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# House Floor Review

The House of Representatives approved and sent the Senate **H. 5150**, the General Appropriation Bill, and **H. 5151**, the joint resolution making appropriations from the Capital Reserve Fund, which together comprise the **Fiscal Year 2022-2023 State Government Budget**. The $14 billion budget includes $10.3 billion in state general funds. The budget’s $3.4 billion in nonrecurring funds includes $1.9 billion in surplus funds estimated for Fiscal Year 2021-2022, $1 billion in the Contingency Reserve Fund, and $184 million in Capital Reserve Funds.

$619 million is devoted to the income tax relief initiative approved by the House in **H. 4880**.

The Department of Transportation receives $120 million in recurring funds for the state’s match in the Federal Infrastructure Investment and Jobs Act, and $176 million in nonrecurring funds for rural interstate funding.

$250 million in nonrecurring funds is allocated to the County Transportation Committees to accelerate projects on the state’s lower volume and secondary roads.

$73 million in recurring funds is provided for a 3 percent state employee salary increase.

$46 million in nonrecurring funds is used for paying each state employee a one-time bonus of $1,500.

$101 million in recurring funds is included to cover the increased costs of operating the state's health and dental insurance plans and to provide coverage for adult well visits with no additional monthly premium costs for employees.

In K-12 public education, the budget provides $4,834 average per pupil in State Aid to Classrooms.

A revised educational funding formula is established that consolidates several budget lines into the single State Aid to Classrooms, funded with $3.7 billion. With the simplified funding stream, new weightings emphasize more funding for students in poverty and students with disabilities. Under the revised formula, the state’s share of funding increases from seventy percent to seventy-five percent. After satisfying fundamental requirements, local school districts are afforded greater flexibility in spending State Aid to Classrooms. Districts are subject to new accountability and transparency requirements for publishing their expenditures of federal, state, and local funds online.

The budget provides for a $4,000 teacher pay increase across all salary levels. This allows the state’s starting salary for teachers to increase from $36,000 to $40,000.

The budget includes a provision authorizing school districts to hire noncertified teachers in critical needs geographic areas and subject areas if a certified teacher is not available. All noncertified teachers must possess baccalaureate degrees or graduate degrees from a regionally accredited college or university in the subject they are hired to teach.

$2.3 million in recurring funds is provided for teacher supplies to increase the amount that each teacher is afforded for purchasing classroom supplies from $275 to $300.

$100 million in nonrecurring Education Improvement Act funds is provided for instructional materials.

The budget provides for Capital Funding for Disadvantaged Schools with $110 million in nonrecurring funds and $40 million in nonrecurring Education Improvement Act funds ($25 million of this funding is allocated as an incentive for school district consolidation).

$5.4 million in recurring funds is devoted to expand VirtualSC.

$75 million from the Contingency Reserve Fund is allotted for Parental Choice in Education scholarships to expand education options.

$4.3 million in recurring funds is appropriated to provide a 5 percent salary increase for school bus drivers.

$12 million in nonrecurring funds is allocated for purchasing and leasing school buses.

Full funding is provided in Education Lottery funds for the LIFE, HOPE, and Palmetto Fellows higher education scholarship programs.

The Commission on Higher Education is afforded $60 million in lottery funds for need-based grants.

The Higher Education Tuition Grant Commission is allocated $20 million in lottery funds.

CHE receives $4.1 million in lottery funds for college transition program scholarships for students with disabilities.

$20 million in lottery funds is provided through CHE and the Board of Technical and Comprehensive Education for tuition grants.

The Board of Technical and Comprehensive Education is afforded $17 million in lottery funds for SC Workforce Industry Needs scholarships that help provide full tuition at technical colleges for SC WINS recipients seeking degrees in industry sectors with critical workforce needs.

The Board of Technical and Comprehensive Education is provided $78 million in lottery funds for workforce scholarships and grants.

The Tech Board is afforded $7 million in lottery funds for high demand job skill training equipment.

