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Katherine E. (Katie) Arrington William K. (Bill) Bowers Neal A. Collins MaryGail K. Douglas William M. (Bill) Hixon Jeffrey E. (Jeff) Johnson Robert L. Ridgeway, III Bill Taylor John Taliaferro (Jay) West, IV

Jennifer L. Dobson Research Director

Cathy A. Greer Administration Coordinator

Legislative Oversight Committee



South Carolina House of Representatives

Post Office Box 11867 Columbia, South Carolina 29211 Telephone: (803) 212-6810 • Fax: (803) 212-6811

Room 228 Blatt Building

Bruce W. Bannister Gary E. Clary Chandra E. Dillard Phyllis J. Henderson Joseph H. Jefferson, Jr. Mandy Powers Norrell Tommy M. Stringer Edward R. Tallon, Sr. Robert Q. Williams

Charles L. Appleby, IV Legal Counsel

Carmen J. McCutcheon Simon Research Analyst/Auditor

Kendra H. Wilkerson Fiscal/Research Analyst

Legislative Oversight Committee Meeting

Thursday, March 1, 2018 Blatt Building Room 110 1:00 p.m.

Archived Video Available

I. Pursuant to House Legislative Oversight Committee Rule 6.8, South Carolina ETV was allowed access for streaming the meeting. You may access an archived video of this meeting by visiting the South Carolina General Assembly's website (http://www.scstatehouse.gov) and clicking on *Committee Postings and Reports*, then under *House Standing Committees* click on *Legislative Oversight*. Then, click on *Video Archives* for a listing of archived videos for the Committee.

Attendance

I. The House Legislative Oversight Committee was called to order by Chair Wm. Weston J. Newton on Thursday, March 1, 2018, in Room 110 of the Blatt Building. All members of the Committee were present for all or a portion of the meeting, except: Representative William K. "Bill" Bowers and Representative Tommy M. Stringer.

Minutes

- I. House Rule 4.5 requires standing committees to prepare and make available to the public the minutes of committee meetings, but the minutes do not have to be verbatim accounts of meetings.
- II. Chairman Newton calls the meeting to order.
- III. Representative Phyllis J. Henderson moves to approve the minutes from the Committee's meeting on December 19, 2017. A roll call vote is held, and the motion passes.

Representative Henderson's motion to approve the minutes from the December 19, 2017 meeting:	Yea	Nay	Not Voting: Present	Not Voting: Absent
Katherine E. Arrington	✓			
Bruce W. Bannister	✓			
William K. Bowers				✓
Gary E. Clary	✓			
Neal Collins	✓			
Chandra E. Dillard	✓			
MaryGail Douglas	✓			
Laurie Slade Funderburk	✓			
Phyllis Henderson	✓			
Bill Hixon	✓			
Joseph H. Jefferson, Jr.	✓			
Jeffrey E. Johnson	✓			
Mandy Powers Norrell	✓			
Robert L. Ridgeway, III			✓	
Tommy M. Stringer				✓
Edward R. Tallon	✓			
Bill Taylor	✓			
John T. (Jay) West			✓	
Robert Q. Williams	✓			
Wm. Weston J. Newton	✓			

Public Testimony

- I. Chair Newton states the purpose of this meeting is to hear public testimony regarding the Department of Labor, Licensing and Regulation, the Department of Parks, Recreation and Tourism, and the Department of Revenue.
- II. Members of the public provide testimony about the Department of Labor, Licensing and Regulation, the Department of Parks, Recreation and Tourism, and the Department of Revenue. Constituent testimony and Committee minutes summarizing testimony are not the comments or expression of the House Legislative Oversight Committee, any of its Subcommittees, the House of Representatives, or any of these entities' staff.

Before each person testifies, Chair Newton administers an oath to the person. Below are the names of each person who testifies and the time in the archived video at which the testimony begins. The testimony is grouped by the agency about which the testimony relates.

