**Tuesday, February 16, 2010**

**(Statewide Session)**

~~Indicates Matter Stricken~~

## Indicates New Matter

The Senate assembled at 12:00 Noon, the hour to which it stood adjourned, and was called to order by the PRESIDENT.

A quorum being present, the proceedings were opened with a devotion by the Chaplain as follows:

Among the Psalms we read:

“Make me to know your ways, O Lord; teach me your paths. Lead me in your truth, and teach me, for you are the God of my salvation....” (Psalm 25:4-5a)

Please, let us pray:

Holy God, we gather here today having observed yet another President’s Day, having reflected yet again upon early leaders of this nation. We are grateful for those who have gone before us, for those who clearly blessed this land in so many ways. And we are thankful also for those who lead us wisely and faithfully today: especially these who serve in the Senate of South Carolina. Bless each one of these modern-day servants. Help them to see clearly the pathways You would have them follow as they bring hope to the people of this State. In Your loving name we pray, O Lord.

Amen.

The PRESIDENT called for Petitions, Memorials, Presentments of Grand Juries and such like papers.

**Doctor of the Day**

Senator SETZLER introduced Dr. Jeffery K. Smith of West Columbia, S.C., Doctor of the Day.

**CO-SPONSORS ADDED**

The following co-sponsors were added to the respective Bills:

S. 903 Sen. Davis

S. 1073 Sen. Leventis

S. 1096 Sens. Davis, Shoopman

S. 1167 Sen. Rose

**INTRODUCTION OF BILLS AND RESOLUTIONS**

The following were introduced:

S. 1174 -- Senators Leatherman, O'Dell and Setzler: A BILL TO AMEND SECTION 12-6-40, AS AMENDED, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO THE APPLICATION OF THE INTERNAL REVENUE CODE TO STATE INCOME TAX LAWS, SO AS TO UPDATE THE REFERENCE TO THE INTERNAL REVENUE CODE TO THE YEAR 2009; TO ADOPT THE PROVISIONS OF PUBLIC LAW 111-126 RELATING TO THE TIMING OF DEDUCTIONS FOR CHARITABLE CONTRIBUTIONS FOR HAITI RELIEF; TO AMEND SECTION 12-6-50, AS AMENDED, RELATING TO PROVISIONS OF THE INTERNAL REVENUE CODE NOT ADOPTED BY STATE LAW, SO AS TO ADD PROVISIONS TO THOSE NOT ADOPTED; TO AMEND SECTION 12-6-3910, AS AMENDED, RELATING TO ESTIMATED STATE INCOME PAYMENTS, SO AS TO ALLOW THE DEPARTMENT OF REVENUE TO WAIVE PENALTIES ON CORPORATE TAXPAYERS WHO CALCULATE SOUTH CAROLINA ESTIMATED TAX PAYMENTS BASED ON FEDERAL ESTIMATED TAX PERIODS THAT DO NOT CONFORM TO STATE LAW; AND TO AMEND ACT 110 OF 2007 AND ACT 16 OF 2009, RELATING TO MISCELLANEOUS REVENUE PROVISIONS AND CONFORMITY OF STATE INCOME TAX LAW TO THE INTERNAL REVENUE CODE, SO AS TO DELETE OBSOLETE PROVISIONS.

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Read the first time and referred to the Committee on Finance.

S. 1175 -- Senator Land: A BILL TO AMEND SECTION 9-8-20, AS AMENDED, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO THE ESTABLISHMENT OF THE RETIREMENT SYSTEM FOR JUDGES AND SOLICITORS OF THE STATE OF SOUTH CAROLINA, SO AS TO PROVIDE THAT A PERSON ASSUMING THE OFFICE OF ATTORNEY GENERAL OF THIS STATE AFTER 2010, MUST BE A MEMBER OF THAT RETIREMENT SYSTEM AND TO MAKE THE NECESSARY PROVISIONS FOR THE ATTORNEY GENERAL TO BECOME A MEMBER OF THE RETIREMENT SYSTEM FOR JUDGES AND SOLICITORS OF THE STATE OF SOUTH CAROLINA.

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Read the first time and referred to the Committee on Finance.

