

REPORT OF THE GENERAL GOVERNMENT SUBCOMMITTEE

(Cobb-Hunter, Hayes, Ballentine, Willis & Caskey - Staff Contact: Terikah Staggers)

HOUSE BILL 5018

H.5018 -- Representative G. M. Smith: A BILL TO AMEND THE SOUTH CAROLINA CODE OF LAWS BY AMENDING SECTION 1-1-1210, RELATING TO ANNUAL SALARIES OF CERTAIN STATE OFFICERS, SO AS TO PROVIDE THAT SALARIES OF THE GOVERNOR AND THE LIEUTENANT GOVERNOR MUST BE BASED ON RECOMMENDATIONS BY THE AGENCY HEAD SALARY COMMISSION TO THE GENERAL ASSEMBLY; BY AMENDING SECTION 8-11-160, RELATING TO THE AGENCY HEAD SALARY COMMISSION AND SALARY INCREASES FOR AGENCY HEADS, SO AS TO PROVIDE THAT SALARIES OF THE GOVERNOR AND THE LIEUTENANT GOVERNOR MUST BE BASED ON RECOMMENDATIONS BY THE AGENCY HEAD SALARY COMMISSION TO THE GENERAL ASSEMBLY, AND TO REQUIRE THE COMMISSION TO AUTHORIZE A STUDY EVERY FOUR YEARS TO RECOMMEND SALARY RANGES FOR THE GOVERNOR AND LIEUTENANT GOVERNOR; AND BY AMENDING SECTION 8-11-165, RELATING TO THE AGENCY HEAD SALARY COMMISSION AND ITS DUTIES AND RESPONSIBILITIES, SO AS TO MAKE CONFORMING CHANGES

Received by Ways and Means: January 27, 2026

Summary of Bill:

Beginning January 20, 2027, salaries for the Governor and Lieutenant Governor will be based on recommendations of the Agency Head Salary Commission. The Agency Head Salary Commission shall review both salaries every four years thereafter.

Estimated Revenue Impact:

No impact on State or local revenue is anticipated.

Subcommittee Action/Explanation

General Government Subcommittee passed House Bill 5018 favorably.

Full Committee Action/Explanation

Other Notes/Comments:

- Currently, the Governor and Lieutenant Governor are excluded from the Agency Head Salary Commission's salary recommendation studies.
- Effects on State expenditure are undetermined, as they are dependent on future salary recommendations, and if additional General Fund

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appropriations are required to cover increased salary expenditures.



SOUTH CAROLINA REVENUE AND FISCAL AFFAIRS OFFICE

STATEMENT OF ESTIMATED FISCAL IMPACT

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This fiscal impact statement is produced in compliance with the South Carolina Code of Laws and House and Senate rules. The focus of the analysis is on governmental expenditure and revenue impacts and may not provide a comprehensive summary of the legislation.

Bill Number: H. 5018 Introduced on January 27, 2026
Subject: Agency Head Salary Commission, Governor and Lt. Governor
Requestor: House Ways and Means
RFA Analyst(s): Tipton
Impact Date: March 5, 2026

Fiscal Impact Summary

This bill provides that salaries for the Governor and the Lieutenant Governor must be based on recommendations of the Agency Head Salary Commission (AHSC) beginning with the terms commencing on January 20, 2027, and must be reviewed every four years thereafter.

This bill will have an undetermined expenditure impact on the Governor's Office, as any change to the salaries of the Governor and Lieutenant Governor will depend on future recommendations of the AHSC. The Governor's Office anticipates that any increase in salary expenditures beginning in FY 2026-27 will be managed by current resources or, depending on the salary, may require additional General Fund appropriations.

This bill will have no impact on the State Fiscal Accountability Authority (SFAA) in its administration of the AHSC, as the agency indicates that the requirements of the commission under this bill will take place under normal commission and agency operations.

Explanation of Fiscal Impact

Introduced on January 27, 2026

State Expenditure

This bill provides that salaries for the Governor and the Lieutenant Governor must be based on recommendations of the AHSC. The current salaries for the Governor and Lieutenant Governor were last changed on July 1, 1994, and are \$106,078 for the Governor and \$46,545 for the Lieutenant Governor. Under the bill, the AHSC must authorize a study to be conducted every four years to recommend a salary range for the Governor and Lieutenant Governor based on their job duties and responsibilities as well as the pay of governors and lieutenant governors in other states. The bill provides that beginning when the terms of the Governor and Lieutenant Governor commence on January 20, 2027, and lasting until the terms conclude, salaries for the Governor and the Lieutenant Governor must be based on recommendations from the commission.

The Governor's Office indicates that the impact will depend on future salary recommendations of the AHSC for the Governor and Lieutenant Governor. The office anticipates that any increase in salary expenditures beginning in FY 2026-27 will be managed by current resources or, depending on the salary, may require additional General Fund appropriations.

SFAA indicates that the requirements of the AHSC under this bill will take place under normal commission and agency operations. Therefore, this bill will have no impact on SFAA.