Department of Labor, Licensing and Regulation (LLR)

Mr. Charlie Young, Greenville County (08:00)

Mr. Young is the Corporate Safety Manager at Milliken & Company. He has been with the company for over 26 years. Milliken & Company has been in business over 150 years with 7,000 associates worldwide. Most of its sites are located in the Southeastern US, with 43% of the global head count in South Carolina. Health and safety of the associates is one of the main goals of the company.

Mr. Young testifies about a division of LLR, South Carolina Occupational Safety and Health Administration (OSHA) Voluntary Protection Program (VPP). Milliken & Company has been involved with the VPP process for over 20 years. There are 26 VPP star sites across the US, with 15 of them located in South Carolina. He testifies that the OSHA VPP is a true partner with his company and is a great program. They make sure the company is meeting standards and are always looking for ways to improve.

Mr. Charles Dixon, Dorchester County (17:30)

Mr. Dixon works for Nucor Steel Corporation in Berkeley County. Nucor Steel has four facilities in South Carolina. He states, "It takes a village to raise a great work place." The steel industry is a dangerous industry. In early 2000, Nucor has between 75-80 injuries every year, so there is a shift in commitment and resources to make a change. Over five years those numbers decrease gradually.

In the last eight years, Nucor has created a relationship with OSHA and VPP program. That relationship helped change the culture, and the downward shift in injuries has continued. Mr. Dixon testifies his company only has a handful of injuries per year now and is confident that with the work that OSHA does, the number will continue to decrease. The tremendous growing industry in South Carolina presents a challenge to OSHA and the VPP program. Lastly, Mr. Dixon testifies that South Carolina needs to continue funding and growing OSHA and VPP.

Mr. John Greely, Georgia (25:30)

Mr. Greely works as the safety manager at Bridgestone in Aiken, South Carolina. He further testifies he recently purchased a lake house in Greenwood, South Carolina.

Mr. Greely testifies that Bridgestone makes 1.1 million tires a month. Bridgestone in Aiken has about 1,500 team members, all part of VPP. He speaks about the LLR start-up student program and career centers. They are working to get them everywhere. They did the first class in Aiken County for the career center at the end of last year and hope to have many more in the future. It is important to grow the work force in SC with the industry they have. The ten hour OSHA course provides young adults a certification coming out of high school. Many participate in the South Carolina Manufacturers Alliance conference (SCMA) that is put on by OSHA and SCMA. The VPP site and others provide training that any company can attend to learn new things. It is important to their employees to keep the workplace safe. VPP is a great program.

Mr. Joe Palmer, Newberry County (31:10)

Mr. Palmer testifies he is the Executive Director for the South Carolina State Firefighters Association. He testifies that he is in strong support of LLR's work. He has been associated with the agency and the fire services since the restructure of state government. He testifies the current LLR director is interested in the profession and the well-being of this state. Director Farr communicates well with the State Firefighters Association and their staff. They look forward to continuing this great relationship. In the CTC programs, LLR has been a leader along with his organization in establishing these programs to reach the whole state of South Carolina.

Mr. M. Kyle Minick, Charleston County (39:30)

Mr. Minick testifies he works for the South Carolina State Firefighters Association. He states he is in support of LLR and speaks about the State Fire Marshall, Division

of Fire and Life Safety, Chief Jones and Chief Ray. According to Mr. Minick, the last year has been a breath of fresh air for firefighters. The firefighters are getting what they need and have had better communication and support because of LLR. The association and LLR is working on reducing fire and life safety deaths in South Carolina to become one of the states in the nation with the lowest civilian fatalities.

Mr. Mark Manos, Greenville County (41:45)

Mr. Manos testifies he works for BEK Building Group as the Health, Safety and Environment (HSE) Manager, a position he has held for 22 years.

Mr. Manos states is here to testify on behalf of the construction industry. He has worked with OSHA for over 25 years and in the construction industry for 40 years. From the construction industry standpoint, the concern he has is that everyone recognizes the market is increasing and a lot of work is going on, but unfortunately, when there are more opportunities for work, more people start to lose their lives.

