(3) Building of Machines:

Manufacturers, and contractors building machines for manufacturers are entitled to purchase at wholesale, free of the sales or use tax, materials used by them in the building of machines for the purpose of manufacturing tangible personal property for sale. It should be noted that only those materials are exempt to manufacturers or their contractors, which are used by them in building machines for the purpose of manufacturing tangible personal property for sale. This ruling would not be applicable to tangible personal property for use as building materials from which there is erected a "building." (See section on "Buildings" below.)

(4) Conveyances:

(a) The general rule with reference to material handling machinery and/or mechanical conveyors is that such machinery is subject to the tax up to the point where the materials go into process. The machine feeding the first processing machine(s) is exempt. The last machine to come within the exemption is that machine which discharges the finished product from the last machine used in the process. Material handling machinery used for transporting (in process) material from one process stage to another comes within the exemption. Warehouse machinery used only for warehouse purposes, loading and unloading, storing, transporting raw materials and finished products, etc., is subject to the tax, unless exempt under the provisions of Code Section 12-36-2120(51). If material handling machinery is customarily used for a dual purpose, that is partly for an exempt purpose and partly for a taxable purpose, and is not otherwise exempt under the provisions of Code Section 12-36-2120(51), the machinery may be purchased free of the tax under the machine exemption (Code Section 12-36-2120(17)) provided the exempt use represents a substantial portion of its use.

For example, the following conveyances are exempt:

(i) Wheeled conveyances known as "print screen truck" used by a textile manufacturer in the movement of print screens from a holding area to the exempt print machines, to the print screen washing machine, and back to the holding area racks after the style or pattern is changed and the print screen is washed.

(ii) Warehouse machines (e.g., forklifts) that are used substantially to feed raw material into or onto the first processing machine in the manufacturing process area in addition to being used in loading, unloading, storing, and transporting raw materials from the warehouse to the manufacturing area, or transporting finished products from the manufacturing area to the warehouse.

(b) Conveyances are subject to the tax up to the point where the materials go into the process. The last machine to come within the exemption is that machine which discharges the finished product from the last machine used in the process. Under this rule, the following conveyors are subject to the tax:

- (i) Conveyors used solely by the taxpayer in the warehousing of raw materials and finished goods.
- (ii) Conveyors which are not integral and necessary to the manufacturing process.
- (iii) Piping leading to and from storage tanks.
- (iv) Piping, pumps, and well connections installed for use by a manufacturer to supply the manufacturing plant with water necessary for the manufacture of tangible personal property.
- (v) Warehouse machines that are used for warehouse purposes, such as loading, unloading, storing, transporting raw materials from the warehouse to the manufacturing area, or transporting finished products from the manufacturing area to the warehouse.

(5) Chemicals:

(a) Chemicals, including greases, oils, lubricants, and coolants, used in an exempt manufacturing machine that are essential to the functioning of the exempt machine during the manufacturing process are integral, necessary, and indispensable to the manufacturing process and are exempt as part of the machine. For example, the following are situations in which chemicals, greases, oils, lubricants, and coolants are exempt as part of an exempt machine:

- (i) Chemicals, greases, oils (motor oils, gear oils, chain oils), lubricants, and coolants used in an exempt manufacturing machine when such items are integral and necessary to the manufacturing process, such as those that are essential in ensuring the functioning of the machine during the manufacturing process, and the use of such items is an ongoing, continuous activity.
- (ii) Chemicals used in an exempt pollution control machine to abate or prevent pollution when such chemicals are integral and necessary to the manufacturing process, such as the treating of wastewater or otherwise preventing or abating pollution, and the use of such chemicals is an ongoing, continuous activity.
- (iii) Chemicals used to clean the exterior or interior of an exempt manufacturing machine when the cleaning is integral and necessary to the manufacturing process, such as those that are essential in ensuring the quality of the product is maintained, and the use of such chemicals is an ongoing, continuous activity.
- (iv) Chemicals used to prevent corrosion in an exempt manufacturing machine, such as an exempt boiler, when such chemicals are integral and necessary to the manufacturing process, such as those that are essential in ensuring the functioning of the machine during the manufacturing process, and the use of such chemicals is an ongoing, continuous activity.

