**Thursday, June 18, 2015**

**(Statewide Session)**

~~Indicates Matter Stricken~~

Indicates New Matter

 The Senators were led in procession to the Chamber at 10:00 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:

**In Memory of**

**Senator CLEMENTA C. PINCKNEY**

**July 30, 1973 - June 17, 2015**

 The prophet Isaiah reminds us that:

 “ ‘...the Lord longs to be gracious to you...’ ” (Isaiah 30:18a)

 Let us pray:

 O Wise and Loving God, we are so very aware of and grateful for Your gracious presence with us here in this Senate Chamber. And likely more than ever do we give You praise for embracing us in Your care today, bound together as we are in purpose and spirit, Senators and staff members together sharing in the day’s tragic news. Fill this Chamber with Your loving Spirit, O God, as we come to remember and to honor one of our own. Bless us with Your gracious peace. In Your wondrous name we pray this, dear Lord. Amen.

**Motion Adopted**

 With unanimous consent, the Chaplain was granted the privilege of the floor to lead the Senate in a memorial of the life of Senator CLEMENTA C. PINCKNEY.

The Psalmist declares:

 “Out of the depths I cry to you, O Lord. Lord, hear my voice!”

 (Psalm 130:1-2a)

 Join me as we unite our hearts in prayer:

 Holy and Everloving God, how deeply in “the depths” do we all feel this morning. The shocking, unsettling and almost-unspeakable tragedy which unfolded last night at the Emanuel AME Church in Charleston has devastated all of us. For one of our own has been killed, along with others in that faith community. Our hearts go out to Senator PINCKNEY’s family, to the community he served and to our grieving State. Hold us all tightly in Your loving arms during these hours and days while we try to make sense of that which at the core is absolutely senseless, O Lord. Bestow hope and mercy. Keep us focused on honoring You, as the Senator himself unfailing did. Be with all those in Charleston who have lost loved ones. Bless this body -- all the Senators and the staff -- guiding them, leading all of us, through these challenging days in which we live. In Your comforting and loving name do we pray all of this, dear Lord. Amen.

**Remembrances**

 Senator SETZLER rose for a reflection on the life of Senator PINCKNEY.

**Remarks by Senator SETZLER**

 Mr. PRESIDENT and members of the Senate. I do not know if I have the ability today to talk or speak but I wish for everyone to join together in celebrating the life of Senator CLEMENTA PINCKNEY. It has been a sincere pleasure and honor to serve with him, to learn from him, to be guided by him spiritually, to be his friend and to be amongst him. As the Chaplain referenced, Senator PINCKNEY was one of my favorite people to tease not only because of his big stature but also of his big booming voice. You knew it was him when he spoke. What stood out more about Senator PINCKNEY than his big frame and booming voice was his astronomically large heart and his love for his fellow man.

 It is ironic that we watch today this video where Senator PINCKNEY talks of us not believing what we saw on television. It was unbelievable what we saw last night. Our prayers throughout the night were that he was still with us.

 We have been blessed to know him and we have learned from him. Listen to what he said in, what was probably, his finest moment in the South Carolina Senate. “We have a great opportunity -- with new eyes and new dedication. Remember what is best and good about the great State in which we live.”

 I would ask not only the members of the Senate and those who are assembled here today, but also the people of South Carolina, to join us as we mourn the loss of Senator PINCKNEY. We join to celebrate his life and service, not only to his State but to his Lord. We know where he is today.

 We also ask that you pray continuously for his family and hold them and lift them in your heart.

 Senator MATTHEWS rose for a reflection on the life of Senator PINCKNEY.

**Remarks by Senator MATTHEWS**

 Thank you Mr. PRESIDENT, fellow members of the Senate. I stand here in sorrow. I had the opportunity to serve with Senator PINCKNEY from the first day he was elected in the Senate. We were suitemates, we served on the same delegation and I know Senator PINCKNEY’s family, his children, his mother, his wife, and I attended his mother’s funeral. The one thing you can say about Senator PINCKNEY is that he had a good heart. It doesn’t matter sometimes what you say but what you do that’s important. I can simply say something that I hope all of us will remember in the words of a noted African American educator who once said, “All of us who once lived on this earth have a responsibility to leave some evidence that we lived here, that we served here and that we worked here.” Senator PINCKNEY in his years of service in the House and the Senate, as a pastor, as a community leader and as a friend, leaves much evidence. So the challenge to those of us as we yet live is to leave some evidence that we live and that we serve. Thank you.

 Senator REESE rose for a reflection on the life of Senator PINCKNEY.

**Remarks by Senator REESE**

 Senator PINCKNEY was elected to the House at the age of 23 and was doing an outstanding job. We were extremely impressed with him. He gave up his House career to run for the Senate. He was not supposed to win. I thought, “Why would he give up a House career and run for the Senate?” We got behind him, and he won in an upset. He got on the Finance Committee early and he has been on the Finance Committee for years. Yesterday during the budget debate, a proviso came up about foster children. We voted, and it was a pretty well unanimous vote, but I noticed that Senator PINCKNEY didn’t vote and I asked him why he didn’t vote. He said, “I’ve got a lot concerns about foster children.” Senator LEATHERMAN said, “We have to go to the floor,” and Senator PINCKNEY mumbled beside me, “I’m out of here,” and I said, “Where are you going?” He said, “I’ve got to go to Charleston; I have a meeting at the church tonight.”

 Senator JACKSON rose for a reflection on the life of Senator PINCKNEY.

**Remarks by Senator JACKSON**

 Thank you Mr. PRESIDENT, members of the Senate and those that are here today. It is a very difficult thing to get up and to do this, but I do want to pay tribute to my great friend and my colleague. He and I shared a commonality that we are both colleagues in the state Senate and as well as in the ministry. Clementa, Senator PINCKNEY, was a student at Allen University, when my brother was the Dean of Students at Allen. One day my brother called me and said there is a phenomenal young man, who is the student body president, and I want you to come and just speak some words of encouragement to him because his goal is to get into politics, and I told him about you who was student body president, a minister, and was in politics. So we spent some time together, and I knew then that this guy was phenomenal. He was a gentle giant, never promoted himself -- never talked about himself -- never highlighted himself. If you wanted you to know his accomplishments somebody else had to tell you that Clem did something, and that is what made him so great. The last conversation we had, in-depth conversation, was Tuesday standing on the back wall and ironically enough we were talking about his family. He was talking about leaving a legacy for his family. Making sure that if anything ever happened to him, Tuesday, that his family would be well taken care of. This once again is the selflessness of Senator PINCKNEY. I’ll leave you with these words. A friend of mine, a minister called me from across the country, this morning, he wanted to know, what can I tell my friends about the God we serve? Why would he allow this to happen? And my mind went to Proverbs 3:5, Solomon writes, “Trust in the Lord, lean not to thine own understanding, and in all thy ways acknowledge him, and he will direct your path.” And I said to him and I say to this body that my motto with God is this, “Lord I still trust you even when I don’t understand you.” Rest in peace my brother.

 Senator NICHOLSON rose for a reflection on the life of Senator PINCKNEY.

**Remarks by Senator NICHOLSON**

 Thank you Mr. PRESIDENT. I just want to make a few remarks about my dear friend Senator PINCKNEY. I’ve been here seven years and Senator PINCKNEY was one of the first ones I got to know when I was elected. But I want to talk not about his service in the Senate, but his service to his family.

 A few years ago Senator PINCKNEY and I were talking and he said, “Well, I have a niece and she’s looking at attending Lander College.” I said, “Great, I work part time at Lander.” He said, “Well we’re going to come up and take a tour.” So I arranged it and he came up and took the tour. She decided to come to Lander. Who brought her to Lander? Senator PINCKNEY and his family. I said, “Senator PINCKNEY, I work here and I just want to let you know, your niece has a family in Greenwood. Anything she needs my wife and I will provide. We are going to be her family away from home.”

 Several times during the year Senator PINCKNEY would be there checking on his niece. She would come by and talk to me. We did a lot of things for her. But Senator PINCKNEY was just like a father to his niece. So I know not only did he serve well in the Senate, he served well with his family and with his community. He loved his niece, he loved his family and he was a true man of God. He was a true individual that displayed what we all need to do -- show love.

 Senator WILLIAMS rose for a reflection on the life of Senator PINCKNEY.

**Remarks by Senator WILLIAMS**

 Thank you Mr. PRESIDENT, members of the Senate, all that are assembled here this day. I just want to share with you and let you know that my heart is very, very heavy today. There is something many of you did not know and that is Senator CLEMENTA PINCKNEY was flesh of my flesh, and bones of my bones. We were blood cousins.

 Part of his roots are in Marion County. His mother, his grandparents, literally grew up across, as we like to refer to it as across the field from my parents’ home. I knew Senator PINCKNEY way before we began serving in the South Carolina Senate together. Senator PINCKNEY was a good and decent man. He was an honorable man and above all he was a God-fearing man.

 Someone once said, “I rather see a sermon then to hear one.”  Ladies and gentlemen, I submit to you this day, Senator PINCKNEY lived what he preached daily. I have never seen or heard anything out of character for Senator CLEMENTA PINCKNEY. He was a giant, among giants, tall and big in stature. But had the heart, the biggest heart you could ever imagine. He had a passion for people -- he loved people, he loved helping people, and especially those who were amongst the least of us. That was the life of Senator PINCKNEY.

 He loved his family. It was very hard to have a conversation with Senator PINCKNEY and he not mention his family in that conversation. He was a great provider, not just for his immediate family, but for his extended family. His grandmother lives in Marion, in my district, and he always said to me, “Senator, I appreciate you taking care of my grandmother, looking after my grandmother. She’s having some concerns, some issues.”  And we were always there.

 When I got the news last evening as to what happened, it blew my mind. I said, “We can’t even worship God in peace anymore. We can’t even be safe in our own churches anymore, what a sad day.” But I can tell you today, that in spite of this tragedy, there is still a God above that will see us through. And there is one thing I know because of the life Senator PINCKNEY lived. I know today he is in a better place. Thank you.

 Senator SHEHEEN rose for a reflection on the life of Senator PINCKNEY.

**Remarks by Senator SHEHEEN**

 Thank you Mr. PRESIDENT, brothers and sister, you know, one of the things that makes us human, I really believe this in my heart, is that we remember those that we lose, that we mourn our dead and it’s what we do now as we remember our friend CLEM PINCKNEY. I want to remember him in a joyous way because he was a joyous person. When I was elected to the State Senate, I was 33 years old. I was young, I was the man -- I was going to be the youngest person in the Senate, until I walked in the door and saw CLEMENTA PINCKNEY who was 30 years old. He welcomed me here. Sometimes Clem was late -- I don’t know if y’all ever noticed that but he was here when it mattered and he had a core to him that not many of us have.

 When I ran for Governor, one of the joys of my life was that I got to travel around and I spent a lot of time in the AME churches cross the State. I am Catholic and AME’s their kind of like Catholics. They have this hierarchy, you know. They have the bishop and it’s very structured and very traditional. I felt right at home, I really did. What was even better is that when I would be somewhere, maybe speaking to a group that had gotten together or a prayer meeting, a lot of times Clem would be there and in that big voice he would say that, “I was his brother.” It has been an honor to sit next to him; it really has. If you’re like me, you know you look for meaning, right? I spent last night looking for meaning and I was reminded of a speech that I love and I think it’s the greatest speech I ever heard. I have it on tape and I listen to it sometimes.

 It was the speech of Bobby Kennedy when Martin Luther King was assassinated. Bobby Kennedy was campaigning for president and he got off a plane and he was told what had happened. I’ve always loved that speech but I think I understand it better and I want to share a couple of lines with you because I think it has meaning to us. He said, “You can be tempted to be filled with hatred and mistrust from the injustice of such an act.” He said that, “What we need in the United States (and I think it’s true here in SC) is not division, what we need the United States is not hatred, what we need in the United States is not violence and lawlessness but is love, wisdom and compassion toward one another and a feeling of justice toward those who still suffer within our country.” Whether they be white or black make no mistake about it -- what happened to our friend happened because he spoke words like that. We talk a lot about freedom, justice and inequality in this Chamber but he paid the price and think of the irony that the most gentle of all 46 of us in this Chamber, the best of all 46 of us in this Chamber, is the one who lost his life.

 I would tell you, I don’t think CLEM PINCKNEY was ever afraid to say what he believed and I think you saw it in that tape and I know I’ve heard it on many occasions. I’m proud to have called him friend. I’m proud to have shared just a little piece of his life and I think I’m a better person because of it. As I was looking for meaning last night, I was reminded of what was said in Paul’s letter to Timothy, “I fought a good fight, I finished the race, I’ve kept the faith” and I believe that Senator Reverend CLEM PINCKNEY did those three things.

 Senator COURSON rose for a reflection on the life of Senator PINCKNEY.

**Remarks by Senator COURSON**

 Senator SHEHEEN mentioned that when he and Senator PINCKNEY came in together, he realized Senator PINCKNEY was the youngest Senator so that made him feel middle aged. When Senator CLEMENTA PINCKNEY first came to the Senate, he discovered that I represented the Irmo area, and he shared with me that he once was a pastor in that area. He was a unique individual. He was a quintessential southern gentleman in every way. He represented his district, his church and this State with great dignity and great passion. The outpouring of respect for him has been incredible.

 Early this morning, I received a call from Reverend Timothy Jones, the Dean of Trinity Episcopal Cathedral, across Sumter Street where I am a communicant. He offered to open the church for any service the family or this body would like to have at Trinity. As many of you know, Trinity is the church where governors have inaugural prayer services. I called Senator MARLON KIMPSON and conveyed the message. He will be meeting with Reverend Joe Darby at Noon today and will share that message with him. Senator KIMPSON has been representing the family and the Senate very, very well during this tragedy.

