**Wednesday, February 15, 2012**

**(Statewide Session)**

~~Indicates Matter Stricken~~

## Indicates New Matter

The Senate assembled at 2:00 P.M., 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:

We all doubtless recall how Moses whined to God, saying:

“ ‘O Lord, please send someone else to do it.’ ”

(Exodus 4:13)

Bow in prayer with me, if you will:

Holy God, we know without a shadow of a doubt that each one of these Senators who serves You in this place is in fact that “someone else” Moses called for. Each of these leaders has been sent here to serve the good people of this State and to honor You in all that they say and do. May each Senator in this place do so... always. And in this unsettled world, O God, we also call on You not only to strengthen and guide these leaders, but also to protect and keep safe all of our women and men in uniform serving the causes of freedom in so many places. In Your loving name we pray, Lord.

Amen.

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

**MESSAGE FROM THE GOVERNOR**

Columbia, S.C., February 2, 2012

Mr. President and Members of the Senate:

Pursuant to Section 22-1-30(B), I, Nikki R. Haley, Governor of South Carolina, have not reappointed the following individual:

The Honorable Gibson O’Neal Fallaw, Aiken County Magistrate,

P. O. Box 190, Monetta, S.C. 29105, with term to expire 4/30/2011.

Respectfully submitted,

Nikki R. Haley

The message was ratified by the Senate.

**Recorded Vote**

Senator SETZLER desired to be recorded as voting against the motion to ratify the message.

**Recorded Vote**

Senators RYBERG and MASSEY desired to be recorded as voting in favor of the motion to ratify the message.

**MESSAGE FROM THE GOVERNOR**

The following appointment was transmitted by the Honorable Nikki Randhawa Haley:

**Local Appointment**

Reappointment, Spartanburg County Magistrate, with the term to commence April 30, 2011, and to expire April 30, 2015

Eber C. Gowan, Jr., Post Office Box 37, Reidville, SC 29375

**Doctor of the Day**

Senator FAIR introduced Dr. Ted Watson of Anderson, S.C., Doctor of the Day.

**Leave of Absence**

At 2:25 P.M., Senator COURSON requested a leave of absence beginning at 8:00 P.M. and lasting until 10:00 A.M. in the morning.

**Leave of Absence**

At 4:30 P.M., Senator FORD requested a leave of absence beginning at 6:00 P.M. and lasting until 10:00 A.M. in the morning.

**Leave of Absence**

At 5:50 P.M., Senator ELLIOTT requested a leave of absence until 11:00 P.M. tonight.

**Leave of Absence**

At 6:00 P.M., Senator O’DELL requested a leave of absence until 7:00 P.M. tonight.

**Leave of Absence**

At 6:00 P.M., Senator SETZLER requested a leave of absence beginning at 9:00 P.M. and lasting until 10:00 A.M. in the morning.

**Leave of Absence**

On motion of Senator LOURIE, at 6:00 P.M. Senator JACKSON was granted a leave of absence until 11:00 A.M. in the morning.

**Leave of Absence**

At 6:00 P.M., Senator LOURIE requested a leave of absence until 11:00 A.M. in the morning.

**Leave of Absence**

At 6:05 P.M., Senator McGILL requested a leave of absence until 10:00 A.M. in the morning.

**Motion Adopted**

On motion of Senator SETZLER, with unanimous consent, Senators SHOOPMAN, RANKIN, MALLOY, COLEMAN, KNOTTS and SETZLER were granted leave to attend a DPS screening and were granted leave to vote from the balcony.

**Expression of Personal Interest**

Senator McCONNELL rose for an Expression of Personal Interest regarding reapportionment.

**CO-SPONSORS ADDED**

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

S. 149 Sen. Davis

S. 171 Sen. Davis

S. 1162 Sen. Rose

**RECALLED AND READ THE SECOND TIME**

S. 1217 -- Senator Hutto: A BILL TO AMEND SECTION 7‑7‑50, AS AMENDED, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO THE DESIGNATION OF PRECINCTS IN ALLENDALE COUNTY, SO AS TO REDESIGNATE A MAP NUMBER ON WHICH THE NAMES OF THESE PRECINCTS MAY BE FOUND AND MAINTAINED BY THE DIVISION OF RESEARCH AND STATISTICS OF THE STATE BUDGET AND CONTROL BOARD, AND TO CORRECT ARCHAIC LANGUAGE.

Senator HUTTO asked unanimous consent to make a motion to recall the Bill from the Committee on Judiciary.

The Bill was recalled from the Committee on Judiciary.

Senator HUTTO asked unanimous consent to take the Bill up for immediate consideration.

There was no objection.

On motion of Senator HUTTO, with unanimous consent, the Bill was read the second time, passed and ordered to a third reading.

**INTRODUCTION OF BILLS AND RESOLUTIONS**

The following were introduced:

S. 1218 -- Senators S. Martin, Bryant, Alexander, Verdin, Bright, Shoopman, Fair, Peeler, Thomas and L. Martin: A SENATE RESOLUTION TO CONGRATULATE MR. HENRY HARRISON OF GREENVILLE ON THE OCCASION OF HIS EIGHTIETH BIRTHDAY AND TO WISH HIM CONTINUED HEALTH AND HAPPINESS.

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The Senate Resolution was adopted.

S. 1219 -- Senator Scott: A CONCURRENT RESOLUTION TO CONGRATULATE BRANDI CUMMINGS, FORMER WIS-TV REPORTER, ANCHOR, AND HOST, ON HER NEW POST AS AN ANCHOR FOR WTOC-TV IN SAVANNAH, GEORGIA, TO THANK HER FOR HER YEARS OF FINE SERVICE TO THE PEOPLE OF SOUTH CAROLINA, AND TO WISH HER THE BEST IN ALL HER FUTURE ENDEAVORS.

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The Concurrent Resolution was adopted, ordered sent to the House.

S. 1220 -- Senators Campbell and Hayes: A BILL TO AMEND SECTION 48-2-50, AS AMENDED, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO FEES IMPOSED BY THE DEPARTMENT OF HEALTH AND ENVIRONMENTAL CONTROL FOR CERTAIN ENVIRONMENTAL PROGRAMS, INCLUDING THE SURFACE WATER WITHDRAWAL PROGRAM, WHICH ARE DEPOSITED INTO THE ENVIRONMENTAL PROTECTION FUND FOR ADMINISTRATION OF THESE PROGRAMS, SO AS TO ENUMERATE THE FEES FOR SURFACE WATER WITHDRAWAL APPLICATIONS AND PERMITS THAT WOULD OTHERWISE HAVE BEEN REPEALED JANUARY 1, 2013; BY ADDING SECTION 49-4-175 SO AS TO REIMPOSE THE FEES THE DEPARTMENT OF HEALTH AND ENVIRONMENTAL CONTROL MAY CHARGE FOR SURFACE WATER WITHDRAWAL AND APPLICATIONS AND PERMITS AND TO PROVIDE THAT THE DEPARTMENT SHALL RETAIN THESE FEES TO IMPLEMENT AND OPERATE THE SURFACE WATER WITHDRAWAL PROGRAM; AND TO AMEND ACT 247 OF 2010, BY REPEALING PROVISIONS THAT PROSPECTIVELY REPEAL THE IMPOSITION OF SURFACE WATER WITHDRAWAL PERMIT FEES.

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Senator CAMPBELL spoke on the Bill.

Read the first time and referred to the Committee on Agriculture and Natural Resources.

S. 1221 -- Senator O'Dell: A BILL TO AMEND SECTION 29-5-90, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO THE DISSOLUTION OF A MECHANIC’S LIEN UPON THE FAILURE OF A CERTAIN EVENT TO OCCUR WITHIN A SPECIFIC TIME PERIOD, SO AS TO ADD A BASIS FOR BEGINNING THE RUNNING OF THIS TIME PERIOD, AND TO CORRECT ARCHAIC LANGUAGE.

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Read the first time and referred to the Committee on Banking and Insurance.

S. 1222 -- Senator McConnell: A BILL TO AMEND SECTION 50-23-11, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO WATERCRAFT DEALER DEMONSTRATION NUMBERS, SO AS TO PROVIDE THAT THEY MAY BE ASSIGNED TO WATERCRAFT OPERATED FOR PURPOSES OF BUYER ADVERTISING BY OWNERS, EMPLOYEES, OR CORPORATE OFFICERS OF A DEALERSHIP.

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Read the first time and referred to the Committee on Fish, Game and Forestry.

S. 1223 -- Senator Alexander: A BILL TO AMEND SECTION 7-7-430, AS AMENDED, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO THE DESIGNATION OF PRECINCTS IN OCONEE COUNTY, SO AS TO REDESIGNATE A MAP NUMBER ON WHICH THE NAMES OF THESE PRECINCTS MAY BE FOUND AND MAINTAINED BY THE DIVISION OF RESEARCH AND STATISTICS OF THE STATE BUDGET AND CONTROL BOARD, AND TO CORRECT ARCHAIC LANGUAGE.

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

S. 1224 -- Senator Scott: A BILL TO AMEND THE CODE OF LAWS OF SOUTH CAROLINA, 1976, BY ADDING SECTION 58-1-70 SO AS TO PROVIDE A CONTRACT FOR CABLE SERVICE OR CELL PHONE SERVICE MAY NOT REQUIRE A CUSTOMER PROVIDE A CREDIT CARD NUMBER TO RECEIVE SERVICE OR IN CONNECTION WITH AN APPLICATION OR PAYMENT FOR SERVICE, MAY NOT CHARGE A TERMINATION FEE WHEN A CUSTOMER TERMINATES A SERVICE, AND MAY NOT PLACE ANY CHARGE ON A CUSTOMER'S FINAL BILL EXCEPT FOR PAYMENT OF SERVICE ACTUALLY RENDERED, AND TO PROVIDE DEFINITIONS.

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

S. 1225 -- Senator L. Martin: A BILL TO AMEND SECTION 40-59-840 OF THE 1976 CODE, RELATING TO NOTICE OF CLAIM ON A CONTRACTOR, TO PROVIDE THAT A CLAIMANT MUST SERVE WRITTEN NOTICE OF A CLAIM ON THE CONTRACTOR NO LATER THAN NINETY DAYS BEFORE EITHER FILING THE ACTION OR BEING JOINED TO, ADDED AS A CLASS MEMBER TO, OR OTHERWISE MADE A PARTY TO AN EXISTING ACTION, AND TO PROVIDE THAT THE NOTICE OF CLAIM MUST BE PROVIDED BY THE CLAIMANT INDIVIDUALLY AND MAY NOT BE PROVIDED IN A REPRESENTATIVE CAPACITY.

