**Thursday, February 14, 2013**

**(Statewide Session)**

~~Indicates Matter Stricken~~

## Indicates New Matter

The Senate assembled at 11:00 A.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:

Our Lord decrees:

“ ‘My command is this: Love each other, as I have loved you’.”

(John 15:12)

Join me as we bow and pray:

Holy God, how incredible, how constant, how humbling is Your love. We thank You for Your care, for Your blessings, and for the hope You grant to us all. Indeed, may one of the prevailing characteristics of this august body, Lord, be that these Senators and staff members never lose sight of the gifts of love and of caring. Even in the midst of occasional disagreements and of diverse viewpoints and ideas, may these leaders hold fast to their one-ness as Your children, as those who themselves are charged to care lovingly for all of the women, men and children of South Carolina. In Your blessed name do we humbly pray, O Lord.

Amen.

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

**Doctor of the Day**

Senator COURSON introduced Dr. Thomas Gibbons of Irmo, S.C., Doctor of the Day.

**Leave of Absence**

On motion of Senator CAMPBELL, at 11:05 A.M., Senator GROOMS was granted a leave of absence for today.

**Expression of Personal Interest**

Senator BRYANT rose for an Expression of Personal Interest.

**Point of Order**

Senator CLEARY raised a Point of Order under Rule 13 that the Expression of Personal Interest was limited to five minutes and the speaker had exceeded the time limitation.

The PRESIDENT sustained the Point of Order.

**CO-SPONSORS ADDED**

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

S. 15 Sen. Young

S. 53 Sen. Young

S. 85 Sen. Davis

S. 115 Sen. Davis

S. 213 Sens. Setzler, Ford, Campsen

S. 239 Sens. Setzler, Ford, Campsen

S. 247 Sens. Cleary, Hembree

S. 276 Sen. Davis

S. 285 Sen. Davis

S. 308 Sen. Davis

S. 316 Sen. Davis

S. 362 Sen. Hembree

S. 382 Sens. Allen, Rankin, Setzler, Lourie, Scott, Ford

**INTRODUCTION OF BILLS AND RESOLUTIONS**

The following were introduced:

S. 385 -- Senator O'Dell: A SENATE RESOLUTION TO RECOGNIZE AND HONOR PIEDMONT TECHNICAL COLLEGE FOR THE INSTITUTION’S USE OF LEAN IN HIGHER EDUCATION AND TO CONGRATULATE THE STUDENTS, FACULTY, AND ADMINISTRATION FOR BEING AWARDED THE PRESTIGIOUS 2013 BELLWETHER AWARD.

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The Senate Resolution was adopted.

S. 386 -- Senator O'Dell: A SENATE RESOLUTION TO HONOR SAMUEL IVAN RANDOLPH, JR., SUPERINTENDENT OF ABBEVILLE COUNTY SCHOOL DISTRICT, FOR HIS MANY YEARS OF DEDICATED SERVICE AS AN EDUCATOR, TO CONGRATULATE HIM ON THE OCCASION OF HIS RETIREMENT, AND TO WISH HIM MUCH SUCCESS AND FULFILLMENT IN ALL HIS FUTURE ENDEAVORS.

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The Senate Resolution was adopted.

S. 387 -- Senators O'Dell, Campbell, Cromer, Hembree, Setzler, McGill and Johnson: A BILL TO AMEND SECTION 12-10-95, AS AMENDED, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO THE CREDIT AGAINST WITHHOLDING FOR RETRAINING, SO AS TO INCREASE THE CREDIT, TO SPECIFY ELIGIBLE EMPLOYEES AND PROGRAMS, TO PROVIDE THAT A BUSINESS MAY NOT CLAIM THE CREDIT IF THE EMPLOYEE IS REQUIRED TO REIMBURSE OR PAY FOR THE COSTS OF THE RETRAINING, TO INCREASE THE MATCH AMOUNT FOR THE BUSINESS, AND TO PROVIDE THE PROGRAMS ARE SUBJECT TO REVIEW BY THE DEPARTMENT OF REVENUE AND THE STATE BOARD OF TECHNICAL AND COMPREHENSIVE EDUCATION; TO AMEND SECTION 12-10-105, AS AMENDED, RELATING TO THE ANNUAL FEE FOR A BUSINESS CLAIMING THE CREDIT, SO AS TO PROVIDE THAT THE ANNUAL FEE IS NOT APPLICABLE TO THE RETRAINING CREDIT; AND TO AMEND SECTION 12-20-105, AS AMENDED, RELATING TO THE CREDIT AGAINST THE LICENSE TAX FOR CERTAIN INFRASTRUCTURE EXPENSES, SO AS TO PROVIDE THAT AN ELIGIBLE PROJECT MAY BE OWNED OR CONSTRUCTED BY A GOVERNMENTAL ENTITY IF THE PROJECT IS EXPECTED TO CONTRIBUTE TO THE ECONOMIC DEVELOPMENT OF THE GOVERNMENTAL ENTITY, TO FURTHER SPECIFY ELIGIBLE INFRASTRUCTURE, AND TO PROVIDE THAT A GOVERNMENTAL ENTITY MAY SELL THE PROJECT AFTER THE COMPANY PAYS FOR THE INFRASTRUCTURE.

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

S. 388 -- Senators Matthews, Hutto, Nicholson, Johnson, Setzler, Williams and Ford: A JOINT RESOLUTION PROPOSING AN AMENDMENT TO SECTION 3, ARTICLE XI OF THE CONSTITUTION OF SOUTH CAROLINA, 1895, RELATING TO THE SYSTEM OF FREE PUBLIC SCHOOLS, SO AS TO PROVIDE THAT THE GENERAL ASSEMBLY SHALL ESTABLISH, ORGANIZE, AND SUPPORT PUBLIC INSTITUTIONS OF LEARNING THAT WILL PROVIDE A HIGH QUALITY EDUCATION, ALLOWING EACH STUDENT TO REACH HIS HIGHEST POTENTIAL.

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

S. 389 -- Senator Ford: A JOINT RESOLUTION PROPOSING AN AMENDMENT TO ARTICLE XVII OF THE CONSTITUTION OF SOUTH CAROLINA, 1895, RELATING TO MISCELLANEOUS MATTERS, BY ADDING SECTION 7C SO AS TO ALLOW THE GENERAL ASSEMBLY BY LAW TO PROVIDE FOR THE ESTABLISHMENT, ADMINISTRATION, AND REGULATION OF CASINO GAMBLING, LIMITED TO ONE CASINO IN EACH FIVE LOCATIONS THROUGHOUT THIS STATE, AND TO ALLOW THE ENACTMENT OF SPECIAL LEGISLATION, INCLUDING CRIMINAL LAWS, APPLICABLE ONLY IN THESE LOCATIONS.

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

S. 390 -- Senator Rankin: A BILL TO AMEND SECTION 63-17-2110, SOUTH CAROLINA CODE OF LAWS, 1976, RELATING TO CONTENTS OF COURT ORDERS REQUIRING A PARENT TO PROVIDE HEALTH COVERAGE FOR A CHILD, SO AS TO ELIMINATE THE NEED FOR THE SOCIAL SECURITY NUMBER TO BE INCLUDED IN THE ORDER, TO CHANGE THE TERM “PARENT” TO “PARTICIPANT”, AND TO CHANGE THE TERM “CHILD” TO “ALTERNATE RECIPIENT”; AND TO AMEND SECTION 43-5-220, RELATING TO OBTAINING SUPPORT PAYMENTS FROM ABSENT PARENTS, SO AS TO ELIMINATE LANGUAGE THAT PROVIDES THAT THE USE OF THE CHILD SUPPORT SCALE IS OPTIONAL.

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

S. 391 -- Senators Matthews, Courson, Hayes, Jackson, Setzler, Williams, Nicholson and Scott: A SENATE RESOLUTION TO STRONGLY ENCOURAGE THE BOARD OF TRUSTEES OF SOUTH CAROLINA STATE UNIVERSITY TO DELAY ITS SEARCH AND SELECTION OF A PRESIDENT OF THE UNIVERSITY UNTIL AFTER THE MEMBERS TO SEATS REPRESENTING THE FIFTH, SIXTH, AND SEVENTH CONGRESSIONAL DISTRICTS AND AT-LARGE SEATS NINE, ELEVEN, AND TWELVE ARE ELECTED DURING THE 2013 SOUTH CAROLINA LEGISLATIVE SESSION.

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The Senate Resolution was introduced and referred to the Committee on Education.

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

**READ THE SECOND TIME**

**ORDERED TO A THIRD READING**

S. 368 -- Senator Coleman: A BILL TO ESTABLISH THE FAIRFIELD COUNTY BOARD OF VETERANS AFFAIRS, TO DEFINE THE BOARD’S TERMS, POWERS, DUTIES, AND RESPONSIBILITIES, AND TO PROVIDE AN ALTERNATIVE METHOD OF APPOINTING AND REMOVING THE FAIRFIELD COUNTY VETERANS AFFAIRS OFFICER.

On motion of Senator COLEMAN, the Bill was read the second time, passed and ordered to a third reading.

**S. 368--Ordered to a Third Reading**

On motion of Senator COLEMAN, S. 368 was ordered to receive a third reading on Friday, February 15, 2013.

**READ THE SECOND TIME**

**ORDERED TO A THIRD READING**

S. 379 -- Senator Sheheen: A BILL TO AMEND ACT 930 OF 1970, AS AMENDED, RELATING TO THE SCHOOL DISTRICT BOARD OF TRUSTEES FOR KERSHAW COUNTY, SO AS TO REVISE THE SPECIFIC ELECTION DISTRICTS FROM WHICH THE MEMBERS OF THE KERSHAW COUNTY SCHOOL DISTRICT BOARD OF TRUSTEES SHALL BE ELECTED BEGINNING WITH SCHOOL TRUSTEE ELECTIONS IN 2014, AND TO PROVIDE FOR DEMOGRAPHIC INFORMATION IN REGARD TO THESE NEWLY DRAWN ELECTION DISTRICTS.

On motion of Senator SHEHEEN, the Bill was read the second time, passed and ordered to a third reading.

**S. 379--Ordered to a Third Reading**

On motion of Senator SHEHEEN, S. 379 was ordered to receive a third reading on Friday, February 15, 2013.