S. 1176 -- Senators Land, Matthews and Ford: A BILL TO ENACT THE "SOUTH CAROLINA BACK TO WORK TAX REBATE ACT OF 2010" TO AMEND THE CODE OF LAWS OF SOUTH CAROLINA, 1976, BY ADDING SECTION 12-6-3765 SO AS TO ALLOW A STATE TAX CREDIT FOR EMPLOYERS HIRING AN UNEMPLOYED INDIVIDUAL RECEIVING UNEMPLOYMENT COMPENSATION BENEFITS, TO PROVIDE THE AMOUNT OF THE CREDIT WHICH MUST BE EQUAL TO THE STATE INCOME TAX WITHHOLDINGS APPLICABLE TO THAT EMPLOYEE FOR A PERIOD OF UP TO ONE YEAR, TO PROVIDE THE ELIGIBILITY REQUIREMENTS FOR CREDITABLE EMPLOYEES, TO PROVIDE FOR THE ADMINISTRATION OF THE CREDIT, TO PROVIDE THAT THE CREDIT IS ALLOWED FOR ELIGIBLE EMPLOYEES HIRED AFTER THE EFFECTIVE DATE OF THIS SECTION AND BEFORE JANUARY 1, 2011, AND TO PROVIDE FOR THE DURATION OF THE CREDIT.

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Read the first time and referred to the Committee on Finance.

S. 1177 -- Senators Fair, Reese, Cromer, Campbell, Coleman, Shoopman and Williams: A BILL TO AMEND SECTION 8-27-10 OF THE 1976 CODE, RELATING TO THE DEFINITION OF A REPORT AS USED IN THE WHISTLEBLOWER STATUTE, TO PROVIDE THAT TESTIMONY GIVEN TO A STANDING COMMITTEE, SUBCOMMITTEE OF A STANDING COMMITTEE, OR A STUDY COMMITTEE OF THE SENATE OR HOUSE OF REPRESENTATIVES IS ENTITLED TO THE PROTECTIONS OF THE WHISTLEBLOWER STATUTE.

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Senator FAIR spoke on the Bill.

Read the first time and referred to the Committee on Judiciary.

S. 1178 -- Senators Knotts, Ryberg, Nicholson, Bright, Malloy, Cromer, Peeler, Campbell, Bryant, Grooms, Anderson, Leatherman, Hayes, Alexander, Campsen, Verdin, Thomas, Coleman, Fair, S. Martin, L. Martin and Davis: A SENATE RESOLUTION TO RECOGNIZE AND CONGRATULATE OLIVE BRANCH BAPTIST CHURCH OF BATESBURG-LEESVILLE ON THE OCCASION OF ITS HISTORIC ONE HUNDRED THIRTIETH ANNIVERSARY, AND TO COMMEND THE CHURCH FOR MORE THAN ONE AND A QUARTER CENTURIES OF SERVICE TO THE COMMUNITY.

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The Senate Resolution was adopted.

S. 1179 -- Senator Scott: A SENATE RESOLUTION TO COMMEND MAJOR GENERAL HERBERT L. NEWTON OF THE UNITED STATES ARMY NATIONAL GUARD FOR HIS MANY YEARS OF DEDICATED MILITARY SERVICE AND TO WISH HIM MUCH HAPPINESS AND FULFILLMENT IN ALL HIS FUTURE ENDEAVORS.

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The Senate Resolution was adopted.

**REPORTS OF STANDING COMMITTEES**

Senator THOMAS from the Committee on Banking and Insurance submitted a favorable with amendment report on:

S. 1065 -- Senators Hayes, Malloy, Lourie, Thomas, Sheheen, Fair and Anderson: A BILL TO AMEND SECTION 37‑3‑501, AS AMENDED, OF THE 1976 CODE, RELATING TO THE DEFINITION OF SUPERVISED LOAN, TO PROVIDE THAT CERTAIN CLOSED‑END CREDIT TRANSACTIONS ARE NOT SUPERVISED LOANS; AND TO AMEND SECTION 37‑3‑503, RELATING TO A LICENSE TO MAKE SUPERVISED LOANS, TO PROVIDE THAT CERTAIN LICENSED DEFERRED PRESENTMENT PROVIDERS MAY NOT CONDUCT THE BUSINESS OF MAKING SUPERVISED LOANS, TO PROVIDE PENALTIES, AND TO PROVIDE NECESSARY DEFINITIONS.

