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Indicates New Matter

COMMITTEE REPORT

January 10, 2018

**H. 4377**

Introduced by Reps. McCoy, Ott, Lucas, Anderson, Ballentine, Blackwell, Caskey, Crawford, Crosby, Davis, Finlay, Forrester, Gilliard, Hardee, Hixon, Mack, Pope, Rutherford, J.E. Smith, Sandifer, Stavrinakis, Erickson, Huggins, W. Newton, Bales, Young, McEachern, Clary, Tallon, Brown, Fry, V.S. Moss, Clyburn, Bennett and Arrington

S. Printed 1/10/18--H.

Read the first time January 9, 2018.

**THE COMMITTEE ON JUDICIARY**

To whom was referred a Bill (H. 4377) to amend Section 58-3-20, Code of Laws of South Carolina, 1976, relating to the composition of the Public Service Commission, so as to revise the, etc., respectfully

**REPORT:**

That they have duly and carefully considered the same and recommend that the same do pass:

F. GREGORY DELLENEY for Committee.

**A** **BILL**

TO AMEND SECTION 58-3-20, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO THE COMPOSITION OF THE PUBLIC SERVICE COMMISSION, SO AS TO REVISE THE MEMBERSHIP; TO AMEND SECTION 58-3-30, RELATING TO THE COMMISSIONERS OF THE PUBLIC SERVICE COMMISSION, SO AS TO REQUIRE THE COMMISSIONERS AND THEIR EMPLOYEES TO ATTEND AT LEAST SIX HOURS OF CONTINUING EDUCATION CURRICULUM; TO AMEND SECTION 58-3-225, RELATING TO THE CONDUCT OF MEETINGS OF THE PUBLIC SERVICE COMMISSION, SO AS TO REQUIRE THE COMMISSIONERS TO QUESTION THE PARTIES THOROUGHLY DURING HEARINGS OF CONTESTED CASES WHEN APPROPRIATE; AND TO AMEND SECTION 58-3-260, RELATING TO COMMUNICATIONS WITH THE PUBLIC SERVICE COMMISSION, SO AS TO ALLOW THE PUBLIC UTILITIES REVIEW COMMITTEE AND CERTAIN OTHER LEGISLATIVE OVERSIGHT COMMITTEES TO COMMUNICATE WITH THE PUBLIC SERVICE COMMISSION IN CERTAIN CIRCUMSTANCES.

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

SECTION 1. Section 58‑3‑20 of the 1976 Code is amended to read:

“Section 58‑3‑20. (A) The commission is composed of seven members to be elected by the General Assembly in the manner prescribed by this chapter. Each member must have:

(1) a baccalaureate or more advanced degree from:

(a) a recognized institution of higher learning requiring face‑to‑face contact between its students and instructors prior to completion of the academic program;

(b) an institution of higher learning that has been accredited by a regional or national accrediting body; or

(c) an institution of higher learning chartered before 1962; and

(2) a background of substantial duration and an expertise in at least one of the following:

(a) energy issues;

(b) telecommunications issues;

(c) consumer protection and advocacy issues;

(d) water and wastewater issues;

(e) finance, economics, and statistics;

(f) accounting;

(g) engineering; or

(h) law.

(B) ~~The review committee may find a candidate qualified although the candidate does not have a background of substantial duration and expertise in one of the eight enumerated areas contained in subsection (A)(2) of this section if three‑fourths of the review committee vote to qualify the candidate and provide written justification of their decision in the report as to the qualifications of the candidates.~~

~~(C) The qualification provisions of subsection (A) of this section do not apply to the reelection of a commissioner elected by the General Assembly on March 3, 2004, so long as there is no break in service.~~

~~(D)(1) Beginning in 2004, The members of the Public Service Commission must be elected to staggered terms. In 2004, the members representing the Second, Fourth, and Sixth Congressional Districts must be elected for terms ending on June 30, 2006, and until their successors are elected and qualify. Thereafter, members representing the Second, Fourth, and Sixth Congressional Districts must be elected to terms of four years and until their successors are elected and qualify. In 2004, the members representing the First, Third, and Fifth Congressional Districts and the State at large must be elected for terms ending on June 30, 2008, and until their successors are elected and qualify. Thereafter, members representing the First, Third, and Fifth Congressional Districts and the State at large must be elected to terms of four years and until their successors are elected and qualify. Notwithstanding the provisions of this section, members representing the First, Third, and Fifth Congressional Districts shall serve until the expiration of their terms, and in 2013, members representing the First, Third, and Fifth Congressional Districts must be elected for terms ending on June 30, 2016, and until their successors are elected and qualified.~~