**COMMITTEE AMENDMENT ADOPTED**

**READ THE SECOND TIME**

S. 151 -- Senators Grooms and Campbell: A BILL TO AMEND SECTION 56‑1‑2080 OF THE 1976 CODE, RELATING TO QUALIFICATIONS FOR A COMMERCIAL DRIVER’S LICENSE, TO ESTABLISH THE INTRASTATE VISION WAIVER PROGRAM, TO PROVIDE THAT CERTAIN VISUALLY IMPAIRED INDIVIDUALS MAY OBTAIN A WAIVER FROM THE SIGHT REQUIREMENTS ASSOCIATED WITH A COMMERCIAL DRIVER’S LICENSE, AND TO PROVIDE FOR THE WAIVER’S ELIGIBILITY REQUIREMENTS FOR THE WAIVER, THE CIRCUMSTANCES UNDER WHICH A WAIVER MAY GRANTED, AND THE PROCEDURES FOR OBTAINING A WAIVER.

The Senate proceeded to a consideration of the Bill, the question being the adoption of the amendment proposed by the Committee on Transportation.

The Committee on Transportation proposed the following amendment (151R004.LKG), which was adopted:

Amend the bill, as and if amended, by striking all after the enacting words and inserting:

/ SECTION 1. Section 56‑1‑2080 of the 1976 Code is amended by adding:

“(D)(1) For the purposes of this subsection, ‘intrastate commerce’ is the transportation of persons or property within the State of South Carolina where both the point of origin and the destination point are within the State and where no state line is crossed. The bill of lading will be conclusive evidence of whether a shipment or commodity is travelling intrastate.

(2) The department may institute and supervise an Intrastate Vision Waiver Program. Pursuant to the program, the department may waive the vision standards for a commercial driver’s license contained in 49 CFR, Part 391.41 (b)(10). A waiver may be granted if the applicant is applying for, or has been issued, a commercial driver’s license and will be driving commercially only within the State of South Carolina. The department may only issue a vision waiver if it finds that a waiver would achieve a level of safety that is equivalent to, or greater than, the level that would be achieved if such waiver were not granted. The department must promulgate regulations to implement the conditions, restrictions, issuance processes, and other matters related to the program.

(3) To be eligible to receive a waiver, an applicant must:

(a) not have on his driving record:

(i) any suspensions, revocations, or cancellations of his driver’s license;

(ii) any involvement in an accident for which he was convicted of a moving violation in any motor vehicle, including a personal vehicle;

(iii) any convictions of a disqualifying offense, as defined in 49 CFR 383.51(b)(2);

(iv) more than one serious traffic violation, as defined by 49 CFR, Part 385.5, while driving a commercial motor vehicle that disqualifies the applicant in accordance with the driver disqualification provisions of 49 CFR 383.51; and

(v) more than two convictions for any moving violations; and

(b) meet all other physical requirements set forth in 49 CFR, Part 391.41.

(4) The department may issue a waiver from the department if:

(a) the applicant:

(i) has 20/40 or better distant visual acuity with corrective lenses in the better eye and has a binocular horizontal visual field diameter of not less than one hundred twenty (120) degrees and a vertical field of not less than eighty (80) degrees without the use of visual field expanders. If the applicant is monocular, the horizontal visual field may not be less than seventy (70) degrees temporally and thirty‑five (35) degrees nasally; or

(ii) has vision that is uncorrectable in one eye and the applicant does not wear corrective lenses, then uncorrected vision must be at least 20/25 in the better eye;

(iii) has the ability to recognize the colors of traffic signals and devices showing standard red, green, and amber; and

(iv) has a medical certificate required under Title 49, Code of Federal Regulations, Part 391.43; and

(b) the applicant meets the same requirements for interstate driving, except that:

(i) the applicant must have held a driver’s license for the previous seven years and must have held a commercial driver’s license with a classification A, B, or C, or was similarly licensed in ‘Excepted Interstate’ commerce, during the previous two years; and

(ii) the applicant must present the form specified by the department, signed by an optometrist or an ophthalmologist licensed in the State of South Carolina, in lieu of meeting the vision requirements of Title 49, Code of Federal Regulations, Part 391.41, and must present a Medical Examination Report in which the medical safety officer has certified that he has found the applicant to be qualified under Part 391.41 in all other physical requirements set forth in 49 CFR, Part 391.41 and mark the medical certificate ‘Qualifies for Vision Waiver’ if the applicant meets the tolerance allowances for a waiver.

(5) If the waiver application is denied and the applicant currently holds a commercial driver’s license, the commercial driver’s license will be cancelled and the commercial driver’s license must be surrendered to the department.

(6) Waiver certificates are valid for a period not to exceed two years after the date of the applicant’s medical examiner’s physical examination.

(7) Waivers shall not be issued for passenger endorsement vehicles, school bus operation, or for vehicles transporting hazardous materials requiring placarding under 49 CFR, Part 172, subpart F.

(8) All recipients of a waiver will be required to have a license with the appropriate ‘CDL’ restriction.

(9)(a) Applications for the renewal of the vision waiver endorsement will be granted, provided that:

(i) the applicant’s driving history continues to meet the requirements contained in this subsection; and

(ii) the applicant continues to meet the vision standards contained in this subsection and all other requirements of Title 49, Code of Federal Regulations, Part 391.41.

(b) If the holder of a South Carolina intrastate vision waiver fails to renew the waiver, the driver will be notified in writing by the department of this requirement via the most recent address on file. Failure to comply within a sixty day period will result in the cancellation of their commercial driver’s license and it must be surrendered to the department.

(10) A person who does not qualify to drive in interstate commerce may still qualify to drive in intrastate commerce. In such cases the driver’s commercial driver’s license will contain a restriction that will indicate that the holder of the license is restricted to travel in intrastate commerce only.

(11) The department must promulgate regulations to implement the conditions, restrictions, and issuance processes and other matters related to the Intrastate Vision Waiver Program.”

SECTION 2. This act takes effect upon approval by the Governor./

Renumber sections to conform.

Amend title to conform.

Senator CAMPBELL explained the committee amendment.

The committee amendment was adopted.

The question then was second reading of the Bill.

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

**Ayes 40; Nays 0**

**AYES**

Alexander Allen Bennett

Bright Bryant Campbell

Campsen Cleary Coleman

Corbin Courson Cromer

Davis Fair Ford

Hembree Hutto Johnson

Leatherman Lourie Malloy

*Martin, Larry Martin, Shane* Massey

Matthews McElveen McGill

Nicholson O’Dell Peeler

Reese Scott Setzler

Shealy Sheheen Thurmond

Turner Verdin Williams

Young

**Total--40**

**NAYS**

**Total--0**

There being no further amendments, the Bill was read the second time, passed and ordered to a third reading.

**READ THE SECOND TIME**

S. 7 -- Senators Courson, McGill, Williams, Sheheen, Johnson, Hayes and Ford: A BILL TO AMEND SEVERAL SECTIONS OF TITLE 12 TO PROVIDE FOR THE AUTHORITY OF CERTAIN COUNTY TAX OFFICIALS, CERTAIN COUNTY TAX POLICIES AND PROCEDURES, TO PROVIDE COMFORMING SECTIONS, AND TO REPEAL 12-37-850, 12-37-2735, 12-45-10, 12-59-30, AND 12- 59-110.

(Abbreviated Title)

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

Senator COURSON explained the Bill.

The question then was second reading of the Bill.

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

**Ayes 38; Nays 0**

**AYES**

Alexander Allen Bennett

Bright Bryant Campbell

Campsen Cleary Corbin

Courson Cromer Davis

Fair Ford Hembree

Hutto Johnson Leatherman

Malloy *Martin, Larry Martin, Shane*

Massey Matthews McElveen

McGill Nicholson O'Dell

Peeler Reese Scott

Setzler Shealy Sheheen

Thurmond Turner Verdin

Williams Young

**Total--38**

**NAYS**

**Total--0**

The Bill was read the second time and ordered placed on the Third Reading Calendar.

**READ THE SECOND TIME**

S. 12 -- Senators O’Dell and Ford: A BILL TO AMEND THE CODE OF LAWS OF SOUTH CAROLINA, 1976, BY ADDING SECTION 12‑10‑108 SO AS TO PROVIDE A CLIENT COMPANY THAT CONTRACTS WITH A PROFESSIONAL SERVICE EMPLOYER AND IS ASSIGNED EMPLOYEES UNDER THAT CONTRACT, IS ELIGIBLE FOR THE JOB DEVELOPMENT CREDIT, TO SPECIFY THE CONDITIONS UNDER WHICH THE JOB DEVELOPMENT CREDIT MAY BE CLAIMED, AND TO PROVIDE THE PROCESS BY WHICH THE CLIENT COMPANY MAY CLAIM THE CREDIT AND THE PROCESS BY WHICH THE DEPARTMENT OF REVENUE SHALL ADMINISTER THE CREDIT WITH RESPECT TO A CLIENT COMPANY; AND BY ADDING SECTION 40‑68‑145 SO AS TO PROVIDE THAT FOR PURPOSES OF DETERMINING AN INCENTIVE OR BUSINESS PREFERENCE PROGRAM BASED ON EMPLOYMENT, AN ASSIGNED EMPLOYEE IS CONSIDERED AN EMPLOYEE OF THE CLIENT COMPANY.

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

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

**Ayes 39; Nays 0**

**AYES**

Alexander Allen Bennett

Bright Bryant Campbell

Campsen Cleary Corbin

Courson Cromer Davis

Fair Ford Hembree

Hutto Johnson Leatherman

Lourie Malloy *Martin, Larry*

*Martin, Shane* Massey Matthews

McElveen McGill Nicholson

O'Dell Peeler Reese

Scott Setzler Shealy

Sheheen Thurmond Turner

Verdin Williams Young

**Total--39**

**NAYS**

**Total--0**

The Bill was read the second time and ordered placed on the Third Reading Calendar.

**READ THE SECOND TIME**

S. 125 -- Senators Alexander, O’Dell, McGill and Ford: A BILL TO AMEND SECTION 1‑11‑140, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO INSURANCE PROVIDED TO ELIGIBLE ENTITIES BY THE STATE BUDGET AND CONTROL BOARD THROUGH THE INSURANCE RESERVE FUND, SO AS TO PROVIDE THAT THE STATE BUDGET AND CONTROL BOARD IS AUTHORIZED TO OFFER INSURANCE COVERAGE TO A LOCAL COUNCIL ON AGING OR OTHER ENTITY PROVIDING COUNTYWIDE SERVICES FOR THE AGING, HOWEVER ESTABLISHED, IF THE PROVIDER IS FUNDED BY THE OFFICE ON AGING OF THE LIEUTENANT GOVERNOR.

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

Senator ALEXANDER explained the Bill.

The question then was second reading of the Bill.