$2 million in capital reserve funds is allocated to the Ready SC Program which provides worker training at the state’s technical colleges that is customized to the needs of new and expanding business and industry.

The budget includes a higher education tuition mitigation initiative in which a total of $55.3 million in additional recurring funds is distributed among the state’s institutions of higher learning. In order to retain these appropriations, the institutions must comply with provisions for freezing in-state tuition and mandatory fees during the 2022-2023 academic year for all in-state undergraduate students at all public four-year and two-year University of South Carolina campuses.

$400,000 is used to create the SC Institute on the Prevention of Sexual Violence on College Campuses.

The Capital Reserve Fund is devoted to capital needs at the state’s colleges, universities, and technical schools with most of the $184 million in these nonrecurring funds allocated among the institutions for repairs, renovations, and maintenance of various facilities.

The Strategic Economic Development Fund established within the Department of Commerce is afforded $83 million in nonrecurring funds for the purpose of funding projects that are essential to the state’s ongoing and future economic development success.

$25 million in nonrecurring funds is provided for the Deal Closing Fund that the Department of Commerce uses to recruit new business to the state.

The Department of Commerce is afforded $10 million in nonrecurring funds for the Locate SC Site Inventory, $2 million in nonrecurring funds for the SC Association for Community Economic Development, and $9 million in nonrecurring funds for the SC Technology and Aviation Center.

The Rural Infrastructure Authority is afforded $1.5 million in recurring funds for planning and technical assistance for small and rural utilities.

The Department of Motor Vehicles is afforded $3.2 million to establish nine additional Commercial Drivers’ License testing sites across the state and $1 million to implement the Motor Carrier Service State Program one-stop-shop approach to handle all trucking needs.

The State Ports Authority receives $127 million in nonrecurring state funds and $223 million in nonrecurring Savannah River Site settlement funds for a naval base intermodal facility and inner harbor container barge infrastructure that allows for more efficient movement of rail cargo to and from port facilities.

$65 million in nonrecurring funds is provided to the Division of Aeronautics for statewide airport growth response.

The Department of Parks, Recreation and Tourism receives $15 million in nonrecurring funds for destination specific tourism marketing grants, $4 million in nonrecurring funds for regional tourism advertising, $1.7 million for SC Association of Tourism Regions, and $19 million in nonrecurring funds for state park enhancements.

The Arts Commission is afforded $2 million in recurring funds and $3 million in nonrecurring funds to support community arts organizations.

The Department of Archives and History receives $100,000 in nonrecurring funds for an African American History Curriculum, $1 million for the Historic Preservation State Grant Fund, and $4.7 million for the commemoration of the 250th anniversary of the American Revolution in South Carolina.

The Department of Natural Resources is afforded $68.3 million in nonrecurring funds for land conservation.

The Conservation Bank is provided $32 million for conservation grant funding.

The Department of Agriculture receives $200,000 in recurring funds for the Agribusiness Center for Research and Entrepreneurship, $300,000 in recurring funds for market news reporting, and $3 million in nonrecurring funds for enhancements to local farmers’ markets.

Clemson PSA is afforded $2 million in recurring funds for rural health cooperative extension and research and $3.6 million in nonrecurring funds for critical infrastructure.

SC State PSA receives $2 million for expansion of emerging agribusiness programs and $2 million in nonrecurring funds for the SC Limnology Research Center.

The Department of Health and Human Services receives $200 million in recurring funds for Medicaid program maintenance of effort, $18.6 million in recurring funds for provider rate adjustments, $9 million in recurring funds for long term care services, $6 million in nonrecurring funds for rural health network revitalization, $5 million in nonrecurring funds for healthcare compliance programs, and $2.4 million in nonrecurring funds for pregnancy crisis centers.

$61.5 million in nonrecurring funds is allocated to DHHS for a comprehensive behavioral health capacity enhancement initiative.

The Department of Social Services is afforded $39 million for staffing shortages and other needs.