He testifies he is speaking about VPP and the ability to access those programs. Mr. Manos testifies he has been trying to get into VPP for the past year for a project in downtown Greenville, but he could not get a response. Mr. Manos represents thousands of workers, not just a handful of workers at a plant facility. Over a year, he can work with 20,000 workers here in the state of South Carolina. BEK needs those resources to actually access the programs, so BEK can work better as a team. VPP and its access should be expanded.

Ms. Sara Goldsby, Richland County (51:50)

Ms. Goldsby testifies she is the Director of the Department of Alcohol and Other Drug Abuse Services. Ms. Goldsby states she is here to testify in support of LLR.

Ms. Goldsby testifies LRR does important work to keep our state healthy and safe by addressing addiction. She states LLR oversees the Recovering Professionals Program. This is a program for licensed professionals that find themselves with substance abuse disorder. According to Ms. Goldsby, it is key to make sure our licensed workforce has help and the opportunity to return to safely practice. They have worked on legislation to have addiction counselors in the state. LLR has truly prioritized the opioid epidemic. They have developed a website where professionals can go learn more about the opioid epidemic and its treatment.

Mr. John Coleman, Anderson County (55:20)

Mr. Coleman testifies he is the Director of Human Resources at Sage Automotive Interiors. He testifies in support of LLR. Sage Automotive Interiors has been a part of the VPP program since 1995. The OSHA VPP has done a lot for Sage Automotive. He testifies that Sage was averaging three to four recordables (i.e., a recordable injury or illness under OSHA) per year, then because of VPP, they started getting down to zero recordables. It did that through the working relationship it has with OSHA.

Mr. Rex Casterline, Richland County (59:10)

Mr. Casterline testifies he serves as a public member on the Real Estate Appraisers Board. While he had nothing to with the combining of boards, he is a direct beneficiary of that effort. From my perspective and not the board, it is easy to conclude that a lawyer would be ready, willing, and able to serve as a public member on a board, but that is not really the case. Many times public members are not trained licensees on the boards they serve. His highest priority is understanding appraisal matters. Once he received the training, it helped so much. He was much more comfortable, and that is a direct result of funding and training from LLR. Training on various topics is invaluable for public board members.

Department of Parks, Recreation and Tourism (PRT)

Mr. Jerry R. Helms, York County (01:04:05)

Mr. Helms testifies he is the Vice President of Operation at Carowinds. He testifies he has been with Carowinds for 45 years. Further, he states that Carowinds is in a major capital expansion. When Mr. Helms started working there, there was one rollercoaster and one water slide. Now, Carowinds has six roller coasters on the South Carolina side. There are a lot of good things coming to the South Carolina side. In 22 days, Carowinds will open the revamped Camp Snoopy attraction. If anyone comes to the park today that has not been in a while, they would not even recognize it. We have the number one rollercoaster in the world, the Fury. One of the reasons it is able to have success is because of the relationship with PRT. PRT promotes and helps with infrastructure.

Mr. John Salazar, Beaufort County (01:13:45)

Mr. Salazar testifies he is the Director at the University of South Carolina-Beaufort, Low Country Tourism Institute, and a professor at USC-Beaufort. He testifies in support of PRT's research efforts. He states he has worked in many states doing research. Mr. Salazar testifies that the research and statistics PRT provides on the tourism industry is the most robust of the states he has worked in and notes that

Georgia does not have the data resources that South Carolina has. He testifies that he brings this data into the classroom. Further, PRT offers scholarships that is extremely important to students.

Mr. Robert Williams, Richland County (01:17:30)

Mr. Williams testifies he is the CEO of Lizard's Thicket and Vice Chair of South Carolina Restaurant and Lodging Association. He testifies that he is in strong support of PRT. His company and PRT work together on a daily basis to expand and further strengthen South Carolina's \$21 billion tourism industry. His association partners with PRT to ensure the tourism industry speaks with one voice and helps share tourism information in the event of natural disasters. The association is in support of PRT's annual budget request; it has been the association's number one priority on its legislative agenda for the past six years. The tourism industry has experienced record-breaking growth, which benefits the state in job creations and lowering taxes. The agency is doing a great job.