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

**Ayes 37; Nays 2**

**AYES**

Alexander Allen Bennett

Bryant Campbell Campsen

Cleary Coleman Courson

Cromer Davis Fair

Ford Hembree Hutto

Johnson Leatherman Lourie

Malloy *Martin, Larry Martin, Shane*

Massey Matthews McElveen

McGill Nicholson O'Dell

Peeler Reese Scott

Setzler Shealy Sheheen

Thurmond Turner Verdin

Williams

**Total--37**

**NAYS**

Bright Young

**Total--2**

The Bill was read the second time and ordered placed on the Third Reading Calendar.

**READ THE SECOND TIME**

S. 244 -- Senators McGill, Cleary and Campsen: A BILL TO REPEAL SECTION 50-11-940 OF THE 1976 CODE, RELATING TO THE DESIGNATION OF CERTAIN PROPERTY OF THE BELLE W. BARUCH FOUNDATION IN GEORGETOWN COUNTY AS A BIRD AND GAME REFUGE, AND TO REPEAL SECTION 50-11-941, REQUIRING SECTION 50-11-940 TO NOT BE CONSTRUED IN CONFLICT WITH THE LAST WILL AND TESTAMENT OF BELLE W. BARUCH.

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

Senator CAMPSEN explained the Bill.

The question then was second reading of the Bill.

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

**Ayes 38; Nays 0**

**AYES**

Alexander Allen Bennett

Bright Bryant Campbell

Campsen Cleary Coleman

Corbin Courson Davis

Fair Hembree Hutto

Johnson Leatherman Lourie

Malloy *Martin, Larry Martin, Shane*

Massey Matthews McElveen

McGill Nicholson O'Dell

Peeler Reese Scott

Setzler Shealy Sheheen

Thurmond Turner Verdin

Williams Young

**Total--38**

**NAYS**

**Total--0**

The Bill was read the second time and ordered placed on the Third Reading Calendar.

**COMMITTEE AMENDMENT ADOPTED**

**AMENDMENT PROPOSED**

**CARRIED OVER**

S. 262 -- Senators Leatherman, Setzler and Ford: A BILL TO AMEND THE CODE OF LAWS OF SOUTH CAROLINA, 1976, BY ADDING CHAPTER 44 TO TITLE 11 SO AS TO ENACT THE “HIGH GROWTH SMALL BUSINESS JOB CREATION ACT OF 2013” BY PROVIDING FOR STATE NONREFUNDABLE INCOME TAX CREDITS FOR QUALIFIED INVESTMENTS IN BUSINESSES MEETING CERTAIN CRITERIA AND PRIMARILY ENGAGED IN MANUFACTURING, PROCESSING, WAREHOUSING, WHOLESALING, SOFTWARE DEVELOPMENT, INFORMATION TECHNOLOGY SERVICES, RESEARCH AND DEVELOPMENT, OR OTHER NONPROHIBITED SERVICES, TO ESTABLISH THE CRITERIA AND PROCEDURES FOR THE CREDIT, AND TO MAKE THE CREDIT TRANSFERABLE.

The Senate proceeded to a consideration of the Bill, the question being the adoption of the amendment proposed by the Committee on Finance.

The Committee on Finance proposed the following amendment (NL\262C001.NL.DG13), which was adopted:

Amend the bill, as and if amended, by striking all after the enacting words and inserting:

/ SECTION 1. A. Title 11 of the 1976 Code is amended by adding:

“CHAPTER 44

High Growth Small Business Job Creation Act

Section 11‑44‑10. This chapter may be cited as the ‘High Growth Small Business Job Creation Act of 2013’.

Section 11‑44‑20. The General Assembly desires to support the economic development goals of this State by improving the availability of early stage capital for emerging high‑growth enterprises in South Carolina. To further these goals, this chapter is intended to:

(1) encourage individual angel investors to invest in early stage, high‑growth, job‑creating businesses;

(2) enlarge the number of high quality, high paying jobs within the State;

(3) expand the economy of this State by enlarging its base of wealth‑creating businesses; and

(4) support businesses seeking to commercialize technology invented in this state’s institutions of higher education.

Section 11‑44‑30. For purposes of this chapter:

(1) ‘Angel investor’ means an accredited investor as defined by the United States Securities and Exchange Commission, who is:

(a) an individual person who is a resident of this State or a nonresident who is subject to taxes imposed by Chapter 6, Title 12; or

(b) a pass‑through entity which is formed for investment purposes, has no business operations, does not have committed capital under management exceeding five million dollars, and is not capitalized with funds raised or pooled through private placement memoranda directed to institutional investors. A venture capital fund or commodity fund with institutional investors or a hedge fund does not qualify as an angel investor.

(2) ‘Headquarters’ means the facility or portion of a facility where corporate staff employees are physically employed, and where the majority of the company’s or company business unit’s financial, personnel, legal, planning, information technology, or other headquarters‑related functions are handled.

(3) ‘Net income tax liability’ means South Carolina state income tax liability reduced by all other credits allowed under Titles 11, 12, and 48.

(4) ‘Pass‑through entity’ means a partnership, an S‑corporation, or a limited liability company taxed as a partnership.

(5) ‘Qualified business’ means a registered business that:

(a) is either a corporation, limited liability company, or a general or limited partnership located in this State and has its headquarters located in this State at the time the investment was made and has maintained these headquarters for the entire time the qualified business benefitted from the tax credit provided for pursuant to this section;

(b) was organized no more than five years before the qualified investment was made;

(c) employs twenty‑five or fewer people in this State at the time it is registered as a qualified business;

(d) has had in any complete fiscal year before registration gross income as determined in accordance with the Internal Revenue Code of two million dollars or less on a consolidated basis;

(e) is primarily engaged in manufacturing, processing, warehousing, wholesaling, software development, information technology services, research and development, or a business providing services set forth in Section 12‑6‑3360(M)(13), other than those described in subitem (f); and

(f) does not engage substantially in:

(i) retail sales;

(ii) real estate or construction;

(iii) professional services;

(iv) gambling;

(v) natural resource extraction;

(vi) financial brokerage, investment activities, or insurance;

(vii) entertainment, amusement, recreation, or athletic or fitness activity for which an admission or fee is charged.

A business is substantially engaged in one of the activities defined in subitem (f) if its gross revenue from an activity exceeds twenty‑five percent of its gross revenues in a fiscal year or it is established pursuant to its articles of incorporation, articles of organization, operating agreement, or similar organizational documents to engage as one of its primary purposes such activity.

(6) ‘Qualified investment’ means an investment by an angel investor of cash in a qualified business for common or preferred stock or an equity interest or a purchase for cash of subordinated debt in a qualified business. Investment of common or preferred stock or an equity interest or purchase of subordinated debt does not qualify as a qualified investment if a broker fee or commission or a similar remuneration is paid or given directly or indirectly for soliciting an investment or a purchase.

(7) ‘Registered’ or ‘registration’ means that a business has been certified by the secretary as a qualified business at the time of application to the secretary.

(8) ‘Secretary’ means the Secretary of State.

Section 11‑44‑40. (A) An angel investor is entitled to a nonrefundable income tax credit of thirty‑five percent of its qualified investment made pursuant to this chapter.

(B) Fifty percent of the allowed credit may be applied to the angel investor’s net income tax liability in the tax year during which the qualified investment is made, and fifty percent of the allowed credit may be applied to the angel investor’s net income tax liability in the tax years after the qualified investment is made and may be carried forward for a period not to exceed ten years for these purposes as provided in Section 11‑44‑50.

(C) For any pass‑through entity making a qualified investment directly in a qualified business, each individual who is a shareholder, partner, or member of the entity must be allocated the credit allowed the pass‑through entity in an amount determined in the same manner as the proportionate shares of income or loss of such pass‑through entity would be determined. The pass‑through entity must make an irrevocable election with the Department of Revenue as to the manner in which the credit is allocated. If an individual’s share of the pass‑through entity’s credit is limited due to the maximum allowable credit under this chapter for a taxable year, the pass‑through entity and its owners may not reallocate the unused credit among the other owners.

Section 11‑44‑50. Tax credits claimed pursuant to this chapter are subject to the following conditions and limitations:

(1) the total amount of credits allowed pursuant to this chapter may not exceed in the aggregate five million dollars for all taxpayers for any one calendar year;

(2) the aggregate amount of credit allowed an individual for one or more qualified investments in a single taxable year under this chapter, whether made directly or by a pass‑through entity and allocated to an individual, shall not exceed one hundred thousand dollars each year, not including any carry forward credits;

(3) the amount of the tax credit allowed an individual under this chapter for a taxable year shall not exceed an individual’s net income tax liability. An unused credit amount is allowed to be carried forward for ten years from the close of the taxable year in which the qualified investment was made. Credit is not allowed against prior years’ tax liability;

(4) the credit is transferrable by the angel investor to his heirs and legatees upon his or her death and to his or her spouse or incident to divorce;

(5) the credit may be sold, exchanged, or otherwise transferred, and may be carried forward for a period of ten taxable years following the taxable year in which the credit originated until fully expended. A tax credit or increment of a tax credit may be transferred only once. The credit may be transferred to any taxpayer. A taxpayer to whom a credit has been transferred may use the credit for the taxable year in which the transfer occurred and unused amounts may be carried forward to succeeding taxable years, but the transferred credit may not be used more than ten years after it was originally issued; and

(6) the Department of Revenue may develop procedures for the transfer of the credits.

Section 11‑44‑60. (A) A qualified business shall register with the secretary for purposes of this chapter. Approval of this registration constitutes certification by the secretary for twelve months after being issued. A business is permitted to renew its registration with the secretary so long as, at the time of renewal, the business remains a qualified business.

(B) If the secretary finds that any information contained in an application of a business for registration under this chapter is false, the secretary shall revoke the registration of the business. The secretary shall not revoke the registration of a business only because it ceases business operations for an indefinite period of time, as long as the business renews its registration.

(C) A registration as a qualified business may not be sold or otherwise transferred, except that, if a qualified business enters into a merger, conversion, consolidation, or other similar transaction with another business and the surviving company would otherwise meet the criteria for being a qualified business, the surviving company retains the registration for the twelve‑month registration period without further application to the secretary. In this case, the qualified business shall provide the secretary with written notice of the merger, conversion, consolidation, or similar transaction and other information as required by the secretary.

(D) The secretary shall report to the House Ways and Means Committee and the Senate Finance Committee each year all of the businesses that have registered with the secretary as a qualified business. The report must include the name and address of each business, the location of its headquarters, a description of the type of business in which it engages, the amount of capital it has raised, the number of jobs created by the business during the period covered by the report, and the average wages paid by these jobs.