Ordered for consideration tomorrow.

Senator THOMAS from the Committee on Banking and Insurance submitted a favorable with amendment report on:

S. 1073 -- Senator Thomas: A BILL TO AMEND THE CODE OF LAWS OF SOUTH CAROLINA, 1976, BY ADDING CHAPTER 18 TO TITLE 37, SO AS TO REQUIRE THOSE WHO ENGAGE IN COLLATERAL RECOVERY TO APPLY FOR LICENSURE WITH THE DEPARTMENT OF CONSUMER AFFAIRS, TO PROVIDE WHAT MUST BE INCLUDED IN AN APPLICATION, TO PROVIDE ELIGIBILITY REQUIREMENTS FOR THOSE WHO ENGAGE IN COLLATERAL RECOVERY, TO PROVIDE LICENSE FEES, TO PROVIDE FOR THE INVESTIGATION OF LICENSE APPLICANTS, TO PROVIDE FOR THE FORM, VALIDITY PERIOD, AND RENEWAL OF ISSUED LICENSES, TO PROVIDE CANCELLATION REQUIREMENTS OF ISSUED LICENSES, TO PROVIDE FOR THE TRAINING OF INTERN COLLATERAL RECOVERERS, TO PROVIDE FOR VIOLATIONS AND ASSOCIATED PENALTIES OF THE CHAPTER, TO PROVIDE FOR THE CONFIDENTIALITY OF REQUIRED INVESTIGATIONS, TO ALLOW THE DEPARTMENT ACCESS TO CERTAIN RECORDS FOR INVESTIGATIONS, TO REQUIRE THE DEPARTMENT TO MAINTAIN CERTAIN STATISTICS, TO PROVIDE INVENTORY AND TITLE REQUIREMENTS, AND TO DEFINE CERTAIN TERMS.

Ordered for consideration tomorrow.

Senator COURSON from the Committee on Education submitted a favorable with amendment report on:

H. 3179 -- Reps. Cooper, Battle, H.B. Brown, Funderburk, Hodges, T.R. Young, Vick, Hardwick, Clemmons and Hutto: A BILL TO AMEND THE CODE OF LAWS OF SOUTH CAROLINA, 1976, BY ADDING SECTION 59‑10‑400 SO AS TO ENACT THE “SOUTH CAROLINA FARM TO SCHOOL PROGRAM ACT”, TO PROVIDE FOR THE CREATION OF THE SOUTH CAROLINA FARM TO SCHOOL PROGRAM, TO PROVIDE FOR THE DUTIES OF ITS DIRECTOR, AND TO ESTABLISH A WEBSITE DEDICATED TO PROGRAM INITIATIVES.

Ordered for consideration tomorrow.

Senator COURSON from the Committee on Education submitted a majority favorable with amendment and Senator GROOMS a minority unfavorable report on:

H. 3297 -- Reps. Sellers, E.H. Pitts, Brady, Hutto and Bowers: A BILL TO AMEND SECTION 59‑10‑340, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO SNACKS SOLD FOR STUDENT CONSUMPTION IN SCHOOLS, SO AS TO PROVIDE FOR FAT, CALORIE, AND SUGAR CONTENT STANDARDS THAT SNACK FOOD AND BEVERAGES MUST MEET IN ORDER TO BE SOLD IN SCHOOLS; AND BY ADDING SECTION 59‑10‑345 SO AS TO PROVIDE THAT ELEMENTARY SCHOOLS MAY OFFER ONLY FULL MEALS FOR STUDENT CONSUMPTION, AND TO PROVIDE FOR FAT, CALORIE, AND SUGAR CONTENT STANDARDS THAT FOODS AND BEVERAGES MUST MEET IN ORDER TO BE SOLD IN SCHOOLS.

Ordered for consideration tomorrow.

Senator THOMAS from the Committee on Banking and Insurance submitted a favorable with amendment report on:

H. 3371 -- Reps. Harvin, Kennedy, Alexander, Funderburk, Gunn, Hart, McEachern, McLeod, Ott, J.E. Smith, Spires, Weeks and Bowers: A BILL TO AMEND THE CODE OF LAWS OF SOUTH CAROLINA, 1976, BY ADDING SECTION 38‑71‑243 SO AS TO REGULATE A PROVIDER OF HEALTH CARE AND THE ISSUER OF INDIVIDUAL HEALTH INSURANCE WHEN AN ISSUER NEGOTIATES RATES WITH A PROVIDER FOR COVERED HEALTH CARE SERVICES AND THEN TERMINATES OR OTHERWISE NONRENEWS THE PROVIDER’S CONTRACT.