State Revenue

N/A

Local Expenditure

N/A

Local Revenue

N/A



Frank A. Rainwater, Executive Director

South Carolina General Assembly
126th Session, 2025-2026

H. 5018

STATUS INFORMATION

General Bill
Sponsors: Rep. G.M. Smith
Document Path: LC-0216AHB26.docx

Introduced in the House on January 27, 2026
Currently residing in the House Committee on **Ways and Means**

Summary: Agency Head Salary Commission, Governor and Lt. Governor

HISTORY OF LEGISLATIVE ACTIONS

<u>Date</u>	<u>Body</u>	<u>Action Description with journal page number</u>
1/27/2026	House	Introduced and read first time (House Journal-page 3)
1/27/2026	House	Referred to Committee on Ways and Means (House Journal-page 3)

View the latest [legislative information](#) at the website

VERSIONS OF THIS BILL

01/27/2026

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A BILL

11 TO AMEND THE SOUTH CAROLINA CODE OF LAWS BY AMENDING SECTION 1-1-1210,
12 RELATING TO ANNUAL SALARIES OF CERTAIN STATE OFFICERS, SO AS TO PROVIDE
13 THAT SALARIES OF THE GOVERNOR AND THE LIEUTENANT GOVERNOR MUST BE
14 BASED ON RECOMMENDATIONS BY THE AGENCY HEAD SALARY COMMISSION TO THE
15 GENERAL ASSEMBLY; BY AMENDING SECTION 8-11-160, RELATING TO THE AGENCY
16 HEAD SALARY COMMISSION AND SALARY INCREASES FOR AGENCY HEADS, SO AS TO
17 PROVIDE THAT SALARIES OF THE GOVERNOR AND THE LIEUTENANT GOVERNOR
18 MUST BE BASED ON RECOMMENDATIONS BY THE AGENCY HEAD SALARY
19 COMMISSION TO THE GENERAL ASSEMBLY, AND TO REQUIRE THE COMMISSION TO
20 AUTHORIZE A STUDY EVERY FOUR YEARS TO RECOMMEND SALARY RANGES FOR THE
21 GOVERNOR AND LIEUTENANT GOVERNOR; AND BY AMENDING SECTION 8-11-165,
22 RELATING TO THE AGENCY HEAD SALARY COMMISSION AND ITS DUTIES AND
23 RESPONSIBILITIES, SO AS TO MAKE CONFORMING CHANGES.
24

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

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27 SECTION 1. Section 1-1-1210 of the S.C. Code is amended to read:

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29 Section 1-1-1210. (A) The annual salaries of the state officers listed below are:

30 Governor	\$98,000	
31 Lieutenant Governor	43,000	
32 Secretary of State	85,000	
33 State Treasurer	85,000	
34 Attorney General	85,000	
35 Comptroller General	85,000	
36 Superintendent of Education	85,000	
37 Adjutant General	85,000	
38 Commissioner of Agriculture	85,000	

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40 (B) These salaries must be increased by two percent on July 1, 1991, and on July first of each
41 succeeding year through July 1, 1994.

42 (C) A state officer whose salary is provided in this section may not receive compensation for ex
43 officio service on any state board, committee, or commission.

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(D) Beginning with Fiscal Year 2022-2023, and beginning when the state officer's term commences and lasting until the term concludes, with the exception of the Governor and Lieutenant Governor, salaries for the state officers listed in subsection (A) must be based on recommendations by the Agency Head Salary Commission to the General Assembly as provided in Sections 8-11-160 and 8-11-165.

(E) Beginning when the Governor's and Lieutenant Governor's terms commence on January 20, 2027, and lasting until the terms conclude, salaries for the Governor and the Lieutenant Governor must be based on recommendations by the Agency Head Salary Commission to the General Assembly as provided in Sections 8-11-160 and 8-11-165.

SECTION 2. Section 8-11-160 of the S.C. Code is amended to read:

Section 8-11-160. (A) All boards and commissions are required to submit justification of an agency head's performance and salary recommendations to the Agency Head Salary Commission.

(B) This commission consists of four appointees of the chairman of the House Ways and Means Committee, four appointees of the chairman of the Senate Finance Committee, and three appointees of the Governor with experience in executive compensation.

(C) Beginning with Fiscal Year 2022-2023:

(1) salaries for the term of state officers listed in Section 1-1-1210(A), with the exception of the Governor and Lieutenant Governor, must be based on recommendations by the Agency Head Salary Commission to the General Assembly; and

(2) the Agency Head Salary Commission shall authorize a study be conducted every four years to recommend a salary range for each state constitutional officer, with the exception of the Governor and Lieutenant Governor, based on their job duties and responsibilities as well as the pay of state constitutional officers in other states.

(D) Beginning January 20, 2027, salaries for the Governor and Lieutenant Governor must be based on recommendations by the Agency Head Salary Commission to the General Assembly, and the commission shall authorize a study to be conducted every four years to recommend a salary range for the Governor and Lieutenant Governor based on their job duties and responsibilities as well as the pay of governors and lieutenant governors in other states.

~~(D)~~(E) Salary increases for agency heads, the Governor, and the Lieutenant Governor must be based on recommendations by each agency board or commission to the Agency Head Salary Commission and their recommendations to the General Assembly.

SECTION 3. Section 8-11-165(A) of the S.C. Code is amended to read:

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(A) It is the intent of the General Assembly that:

(1) A salary and fringe benefit survey for agency heads must be conducted by the State Fiscal Accountability Authority every four years. The staff of the authority shall serve as the support staff to the Agency Head Salary Commission.

(2) ~~Beginning with the Fiscal Year 2022-2023 and every four years thereafter~~Every four years, the Agency Head Salary Commission shall commission a study to recommend a salary range for the term of each state constitutional officer listed in Section 1-1-1210, ~~with the exception of the Governor and Lieutenant Governor~~, based on each state constitutional officer's job duties and responsibilities as well as the pay of other state constitutional officers in other states. The commission shall then determine a salary for the term of each such state constitutional officer within the recommended pay range subject to funding being provided in the annual appropriations act.

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

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