Section 11‑44‑65. (A) For purposes of this section:

(1) ‘Angel investor taxpayer’ means a taxpayer who invested in a capital asset and as a result of that investment was eligible to claim the tax credit allowed pursuant to this chapter.

(2) ‘Credit asset’ means a capital asset acquired by an angel investor taxpayer who was eligible to claim the tax credit allowed pursuant to this chapter with respect to the acquisition.

(3) ‘Net capital gain’ is as defined in Internal Revenue Code Section 1222 and related sections.

(4) ‘Net capital loss’ is as defined in Internal Revenue Code Section 1211(b), not including the limitation imposed pursuant to Section 1211(b)(1).

(B)(1) If an angel investor taxpayer recognized net capital gain on the sale or exchange of credit assets in a taxable year, then the amount of net capital gain of that taxpayer eligible for the deduction otherwise allowed pursuant to Section 12‑6‑1150 must be reduced by the net capital gain on the sale or exchange of credit assets by the angel investor taxpayer.

(2) In a separate computation in each taxable year the angel investor taxpayer shall attribute the net capital gain on credit assets to each credit asset in the ratio that the long term capital gain on each separate credit asset as a proportion of all such long term gain bears to the net capital gain reduction required pursuant to item (1). If cumulative net capital gain on a credit asset multiplied by seven percent equals the total credit claimed on the credit asset, the excess of the net capital gain attributable to this credit asset over that necessary to produce the total credit amount in the computation is deducted from the reduction otherwise required pursuant to item (1).

(C)(1) If an angel investor taxpayer recognized net capital loss on the sale or exchange of credit assets in a taxable year in an amount equal to or less than the total of tax credits claimed on those credit assets, then there is added to the angel investor taxpayer’s South Carolina taxable income for that taxable year the amount of the net capital loss on those credit assets not to exceed the tax credits claimed on those credit assets.

(2) If an angel investor taxpayer recognized net capital loss on the sale or exchange of credit assets in a taxable year in an amount greater than the amount of the tax credits claimed on those credit assets, then there is added to the angel investor taxpayer’s South Carolina taxable income for that taxable year the amount of the tax credit claimed on those credit assets.

Section 11‑44‑70. (A) An angel investor seeking to claim a tax credit provided for under this chapter shall submit an application to the Department of Revenue for tentative approval for the tax credit in the year for which the tax credit is claimed or allowed. The Department of Revenue shall provide for the manner in which the application is to be submitted. The Department of Revenue shall review the application and tentatively shall approve the application upon determining that it meets the requirements of this chapter.

(B) The Department of Revenue shall provide tentative approval of the applications by the date provided in subsection (C).

(C) The Department of Revenue shall notify each qualified investor of the tax credits tentatively approved and allocated to the qualified investor by January thirty‑first of the year after the application was submitted. If the credit amounts on the tax credit applications filed with the Department of Revenue exceed the maximum aggregate limit of tax credits, then the tax credit must be allocated among the angel investors who filed a timely application on a pro rata basis based upon the amounts otherwise allowed by this chapter. Once the tax credit application has been approved and the amount has been communicated to the applicant, the angel investor then may apply the amount of the approved tax credit to its tax liability for the tax year of which the approved application applies.

Section 11‑44‑80. Tax credits generated as a result of these investments are not considered securities under the laws of this State.”

B. The provisions of Chapter 44, Title 11 contained in this act are repealed on December 31, 2019. Any carry forward credits shall continue to be allowed until the ten year time period in Section 12‑44‑40(B) is completed.

SECTION 2. Section 12‑54‑240(B) of the 1976 Code, as last amended by Act 116 of 2007, is further amended by adding an appropriately numbered item at the end to read:

“( ) exchange between the Department of Revenue and the Secretary of State of any information that assists the Department of Revenue or the Secretary of State in determining or verifying information concerning whether a business is a qualified business pursuant to Section 11‑44‑60.”

SECTION 3. This act takes effect upon approval by the Governor, and the tax credits permitted by this chapter are first available for investments made after December 31, 2012. /

Renumber sections to conform.

Amend title to conform.

Senator O’DELL explained the committee amendment.

The committee amendment was adopted.

Senator DAVIS proposed the following amendment (262R005.TD):

Amend the amendment bearing document number L:\S-RES\  
Amend\262R004.KLB.docx by striking SECTION 2.E. and inserting:

/ E. This SECTION takes effect upon approval by the Governor and shall be reviewed by the General Assembly and the Education Oversight Committee by December 31, 2020. The tax deductions authorized by SECTION 2.A. and tax credits authorized by SECTION 2.B. may be taken to the extent authorized beginning with calendar year 2013./

Renumber sections to conform.

Amend title to conform.

Senator DAVIS explained the amendment.

On motion of Senator O’DELL, the Bill was carried over, as amended.

**AMENDED, READ THE SECOND TIME**

S. 304 -- Senators Shealy, Cromer and Campsen: A BILL TO AMEND SECTIONS 50‑13‑10, AS AMENDED, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO CERTAIN TERMS AND THEIR DEFINITIONS REGARDING GENERAL RESTRICTIONS ON FRESHWATER FISHING, SO AS TO MAKE A TECHNICAL CHANGE AND TO REVISE THE DEFINITION OF THE TERM “BAIT FISH”; TO AMEND SECTION 50‑13‑60, AS AMENDED, RELATING TO THE LAWFUL POSSESSION OF FISH, SO AS TO MAKE A TECHNICAL CHANGE TO THE PROVISION RELATING TO THE POSSESSION OF A GAME FISH; TO AMEND SECTIONS 50‑13‑200, 50‑13‑210, 50‑13‑250, 50‑13‑260, AND 50‑13‑270, ALL AS AMENDED, RELATING TO THE PROTECTION OF FRESHWATER GAME FISH, SO AS TO REVISE THE AGE OF PERSONS IN A BOAT THAT MAY USE AN UNLIMITED NUMBER OF FISHING DEVICES, TO REVISE THE NUMBER OF TROUT THAT MAY BE TAKEN ON THE LOWER REACH OF THE SALUDA RIVER, TO PROVIDE THE LEGAL LENGTH OF SMALLMOUTH BASS THAT MAY BE TAKEN FROM CERTAIN LAKES, RIVERS, AND RESERVOIRS ALONG THE STATE’S WESTERN REGION, AND TO MAKE A TECHNICAL CHANGE; TO AMEND SECTION 50‑13‑620, 50‑13‑625, AND 50‑13‑635, ALL AS AMENDED, RELATING TO THE PROTECTION OF NONGAME FISH, SO AS TO PROVIDE THAT A COMMERCIAL TROTLINE WHICH USES FIFTY OR FEWER HOOKS MUST BE MARKED AT INTERVALS OF TWENTY‑FIVE HOOKS, TO REVISE THE AGE OF PERSONS IN A BOAT THAT MAY USE AN UNLIMITED NUMBER OF FISHING DEVICES, AND TO REVISE THE NUMBER OF SET HOOKS A RECREATIONAL FISHERMAN MAY USE.

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

Senators CAMPSEN, CORBIN, TURNER and SHEALY proposed the following amendment (304R003.GEC), which was adopted:

Amend the bill, as and if amended, by striking SECTION 1 and SECTION 2 and inserting:

/ SECTION 1. Section 50‑13‑10(B)(1), as last amended by Act 113 of 2012, is further amended to read:

“(B) Miscellaneous definitions:

(1) ‘Bait fish’ means a fish allowed to be used as bait in the freshwaters including: Asian clams (Corbicula spp.), crayfish, eels, herring, shad, and fathead minnows (Pimephales promelas), golden shiners (Notemigonus crysoleucas), and goldfish, including ‘black salties’ (Carassius auratus). Except for bream (other than redbreast), no other game fish is allowed to be used as bait, provided, trout are allowed to be used as bait only on Lakes Hartwell, Russell, Thurmond, Tugaloo, Yonah, Stevens Creek Reservoir, and the Savannah River.”/

Renumber sections to conform.

Amend title to conform.

Senator CAMPSEN explained the amendment.

The amendment was adopted.

The question then was second reading of the Bill.

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

**Ayes 38; Nays 0**

**AYES**

Alexander Allen Bennett

Bryant Campbell Campsen

Cleary Coleman Corbin

Courson Cromer Davis

Fair Hembree Hutto

Johnson Leatherman Lourie

Malloy *Martin, Larry Martin, Shane*

Massey Matthews McElveen

McGill Nicholson O'Dell

Peeler Reese Scott

Setzler Shealy Sheheen

Thurmond Turner Verdin

Williams Young

**Total--38**

**NAYS**

**Total--0**

The Bill was read the second time and ordered placed on the Third Reading Calendar.

**READ THE SECOND TIME**

S. 305 -- Senator Campsen: A BILL TO AMEND SECTION 50‑1‑50, AS AMENDED, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO THE GEOGRAPHIC BOUNDARIES OF THE STATE’S BODIES OF WATERS, SO AS TO REVISE THE GEOGRAPHIC BOUNDARIES OF SAINT HELENA SOUND; TO AMEND SECTION 50‑5‑15, AS AMENDED, RELATING TO CERTAIN TERMS AND THEIR DEFINITIONS, SO AS TO DEFINE THE TERM “TOTAL LENGTH”; TO AMEND SECTION 50‑5‑40, RELATING TO THE UNAUTHORIZED TAGGING OR MARKING AND RELEASING OF SALTWATER FISH, SO AS TO MAKE TECHNICAL CHANGES; TO AMEND SECTION 50‑5‑375, RELATING TO SEAFOOD DEALERS’ RECORDS, SO AS TO PROVIDE THAT THIS SECTION APPLIES TO EVERY WHOLESALE SEAFOOD DEALER; TO AMEND SECTION 50‑5‑545, RELATING TO COMMERCIAL CRAB TRAPS, SO AS TO PROVIDE THAT THIS SECTION APPLIES TO TRAPS USED FOR TAKING BLUE CRABS; TO AMEND SECTION 50‑5‑550, RELATING TO TRAPS ATTACHED TO A BUOY, SO AS TO PROVIDE THAT CERTAIN MINNOW TRAP FLOATS DO NOT HAVE TO BE MARKED WITH THE OPERATOR’S BAIT DEALER LICENSE NUMBER; TO AMEND SECTION 50‑5‑705, RELATING TO THE ESTABLISHMENT OF TRAWLING ZONES, SO AS TO REVISE THE BOUNDARIES OF CERTAIN TRAWLING ZONES; TO AMEND SECTION 50‑5‑1330, RELATING TO THE TAKING OF HORSESHOE CRABS, SO AS TO PROVIDE THAT A PERMIT IS NOT REQUIRED TO POSSESS A CAST OFF OR MOLTED SHELL OF A HORSESHOE CRAB, AND TO PROVIDE THAT THE DEPARTMENT OF NATURAL RESOURCES MAY GRANT PERMITS TO CERTAIN INSTITUTIONS AND PERSONS TO POSSESS AN UNLIMITED NUMBER OF HORSESHOE CRABS OR THEIR PARTS; TO AMEND SECTION 50‑5‑1335, RELATING TO THE USE OF BLUE CRAB TRAPS, SO AS TO PROVIDE THAT IT IS UNLAWFUL TO SET A TRAP USED FOR TAKING BLUE CRAB FOR COMMERCIAL PURPOSES WITHIN CERTAIN WATERS WITHIN THIS STATE; TO AMEND SECTIONS 50‑5‑1705 AND 50‑5‑1710, BOTH AS AMENDED, RELATING TO LAWFUL SIZE AND CATCH LIMITS FOR CERTAIN FISH, SO AS PROVIDE THAT THE LIMITS ESTABLISHED IN ARTICLE 17, CHAPTER 5, TITLE 50 APPLY TO ALL STATE WATERS; AND TO REPEAL SECTION 50‑5‑1340, RELATING TO COMMERCIAL USE OF CRAB POTS IN LITTLE CHECHESSEE CREEK IN BEAUFORT COUNTY.

