

**PROVISO SUBCOMMITTEE
ECONOMIC DEVELOPMENT
RECOMMENDATIONS FOR FY 2020-21
TO THE HOUSE WAYS AND MEANS COMMITTEE**

SECTION 43 - P120 - FORESTRY COMMISSION

43.spi ADD (Sale of Promotional Items) **PROVISO SUBCOMMITTEE RECOMMENDATION:** ADD new proviso to authorize the Forestry Commission to sell promotional items that advocate for forestry and forest culture to generate funds for agency operations. Allow unexpended funds to be carried forward and used for the same purpose.

43.spi. (FC: Sale of Promotional Items) The Forestry Commission may sell promotional items that advocate for forestry and forest culture, including items featuring the South Carolina Forestry Commission Forest Life brand and logo, for the purpose of generating funds for agency operations. Unexpended funds may be carried forward from the prior fiscal year into the current fiscal year and used for the same purpose.

SECTION 44 - P160 - DEPARTMENT OF AGRICULTURE

44.2 DELETE (Fruit/Vegetable Inspectors Subsistence) Authorizes up to a \$30 daily subsistence allowance to be paid to temporary fruits and vegetables inspectors instead of paying meals and lodging expense reimbursements.
PROVISO SUBCOMMITTEE RECOMMENDATION: DELETE proviso.

44.2. (AGRI: Fruit/Vegetable Inspectors Subsistence) A daily subsistence allowance of up to \$30.00 may be allowed for temporarily employed fruits and vegetables inspectors from funds generated by fruits and vegetables inspection fees and budgeted under other funds in Program III. Marketing Services, D. Inspection Services, in lieu of reimbursements for meals and lodging expense.

SECTION 48 - P260 - SEA GRANT CONSORTIUM

48.lt ADD (SGC: Leave Transfer) **PROVISO SUBCOMMITTEE RECOMMENDATION:** ADD new proviso to authorize the consortium to allow current personnel transitioning from TGE to FTE in FY 2020-21 to transfer all accrued annual and sick leave.

48.lt. (SGC: Leave Transfer) The Sea Grant Consortium is authorized to allow current personnel who are transitioning in Fiscal Year 2020-21 from Temporary Grant Employee (TGE) to Full-time Employee (FTE) status to transfer all accrued annual and sick leave from their TGE positions to their FTE positions.

SECTION 49 - P280 - DEPARTMENT OF PARKS, RECREATION, AND TOURISM

49.speh ADD (State Park Employee Housing) **PROVISO SUBCOMMITTEE RECOMMENDATION:** ADD new proviso to direct the Comptroller General, at the request of a PRT State Park Service employee and with department authorization, to make deductions from the employee's compensation for rental payments for residential housing located within a SC State Park. Direct the Comptroller General to pay to PRT amounts collected by this payroll deduction for the department to use exclusively for state park operations.

49.speh. (PRT: State Park Employee Housing) The Comptroller General shall, upon request of an employee of the Department of Parks, Recreation & Tourism's State Park Service,

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and with the authorization of the department, make deductions from the employee's compensation for rental payments of an employee's residential housing that is located within a SC State Park. The Comptroller General shall pay over to the Department of Parks, Recreation & Tourism all amounts collected by payroll deduction for this purpose for the exclusive use by the department for state park operations.

SECTION 88 - Y140 - STATE PORTS AUTHORITY

88.1 **AMEND** (Charleston Cooper River Bridge Project) Directs the State Ports Authority to pay the State Transportation Infrastructure Bank \$1,000,000 before June 30, 2020 to continue the Charleston Cooper River Bridge Project.

PROVISO SUBCOMMITTEE RECOMMENDATION: AMEND proviso to update fiscal year references from "2019" to "2020" and from "2020" to "2021." *Meets the obligations of the State Ports Authority and the State Infrastructure Bank's financial agreement. Per the Ports Authority, the commitment of the agency is to provide \$1,000,000 per year for 25 years, until 2027.*

88.1. (SPA: Charleston Cooper River Bridge Project) The State Ports Authority shall, from other general fund or operating fund surplus available and any funds appropriated to the authority in prior fiscal years and left unexpended as of July 1, ~~2019~~ 2020, pay to the State Transportation Infrastructure Bank one million dollars before June 30, ~~2020~~ 2021, to continue the Charleston Cooper River Bridge Project.