 I have been in this body and been honored to serve for 31 years. One thing I will always remember about Senator PINCKNEY was his booming voice. When he and his predecessor, Senator McKINLEY WASHINGTON, a Presbyterian minister, would speak it was like God was talking. That voice would mesmerize me. In the Finance Committee yesterday he asked just a very brief question and I was mesmerized by that voice. Can y’all imagine that voice and that he and God are now having a face to face conversation?

 Senator ALEXANDER rose for a reflection on the life of Senator PINCKNEY.

**Remarks by Senator ALEXANDER**

 Thank you, Mr. PRESIDENT and members of this body. It was a privilege to have had the opportunity to serve with Senator PINCKNEY and to be able to call him my friend. We served on several committees together and we served on the Health Subcommittee. He would always sit to my immediate right.

 What a great honor it was to watch him be passionate with his compassion for people. He had the opportunity to be their voice. We talked about his booming voice -- he was the loud voice for those in need and for those called upon in the Bible -- for the children, orphans, widows and less fortunate. He was their advocate on that committee -- always making sure we were providing for those needs.

 One of his initiatives, the Healthy Bucks Program, a part of the SNAP program, was a way to make sure individuals had fresh food and nourishment for their bodies and their souls that he provided through his ministry.

 I will never forget this last Tuesday as we stood around the outside door and I said, “Reverend Senator you have a higher calling above any Senator as a man of God.”

 He had other initiatives -- Project Faith, and the Family Care Center, that teaches families to keep the family unit together, the Daniel Joseph Jenkins Institute for Children and many other initiatives that are serving the people throughout the State of South Carolina with their basic needs.

 I was reminded this morning as we left a prayer service -- the Chaplin said, “I am going to 512 (his office),” so I went to Matthew 5:12 too. When I got back to my office, I picked up my Bible and it said, “Rejoice and be exceedingly glad for great is your reward in heaven for so persecuted they the prophets which were before you.”

 Senator PINCKNEY has left a great legacy and his legacy will live on. Again, it is a privilege and honor to have served and worked with him and to be able to call him my friend. One of my favorite proverbs is a Native American Proverb and I believe this sums it up:

 “When you were born, you cried and the world rejoiced. Live your life in such a manner that when you die the world cries and you rejoice.”

 Clementa lived his life in such a way that he is indeed rejoicing today as we cry and mourn his leaving us.

 May God be with him, his spirit and his family. Thank you Mr. PRESIDENT.

 Senator SCOTT rose for a reflection on the life of Senator PINCKNEY.

**Remarks by Senator SCOTT**

 Thank you Mr. PRESIDENT and members of the Senate for allowing me time to speak about my colleague and friend, Senator CLEMENTA PINCKNEY. This has been a very difficult time in my life dealing with the loss of friends but losing this particular friend has been very difficult for me.

 It was twenty-five years ago when I became a member of the General Assembly. At that time, Senator PINCKNEY was just a page, working under the tutelage of Representative JuanitaWhite. Representative White, whom we would always call the “white lady” from Jasper, was a lady that understood and could identify greatness. She said to me one day that she had made a difficult decision in preparation for her retirement, “There are two people that are running for my House seat -- one is back at home and the other is my page, CLEMENTA PINCKNEY.” She said that one thing about CLEMENTA PINCKNEY was that he understood how to get it right. You know it took me a long time to really digest what Representative White was trying to get me to understand some twenty odd years ago. We all know she selected Clementa to take her seat.

 As our friendship grew, Senator PINCKNEY and I seem to always talk about three things: the Bible, finance and his children. He was always studying the Bible, and I think he was finishing up his Ph.D. program. He was always investing and tracking his investments on this special computer he would carry with him. And for his girls, he wanted to be prepared when the time came for them to go to college. He wanted to be sure his financing would be in order. He also always tried to get me to make that extra step, to do things a little bit differently with my finances. But you see, I wasn’t quite as brave as Clementa -- dealing with that computer, trading and understanding stock. I stayed in my place.

 However, he then found something that we had in common, and that was dressing. Clementa wanted to go to another level. It was then that I began to understand what Representative White meant when she said he understands and he gets it. One day he came by my seat and touched me on the shoulder. Now, I didn’t know who it was and when I turned to look, it was Senator PINCKNEY. All during the last 4 or 5 months, he had been trying to get his tie and jacket right. One day he said, “How does this look?” I said, “Close but not quite. You see the little small stripe inside the suit is the one you want to make sure brings the suit out.”

 On his last day, there was a touch on my shoulder. As I sat in my seat, I expected it to be my seat mate, Senator SABB. Standing there, however, was Senator PINCKNEY, tall and sharp looking. He had this new suit on that had a little small stripe in it. Let me tell you that the tie was perfect for that suit. And I said to him, as I rolled back in my chair, “You got it right. You finally got it right.” He smiled and looked at me and lifted up his feet, and there were some brand new shoes. I said, “You really got it right. You really, really, really do look good today.”

 Now, I fully understand what Representative White meant. Senator PINCKNEY through the church, through financing, through dressing, through loving all of us taught us what it was to get it right. He followed her instruction and inspired greatness.

 You know he left me in the House of Representatives, and it was a long time before I got to the Senate. That should have signaled to me then that he understood what it was to get it right. In the Book of Romans, we learn that, “All things work together for the good, for those who love the Lord, and for those who have been called, according to His purpose.” “What shall they say about this? If God is for you, who can be against you?”

 Senator GROOMS rose for a reflection on the life of Senator PINCKNEY.

**Remarks by Senator GROOMS**

 Mr. PRESIDENT and members of the body, we have seen evil. We have seen evil. It wasn’t someplace across the vast ocean. It wasn’t someplace a thousand miles from here. It was in our State, back in our community in Charleston. It has pierced our hearts, because evil claimed the life of someone who we’ve come to know and love, CLEMENTA PINCKNEY. Senator MALLOY said something a few years ago from the podium and I have never forgotten it, “We weren’t elected to be each other’s friends.” And he’s right. We weren’t. We were elected to come here, to do the people’s business, and to represent those that elected us. But in doing so, we do become friends. We may have differing ideas of where we ought to go. No, we may have differing ideas of how to get there. But we all have the same goal in mind: a better South Carolina for our children and our grandchildren. A brighter day for all of us. We all want that. Sometimes we get in here and we fight. We fight because we’re confident that we know how to do it. But Senator PINCKNEY, he was one of us, and understood that the policy is more important than the rhetoric. He also understood how to look for areas of agreement. Let’s look for things that we agree upon and let’s move forward, instead of dwelling on what we don’t agree upon. We develop a love for one another in this chamber. I don’t think most folks back at home can appreciate what we do up here. When you’re with a bunch of friends back home, if there is an area of disagreement you brush it to the side and go to another subject. But in here, we are forced to expose ourselves. We are forced to expose our deepest held beliefs and subject them to ridicule by the members of this body. Then the same afternoon we get back together and we discuss those issues that we believe will move the State forward. Senator PINCKNEY is someone that I loved. He was my colleague, he was my friend, and he was my brother in Christ. Many times I have heard him from this podium share a Bible verse that means a lot to me. In the wake of looking in the face of evil, it will test our State. It will test our community back in Charleston over how we move forward in the face of evil. The whole world will be watching how we handle and how we stare at the face of evil. I believe one of the verses Senator PINCKNEY shared from this podium several times will give us guidance. We find it in Micah, “He has shown thee O man what is good. And what does the Lord require of us? But to do justly and love mercy and to walk humbly with thy God.”

 Senator LOURIE rose for a reflection on the life of Senator PINCKNEY.

**Remarks by Senator LOURIE**

 Thank you Mr. PRESIDENT and I will be brief. I know that many of us will be going to the 12 o’clock service at Bethel. Just a couple of quick observations. I have had the pleasure of serving with Senator PINCKNEY since I was a freshman in the House. He had been there for years, and then he came over here a few years before me. Senator SCOTT, I appreciate your comments. You spoke to something I was going to talk about, but I don’t mean to bust your bubble. Senator PINCKNEY had more than a fashion consultant, he had a committee. That included Senator JACKSON, myself, and perhaps others that I may not be mentioning. A few weeks ago we were sitting right here and we were debating, may have been the Capital Reserve Fund, I had made him aware of a website that Senator CAMPBELL had made me aware of, where you can buy suits at a very, very good price. As you know, I used to be in the retail business, so paying retail is something I just can’t get my arms around. We looked at a certain suit and he’d flip to a page, and he would say, “What you do think about that?” I said, “No”. A few minutes later, he flipped to another page and said, “What do you think about that?” I said, “No.” Finally, he stumbled across a Jack Victor suit. Senator CAMPBELL, you are a big Jack Victor fan. He pulled out his credit card and by the way, he was on his iPad; he was not on a state computer. He pulled out his credit card and he bought that Jack Victor suit. Then we talked about getting a tailor and I asked him later if he had gotten his suit tailored and he said he hasn’t had time. I’ll never see that suit, that’s ok. But I will always, always remember that voice, that spirit, that heart.

 There is a book by a conservative Rabbi Harold Kushner called *When Bad Things Happen to Good People*. The Rabbi is coming to terms with the fate of one of his own children who is very sick. If you haven’t read it, somebody gave it to me when my father passed away. Like Senator SHEHEEN said as we struggle to find meaning throughout all this -- I thought about this all night. Yesterday Senator SHEALY and I and some of you others, Senator KIMPSON was there, attended a luncheon by the Community Relations Council. There was a lot of conversation about race relations and I was thinking, Senator MATTHEWS, about all the good work that had been done in the 60’s and 70’s. Are we better today than we were back then? I’m still not sure I know the answer to that. But I know that we live today in still what I believe to be a very tumultuous, divisive community and that hurts me. Maybe the meaning that I draw from this is that God has chosen, as Vincent said, the very best of us to teach the rest of us. May his memory live on forever.

 Senator PEELER rose for a reflection on the life of Senator PINCKNEY.

**Remarks by Senator PEELER**

 Thank you Mr. PRESIDENT. You’ve heard me say this several times, “Joy shared is doubled and sorrow shared is halved; joy shared is doubled and sorrow shared is halved.”

 Members of the Senate, guests, South Carolina and the nation, thank you for sharing the sadness of the day. Hopefully, you will halve the sorrow we are experiencing today. Senator CLEMENTA PINCKNEY worked with me on several issues. He was my go to Senator on issues that were of a sensitive nature. Being Chairman of the Medical Affairs Committee, most of the sensitive health related family health issues comes through the Medical Affairs Committee. He was one of my go to members that I would talk with about sensitive matters. He was big, like me. He had a big heart, like me. He was sensitive, like me. I’ll miss him, Senator JACKSON, but will also share in the joy of today. The joy of knowing that one Senator whom I know went to -- we know where he is today. We also share in that joy. Thank you, Mr. PRESIDENT.

 Senator LEATHERMAN rose for a reflection on the life of Senator PINCKNEY.

**Remarks by Senator LEATHERMAN**

 It is with the heaviest of hearts I stand before you to remember and honor the life and legacy of Senator CLEMENTA PINCKNEY. I am shocked and dismayed by this tragic act of violence and I, along with all of you, mourn his loss. He served in this body with dignity, grace and his calming presence and stoic demeanor will be notably absent in this Senate Chamber. Senator PINCKNEY was a giant among us and he will be sorely missed. Our thoughts and prayers go to his wife, Jennifer, his daughters Eliana and Malana, and the rest of his family. I would be remiss if we did not also pause to remember the other victims of this tragedy. In closing, I ask God to bless Senator PINCKNEY’s family, the members of Emanuel African Methodist Episcopal Church, and the State of South Carolina.

 Senator DAVIS rose for a reflection on the life of Senator PINCKNEY.

**Remarks by Senator DAVIS**

 Mr. PRESIDENT, I will be brief. I know that people want to attend the service but I wanted to share some brief words, especially to my colleagues on the Democratic side of the aisle. The day Senator PINCKNEY gave that eloquent and poignant speech from this well after the Walter Scott murder, as soon as session was over, I raced up to my office and told my secretary I wanted a copy of that clip, and I wanted to put it up online immediately. Then I sent the clip to my constituents, and said, “This is what it means to be a State Senator, look how he sums up what we were feeling -- the anguish, the sorrow, and the anger -- and then uplifts us and to tie it in beautifully to that gospel story about Thomas and Jesus in the Easter season.” I said to my wife when I went home, “I’m not sure how he did that. I’m not sure how he stood in this well and said what so many people were thinking and was able to move us, Senator LOURIE, in a direction where we ought to go as a State.” What struck me most about that speech was the very last line. After he exhorted us to pray for the family of Walter Scott, he said, “Pray for the family of that police officer, because our Lord taught us to love all people and to forgive.” That for me sums up Senator PINCKNEY. All of you said it much more eloquently than I could. Senator PINCKNEY was a decent, good man who, when we needed him in the Senate, stood and spoke and moved hearts and minds. As was said earlier, he left a mark in this world, and that’s all that I aspire to. Thank you.

 Senator MALLOY rose for a reflection on the life of Senator PINCKNEY.