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

Senator CAMPSEN explained the Bill.

The question then was second reading of the Bill.

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

**Ayes 39; Nays 0**

**AYES**

Alexander Allen Bennett

Bright Bryant Campbell

Campsen Cleary Coleman

Corbin Courson Cromer

Davis Fair Hembree

Hutto Johnson Leatherman

Lourie Malloy *Martin, Larry*

*Martin, Shane* Massey Matthews

McElveen McGill Nicholson

O'Dell Peeler Reese

Scott Setzler Shealy

Sheheen Thurmond Turner

Verdin Williams Young

**Total--39**

**NAYS**

**Total--0**

The Bill was read the second time and ordered placed on the Third Reading Calendar.

**READ THE SECOND TIME**

H. 3180 -- Reps. Pope and V.S. Moss: A JOINT RESOLUTION TO AUTHORIZE THE STATE BUDGET AND CONTROL BOARD TO TRANSFER OWNERSHIP OF CLOVER NATIONAL GUARD ARMORY IN CLOVER, SOUTH CAROLINA, TO THE TOWN OF CLOVER.

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

The question then was second reading of the Joint Resolution.

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

**Ayes 40; Nays 0**

**AYES**

Alexander Allen Bennett

Bright Bryant Campbell

Campsen Cleary Coleman

Corbin Courson Cromer

Davis Fair Ford

Hembree Hutto Johnson

Leatherman Lourie Malloy

*Martin, Larry Martin, Shane* Massey

Matthews McElveen McGill

Nicholson O'Dell Peeler

Reese Scott Setzler

Shealy Sheheen Thurmond

Turner Verdin Williams

Young

**Total--40**

**NAYS**

**Total--0**

The Joint Resolution was read the second time and ordered placed on the Third Reading Calendar.

**COMMITTEE AMENDMENT AMENDED AND ADOPTED**

**READ THE SECOND TIME**

S. 213 -- Senators Cleary, Davis, L. Martin, Peeler, Williams, Campbell, Cromer, Rankin, Shealy, Alexander, Gregory, Bryant, Bennett, Nicholson, Johnson, Setzler, Ford and Campsen: A BILL TO AMEND TITLE 33, CODE OF LAWS OF SOUTH CAROLINA, 1976, BY ADDING CHAPTER 57, SO AS TO AUTHORIZE QUALIFIED NONPROFIT ORGANIZATIONS TO OPERATE AND CONDUCT RAFFLES THROUGH REGISTRATION WITH THE SOUTH CAROLINA SECRETARY OF STATE, TO PROVIDE STANDARDS FOR THESE EVENTS, TO REQUIRE PROCEEDS TO BE USED FOR CHARITABLE PURPOSES, AND TO PROVIDE PENALTIES FOR VIOLATIONS.

The Senate proceeded to a consideration of the Bill, the question being the adoption of the amendment proposed by the Committee on Judiciary.

Senator CAMPSEN proposed the following amendment (JUD0213.003), which was adopted:

Amend the Committee Report, as and if amended, by striking page [213-2], lines 31-43, in their entirety and inserting the following:

// Amend the bill further, as and if amended, by striking page 11, lines 29-42 and page 12, lines 1-2 in their entirety and inserting the following:

/ chapter.

Section 33-57-200. (A) The provisions of this chapter are repealed as of July 1, 2020, unless and until the General Assembly reauthorizes the provisions by joint resolution by a two-thirds vote of each body. The vote on the reauthorization may occur within two years preceding the date of repeal.

(B) The provisions of this chapter are repealed every ten years thereafter, unless reauthorized in accordance with subsection (A).”

SECTION 2. Nothing in the provisions of this act, including the allowance of persons to operate casino nights for entertainment purposes when no prizes, financial rewards, or incentives are received by players, shall alter or amend the terms of “The Catawba Indian Claims Settlement Agreement” or “The Catawba Indian Claims Settlement Act”, as referenced in S.C. Code Ann. Sections 27‑16‑10 through 27‑16‑140 (2010) and in 25 U.S.C. Sections 941 through 941n (2010), or the holding of the South Carolina Supreme Court in Catawba Indian Tribe of South Carolina v. State of South Carolina, 372 S.C. 519, 642 S.E.2d 751 (2007). / //

Amend the bill further, as and if amended, by striking page 12, lines 38-43 in their entirety and inserting the following:

/ SECTION 5. The provisions of this act become effective thirty days after ratification of an amendment to Section 7, Article XVII of the Constitution of this State allowing its terms as proposed to the qualified electors of this State at the 2014 General Election. /

Renumber sections to conform.

Amend title to conform.

Senator CAMPSEN explained the perfecting amendment.

The amendment was adopted.

The Committee on Judiciary proposed the following amendment (JUD0213.002), which was adopted:

Amend the bill, as and if amended, by striking page 4, lines 5-6, and inserting the following:

/ 501(c)(8), 501(c)(10), 501(c)(19), or 501(d), or is a class, department, or organization of an educational institution, as defined in Chapter 56, Title 33; and /

Amend the bill further, as and if amended, by striking page 4, lines 17-29, and inserting the following:

/ (B)(1) The requirement to register with the secretary for the purpose of operating raffles for charitable purposes shall apply to any and all nonprofit organizations that intend to operate a raffle in this State, including those organizations that are exempt from or not required to follow the requirements for solicitation of charitable funds pursuant to Chapter 56, Title 33.

(2) An exemption from registration for the purpose of operating raffles is authorized for:

(a) raffles operated by a nonprofit organization for charitable purposes, where a non‑cash prize is donated for the nonprofit raffle and the total value of the prize or prizes offered for a raffle event is not more than five hundred dollars; and

(b) fifty‑fifty raffles where the tickets are sold to members or guests of a nonprofit organization, and not to the general public, and the total value of proceeds collected is not more than nine hundred fifty dollars.

(3) An organization operating a raffle that is within an exemption authorized by the provisions of (B)(2) shall not operate more than one raffle every seven calendar days. /

Amend the bill further, as and if amended, by striking page 5, lines 3-6, and inserting the following:

/ (E) Nonprofit organizations, other organizations, and persons operating raffles for charitable purposes are subject to investigation and other actions by the secretary and subject to all penalties contained in Chapters 56 and 57, Title 33.

(F) Nonprofit organizations, other organizations, or persons operating raffles or lotteries that violate the provisions of Chapter 19, Title 16, are subject to investigation and other actions by law enforcement. /

Amend the bill further, as and if amended, by striking page 6, lines 22-24, and inserting the following:

/ (2) Except as otherwise provided in this chapter, no member, director, officer, employee, or agent of a nonprofit organization, a member of the family of any of those persons, or an entity in /

Amend the bill further, as and if amended, by striking page 7, lines 13-17 and inserting the following:

/ (K) The provisions of this chapter are not intended and shall not be construed to allow the operation or play of raffles through electronic gambling devices or machines, slot machines, video poker or similar electronic play devices, and do not amend or alter in any manner the prohibitions on video poker or similar electronic play devices in Chapter 21, Title 12 or Chapter 19, Title 16. /

Amend the bill further, as and if amended, by striking page 11, lines 31-42 and page 12, lines 1-2 and inserting the following:

/ SECTION 2. Nothing in the provisions of this act, including the allowance of persons to operate casino nights for entertainment purposes when no prizes, financial rewards, or incentives are received by players, shall alter or amend the terms of “The Catawba Indian Claims Settlement Agreement” or “The Catawba Indian Claims Settlement Act”, as referenced in S.C. Code Ann. Sections 27‑16‑10 through 27‑16‑140 (2010) and in 25 U.S.C. Sections 941 through 941n (2010), or the holding of the South Carolina Supreme Court in Catawba Indian Tribe of South Carolina v. State of South Carolina, 372 S.C. 519, 642 S.E.2d 751 (2007). /

Renumber sections to conform.

Amend title to conform.

Senator CLEARY explained the committee amendment.

The committee amendment was adopted.

The question then was second reading of the Bill.

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

**Ayes 38; Nays 1**

**AYES**

Alexander Allen Bennett

Bright Bryant Campbell

Campsen Cleary Coleman

Corbin Courson Cromer

Davis Fair Hembree

Hutto Johnson Leatherman

Lourie Malloy *Martin, Larry*

*Martin, Shane* Massey Matthews

McElveen McGill Nicholson

O'Dell Peeler Scott

Setzler Shealy Sheheen

Thurmond Turner Verdin

Williams Young

**Total--38**

**NAYS**

Reese

**Total--1**

There being no further amendments, the Bill was read the second time, passed and ordered to a third reading.