88.5 **AMEND** (Jasper Ocean Terminal Permitting) Directs that not more than \$5,000,000 of the funds specifically appropriated for the Jasper Ocean Terminal be spent to purchase a portion of the real property available for purchase through the Option Agreement by and between Sherwood Plantation, Inc and Southern Carolina Regional Development Alliance dated September 20, 2017. Provides for the purchased property to be transferred to Jasper County under certain conditions. Directs the authority to use Jasper Ocean Terminal funds for activities approved and directed by the joint venture governing board that are associated with advancing the project during FY 2019-20. Prohibits the funds from being used to reimburse the authority's prior fiscal year expenditures. Requires the authority to provide progress reports to the General Assembly by the first day of the 2020 legislative session and by June 30, 2020.

PROVISO SUBCOMMITTEE RECOMMENDATION: AMEND proviso to delete the directive for the expenditure of \$5,000,000 to purchase available real property. Update fiscal year references to "2020-21." Update the progress report due date to "2021."

88.5. (SPA: Jasper Ocean Terminal Permitting) ~~From funds specifically appropriated to the State Ports Authority (SPA) for the Jasper Ocean Terminal, not more than \$5,000,000 shall be spent on the purchase of real property as may be available for purchase through that certain Option Agreement by and between Sherwood Plantation, Inc., and Southern Carolina Regional Development Alliance (SCRDA) dated September 20, 2017, as may be amended, so long as SCRDA secures the right to and assigns said Option Agreement to the SPA no later than September 30, 2019. In no event and under no circumstance shall the cost, expense, purchase price, payments, fees, or any associated charges for the acquisition of such property cause the SPA to expend more than the \$5,000,000 appropriated for this purpose. It is understood that this limitation shall result in less than the full acreage currently under option being purchased by the SPA.~~

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~~Should the Option Agreement be exercised by the SPA, then SPA shall take title and include in the deed language providing that such property purchased pursuant to the Option Agreement shall be transferred to Jasper County by operation of law in the event that upon the fifth anniversary of the closing on such property the property has not been sold, leased, or otherwise utilized for an economic development project that will utilize port facilities. The intent of such condition is to develop the property in a manner that highlights the necessity of the Jasper Ocean Terminal.~~

Any funds appropriated to the (SPA) for the Jasper Ocean Terminal ~~remaining after the exercise of and purchase of real property pursuant to the Option Agreement or in the event the SCRDA does not assign the Option Agreement by September 30, 2019,~~ shall be utilized by the SPA to pay for activities approved and directed by the joint venture governing board and associated with advancing the Project during FY ~~2019-20~~ 2020-21. In connection with activities that are approved and directed by the joint venture, SPA shall comply with the directive of Section 54-3-115 of the South Carolina Code in regard to taking “all action necessary to expeditiously develop a port in Jasper County.” Activities undertaken during FY ~~2019-20~~ 2020-21 may include, but are not limited to, the following:

1. working on a corporate governance model for the joint venture as an operating port;
2. working on terminal simulation for design and operation;
3. working on plans, studies, and modeling in conjunction with the respective South Carolina and Georgia Departments of Transportation and the metropolitan planning organization to identify and assess supporting road and rail infrastructure for the terminal footprint including, but not limited to, supporting infrastructure that may have independent utility;
4. working on sedimentation modeling for impacts on construction and dredging;
5. taking actions in furtherance of obtaining: (a) a Department of the Army permit pursuant to Section 10 of the Rivers and Harbors Act; (b) a permit pursuant to Section 404 of the Clean Water Act, to prepare a Channel Modification Feasibility Study; and (c) studies necessary in connection with developing an Environmental Impact Statement for the Project; and
6. discharging its obligations pursuant to its Joint Venture Agreement with the Georgia Ports Authority.

The funds appropriated to SPA for the Jasper Ocean Terminal Permitting may not be used for reimbursement of SPA expenditures made in a prior fiscal year and must be used only for one or more of the purposes set forth above.

SPA shall provide a detailed report in writing to the members of the South Carolina General Assembly on or before the first day of the ~~2020~~ 2021 legislative session and another such report on or before June 30, ~~2020~~ 2021, describing the progress made as of the dates of those reports in regard to the Jasper Ocean Terminal, such to include a description of the ongoing and planned work.