(b) Situations in which the chemicals would not qualify as a part under the machine exemption and would therefore be subject to the sales and use tax, include:

- (i) Chemicals used to clean non-exempt machines, such as storage tanks.
- (ii) Chemicals used to clean floors, walls, and other parts of the manufacturing facility.
- (iii) Paint used on exempt manufacturing machines to prevent corrosion of the machines is not exempt from the tax as a machine used in manufacturing tangible personal property for sale. (Note: This is different from the chemicals used to prevent corrosion in exempt machines, such as exempt boilers, since the painting of the machine is not an ongoing, continuous activity. It is a maintenance activity. The chemicals, unlike the paint, are integral and necessary to the operation of the machines since they are essential in ensuring the functioning of the machine during the manufacturing process and are used on an ongoing, continuous basis.)

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(iv) Chemicals, greases, oils (motor oils, gear oils, chain oils), lubricants, and coolants used in an exempt manufacturing machine when such items are not integral and necessary to the manufacturing process, such as those that are not essential in ensuring the functioning of the machine during the manufacturing process. For example, grease used on a part that has been removed from an exempt manufacturing machine when such grease has been placed on the part to protect it while it is in storage and not being used is subject to the tax since the grease is not integral and necessary to the functioning of the part or the machine during the manufacturing process.

(6) Maintenance:

Maintenance machines used at a manufacturing facility are not exempt from the tax as a machine used in manufacturing tangible personal property for sale.

Machines that are used to maintain non-exempt machines (machines that are not integral and necessary to the manufacturing process), or are not used on an ongoing, continuous basis to maintain exempt manufacturing machines (machines that are integral and necessary to the manufacturing process) are maintenance machines and are not exempt from the tax as machines used in manufacturing tangible personal property for sale.

The following machines are maintenance machines and therefore subject to the sales and use tax:

- (a) Pressure washing machines and ultrasonic cleaning machines used to clean non-exempt machines or parts, such as storage tanks.
- (b) Machines used to clean floors and other parts of realty (e.g., machines used in removing sawdust from the floor of a sawmill).
- (c) Machines, such as maintenance machines, which are not integral and necessary to the manufacturing process.
- (d) Machines, such as pressure washing machines and ultrasonic cleaning machines, used to clean exempt manufacturing machines or parts when the cleaning of the exempt manufacturing machine or part is not integral and necessary to the manufacturing process, such as those that are not essential in ensuring the functioning of the exempt machine or part during the manufacturing process or those that are not essential in ensuring the quality of the product is maintained. In addition, if the cleaning is not an ongoing, continuous activity, then the machines are not integral and necessary to the manufacturing process.

(7) Storage:

Machines used at a manufacturing facility for storage are not exempt from the tax as a machine used in manufacturing tangible personal property for sale. For example, the following machines are for storage and therefore taxable:

- (a) Racks used to store raw materials or finished goods.
- (b) Storage tanks used to store raw materials, gasses, or water.
- (c) Racks and tanks used to store a finished product while it cures.

Note: See example of exempt warehouse machines in Section (B)(4)(a)(ii).

(8) Buildings:

A building which houses a manufacturing process, and the various parts of such a building, are not exempt from the tax as a machine, or a part or attachment to a machine, used in manufacturing tangible personal property for sale. For example, the following parts of a building are not exempt:

- (a) Paint or sealant used to seal the floor or walls of the manufacturing area of a building to provide chemical resistance in the event of a spill.
 - (b) Paint used on the floor of the textile manufacturing area of a building to facilitate the threading of machines so that employees can more easily see the thread.
 - (c) Paint used on exempt manufacturing machines to prevent corrosion of the machines.
- Note: Paint is not integral and necessary to the operation of the manufacturing machines. This is different from the chemicals used to prevent corrosion in exempt machines, such as exempt boilers. Such chemicals, unlike the paint, are exempt when such chemicals are integral and necessary to the functioning of the exempt machine during the manufacturing process and the use of these chemicals to prevent corrosion is an ongoing, continuous activity. Paint is not integral and necessary to the functioning of the machine “during the manufacturing process” and painting the machine is not an ongoing continuous activity.
- (d) Foundations (consisting of pilings, pile caps, elevated slab, and slab on grade) of a building in which exempt manufacturing machines are the plant manufacturing process or system as a whole.
 - (e) Structural steel, steel decking, and checker plate of a building in which exempt manufacturing machines are housed.
 - (f) Hangers and supports used in a manufacturing building to route exempt process piping from one area of the manufacturing process to another area of the manufacturing process via pipe racks and cable trays.
 - (g) Architectural roofing and siding enclosing a manufacturing building housing exempt manufacturing machines.
 - (h) Pipe, valves, fittings, etc., regardless of size, which are purchased by paper manufacturers specifically for use in drinking water lines, fire protection lines, or for transmission of water from source to water treatment plant, or from water treatment plant itself.
 - (i) Piping furnished and installed along with pump houses and well connections by a contractor when intended for use by a paper manufacturer to supply his plant with the water necessary to the manufacturer of paper.
 - (j) Power lines bringing electricity into the plant.
 - (k) All wires, fixtures, etc., used in lighting.

