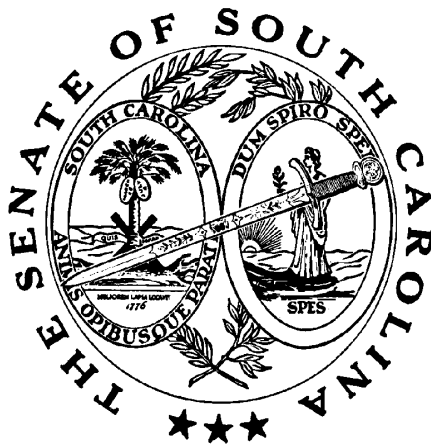


NO. 38

JOURNAL
OF THE
SENATE
OF THE
STATE OF SOUTH CAROLINA



REGULAR SESSION BEGINNING TUESDAY, JANUARY 10, 2023

WEDNESDAY, MARCH 15, 2023

Wednesday, March 15, 2023
(Statewide Session)

~~Indicates Matter Stricken~~

Indicates New Matter

The Senate assembled 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:

Amos 7:7

Amos the prophet reported: "This is what he showed me: The Lord was standing by a wall that had been built true to plumb, with a plumb line in his hand."

Let us pray: O Lord, there is not a one of us that doesn't wrestle now and then with the issue of whether we ourselves or the project we've devoted a great deal of time and energy to actually does measure up. Are we being honest in our evaluation? Do our efforts genuinely come across as being right and true? Certainly it is Your plumb line, Lord, which can reveal whether our efforts are all that they ought to be. And that is why we pray today, O God, that You will guide and bless each of these Senators. Grant that together they will continue to build an ever greater and more prosperous South Carolina, bringing sound and true benefits to all of our citizens. In Your loving name we pray, dear Lord. Amen.

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

RECESS

At 10:04 A.M., on motion of Senator PEELER, the Senate recessed from business until 1:00 P.M.

At 1:05 P.M., the Senate resumed.

Call of the Senate

Senator GROOMS moved that a Call of the Senate be made. The following Senators answered the Call:

Adams	Alexander	Allen
Bennett	Cash	Climer
Corbin	Cromer	Davis
Fanning	Gambrell	Garrett
Grooms	Harpoottlian	Hembree

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Hutto	<i>Johnson, Michael</i>	Kimbrell
Loftis	Martin	Massey
Peeler	Reichenbach	Rice
Scott	Senn	Setzler
Shealy	Stephens	Turner
Verdin	Williams	Young

A quorum being present, the Senate resumed.

MESSAGE FROM THE GOVERNOR

The following appointment was transmitted by the Honorable Henry Dargan McMaster:

Local Appointment

Initial Appointment, Richland County Magistrate, with the term to commence April 30, 2023, and to expire April 30, 2027

John R. McLeod, 32 Braddock Point, Columbia, SC 29209-0809
VICE Tobias Ward

REGULATION RECEIVED

The following was received and referred to the appropriate committee for consideration:

Document No. 5175

Agency: Clemson University

Chapter: 27

Statutory Authority: 1976 Code Sections 46-9-40 and 46-9-50

SUBJECT: Plant Pests

Received by President of the Senate March 15, 2023

Referred to the Committee on Agriculture and Natural Resources

Doctor of the Day

Senator MARTIN introduced Dr. Brian Fowler of Spartanburg, S.C., Doctor of the Day.

Leave of Absence

On motion of Senator BENNETT, at 2:59 P.M., Senator ADAMS was granted a leave of absence until 4:00 P.M.

Leave of Absence

On motion of Senator BENNETT, at 2:59 P.M., Senator GROOMS was granted a leave of absence until 4:00 P.M.

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Leave of Absence

On motion of Senator CORBIN, at 6:18 P.M., Senator GAMBRELL was granted a leave of absence for the balance of the day.

Leave of Absence

On motion of Senator SABB, at 6:21P.M., Senator HUTTO was granted a leave of absence for the balance of the day.

Expression of Personal Interest

Senator GROOMS rose for an Expression of Personal Interest.