SECTION 109 - R440 - DEPARTMENT OF REVENUE

- 109.13 DELETE** (Collection of Business License Taxes) Prohibits private, third-party entities from assessing, collecting, administering collection of or processing payments of business license taxes on behalf of counties and municipalities except for business licenses taxes collected pursuant to Title 58, Chapter 9, Article 20 [MUNICIPAL CHARGES TO TELECOM PROVIDERS] and Title 38, Chapter 7 [INSURANCE FEES AND TAXES] and Chapter 45 [INSURANCE BROKERS AND SURPLUS LINES INSURANCE]. Prohibits a private third party from requiring a business entity to remit confidential business license tax data to that private third party. Directs that a county or municipality is not prohibited from contracting with a third party to assist in collecting business license taxes and

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provides a definition for “assistance.” Establishes a study committee to study reform and implementation of a third party collection system; provides for the composition of the study committee, and directs that staff support be provided by the relevant standing committees.

PROVISO SUBCOMMITTEE RECOMMENDATION: DELETE proviso.

~~109.13. (DOR: Collection of Business License Taxes) Except for business license taxes collected pursuant to Article 20, Chapter 9, of Title 58, and Chapters 7 and 45 of Title 38, of the 1976 Code, a private, third party entity is prohibited from assessing or collecting business license taxes or requiring a business entity to remit confidential business license tax data to that private third party on behalf of counties or municipalities. This proviso shall not prohibit a county or municipality from contracting with a third party entity in assisting in the collection of business license taxes. For purposes of this proviso, assisting in the collection of business license taxes is defined as identification of businesses that do not have a business license, providing that identification to a county or municipality and/or providing by United States mail official municipality or county business license forms, along with a self-addressed envelope containing the county or municipality address, to identified businesses on behalf of the county or municipality; but does not include collecting personal or proprietary information from the identified business. A third party assisting in the collection of business license taxes as defined in this proviso is prohibited from any further contact with the business. This proviso shall not prohibit a county or municipality from contracting with a third party entity solely for the purpose of providing payment processing services for the acceptance of business license tax payments.~~

~~A study committee shall be established to study reform and implementation of a third party collection system. The study committee shall be composed of the following:~~

- ~~(1) One member appointed by the Chairman of the Senate Finance Committee;~~
- ~~(2) One member appointed by the Chairman of the House Ways and Means Committee;~~
- ~~(3) One member appointed by the Chairman of the Senate Labor, Commerce and Industry Committee;~~
- ~~(4) One member appointed by the Chairman of the House Labor, Commerce and Industry Committee;~~
- ~~(5) One member of the Municipal Association of South Carolina;~~
- ~~(6) One member of the South Carolina Chamber of Commerce;~~
- ~~(7) One member of the South Carolina Manufacturers Alliance;~~
- ~~(8) One member of the South Carolina Association of Realtors; and~~
- ~~(9) One member of the South Carolina Association of Counties.~~

~~Staff support for the study committee shall be provided by the relevant standing committees of the Senate and the House of Representatives, as appropriate.~~

109.14 DELETE (Cigarette Stamps) Directs DOR to extend the date by which a report must be filed stating the quantity of unstamped packages of cigarettes that were in the person’s possession from January 1, 2019, to October 1, 2019. Directs the department to refund any fine collected if a person files the report by October 1, 2019.

PROVISO SUBCOMMITTEE RECOMMENDATION: DELETE proviso.

~~109.14. (DOR: Cigarette Stamps) The Department of Revenue must extend the date by which a person must file a report with the department stating the quantity of such unstamped packages of cigarettes that were in the person’s possession as of January 1, 2019, to until October 1, 2019. If a person files the report by October 1, 2019, then the person is deemed to have filed the report by March 31, 2019. Upon application, in the current fiscal year, the department must refund any fine collected in contravention of this proviso.~~

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SECTION 117 - X900 - GENERAL PROVISIONS

117.101 AMEND (State Ports Authority Property) Directs that if the Authority has not sold its remaining property on Daniel Island, with certain exceptions, by June 30, 2020, it must transfer the property to the Department of Administration.

PROVISO SUBCOMMITTEE RECOMMENDATION: AMEND proviso to update the year of sale from “2020” to “2021.”

