COMMITTEE AMENDMENT ADOPTED AND AMENDED

May 6, 2021

**H. 3244**

Introduced by Reps. Collins, Cobb‑Hunter, Huggins, Thayer, Anderson, Caskey, Govan and S. Williams

S. Printed 5/6/21--S. [SEC 5/13/21 4:45 PM]

Read the first time March 3, 2021.

**A** **BILL**

TO AMEND THE CODE OF LAWS OF SOUTH CAROLINA, 1976, TO ENACT THE “EMPLOYMENT FIRST INITIATIVE ACT” BY ADDING CHAPTER 5 TO TITLE 41 SO AS TO PROVIDE NECESSARY DEFINITIONS, TO ESTABLISH POLICIES SUPPORTIVE OF COMPETITIVE AND INTEGRATED EMPLOYMENT OF INDIVIDUALS WITH DISABILITIES, TO CREATE RELATED RESPONSIBILITIES FOR STATE AGENCIES AND POLITICAL SUBDIVISIONS OF THE STATE, TO CREATE THE “SOUTH CAROLINA EMPLOYMENT FIRST OVERSIGHT COMMISSION”, AND TO PROVIDE FOR THE COMPOSITION, FUNCTION, AND DUTIES OF THE COMMISSION.

Amend Title To Conform

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

SECTION 1. Title 41 of the 1976 Code is amended by adding:

“CHAPTER 5

Employment First Initiative Act

Section 41‑5‑110. This chapter must be known and may be cited as the ‘Employment First Initiative Act’.

Section 41‑5‑120. As used in this chapter:

(1) ‘Competitive integrated employment’ means work in the competitive labor market that is:

(a) performed on a full‑time or part‑time basis in an integrated setting; and

(b) for which an individual is compensated at or above the minimum wage, but not less than the customary wage.

(2) ‘Integrated setting’ means, with respect to an employment outcome, a setting typically found in the community in which employed individuals with disabilities interact with individuals without disabilities, other than individuals who are providing services to employees with disabilities, to the same extent that individuals without disabilities in comparable positions interact with other people.

Section 41‑5‑130. All state agencies and political subdivisions of this State are encouraged to consider adopting a policy that encourages competitive integrated employment for individuals with disabilities.

Section 41‑5‑140. All state agencies are encouraged to:

(1) coordinate efforts and collaborate within and among themselves to ensure that state programs, policies, procedures, and funding support the competitive and integrated employment of individuals with disabilities;

(2) share data and information across systems in order to track progress toward full implementation of this chapter, whenever feasible, and in accordance with all applicable state and federal confidentiality laws; and

(3) adopt rules and promulgate regulations to implement the provisions of this chapter.

Section 41‑5‑150. (A) There is hereby established the ‘South Carolina Employment First Oversight Commission’ consisting of nine members appointed by the Governor; five of whom must have a disability or have substantial knowledge of disability issues, and four of whom must be from the business community.

(B) The Governor shall designate one member to convene and organize the first meeting of the commission. During this meeting, the commission shall elect a chairperson and a vice chairperson from among its members.

(C) All actions of the commission must be taken by a majority of the members of the commission present and voting.

(D) Members of the commission may not receive compensation, mileage, subsistence, or per diem for their service to the commission.

Section 41‑5‑160. Within six months after the first meeting required in Section 41‑5‑150(B), the commission shall establish evidence‑based measurable goals and objectives to encourage implementation of this chapter. The commission shall track the measurable progress of state agencies in implementing this chapter. All state agencies are encouraged to assist the commission in carrying out its duties by fully cooperating with each other and the commission, and by providing data and information in accordance with all applicable state and federal confidentiality laws.

Section 41‑5‑170. The commission annually shall, before January first, issue a report to the Governor and members of the General Assembly which details progress toward the goals and objectives of the commission and progress toward the full implementation of this chapter. The report also shall identify barriers to achieving the outcomes and effective strategies and policies that can help realize the employment first initiative. All state agencies are encouraged to cooperate with the commission on the creation and dissemination of the annual report.

Section 41‑5‑180. The commission may seek the guidance and expertise of all stakeholders, including individuals with disabilities, organizations that advocate on behalf of individuals with disabilities, providers of services to individuals with disabilities, local government, and business associations.”

Section 41-5-190. (A) There is established in the State Treasury the South Carolinians with Disabilities Self‑Employment Development Trust Fund, separate and distinct from the general fund. The fund shall consist of general fund appropriations and donations, contributions, bequests, or other gifts. Earnings and interest on this fund must be credited to it and any balance at the end of the fiscal year carries forward to the fund in the succeeding fiscal year. The fund shall bear all costs and expenses of administering the program established pursuant to subsection (B).