**Remarks by Senator MALLOY**

 Thank you Mr. PRESIDENT and members of the Senate. There’s a song that we sing in church that says, “There’s a sweet spirit in this place, and we know it’s the spirit of the Lord.” In this Senate Chamber, we also know that there is a spirit, and it is Senator CLEMENTA PINCKNEY. Senator PINCKNEY, will forever live in this Senate. Not only here, he will live in life. I didn’t sleep last night. As soon as I heard that something happened, I was leaving the airport and I directed my trip to Charleston. I was able to spend the evening with the great leadership they have there, but also with Senator PINCKNEY’s beautiful wife, Jennifer. Please pray for Jennifer, who was there in the church and covering her daughter in the office. And her two daughters, Malana and Eliana. They are moving forward and doing the best that they can. Many of you know that Clementa and I were very close. He called me his lawyer, his personal lawyer. He was my confidante. And what you probably don’t know is, the life that he led. His life -- people talk about when he was here, but I didn’t know about the iterant preacher he was. I remember him explaining to a preacher one day as to how he could be successful. He said, “Don’t come with a form or fashion. Get yourself a black suit, a black tie, a white shirt, some business cards with your cell phone number on it and just preach the gospel.” And that was Clementa. He started preaching at a young age -- like 16 years of age. He was brilliant, he was an academic scholar, and he was all over the place. But Clementa lived the life that we all aim to. We all know as the body of believers, that God has a plan for your life. And someone said Clementa believed that what you do unto the least of those, you do to me. He really believed that. But last night when the call came in, you would be so proud of the strength his wife showed, as well as his father, John, and the rest of the families. They were also concerned because there are 8 other families suffering out there as well, and Clementa would want us to think about them. And you know words are inadequate to end up describing a person at a time like this. A good way to take a look though is whenever you live with them. The things that they do when no one is watching -- to live in Room 512, to watch him interact, to watch him act with children, to watch him interact with my children -- where he would console them during all sorts of times, even here in this Senate Chamber. I think that Clementa leaves a tremendous legacy. As we’ve been challenged here in our State, there’s been violence all around the country and there’s been violence in Charleston. I think that Clementa would have wanted us to know that his sacrifice should lead to reconciliation with all of us. He would want us to move forward in his honor. To let us live a life like he lived. We never saw him angry. We never saw him out of character. We just always saw Clem. He was our rock; he was always there. I always thought that Clementa would preach my funeral. I really did. He would call often, and I was proud to be his confidante and he mine. Senator JACKSON, you and I would always talk to him about how he was going to be the bishop. But you know God needed a king and He called him. I don’t have any great Bible scriptures. One thing I’ll say, if a man dies, will he live again? Clementa will certainly live again. He lives in all of our hearts. And I challenge all of us, including myself, to take his example. To take his example when things are challenging, when it is difficult to remember that sweet spirit. If he was able to speak today, he would say to all of us that all is well with my soul. For the folks that are believers, I really believe that God has a plan for all of our lives. I believe that. I know for those that believe in the heavens, God has another one of his angels there now. When Clem heard Reverend Joe Neal speak at Representative Neal’s mother’s funeral on Saturday, he said there are five sermons in that. And we talked about the aspects of the sermon. I would say that Senator PINCKNEY, even with his short life of only 41 years of age, lived a full life. We didn’t have him as long as we wanted, but the example that he has given us will live on. He would ask us to forgive and he would began preaching on reconciliation. He would hope that we would take the example of his life and move this State forward, so that we may live in harmony with everyone in his name. God bless you.

 Senator TURNER rose for a reflection on the life of Senator PINCKNEY.

**Remarks by Senator TURNER**

 I am trying to put into words my feelings about this senseless tragedy in Charleston and the killing of nine South Carolinians. One of those killed was my good friend, Senator CLEMENTA PINCKNEY, with whom I have shared an office over the past three years.

  I will never forget meeting Clem for the first time.  He walked into my office, welcomed me, and acted like he had known me forever.  When I heard his deep voice, it had such authority and yet was backed by such a gentle spirit.

  As he looked at my pictures, he noticed the one I have of the Buncombe Street UMC Senior High Boys basketball team I coached.  The photo was of our team praying with our opponents before the game.  On the wall in the picture was painted a large Methodist emblem.  When Clem saw that, he boomed out with a smile, “You are Methodist too!”  It was an instant friendship.

  Clem always had the biggest presence of anyone in the room, but he also had the smallest ego.  He was described in the Senate as a true “Southern Gentleman,” which he was in every way.  Between sharing our office and sitting next to him my first two years in the Senate Chamber, we had many discussions.  We talked about our families, about how we both liked Allen Edmond shoes because they were great for big men like us, and about the issues facing our State.  We knew we disagreed with each other on some issues before we would start the discussion, but it was never to try to convince the other of how to vote or how to think.  It was truly just wanting to understand why we each thought the way we did.

  On Wednesday afternoon around 3:30 P.M., we spent some time together in my office.  We talked about family, and then he told me he loved the paintings I put in our lobby because they reminded him of his district and of home. We said our goodbyes as he left our office for a Finance Committee meeting before heading back to Charleston.

  Just as most of you did, I woke up Thursday morning to the news of the shooting at the Mother Emmanuel AME Church in Charleston, and then I saw Clem’s picture on the screen as the news anchor reported that he and eight others had been killed.  My heart ached first for the personal loss of a friend, and then for all of the families affected.

  I got ready and went to the office as soon as possible because I knew our assistant, Ja’vell, would be there and I needed to be there too.  Thursday in the South Carolina Senate was as surreal a day as I have ever been a part of.  The Senators walked into session together around 10:00 and had our own memorial service for Senator CLEMENTA PINCKNEY.  We recessed until 2:00 and went back in to do business the way the Senator from Jasper County would have wanted us to do.  We passed a supplemental Bill with all egos aside and I felt a sense of unity that I had not felt in my first three years.  In addition, we passed a Resolution to commission a portrait of Senator PINCKNEY, to be hung in the Senate Chamber.

  I believe the local Charleston leaders and the state leaders that have been involved since the beginning of this tragedy have shown the world that we are not a divided South Carolina.  I am not yet able to reflect on the “political solutions” to how such evil can go unnoticed or corrected in our society, but it may be because the real solutions are not political at all.   In the big picture, I don’t believe this is a white vs. black issue, but I do believe it is good vs. evil, and we will find the solutions when “good” people, regardless of color, stand together for what is right.

  I keep coming back to Romans 8:28, “And we know that in all things God works for the good of those who love him, who have been called according to his purpose.”  I know my friend Clem would tell me that something good will come of this, and I look forward to understanding what that is.

 Senator LARRY MARTIN rose for a reflection on the life of Senator PINCKNEY.

**Remarks by Senator LARRY MARTIN**

 Mr. PRESIDENT, I thought about the great words of the preacher, that we all know Clem to be, that, “We don’t know what the future holds but we know who holds the future.” Clem claimed that promise and he lived that promise out with his life. We are so grateful, Mr. PRESIDENT and members of the Senate, to have known him, to have worked with him and to have the privilege, the great privilege, of serving with him in this body.

 On motion of Senator LOURIE, with unanimous consent, the remarks of Senators SETZLER, MATTHEWS, REESE, JACKSON, NICHOLSON, WILLIAMS, SHEHEEN, COURSON, ALEXANDER, SCOTT, GROOMS, LOURIE, PEELER, LEATHERMAN, DAVIS, MALLOY, TURNER and LARRY MARTIN were ordered printed in the Journal.

**RECESS**

 At 11:47 A.M., on motion of Senator LARRY MARTIN, the Senate receded from business until 2:00 P.M.

 At 2:18 P.M., the Senate resumed.

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

**MESSAGE FROM THE GOVERNOR**

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

**Local Appointment**

Reappointment, Calhoun County Magistrate, with the term to commence April 30, 2014, and to expire April 30, 2018

Don A. Rickenbaker, Post Office Box 232, St. Matthews, SC 29135

**Leave of Absence**

 At 2:24 P.M., Senator MALLOY requested a leave of absence for Senators KIMPSON and THURMOND for the day.

**Leave of Absence**

 At 2:24 P.M., Senator CAMPBELL requested a leave of absence for Senators HEMBREE and CLEARY for the day.

**INTRODUCTION OF BILLS AND RESOLUTIONS**

 The following were introduced:

 S. 890 -- Senator Williams: A SENATE RESOLUTION TO CONGRATULATE MRS. HALLIE BERTA COCHRAN GRAHAM UPON THE OCCASION OF HER NINETIETH BIRTHDAY AND TO WISH HER A JOYOUS BIRTHDAY CELEBRATION AND MANY YEARS OF CONTINUED HEALTH AND HAPPINESS.

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 The Senate Resolution was adopted.

 S. 891 -- Senators Malloy, Leatherman, Setzler, Alexander, Allen, Bennett, Bright, Bryant, Campbell, Campsen, Cleary, Coleman, Corbin, Courson, Cromer, Davis, Fair, Gregory, Grooms, Hayes, Hembree, Hutto, Jackson, Johnson, Kimpson, Lourie, L. Martin, S. Martin, Massey, Matthews, McElveen, Nicholson, O'Dell, Peeler, Rankin, Reese, Sabb, Scott, Shealy, Sheheen, Thurmond, Turner, Verdin, Williams and Young: A SENATE RESOLUTION TO AUTHORIZE THE COMMISSIONING OF A PORTRAIT OF THE HONORABLE CLEMENTA CARLOS PINCKNEY OF RIDGELAND TO BE PLACED IN THE SENATE CHAMBER, LONGTIME AND BELOVED SENATOR FROM THE FORTY-FIFTH SENATORIAL DISTRICT, A LOYAL AND COMPASSIONATE PUBLIC SERVANT AND A DISTINGUISHED STATESMAN.

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 Senator MALLOY spoke on the Senate Resolution.

 The question then was adoption of the Senate Resolution.

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

**Ayes 41; Nays 0**

**AYES**

Alexander Allen Bennett

Bright Bryant Campbell

Campsen Coleman Corbin

Courson Cromer Davis

Fair Gregory Grooms

Hayes Hutto Jackson

Johnson Leatherman Lourie

Malloy *Martin, Larry Martin, Shane*

Massey Matthews McElveen

Nicholson O'Dell Peeler

Rankin Reese Sabb

Scott Setzler Shealy

Sheheen Turner Verdin

Williams Young

**Total--41**

**NAYS**

**Total--0**

 The Senate Resolution was adopted.

**REPORT OF STANDING COMMITTEE**

 Senator LEATHERMAN from the Committee on Finance submitted a favorable with amendment report on:

 H. 4230 -- Rep. White: A BILL TO AMEND H. 3701 OF 2015, THE ANNUAL GENERAL APPROPRIATIONS BILL FOR FISCAL YEAR 2015‑2016, SO AS TO MAKE SUPPLEMENTAL APPROPRIATIONS BY PROVIDING TARGETED INCREASES IN GENERAL FUND APPROPRIATIONS AND TO MAKE NECESSARY CONFORMING PROVISO AMENDMENTS AND PROVIDE FOR OTHER RELATED MATTERS.

 Ordered for consideration tomorrow.

**Motion Adopted**

**Committee Amendment Adopted**

 Senator LEATHERMAN asked unanimous consent to make a motion to take up the Bill for immediate consideration.

 There was no objection.

 The Senate proceeded to a consideration of the Bill.

 The Committee on Finance proposed the following amendment (4230R001.KM.HKL), which was adopted:

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

 / SECTION 1. (A) The source of revenue appropriated in subsection (B) is:

 (1) additional recurring general fund revenue for Fiscal Year 2015-16 totaling $150,000,000 as certified by the Board of Economic Advisors on May 29, 2015; and

 (2) reductions in appropriations as contained in SECTION 5 of this act.

 (B)(1) P32‑Department Of Commerce

 Non‑Recurring Appropriations

 Economic Development

 Infrastructure $ 70,000,000

 (2) F30‑Statewide Employee Benefits

 Non‑Recurring Appropriations

 Bonus Pay $23,500,000

 From the funds appropriated to Statewide Employee Benefits for Bonus Pay, effective on the first pay date that occurs on or after October 16, 2015, the Department of Administration shall allocate to state agencies $23,500,000 to provide for a one‑time lump sum bonus. Each permanent state employee, in a full‑time equivalent position, who has been in continuous state service for at least six months prior to July 1, 2015, and who earns less than $100,000 shall receive a $800 one‑time lump sum payment. This payment is not a part of the state employee’s base salary and is not earnable compensation for purposes of employer or employee contributions to respective retirement systems. This appropriation may be used for payments to employees only in the same ratio as the employee’s base salary is paid from appropriated sources and the employing agency shall pay the bonus for federal and other funded full‑time equivalent positions employees from federal or other funds available to the agency in the proportion that such funds are the source of the employee’s salary. The earnings limitation in Proviso 117.55 of H. 3701, R\_\_, Act \_\_ of 2015 does not apply to this bonus.

 (3) U12‑Department of Transportation

 Non‑Recurring Appropriations

 County Transportation Committee

 Road Program $ 70,499,995

 The Department of Transportation shall distribute the $70,499,995 appropriated in this item pursuant to Section 12‑28‑2740 of the 1976 Code. County Transportation Committees shall only utilize the funds distributed pursuant to this proviso for paving, rehabilitation, resurfacing and/or reconstruction.

 (4) General Obligation Bond (G.O.)

 Bonds Subject To Debt Service Limitation:

 Economic Development Bonds $ 16,425,000

 (5) L04‑Department Of Social Services

 Programs And Services Child Support Enforcement

 Other Operating Expenses $ 1

 (6) E23‑Commission On Indigent Defense

 Office Of Circuit Public Defenders

 Special Item:

 Defense Of Indigents Per Capita $ 1

 (7) J02‑Department Of Health And Human Services

 Medical Assistance Payment Case Services

 CLTC‑Community Long‑Term Care $ 1

 (8) J02‑Department Of Health And Human Services

 Medical Assistance Payment Case Services

 Coordinated Care $ 1

 (9) J02‑Department Of Health And Human Services

 Medical Assistance Payment Case Services

 Behavioral Health Services $ 1

 SECTION 2. (A) The source of the revenue appropriated in subsection (B) is additional Education Improvement Act revenue for Fiscal Year 2015-16 totaling $21,500,000 as certified by the Board of Economic Advisors on May 29, 2015.