117.101. (GP: State Ports Authority Property) If the State Ports Authority has not completed the sale of its real property on Daniel Island, except for the dredge disposal cells that are needed in connection with the construction of the North Charleston terminal on the Charleston Naval Complex and for harbor deepening and for channel and berth maintenance, by June 30, ~~2020~~ 2021, the authority must transfer the property to the Department of Administration. The authority shall sell the real property under terms and conditions it considers most advantageous to the authority and the State of South Carolina.

117.121 DELETE (Distribution Facility) Directs that the State Ports Authority be considered a distribution facility for sales tax exemptions associated with the purchase of equipment and construction materials.

PROVISO SUBCOMMITTEE RECOMMENDATION: DELETE proviso.

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

117.122 AMEND (Catastrophic Weather Event) Directs (A) that improvements to real or personal property used as a residence, such as a mobile home or manufactured housing unit, resulting from damage caused by the catastrophic weather event in October 2015, Hurricane Matthew of 2016, or Hurricane Florence of 2018, made after the event and before June 30, 2020, is not considered an improvement and does not require a re-appraisal under certain funding conditions; and (B) directs that for the current fiscal year an eligible property’s tax value shall remain the same unless an assessable transfer of interest occurs.

PROVISO SUBCOMMITTEE RECOMMENDATION: AMEND proviso to change “2020” to “2021.”

117.122. (GP: Catastrophic Weather Event) (A) Any improvements made to real property or personal property used as a residence, such as a mobile home or manufactured housing unit, damaged during the catastrophic weather event in October 2015, Hurricane Matthew of 2016, or Hurricane Florence of 2018, after the event and before June 30, ~~2020~~ 2021, is not considered an improvement and does not require a re-appraisal. This provision only applies if as a result of the catastrophic weather event, the improvements made to the property were funded by the United States Department of Housing and Urban Development Block Grant - Disaster Recovery program. This provision also applies if, at the discretion of the county and using qualifications determined by the county, the improvements were made with the assistance of a volunteer organization active in disaster, or a similar volunteer organization.

(B) During the current fiscal year, the property tax value of an eligible property shall remain the same unless an assessable transfer of interest occurs. No refund is allowed on account of values adjusted as provided in this provision.

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117.131 AMEND (State Flag Study Committee) Creates a state flag study committee charged with proposing an official and uniform design for the state flag which is historically accurate. Provides for the composition of the study committee. Directs the committee to provide a report to the General Assembly by June 30, 2020.

PROVISO SUBCOMMITTEE RECOMMENDATION: AMEND proviso to change the report due date from June 30, “2020” to “2021.”

117.131. (GP: State Flag Study Committee) There is created the South Carolina State Flag Study Committee charged with proposing an official, uniform design for the state flag based on historically accurate details and legislative adoptions. Membership of the study committee shall be comprised of five members as follows:

- (1) the Director of the Department of Archives and History, or his designee, who shall serve as chairman;
- (2) the Director of the Department of Administration, or his designee;
- (3) one member appointed by the President Pro Tempore of the Senate;
- (4) one member appointed by the Speaker of the House of Representatives; and
- (5) one member appointed by the Governor.

The study committee shall provide a report including a proposed design to the General Assembly by June 30, ~~2020~~ 2021, at which time the study committee shall dissolve. Members of the study committee shall receive mileage, per diem, and subsistence as provided by law.

117.145 DELETE (Bridge Stabilization and Repair) Directs DOT and Santee Cooper to develop a plan and cost estimate for repairing the US 15/US 301 bridge over Lake Marion for public pedestrian and bicycle traffic. Directs DOT and Santee Cooper to include input from the Santee Cooper Counties Promotion Commission, PRT, Clarendon and Orangeburg Counties, the Cities of Summerton and Santee, and the Palmetto Conservation Foundation.

PROVISO SUBCOMMITTEE RECOMMENDATION: DELETE proviso.

117.145. (GP: Bridge Stabilization and Repair) ~~The Department of Transportation and Santee Cooper are jointly directed to develop a detailed plan and cost estimate for stabilizing and repairing the US 15/US 301 bridge over Lake Marion for public pedestrian and bicycle traffic based on a study conducted by the Palmetto Conservation Foundation using the bridge as a connector route for the Palmetto Trail. In developing this plan and cost estimate, the Department of Transportation and Santee Cooper shall include input from the Santee Cooper Counties Promotion Commission, the Department of Parks, Recreation and Tourism, Clarendon and Orangeburg Counties, the Cities of Summerton and Santee and the Palmetto Conservation Foundation.~~