Ordered for consideration tomorrow.

**THE SENATE PROCEEDED TO A CALL OF THE UNCONTESTED LOCAL AND STATEWIDE CALENDAR.**

H. 3365--Reps. Cooper, T.R. Young and J.R. Smith: A BILL TO ENACT THE SOUTH CAROLINA HIGHER EDUCATION EFFICIENCY AND ADMINISTRATIVE POLICIES ACT OF 2009, RELATING TO HIGHER EDUCATION, BY ADDING ARTICLE 5 TO PROVIDE FOR HUMAN RESOURCES POLICIES, PROCEDURES, AND REQUIREMENTS FOR PUBLIC INSTITUTIONS OF HIGHER LEARNING IN THIS STATE; BY ADDING SECTION 2‑47‑53 SO AS TO PROVIDE FOR THE ESTABLISHMENT OF PERMANENT IMPROVEMENT PROJECTS FOR THE STATE’S INSTITUTIONS OF HIGHER LEARNING; TO AMEND SECTION 1‑11‑65, RELATING TO APPROVAL OF REAL PROPERTY TRANSACTIONS BY THE STATE BUDGET AND CONTROL BOARD, TO EXEMPT CERTAIN REAL PROPERTY TRANSACTIONS MADE FOR OR BY THESE INSTITUTIONS OF HIGHER LEARNING; BY ADDING SECTIONS 59-147-35 AND 59-147-36 AND TO AMEND SECTION 59‑147‑30, RELATING TO THE PROCEDURES FOR THE ISSUANCE OF REVENUE BONDS, TO REVISE THESE PROCEDURES AND THE PURPOSES FOR WHICH THE BONDS MAY BE USED; BY ADDING SECTION 6‑1‑135 TO PROVIDE THAT WHEN A COUNTY, MUNICIPALITY, OR SCHOOL DISTRICT ENTERS INTO A CONTRACT WITH A VENDOR TO ACQUIRE GOODS OR SERVICES, A FOUR-YEAR OR GRADUATE LEVEL PUBLIC INSTITUTION OF HIGHER LEARNING LOCATED IN THE COUNTY, MUNICIPALITY, OR SCHOOL DISTRICT MAY BECOME A PARTY TO THE CONTRACT; BY ADDING SECTION 59-112-115 TO PROVIDE THAT Whenever the governing board of a four-year and graduate level public institution of higher learning in this State not including a technical college adopts a change to the tuition or fees imposed on students, the change only may be implemented by the institution after a publically recorded roll call vote. (ABBREVIATED TITLE)

On motion of Senator LARRY MARTIN, the Bill was carried over.