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Read the first time and referred to the Committee on Labor, Commerce and Industry.

S. 1226 -- Fish, Game and Forestry Committee: A JOINT RESOLUTION TO APPROVE REGULATIONS OF THE DEPARTMENT OF NATURAL RESOURCES, RELATING TO WILDLIFE MANAGEMENT AREA REGULATIONS, DESIGNATED AS REGULATION DOCUMENT NUMBER 4191, PURSUANT TO THE PROVISIONS OF ARTICLE 1, CHAPTER 23, TITLE 1 OF THE 1976 CODE.

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Read the first time and ordered placed on the Calendar without reference.

S. 1227 -- Senator Peeler: A BILL TO AMEND THE CODE OF LAWS OF SOUTH CAROLINA, 1976, BY ADDING SECTION 10-1-35 SO AS TO PROHIBIT CAMPING, SLEEPING, OR USE OF THE STATE HOUSE GROUNDS AND ALL BUILDINGS LOCATED ON THE GROUNDS FOR LIVING ACCOMMODATIONS PURPOSES.

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

S. 1228 -- Senator Lourie: A SENATE RESOLUTION TO CONGRATULATE CLIFTON LIDDELL OF COLUMBIA ON THE OCCASION OF HIS ONE HUNDRED FOURTH BIRTHDAY AND TO WISH HIM A JOYOUS BIRTHDAY CELEBRATION AND CONTINUED HEALTH AND HAPPINESS.

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The Senate Resolution was adopted.

**REPORTS OF STANDING COMMITTEES**

Senator GROOMS from the Committee on Transportation submitted a favorable report on:

S. 710 -- Senators Knotts, O’Dell, Ford and Alexander: A BILL TO AMEND SECTION 56‑1‑140, AS AMENDED, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO THE ISSUANCE AND CONTENTS OF A SOUTH CAROLINA DRIVER’S LICENSE, SO AS TO, UPON THE LICENSEE’S REQUEST AND PROOF OF ELIGIBILITY, INCLUDE A VETERAN STATUS DESIGNATION ON THE DRIVER’S LICENSE; AND TO AMEND SECTION 56‑1‑3350, AS AMENDED, RELATING TO THE ISSUANCE OF SPECIAL IDENTIFICATION CARDS, SO AS TO, UPON THE CARD HOLDER’S REQUEST AND PROOF OF ELIGIBILITY, INCLUDE A VETERAN STATUS DESIGNATION ON THE SPECIAL IDENTIFICATION CARD.

Ordered for consideration tomorrow.

Senator GROOMS from the Committee on Transportation submitted a favorable report on:

S. 922 -- Senators Campbell and Grooms: A BILL TO AMEND THE CODE OF LAWS OF SOUTH CAROLINA, 1976, BY ADDING SECTION 56‑1‑222 SO AS TO ALLOW CERTAIN PERSONS WHO WEAR BIOPTIC TELESCOPIC LENSES FOR VISION ASSISTANCE TO OBTAIN A DRIVER’S LICENSE.

Ordered for consideration tomorrow.

Senator CROMER from the Committee on Fish, Game and Forestry submitted a favorable report on:

S. 1020 -- Senator Cromer: A BILL TO AMEND SECTION 50‑11‑355, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO UNLAWFUL DEER HUNTING NEAR A RESIDENCE, SO AS TO PROVIDE THAT IT IS UNLAWFUL TO HUNT DEER WITH FIREARMS NEAR A RESIDENCE WITHOUT THE PERMISSION OF THE OWNER AND OCCUPANT.

Ordered for consideration tomorrow.

Senator GROOMS from the Committee on Transportation submitted a favorable report on:

S. 1094 -- Senator Land: A CONCURRENT RESOLUTION TO REQUEST THAT THE DEPARTMENT OF TRANSPORTATION NAME THE PORTION OF STATE ROAD S‑14‑187 IN CLARENDON COUNTY FROM ITS INTERSECTION WITH BARRINEAU ROAD TO NEW TOWN ROAD “SERGEANT WALTER KENNETH FLOYD MEMORIAL HIGHWAY” AND ERECT APPROPRIATE MARKERS OR SIGNS ALONG THIS HIGHWAY THAT CONTAIN THE WORDS “SERGEANT WALTER KENNETH FLOYD MEMORIAL HIGHWAY”.

Ordered for consideration tomorrow.

Senator KNOTTS from the Committee on Invitations polled out S. 1191 favorable:

S. 1191 -- Senator Peeler: A CONCURRENT RESOLUTION TO DECLARE FEBRUARY 17, 2012, AS AN ANNUAL DAY OF COMMEMORATION IN THE STATE OF SOUTH CAROLINA TO REMEMBER THE BURNING OF COLUMBIA BY UNION GENERAL WILLIAM T. SHERMAN.

**Poll of the Invitations Committee**

**Polled 11; Ayes 11; Nays 0; Not Voting 0**

**AYES**

Alexander Campsen Cromer

Elliott Ford Knotts

Malloy McGill O’Dell

Reese Verdin

**Total--11**

**NAYS**

**Total--0**

Ordered for consideration tomorrow.

Senator GROOMS from the Committee on Transportation submitted a favorable report on:

H. 3254 -- Rep. Daning: A BILL TO AMEND SECTION 57‑23‑815, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO ROADSIDE VEGETATION MANAGEMENT AT EXIT 199 ALONG INTERSTATE HIGHWAY 26 IN BERKELEY COUNTY, SO AS TO PROVIDE THAT BOTH THE DEPARTMENT OF TRANSPORTATION AND THE TOWN OF SUMMERVILLE MAY MOW BEYOND THIRTY FEET FROM THE PAVEMENT ROADSIDE VEGETATION ADJACENT TO INTERSTATE 26 AT THIS LOCATION.

Ordered for consideration tomorrow.

Senator GROOMS from the Committee on Transportation submitted a favorable report on:

H. 4308 -- Rep. Daning: A CONCURRENT RESOLUTION TO REQUEST THAT THE DEPARTMENT OF TRANSPORTATION NAME THE INTERSECTION LOCATED AT THE JUNCTION OF UNITED STATES HIGHWAY 17A AND THE SANGAREE PARKWAY IN BERKELEY COUNTY “LANCE CORPORAL TODD ALVIN BENJAMIN INTERSECTION” AND ERECT APPROPRIATE MARKERS OR SIGNS AT THIS INTERSECTION THAT CONTAIN THE WORDS “LANCE CORPORAL TODD ALVIN BENJAMIN INTERSECTION”.

Ordered for consideration tomorrow.

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

**ORDERED ENROLLED FOR RATIFICATION**

The following Bill was read the third time and, having received three readings in both Houses, it was ordered that the title be changed to that of an Act and enrolled for Ratification:

H. 4434 -- Reps. White, Gambrell and Thayer: A BILL TO AMEND ACT 794 OF 1966, AS AMENDED, RELATING TO THE PENDLETON DISTRICT HISTORICAL AND RECREATIONAL COMMISSION OF ANDERSON, OCONEE, AND PICKENS COUNTIES, SO AS TO PROVIDE THAT EFFECTIVE MARCH 1, 2012, THE NAME OF THE PENDLETON DISTRICT AGRICULTURAL MUSEUM MUST BE THE “BART GARRISON AGRICULTURAL MUSEUM OF SOUTH CAROLINA”.

**THIRD READING BILL**

The following Bill was read the third time and ordered sent to the House of Representatives:

S. 833 -- Senators Jackson, Courson, Lourie, Knotts, Anderson, Sheheen, Scott, Hayes, Ford, Nicholson, Leventis, Rose, Malloy and Setzler: A BILL TO AMEND SECTION 59‑112‑50, AS AMENDED, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO TUITION RATES FOR MILITARY PERSONNEL AND THEIR DEPENDENTS, SO AS TO PROVIDE THAT ACTIVE DUTY MILITARY PERSONNEL MAY BE CHARGED LESS THAN THE UNDERGRADUATE TUITION RATE FOR SOUTH CAROLINA RESIDENTS FOR CERTAIN COURSES.

**COMMITTED TO COMMITTEE ON EDUCATION**

S. 1199 -- Education Committee: A JOINT RESOLUTION TO APPROVE REGULATIONS OF THE STATE BOARD OF EDUCATION, RELATING TO ADULT EDUCATION PROGRAM, DESIGNATED AS REGULATION DOCUMENT NUMBER 4199, PURSUANT TO THE PROVISIONS OF ARTICLE 1, CHAPTER 23, TITLE 1 OF THE 1976 CODE.

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

Senator McCONNELL spoke on the Joint Resolution.

Senator COURSON asked unanimous consent to commit the Joint Resolution to the Committee on Education.

There was no objection.

The Joint Resolution was ordered committed to the Committee on Education.