Ms. April Donnelly, Richland County (01:20:15)

Ms. Donnelly testifies she works with the South Carolina Chapter of Nature Conservancy. She testifies they have a long standing history with PRT. Since 1976, they have partnered on the acquisition of lands for public access.

When special opportunities present themselves for state park lands, the Conservancy contacts PRT first. Together, they have completed six projects with and started working on the seventh. Gap Creek, in the upstate (Greenville County), is the current project. The Nature Conservancy is also working in the Low Country and is looking forward to continue working there.

Controlled burning and fire management is the final activity that the Conservancy works on with PRT. This is an important tool for safety and park infrastructure.

Ms. Peach Morrison, Beaufort County (01:24:20)

Ms. Morrison testifies she is the Executive Director of the Lowcountry Tourism Commission. She testifies she has been working with PRT for the past eleven years. The staff has always been strong, but they are even better under the current director. PRT is supportive of other groups, golf courses, parks, ball fields, and restaurants. She is proud to be a partner with PRT.

Ms. Denise Parsick, Beaufort County (01:29:30)

Ms. Parsick testifies she is the President of Friends of Huntington Island. Their mission is to support state parks, through conservation education and interpretation of natural and cultural resources, as well as protecting those resources. This is the 25th anniversary of the group. Over her time, there is a consistency with the level of communication that all the state park directors have had. PRT is a great organization. The closure of the park in Beaufort due to the hurricanes hit Beaufort very hard. Also, it hit the businesses hard. It hit everyone hard, but the beach truly is becoming better than ever because of PRT.

Mr. Jim Headley, Lexington County (01:35:00)

Mr. Headley testifies he represents the South Carolina Parks and Recreation Association and has been the executive director for 30 years. He states PRT's leadership is great, and the director has breathed new life into PRT. Without the director's support and leadership, PRT would not be where it is now. One issue PRT may run into in the near future is the retirement issue.

Department of Revenue (DOR)

Mr. Jeff Davis, Greenville County (01:39:05)

Mr. Davis testifies he is originally from Charleston County, but now resides in Greenville County. He stresses importance of the oversight process and the effect it has on people. Mr. Davis shares a news article from two years ago in regards to leadership at DOR. This was an audit that was requested by the past director. Mr. Davis states there were sexual statements about his wife made by senior staff at the DOR and the lead trainer. He states that he understands staff will make mistakes and mistakes will happen, but when a head auditor and trainer is doing these types of things, there needs to be more oversight.

Mr. Davis emphasizes DOR is an agency that has policing authority and taxing authority. If they go awry, things will be bad. Mr. Davis states he has spoken with ethics personnel at the State Bar Association. As a lawyer, he states he has an ethical obligation to file a complaint against the former director of DOR. Mr. Davis further states that as of two weeks ago, the former director of DOR has resigned from the State Ethics Commission. Mr. Davis emphasizes again his belief that it is important to have this oversight. Lastly, Mr. Davis testifies the agency deletes emails.

III. Members ask some constituents questions after their public testimony, which the different constituents answer.

Discussion of the Department of Labor, Licensing and Regulation (LLR)

- I. Ms. Emily Farr, Director of LLR, addresses the committee regarding the public comments.
- II. Members ask the director questions regarding the public testimony, which the director answers.

Discussion of the Department of Parks, Recreation and Tourism (PRT)

- I. Mr. Duane Parrish, Director of PRT, address the committee regarding the public comments.
- II. Members ask the director questions regarding the public testimony, which the director answers.

Discussion of the Department of Revenue (DOR)

- I. Mr. W. Hartley Powell, Director of DOR, address the committee regarding the public comments.
- II. Members ask the director questions regarding the public testimony, which the director answers.

Discussion of Committee Administrative Matters

- I. Chair Newton provides an overview of administrative matters regarding the legislative oversight process.
- II. There being no further business; the meeting is adjourned.