(9) Administrative Machines, Furniture, Equipment and Supplies:

Administrative machines, furniture, equipment, and supplies, such as office computers used for word processing, recordkeeping, employee payroll, customer billing, purchasing, accounting, and similar purposes, office furniture, office supplies, such as pens, pencils, paper, and similar items, educational material, or items used for the personal comfort, convenience, or use of employees, are not machines used in the process of manufacturing tangible personal property for sale and are not exempt from the tax.

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(10) Protective Clothing

Protective clothing worn by an employee working in the area in which the manufacturing process occurs does not qualify as a machine and is not exempt from the tax as a machine used in manufacturing tangible personal property for sale under Section 12-36-2120(17). However, "clothing and other attire required for working in a Class 100 or better as defined in Federal Standard 209E clean room environment" is exempt under the provisions of Section 12-36-2120(54).

(C) Other Examples of Exempt Manufacturing Machines and Machine Parts:

The following are additional examples of machines or machines parts exempt from the tax, provided they are (1) used at a manufacturing facility, (2) used in, and serve an essential and indispensable component part of the manufacturing process, and are used on an ongoing and continuous basis during the manufacturing process, and (3) used substantially in manufacturing tangible personal property for sale:

(1) Buffing machines used to buff the cot of an exempt textile spinning machine to maintain the yarn quality at a consistent level.

(2) Traveling water screens used to filter water from a river, lake, or other water source at a water treatment plant processing water for sale.

(3) Quality control machines used in a lab at a manufacturing facility to test sample products being manufactured for sale.

(4) Pressure washing machines and ultrasonic cleaning machines, used to clean exempt manufacturing machines or parts, when the cleaning of the exempt manufacturing machine or part is to ensure the functioning of the exempt machine or part during the manufacturing process or to ensure the quality of the product is maintained.

(5) Machines or machine parts used in removing sawdust from saws in a sawmill that are either attached to the sawing mechanism or are essential in ensuring the quality of the product is maintained.

(6) Trucks too large to be lawfully used upon the highways of this state, when used in quarry pits for transporting rock or granite from the blasting site to the crushing machine.

(7) Sand handling and sand condition machines used by manufacturers for conditioning and transporting, while in process, and for use in mold making.

(8) Tanks which are a part of the chain of processing operations.

(9) Patterns which become parts or attachments for molding machines when purchased by a manufacturer for his use.

(10) Machines used in making molds from sand for use in manufacturing tangible personal property for sale.

(11) Machines used in measuring, or weighing, and packaging by manufacturers to put the product in condition for sale on the open market for the purpose for which it was produced.

(12) Transformers, capacitors and voltage regulators used in manufacturing and processing tangible personal property for sale, used by producers or distributors of electricity which process the electricity, and all transformers used by other manufacturers as a part of their manufacturing machinery.

- (13) Machines used by cotton ginner in their processing operations.
- (14) Pasteurizing machines, cooling machines, mechanical separators, homogenizing machines and bottling machines used by dairies in processing milk for sale. The machine exemption does not extend to cover milking machines.
- (15) Boiler tubes used in repairing boilers used to furnish heat or power used in manufacturing tangible personal property for sale.
- (16) Machines used by persons in the business of producing scrap iron and other metals from junk for resale to steel mills and/or foundries, such as hydraulic baling presses (to compress sheet steel into bales), cranes (to feed scrap metals to baling press), and alligator shears (to cut scrap steel to predetermined sizes).
- (17) Machines used by dental laboratories in manufacturing for sale plates, bridgework, artificial teeth and other prosthetic devices.
- (18) Machines used in processing and manufacturing by electric power companies including all producing stationary machines in an electric power generating house, stationary, processing machines located in substation houses and transformers, pole or otherwise.
- (19) Starters, switches, circuit breakers and other electrical equipment which are parts of, or attachments of machines, come within the machine exemption. In order to be exempt this equipment must be either attached directly to the machine or be immediately adjacent thereto. Switchboards and control boards and cabinets controlling the general electrical supply system are not considered to be parts or attachments of machines used in manufacturing. (Note, however, that, switchboards, automatic or manually operated, which serve to operate exempt machinery may be classified a part or attachment thereto, provided, same are attached thereto or located within the same structure or compound.) The general rule is that power distribution machinery for operating machines used in manufacturing tangible personal property which starts at the main switch within the factory building or compound is exempt.
- (20) Machines used in the wood preserving process by persons engaged in the business of treating lumber or lumber products (wood preserving) which they own and treat for sale.
- (21) Gas pressure regulators located in the lead off from the gas main.
- (22) Machines used in the meatpacking process by meatpackers whose activities include the curing of meats and the production of animal by-products such as lard, sausages, or tannage.
- (23) Machines used by ice manufacturers in manufacturing ice for sale.
- (24) Machines used to condition air (including humidification systems) for quality control during the manufacturing process of tangible personal property made from natural fibers and synthetic materials. This exemption applies to the pipes and duct used to distribute the processed air to the production areas within the plant.
- (25) Recording instruments attached to manufacturing machines.
- (26) Machines used by a manufacturer in the tire recapping process.
- (27) Machines used by municipalities in processing or compounding water for sale.
- (28) Belting purchased for use on a particular machine used in manufacturing tangible personal property for sale even though such belting may not be purchased to the exact length required.