**CARRIED OVER**

S. 1031 -- Senators Lourie, L. Martin, Elliott, Setzler and Alexander: A BILL TO AMEND SECTION 56‑5‑5660(E)(1) OF THE 1976 CODE, RELATING TO THE APPLICATION FOR AND ISSUANCE OF DISPOSAL AUTHORITY CERTIFICATES, TO INCREASE THE AGE OF A VEHICLE THAT MAY BE DISPOSED OF BY A DEMOLISHER WITHOUT A CERTIFICATE OF TITLE OR OTHER NOTICE REQUIREMENTS FROM EIGHT TO FIFTEEN YEARS; TO AMEND SECTION 56‑5‑5670(A), RELATING TO DUTIES OF DEMOLISHERS PRIOR TO DEMOLISHING A VEHICLE ABANDONED ON A HIGHWAY, TO ESTABLISH A FIFTEEN DAY WAITING PERIOD BEFORE A DEMOLISHER MAY WRECK, DISMANTLE, OR DEMOLISH A VEHICLE UNLESS THE DEMOLISHER IS PROVIDED WITH A CERTIFICATE OF TITLE, AN AUCTION SALES RECEIPT, A DISPOSAL AUTHORITY CERTIFICATE, OR AN AFFIDAVIT OF PROOF OF LAWFUL POSSESSION; TO AMEND SECTION 56‑5‑5670(D), RELATING TO PENALTIES FOR DEMOLISHERS THAT BREACH DUTIES ESTABLISHED IN THIS SECTION, TO INCREASE PENALTIES FOR VIOLATIONS OF SECTION 56‑5‑5670; TO AMEND ARTICLE 39, CHAPTER 5, TITLE 56, RELATING TO THE DISPOSITION OF ABANDONED MOTOR VEHICLES ON HIGHWAYS, BY ADDING SECTION 56‑5‑5680 TO PROVIDE FOR AN AFFIDAVIT OF LAWFUL POSSESSION THAT A DEMOLISHER MAY ACCEPT IN LIEU OF A CERTIFICATE OF TITLE, AN AUCTION SALES RECEIPT, OR A DISPOSAL AUTHORITY CERTIFICATE, TO PROVIDE FOR THE CONTENTS OF THE AFFIDAVIT, TO PROVIDE THAT IT IS A FELONY TO KNOWINGLY PROVIDE FALSE INFORMATION IN THE AFFIDAVIT, TO REQUIRE A DEMOLISHER ACCEPTING AN AFFIDAVIT TO TRANSMIT THE INFORMATION CONTAINED IN THE AFFIDAVIT TO THE DEPARTMENT OF MOTOR VEHICLES, TO REQUIRE THE DEPARTMENT OF MOTOR VEHICLES TO REPORT THE INFORMATION TRANSMITTED BY THE DEMOLISHER TO THE NATIONAL MOTOR VEHICLE TITLE INFORMATION SYSTEM, AND TO PRESCRIBE THE APPROPRIATE USES OF THE INFORMATION; TO AMEND SECTION 56‑5‑5945, RELATING TO DUTIES OF DEMOLISHERS PRIOR TO DEMOLISHING AN ABANDONED OR DERELICT MOTOR VEHICLE FOUND ON PRIVATE PROPERTY, TO ESTABLISH A FIFTEEN DAY WAITING PERIOD BEFORE A DEMOLISHER MAY WRECK, DISMANTLE, OR DEMOLISH AN ABANDONED VEHICLE UNLESS THE DEMOLISHER IS PROVIDED WITH A CERTIFICATE OF TITLE, A SALES RECEIPT ISSUED PURSUANT TO SECTION 56‑5‑5850, OR AN AFFIDAVIT OF PROOF OF LAWFUL POSSESSION, AND TO INCREASE PENALTIES FOR VIOLATIONS OF SECTION 56‑5‑5945; AND TO REQUIRE THE DEPARTMENT OF MOTOR VEHICLES TO ESTABLISH A MECHANISM FOR THE ELECTRONIC TRANSMISSION OF THE INFORMATION REQUIRED UNDER THIS ACT AT NO CHARGE TO THE DEMOLISHER SUBMITTING THE INFORMATION.

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

**CARRIED OVER**

S. 1001 -- Senators L. Martin, Campsen and Rose: A BILL TO AMEND CHAPTER 17, TITLE 59 OF THE 1976 CODE, RELATING TO SCHOOL DISTRICTS, TO PROVIDE FOR THE EQUAL ACCESS TO INTERSCHOLASTIC ACTIVITIES FOR MILITARY CHILDREN ACT, BY ADDING SECTION 59‑17‑160, TO PROVIDE THAT A CHILD OF A MEMBER OF THE ARMED FORCES ATTENDING SCHOOL IN A SCHOOL DISTRICT WHO LIVES WITH A RESIDENT OF THE DISTRICT OTHER THAN THE CHILD’S PARENT IS ENTITLED TO PARTICIPATE IN ALL INTERSCHOLASTIC ACTIVITIES OFFERED BY THE CHILD’S SCHOOL.

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

**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.

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

**AMENDED, DEBATE INTERRUPTED**

H. 3066 -- Reps. G.R. Smith, Daning, Ballentine, Harrison, Allison, Hamilton, G.M. Smith, Bingham, Long, Henderson, Erickson, Horne, Willis, Weeks, McLeod, Pope, Simrill, Lucas, Norman, D.C. Moss, Clemmons, Harrell, Atwater, Bedingfield, Funderburk and Edge: A BILL TO ENACT THE “SOUTH CAROLINA RESTRUCTURING ACT OF 2011” INCLUDING PROVISIONS TO AMEND SECTION 1‑30‑10, AS AMENDED, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO THE AGENCIES OF THE EXECUTIVE BRANCH OF STATE GOVERNMENT BY ADDING THE DEPARTMENT OF ADMINISTRATION; BY ADDING SECTION 1‑30‑125 SO AS TO ESTABLISH THE DEPARTMENT OF ADMINISTRATION AS AN AGENCY OF THE EXECUTIVE BRANCH OF STATE GOVERNMENT TO BE HEADED BY A DIRECTOR APPOINTED BY THE GOVERNOR UPON THE ADVICE AND CONSENT OF THE GENERAL ASSEMBLY, AND TO TRANSFER TO THIS NEWLY CREATED DEPARTMENT CERTAIN OFFICES AND DIVISIONS OF THE STATE BUDGET AND CONTROL BOARD, OFFICE OF THE GOVERNOR, AND OTHER AGENCIES, AND TO PROVIDE FOR TRANSITIONAL AND OTHER PROVISIONS NECESSARY TO ACCOMPLISH THE ABOVE; BY ADDING CHAPTER 2 TO TITLE 2 SO AS TO PROVIDE FOR LEGISLATIVE OVERSIGHT OF EXECUTIVE DEPARTMENTS AND THE PROCESSES AND PROCEDURES TO BE FOLLOWED IN CONNECTION WITH THIS OVERSIGHT; TO AMEND SECTIONS 1‑11‑20, AS AMENDED, 1‑11‑22, 1‑11‑55, 1‑11‑56, 1‑11‑58, 1‑11‑65, 1‑11‑67, 1‑11‑70, 1‑11‑80, 1‑11‑90, 1‑11‑100, 1‑11‑110, 1‑11‑180, 1‑11‑220, 1‑11‑225, 1‑11‑250, 1‑11‑260, 1‑11‑270, 1‑11‑280, 1‑11‑290, 1‑11‑300, 1‑11‑310, AS AMENDED, 1‑11‑315, 1‑11‑320, 1‑11‑335, 1‑11‑340, 1‑11‑435, 2‑13‑240, CHAPTER 9, TITLE 3; 10‑1‑10, 10‑1‑30, AS AMENDED, 10‑1‑40, 10‑1‑130, 10‑1‑190, CHAPTER 9, TITLE 10, 10‑11‑50, AS AMENDED, 10‑11‑90, 10‑11‑110, 10‑11‑140, 10‑11‑330; 11‑9‑610, 11‑9‑620, 11‑9‑630, 11‑35‑3810, AS AMENDED, 11‑35‑3820, AS AMENDED, 11‑35‑3830, AS AMENDED, 11‑35‑3840, AS AMENDED, 13‑7‑30, AS AMENDED, 13‑7‑830, AS AMENDED, 44‑53‑530, AS AMENDED, AND 44‑96‑140; 48‑46‑30, 48‑46‑40, 48‑46‑50, 48‑46‑60, 48‑46‑90, 48‑52‑410, 48‑52‑440, AND 48‑52‑460; AND BY ADDING SECTION 1‑11‑185 RELATING TO VARIOUS AGENCY OR DEPARTMENT PROVISIONS SO AS TO CONFORM THEM TO THE ABOVE PROVISIONS PERTAINING TO THE NEW DEPARTMENT OF ADMINISTRATION OR TO SUPPLEMENT SUCH PROVISIONS.

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

**Amendment No. 106**

Senator RYBERG proposed the following Amendment No. 106 (AGM\19441DG12), which was tabled:

Amend the bill, as and if amended, by adding an appropriately numbered part to read:

/ Part \_\_\_

Retirement System Investment Commission

SECTION 1.A. Section 9‑16‑315 of the 1976 Code, as added by Act 153 of 2005, is amended to read:

“Section 9‑16‑315. (A) There is established the ‘Retirement System Investment Commission’ (RSIC) consisting of six members as follows:

(1) one member appointed by the Governor;

(2) one member appointed by the State Treasurer~~, ex officio~~;

(3) one member appointed by the Comptroller General;

(4) one member appointed by the Chairman of the Senate Finance Committee;

(5) one member appointed by the Chairman of the Ways and Means Committee of the House of Representatives;

(6) one member who is a retired member of the retirement system who shall serve without voting privileges. This representative member must be appointed by unanimous vote of the voting members of the commission, and

(7) the executive director of South Carolina Public Employee Benefit Authority, ex officio, without voting privileges.

(B) ~~The State Treasurer may appoint a member to serve in his stead. A member appointed by the State Treasurer shall serve for a term coterminous with the State Treasurer and must possess at least one of the qualifications provided in subsection (E). Once appointed, this member may not be removed except as provided in subsection (C).~~ Reserved

(C) ~~Except as provided in subsection (B),~~ Members shall serve for terms of five years and until their successors are appointed and qualify, except that of those first appointed, the appointees of the Comptroller General and the Chairman of the Senate Finance Committee shall serve for terms of three years and the appointee of the Chairman of the Committee on Ways and Means and the representative appointee shall serve for terms of one year. Terms are deemed to expire after June thirtieth of the year in which the term is due to expire. Members are appointed for a term and may be removed before the term expires only by the Governor for the reasons provided in Section 1‑3‑240(C).

(D) The commission shall select one of the voting members to serve as chairman and shall select those other officers it determines necessary~~, but the State Treasurer, may not serve as chairman~~.

(E) A person may not be appointed to the commission unless the person possesses at least one of the following qualifications:

(1) the Chartered Financial Analyst credential of the CFA Institute;

(2) the Certified Financial Planner credential of the Certified Financial Planner Board of Standards;

(3) ~~at least ten years professional securities broker experience;~~ reserved

(4) at least ~~ten~~ twenty years professional actuarial experience including at least ten as an Enrolled Actuary licensed by a Joint Board of the Department of the Treasury and the Department of Labor to perform a variety of actuarial tasks required of pension plans in the United States by the Employee Retirement Income Security Act of 1974;

(5) at least ~~ten~~ twenty years professional teaching experience in economics or finance, ten of which must have occurred at a doctorate‑granting university, master’s granting college or university, or a baccalaureate college as classified by the Carnegie Foundation; ~~or~~

(6) an earned Ph.D. in economics or finance from a doctorate‑granting institution as classified by the Carnegie Foundation; or

(7) the Certified Internal Auditor credential of The Institute of Internal Auditors.