H. 3841--Reps. Owens, Cooper, Skelton, Sottile, J.M. Neal, R.L. Brown, Simrill, Battle, Govan, Barfield, Gullick, Stavrinakis, Hutto, Jefferson, Umphlett, Daning, Kirsh, Knight, Williams, Merrill, Weeks, Whipper, Mack, G.M. Smith, Lowe, Clemmons, Gilliard, Sellers, Erickson, Willis, Wylie, Mitchell, Stewart, Gunn, Vick, Harrell and J.R. Smith: A BILL TO AMEND THE CODE OF LAWS OF SOUTH CAROLINA, 1976, BY ENACTING THE “TECHNICAL COLLEGE ADMINISTRATIVE EFFICIENCIES ACT OF 2009” TO REQUIRE THE STATE BOARD FOR TECHNICAL AND COMPREHENSIVE EDUCATION TO ESTABLISH A TIERED SYSTEM FOR CATEGORIZING TECHNICAL COLLEGES; BY ADDING SECTION 2‑47‑70, TO ALLOW TECHNICAL COLLEGES TO ENTER INTO ONE OR MORE LEASE AGREEMENTS; BY ADDING SECTION 6‑1‑137 TO ALLOW TECHNICAL COLLEGES TO BE A PART OF CERTAIN CONTRACTS MADE BY COUNTIES, MUNICIPALITIES, OR SCHOOL DISTRICTS; TO AMEND SECTION 2‑47‑50, RELATING TO THE ESTABLISHMENT OF PERMANENT IMPROVEMENT PROJECTS BY THE STATE BUDGET AND CONTROL BOARD, TO PROVIDE FOR THE ESTABLISHMENT AND AUTHORIZATION OF PERMANENT IMPROVEMENT PROJECTS, AND TO PROVIDE THAT A TECHNICAL COLLEGE MAY NOT ADVERTISE AND INTERVIEW FOR PROJECT ARCHITECTURAL AND ENGINEERING SERVICES WITHOUT PRIOR APPROVAL OF THE ARCHITECTURAL AND ENGINEERING PHASE OF A PERMANENT IMPROVEMENT PROJECT; TO AMEND SECTION 2‑65‑30, RELATING TO RECEIPT AND EXPENDITURE OF UNANTICIPATED FUNDS, TO EXCLUDE TECHNICAL COLLEGES FROM STATE BUDGET AND CONTROL BOARD REVIEW OF EXPENDITURE PROPOSALS; AND TO AMEND SECTION 8‑11‑35, RELATING TO SALARY PAYMENT SCHEDULES, TO PROVIDE THAT THE STATE BOARD FOR TECHNICAL AND COMPREHENSIVE EDUCATION MAY APPROVE ALTERNATIVE SALARY PAYMENT SCHEDULES FOR TECHNICAL COLLEGE EMPLOYEES. (ABBREVIATED TITLE)

On motion of Senator SETZLER, the Bill was carried over.

**POINT OF ORDER**

S. 974 -- Senator Campsen: A BILL TO AMEND SECTION 50‑9‑20 OF THE 1976 CODE, RELATING TO THE DURATION OF HUNTING AND FISHING LICENSES, TO PROVIDE THAT ANNUAL HUNTING AND FISHING LICENSES SHALL BE VALID FOR ONE YEAR FROM THE DATE OF ISSUANCE AND TO PROVIDE THAT THREE‑YEAR HUNTING AND FISHING LICENSES SHALL BE VALID FOR THREE YEARS FROM THE DATE OF ISSUANCE; BY ADDING SECTION 50‑9‑560, TO PROVIDE THAT THE DEPARTMENT MAY ISSUE THREE‑YEAR COMBINATION LICENSES, SPORTSMAN LICENSES, JUNIOR SPORTSMAN LICENSES, BIG GAME PERMITS, AND WILDLIFE MANAGEMENT AREA PERMITS; TO AMEND SECTION 50‑9‑920, RELATING TO REVENUE FROM THE SALE OF LIFETIME LICENSES, TO ESTABLISH THE THREE‑YEAR HUNTING AND FISHING LICENSE FUND, TO PROVIDE THAT THREE‑YEAR LICENSE FEES ARE DEPOSITED IN THE FUND, TO PROVIDE THAT ONE THIRD OF THE FUND MUST BE DISTRIBUTED TO THE GAME PROTECTION FUND, TO ESTABLISH THE THREE‑YEAR WILDLIFE MANAGEMENT AREA PERMIT FUND, TO PROVIDE THAT THREE‑YEAR WILDLIFE MANAGEMENT AREA PERMIT FEES ARE DEPOSITED IN THE FUND, TO PROVIDE THAT ONE‑THIRD OF THE FUND MUST BE DISTRIBUTED TO THE WILDLIFE ENDOWMENT FUND; AND TO MAKE CONFORMING AMENDMENTS.

The Senate proceeded to a consideration of the Bill, the question being the adoption of the amendment proposed by the Committee on Fish, Game and Forestry.

Senator CAMPSEN spoke on the committee amendment.

**Point of Order**

Senator McCONNELL raised a Point of Order under Rule 39 that the Bill had not been on the desks of the members at least one day prior to second reading.

The PRESIDENT sustained the Point of Order.

**THE CALL OF THE UNCONTESTED CALENDAR HAVING BEEN COMPLETED, THE SENATE PROCEEDED TO THE MOTION PERIOD.**

**MOTION ADOPTED**

On motion of Senator LARRY MARTIN, the Senate agreed to dispense with the Motion Period.