 (B)(1) H63‑Department Of Education

 Education Improvement Act

 Modernize Vocational Equipment $ 6,538,722

 Reading Coaches $ 4,961,278

 EEDA $ 2,400,000

 (2) H63‑Department Of Education

 Education Improvement Act

 Non‑Recurring Appropriations

 Transition Payments $ 7,600,000

 SECTION 3. (A) The source of revenue appropriated in subsection (B) is additional unobligated Fiscal Year 2014-15 General Fund surplus revenues totaling the $150,196,281 as certified by the Board of Economic Advisors on May 29, 2015.

 (B)(1) E04 ‑ Lieutenant Governor’s Office

 Predatory Lending Education $ 250,000

 Of the funds appropriated in this item for Predatory Lending Education, the Office on Aging shall develop a pilot program to assist seniors in improving their knowledge about finances and education about predatory lending practices.  The pilot shall include an assessment of the financial health of seniors in the pilot area which must be used to identify strategies to address the major concerns found through the assessment. The strategies should include, but are not limited to, the means of building awareness of senior financial resources. The Office on Aging shall provide the results of the pilot, as well as a recommended strategy for any expansion other areas of the State, to the Chairmen of the Senate Finance Committee and the House Ways and Means Committee no later than March 15, 2016.

 (2) E24 - Office of Adjutant General

 Emergency Management Division

 2014 Winter Storm Local Matching Funds $ 4,117,162

 From the funds appropriated in this item for 2014 Winter Storm Local Matching Funds, local governments shall receive allocations to offset storm cleanup expenses resulting from the winter storms during states of emergency declared by Executive Orders 2014-06 and 2014-11. Expenses eligible for reimbursement are those incurred by county and municipal governments and deemed eligible for reimbursement by the Federal Emergency Management Agency (FEMA), but were not reimbursed due to local match requirements. The amount reimbursed to each eligible local government shall be 25% of their Total Non-Federal Aid Share. The intent of the General Assembly is for the local government to pay at least 75% of the Total Non-Federal Aid Share.

 (3) U12‑Department of Transportation

 County Transportation Committee

 Road Program $ 145,829,119

 The Department of Transportation shall distribute the $145,829,119 appropriated in this item pursuant to Section 12‑28‑2740 of the 1976 Code. County Transportation Committees shall only utilize the funds distributed pursuant to this proviso for paving, rehabilitation, resurfacing and/or reconstruction.

 SECTION 4. (A) The source of the revenue appropriated in subsection (B) is additional net education lottery proceeds for Fiscal Year 2015-16 totaling $12,000,000 as certified by the Board of Economic Advisors on May 29, 2015.

 (B)(1) H03-Commission on Higher Education

 Need Based Grants $ 2,600,000

 (2) H03-Commission on Higher Education

 Out-of-State Veteran

 Tuition Reimbursement-Colleges $ 4,000,000

 (3) H03-Commission on Higher Education

 Maintenance

 Critical Care and Replacement

 1 to 1 Match $ 3,000,000

 (4) H63-Department of Education

 New Bus Purchases $ 2,400,000

 (C)(1) Of the funds appropriated above for item (B)(2) to the Commission on Higher Education for Out‑of‑State Veteran Tuition Reimbursement ‑ Colleges, the Office of State Treasurer is directed to establish a fund, separate and distinct from the general fund and all other funds, entitled the College and University Out‑of‑State Veteran Tuition Differential Reimbursement Fund. Any funds appropriated in this act for this purpose must be deposited into the fund and interest accrued by the fund must remain in the fund.

 (2) The purpose of the fund is to reimburse public institutions of higher learning, as defined in Section 59‑103‑5 of the 1976 Code, for revenue loss resulting from the provisions of Section 59‑112‑50(C). By March 1, 2016, a public institution of higher learning seeking a reimbursement from this fund must submit an application to the Commission on Higher Education to receive a reimbursement from the fund. The total reimbursement to a public institution may not exceed the difference between the amount the institution would have charged but for Section 59‑112‑50(C), and the amount the institution actually charged. The Commission on Higher Education may require any proof it determines necessary to verify the veracity of the application.

 (3) By June 15, 2016, the Commission on Higher Education must distribute the funds to those institutions that have applied pursuant to subsection (C)(2). In the event that the total requested and verified reimbursements exceed the amount in the fund, the distribution to each public institution shall be reduced pro rata based on the institution’s amount of verified reimbursements compared to the total amount of verified reimbursements of all institutions.

 (D)(1) Of the funds appropriated for item (B)(3) above for the Commission on Higher Education‑‑Maintenance‑Critical Care and Replacement‑1 to 1 Match, each public four‑year university, two‑year branch campus and state technical college shall use the amount appropriated only for critical repair and related maintenance and/or other critical equipment and systems repair and maintenance that are necessary for the safe and efficient operation of an institution’s physical plant in its support of the institution’s educational purpose.

 (2) Funds must not be used for new construction and may only be utilized by an institution to the extent the funds are matched by the institution for necessary repair and maintenance projects generally.

 (3) Matching funds exclude supplemental, capital reserve, lottery, or non‑recurring state funds appropriated to an institution either in the current fiscal year or from a prior fiscal year for repair and maintenance or deferred maintenance projects.

 (4) Prior to the distribution of these funds, institutions must certify to the Commission on Higher Education, in a manner it prescribes, the extent to which they have met this requirement, including the sources of funds utilized to meet this requirement.

 (5) Upon certification, the funds shall be distributed to institutions based on the distribution methodology described below provided that the distribution does not exceed an institution’s pro rata share or the amount matched by the institution if less than that share. The distribution methodology to be used by the commission shall be based on each institution’s or agency’s proportion of general fund appropriation in Part IA of Act 286 of 2014 as compared to the total general fund appropriation in that act for all public four‑year universities, two‑year branch campuses and state technical colleges. Distribution of the share allocated to the state technical colleges is to be made by a formula to be developed by the State Board for Technical and Comprehensive Education in consultation with the colleges Chief Business Officers for approval by the State Board’s Presidents Council.

 (D) Not later than 120 days after the close of the fiscal year, the Commission on Higher Education shall report to the Chairman of the Senate Finance Committee and the Chairman of the House Ways and Means Committee regarding the utilization of this provision. Funds not expended in the prior fiscal year may be carried forward into the current fiscal year and utilized for the same purpose, subject to the matching requirement.

 SECTION 5. The Fiscal Year 2015-16 appropriation to Aid to Subdivisions Department of Revenue for Distribution to Subdivisions: Aid to Counties-Homestead Exemption Fund (X44) is reduced by $20,425,000.

 The first 10,000,000 carried forward from Fiscal Year 2014-15 annual appropriations to Aid to Subdivisions Department of Revenue for Distribution to Subdivisions: Aid to Counties-Homestead Exemption Fund (X44) shall be credited to the Department of Transportation for distribution pursuant to Section 12‑28‑2740 of the 1976 Code. County Transportation Committees shall only utilize the funds distributed pursuant to this proviso for paving, rehabilitation, resurfacing and/or reconstruction.

 SECTION 6. Excess debt service funds from Fiscal Year 2014‑15 must be carried forward and expended in Fiscal Year 2015‑16 to pay down general obligation bond debt for which the State (1) is paying the highest rate of interest, (2) will achieve relief in constrained debt capacity, or (3) reduce the amount of debt issued.

 The provisions contained in this SECTION specifically supercede Proviso 112.1. (DS: Excess Debt Service Funds Carry Forward) as contained in H. 3701, R \_\_\_, Act \_\_\_ of 2015.

 SECTION 7. The State Treasurer shall transfer $50,000,000 from general fund non-tax sources to the South Carolina Transportation Infrastructure Bank to be utilized solely to leverage bonds to finance bridge replacement, resurfacing, and rehabilitation projects, and expansion and improvements to existing mainline interstates. The Department of Transportation shall develop and submit a list of bridge and road projects to the bank for its consideration. Transferred funds may not be used for projects approved by the bank prior to July 1, 2015. The bank shall submit all projects proposed to be financed through this provision to the Joint Bond Review Committee for approval prior to financing any proposed project.

 SECTION 8. Notwithstanding any provision in this act to the contrary, Horry County may use up to $750,000 of its allocations pursuant to SECTION 1(B)(3), SECTION 3(B)(3), and SECTION 5 for the Horry-Georgetown Evacuation Route.

 SECTION 9. (A) As used in this proviso:

 (1) “Eligible school” means an independent school including those religious in nature, other than a public school, at which the compulsory attendance requirements of Section 59‑65‑10 may be met, that:

 (a) offers a general education to primary or secondary school students;

 (b) does not discriminate on the basis of race, color, or national origin;

 (c) is located in this State;

 (d) has an educational curriculum that includes courses set forth in the state’s diploma requirements and where the students attending are administered national achievement or state standardized tests, or both, at progressive grade levels to determine student progress;

 (e) has school facilities that are subject to applicable federal, state, and local laws; and

 (f) is a member in good standing of the Southern Association of Colleges and Schools, the South Carolina Association of Christian Schools, or the South Carolina Independent Schools Association.

 (2) “Exceptional needs child” means a child:

 (a)(i) who has been evaluated in accordance with this state’s evaluation criteria, as set forth in S.C. Code Ann. Regs. 43‑243.1, and determined eligible as a child with a disability who needs special education and related services, in accordance with the requirements of Section 300.8 of the Individuals with Disabilities Education Act; or

 (ii) who has been diagnosed within the last three years by a licensed speech‑language pathologist, psychiatrist, or medical, mental health, psychoeducational, or other comparable licensed health care provider as having a neurodevelopmental disorder, a substantial sensory or physical impairment such as deaf, blind, or orthopedic disability, or some other disability or acute or chronic condition that significantly impedes the student’s ability to learn and succeed in school without specialized instructional and associated supports and services tailored to the child’s unique needs; and

 (b) the child’s parents or legal guardian believes that the services provided by the school district of legal residence do not sufficiently meet the needs of the child.

 (3) “Independent school” means a school, other than a public school, at which the compulsory attendance requirements of Section 59‑65‑10 may be met and that does not discriminate based on the grounds of race, color, religion, or national origin.

 (4) “Nonprofit scholarship funding organization” means a charitable organization that:

 (a) is exempt from federal tax pursuant to Section 501(a) of the Internal Revenue Code by being listed as an exempt organization in Section 501(c)(3) of the code;

 (b) allocates, after its first year of operation, at least ninety‑seven percent of its annual contributions and gross revenue received during a particular year to provide grants for tuition to children enrolled in an eligible school meeting the criteria of this proviso, and incurs administrative expenses annually, after its first year of operation, of not more than three percent nor more than $200,000 in the aggregate, whichever is less, of its annual contributions and revenue for a particular year to cover operational costs;

 (c) allocates all of its funds used for grants on an annual basis to children who are exceptional needs students;

 (d) does not provide grants solely for the benefit of one school, and if the department determines that the nonprofit scholarship funding organization is providing grants to one particular school, the tax credit allowed by this proviso may be disallowed;

 (e) does not have as a volunteer, contractor, consultant, fundraiser or member of its governing board any parent, legal guardian, or member of their immediate family who has a child or ward who is currently receiving or has received a scholarship grant authorized by this proviso from the organization within one year of the date the parent, legal guardian, or member of their immediate family became a board member;

 (f) does not have as a member of its governing board or an employee, volunteer, contractor, consultant, or fundraiser who has been convicted of a felony;

 (g) does not release personally identifiable information pertaining to students or donors or use information collected about donors, students or schools for financial gain; and

 (h) must not place conditions on schools enrolling students receiving scholarships to limit the ability of the schools to enroll students accepting grants from other nonprofit scholarship funding organizations.

 (5) “Parent” means the natural or adoptive parent or legal guardian of a child.

 (6) “Person” means an individual, partnership, corporation, or other similar entity.

 (7) “Qualifying student” means a student who is an exceptional needs child, a South Carolina resident, and who is eligible to be enrolled in a South Carolina secondary or elementary public school at the kindergarten or later year level for the applicable school year.

 (8) “Resident public school district” means the public school district in which a student resides.

 (9) “Transportation” means transportation to and from school only.

 (10) “Tuition” means the total amount of money charged for the cost of a qualifying student to attend an independent school including, but not limited to, fees for attending the school, textbook fees, and school‑related transportation.

 (11) “Department” means the Department of Revenue.

 (B)(1) A person is entitled to a tax credit against income taxes imposed pursuant to Chapter 6, Title 12, or bank taxes imposed pursuant to Chapter 11, Title 12 for the amount of cash and the monetary value of any publicly traded securities the person contributes to a nonprofit scholarship funding organization up to the limits of this proviso if:

 (a) the contribution is used to provide grants for tuition to exceptional needs children enrolled in eligible schools who qualify for these grants under the provisions of this proviso; and

 (b) the person does not designate a specific child or school as the beneficiary of the contribution.