(F) ~~Not including the State Treasurer,~~ No person may be appointed or continue to serve who is an elected or appointed officer or employee of the State or any of its political subdivisions, including school districts.

(G) The Retirement System Investment Commission is established to invest the funds of the retirement system. All of the powers and duties of the State Budget and Control Board as investor in equity securities and the State Treasurer’s function of investing in fixed income instruments are transferred to and devolved upon the Retirement System Investment Commission. To assist the commission in its investment function, it shall employ a chief investment officer, who under the direction and supervision of the commission, and as its agent, shall develop and maintain annual investment plans and invest and oversee the investment of retirement system funds. The chief investment officer serves at the pleasure of the commission and must receive the compensation the commission determines appropriate. The commission may employ the other professional, administrative, and clerical personnel it determines necessary and fix their compensation. All employees of the commission are employees at will. The compensation of the chief investment officer and other employees of the commission is not subject to the state compensation plan.

(H)(1) The administrative costs of the Retirement System Investment Commission must be paid from the earnings of the state retirement system in the manner provided in Section 9‑1‑1310.

(2) Effective beginning July 1, 2012, each commission member, not including the executive director of the South Carolina Public Employee Benefit Authority, must receive an annual salary of twenty thousand dollars plus mileage and subsistence as provided by law for members of state boards, committees, and commissions paid as provided pursuant to item (1) of this subsection. Notwithstanding any other provision of law, membership on the commission does not make a member eligible to participate in a retirement system administered pursuant to this title and does not make a member eligible to participate in the employee insurance program administered pursuant to Article 5, Chapter 11, Title 1. Compensation paid on account of the member’s service on the commission is not considered earnable compensation for purposes of any retirement system administered pursuant to this title.”

B. Article 3, Chapter 16, Title 9 of the 1976 Code is amended by adding:

“Section 9‑16‑380. Each year in the general appropriations act, the General Assembly shall appropriate sufficient funds to the Office of the State Inspector General to employ a private audit firm to perform a fiduciary audit on the Retirement System Investment Commission. The audit firm must be selected by the State Inspector General. The report from the previous fiscal year must be completed by January fifteenth. Upon completion, the report must be submitted to the Governor, the President Pro Tempore of the Senate, the Speaker of the House of Representatives, the Chairman of the Senate Finance Committee, and the Chairman of the House Ways and Means Committee.”

C. Notwithstanding the provision of Section 9‑16‑315(E) as amended in this SECTION, appointed members of Retirement System Investment Commission serving on June 30, 2012, shall continue to serve for the remainder of their current and any succeeding terms, after which their successors must have a qualification described in Section 9‑16‑315(E) as amended by this SECTION. /

Amend the bill further, as and if amended, by adding appropriately numbered SECTIONS to Subpart 2 of the unnumbered Part, as added by the amendment bearing document number BBM\10551HTC12:

/ SECTION \_\_\_. Section 1‑11‑705(G)(1) of the 1976 Code, as added by Act 195 of 2008, is amended to read:

“(1) The funds of the SCRHI Trust Fund must be invested and reinvested by the ~~State Treasurer~~ Retirement System Investment Commission in the manner allowed and restricted by law for the investing of state funds as such funds are invested and reinvested by the State Treasurer. The ~~State Treasurer~~ chief investment officer shall consult with the employee insurance program and the employee insurance program’s actuary to develop an annual investment plan for the SCRHI Trust Fund taking into account the cash flow needs of the employee insurance program with regard to payment of the employer share of premiums and claims for covered retirees.”

SECTION \_\_\_. Section 1‑11‑707(G)(1) of the 1976 Code, as added by Act 195 of 2008, is amended to read:

“(1) The funds of the LTDI Trust Fund must be invested and reinvested by the ~~State Treasurer~~ Retirement System Investment Commission in the manner allowed and restricted by law for the investing of state funds as such funds are invested and reinvested by the State Treasurer. The ~~State Treasurer~~ chief investment officer shall consult with the employee insurance program and the employee insurance program’s actuary to develop an annual investment plan for the LTDI Trust Fund taking into account the cash flow needs of the employee insurance program with regard to payment of the employer share of premiums and claims for covered retirees.” /

Renumber sections to conform.

Amend title to conform.

Senator LEATHERMAN spoke on the amendment.

Senator RYBERG explained the amendment.

Senator LEVENTIS spoke on the amendment.

Senator ROSE spoke on the amendment.

Senator THOMAS spoke on the amendment.

Senator KNOTTS spoke on the amendment.

**Remarks by Senator KNOTTS**

I am not going to be very long -- just a few other questions.

This Treasurer is from Lexington County, and he won every Senate district in this State, including mine. And the people of this State know more about choosing who is qualified, because he was on the campaign trail just like us. They know who is qualified, and who is not. And, I cannot let this body sit back and not know what this treasurer does. And, it is my retirement system, and it is your retirement system, and it is the people of this State’s retirement system.

I have just got a few questions that I am going to pose to your answers. Do you know that the NEPC is paid $585, 000 per year in part to provide these independent peer ranking reports? It is something that you need to think about. Do you know that RSIC recently went before the House Ways and Means Budget Committee to make their budget request? And, did you know that the RSIC stated

in the previous figures of the fiscal year that its performance was in the top third among its peers? And this Treasurer, you all say, doesn’t need to be on this board.

I don’t know how you can go home and tell your constituents, after I presented these questions to you and this information, why you don’t think their watchdog ought not to be watching after their money when he is doing a good job. And I tell you, I know that some people want to play with my money and use it in the stock market like a rich man poker machine, but I think that the little man -- the difference like I said earlier between our treasurer being on that board is that he is not going to let those rich people play with our money and either lose it or take a chance on it, without it being a good chance that we are going to get our money.

Now let’s be real people. He is qualified. He has done a good job. Let’s don’t play politics and try to take him off solely because of the fact that you want to play politics. He won all 46 counties and a million votes -- more than any official has ever, ever won -- any of them -- Democrat, Republican, Independent, whatever. A million votes -- most people don’t get a million dollars to run, let alone, a million votes to win. Why? Because, the people of this State trust this man. They know his qualifications, because he exposed them on the trail.

And, he walks the walk that he talks because he comes to work every day over there. We see him. And, he’s got the people’s money at heart, and I don’t think that we want to change it.

Thank you.

On motion of Senator SHANE MARTIN, with unanimous consent, the remarks of Senator KNOTTS were ordered printed in the Journal.

Senator LEVENTIS moved to lay the amendment on the table.

The "ayes" and "nays" were demanded and taken, resulting as follows:

**Ayes 34; Nays 10**

**AYES**

Bright Campbell Campsen

Cleary Courson Cromer

Davis Elliott Fair

Ford Grooms Hayes

Jackson Knotts Land

Leventis Lourie Malloy

*Martin, Larry Martin, Shane* Matthews

McConnell McGill Nicholson

O'Dell Peeler Reese

Rose Scott Setzler

Sheheen Shoopman Thomas

Williams

**Total--34**

**NAYS**

Alexander Bryant Coleman

Gregory Hutto Leatherman

Massey Rankin Ryberg

Verdin

**Total--10**

The amendment was laid on the table.

**Amendment No. 107**

Senators CAMPBELL and LARRY MARTIN proposed the following Amendment No. 107 (3066R090.PGC), which was adopted:

Amend the bill, as and if amended, page 3, by inserting after line 12:

/ (6) the Division of State Information Technology, including the Data Center, Telecommunications and Information Technology Services, the South Carolina Enterprise Information System, and the Information Technology Management Office. /

Amend the bill further, as and if amended, page 4, by striking lines 36-43 and inserting:

/ (J) Effective January 1, 2013, the Materials Management Office and the Office of State Engineer are transferred to and incorporated into the Procurement Oversight Board from the Budget and Control Board. /

Amend the bill further, as and if amended, page 9, by inserting after line 35:

/ (19) the Division of State Information Technology, including the Data Center, Telecommunications and Information Technology Services, the South Carolina Enterprise Information System, and the Information Technology Management Office. /

Amend the bill further, as and if amended by striking SECTION 47.

Renumber sections to conform.

Amend title to conform.

Senator CAMPBELL explained the amendment.

Senator LEATHERMAN spoke on the amendment.

Senator LARRY MARTIN spoke on the amendment.

Senator McCONNELL spoke on the amendment.

Senator LEATHERMAN moved to lay the amendment on the table.

The "ayes" and "nays" were demanded and taken, resulting as follows:

**Ayes 19; Nays 25**

**AYES**

Coleman Elliott Ford

Hutto Jackson Knotts

Land Leatherman Leventis

Lourie Malloy Matthews

McConnell McGill Nicholson

O'Dell Reese Scott

Williams

**Total--19**

**NAYS**

Alexander Bright Bryant

Campbell Campsen Cleary

Courson Cromer Davis

Fair Gregory Grooms

Hayes *Martin, Larry Martin, Shane*

Massey Peeler Rankin

Rose Ryberg Setzler

Sheheen Shoopman Thomas

Verdin

**Total--25**

The Senate refused to table the amendment. The question then was the adoption of the amendment.

At 5:46 P.M., Senator COLEMAN moved that the Senate stand adjourned.

The "ayes" and "nays" were demanded and taken, resulting as follows:

**Ayes 18; Nays 26**

**AYES**

Coleman Elliott Ford

Hutto Jackson Land

Leatherman Leventis Lourie

Malloy Matthews McConnell

McGill Nicholson Reese

Scott Setzler Sheheen

**Total--18**

**NAYS**

Alexander Bright Bryant

Campbell Campsen Cleary

Courson Cromer Davis

Fair Gregory Grooms

Hayes Knotts *Martin, Larry*

*Martin, Shane* Massey O'Dell

Peeler Rankin Rose

Ryberg Shoopman Thomas

Verdin Williams

**Total--26**

The Senate refused to adjourn.

**Statement by Senators McCONNELL and LEATHERMAN**

We voted to adjourn because the hour is late and some members have left. We have handled some major amendments and made progress on the Bill. There is no stall underway. To move forward is to risk creating a stall. Also, with members gone and the hour late, this is no way to make good policy.