**READ IN FULL, PASSED BY AYES AND ‘NAYS’**

**READ THE SECOND TIME**

S. 239 -- Senators Cleary, Davis, L. Martin, Campbell, Cromer, Setzler, Campsen and Ford: A JOINT RESOLUTION PROPOSING AN AMENDMENT TO SECTION 7, ARTICLE XVII OF THE CONSTITUTION OF SOUTH CAROLINA, 1895, RELATING TO THE PROHIBITION ON LOTTERIES AND THE EXCEPTIONS TO THIS PROHIBITION, SO AS TO PROVIDE THAT THE GENERAL ASSEMBLY MAY AUTHORIZE RAFFLES TO BE OPERATED AND CONDUCTED BY RELIGIOUS, CHARITABLE, OR NONPROFIT ORGANIZATIONS FOR RELIGIOUS, CHARITABLE, OR ELEEMOSYNARY PURPOSES, AND BY GENERAL LAW MUST DEFINE THE TYPE OF ORGANIZATION AUTHORIZED TO CONDUCT RAFFLES, PROVIDE THE STANDARDS FOR THEIR CONDUCT AND MANAGEMENT, PROVIDE PENALTIES FOR VIOLATIONS, AND PROVIDE FOR ANY OTHER LAW NECESSARY TO ENSURE THE PROPER FUNCTIONING, HONESTY, INTEGRITY, AND CHARITABLE PURPOSES FOR WHICH THE RAFFLES ARE CONDUCTED.

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

Senator CLEARY explained the Joint Resolution.

Senator CLEARY moved that the text of the Joint Resolution be printed upon the pages of the Journal and that the Joint Resolution be ordered to receive a second reading.

Be it enacted by the General Assembly of the State of South Carolina:

SECTION 1. It is proposed that Section 7, Article XVII of the Constitution of this State be amended to read as follows:

“Section 7. Only the State may conduct lotteries, and these lotteries must be conducted in the manner that the General Assembly provides by law. The revenue derived from the lotteries must first be used to pay all operating expenses and prizes for the lotteries. The remaining lottery revenues must be credited to a separate fund in the state treasury styled the ‘Education Lottery Account’, and the earnings on this account must be credited to it. Education Lottery Account proceeds may be used only for education purposes as the General Assembly provides by law.

The game of bingo, when conducted by charitable, religious, or fraternal organizations exempt from federal income taxation or when conducted at recognized annual state and county fairs, is not considered a lottery prohibited by this section.

A raffle, if provided for by general law and conducted by a nonprofit organization for charitable, religious, fraternal, educational, or other eleemosynary purposes is not a lottery prohibited by this section. The general law must define the type of nonprofit organization authorized to operate and conduct a raffle, provide standards for the operation and conduct of raffles, provide for the use of proceeds for religious, charitable, fraternal, educational, or other eleemosynary purposes, provide penalties for violations, and provide for other laws necessary to ensure the proper functioning, honesty, and integrity of the raffles. If no general law on the conduct and operation of a nonprofit raffle for charitable purposes, including the type of organization allowed to conduct raffles, is enacted, then the raffle is a lottery prohibited by this section.”

SECTION 2. The proposed amendment must be submitted to the qualified electors at the next general election for representatives. Ballots must be provided at the various voting precincts with the following words printed or written on the ballot:

“Must Section 7, Article XVII of the Constitution of this State be amended so as to provide that a raffle is not a lottery prohibited by this section, if the raffle is conducted by a nonprofit organization for charitable, religious, fraternal, educational, or other eleemosynary purposes, and the general law defines the type of organization authorized to operate and conduct the raffles, provides standards for the operation and conduct of the raffles, provides for the use of proceeds for charitable, religious, fraternal, educational, or other eleemosynary purposes, provides penalties for violations, and provides for other laws necessary to ensure the proper functioning, honesty, and integrity of the raffles, but in the absence of any general law, then the raffle remains a prohibited lottery?

Yes 

No 

Those voting in favor of the question shall deposit a ballot with a check or cross mark in the square after the word ‘Yes’, and those voting against the question shall deposit a ballot with a check or cross mark in the square after the word ‘No’.”

--xxx--

The question then was second reading of the Joint Resolution.

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

**Ayes 38; Nays 1**

**AYES**

Alexander Allen Bennett

Bright Bryant Campbell

Campsen Cleary Corbin

Courson Cromer Davis

Fair Ford Hembree

Hutto Johnson Leatherman

Lourie Malloy *Martin, Larry*

*Martin, Shane* Massey Matthews

McElveen McGill Nicholson

O'Dell Peeler Scott

Setzler Shealy Sheheen

Thurmond Turner Verdin

Williams Young

**Total--38**

**NAYS**

Reese

**Total--1**

The necessary vote having been received, the Joint Resolution was read the second time, passed and ordered to a third reading.

**ADOPTED**

S. 325 -- Senators Cleary, Alexander, McGill, Shealy, Campbell and Reese: A SENATE RESOLUTION TO COMMEND AND SUPPORT THE DEMOCRATIZATION EFFORTS OF TAIWAN AND THE NATION’S MEANINGFUL PARTICIPATION IN THE WORLD HEALTH ORGANIZATION, THE INTERNATIONAL CIVIL AVIATION ORGANIZATION, AND THE UNITED NATIONS FRAMEWORK CONVENTION ON CLIMATE CHANGE, AS WELL AS OTHER INTERNATIONAL ORGANIZATIONS.

The Senate Resolution was adopted.

**Recorded Vote**

Senators BENNETT and SHANE MARTIN desired to be recorded as voting against the adoption of the Senate Resolution.

**ADOPTED**

S. 378 -- Senator Cleary: A SENATE RESOLUTION TO DECLARE WEDNESDAY, FEBRUARY 20, 2013, AS “SOUTH CAROLINA RECYCLERS DAY” AND TO COMMEND AND RECOGNIZE SOUTH CAROLINA’S RECYCLERS FOR THEIR CONTRIBUTIONS TO OUR STATE’S ECONOMY, FOR THEIR EFFORTS TO PROMOTE ENERGY EFFICIENCY, AND FOR THEIR LEADERSHIP IN PROVIDING SUSTAINABLE MATERIAL MANAGEMENT OPTIONS.

The Senate Resolution was adopted.

**ADOPTED**

H. 3203 -- Rep. Whitmire: A CONCURRENT RESOLUTION TO RECOGNIZE AND HONOR SOUTH CAROLINA’S PURPLE HEART RECIPIENTS AND TO DECLARE THE STATE OF SOUTH CAROLINA A PURPLE HEART STATE.

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

**CARRIED OVER**

S. 297 -- Senators Grooms and Campbell: A BILL TO AMEND THE CODE OF LAWS OF SOUTH CAROLINA, 1976, BY ADDING SECTION 56‑1‑222 TO EXPAND VISION STANDARDS AND TRAINING REQUIREMENTS TO ALLOW CERTAIN PERSONS WHO WEAR BIOPTIC TELESCOPIC LENSES FOR VISION ASSISTANCE TO OBTAIN A DRIVER’S LICENSE.

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

**CARRIED OVER**

S. 15 -- Senators Grooms, Campsen, Ford and Young: A BILL TO AMEND THE CODE OF LAWS OF SOUTH CAROLINA, 1976, BY ENACTING THE “TAXPAYER FAIRNESS ACT” BY ADDING SECTION 12‑4‑397 TO PROVIDE THE MANNER IN WHICH THE SOUTH CAROLINA DEPARTMENT OF REVENUE MUST INTERPRET TAX STATUTES OF THIS STATE, TO PROVIDE THAT TERMS IN THE TAX STATUTES OF THIS STATE MAY NOT BE GIVEN BROADER MEANING THAN INTENDED BY POLICY DOCUMENTS AND REGULATIONS OF THE DEPARTMENT OF REVENUE, TO PROVIDE THAT AMBIGUITY IN TAX STATUTES MUST BE RESOLVED IN FAVOR OF THE TAXPAYER, TO REQUIRE THE DEPARTMENT TO REPORT AMBIGUITIES TO CERTAIN MEMBERS OF THE GENERAL ASSEMBLY, AND TO DEFINE “TAX STATUTES OF THIS STATE”.

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

**CARRIED OVER**

S. 118 -- Senators Hayes and Ford: A BILL TO AMEND SECTION 12‑37‑2725, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO CANCELLATION OF A LICENSE PLATE AND REGISTRATION CERTIFICATE WHEN A VEHICLE OWNER MOVES OUT OF STATE AND THE PRORATED PROPERTY TAX REFUND DUE ON THAT CANCELLATION, SO AS TO ALLOW THE APPROPRIATE RECEIPT ISSUED BY THE DEPARTMENT OF MOTOR VEHICLES TO SUBSTITUTE FOR THE ACTUAL LICENSE PLATE AND CERTIFICATE; TO AMEND SECTION 12‑39‑220, RELATING TO THE DISCOVERY OF UNTAXED PROPERTY FOR PURPOSES OF PROPERTY TAXES, SO AS TO PROVIDE THE DUTIES OF THE ASSESSOR WITH RESPECT TO THIS PROPERTY; AND TO AMEND SECTION 12‑54‑85, AS AMENDED, RELATING TO THE TIME LIMITS APPLICABLE FOR ASSESSING DELINQUENT TAXES, SO AS TO MAKE A CONFORMING AMENDMENT.

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

**CARRIED OVER**

S. 306 -- Senator Campsen: A BILL TO AMEND SECTION 50‑1‑130 OF THE 1976 CODE, RELATING TO PENALTIES ASSOCIATED WITH MISDEMEANOR OFFENSES CONTAINED IN TITLE 50, TO REVISE THE PENALTIES FOR THESE OFFENSES, AND TO PROVIDE THAT MAGISTRATE’S COURT HAS BOTH ORIGINAL AND CONCURRENT JURISDICTION OVER MISDEMEANOR OFFENSES.

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

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

**MOTION FOR SPECIAL ORDER UNDER RULE 33B FAILED**

S. 92 -- Senators Davis, S. Martin, Verdin, Grooms, Bryant and Bright: A BILL TO AMEND THE CODE OF LAWS OF SOUTH CAROLINA, 1976, TO ENACT THE “NDAA NULLIFICATION ACT OF 2013”, BY ADDING SECTION 8‑1‑15, RELATING TO PUBLIC OFFICERS AND EMPLOYEES, TO PROHIBIT ANY OFFICER OR EMPLOYEE OF THE STATE OR ANY OFFICER OR EMPLOYEE OF A POLITICAL SUBDIVISION FROM AIDING THE DETENTION OF ANY UNITED STATES CITIZEN WITHOUT TRIAL BY THE UNITED STATES ARMED FORCES IN VIOLATION OF THE CONSTITUTION OF SOUTH CAROLINA.