 (2) An individual is entitled to a refundable tax credit against income taxes imposed pursuant to Chapter 6, Title 12, or bank taxes imposed pursuant to Chapter 11, Title 12 for the amount of cash and the monetary value of any publicly traded securities, not exceeding ten thousand dollars per child, the individual contributes as tuition for exceptional needs children within their custody or care and enrolled in eligible schools who qualify for these grants under the provisions of this proviso. However, if a child within the care and custody of an individual receives a tuition scholarship from a nonprofit scholarship funding organization, then the individual may only claim a credit equal to the difference of ten thousand dollars or the cost of tuition, whichever is lower, and the amount of the scholarship.

 (C) Grants may be awarded by a scholarship funding organization in an amount not exceeding ten thousand dollars or the total cost of tuition, whichever is less, for qualifying students with exceptional needs to attend an independent school. Before awarding any grant, a scholarship funding organization must receive written documentation from the parent documenting that the qualifying student is an exceptional needs child. Upon approving the application, the scholarship funding organization must issue a check to the eligible school in the name of the qualifying student. In the event that the qualifying student leaves or withdraws from the school for any reason before the end of the semester or school year and does not reenroll within thirty days, then the eligible school must return a prorated amount of the grant to the scholarship funding organization based on the number of days the qualifying student was enrolled in the school during the semester or school year within sixty days of the qualifying student’s departure.

 (D)(1)(a) The tax credits authorized by subsection (B) may not exceed cumulatively a total of ten million dollars for contributions made on behalf of exceptional needs students. The cumulative maximum total for credits authorized by subsections (B)(1) and (B)(2) may not exceed five million dollars each. If the department determines that the total of such credits claimed by all taxpayers exceeds either limit amount, it shall allow credits only up to those amounts on a first come, first served basis.

 (b) The department shall establish an application process to determine the amount of credit available to be claimed. The receipt of the application by the department shall determine priority for the credit. Subject to the provisions of item (5), contributions must be made on or before June 30, 2016, in order to claim the credit. The credit must be claimed on the return for the tax year that the contribution is made.

 (2) A taxpayer may not claim more than sixty percent of their total tax liability for the year in contribution toward the tax credit authorized by subsection (B)(1). This credit is not refundable.

 (3) If a taxpayer deducts the amount of the contribution on the taxpayer’s federal return and claims the credit allowed by this proviso, then the taxpayer must add back the amount of the deduction for purposes of South Carolina income taxes.

 (4) The department shall prescribe the form and manner of proof required to obtain the credit authorized by subsection (B). Also, the department shall develop a method of informing taxpayers if the credit limit is met at any time during Fiscal Year 2015‑16.

 (5) A person only may claim a credit pursuant to subsection (B) for contributions made between July 1, 2015, and June 30, 2016.

 (E) A corporation or entity entitled to a credit under subsection (B) may not convey, assign, or transfer the credit authorized by this proviso to another entity unless all of the assets of the entity are conveyed, assigned, or transferred in the same transaction.

 (F) Except as otherwise provided, neither the Department of Education, the Department of Revenue, nor any other state agency may regulate the educational program of an independent school that accepts students receiving scholarship grants pursuant to this proviso.

 (G)(1) By August 1, 2015, each independent school must apply to the Education Oversight Committee to be considered an eligible institution for which it may receive contributions from a nonprofit scholarship funding organization for which the tax credit allowed by this proviso is allowed. The Education Oversight Committee, as established in Chapter 6, Title 59, is responsible for determining if an eligible school meets the criteria established by subsection (A)(1), and shall publish an approved list of such schools meeting the criteria. If an independent school does not apply to be an eligible school, the independent school may not be published as an approved school, and contributions to that school shall not be allowed for purposes of the credit allowed by this proviso. The Education Oversight Committee must publish the approved list of schools on its website by September first of each year, and the list must include their names, addresses, telephone numbers, and, if available, website addresses. Also, the score reports and audits received by the Education Oversight Committee pursuant to items (2)(b) and (c) must be published with the list. The Education Oversight Committee shall summarize or redact the score reports if necessary to prevent the disclosure of personally identifiable information. For this purpose, it also shall promulgate regulations further enumerating the specifics of this criteria. In performing this function, the Education Oversight Committee shall establish an advisory committee made up of not more than nine members, including parents, and representatives of independent schools and independent school associations. The advisory committee shall provide recommendations to the Education Oversight Committee on the content of these regulations and any other matters requested by the Education Oversight Committee.

 (2) An independent school’s application for consideration as an eligible institution must contain:

 (a) the number and total amount of grants received from each nonprofit scholarship funding organization in the preceding fiscal year;

 (b) Student test scores, by category, on national achievement or state standardized tests, or both, for all grades tested and administered by the school receiving or entitled to receive scholarship grants pursuant to this proviso in the previous fiscal year;

 (c) a copy of a compilation, review, or compliance audit of the organization’s financial statements, conducted by a certified public accounting firm; and

 (d) a certification by the independent school that it meets the definition of an eligible school as that term is defined in subsection (A)(1) and that the report is true, accurate, and complete under penalty of perjury in accordance with Section 16‑9‑10.

 (3) Any independent school not determined to be an eligible school pursuant to the provisions of this proviso may seek review by filing a request for a contested case hearing with the Administrative Law Court in accordance with the court’s rules of procedure.

 (4) The Education Oversight Committee, after consultation with its nine‑member advisory committee, may exempt an independent school having students with exceptional needs who receive scholarship grants pursuant to this proviso from the curriculum requirements of subsection (A)(1)(d).

 (H)(1) By August first of each year, each nonprofit scholarship funding organization must apply to the department to be considered an eligible organization for which its contributors are allowed the tax credit allowed by this proviso. If a nonprofit scholarship funding organization does not apply, the organization may not be published as an approved organization, and contributions to that organization shall not be allowed for purposes of the credit allowed by this proviso. A nonprofit scholarship funding organization’s application must contain:

 (a) the number and total amount of grants issued to eligible schools in the preceding fiscal year;

 (b) for each grant issued to an eligible school in the preceding fiscal year, the identity of the school and the amount of the grant;

 (c) an itemization and detailed explanation of any fees or other revenues obtained from or on behalf of any eligible schools;

 (d) a copy of the organization’s Form 990 or other comparable federal submission that indicates the provisions of the Internal Revenue Code under which the organization has been granted exempt status for purposes of federal taxation;

 (e) a copy of a compilation, review, or audit of the organization’s financial statements, conducted by a certified public accounting firm;

 (f) the criteria and eligibility requirements for scholarship awards; and

 (g) a certification by the organization that it meets the definition of a nonprofit scholarship funding organization as that term is defined in subsection (A)(4) and that the report is true, accurate, and complete under penalty of perjury in accordance with Section 16‑9‑10.

 (2) By receiving the application materials and approving the organization as an eligible organization pursuant to item (1), the department is not determining that the organization meets all of the requirements of a qualified nonprofit scholarship funding organization and the organization remains subject to examination as provided for pursuant to subsection (I).

 (3) The department has authority to disclose the names of qualifying nonprofit scholarship funding organizations to the Education Oversight Committee. The department also may disclose to the Education Oversight Committee the names of organizations that applied but were not qualified by the department and those organizations whose eligibility has been revoked in accordance with subsection (I)(2), as well as the reason the application of the organization was not accepted or the reason its qualification was revoked.

 (4) By September first of each year, the Education Oversight Committee must publish on its website a list of all qualifying nonprofit scholarship funding organizations, provided by the department, to include their names, addresses, telephone numbers, and, if available, website addresses. Also, the results of the audit required by item (1)(e) must be published with the list.

 (I)(1) The department has authority to oversee, audit, and examine the nonprofit scholarship funding organizations, including determining whether the nonprofit scholarship funding organization is being operated in a manner consistent with the requirements for an IRC Section 501(c)(3) organization or is in compliance with any other provision of this proviso.

 (2)(a) If at any time during the year, the department has evidence, through audit or otherwise, that a nonprofit scholarship funding organization is not being operated in a manner consistent with the requirements for operating an IRC Section 501(c)(3) organization or is not in compliance with any other provision of this proviso, the department may immediately revoke the organization’s participation in the program and must notify the organization and the Education Oversight Committee in writing of the revocation.

 (b) Notice of Revocation may be provided to the organization by personal delivery to the organization, by first class mail to the last known address of the organization, or by other means reasonably designed to provide notice to the organization.

 (c) Any donations made following the date the notice of revocation is received by the organization or in the case of delivery by mail ten days after the notice of revocation was mailed, will not qualify for the credit and the donated funds must be returned to the donor by the organization. This proviso shall not limit the department’s authority to deny any tax credit or other benefit provided by this proviso if the circumstances warrant.

 (d)(i) Within thirty days after the day on which the organization is notified of the revocation, the organization may request a contested hearing before the Administrative Law Court. Within thirty days after a request for a contested case hearing is received by the Administrative Law Court, an administrative law judge shall hold the contested case hearing and determine whether the revocation was reasonable under the circumstances. The department has the burden of proof of showing that the revocation was reasonable under the circumstances. The revocation is “reasonable” if the department has some credible evidence to believe that the organization is not being operated in a manner consistent with the requirements for operating an IRC Section 501(c)(3) organization or is not in compliance with any other provision of this proviso. The decision made by the administrative law judge is final and conclusive and may not be reviewed by any court. If the organization does not request a contested case hearing within thirty days of the immediate revocation, the revocation shall become permanent.

 (ii) If the administrative law judge determines that the revocation was reasonable, the administrative law judge shall remand the case to the department to issue a department determination for permanent revocation within the time period determined by the judge. The organization may appeal this department determination in accordance with Section 12‑60‑460. At the contested case hearing on the department determination, the parties can raise new issues and arguments in addition to those issues and arguments previously presented at the revocation hearing.

 (iii) If the administrative law judge determines that immediate revocation is not reasonable, the revocation shall be lifted and the organization may resume accepting donations and award scholarships hereunder. The department may still issue a department determination in accordance with Section 12‑60‑450(E)(2).

 (iv) If at any time during the process, the department believes the organization is in compliance, the department, in its sole discretion, may reinstate the organization and notify the Education Oversight Committee.

 (v) Following the permanent revocation of a nonprofit scholarship funding organization, the Education Oversight Committee has the authority to oversee the transfer of donated funds of the revoked organization to other nonprofit scholarship funding organizations.

 (J) A nonprofit scholarship funding organization may transfer funds to another nonprofit scholarship funding organization, especially in the event that the organization cannot distribute the funds in a timely manner or if the organization ceases to exist. None of the funds that are transferred by one nonprofit scholarship funding organization to another may be considered by the former organization when calculating its administrative expenses.

 SECTION 10. The supplemental appropriations, reductions, and provisions contained in this act shall be combined with the provisions of H. 3701 of 2015, the general appropriations bill for Fiscal Year 2015‑16, and be incorporated into Part IA and Part IB of the detail base budget for the succeeding fiscal year.

 SECTION 11. All acts or parts of acts inconsistent with any of the provisions of Sections 1 through 9 of this act are suspended for Fiscal Year 2015‑16.

 SECTION 12. If any part, section, subsection, paragraph, subparagraph, sentence, clause, phrase, or word of this act is for any reason held to be unconstitutional or invalid, such holding shall not affect the constitutionality or validity of the remaining portions of this act, the General Assembly hereby declaring that it would have passed this act, and each and every part, section, subsection, paragraph, subparagraph, sentence, clause, phrase, and word thereof, irrespective of the fact that any one or more other parts, sections, subsections, paragraphs, subparagraphs, sentences, clauses, phrases, or words hereof may be declared to be unconstitutional, invalid, or otherwise ineffective.

 SECTION 13. Except as otherwise specifically provided, this act takes effect July 1, 2015. /

 Renumber sections to conform.

 Amend title to conform.

 The amendment was adopted.

 The question then was the second reading of the Bill.

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

**Ayes 40; Nays 1**

**AYES**

Alexander Allen Bennett

Bryant Campbell Campsen

Coleman Corbin Courson

Cromer Davis Fair

Gregory Grooms Hayes

Hutto Jackson Johnson

Leatherman Lourie Malloy

*Martin, Larry Martin, Shane* Massey

Matthews McElveen Nicholson

O'Dell Peeler Rankin

Reese Sabb Scott

Setzler Shealy Sheheen

Turner Verdin Williams

Young

**Total--40**

**NAYS**

Bright

**Total--1**

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

**Statement by Senator LEATHERMAN**

 Pursuant to H. 4274, the S*ine Die* Resolution, the Senate is called into Statewide Session on Friday, June 19, 2015.

**H. 4230--Ordered to a Third Reading**

 On motion of Senator LEATHERMAN, with unanimous consent, H. 4230 was ordered to receive a third reading on Friday, January 19, 2015.

**Motion Adopted**

 On motion of Senator LEATHERMAN, pursuant to H. 4274, the S*ine Die* Resolution, the Senate agreed to convene on Friday, June 19, 2015, under the terms and limitations of Rule 1B.

**Motion Adopted**

 On motion of Senator LEATHERMAN, with unanimous consent, the Senate agreed that on Friday, June 19, 2015, in addition to the provisions of Rule 1B, the Senate would receive a Message from the House nonconcurring in the Senate amendments to H. 4230, the Senate would insist upon its amendments to H. 4230 and appoint members to a Committee of Conference on H. 4230.

**Message from the House**

Columbia, S.C., June 17, 2015

Mr. President and Senators:

 The House respectfully informs your Honorable Body that it insists upon the amendments proposed by the House to:

 H. 3702 -- Ways and Means Committee: A JOINT RESOLUTION TO APPROPRIATE MONIES FROM THE CAPITAL RESERVE FUND FOR FISCAL YEAR 2014-2015, AND TO ALLOW UNEXPENDED FUNDS APPROPRIATED TO BE CARRIED FORWARD TO SUCCEEDING FISCAL YEARS AND EXPENDED FOR THE SAME PURPOSES.

asks for a Committee of Conference, and has appointed Reps. White, Pitts and Clyburn to the committee on the part of the House.