**Expression of Personal Interest**

Senator FORD rose for an Expression of Personal Interest.

The question then was the adoption of Amendment No. 107.

Senator MALLOY spoke on the amendment.

**ACTING PRESIDENT PRESIDES**

At 6:08 P.M., Senator LARRY MARTIN assumed the Chair.

Senator MALLOY resumed speaking on the amendment.

Senator SHEHEEN spoke on the amendment.

The "ayes" and "nays" were demanded and taken, resulting as follows:

**Ayes 25; Nays 9**

**AYES**

Alexander Bright Bryant

Campbell Campsen Cleary

Courson Cromer Davis

Fair Gregory Grooms

Hayes Knotts *Martin, Larry*

*Martin, Shane* Massey Peeler

Rankin Rose Ryberg

Setzler Shoopman Thomas

Verdin

**Total--25**

**NAYS**

Ford Leatherman Lourie

Malloy McConnell Reese

Scott Sheheen Williams

**Total--9**

The amendment was adopted.

**Statement by Senators McCONNELL and LEATHERMAN**

We voted against Amendment No. 117 because it puts all computers and purchases under the control of one set of eyes. This is bad and will lead possibly to favoritism in how contracts are written. Small businesses run the risk of being frozen out by a flawed system where political favors will bring specifications for bids which exclude competitors. The best system is one which has multiple checks - not one of sole control. The taxpayers’ money should be protected on the front end instead of looking for one to blame on the back end after it is wasted. This amendment does not reduce the size of government. Instead, it rearranges the deck chairs.

At 6:26 P.M., Senator SCOTT moved that the Senate stand adjourned.

The "ayes" and "nays" were demanded and taken, resulting as follows:

**Ayes 6; Nays 25**

**AYES**

Ford Malloy McConnell

Scott Setzler Sheheen

**Total--6**

**NAYS**

Alexander Bright Bryant

Campbell Campsen Cleary

Courson Cromer Davis

Fair Gregory Grooms

Hayes *Martin, Larry Martin, Shane*

Massey Peeler Rankin

Reese Rose Ryberg

Shoopman Thomas Verdin

Williams

**Total--25**

The Senate refused to adjourn.

**Statement by Senators McCONNELL and LEATHERMAN**

The hour is late and bad decisions are made when members are gone and the body is tired. We believe with no stall, it is better to start again tomorrow. There still are over 15 amendments on the desk.

**PRESIDENT PRESIDES**

At 6:26 P.M., the PRESIDENT assumed the Chair.

**Objection**

Senator PEELER asked unanimous consent to make a motion that Amendment No. 121 be taken up for immediate consideration.

Senator MALLOY objected.

**Amendment No. 117**

Senator LARRY MARTIN proposed the following Amendment No. 117 (3066R101.LAM), which was adopted:

Amend the bill, as and if amended, page 97, by striking lines 18 - 41 and inserting:

/ Section 2-47-70. (A) To ensure the integrity and the effectiveness of the procurement process, the Joint Bond Review Committee shall receive a monthly report from the Department of Administration and the Procurement Oversight Board identifying each contract newly executed, against which the appropriate agency expects that at least five million dollars will be expended over the life of the agreement, inclusive of any available extensions or renewals. The department’s monthly report must also provide notice of any renewals or extensions approved for such contracts during the relevant period.

(B) Each governmental body, as defined in Section 11‑35‑310, shall, by the fifteenth day of each month, furnish the department and the board with records they shall require in order to satisfy the reporting requirements established in this section. The monthly reports must provide information on contracts executed, extended, or renewed during the period concluding one month prior to the date on which the report is transmitted to the Joint Bond Review Committee.

(C) The Joint Bond Review Committee may also, when deemed necessary, refer matters to the Legislative Audit Council or other appropriate investigative or prosecutorial entities for further review. Whenever the Joint Bond Review Committee identifies deficiencies in procurement policies or procedures, the committee shall notify and make recommendations to the Department of Administration and the Procurement Oversight Board. /

Renumber sections to conform.

Amend title to conform.

Senator LARRY MARTIN explained the amendment.

The "ayes" and "nays" were demanded and taken, resulting as follows:

**Ayes 32; Nays 0**

**AYES**

Alexander Bright Bryant

Campbell Campsen Cleary

Courson Cromer Davis

Fair Gregory Grooms

Hayes Knotts Leatherman

Malloy *Martin, Larry Martin, Shane*

Massey McConnell Peeler

Rankin Reese Rose

Ryberg Scott Setzler

Sheheen Shoopman Thomas

Verdin Williams

**Total--32**

**NAYS**

**Total--0**

The amendment was adopted.

**Expression of Personal Interest**

Senator PEELER rose for an Expression of Personal Interest.

**Amendment No. 118**

Senator LARRY MARTIN proposed the following Amendment No. 118 (3066R105.LAM), which was adopted:

Amend the bill, as and if amended, page 10, by striking line 5 and inserting:

/ performing a service or function.

(K) No later than June 30, 2013, the Department of Administration and the Procurement Oversight Board shall jointly undertake a strategic sourcing initiative through which they must analyze the state’s current spending on various categories of goods and services, identify the greatest opportunities to leverage the state’s purchasing power, and prioritize the state’s subsequent efforts to maximize achievable savings.

(L) No later than December 31, 2013, the Department of Administration and the Procurement Oversight Board shall jointly submit a report to the Governor, the President Pro Tempore of the Senate, and the Speaker of the House of Representatives to recommend changes to statutes, policies, and procedures governing state procurement activities. The recommendations shall be formulated in order to reduce costs, accelerate processing times, and improve services provided to state agencies and their business partners.” /

Renumber sections to conform.

Amend title to conform.

Senator LARRY MARTIN explained the amendment.

Senator MALLOY moved to lay the amendment on the table.

The "ayes" and "nays" were demanded and taken, resulting as follows:

**Ayes 0; Nays 31**

**AYES**

**Total--0**

**NAYS**

Alexander Bright Bryant

Campbell Campsen Cleary

Courson Cromer Davis

Fair Gregory Grooms

Hayes Knotts Leatherman

*Martin, Larry Martin, Shane* Massey

McConnell Peeler Rankin

Reese Rose Ryberg

Scott Setzler Sheheen

Shoopman Thomas Verdin

Williams

**Total--31**

The Senate refused to table the amendment. The question then was the adoption of the amendment.

The amendment was adopted.

**Amendment No. 119A Carried Over**

Amendment No. 119A was taken up for immediate consideration.

Senator MALLOY moved to carry over the amendment.

Amendment No. 119A was carried over.

**Amendment No. 120 Carried Over and Substituted with Amendment No. 120A**

Amendment No. 120 was taken up for immediate consideration.

Senator CAMPSEN moved to carry over the amendment.

The "ayes" and "nays" were demanded and taken, resulting as follows:

**Ayes 27; Nays 0**

**AYES**

Alexander Bright Bryant

Campbell Campsen Courson

Cromer Davis Fair

Gregory Grooms Hayes

Malloy *Martin, Larry Martin, Shane*

Massey McConnell Peeler

Rankin Reese Rose

Setzler Sheheen Shoopman

Thomas Verdin Williams

**Total--27**

**NAYS**

**Total--0**

Amendment No. 120 was carried over and subsequently substituted with Amendment No. 120A.

**Amendment No. 120A**

Senator CAMPSEN proposed the following Amendment No. 120A (SWB\5143AB12), which was adopted:

Amend the bill, as and if amended, Section 9‑4‑10(C)(1)(e), as contained in SECTION 49, lines 24 through 28 on page 105, by deleting Section 9‑4‑10(C)(1)(e) on lines 24 through 28 and inserting:

/ (e) at least twelve years membership in the South Carolina Bar and extensive experience in one or more of the following areas of law:

(i) taxation;

(ii) insurance;

(iii) healthcare;

(iv) securities;

(v) corporate;

(vi) finance; or

(vii) the Employment Retirement Income Security Act (ERISA) /

Renumber sections to conform.

Amend title to conform.

Senator CAMPSEN explained the amendment.

The amendment was adopted.

**Amendment No. 121A**

Senator MASSEY proposed the following Amendment No. 121A (3066R112.ASM), which was adopted:

Amend the bill, as and if amended, page 103, by striking lines 4 - 17 and inserting:

/ “Section 11‑35‑310. (A) There is hereby established the Procurement Oversight Board to be comprised of three members appointed to four‑year terms with one member each appointed by the Governor, the Comptroller General, and the State Treasurer. A board member may only be removed by his appointing official for malfeasance, misfeasance, incompetency, absenteeism, conflicts of interest, misconduct, persistent neglect of duty in office, or incapacity, in writing with a copy published in a conspicuous location on the board’s internet website. The board shall elect one /

Renumber sections to conform.

Amend title to conform.

Senator MASSEY explained the amendment.

The amendment was adopted.