The Department of Health and Environmental Control is afforded $104.4 million in nonrecurring funds for a new public health laboratory, $3 million for Emergency Medical Services Association recruitment and retention, $50 million in nonrecurring funds for water quality, $25 million in nonrecurring funds for PFAS chemical water pollution remediation, and $10 million in nonrecurring funds for ocean outfalls.

The Medical University of South Carolina Hospital receives $10 million for the Children’s Hospital Infrastructure Fund to assist the state’s not-for-profit hospitals, and $8 million for MUSC’s Hollings Cancer Center to become designated as a Comprehensive Cancer Center.

The Department of Mental Health is afforded $34.9 million for veterans nursing homes and $1.4 million in recurring funds for the sexually violent predator treatment program.

The Attorney General’s Office receives $1.7 million in recurring funds for the Human Trafficking Task Force, $25.4 million in nonrecurring funds for crime victim assistance, and $3 million in nonrecurring funds for the SC Child ID Program.

$38 million is provided for funding salary increases and retention programs for law enforcement and correctional officers across the agencies that employ officers.

The State Law Enforcement Division is allocated $2.5 million in nonrecurring funds for forensic breath testing units and $1 million in nonrecurring funds for vehicle rotation.

The Department of Public Safety receives $3 million in nonrecurring funds for vehicle rotation and $20 million in nonrecurring funds for grant programs to equip local law enforcement officers with body cameras, bulletproof vests, and other protective gear.

$10 million nonrecurring funds is allocated to the Criminal Justice Academy’s Center for Excellence in Policing and Public Safety.

The Department of Corrections is afforded $2.9 million in recurring funds for primary inmate care health services positions, $4.5 million in recurring funds for health services retention, $4.1 million in recurring funds for expansion of behavioral health, $37 million in nonrecurring funds for critical equipment replacement, and $10 million in nonrecurring funds for critical deferred maintenance projects.

$25 million is provided for a Man Down Electronic Alert System at correctional facilities, security cameras, and ballistic/multi-threat vests for emergency response teams and correctional officers.

$20 million is provided for a facility to care for juveniles with severe mental health conditions.

The Department of Labor, Licensing and Regulation is afforded $22 million to replace all equipment for the state and regional Emergency Search and Rescue Task Force teams and the Urban Search and Rescue Division. $850,000 in Emergency Medical Technician tuition assistance to allow two years of free tuition for 850 new EMTs.

$87.5 million in nonrecurring funds is provided for the Disaster Relief and Resilience Reserve Fund at the Office of Resilience. Funds may be used for disaster relief assistance, hazard mitigation, infrastructure improvements, and statewide resilience planning.

$137 million in nonrecurring funds is allocated to the Disaster Trust Fund to be used to offset FEMA matches.

The Adjutant General’s Office receives $4.5 million for revitalizing, maintaining, and operating the state’s armories.

The Department of Veterans’ Affairs is afforded $10.2 million for veteran transition homes and $10 million in nonrecurring funds for the Military Enhancement Fund to better position the state’s military bases under federal base-reduction initiatives.

The Election Commission receives $2.8 million in recurring funds for the election integrity and compliance auditor program and $1.3 million in recurring funds for election security funding.

$9 million is devoted to digital government transformation at the Department of Administration to create a new, secure digital platform accessible from any device.

$90 million is used for full funding the constitutional reserve accounts that the state uses to cope with revenue shortfalls. An additional $314 million enhances reserve funds to ten percent of revenue.

A budget provision establishes conditions under which retirees in the South Carolina Retirement System and the Police Officers Retirement System can return to covered employment without being subject to earnings limitations.

The budget allocates funding for the state’s retirement systems that is in keeping with the schedule established in Act 13 of 2017 for addressing the unfunded liability facing the state’s pensions.