Very respectfully,

Speaker of the House

 Received as information.

**H. 3702--CONFERENCE COMMITTEE APPOINTED**

 Whereupon, Senators LEATHERMAN, SETZLER and PEELER were appointed to the Committee of Conference on the part of the Senate and a message was sent to the House accordingly.

**Message from the House**

Columbia, S.C., June 17, 2015

Mr. President and Senators:

 The House respectfully informs your Honorable Body that it concurs in the amendments proposed by the Senate to:

 H. 4266 -- Reps. Lucas and White: A JOINT RESOLUTION TO PROVIDE FOR THE CONTINUING AUTHORITY TO PAY THE EXPENSES OF STATE GOVERNMENT IF THE 2015‑2016 FISCAL YEAR BEGINS WITHOUT A GENERAL APPROPRIATIONS ACT FOR THAT YEAR IN EFFECT.

and has ordered the Joint Resolution enrolled for Ratification.

Very respectfully,

Speaker of the House

 Received as information.

**THE SENATE PROCEEDED TO A CONSIDERATION OF REPORTS OF COMMITTEES OF CONFERENCE AND FREE CONFERENCE.**

**Message from the House**

Columbia, S.C., June 17, 2015

Mr. President and Senators:

 The House respectfully informs your Honorable Body that it has requested and was granted Free Conference Powers and has appointed Reps. Sandifer, Forrester and Stavrinakis to the Committee of Free Conference on the part of the House on:

 H. 3525 -- Reps. Sandifer, Forrester and Hayes: A BILL TO AMEND THE CODE OF LAWS OF SOUTH CAROLINA, 1976, BY ADDING ARTICLE 16 TO CHAPTER 23, TITLE 58 SO AS TO PROVIDE FOR THE REGULATION OF TRANSPORTATION NETWORK COMPANIES; TO AMEND SECTION 58‑4‑60, RELATING TO THE DUTIES AND RESPONSIBILITIES OF THE OFFICE OF REGULATORY STAFF, SO AS TO PROVIDE FOR THE EXPENSES OF THE TRANSPORTATION DEPARTMENT BORNE BY ASSESSMENTS TO TRANSPORTATION NETWORK COMPANIES IN ADDITION TO EXISTING SOURCES; AND TO AMEND SECTION 58‑23‑50, RELATING TO EXEMPTIONS FROM REGULATION OF MOTOR VEHICLE CARRIERS BY THE PUBLIC SERVICE COMMISSION, SO AS TO EXEMPT TRANSPORTATION NETWORK COMPANIES.

Very respectfully,

Speaker of the House

 Received as information.

**Message from the House**

Columbia, S.C., June 17, 2015

Mr. President and Senators:

 The House respectfully informs your Honorable Body that it has adopted the Report of the Committee of Free Conference on:

 H. 3525 -- Reps. Sandifer, Forrester and Hayes: A BILL TO AMEND THE CODE OF LAWS OF SOUTH CAROLINA, 1976, BY ADDING ARTICLE 16 TO CHAPTER 23, TITLE 58 SO AS TO PROVIDE FOR THE REGULATION OF TRANSPORTATION NETWORK COMPANIES; TO AMEND SECTION 58‑4‑60, RELATING TO THE DUTIES AND RESPONSIBILITIES OF THE OFFICE OF REGULATORY STAFF, SO AS TO PROVIDE FOR THE EXPENSES OF THE TRANSPORTATION DEPARTMENT BORNE BY ASSESSMENTS TO TRANSPORTATION NETWORK COMPANIES IN ADDITION TO EXISTING SOURCES; AND TO AMEND SECTION 58‑23‑50, RELATING TO EXEMPTIONS FROM REGULATION OF MOTOR VEHICLE CARRIERS BY THE PUBLIC SERVICE COMMISSION, SO AS TO EXEMPT TRANSPORTATION NETWORK COMPANIES.

**H. 3525--FREE CONFERENCE POWERS GRANTED**

**FREE CONFERENCE COMMITTEE APPOINTED**

**REPORT OF THE COMMITTEE OF FREE CONFERENCE ADOPTED**

 H. 3525 -- Reps. Sandifer, Forrester and Hayes: A BILL TO AMEND THE CODE OF LAWS OF SOUTH CAROLINA, 1976, BY ADDING ARTICLE 16 TO CHAPTER 23, TITLE 58 SO AS TO PROVIDE FOR THE REGULATION OF TRANSPORTATION NETWORK COMPANIES; TO AMEND SECTION 58‑4‑60, RELATING TO THE DUTIES AND RESPONSIBILITIES OF THE OFFICE OF REGULATORY STAFF, SO AS TO PROVIDE FOR THE EXPENSES OF THE TRANSPORTATION DEPARTMENT BORNE BY ASSESSMENTS TO TRANSPORTATION NETWORK COMPANIES IN ADDITION TO EXISTING SOURCES; AND TO AMEND SECTION 58‑23‑50, RELATING TO EXEMPTIONS FROM REGULATION OF MOTOR VEHICLE CARRIERS BY THE PUBLIC SERVICE COMMISSION, SO AS TO EXEMPT TRANSPORTATION NETWORK COMPANIES.

 On motion of Senator HAYES, with unanimous consent, the Report of the Committee of Conference was taken up for immediate consideration.

 Senator HAYES spoke on the report.

 Senator BENNETT explained the report.

**H. 3525--Free Conference Powers Granted**

 Senator HAYES moved that the Committee of Conference be granted Free Conference Powers.

 Free Conference Powers were granted.

**Free Conference Committee Appointed**

 Whereupon, Senators HAYES, HUTTO and BENNETT were appointed to the Committee of Free Conference on the part of the Senate and a message was sent to the House accordingly.

 The question then was adoption of the Report of the Committee of Free Conference.

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

**Ayes 39; Nays 0**

**AYES**

Alexander Allen Bennett

Bright Bryant Campbell

Campsen Coleman Corbin

Courson Cromer Davis

Fair Grooms Hayes

Hutto Johnson Leatherman

Lourie Malloy *Martin, Larry*

*Martin, Shane* Massey Matthews

McElveen Nicholson O'Dell

Peeler Rankin Reese

Sabb Scott Setzler

Shealy Sheheen Turner

Verdin Williams Young

**Total--39**

**NAYS**

**Total--0**

 On motion of Senator HAYES, the Report of the Committee of Free Conference to H. 3525 was adopted as follows:

 **H. 3525--Free Conference Report**

The General Assembly, Columbia, S.C., June 17, 2015

 The COMMITTEE OF CONFERENCE, to whom was referred:

 H. 3525 ‑‑ Reps. Sandifer, Forrester and Hayes: A BILL TO AMEND THE CODE OF LAWS OF SOUTH CAROLINA, 1976, BY ADDING ARTICLE 16 TO CHAPTER 23, TITLE 58 SO AS TO PROVIDE FOR THE REGULATION OF TRANSPORTATION NETWORK COMPANIES; TO AMEND SECTION 58‑4‑60, RELATING TO THE DUTIES AND RESPONSIBILITIES OF THE OFFICE OF REGULATORY STAFF, SO AS TO PROVIDE FOR THE EXPENSES OF THE TRANSPORTATION DEPARTMENT BORNE BY ASSESSMENTS TO TRANSPORTATION NETWORK COMPANIES IN ADDITION TO EXISTING SOURCES; AND TO AMEND SECTION 58‑23‑50, RELATING TO EXEMPTIONS FROM REGULATION OF MOTOR VEHICLE CARRIERS BY THE PUBLIC SERVICE COMMISSION, SO AS TO EXEMPT TRANSPORTATION NETWORK COMPANIES.

 Beg leave to report that they have duly and carefully considered the same and recommend:

 That the same do pass with the following amendments:

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

 / SECTION 1. Chapter 23, Title 58 of the 1976 Code is amended by adding:

“Article 16

Transportation Network Company Act

 Section 58‑23‑1610. For purposes of this article:

 (1) ‘Transportation Network Company’ or ‘TNC’ means a person, corporation, partnership, sole proprietorship, or other entity operating in this State that uses a digital network, platform, or internet‑enabled application to connect a passenger to a transportation network driver for the purpose of providing transportation for compensation using a vehicle. A transportation network company does not include transportation services provided pursuant to Articles 1 through 15 of Chapter 23, Title 58, or arranging non‑emergency medical transportation for individuals qualifying for Medicaid or Medicare pursuant to a contract with the State or a managed care organization.

 (2) ‘Personal vehicle’ means a vehicle that is used by a transportation network company driver in connection with providing a prearranged ride and is:

 (a) owned, leased, or otherwise authorized for use by the transportation network company driver; and

 (b) not a taxi, charter bus, charter limousine, or for‑hire vehicle.

 (3) ‘Digital network’ means any online‑enabled application, software, website, or system offered or used by a TNC that enables the prearrangement of rides with transportation network company drivers.

 (4) ‘Transportation Network Company driver’ or ‘TNC driver’ means a person who uses a vehicle to provide transportation service for passengers matched through a transportation network company’s digital network.

 (5) ‘Transportation Network Company insurance’ or ‘TNC insurance’ means an insurance policy that specifically covers a driver’s use of a vehicle in connection with a transportation network company’s digital network, platform, or internet‑enabled application.

 (6) ‘Transportation Network Company passenger’ or ‘TNC passenger’ means a person for whom transportation is provided through a transportation network company’s digital network. This includes a person for whom arrangements for transportation services using the transportation network company’s digital network was arranged by someone other than the passenger.

 (7) ‘Transportation Network Company service’ or ‘TNC service’ means a period of time when a transportation network company driver accepts a request arranged through the transportation network company’s digital network and proceeds to the passenger location, continues while the transportation network company driver transports a requesting passenger in the transportation network company vehicle, and ends when the last requesting passenger exits the transportation network company vehicle.

 (8) ‘Transportation Network Company vehicle’ or ‘TNC vehicle’ means a vehicle that is used by a TNC driver that has met the requirements of this article and has been approved by the TNC to provide transportation service arranged through a transportation network company digital platform. It must not have a manufacturer’s rated seating capacity of more than eight passengers, including the driver.

 (9) ‘Prearranged ride’ means the provision of transportation by a transportation network company driver to a transportation network company rider, beginning when a driver accepts a ride requested by a rider through a digital network controlled by a transportation network company, continuing while the driver transports a requesting rider, and ending when the last requesting rider departs from the personal vehicle. A prearranged ride does not include shared expense carpool or vanpool arrangements, or transportation provided using a taxi, limousine, or other for‑hire vehicle pursuant to a Class C certificate issued by the South Carolina Public Service Commission or pursuant to a license issued by the governing body of a county or city. A prearranged ride does not include services provided pursuant to articles 1 through 15 of Chapter 23, Title 58 or arranging non‑emergency medical transportation for individuals qualifying for Medicaid or Medicare pursuant to a contract with the State or a managed care organization.

 (10) ‘Transportation Network Company rider’ or ‘rider’ means an individual or individuals who use a transportation network company’s digital network to connect with a transportation network driver who provides prearranged rides to the rider in the driver’s personal vehicle between points chosen by the rider.

 Section 58‑23‑1620. (A) Before a person, corporation, partnership, sole proprietorship, or other entity that uses a digital network, platform or internet‑enable application to provide transportation for compensation using a personal vehicle commences to advertise or operate in South Carolina as a TNC, that entity shall comply with the requirements set forth within this article and hold a valid TNC permit issued by the Office of Regulatory Staff.

 (B) That entity shall submit an application to the Office of Regulatory Staff and provide information that the Office of Regulatory Staff requires.

 (C) In performing its responsibilities under this article, the Office of Regulatory Staff must balance the interest of the State in promoting innovative, safe, and cost‑effective transportation services with an appropriate level of safety protections for TNC passengers and the general public.

 (D) An application must be accompanied by information required by the Office of Regulatory Staff, which may condition its approval on terms that it determines to be just and reasonable to advance the goals of this article.

 (E) Upon review of the application and a finding that the applicant is fit, willing, and able to conduct business pursuant to the provisions of this article, the Office of Regulatory Staff shall approve the application and issue the entity a TNC permit. A person or entity operating a TNC in South Carolina as of the effective date of this article may continue to operate for a period of sixty days following the effective date of this article so as to permit the person or entity to obtain a permit from the Office of Regulatory Staff pursuant to this section.

 (F) An aggrieved person with standing may file a request for a contested case of a decision of the Office of Regulatory Staff with the Public Service Commission within thirty days of the decision.

 Section 58‑23‑1625. (A) Insurers that write automobile insurance in the State may exclude any and all coverage afforded under the owner’s insurance policy for any loss or injury that occurs while a TNC driver is logged on a TNC’s digital network or while the driver provides a prearranged ride. This right to exclude all coverage may apply to any coverage included in an automobile insurance policy including, but not limited to:

 (1) liability coverage for bodily injury and property damage;

 (2) uninsured and underinsured motorist coverage;

 (3) medical payments coverage;

 (4) comprehensive physical damage coverage; and

 (5) collision physical damage coverage.

 (B) The exclusions apply notwithstanding any requirement under Sections 56‑9‑10 through 56‑9‑630. Nothing in this section implies or requires that a personal automobile insurance policy provide coverage while the transportation network driver is logged on the TNC’s digital network, while the driver is engaged in a prearranged ride or while the driver otherwise uses a personal vehicle to transport passengers for compensation. Nothing may be considered to preclude an automobile insurer from providing coverage for the TNC driver’s personal vehicle, if it choses to do so by contract or endorsement.