**Amendment No. 122**

Senator DAVIS proposed the following Amendment No. 122 (3066R111.TD), which was ruled out of order:

Amend the bill, as and if amended, by striking SECTION 6 in its entirety and inserting:

/ SECTION 6. Section 11‑9‑890(B) of the 1976 Code is amended to read:

“(B)(1) If at the end of the first, second, or third quarter of any fiscal year quarterly revenue collections are ~~two~~ one-tenth of one percent or more below the amount projected for that quarter by the Board of Economic Advisors, the ~~State Budget and Control Board~~ General Assembly, within ~~seven days of that determination~~ twenty days of convening pursuant to this section, shall take action to avoid a year‑end deficit. Upon the determination that revenue collections are one-tenth of one percent or more below the amount projected, each house of the General Assembly shall convene in statewide session at twelve noon on the first Tuesday following the determination of the deficit to take action to avoid a year‑end deficit. ~~Notwithstanding Section 1‑11‑495, if the State Budget and Control Board does not take unanimous action within seven days, the Director of the Office of State Budget must reduce general fund appropriations by the requisite amount in the manner prescribed by law. Upon making the reduction, the Director of the Office of State Budget immediately must notify the State Treasurer and the Comptroller General of the reduction, and upon notification, the appropriations are considered reduced. No agencies, departments, institutions, activity, program, item, special appropriation, or allocation for which the General Assembly has provided funding in any part of this section may be discontinued, deleted, or deferred by the Director of the Office of State Budget. A reduction of rate of expenditure by the Director of the Office of State Budget, under authority of this section, must be applied as uniformly as shall be practicable, except that no reduction must be applied to funds encumbered by a written contract with the agency, department, or institution not connected with state government.~~

(2) If at the end of the first, second, or third quarter of any fiscal year quarterly revenue collections are less than one-tenth of one percent or more below the amount projected for that quarter by the Board of Economic Advisors, the Director of the Office of State Budget must reduce general fund appropriations by the requisite amount in the manner prescribed by law. Upon making the reduction, the Director of the Office of State Budget immediately must notify the State Treasurer and the Comptroller General of the reduction, and upon notification, the appropriations are considered reduced. No agencies, departments, institutions, activity, program, item, special appropriation, or allocation for which the General Assembly has provided funding in any part of this section may be discontinued, deleted, or deferred by the Director of the Office of State Budget. A reduction of rate of expenditure by the Director of the Office of State Budget, under authority of this section, must be applied as uniformly as shall be practicable, except that no reduction must be applied to funds encumbered by a written contract with the agency, department, or institution not connected with state government.” /

Amend the bill further, as and if amended, page 3, by striking line 9 and inserting:

/ Legislative Fiscal Office; and

(5) the Materials Management Office, the Office of State Engineer, and the Division of State Information Technology, including the Data Center, Telecommunications and Information Technology Services, the South Carolina Enterprise Information System, and the Information Technology Management Office. /

Amend the bill further, as and if amended, page 4, by striking lines 31 - 38 and inserting:

/ (J) Effective January 1, 2013, the office designated by Section 11-35-1230(1), related to auditing state procurements, is transferred to the Office of Inspector General from the Budget and Control Board./

Amend the bill further, as and if amended, page 7, by striking lines 24-25 and inserting:

/ Non‑Profit Institutions of Higher Learning;

(17) the South Carolina Resources Authority; and

(18) the Materials Management Office, the Office of State Engineer, and the Division of State Information Technology, including the Data Center, Telecommunications and Information Technology Services, the South Carolina Enterprise Information System, and the Information Technology Management Office. /

Amend the bill further, as and if amended, by adding and appropriately numbered new SECTION to read:

/ SECTION \_\_\_. A. Section 11-35-4410(2)(e) and (f) are amended to read:

“(e) five members appointed by the Governor from the State at large, upon the advice and consent of the Senate, who must be representative of the professions governed by this title including, but not limited to:

(i) goods and services;

(ii) information technology procurements;

(iii) construction;

(iv) architects and engineers;

(v) construction management; and

(vi) land surveying services;

(f) two state employees appointed by the Governor, upon advice and consent of the Senate.”

B. Chapter 35, Title 11 of the 1976 Code is amended by adding:

“Section 11-35-60. The Department of Administration shall maintain a searchable database on its internet website containing procurement decisions and relevant information related to those procurement decisions that are in the public interest.” /

Amend the bill further, as and if amended, page 12, by striking lines 28 - 43, and on page 13, by striking lines 1 - 5, and inserting:

“(A)(1)There is created the Board of Economic Advisors, an independent agency of state government, comprised of three members appointed by the Governor, with the advice and consent of the Senate, for six-year terms. The board members shall receive an annual compensation of ten thousand dollars. Board members may only be removed by the Governor for malfeasance, misfeasance, incompetency, absenteeism, conflicts of interest, misconduct, persistent neglect of duty in office, or incapacity. ~~as follows:~~

~~(1)~~ ~~One member, appointed by, and serving at the pleasure of, the Governor, who shall serve as chairman and shall receive annual compensation of ten thousand dollars;~~

~~(2)~~ ~~One member appointed by, and serving at the pleasure of, the Chairman of the Senate Finance Committee, who shall receive annual compensation of eight thousand dollars;~~

~~(3)~~ ~~One member appointed by, and serving at the pleasure of, the Chairman of the Ways and Means Committee of the House of Representatives, who shall receive annual compensation of eight thousand dollars;~~

~~(4)~~ ~~The Director of the Department of Revenue, who shall serve ex officio, with no voting rights.~~ /

Amend the bill further, as and if amended, page 13, by striking lines 6 - 43 and inserting:

/ (B) The ~~Chairman of the~~ Board of Economic Advisors shall ~~report directly to the Budget and Control Board to~~ establish policy governing economic trend analysis. The Board of Economic Advisors shall provide for its staffing and administrative support from funds appropriated by the General Assembly.

(C) The Executive Director of the ~~Budget and Control Board~~ Board of Economic Advisors shall ~~assist the Governor, Chairman of the Board of Economic Advisors, Chairman of the Senate Finance Committee, and Chairman of the Ways and Means Committee of the House of Representatives in providing~~ provide for an effective system for compiling and maintaining current and reliable economic data. The Board of Economic Advisors may establish an advisory board to assist in carrying out its duties and responsibilities. All state agencies, departments, institutions and divisions shall provide the information and data the advisory board requires. The Board of Economic Advisors is considered a public body for purposes of the Freedom of Information Act, pursuant to Section 30‑4‑20(a).”

SECTION \_\_\_. Section 11‑9‑825 of the 1976 Code is repealed.

SECTION \_\_\_. Section 11‑9‑830 of the 1976 Code is amended to read:

“Section 11‑9‑830. In order to provide a more effective system of providing advice to the ~~Budget and Control Board~~ Governor and the General Assembly on economic trends, the Board of Economic Advisors shall:

(1) compile and maintain in a unified, concise, and orderly form information about total revenues and expenditures which involve the funding of state government operations, revenues received by the state which comprise general revenue sources of all receipts to include amounts borrowed, federal grants, earnings, and the various activities accounted for in other funds;

(2) continuously review and evaluate total revenues and expenditures to determine the extent to which they meet fiscal plan forecasts/projections;

(3) evaluate federal revenues in terms of impact on state programs;

(4) compile economic, social, and demographic data for use in the publishing of economic scenarios for incorporation into the development of the state budget;

(5) bring to the attention of the Governor and the General Assembly the effectiveness, or lack thereof, of the economic trends and the impact on statewide policies and priorities;

(6) establish liaison with the Congressional Budget Office and the Office of Management and Budget at the national level.” /

Amend the bill further, as and if amended, by striking Part XI, relating to Legislative Oversight, and inserting:

/ Part XI

Legislative Audit Council Oversight of Government Agencies

SECTION \_\_\_. Chapter 15, Title 2 of the 1976 Code is amended by adding:

“Section 2‑15‑130. (A) Beginning January 1, 2013, the Legislative Audit Council must conduct performance audits, oversight studies, and investigations on all agencies, as defined in Section 2‑15‑50, at least once every five years in accordance with a schedule adopted and published by the council. The council shall publish on its internet website its annual audit schedule. New agencies, departments, or other state entities created after the effective date of this section must be added to the five-year audit cycle and appropriate audit schedules.

(B) The purpose of these performance audits, oversight studies, and investigations is to determine if agency laws and programs:

(1) are being implemented and carried out in accordance with the intent of the General Assembly; and

(2) should be continued, curtailed, or eliminated.

(C) The performance audits, oversight studies, and investigations must consider:

(1) the application, administration, execution, and effectiveness of laws and programs addressing subjects within the standing committee’s subject matter jurisdiction;

(2) the organization and operation of state agencies and entities having responsibilities for the administration and execution of laws and programs addressing subjects within the standing committee’s subject matter jurisdiction; and

(3) any conditions or circumstances that may indicate the necessity or desirability of enacting new or additional legislation addressing subjects within the standing committee’s subject matter jurisdiction.

(D) The report of each performance audit, oversight study, or investigation must be published on the council’s webpage and sent to the chairman of the standing committees of the General Assembly with subject matter jurisdiction.” /

Amend the bill further, as and if amended, page 4, by striking lines 18 - 26.

Amend the bill further, as and if amended, page 10, by striking lines 7 ‑ 36 and inserting:

/ C. Chapter 1, Title 11 of the 1976 Code is amended by adding:

“Section 11‑1‑130. There is reserved solely to the General Assembly the power and authority to approve bonded indebtedness incurred by the State of South Carolina subject to Section 13, Article X of the South Carolina Constitution. Any provision of law in contravention to this section is null and void. The provisions of this section do not apply to the authority of political subdivisions to incur bonded indebtedness pursuant to Section 13, Article X of the South Carolina Constitution and in such manner, and upon such terms as provided by law.” /

Amend the bill further, as and if amended, page 11, by striking lines 23‑43, and page 12, by striking lines 1‑7 and inserting:

/ “Section 1‑11‑440. ~~(A)~~ The State must defend the members of the ~~State Budget and Control Board~~ Public Employee Benefit Authority and the Director of the Department of Administration against a claim or suit that arises out of or by virtue of their performance of official duties on behalf of the ~~board~~ authority or the department and must indemnify ~~these members~~ them for a loss or judgment incurred by them as a result of the claim or suit, without regard to whether the claim or suit is brought against them in their individual or official capacities, or both. The State must defend officers and management employees of the ~~board~~ authority, ~~and~~ legislative employees performing duties for ~~board~~ the authority’s members, and management employees of the department against a claim or suit that arises out of or by virtue of the performance of official duties unless the officer, management employee, or legislative employee was acting in bad faith and must indemnify these officers, management employees, and legislative employees for a loss or judgment incurred by them as a result of such claim or suit, without regard to whether the claim or suit is brought against them in their individual or official capacities, or both. This commitment to defend and indemnify extends to members, officers, the director and management employees of the department, and legislative employees after they have left their employment with the ~~board~~ authority, ~~or~~ the General Assembly, ~~as applicable,~~ or the department, as applicable, if the claim or suit arises out of or by virtue of their performance of official duties on behalf of the ~~board~~ authority or the department. /

Amend the bill further, as and if amended, by striking SECTION 88 in its entirety.

Amend the bill further, as and if amended, by striking SECTION 90 and inserting:

/ SECTION 90. Chapter 7, Title 11 and Chapter 47, Title 2 of the 1976 Code are repealed. /

Renumber sections to conform.

Amend title to conform.

Senator DAVIS explained the amendment.

**Point of Order**

Senator McCONNELL raised a Point of Order that the amendment was out of order inasmuch as the amendment was to the third degree.

Senator DAVIS spoke on the Point of Order.

The PRESIDENT sustained the Point of Order.

Amendment No. 122 was ruled out of order.