A Retirement System Study Committee is established to study: the effects of Act 13 of 2017 on the unfunded liabilities of the system and the overall effects on the sustainability of the retirement systems; the potential effects of legislation that would allow emergency medical technicians to become members of the Police Officers Retirement System; and, the effects of legislation that would increase the earnings limitation for a retired member of the Police Officers Retirement System. The study committee must deliver its findings to the General Assembly by June 30, 2023.

$12.5 million in recurring funds is included for full funding of the Local Government Fund that is consistent with the revised approach for sending revenue to political subdivisions established in Act 84 of 2019. $2 million is provided for a rural stabilization fund to aid those local governments that will be negatively impacted, due to the 2020 Census, under the local government funding formula.

The budget provides for the appropriation of $525 million in settlement funds paid to South Carolina by the federal government for storing plutonium at the Savannah River Site. Over $300 million is appropriated for various capital projects within counties in the vicinity of the SRS facility.

$3.35 million is provided in state aid to county libraries.

The provisions of Act 35 of 2021, pertaining to intercollegiate athlete (NIL) name, image, or likeness are suspended for the fiscal year.

The Department of Agriculture is authorized to conduct a South Carolina Agricultural Tax Exemption Program which involves the issuance of SCATE cards that farmers can present when making purchases to facilitate claiming the sales tax exemptions for which they qualify.

The budget includes a provision for coordination between PalmettoPride and the Department of Transportation to maximize the state’s litter removal initiatives.

# Introduced Bills

**Judiciary**

**H. 5135 Ranked-Choice Voting Rep. B. Cox**

A bill that would allow South Carolina cities to conduct ranked-choice voting in elections for city council members and mayors.

**Labor, Commerce and Industry Committee**

**H. 5137 Consumer Finance Loans Rep. Cobb-Hunter**

This bill revises restrictions and requirements for deferred presentment or deposit of checks to provide that a licensee may not charge a fee that would cause the annual percentage rate to exceed thirty-six percent. The legislation revises provisions for loan finance charges to provide that certain lenders may not charge an annual percentage rate higher than thirty-six percent per annum. The legislation revises provisions relating to loan finance charges on refinancing to provide that, with respect to a consumer loan, refinancing, or consolidation, a lender may not exceed an annual percentage rate of thirty-six percent. The legislation revises provisions relating to loan finance charges on consolidation to provide for annual percentage rate limits. The legislation provides for requirements under provisions relating to filing and posting of the maximum rate schedule of a loan. The legislation revises provisions relating to payment schedules and maximum loan terms to remove the maximum principal amount. The legislation repeals a chapter of the code providing for consumer finance law, a provision addressing short-term vehicle secured loans, and a provision exempting deferred presentment services from limitations on fees and charges established for other types of loans.

**Medical, Military, Public and Municipal Affairs Committee**

**H. 5136 Statewide Telecommunications System Rep. J. L. Johnson**

This bill defines the term “First Responder” as an emergency medical services provider, a law enforcement officer, or a fire department worker directly engaged in examining, treating, or directing persons during an emergency, or a 911 professional, which includes call takers and dispatchers. The bill provides that a 911 professional is a first responder entitled to all benefits that accrue to first responders employed by the state and local governing bodies.

**Ways and Means**

**H. 5134 Property Tax Exemption for Farm Buildings Rep. McCabe**

This bill establishes a property tax exemption for all farm buildings and agricultural structures owned by a producer in this state used to house livestock, poultry, crops, farm equipment, or farm supplies.

[**H. 5139**](https://www.scstatehouse.gov/billsearch.php?billnumbers=5139&session=124&summary=B) **Pinball and Minors Rep. Rutherford**

This bill eliminates the status offense of playing a pinball machine by a minor. The bill was ordered placed on the calendar without reference.

Note: these summaries are prepared by the staff of the South Carolina House of Representatives and are not the expression of the legislation's sponsor(s) nor the House of Representatives. They are strictly for the internal use and benefit of members of the House of Representatives and are not to be construed by a court of law as an expression of legislative intent.

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