(B) The South Carolina Employment First Commission shall establish and administer the program that awards grants to qualifying residents of this State with physical or mental impairments who start, expand, or acquire a business within this State.

(C) To receive a grant pursuant to this program, an applicant must:

(1) meet the eligibility requirements established by the commission in regulation;

(2) not have previously received educational or training equipment through another rehabilitation program when that equipment could be used in the applicant’s proposed business;

(3) have at least fifty‑one percent ownership in a for‑profit business that is actively owned, operated, and managed in this State;

(4) agree to an approved business plan that will result in self‑sufficiency as measured by earnings that equal or exceed eighty percent of substantial gainful activity, having first submitted the business plan to the Small Business Administration and providing the administration’s feedback to the commission for review. For purposes of this item, ‘earnings’ and ‘substantial gainful activity’ have the same meaning as defined by the Social Security Administration; and

(5) provide documentation to the satisfaction of the commission of the applicant’s ability to match dollar‑for‑dollar the amount of funds requested.

(D) Monies in the fund must be expended solely to provide business development grants pursuant to this section.

(E) Grants awarded pursuant to the program may in no way reduce, impair, or diminish the benefits to which the beneficiary is otherwise entitled by state law.

(F) Grants may not be awarded:

(1) to support the purchase of real estate;

(2) to be used as a cash infusion, for personal or business loan repayments, or for personal or business credit card debt; and

(3) to start, expand, or acquire any of the following types of businesses:

(a) a hobby or similar activity that does not produce income at the level required for self‑sufficiency;

(b) a business venture that is speculative in nature or considered high risk;

(c) a business registered with the federal Internal Revenue Service as a Section 501(c)(3) entity or other entity set up deliberately to be not‑for‑profit;

(d) a business that is not fully compliant with all local, state, and federal zoning requirements and all other applicable local, state, and federal requirements; and

(e) any illegal business venture.

(G) The commission shall adopt rules and may promulgate regulations necessary for the implementation and administration of this section.”

SECTION 2. Article 25, Chapter 6, Title 12 of the 1976 Code is amended by adding:

“Section 12‑6‑3760. There is allowed as a tax credit against income tax liability of a taxpayer imposed by this chapter for contribution to the South Carolinians with Disabilities Self‑Employment Development Trust Fund. The credit is equal to one hundred percent of the contribution. The tax credit allowed by this section is nonrefundable and if the amount of the credit exceeds the taxpayer’s liability for the applicable taxable year any unused credit may be carried forward and claimed in the five succeeding taxable years.”

SECTION 3. Section 12‑6‑5060(A) of the 1976 Code, as last amended by Act 172 of 2020, is further amended to read:

“(A) Each taxpayer required to file a state individual income tax return may contribute to the War Between the States Heritage Trust Fund established pursuant to Section 51‑18‑115, the Nongame Wildlife and Natural Areas Program Fund established pursuant to Section 50‑1‑280, the Children’s Trust Fund of South Carolina established pursuant to Section 63‑11‑910, the Eldercare Trust Fund of South Carolina established pursuant to Section 43‑21‑160, the First Steps to School Readiness Fund established pursuant to Section 63‑11‑1750, the South Carolina Military Family Relief Fund established pursuant to Article 3, Chapter 11, Title 25, the Donate Life South Carolina established pursuant to Section 44‑43‑1310, the Veterans’ Trust Fund of South Carolina established pursuant to Chapter 21, Title 25, the South Carolina Litter Control Enforcement Program (SCLCEP) and used by the Governor’s Task Force on Litter only for the SCLCEP Program, the South Carolina Law Enforcement Assistance Program (SCLEAP) and used as provided in Section 23‑3‑65, the South Carolina Department of Parks, Recreation and Tourism for use in the South Carolina State Park Service in the manner the General Assembly provides, the South Carolina Forestry Commission for use in the state forest system, the South Carolina Department of Natural Resources for use in its programs and operations, K‑12 public education for use in the manner the General Assembly provides by law, South Carolina Conservation Bank Trust Fund established pursuant to Section 48‑59‑60, the Financial Literacy Trust Fund established pursuant to Section 59‑29‑510, the South Carolina Association of Habitat for Humanity Affiliates, the South Carolinians with Disabilities Self‑Employment Development Trust Fund established pursuant to Section 41‑5‑190(A), or the Department of Archives and History and only used by the agency to purchase or preserve collections with significant historical value to the State by designating the contribution on the return. The contribution may be made by reducing the income tax refund or by remitting additional payment by the amount designated.”

SECTION 4. This act takes effect upon approval by the Governor.

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