**HAVING DISPENSED WITH THE MOTION PERIOD, THE SENATE PROCEEDED TO A CONSIDERATION OF BILLS AND RESOLUTIONS RETURNED FROM THE HOUSE.**

**CARRIED OVER**

S. 424 -- Senators Bright, S. Martin, Alexander, Campbell, Fair, Knotts, Cromer, Mulvaney, Verdin, L. Martin, Shoopman, Rose, McConnell, Thomas, Cleary, Courson, Coleman, Davis, Reese, Campsen, Grooms, Ryberg, Peeler, O’Dell, Bryant and Massey: A CONCURRENT RESOLUTION TO AFFIRM THE RIGHTS OF SOUTH CAROLINA BASED ON THE PROVISIONS OF THE NINTH AND TENTH AMENDMENTS TO THE UNITED STATES CONSTITUTION.

The House returned the Concurrent Resolution with amendments.

On motion of Senator HUTTO, the Concurrent Resolution was carried over.

**THE SENATE PROCEEDED TO THE INTERRUPTED DEBATE.**

**AMENDED, DEBATE INTERRUPTED**

S. 391 -- Senators Ryberg, McConnell, Verdin, Bryant, Cleary, Campsen, Shoopman, Campbell, Rose, Davis, Bright, S. Martin and Sheheen: A BILL TO CREATE THE WORKFORCE DEPARTMENT APPELLATE PANEL WITHIN THE DEPARTMENT OF WORKFORCE, TO TRANSFER THE WORKFORCE INVESTMENT ACT PROGRAM FROM THE DEPARTMENT OF COMMERCE TO THE DEPARTMENT OF WORKFORCE, TO CREATE THE SOUTH CAROLINA DEPARTMENT OF WORKFORCE WITHIN THE EXECUTIVE BRANCH, TO CONFORM SEVERAL CODE SECTIONS TO THE REPLACEMENT OF THE EMPLOYMENT SECURITY COMMISSION WITH THE DEPARTMENT OF WORKFORCE. (ABBREVIATED TITLE)

The Senate proceeded to a consideration of the Bill, the question being the second reading of the Bill.

**Amendment No. 1A**

Senator ROSE proposed the following Amendment No. 1A (391R035.MTR), which was adopted:

Amend the bill, as and if amended, page 44, by striking line 2 and inserting:

/ time;

(c) no claimant shall be eligible to receive benefits or waiting period credit following the completion of a temporary work assignment unless the claimant shows that he informed the temporary employment agency that provided the assignment of the assignment’s completion, has maintained on-going weekly contact with the agency after completion of the assignment, and that the agency has not provided a subsequent assignment for which the claimant’s prior training or experience shows him to be fitted or qualified. /

Renumber sections to conform.

Amend title to conform.

Senator ROSE explained the amendment.

The amendment was adopted.

**Amendment No. 4**

Senators CAMPSEN, RYBERG, McCONNELL, KNOTTS, ROSE, SETZLER and LEVENTIS proposed the following Amendment No. 4 (391R020.GEC), which was adopted:

Amend the bill, as and if amended, page 34, by striking SECTION 58 in its entirety and inserting:

/ SECTION 58. Section 41‑33‑45 of the 1976 Code is amended to read:

“Section 41‑33‑45. (A) The commission shall report, by October first of each year, to the ~~Senate Finance Committee~~ General Assembly and to the ~~House Ways and Means Committee~~ Governor the amount in the unemployment trust fund and make an assessment of its funding level.

(B)(1) The annual assessment report must contain a trend chart concerning the Unemployment Reserve Fund’s annual balance each year for at least the previous five years. The chart must compare the ending balance for each year with the minimum reserves needed to withstand an average recession and a severe recession.

(2) The annual assessment report must also contain an analysis of the cost paid to beneficiaries and cost-shifting, if any, from companies without a negative balance in their account fund to companies with a negative balance in their fund account. The analysis must be conducted with accepted actuarial principles on the basis of statistics of employment, business activity, and other relevant factors for the longest possible period. The analysis must also include recommendations for adjusting the tax structure to address inequities that arise due to cost shifting.” /

Amend the bill further, as and if amended, page 71, after line 22, by adding appropriately numbered SECTIONS to read:

/ SECTION \_\_\_. The Legislative Audit Council shall contract for three independent management audits of the department’s finance and operations. This first audit must be completed by July 1, 2011, the second audit must be completed by July 1, 2013, and the third audit must be completed by July 1, 2018. The Legislative Audit Council may contract for follow-up audits or conduct follow-up audits as needed based upon the audit’s initial findings.