The motion to make the Bill a Special Order was polled out of the Committee on Rules as follows:

**Poll of the Rules Committee**

**Polled 15; Ayes 9; Nays 6; Not Voting 2**

**AYES**

Cromer *Martin, Larry* Massey

*Martin, Shane* Gregory Campsen

Corbin Thurmond Turner

**Total--9**

**NAYS**

Reese Hutto Nicholson

Scott Allen McElveen

**Total--6**

**NOT VOTING**

Leatherman Malloy

**Total--2**

On behalf of the Rules Committee, Senator CROMER, as Chairman of the Committee on Rules, moved to make the Bill a Special Order pursuant to Rule 33B.

The question then was the motion to make the Bill a Special Order.

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

**Ayes 19; Nays 21**

**AYES**

Alexander Bennett Bright

Bryant Campsen Corbin

Cromer Davis Fair

Hembree *Martin, Larry Martin, Shane*

Massey Peeler Shealy

Thurmond Turner Verdin

Young

**Total--19**

**NAYS**

Allen Campbell Cleary

Coleman Courson Ford

Hutto Johnson Leatherman

Lourie Malloy Matthews

McElveen McGill Nicholson

O’Dell Reese Scott

Setzler Sheheen Williams

**Total--21**

Having failed to receive the necessary vote, the motion for Special Order failed.

**MADE SPECIAL ORDER**

S. 137 -- Senators Lourie and L. Martin: A BILL TO AMEND SECTION 56‑1‑286, AS AMENDED, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO THE SUSPENSION OF A DRIVER’S LICENSE OF A PERSON UNDER THE AGE OF TWENTY‑ONE FOR HAVING AN UNLAWFUL ALCOHOL CONCENTRATION, SO AS TO REVISE THE PENALTIES TO INCLUDE REQUIRING AN OFFENDER WHO OPERATES A VEHICLE TO HAVE AN IGNITION INTERLOCK DEVICE INSTALLED ON THE VEHICLE; TO AMEND SECTION 56‑1‑400, AS AMENDED, RELATING TO THE SUSPENSION OF A LICENSE, A LICENSE RENEWAL OR ITS RETURN, AND ISSUANCE OF A LICENSE THAT RESTRICTS THE DRIVER TO ONLY OPERATING A VEHICLE WITH AN IGNITION INTERLOCK DEVICE INSTALLED, SO AS TO PROVIDE FOR THE ISSUANCE OF AN INTERLOCK RESTRICTED LICENSE AND ITS CONTENTS, TO PROVIDE FOR THE CONTENTS OF A DRIVER’S LICENSE ISSUED TO A PERSON WHOSE VEHICLE IS INSTALLED WITH AN IGNITION INTERLOCK DEVISE AND TO PROVIDE ADDITIONAL OFFENSES THAT REQUIRE THE INSTALLATION OF AN IGNITION INTERLOCK RESTRICTED DEVICE AS A PENALTY, TO REVISE THE DRIVER’S LICENSE SUSPENSION PERIOD FOR A PERSON WHO CHOOSES TO OR NOT TO HAVE AN INTERLOCK DEVICE INSTALLED ON HIS VEHICLE, AND TO PROVIDE ADDITIONAL PENALTIES FOR CERTAIN INDIVIDUALS WHO CHOOSE NOT TO HAVE AN INTERLOCK DEVISE INSTALLED ON THEIR VEHICLES AFTER BEING CONVICTED OF CERTAIN DRIVING OFFENSES; TO AMEND SECTION 56‑1‑748, RELATING TO THE ISSUANCE OF A RESTRICTED DRIVER’S LICENSE TO PERSON’S WHO ARE INELIGIBLE TO OBTAIN A SPECIAL RESTRICTED DRIVER’S LICENSE, SO AS TO MAKE A TECHNICAL CHANGE; TO AMEND SECTION 56‑1‑1320, RELATING TO THE ISSUANCE OF A PROVISIONAL DRIVER’S LICENSE, SO AS TO MAKE TECHNICAL CHANGES, AND TO DELETE THE PROVISION THAT GIVES CERTAIN PERSONS AUTHORITY TO ISSUE A PROVISIONAL DRIVER’S LICENSE AND REVIEW CANCELLATIONS AND SUSPENSION OF DRIVER’S LICENSES; TO AMEND SECTION 56‑5‑2941, RELATING TO PENALTIES THAT MAY BE IMPOSED FOR DRIVING A VEHICLE WHILE UNDER THE INFLUENCE OF ALCOHOL OR DRUGS, SO AS TO PROVIDE DURING THE OFFENSES THAT REQUIRE THE INSTALLATION OF AN IGNITION INTERLOCK DEVICE AS A PENALTY, TO PROVIDE A PENALTY FOR A PERSON WHO IS INCAPABLE OF OPERATING AN IGNITION INTERLOCK DEVICE, TO REVISE CERTAIN PENALTIES CONTAINED IN THIS SECTION; THE LENGTH OF TIME AN INTERLOCK DEVICE MUST BE AFFIXED TO A VEHICLE, TO REVISE THE PENALTY FOR AN OFFENDER WHO HAS ACCUMULATED FOUR POINTS UNDER THE INTERLOCK DEVICE POINT SYSTEM, TO PROVIDE FOR THE USE OF FUNDS REMITTED TO THE INTERLOCK DEVICE FUND, TO REVISE THE FEES THAT MUST BE COLLECTED AND REMITTED TO THE INTERLOCK DEVICE FUND, AND TO PROVIDE THAT AN INTERLOCK DEVICE MUST CAPTURE A PHOTOGRAPHIC IMAGE OF A DRIVER AS HE OPERATES THE DEVICE; TO AMEND SECTION 56‑5‑2942, AS AMENDED, RELATING TO THE IMMOBILIZATION OF A PERSON’S VEHICLE UPON HIS CONVICTION OF AN ALCOHOL‑RELATED DRIVING OFFENSE, SO AS TO PROVIDE THAT AS LONG AS A PERSON HOLDS A VALID IGNITION INTERLOCK LICENSE, HE IS NOT REQUIRED TO SURRENDER HIS LICENSE PLATES AND VEHICLE REGISTRATIONS; TO AMEND SECTION 56‑5‑2945, RELATING TO THE OPERATION OF A MOTOR VEHICLE WHILE UNDER THE INFLUENCE OF DRUGS OR ALCOHOL AND GREAT BODILY INJURY OR DEATH OCCURS, SO AS TO PROVIDE THAT A PERSON CONVICTED PURSUANT TO THIS SECTION MAY ENROLL IN THE IGNITION INTERLOCK DEVISE PROGRAM UNDER CERTAIN CIRCUMSTANCES; TO AMEND SECTION 56‑5‑2950, AS AMENDED, RELATING TO A PERSON WHO OPERATES A MOTOR VEHICLE GIVING IMPLIED CONSENT TO CHEMICAL TESTS TO DETERMINE THE PRESENCE OF ALCOHOL OR DRUGS, SO AS TO REVISE THE PENALTY IMPOSED UPON A PERSON WHO REFUSES TO BE SUBJECTED TO A CHEMICAL TEST, AND TO MAKE TECHNICAL CHANGES; TO AMEND SECTION 56‑5‑2951, AS AMENDED, RELATING TO THE SUSPENSION OF A PERSON’S DRIVER’S LICENSE WHO REFUSES TO SUBMIT TO BE TESTED TO DETERMINE HIS ALCOHOL CONCENTRATION, SO AS TO REVISE THE OFFENSES THAT ARE AFFECTED BY THIS SECTION, TO PROVIDE THAT A PERSON MAY ENROLL IN THE IGNITION INTERLOCK DEVICE PROGRAM AS A ALTERNATE IN LIEU OF OTHER PENALTIES PROVIDED IN THIS SECTION; AND TO AMEND SECTION 56‑5‑2990, RELATING TO THE SUSPENSION OF A PERSON’S DRIVER’S LICENSE FOR A VIOLATION OF CERTAIN ALCOHOL AND DRUG RELATED DRIVING OFFENSES, SO AS TO REVISE THE PENALTIES, AND TO INCLUDE REQUIRING CERTAIN PERSONS TO ENROLL IN THE IGNITION INTERLOCK DEVICES PROGRAM.

Senator PEELER moved that the Bill be made a Special Order.

The Bill was made a Special Order.

**MOTION FOR SPECIAL ORDER FAILED**

S. 4 -- Senators Scott, Malloy, Setzler, Matthews, Allen, Coleman, Ford, Hutto, Jackson, Johnson, Lourie, McElveen, McGill, Nicholson, Pinckney, Reese, Sheheen and Williams: A BILL TO AMEND THE CODE OF LAWS OF SOUTH CAROLINA, 1976, BY ADDING SECTION 7‑13‑25 SO AS TO ESTABLISH EARLY VOTING PROCEDURES; TO AMEND SECTION 7‑3‑20, AS AMENDED, RELATING TO DUTIES OF THE EXECUTIVE DIRECTOR OF THE STATE ELECTION COMMISSION, SO AS TO FURTHER DEFINE HIS DUTIES; AND TO AMEND SECTION 7‑15‑320, RELATING TO PERSONS QUALIFIED TO VOTE BY ABSENTEE BALLOT, SO AS TO INCLUDE VOTING DURING THE EARLY VOTING PERIOD.

Senator SCOTT moved that the Bill be made a Special Order.

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

**Ayes 18; Nays 22**

**AYES**

Allen Coleman Ford

Hutto Johnson Leatherman

Lourie Malloy Matthews

McElveen McGill Nicholson

Reese Scott Setzler

Sheheen Thurmond Williams

**Total--18**

**NAYS**

Alexander Bennett Bright

Bryant Campbell Campsen

Cleary Corbin Courson

Cromer Davis Fair

Hembree *Martin, Larry Martin, Shane*

Massey O’Dell Peeler

Shealy Turner Verdin

Young

**Total--22**

Having failed to receive the necessary vote, the motion for Special Order failed.

**STATEWIDE APPOINTMENTS**

**Confirmations**

Having received a favorable report from the Banking and Insurance Committee, the following appointment was taken up for immediate consideration:

Initial Appointment, Director of Department of Insurance, with term coterminous with Governor

Director:

Raymond G. Farmer, 1100 Pulaski Street, Columbia, SC 29201 *VICE* vacant

Senator SETZLER spoke on the appointment.

Senator RANKIN spoke on the appointment.

Senator DAVIS spoke on the appointment.

The question was confirmation of Mr. Farmer.

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

**Ayes 28; Nays 1; Present 9; Abstain 2**

**AYES**

Alexander Allen Bennett

Bryant Campbell Coleman

Corbin Courson Cromer

Fair Hembree Johnson

Leatherman *Martin, Larry Martin, Shane*

Massey Matthews McGill

Nicholson O'Dell Peeler

Reese Setzler Shealy

Turner Verdin Williams

Young

**Total--28**

**NAYS**

Ford

**Total--1**

**PRESENT**

Bright Campsen Cleary

Davis McElveen Rankin

Scott Sheheen Thurmond

**Total--9**

**ABSTAIN**

Hutto Lourie

**Total--2**

The appointment of Mr. Farmer was confirmed.