~~(2) In the event there are Seven Congressional Districts, the member elected from the State at large shall serve until the expiration of his term, and in 2013, a member representing the Seventh Congressional District must be elected for a term ending on June 30, 2016, and until his successor is elected and qualified. Thereafter, the member representing the Seventh Congressional District must be elected to terms of four years and until his successor is elected and qualified. Upon the election and qualification of the member representing the Seventh Congressional District, the at large member elected to satisfy the requirements of subsection (E) immediately shall cease to be a member of the commission.~~

~~(E) The General Assembly must provide for the election of the seven‑member commission and elect its members based upon the congressional districts established by the General Assembly pursuant to the latest official United States Decennial Census. If the number of congressional districts is less than seven, additional members must be elected at large to provide for a seven‑member commission. In the event the congressional districts established by the General Assembly are under review by a court for compliance with statutory or constitutional requirements, an election scheduled pursuant to this section shall not be held until a final determination is made by the courts regarding the congressional districts. The inability to hold an election due to judicial review of the congressional districts does not constitute a vacancy on the commission and the commissioners serve until their successors are elected and qualify.~~ The Public Service Commission must be composed of one member elected from each congressional district. The members of the commission must be elected to terms of four years and until their successors are elected and qualify, except that of those elected in 2018, the members elected to represent the First, Third, Fifth, and Seventh congressional districts must be elected to a two-year term. Thereafter, all members of the commission must be elected to a four-year term.

~~(F)~~(C) The Governor may fill vacancies in the office of commissioner until the successor in the office for a full term or an unexpired term, as applicable, has been elected by the General Assembly. In cases where a vacancy occurs on the commission when the General Assembly is not in session, the Governor may fill the vacancy by an interim appointment. The Governor must report the interim appointment to the General Assembly and must forward a formal appointment at its next ensuing regular session.”

SECTION 2. Section 58‑3‑30(C) of the 1976 Code is amended to read:

“(C) Each year, the commissioners and their employees must attend a workshop of at least six contact hours concerning ethics and the Administrative Procedures Act. This workshop must be developed with input from the review committee. Also, each year, the commissioners and their employees must attend at least six hours of continuing education curriculum which directly relates to the subject matter for which the commission is responsible. The continuing education curriculum must be approved by the Public Utilities Review Committee.”

SECTION 3. Section 58‑3‑225 of the 1976 Code, as last amended by Act 175 of 2004, is further amended by adding an appropriately lettered subsection to read:

“( ) Before making a determination, the commissioners shall question the parties thoroughly during hearings of contested cases when appropriate.”

SECTION 4. A. Section 58‑3‑260(A)(2) of the 1976 Code is amended to read:

“(2) ‘Person’ means a party to a proceeding pending before the commission, a member of the Office of Regulatory Staff, a representative of a party to a proceeding pending before the commission, individuals, corporations, partnerships, limited liability companies, elected officials of state government, and other public and elected officials. Except that ‘person’ does not mean any member or staff of the Public Utilities Review Committee or any other legislative committee charged with review of the commission.”

B. Section 58‑3‑260(C) of the 1976 Code, as added by Act 175 of 2004, is amended by adding an appropriately numbered item at the end to read:

“( ) a communication made by or to a member or staff of the Public Utilities Review Committee, or any other legislative committee charged with review of the commission, in the furtherance of the duties of the committees. The exemption contained in this item does not extend to any communication made regarding a pending matter.”

SECTION 5. (A) Except as provided in subsection (B), this act takes effect ten days after approval by the Governor, at which time the Public Service Commission must be made up of members elected pursuant to Section 58‑3‑20, as amended by this act. The members serving on the Public Service Commission immediately prior to the effective date of this act, must no longer serve on the commission unless the member is reelected pursuant to Section 58‑3‑20, as amended by this act.

(B) To ensure an efficient transition to the reconstituted Public Service Commission, upon approval by the Governor, the Public Utilities Review Committee may begin nominating candidates for the commission and the screening process for the nominees may begin. Upon the conclusion of the nomination and screening process, the General Assembly may elect the new members of the Public Service Commission that will take office on the effective date of this act.

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