**Appeal of the Ruling by the PRESIDENT Failed**

Senator DAVIS appealed the Ruling by the PRESIDENT.

**ACTING PRESIDENT PRESIDES**

At 7:23 P.M., Senator LARRY MARTIN assumed the Chair.

The question then was, “Shall the Ruling by the PRESIDENT be overridden?”

The ACTING PRESIDENT stated that Rule 7 provided for debate of fifteen minutes each for proponents and opponents.

Senator DAVIS was recognized to speak in favor of the motion to override the Ruling by the PRESIDENT.

**Point of Order**

Senator MALLOY raised a Point of Order that the Senator was out of order inasmuch as he was not speaking to the ruling.

The ACTING PRESIDENT stated that the Senator had a finite time limit in which to make his argument.

Senator DAVIS resumed speaking in favor of overriding the Ruling by the PRESIDENT.

Senator McCONNELL argued contra to overriding the Ruling by the PRESIDENT.

The "ayes" and "nays" were demanded and taken, resulting as follows:

**Ayes 4; Nays 31**

**AYES**

Bright Bryant Davis

*Martin, Shane*

**Total--4**

**NAYS**

Alexander Campbell Campsen

Cleary Courson Cromer

Fair Ford Gregory

Grooms Hayes Jackson

Knotts Leatherman Lourie

Malloy *Martin, Larry* Massey

McConnell Nicholson O'Dell

Peeler Rankin Rose

Ryberg Scott Setzler

Sheheen Shoopman Verdin

Williams

**Total--31**

The Senate refused to override the Ruling by the PRESIDENT.

**PRESIDENT PRESIDES**

At 8:01 P.M., the PRESIDENT assumed the Chair.

Senator LARRY MARTIN spoke on the Bill.

**Amendment No. 123**

Senators DAVIS and ROSE proposed the following Amendment No. 123 (3066R109.TD), which was tabled:

Amend the bill, as and if amended, by striking SECTION 6 in its entirety and inserting:

/ SECTION 6. Section 11‑9‑890(B) of the 1976 Code is amended to read:

“(B)(1) If at the end of the first, second, or third quarter of any fiscal year quarterly revenue collections are ~~two~~ one-tenth of one percent or more below the amount projected for that quarter by the Board of Economic Advisors, the ~~State Budget and Control Board~~ General Assembly, within ~~seven~~ twenty days of convening pursuant to this section ~~days of that determination~~, shall take action to avoid a year‑end deficit. Upon the determination that revenue collections are one-tenth of one percent or more below the amount projected, each house of the General Assembly shall convene in statewide session at twelve noon on the first Tuesday following the determination of the deficit to take action to avoid a year‑end deficit. ~~Notwithstanding Section 1‑11‑495, if the State Budget and Control Board does not take unanimous action within seven days, the Director of the Office of State Budget must reduce general fund appropriations by the requisite amount in the manner prescribed by law. Upon making the reduction, the Director of the Office of State Budget immediately must notify the State Treasurer and the Comptroller General of the reduction, and upon notification, the appropriations are considered reduced. No agencies, departments, institutions, activity, program, item, special appropriation, or allocation for which the General Assembly has provided funding in any part of this section may be discontinued, deleted, or deferred by the Director of the Office of State Budget. A reduction of rate of expenditure by the Director of the Office of State Budget, under authority of this section, must be applied as uniformly as shall be practicable, except that no reduction must be applied to funds encumbered by a written contract with the agency, department, or institution not connected with state government.~~

(2) If at the end of the first, second, or third quarter of any fiscal year quarterly revenue collections are less than one-tenth of one percent or more below the amount projected for that quarter by the Board of Economic Advisors, the Director of the Office of State Budget must reduce general fund appropriations by the requisite amount in the manner prescribed by law. Upon making the reduction, the Director of the Office of State Budget immediately must notify the State Treasurer and the Comptroller General of the reduction, and upon notification, the appropriations are considered reduced. No agencies, departments, institutions, activity, program, item, special appropriation, or allocation for which the General Assembly has provided funding in any part of this section may be discontinued, deleted, or deferred by the Director of the Office of State Budget. A reduction of rate of expenditure by the Director of the Office of State Budget, under authority of this section, must be applied as uniformly as shall be practicable, except that no reduction must be applied to funds encumbered by a written contract with the agency, department, or institution not connected with state government.” /

Renumber sections to conform.

Amend title to conform.

**Point of Order**

Senator LARRY MARTIN raised a Point of Order that the amendment was out of order inasmuch as the amendment was to the third degree.

Senator DAVIS spoke on the Point of Order.

The PRESIDENT overruled the Point of Order.

Senator DAVIS explained the amendment.

Senator MASSEY spoke on the amendment.

Senator DAVIS spoke on the amendment.

Senator MASSEY moved to lay the amendment on the table.

The "ayes" and "nays" were demanded and taken, resulting as follows:

**Ayes 19; Nays 16**

**AYES**

Alexander Campbell Cleary

Ford Jackson Knotts

Leatherman Lourie Malloy

Massey McGill Nicholson

O'Dell Rankin Ryberg

Scott Setzler Sheheen

Williams

**Total--19**

**NAYS**

Bright Bryant Campsen

Cromer Davis Fair

Gregory Grooms Hayes

*Martin, Larry Martin, Shane* Peeler

Rose Shoopman Thomas

Verdin

**Total--16**

The amendment was laid on the table.

**Amendment No. 124**

Senators DAVIS and ROSE proposed the following Amendment No. 124 (3066R108.TD), which was ruled out of order:

Amend the bill, as and if amended, page 4, by striking lines 18 - 26.

Amend the bill further, as and if amended, page 10, by striking lines 7 ‑ 36 and inserting:

/ C. Chapter 1, Title 11 of the 1976 Code is amended by adding:

“Section 11‑1‑130. There is reserved solely to the General Assembly the power and authority to approve bonded indebtedness incurred by the State of South Carolina subject to Section 13, Article X of the South Carolina Constitution. Any provision of law in contravention to this section is null and void. The provisions of this section do not apply to the authority of political subdivisions to incur bonded indebtedness pursuant to Section 13, Article X of the South Carolina Constitution and in such manner, and upon such terms as provided by law.” /

Amend the bill further, as and if amended, page 11, by striking lines 23‑43, and page 12, by striking lines 1‑7 and inserting:

/ “Section 1‑11‑440. ~~(A)~~ The State must defend the members of the ~~State Budget and Control Board~~ Public Employee Benefit Authority and the Director of the Department of Administration against a claim or suit that arises out of or by virtue of their performance of official duties on behalf of the ~~board~~ authority or the department and must indemnify ~~these members~~ them for a loss or judgment incurred by them as a result of the claim or suit, without regard to whether the claim or suit is brought against them in their individual or official capacities, or both. The State must defend officers and management employees of the ~~board~~ authority, ~~and~~ legislative employees performing duties for ~~board~~ the authority’s members, and management employees of the department against a claim or suit that arises out of or by virtue of the performance of official duties unless the officer, management employee, or legislative employee was acting in bad faith and must indemnify these officers, management employees, and legislative employees for a loss or judgment incurred by them as a result of such claim or suit, without regard to whether the claim or suit is brought against them in their individual or official capacities, or both. This commitment to defend and indemnify extends to members, officers, the director and management employees of the department, and legislative employees after they have left their employment with the ~~board~~ authority, ~~or~~ the General Assembly, ~~as applicable,~~ or the department, as applicable, if the claim or suit arises out of or by virtue of their performance of official duties on behalf of the ~~board~~ authority or the department. /

Amend the bill further, as and if amended, by striking SECTION 88 in its entirety.

Amend the bill further, as and if amended, by striking SECTION 90 and inserting:

/ SECTION 90. Chapter 7, Title 11 and Chapter 47, Title 2 of the 1976 Code are repealed. /

Renumber sections to conform.

Amend title to conform.

**Point of Order**

Senator LARRY MARTIN raised a Point of Order that the amendment was out of order inasmuch as the amendment was to the third degree.

Senator DAVIS spoke on the Point of Order.

Senator DAVIS explained the amendment.

The PRESIDENT sustained the Point of Order.

Amendment No. 124 was ruled out of order.

**Amendment No. 125**

Senators GREGORY and MALLOY proposed the following Amendment No. 125 (3066R114.CKG), which was carried over:

Amend the bill, as and if amended, page 53, by striking lines 30-43, page 54, by striking lines 1-42, and page 55, by striking lines 1-2 and inserting:

/ W. Section 15‑78‑140 of the 1976 Code is amended to read:

“Section 15‑78‑140. (a) (Reserved)

(b) The political subdivisions of this State, in regard to tort and automobile liability, property and casualty insurance shall procure insurance to cover these risks for which immunity has been waived by (1) the purchase of liability insurance pursuant to Section 1‑11‑140; or (2) the purchase of liability insurance from a private carrier; or (3) self‑insurance; or (4) establishing pooled self‑insurance liability funds, by intergovernmental agreement, which may not be construed as transacting the business of insurance or otherwise subject to state laws regulating insurance. A pooled self‑insurance liability pool is authorized to purchase specific and aggregate excess insurance. A pooled self‑insurance liability fund must provide liability coverage for all employees of a political subdivision applying for participation in the fund. If the insurance is obtained other than pursuant to Section 1‑11‑140, it must be obtained subject to the following conditions:

(1) If the political subdivision does not procure tort liability insurance pursuant to Section 1‑11‑140, it must also procure its automobile liability and property and casualty insurance from other sources and shall not procure these coverages through the ~~Budget and Control Board~~ Insurance Reserve Fund;

(2) If a political subdivision procures its tort liability insurance, automobile liability insurance, or property and casualty insurance through the ~~Budget and Control Board~~ Insurance Reserve Fund, all liability exposures of the political subdivision as well as its property and casualty insurance must be insured with the ~~Budget and Control Board~~ Insurance Reserve Fund;

(3) If the political subdivision, at any time, procures its tort liability, automobile liability, property, or casualty insurance other than through the ~~Budget and Control Board~~ Insurance Reserve Fund and then subsequently desires to obtain this coverage with the ~~Budget and Control Board~~ Insurance Reserve Fund, notice of its intention to so obtain this subsequent coverage must be provided the ~~Budget and Control Board~~ Insurance Reserve Fund at least ninety days prior to the beginning of the coverage with the ~~State Budget and Control Board~~ Insurance Reserve Fund. The other lines of insurance that the political subdivision is required to procure from the ~~board~~ fund are not required to commence until the coverage for that line of insurance expires. Any political subdivision may cancel all lines of insurance with the ~~State Budget and Control Board~~ Insurance Reserve Fund if it gives ninety days’ notice to the ~~board~~ governing body. The ~~Budget and Control Board~~ Insurance Reserve Fund may negotiate the insurance coverage for any political subdivision separate from the insurance coverage for other insureds.