 (C) Automobile insurers that exclude coverage as permitted in subsections (A) and (B) have no duty to defend or indemnify any claim expressly excluded by those subsections. Nothing in this article may be considered to invalidate or limit an exclusion contained in a policy. An automobile insurer that defends or indemnifies a claim against a driver that is excluded under the terms of its policy as permitted in subsections (A) and (B) has a right of contribution against other insurers that provide automobile insurance to the same driver in satisfaction of the coverage requirements of Section 58‑23‑1630 at the time of loss.

 (D) In a claims coverage investigation, TNC’s and any automobile insurer potentially providing coverage under Section 58‑23‑1630 shall cooperate to facilitate the exchange of relevant information with directly involved parties and any automobile insurer of the TNC driver if applicable, including the precise times that a driver logged on and off of the TNC’s digital network in the twelve‑hour period immediately preceding and in the twelve‑hour period immediately following the accident and disclose to one another a clear description of the coverage, exclusions, and limits provided under any automobile insurance maintained under Section 58‑23‑1630.

 Section 58‑23‑1630. (A) A TNC driver or TNC on the driver’s behalf shall maintain primary automobile insurance that recognizes that the driver is a TNC driver or otherwise uses a personal vehicle to transport riders for compensation and covers the driver:

 (1) while the driver is logged on the TNC’s digital network; or

 (2) while the driver is engaged in a prearranged ride.

 (B) The following automobile insurance requirements apply while a participating TNC driver is logged on the TNC’s digital network and is available to receive transportation requests but is not engaged in a prearranged ride:

 (1) primary automobile liability insurance in the amount of at least fifty thousand dollars for death and bodily injury per person, at least one hundred thousand dollars for death and bodily injury per incident, and at least fifty thousand dollars for property damage;

 (2) uninsured motorist coverage as required by Section 38‑77‑150; and

 (3) the coverage requirements of this subsection may be satisfied by automobile insurance maintained by the TNC driver, automobile insurance maintained by the TNC, or both.

 (C) The following automobile insurance requirements apply while a TNC driver is engaged in a prearranged ride:

 (1) primary automobile liability insurance that provides at least one million dollars for death, bodily injury, and property damage;

 (2) uninsured motorist coverage as required by Section 38‑77‑150; and

 (3) the coverage requirements of this subsection may be satisfied by automobile insurance maintained by the TNC driver, automobile insurance maintained by the TNC, or both;

 (D) If insurance maintained by the TNC driver in subsections (B) or (C) has lapsed or does not provide the required coverage, insurance maintained by a TNC must provide the coverage required by this section beginning with the first dollar of a claim and has the duty to defend such claim.

 (E) Coverage under an automobile insurance policy maintained by the TNC may not be dependent upon a personal automobile insurer first denying a claim nor may a personal automobile insurer be required to first deny the claim.

 (F) Insurance required by this section may be placed with an authorized insurer or with an eligible surplus lines insurer pursuant to Section 38‑45‑90.

 (G) Insurance satisfying the requirements of this section may be considered to satisfy the financial responsibility requirements for a motor vehicle pursuant to Sections 56‑9‑10 through 56‑9‑630.

 (H) A TNC driver shall carry proof of coverage satisfying subsections (B) and (C) at all times during use of a vehicle in connection with a TNC’s digital network. In the event of an accident, a TNC driver shall provide this insurance coverage to the directly interested parties, automobile insurers, and the investigating police officers, upon request, pursuant to Section 56‑10‑225. Upon such request, a TNC driver shall also disclose to directly interested parties, automobile insurers, and the investigating police officers, whether he was logged on the TNC’s digital network or on a prearranged ride at the time of an accident.

 (I) If a TNC’s insurer pays a claim covered under comprehensive coverage or collision coverage, the TNC shall cause its insurer to issue the payment directly to the business repairing the vehicle or jointly to the owner of the vehicle and the primary lienholder on the covered vehicle. The Office of Regulatory Staff shall not assess any fines as a result of a violation of this subsection.

 Section 58‑23‑1635. (A) Before TNC drivers are allowed to accept a request for a prearranged ride on the TNC’s digital network, the TNC shall disclose to the drivers, in writing, the following information:

 (1) the insurance coverage, including the types of coverage and the limits for each coverage, that the TNC provides while the TNC driver uses a personal vehicle in connection with a TNC’s digital network;

 (2) depending on its terms, that the TNC driver’s personal automobile insurance policy may not provide any coverage while the driver is logged onto the TNC’s digital network and is available to receive a transportation request or is engaged in a prearranged ride; and

 (3) if the vehicle to be used to provide TNC services has a lien against it, the driver has a duty to notify the lienholder that the driver will be using the vehicle for transportation services that may violate the terms of the contract with the lienholder. The driver must disclose to the lender all insurance coverage information provided to the driver by the TNC pursuant to Section 58‑23‑1635. The TNC must provide a standardized form for TNC drivers to use for such notice to the lienholder. The form may be provided to the driver by the TNC in a digital format. The TNC driver must maintain evidence that notice has been sent to the lien holder as well as wait seven days prior to commencing driving in connection with a TNC.

 (B) Nothing in this chapter limits the right of a lender or secured party on a driver’s vehicle to require a driver to maintain comprehensive and collision damage coverage for a driver’s vehicle or to show evidence of that coverage to the lender or secured party that would cover the period when the driver is logged on to the transportation network carrier’s digital network regardless of whether the driver is engaged in a prearranged ride. If the driver fails to maintain the required comprehensive and collision coverage or to show evidence to the lender or secured party of the coverage upon reasonable request by the lender or secured party, the lender or secured party may fully enforce all provisions contained in the loan agreement with the borrower.

 Section 58‑23‑1640. (A) The TNC driver shall have a certified mechanic licensed in South Carolina conduct a safety inspection of a TNC vehicle within thirty days of the vehicle first providing TNC services.

 (B) The TNC shall not permit a TNC driver to provide TNC services if the TNC vehicle does not pass a certified mechanics inspection as identified in this article.

 (C) The TNC driver shall have periodic safety inspections of the TNC vehicle performed at intervals of at least once each year.

 (D) The TNC shall maintain documentation of a TNC vehicle inspection for a period of three years.

 (E) The vehicle inspection shall include an inspection of:

 (1) foot brakes;

 (2) emergency brakes;

 (3) steering mechanism;

 (4) windshield;

 (5) rear window and other glass;

 (6) windshield wipers;

 (7) headlights;

 (8) tail lights;

 (9) turn indicator lights;

 (10) stop lights;

 (11) front seat adjustment mechanism;

 (12) door capability to open, close, lock, and unlock;

 (13) horn;

 (14) speedometer;

 (15) bumpers;

 (16) muffler and exhaust system;

 (17) tire condition including tread depth;

 (18) interior and exterior rearview mirrors; and

 (19) safety belts.

 (F) A TNC vehicle must display a consistent and distinctive signage or emblem, which must be known as a trade dress, at all times when the TNC driver is active on the TNC digital platform or providing TNC service. The trade dress used by the TNC must be approved by the Office of Regulatory Staff before its use and:

 (1) must be readable during daylight hours at a distance of fifty feet;

 (2) must be reflective, illuminated, or otherwise patently visible so as to be seen in darkness; and

 (3) may be magnetic or removable in nature.

 (H) The Office of Regulatory Staff may conduct inspections of TNC vehicles.

 (I) The vehicle inspection records must be provided to the Office of Regulatory Staff by the TNC upon request.

 Section 58‑23‑1650. (A) The TNC shall obtain certain background and qualification information from a TNC driver before the TNC driver is approved by the TNC to provide TNC services.

 (B) The TNC driver qualification information shall include:

 (1) a valid driver’s license issued by the South Carolina Department of Motor Vehicles or the current state of residence for the driver;

 (2) verification that the driver is twenty‑one years of age or older;

 (3) a certified copy of the driver’s ten year driving record issued by the South Carolina Department of Motor Vehicles and a record from the department of motor vehicles or equivalent agency of the state where the driver has been domiciled for that period;

 (4) conduct, or have a third party conduct, a local and national criminal background check for each applicant that must include:

 (a) a multi-state and multi-jurisdiction criminal records locator or other similar commercial nationwide database with validation (primary source search); and

 (b) national sex offender registry database search; and

 (5) proof of automobile liability insurance in the name of the TNC driver which meets the requirements of Section 38‑77‑140.

 (C) The TNC shall verify the TNC driver meets all of the driver qualification requirements in this section at intervals of at least one each year.

 (D) The TNC shall maintain documentation of initial and annual verification of TNC driver qualifications for a period of three years.

 (E) The Office of Regulatory Staff may conduct inspections of TNC driver qualification records.

 (F) The TNC shall not permit a TNC driver to provide TNC services who:

 (1) does not meet the TNC driver qualifications listed in Section 58‑23‑1650(B) and (C);

 (2) is registered or required to be registered as a sex offender with the South Carolina Law Enforcement Division or the National Sex Offender Registry;

 (3) has been convicted within the past ten years of driving under the influence of drugs or alcohol, driving with an unlawful alcohol concentration, fraud, use of a motor vehicle to commit a felony, a felony crime involving property damage, theft and crimes as defined as violent pursuant to Section 16‑1‑60; or

 (4) is under the influence of drugs or alcohol. Nothing in this section may be construed to require drug testing by a TNC of a TNC driver.

 (G) Before a TNC driver is allowed to provide a TNC service, the TNC must disclose to the TNC driver that the:

 (1) automobile liability insurance that the TNC provides while the TNC driver is engaged in TNC service or logged into the TNC digital network;

 (2) TNC driver’s automobile liability insurance may not provide coverage while the TNC driver is engaged in TNC service or logged into the TNC digital network;

 (3) provision of TNC services may violate the terms of a contract or financing agreement with a lienholder; and

 (4) provision of TNC services may have financial consequences related to personal income tax and personal property tax liabilities.

 Section 58‑23‑1660. (A) A TNC operating in this State shall comply with the following standards:

 (1) A TNC driver shall not provide TNC services or otherwise operate as a passenger vehicle for hire unless a TNC has matched the TNC driver to the TNC passenger through the digital network. A TNC driver shall not solicit or accept passenger rides on‑demand or through a ‘street hail.’ All payment for TNC services must be made through the digital network and the TNC driver shall not accept cash payments.

 (2) A TNC shall make available to prospective TNC passengers and TNC drivers the method by which the TNC calculates fares or the applicable rates being charged and an option to receive an estimated fare. If the rates vary from those identified in the application to the Office of Regulatory Staff, the TNC must provide the revised rates to the passenger on the digital network.

 (3) A TNC shall provide the TNC passenger with an electronic receipt upon completion of the TNC service. The receipt must document the:

 (a) point of origin;

 (b) point of destination;

 (c) total duration and distance;

 (d) total fare/rate paid, including base fare and additional charges incurred for distance or duration; and

 (e) TNC driver’s first name.

 (4) A TNC driver shall display an identification badge including his photograph, first name, personal vehicle make and model, and personal vehicle license plate number. This information may be displayed to the TNC passenger through the TNC digital network.

 (5) A TNC driver shall at all times carry in the TNC vehicle proof of the automobile liability insurance required of this article.

 (6) A TNC shall provide customer support on its digital network, website, or both, for TNC passenger inquiries or complaints and shall respond promptly to all TNC passenger inquiries or complaints.

 (7) A TNC shall not discriminate against TNC passengers on the basis of destination, race, color, national origin, religious belief or affiliation, sex, disability, or age.

 (8) A TNC shall provide TNC services in compliance with all applicable laws for providing services to persons with physical and mental disabilities. Service animals and mobility equipment must be permitted to accompany a TNC passenger.

 (9) A TNC shall provide TNC passengers an opportunity to indicate whether they require a wheelchair‑accessible vehicle. If a TNC cannot arrange wheelchair‑accessible TNC service in any instance, it shall direct the TNC passenger to an alternate provider of wheelchair‑accessible service, if available.

 (10) A TNC driver shall take the most direct route to the destination unless the TNC passenger has consented to an alternate route.

 (11) A TNC driver may refuse to transport a TNC passenger if the TNC passenger is acting in an unlawful, disorderly or endangering manner.

 Section 58‑23‑1670. (A) A TNC shall maintain a record of all TNC services provided in South Carolina for a period of three years from the date of the TNC service. The records shall include:

 (1) the time at which a TNC driver logs into the digital network;

 (2) the time and place of commencement of TNC service;

 (3) the address of delivery of the TNC passenger;

 (4) the amount of fare charged to the TNC passengers; and

 (5) any inquiry or complaint of the TNC passenger, the date of the inquiry or complaint, and the resolution of the inquiry or complaint.

 (B) A TNC shall maintain documentation of each TNC vehicle inspection for a period of three years.

 (C) The TNC shall maintain documentation of initial and annual verification of TNC driver qualifications for a period of three years.

 (D) The TNC shall provide, upon the request of the Office of Regulatory Staff, any factual information regarding TNC drivers, TNC passengers, and TNC services so as to investigate complaints arising under this article. This information must be provided to the Office of Regulatory Staff within a reasonable time period.

 (E) A TNC shall not disclose a TNC driver or passenger’s personally identifiable information to a third party unless the:

 (1) TNC driver or TNC passenger consents;

 (2) disclosure is required by legal obligation; or

 (3) disclosure is required to investigate violations of the TNC driver or TNC passenger terms of use.

 Section 58‑23‑1680. (A) A certified South Carolina law enforcement officer is authorized to enforce the requirements of this article.