**Statement by Senators DAVIS, CAMPSEN and THURMOND**

We voted “present” today on the vote to confirm Ray Farmer’s nomination by Gov. Nikki Haley to serve as the State’s Insurance Commissioner.   We did not vote against Mr. Farmer’s nomination because the Governor is entitled, in our view, to a considerable degree of deference from the Senate in considering her cabinet nominees, and also because we are convinced Mr. Farmer is a person of good character and knowledgeable about the insurance industry.

But neither, however, did we affirmatively vote for his nomination, in material part because when asked by the Charleston Post & Courier if home insurance rates on the coast were currently too high, he replied: “We haven’t had an outcry.  Pick any kind of product.  As a consumer I’m going to say that I’m paying too much for a product.  But the question is whether I am getting value for what I’m paying, and I think the answer is ‘yes’.”

That answer by Mr. Farmer flies in the face of empirical data compiled by numerous independent and nonpartisan industry groups. Beaufort County in particular, and the lowcountry of South Carolina in general, is a low hurricane risk relative to areas like the Outer Banks in North Carolina or Gulf Port, Mississippi, yet the wind-insurance premiums paid by homeowners in the former areas are comparable to, and in some cases more than, the premiums paid by those in the latter.

During the confirmation hearings, Mr. Farmer recanted his earlier statement to the Post & Courier, agreed that wind-insurance premiums being charged by insurance companies for buildings along the coast might not be commensurate with the risk being assumed by the companies for providing such coverage, and pledged to consider reforms that increased competition among insurance providers and that facilitated consumers in shopping for insurance.

This market-based approach was the one taken -- rightly, in our opinion -- by the South Carolina General Assembly when it passed the 2007 Omnibus Coastal Property Insurance Reform Act (S. 711; Act 78).   Unlike other states, like Florida, that took a statist approach to reform and had their insurance commissioners become very interventionist in the marketplace, which resulted in an exodus of private insurance companies, our legislature wisely embraced reforms to increase supply and empower consumers.

We were greatly encouraged by Mr. Farmer’s concurrence during the confirmation hearings that the remedy for the current market failure is ***not*** to abandon market-based solutions in favor of a more activist and interventionist insurance commissioner, but rather to build upon previous free-market reforms in a way that results in the better‑functioning market.

We trust Mr. Farmer to follow through on his commitment to those reforms.  And again, we are convinced he is a person of good character and knowledgeable about the insurance industry.   But voting “present” on Mr. Farmer’s nomination, we think, was the best way to underscore our concerns over the current failure of the wind-insurance market to yield an equilibrium price, and to memorialize the nominee’s commitment to appropriate free-market reforms.

\* \* \*

Having received a favorable report from the Banking and Insurance Committee, the following appointment was taken up for immediate consideration:

Initial Appointment, South Carolina Commission on Consumer Affairs, with the term to commence September 20, 2011, and to expire September 20, 2015

At-Large:

W. Frederick Pennington, 209 Forestdale Dr., Taylors, SC 29687 *VICE* C. Wayne Powell

The question was confirmation of Mr. F. Pennington.

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

**Ayes 34; Nays 0**

**AYES**

Alexander Bennett Bright

Bryant Campbell Campsen

Cleary Corbin Courson

Cromer Davis Hembree

Hutto Johnson Leatherman

*Martin, Larry Martin, Shane* Massey

Matthews McElveen McGill

Nicholson O'Dell Peeler

Rankin Reese Scott

Setzler Shealy Sheheen

Thurmond Turner Verdin

Young

**Total--34**

**NAYS**

**Total--0**

The appointment of Mr. F. Pennington was confirmed.

Having received a favorable report from the Banking and Insurance Committee, the following appointment was taken up for immediate consideration:

Initial Appointment, South Carolina State Board of Financial Institutions, with the term to commence June 30, 2010, and to expire June 30, 2014

Consumer:

W. Donald Pennington, 650 Harrison Bridge Road, Simpsonville, SC 29680 *VICE* Naomi Dreher

The question was confirmation of Mr. D. Pennington.

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

**Ayes 36; Nays 0**

**AYES**

Alexander Allen Bennett

Bright Bryant Campbell

Campsen Cleary Coleman

Corbin Courson Cromer

Davis Hembree Hutto

Johnson Leatherman *Martin, Larry*

*Martin, Shane* Massey Matthews

McElveen McGill Nicholson

O'Dell Peeler Rankin

Reese Scott Setzler

Shealy Sheheen Thurmond

Turner Verdin Young

**Total--36**

**NAYS**

**Total--0**

The appointment of Mr. D. Pennington was confirmed.

Having received a favorable report from the Medical Affairs Committee, the following appointment was taken up for immediate consideration:

Initial Appointment, South Carolina Mental Health Commission, with the term to commence March 21, 2012, and to expire March 21, 2017

4th Congressional District - Consumer:

Sharon L. Wilson, 120 South Forty Road, Piedmont, SC 29673 *VICE* vacant

The question was confirmation of Ms. Wilson.

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

**Ayes 40; Nays 0**

**AYES**

Alexander Allen Bennett

Bright Bryant Campbell

Campsen Cleary Coleman

Corbin Courson Cromer

Davis Fair Hembree

Hutto Johnson Leatherman

Lourie Malloy *Martin, Larry*

*Martin, Shane* Massey Matthews

McElveen McGill Nicholson

O'Dell Peeler Rankin

Reese Scott Setzler

Shealy Sheheen Thurmond

Turner Verdin Williams

Young

**Total--40**

**NAYS**

**Total--0**

The appointment of Ms. Wilson was confirmed.

Having received a favorable report from the Medical Affairs Committee, the following appointment was taken up for immediate consideration:

Initial Appointment, South Carolina State Board of Nursing, with the term to commence December 31, 2011, and to expire December 31, 2015

3rd Congressional District:

Kay Swisher, 110 Cedar Court, Laurens, SC 29360 *VICE* C. Lynn Lewis

The question was confirmation of Ms. Swisher.

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

**Ayes 37; Nays 0**

**AYES**

Alexander Allen Bennett

Bright Bryant Campbell

Campsen Cleary Coleman

Corbin Courson Cromer

Davis Fair Hembree

Hutto Johnson Leatherman

Lourie *Martin, Larry Martin, Shane*

Massey McElveen McGill

Nicholson O'Dell Peeler

Rankin Reese Scott

Setzler Shealy Thurmond

Turner Verdin Williams

Young

**Total--37**

**NAYS**

**Total--0**

The appointment of Ms. Swisher was confirmed.

Having received a favorable report from the Medical Affairs Committee, the following appointment was taken up for immediate consideration:

Initial Appointment, South Carolina Commission on Disabilities and Special Needs, with the term to commence June 30, 2012, and to expire June 30, 2016

Eva Ravenel, 11 Gibbes Street, Charleston, SC 29401 *VICE* Nancy Banov

The question was confirmation of Ms. Ravenel.

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

**Ayes 39; Nays 0**

**AYES**

Alexander Allen Bennett

Bright Bryant Campbell

Campsen Cleary Coleman

Courson Cromer Davis

Fair Hembree Hutto

Johnson Leatherman Lourie

Malloy *Martin, Larry Martin, Shane*

Massey Matthews McElveen

McGill Nicholson O'Dell

Peeler Rankin Reese

Scott Setzler Shealy

Sheheen Thurmond Turner

Verdin Williams Young

**Total--39**

**NAYS**

**Total--0**

The appointment of Ms. Ravenel was confirmed.

Having received a favorable report from the Medical Affairs Committee, the following appointment was taken up for immediate consideration:

Initial Appointment, South Carolina State Board of Nursing, with the term to commence July 1, 2012, and to expire June 30, 2016

7th Congressional District:

Karen Racz Hazzard, 25 Deloach Trail, Pawley's Island, SC 29585 *VICE* New Seat

The question was confirmation of Ms. Hazzard.

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

**Ayes 38; Nays 0**

**AYES**

Alexander Allen Bennett

Bright Bryant Campbell

Campsen Cleary Coleman

Corbin Cromer Davis

Fair Hembree Hutto

Johnson Leatherman Lourie

Malloy *Martin, Larry Martin, Shane*

Massey McElveen McGill

Nicholson O'Dell Peeler

Rankin Reese Scott

Setzler Shealy Sheheen

Thurmond Turner Verdin

Williams Young

**Total--38**

**NAYS**

**Total--0**

The appointment of Ms. Hazzard was confirmed.

Having received a favorable report from the Transportation Committee, the following appointment was taken up for immediate consideration:

Initial Appointment, South Carolina State Ports Authority, with the term to commence February 13, 2012, and to expire February 13, 2017

At-Large:

Robert Michael Sisk, 718 Charter Lane, Lexington, SC 29072 *VICE* Karen Floyd

The question was confirmation of Mr. Sisk.

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

**Ayes 36; Nays 0**

**AYES**

Alexander Allen Bennett

Bright Bryant Campbell

Campsen Cleary Coleman

Corbin Courson Cromer

Davis Hembree Hutto

Johnson Leatherman *Martin, Larry*

*Martin, Shane* Massey Matthews

McElveen McGill Nicholson

O'Dell Peeler Rankin

Reese Scott Setzler

Shealy Sheheen Thurmond

Turner Verdin Young

**Total--36**

**NAYS**

**Total--0**

The appointment of Mr. Sisk was confirmed.

Senator SHANE MARTIN moved that the Senate stand adjourned.

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

**Ayes 37; Nays 1**

**AYES**

Alexander Allen Bennett

Bright Bryant Campbell

Campsen Cleary Coleman

Corbin Courson Cromer

Davis Fair Hembree

Hutto Johnson Leatherman

Lourie *Martin, Larry Martin, Shane*

Massey Matthews McElveen

McGill Nicholson O'Dell

Peeler Reese Scott

Setzler Shealy Sheheen

Turner Verdin Williams

Young

**Total--37**

**NAYS**

Ford

**Total--1**

**ADJOURNMENT**

At 1:19 P.M., on motion of Senator SHANE MARTIN, the Senate adjourned to meet tomorrow at 11:00 A.M. under the provisions of Rule 1 for the purpose of taking up local matters and uncontested matters which have previously received unanimous consent to be taken up.

\* \* \*