(4) If any political subdivision cancels its insurance with the ~~Budget and Control Board~~ Insurance Reserve Fund, it is entitled to an appropriate refund of the premium, less reasonable administrative cost.

(c) For any claim filed under this chapter, the remedy provided in Section 15‑78‑120 is exclusive. The immunity of the State and its political subdivisions, with regard to the seizure, execution, or encumbrance of their properties is reaffirmed.”

X. Section 1-11-140 of the 1976 Code is amended to read:

“Section 1-11-140. (A) The ~~State Budget and Control Board~~ Department of Administration, through the ~~Office of Insurance Services~~ Insurance Reserve Fund, is authorized to provide insurance for the State, its departments, agencies, institutions, commissions, boards, and the personnel employed by the State in its departments, agencies, institutions, commissions, and boards so as to protect the State against tort liability and to protect these personnel against tort liability arising in the course of their employment. The insurance also may be provided for physicians or dentists employed by the State, its departments, agencies, institutions, commissions, or boards against any tort liability arising out of the rendering of any professional services as a physician or dentist for which no fee is charged or professional services rendered of any type whatsoever so long as any fees received are directly payable to the employer of a covered physician or dentist, or to any practice plan authorized by the employer whether or not the practice plan is incorporated and registered with the Secretary of State; provided, any insurance coverage provided by the ~~Budget and Control Board~~ department may be on the basis of claims made or upon occurrences. The insurance also may be provided for students of high schools, South Carolina Technical Schools, or state‑supported colleges and universities while these students are engaged in work study, distributive education, or apprentice programs on the premises of private companies. Premiums for the insurance must be paid from appropriations to or funds collected by the various entities, except that in the case of the above‑referenced students in which case the premiums must be paid from fees paid by students participating in these training programs. The ~~board~~ department has the exclusive control over the investigation, settlement, and defense of claims against the various entities and personnel for whom it provided insurance coverage and may promulgate regulations in connection therewith.

(B)(1) Beginning on January 1, 2013, and biennially thereafter, the Insurance Reserve Fund must request applications, in a manner and form prescribed by the fund, from private attorneys and law firms to determine from the applicants those that will be authorized to defend litigation covered by fund policies. The fund shall authorize attorneys and law firms to defend litigation covered by fund policies based upon such factors as it determines relevant, including those necessary to maintain the appropriate level of qualification, experience, and expertise given geographical needs, case load, efficiencies, and other business requirements.

(2) Prior to submitting a request for applicants, the fund must submit the list of factors for authorizing attorneys and law firms to defend litigation covered by fund policies to the Chairman of the Senate Judiciary Committee and the Chairman of the House Judiciary Committee and receive comments and recommendations offered by the committees.

~~(B)~~(C) Any political subdivision of the State including, without limitations, municipalities, counties, and school districts, may procure the insurance for itself and for its employees in the same manner provided for the procurement of this insurance for the State, its entities, and its employees.

~~(C)~~(D) The procurement of tort liability insurance in the manner provided is the exclusive means for the procurement of this insurance.

~~(D)~~(E) The ~~State Budget and Control Board~~ department, through the ~~Office of Insurance Services~~ Insurance Reserve Fund, also is authorized to offer insurance to governmental hospitals and any subsidiary of or other entity affiliated with the hospital currently existing or as may be established; and chartered, nonprofit, eleemosynary hospitals and any subsidiary of or other entity affiliated with the hospital currently existing or as may be established in this State so as to protect these hospitals against tort liability. Notwithstanding any other provision of this section, the procurement of tort liability insurance by a hospital and any subsidiary of or other entity affiliated with the hospital currently existing or as may be established supported wholly or partially by public funds contributed by the State or any of its political subdivisions in the manner herein provided is not the exclusive means by which the hospital may procure tort liability insurance.

~~(E)~~(F) The ~~State Budget and Control Board~~ department, through the ~~Office of Insurance Services~~ Insurance Reserve Fund, is authorized to provide insurance for duly appointed members of the boards and employees of health system agencies, and for members of the State Health Coordinating Council which are created pursuant to Public Law 93‑641.

~~(F)~~(G) The ~~board~~ department, through the ~~Office of Insurance Services~~ Insurance Reserve Fund, is further authorized to provide insurance as prescribed in Sections 10‑7‑10 through 10‑7‑40, 59‑67‑710, and 59‑67‑790.

~~(G)~~(H) Documentary or other material prepared by or for the ~~Office of Insurance Services~~ Insurance Reserve Fund in providing any insurance coverage authorized by this section or any other provision of law which is contained in any claim file is subject to disclosure to the extent required by the Freedom of Information Act only after the claim is settled or finally concluded by a court of competent jurisdiction.

~~(H)~~(I) The ~~board~~ department, through the ~~Office of Insurance Services~~ Insurance Reserve Fund, is further authorized to provide insurance for state constables, including volunteer state constables, to protect these personnel against tort liability arising in the course of their employment, whether or not for compensation, while serving in a law enforcement capacity.” /

Renumber sections to conform.

Amend title to conform.

**Point of Order**

Senator LARRY MARTIN raised a Point of Order that the amendment was out of order inasmuch as the amendment was to the third degree.

The PRESIDENT overruled the Point of Order.

Senator MALLOY explained the amendment.

On motion of Senator MALLOY, the amendment was carried over.

**Amendment No. 126A**

Senator SHEHEEN proposed the following Amendment No. 126A (3066R115.VAS), which was adopted:

Amend the bill, as and if amended, page 9, by striking line 16 and inserting:

/ Director of the Budget and Control Board, Director of the Department of Administration, and the Inspector /

Amend the bill further, as and if amended, page 14, by striking line 9 and inserting:

/ ~~unanimous~~ action within ~~seven~~ twenty days, the Director of the /

Amend the bill further, as and if amended, page 25, by striking lines 10 - 12.

Amend the bill further, as and if amended, page 27, by striking lines 11 - 13 and inserting:

/ condemnation or otherwise. /

Amend the bill further, as and if amended, page 27, by striking line 18 and inserting:

/ maintained by and in the name of the ~~board~~ department. The right of /

Amend the bill further, as and if amended, page 54, by striking line 16 and inserting:

/ must be insured with the ~~Budget and Control Board~~ Insurance Reserve Fund; /

Amend the bill further, as and if amended, page 54, by striking line 28 and inserting:

/ subdivision is required to procure from the ~~board~~ fund are not required /

Amend the bill further, as and if amended, page 95, by striking line 6 and inserting:

/ review prior to any final action by the ~~board~~ authority. In making their /

Amend the bill further, as and if amended, page 125, by striking line 20 and inserting:

/ (2) after the Memorandum of Agreement required by SECTION 2/

Amend the bill further, as and if amended, page 126, by striking SECTION 89 and inserting:

/ SECTION 89. Section 11-11-90 and Section 11-49-40(A) of the 1976 Code are repealed. /

Renumber sections to conform.

Amend title to conform.

Senator SHEHEEN explained the amendment.

Senator CROMER moved that the amendment be adopted.

The amendment was adopted.

At 8:36 P.M., Senator LOURIE moved that the Senate stand adjourned.

The "ayes" and "nays" were demanded and taken, resulting as follows:

**Ayes 21; Nays 19**

**AYES**

Cleary Coleman Ford

Hutto Jackson Knotts

Land Leatherman Leventis

Lourie Malloy Matthews

McConnell McGill Nicholson

O'Dell Rankin Scott

Setzler Sheheen Williams

**Total--21**

**NAYS**

Alexander Bright Bryant

Campsen Cromer Davis

Fair Gregory Grooms

Hayes *Martin, Larry Martin, Shane*

Massey Peeler Rose

Ryberg Shoopman Thomas

Verdin

**Total--19**

Debate was interrupted by adjournment.

**LOCAL APPOINTMENT**

**Confirmation**

Having received a favorable report from the Senate, the following appointment was confirmed in open session:

Reappointment, Spartanburg County Magistrate, with the term to commence April 30, 2011, and to expire April 30, 2015

Eber C. Gowan, Jr., Post Office Box 37, Reidville, SC 29375

**MOTION ADOPTED**

On motion of Senator LEVENTIS, with unanimous consent, the Senate stood adjourned out of respect to the memory of Mary Katherine “Kitty” Brunson Herbert, wife of William G. Herbert, who died February 3rd at her home.  After graduating from the National Judicial College in Reno, NV, Ms. Herbert went to work for Chief Magistrate O. Lang Hogon in 1973. On June 1, 1979, she was appointed by the Governor as the first female magistrate in the State of South Carolina. Following Judge Hogon’s retirement, she was appointed chief magistrate, in which position she served Sumter County until her retirement in April 2002. While serving  as the county’s chief magistrate, she was served as the city summary court judge, where she established Sumter’s first “night court” sessions. Judge Herbert was honored for her service by the Sumter Bar Association and she was also awarded the Order of the Silver Crescent by Governor Jim Hodges for her exceptional commitment and work in Sumter County. She was the first female member of the Sumter Palmetto Rotary Club, a member of The Forum (a women’s civic awareness organization), and the S.C. Magistrate’s Association. She served with several other organizations and civic groups, and was a long-time, active member of Sumter First Baptist Church.  Judge Herbert loved the people of Sumter and was dedicated to helping anyone looking for a hand up! She was a devoted wife and mother, “Meema”, and public servant. She left a mark on everyone’s life she touched and she will be deeply missed by all who knew and loved her!

and

**MOTION ADOPTED**

On motion of Senator LARRY MARTIN, with unanimous consent, the Senate stood adjourned out of respect to the memory of Mr. John W. Callaham, Jr., beloved lifelong resident and former Mayor of Liberty, S.C., who died on Saturday, February 11, 2012.

**ADJOURNMENT**

At 8:36 P.M., on motion of Senator LOURIE, the Senate adjourned to meet tomorrow at 11:00 A.M.

\* \* \*