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(29) Machines purchased by persons in the business of collecting old and used paper (waste paper) for the purpose of grading, sorting and packaging the same for sale or resale to paper mills.

(30) Insulation for pipe coverings, tank coverings, and boiler insulation purchased by a paper manufacturer from the vendor in its final prefabricated form for a specific insulation job, provided it does not have to be cut and fitted at the paper mill. Certain fabrication is permissible around valve openings, pipe openings at pipe joints, etc. Note, where insulation is purchased in blocks, such blocks are to be considered as taxable, except as noted above with respect to the purchase of material in building a machine used in manufacturing tangible personal property for sale.

(31) Electrical equipment used as direct controls of machinery used in manufacturing is considered as part of manufacturing machinery.

(32) Machines used for the generation of electricity, such as boilers, engines, condensers, generators, and transformers and their attachments.

Fiscal Impact Statement:

There will be no impact on state or local political subdivisions expenditures in complying with this proposed legislation.

Statement of Rationale:

The purpose of this proposal is to repeal SC Regulation 117-302.5 concerning the sales and use tax machine exemption. The proposed regulation is needed to ensure that taxpayers understand the application of the sales tax machine exemption statute as a result of *Springs Industries, Inc. v. SCDOR* (99-ALJ-17-0153-CC) and *Anonymous Taxpayer v. SCDOR* (02-ALJ-17-0350-CC). The proposal is reasonable since it is consistent with the decisions in these two court cases.

Document No. 2958

DEPARTMENT OF REVENUE

CHAPTER 117

Statutory Authority: 1976 Code Section 12-4-320

Regulations

SC Regulation 117-875

Synopsis:

The South Carolina Department of Revenue is considering adding SC Regulation 117-875 concerning voluntary income tax check off funds. Act No. 248, Part IB, Section 64, Proviso 64.16, "Voluntary Tax Contribution K-12," and Proviso 64.17, "Voluntary Tax Contribution for PRT," stated that these check off provisos would be implemented by the Department by regulation. This regulation, if approved, would also be used for other check offs currently provided in Chapter 6 of Title 12 and any future check offs.

Instruction:

Add SC Regulation 117-875 concerning voluntary income tax check off funds.

Text:

All voluntary contributions designated on the individual income tax return, as provided by law, are determined at least annually by the Department. The total amount shall be credited to the appropriate check off fund at the earliest possible time.

Fiscal Impact Statement:

There will be no impact on state or local political subdivisions expenditures in complying with this proposed legislation.

Statement of Need and Reasonableness:

This proposal to add this regulation is needed since Act No. 248, Part ID, Section 64, Proviso 64.16, "Voluntary Tax Contribution K-12," and Proviso 64.17, "Voluntary Tax Contribution for PRT," stated that these check off provisos would be implemented by the Department by regulation. This regulation, if approved, is reasonable since it would also be used to consistently distribute monies to other check offs currently provided in Chapter 6 of Title 12 and any future check offs.

Statement of Rationale:

The purpose of this proposal is to add SC Regulation 117-875 concerning voluntary income tax check off funds to state that all voluntary contributions designated on the individual income tax return, as provided by law, are determined at least annually by the Department and that the total amount shall be credited to the appropriate check off fund at the earliest possible time. This proposal to add this regulation is needed since Act No. 248, Part ID, Section 64, Proviso 64.16, "Voluntary Tax Contribution K-12," and Proviso 64.17, "Voluntary Tax Contribution for PRT," stated that these check off provisos would be implemented by the Department by regulation. This regulation, if approved, is reasonable since it would also be used to consistently distribute monies to other check offs currently provided in Chapter 6 of Title 12 and any future check offs.