 (B) An officer, agent, or employee of a TNC or TNC driver who fails to comply with any requirement contained in this article must be assessed a civil penalty of not less than one hundred dollars for a first violation, not less than five hundred dollars for a second violation, and not less than one thousand dollars for a third violation and subsequent violations. Seventy‑five percent of the penalties collected under this section must be remitted to the Office of Regulatory Staff to be used for enforcement operations. Magistrates have jurisdiction over contested violations of this section and are prohibited from suspending or reducing the penalties.

 (C) The Office of Regulatory Staff may revoke a TNC permit if the TNC has made misrepresentation of a material fact in obtaining the TNC permit or, in the opinion of the Office of Regulatory Staff, has failed to comply with the requirements in this article.

 (D) An aggrieved person with standing may file a request for a contested case of a decision of the Office of Regulatory Staff with the Public Service Commission of South Carolina within thirty days of the decision.

 (E) Concerning potential violations of this article, TNC’s and their officers, agents, employees, or customers is subject to the investigatory powers provided in Sections 58‑4‑50 and 58‑4‑55 to the Office of Regulatory Staff.

 (F) The Office of Regulatory Staff is authorized to require regular updating of information required from a TNC under this article.

 Section 58‑23‑1690. (A) The Office of Regulatory Staff may assess each TNC an annual fee in an amount necessary to permit the Office of Regulatory Staff to carry out the requirements of this article.

 (B) The annual assessment of fees will be pursuant to Section 58‑4‑60(B).

 Section 58‑23‑1700. (A) For the purposes of this section:

 (1) ‘Gross trip fare’ means the sum of the base fare charge, distance charge, and time charge for the complete trip at rates published on the TNC’s website.

 (2) ‘Local assessment fee’ means one percent of the gross trip fare.

 (3) ‘Municipality’ means a city or town issued a certificate of incorporation, or township created by act of the General Assembly.

 (B) A TNC shall collect a local assessment fee on behalf of a TNC driver who accepts a request for a prearranged ride made through the TNC’s digital network for all prearranged rides that originate in the state.

 (C) Using the Geographic Information System (GIS) data made available by the Revenue and Fiscal Affairs Office pursuant to subsection (I), a TNC shall determine whether each prearranged trip occurred within the incorporated boundaries of a municipality, or outside of the incorporated boundaries of a municipality and within the boundaries of a county of this state.

 (D) No later than thirty days after the end of a calendar quarter, a TNC shall submit to the Office of Regulatory Staff:

 (1) the total local assessment fees collected by a TNC on behalf of the TNC drivers;

 (2) for trips that originated in a municipality, a report listing the percentage of the gross trip fare that originated in each municipality during the reporting period; and

 (3) for trips that originated outside a municipality, a report listing the percentage of the gross trip fare that originated outside a municipality during the reporting period.

 (E) The funds collected pursuant to this section are not general fund revenue of the State and must be kept by the State Treasurer in a distinct and separate unbudgeted Trust & Agency fund and apart from the general fund. These funds are to be administered by the Office of Regulatory Staff pursuant to this section and expended only for the purposes provided in this chapter.

 (F)(1) The Office of Regulatory Staff shall retain an amount of one percent of the local assessment fee collected under subsection (D)(1) to cover the expenses borne by the Office of Regulatory Staff derived from:

 (a) regulation of TNCs; and

 (b) collection, remittance, and distribution of local assessment fees pursuant to this section.

 (2) Within sixty days of the end of the calendar quarter, the Office of Regulatory Staff shall distribute the remaining portion of the total local assessment fees collected under subsection (D)(1), minus the amount retained pursuant to subsection (F)(1), to each municipality where a trip originated during the reporting period and, for trips that originated outside a municipality, to each county where a trip originated during the reporting period. The distribution to each municipality or county must be proportionate to the percentage of the gross trip fare that originated in each municipality or county.

 (G)(1) To ensure that the TNC has remitted the correct local assessment fee and has accurately reported the percentages attributable to municipalities and counties pursuant to subsection (D), upon request of the municipality,the Office of Regulatory Staff may inspect the necessary records at a TNC’s place of business or a mutually agreed upon location. This inspection may not be conducted more than once a year.

 (2) At least forty‑five days before the Office of Regulatory Staff conducts an inspection of records pursuant to subsection (G)(1), the Office of Regulatory Staff shall notify the Municipal Association of South Carolina (MASC) or its successor organization of its intent to conduct an inspection and the date of the planned inspection.

 (3) MASC may request that a TNC that is subject to inspection under subsection (G)(1) engage an independent third party auditor to verify that the local assessment to municipalities has been properly accounted for and distributed. At least thirty days before the scheduled audit, MASC must submit this request in writing to the Office of Regulatory Staff and the TNC subject to the audit.

 (a) The TNC that is subject to the audit shall engage the independent third party auditor, which must be selected at the sole discretion of the TNC, and bear all costs associated with the third party audit. The independent third party auditor must be:

 (i) a certified public accounting firm licensed in the State; and

 (ii) qualified to perform engagements in accordance with Generally Accepted Government Auditing Standards (GAGAS).

 (b) The TNC shall provide MASC with a copy of the third party audit report within fifteen days of completion, which shall in no event, occur later than ninety days after receipt of MASC’s written request. The audit report must disclose the amount of any underpayments or overpayments to municipalities and counties.

 (c) A person employed by or formerly employed by MASC who discloses to a third party any information that the TNC marked in the audit report as confidential must be assessed civil penalties as contained in Section 58‑23‑1680 unless the individual obtained the TNC’s written consent prior to disclosure. Nothing in this section must be construed to restrict MASC from disclosing any overpayment or underpayment with the impacted municipalities or counties.

 (4) In the event that a TNC submits a report to the ORS that is subsequently determined to be inaccurate, thereby leading to an underpayment or overpayment of a municipality or county’s local assessment fee, the Office of Regulatory Staff shall correct the underpayment and overpayment by offsetting the amount of the underpayment or overpayment in subsequent local assessment fee distributions. In the event a TNC remits an assessment fee to the Office of Regulatory Staff that is determined to constitute an underpayment of the total assessment fee required by this article, the transportation network company shall, within thirty days of receiving notification of the determination, remit the balance owed to the Office of Regulatory Staff. A TNC that submits a report containing an inaccuracy or remits an assessment fee that constitutes an underpayment that is determined by the Office of Regulatory Staff to be the result of an intentional misrepresentation must be assessed damages that are no less than three times the amount of the underpayment or resultant underpayment to the municipality or county impacted.

 (H) Any records maintained by a TNC pursuant to this section that are obtained by the Office of Regulatory Staff, a public body as defined by Section 30‑4‑20(a), or any records that incorporate information from records maintained pursuant to this section, must not be subject to disclosure under the Freedom of Information Act as provided for in Chapter 4, Title 30, or any other provision of law.

 (I) The Office of Regulatory Staff may not disclose records or information provided by a TNC unless disclosure is required by a subpoena or court order. If a disclosure is required, the Office of Regulatory Staff shall promptly notify the TNC prior to the disclosure. Nothing in this section may be construed to restrict the Office of Regulatory Staff from disclosing any overpayment or underpayment with the impacted municipalities or counties.

 (J) To ensure proper distribution of the local assessment fee pursuant to subsection (D)(2), the Revenue and Fiscal Affairs Office shall prepare and make available for public use a GIS file showing the state’s county and municipal boundaries. This file must be updated on a quarterly basis, and published on the Revenue and Fiscal Affairs Office’s website. In addition to the requirements of Section 5‑3‑90, municipalities shall provide annexation information to the Revenue and Fiscal Affairs Office within thirty days after the annexation is complete. Such information shall include a written description of the boundary, along with a map or plat which clearly defines the new territory added.

 (K) This section takes effect ninety days after the effective date of this article.

 Section 58‑23‑1710. (A) Except as otherwise provided in this chapter, TNCs and TNC drivers are governed exclusively by this article and by any regulations promulgated by the Office of Regulatory Staff consistent with this article. TNC drivers remain subject to all local ordinances outside the scope of this article, whether directly or indirectly impacting the delivery of TNC driver services, including but not limited to parking and traffic regulations that are not inconsistent with the provisions of this article.

 (B) Political subdivisions are prohibited from imposing a tax on a TNC, a TNC driver, or a vehicle used by a TNC driver, including a business license tax, where the tax is assessed in connection with prearranged rides in the state. Nothing in this article may be construed to restrict a municipality from collecting a business license tax from a TNC located within its boundaries if the tax is limited to receipts or revenue that is not subject to a local assessment fee pursuant to Section 58‑23‑1700 or a business license tax.

 (C) In order for a TNC and a TNC driver to provide prearranged rides on airport property, the TNC must comply with Federal Aviation Administration regulations and airport regulations relating to:

 (1) payment of reasonable fee to operate at the airport, agreed to by the TNC and each individual airport, not based on a per‑passenger, per‑driver, or per‑vehicle basis; and

 (2) designating locations for staging, pick‑ups, drop‑offs, and other similar locations.

 Section 58‑23‑1720. The provisions contained in this article do not preempt any federal regulation relating to the provision of transportation services at any facility regulated by the United States Federal Aviation Administration.”

 SECTION 2. Section 58‑4‑60(B) of the 1976 Code is amended to read:

 “(B)(1) The expenses of the Transportation Department of the Office of Regulatory Staff, with the exception of the expenses incurred in its railway jurisdiction, must be borne by the revenues from license fees derived pursuant to Sections 58‑23‑530 through 58‑23‑630, assessments to the Transportation Network Companies pursuant to Sections 58‑23‑1690 and 58‑23‑1700, and assessments to the carriers of household goods and hazardous waste for disposal carriers. The expenses of the railway section of the Office of Regulatory Staff must be borne by the railroad companies subject to the commission’s jurisdiction according to their gross income from operations in this State.

 (2) All other expenses of the Office of Regulatory Staff must be borne by the public utilities subject to the jurisdiction of the commission. On or before the first day of July in each year, the Department of Revenue must assess each public utility, railway company, household goods carrier, and hazardous waste for disposal carrier its proportion of the expenses in proportion to its gross income from operation in this State in the year ending on the thirtieth day of June preceding that on which the assessment is made which is due and payable on or before July fifteenth. The assessments must be charged against the companies by the Department of Revenue and collected by the department in the manner provided by law for the collection of taxes from the companies including the enforcement and collection provisions of Article 1, Chapter 54 ~~of~~, Title 12 and paid, less the Department of Revenue actual incremental increase in the cost of administration into the state treasury as other taxes collected by the Department of Revenue for the State.”

 SECTION 3. Section 58‑23‑50 of the 1976 Code is amended by adding a subsection at the end to read:

 “(C) Articles 1 to 11 of this chapter also do not apply to Transportation Network Companies and Transportation Network Company Drivers.”

 SECTION 4. Except as provided in Section 58‑23‑1700(K), as contained in Section 1, the provisions of this act take effect upon approval by the Governor. /

 Amend title to conform.

/s/Sen. Robert Wesley Hayes, Jr. /s/Rep. Bill Sandifer

Sen. C. Bradley Hutto /s/Rep. Paul Michael Forrester

/s/Sen. Sean M. Bennett /s/Rep. Leonidas E. Stavrinakis

 On Part of the Senate. On Part of the House.

 ,and a message was sent to the House accordingly.

**Motion Adopted**

 On motion of Senator LEATHERMAN, the Senate agreed to stand adjourned.

**LOCAL APPOINTMENT**

**Confirmation**

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

Reappointment, Calhoun County Magistrate, with the term to commence April 30, 2014, and to expire April 30, 2018

Don A. Rickenbaker, Post Office Box 232, St. Matthews, SC 29135

**MOTION ADOPTED**

 On motion of Senators SETZLER, ALEXANDER, ALLEN, BENNETT, BRIGHT, BRYANT, CAMPBELL, CAMPSEN, CLEARY, COLEMAN, CORBIN, COURSON, CROMER, DAVIS, FAIR, GREGORY, GROOMS, HAYES, HEMBREE, HUTTO, JACKSON, JOHNSON, KIMPSON, LEATHERMAN, LOURIE, MALLOY, LARRY MARTIN, SHANE MARTIN, MASSEY, MATTHEWS, McELVEEN, NICHOLSON, O’DELL, PEELER, RANKIN, REESE, SABB, SCOTT, SHEALY, SHEHEEN, THURMOND, TURNER, VERDIN, WILLIAMS and YOUNG, with unanimous consent, the Senate stood adjourned out of respect to the memory of the Honorable Clementa C. Pinckney of Ridgeland, S.C. Senator Pinckney graduated Magna Cum Laude from Allen University with a degree in Business Administration and went on to earn a Masters Degree in Public Administration from the University of South Carolina. In 2008, he obtained a Master of Divinity from the Lutheran Theological Southern Seminary. He was the pastor of Emanuel African Methodist Episcopal Church in Charleston, S.C. Senator Pinckney was the youngest African American elected member of the House of Representatives in the history of South Carolina, being elected at the age of 23 in 1997. Senator Pinckney was elected to serve in the South Carolina Senate in 2001. He was a faithful servant of the Lord, a great statesman, a leader of his church, community and our State. Senator Pinckney represented District 45 -- Allendale, Beaufort, Charleston, Colleton, Hampton and Jasper Counties. He was a loving husband to Jennifer, devoted father of Eliana and Malana, beloved pastor to his church family and a leader who will be dearly missed.

**ADJOURNMENT**

 At 2:51 P.M., on motion of Senator LEATHERMAN, the Senate adjourned to meet tomorrow under the provisions of Rule 1B, pursuant to the provisions of H. 4274, the *Sine Die* Resolution.

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