



GOVERNANCE SUB-GROUP

LEGISLATIVE AND REGULATORY POLICY RECOMMENDATIONS

GOVERNANCE

Purpose: Identify challenges faced by state and local governments, educational institutions, emergency services and first responders to proceed with economic revitalization.

This component includes representatives from political subdivisions, education, county and city administrators, higher education, technical colleges, school board and administrators, law enforcement and first responders, and special purpose districts.

COMMON THEMES

CONFIDENCE – Customers & Visitors

- COVID-19 Testing & Tracing

CLEAN & SAFE

- Availability of Personal Protective Equipment (PPE)
- Sanitation of Schools, Buildings, & Outdoor Shared Equipment

CONNECT

- Expand Remote Learning & Working



STATE & LOCAL GOVERNMENT

Local Government

Budget Extensions

While the federal and state government can utilize Continuing Resolutions to ensure their operations continue, cities and towns are of the opinion that they are required by law to pass a budget to continue operating and therefore would need either an executive order or change in legislation to allow them more time to prepare and adopt an annual budget.

S.C. Code References

Section 4-9-140, Section 5-7-260, Section 6-1-80, Section 6-1-320

Front Loading Local Government Fund (LGF) Payments

Currently, the LGF payments from the state to local governments are made quarterly with the third installment coming on January 1. Providing the entirety of the LGF money on or before January 1 would provide local governments with much-needed cash flow while they await other revenues, like property taxes, to arrive. This request would only require the state to advance one LGF payment by 3 months.

State Revolving Loan Fund

As cities and towns complied with the Governor's order of March 14, 2020, to not disconnect essential services for nonpayment during the State of Emergency, thousands of water and sewer accounts have not been paid. These payments provide the revenue to repay loans from the State Revolving Loan Fund for water and sewer improvements. It would be helpful to local governments if all state revolving loan repayment dates could be extended and penalties for late payments were waived.

Suspension of the 1% Employer Pension Contribution

- Currently included in the proposed Continuing Resolution
- Requires legislative action by the S.C. General Assembly

Flexibility with Hospitality and Accommodations Tax

South Carolina's tourism industry has temporarily taken a dramatic hit due to the COVID-19 pandemic. During this time, local governments support temporarily expanding the use of these funds beyond what is currently allowed in law in order to better provide for their citizens.

- Requires legislative action by the S.C. General Assembly

Recommended Language

“After funding recurring expenses and bonded debt from their local hospitality and accommodations tax funds, local governments may be allowed to use unobligated local hospitality and accommodations taxes for the provision of general fund services for the remainder of fiscal year 2020 and throughout fiscal year 2021.”



EDUCATIONAL INSTITUTIONS

Public Education (K-12)

Suspension of the 1 Percent Employer Pension Contribution for School Districts

- Currently included in the proposed Continuing Resolution
- Requires legislative action by the S.C. General Assembly

Waiving of Statutory Requirements/Financial Flexibility for Dept. of Education

Examples include annual testing and reporting requirements, which have already been waived by the US Department of Education. The waiver would also address school-make-up days by allowing days of distance learning during the pandemic to count towards the 180 instructional day requirement by state law.

- Currently included in the proposed Continuing Resolution
- Requires legislative action by the S.C. General Assembly

Local School Districts

In local legislation, 17 school districts have boards whose members must get petitions signed to be on the ballot. Of these, 10 districts hold elections in even-numbered years in November.

- Requires legislative action by the S.C. General Assembly

Higher Education and Technical Colleges

Suspension of the 1 Percent Employer Pension Contribution for Institutions

Suspension of the contribution would allow institutions to use those dollars for COVID19-related issues and impact. However, this would have an impact on the pension fund and more guidance from PEBA may be needed to address impacts and options.

- Currently included in the proposed Continuing Resolution
- Requires legislative action by the S.C. General Assembly

Furloughs and Voluntary Separations or Retirement Incentives

Flexibility to include voluntary separations, retirement incentives, and employee furlough programs. Currently, institutions can only furlough when state revenues decline. Institutions want the flexibility to deal with anticipated decline in tuition revenues.

- Currently included in the proposed Continuing Resolution
- Requires legislative action by the S.C. General Assembly

Higher Education and Technical Colleges

Leave Forgiveness

Flexibility for institutions to implement for permanent employees who depleted their sick and annual leave during the crisis because their job could not be done remotely. Similar measures have been enacted previously in response to natural disasters.

- Requires legislative action by the S.C. General Assembly

Flexibility in Scholarship Requirements

This will help institutions adapt to the almost certain decrease in enrollment for future academic semesters. The issue is, what if students do not return this fall? Are they able to keep their scholarships? This may happen if parents lose their jobs.

- Requires legislative action by the S.C. General Assembly



EMERGENCY SERVICES & FIRST RESPONDERS

Workers' Compensation COVID-19 Coverage for First Responders

Currently, first responders (law enforcement officers, firefighters, emergency medical technicians, and paramedics) are not entitled to workers' compensation benefits if he/she is exposed to COVID-19.

- May require legislative action by the S.C. General Assembly

Mental and Emotional Health Programs for First Responders

- Department of Mental Health (DMH) assistance/direction on guidance. DMH can help provide a hotline for first responders to contact with any issues they may be facing.

Establish Regional Detention Centers for COVID-19 Inmates

Social distancing guidelines are difficult to follow in detention facilities. Establishing regional detention centers for inmates testing positive to COVID-19 will help prevent the future and further spread of the virus to other inmates and also better protect staff.