At minimum, the audits required pursuant to this SECTION must:

(1) provide a detailed accounting of the revenues and expenditures from the Unemployment Insurance Trust Fund since 2000;

(2) determine the adequacy of the process for notifying state officials of the financial status of the Unemployment Insurance Trust Fund;

(3) assess alternatives for maintaining the solvency of the Unemployment Insurance Trust Fund;

(4) examine the unemployment eligibility benefit process for efficiency and compliance with law and agency policy; and

(5) evaluate the effectiveness of the Employment Security Commission’s programs for assisting claimants in returning to work.

The costs of these audits, including related administrative and management expenses of the Legislative Audit Council, are an operating expense of the department. The department shall pay directly to the Legislative Audit Council the cost of the audits. /

Renumber sections to conform.

Amend title to conform.

Senator CAMPSEN explained the amendment.

Senator LEVENTIS spoke on the amendment.

The amendment was adopted.

**Amendment No. 5C**

Senator RYBERG proposed the following Amendment No. 5C (391R041.WGR), which was adopted:

Amend the bill, as and if amended, page 27, by striking lines 10 ‑ 11 and inserting:

/ (C) As used in this section, ‘employing unit’ means ~~those entities~~ an entity employing more than twenty individuals.

(D) The department must institute the following measures to the fullest extent possible under state and federal law:

(1) increase eligibility reviews and investigations as to violations of Sections 41‑35‑110 and 41‑35‑120 and enforce appropriate disqualifications and penalties;

(2) increase investigations of violations of Chapter 41, Title 41 and enforce appropriate penalties;

(3) increase investigations of violations of Article 3, Chapter 31, Title 41 and enforce appropriate penalties;

(4) keep detailed voting and attendance records at all commission hearings and make them available to the General Assembly;

(5) keep detailed travel and expense records for commissioners and make them available to the General Assembly;

(6) continue to work with the South Carolina Budget and Control Board and Office of Research and Statistics to develop and continuously improve a customer service portal, to include increased interagency integration and data sharing, and keep the General Assembly regularly informed of its progress in upgrading its computer system through a possible multistate compact in cooperation with the federal government;

(7) report to the Chairman of the House Ways and Means Committee and the Chairman of the Senate Labor, Commerce and Industry Committee within five days of the effective date of this joint resolution as to the degree the commission can accomplish or cannot accomplish each subitem in Sections 1 and 2 of this resolution, and provide reasons why a subitem cannot be accomplished if the commission cannot do so;

(8) report to the Chairman of the House Ways and Means Committee and the Chairman of the Senate Labor, Commerce and Industry Committee on the first day of each month in Fiscal Years 2010 and 2011 on the progress of each request; and

(9) take all other actions necessary and prudent to effectively and efficiently manage the state’s unemployment benefits program.” /

Amend the bill further, as and if amended, page 73, after line 39, by adding an appropriately numbered SECTION to read:

/ SECTION \_\_. Section 41‑27‑590 of the 1976 Code is amended to read:

“Section 41‑27‑590. (A) All criminal actions for violation of any provision of Chapters 27 through 41 of this ~~Title~~ title or of any rules or regulations issued pursuant thereto shall be prosecuted by the Attorney General of the State or at his request and under his direction by the solicitor of any circuit or any prosecuting attorney in any court of competent jurisdiction in the county in which the employer has a place of business or the violator resides.

(B) The department must refer all cases of significant claimant and/or employer fraud to the Attorney General to determine whether to prosecute the offender.” /

Renumber sections to conform.

Amend title to conform.

Senator RYBERG explained the amendment.

The amendment was adopted.

On motion of Senator McCONNELL, debate was interrupted by adjournment.

**ADJOURNMENT**

At 1:35 P.M., on motion of Senator McCONNELL, the Senate adjourned to meet tomorrow at 2:00 P.M.

**Recorded Vote**

Senators BRIGHT and BRYANT desired to be recorded as voting against the motion to adjourn.

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