Remarks to be Printed

On motion of Senator CAMPSSEN, with unanimous consent, the remarks of Senator GROOMS, when reduced to writing and made available to the Desk, would be printed in the Journal.

Expression of Personal Interest

Senator HARPOOTLIAN rose for an Expression of Personal Interest.

Remarks to be Printed

On motion of Senator MATTHEWS, with unanimous consent, the remarks of Senator HARPOOTLIAN, when reduced to writing and made available to the Desk, would be printed in the Journal.

Expression of Personal Interest

Senator CASH rose for an Expression of Personal Interest.

CO-SPONSORS ADDED

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

- S. 234 Sen. Campsen
- S. 305 Sen. Climer
- S. 423 Sen. McLeod
- S. 445 Sen. Matthews
- S. 481 Sen. Verdin
- S. 514 Sen. Shealy
- S. 519 Sen. Cash
- S. 546 Sens. Alexander and Campsen
- S. 552 Sen. Cash

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CO-SPONSOR REMOVED

The following co-sponsor was removed from the respective Bill:
S. 425 Sen. Senn

RECALLED

S. 606 -- Senators Garrett and Gambrell: A CONCURRENT RESOLUTION TO REQUEST THE DEPARTMENT OF TRANSPORTATION NAME THE PORTION OF SOUTH CAROLINA HIGHWAY 34 IN THE CITY OF GREENWOOD IN GREENWOOD COUNTY FROM ITS INTERSECTION WITH UNITED STATES HIGHWAY 25 TO ITS INTERSECTION WITH VINTAGE COURT "JOHN MCEL RATH MEMORIAL HIGHWAY" AND ERECT APPROPRIATE SIGNS OR MARKERS AT THIS LOCATION CONTAINING THESE WORDS.

Senator GROOMS asked unanimous consent to make a motion to recall the Senate Resolution from the Committee on Transportation.

The Senate Resolution was recalled from the Committee on Transportation and ordered placed on the Calendar for consideration tomorrow.

RECALLED AND ADOPTED

S. 632 -- Senators Matthews and McLeod: A SENATE RESOLUTION TO RECOGNIZE MARCH 14, 2023, AS "EQUAL PAY DAY" IN SOUTH CAROLINA.

Senator DAVIS asked unanimous consent to make a motion to recall the Resolution from the Committee on Labor, Commerce and Industry.

The Resolution was recalled from the Committee on Labor, Commerce and Industry.

Senator DAVIS asked unanimous consent to make a motion to take the Resolution up for immediate consideration.

There was no objection.

The Senate proceeded to a consideration of the Resolution. The question then was the adoption of the Resolution.

On motion of Senator DAVIS, the Resolution was adopted.

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RECALLED

H. 3621 -- Reps. Hyde, Alexander, Anderson, Atkinson, Bailey, Ballentine, Bamberg, Bannister, Bauer, Beach, Bernstein, Blackwell, Bradley, Brewer, Brittain, Burns, Bustos, Calhoon, Carter, Caskey, Chapman, Chumley, Clyburn, Cobb-Hunter, Collins, Connell, B.J. Cox, B.L. Cox, Crawford, Cromer, Davis, Dillard, Elliott, Erickson, Felder, Forrest, Gagnon, Garvin, Gatch, Gibson, Gilliam, Gilliard, Guest, Guffey, Haddon, Hager, Hardee, Harris, Hart, Hartnett, Hayes, Henderson-Myers, Henegan, Herbkersman, Hewitt, Hiott, Hixon, Hosey, Howard, Jefferson, J.E. Johnson, J.L. Johnson, S. Jones, W. Jones, Jordan, Kilmartin, King, Kirby, Landing, Lawson, Leber, Ligon, Long, Lowe, Magnuson, May, McCabe, McCravy, McDaniel, McGinnis, Mitchell, J. Moore, T. Moore, A.M. Morgan, T.A. Morgan, Moss, Murphy, Neese, B. Newton, W. Newton, Nutt, O'Neal, Oremus, Ott, Pace, Pedalino, Pendarvis, Pope, Rivers, Robbins, Rose, Rutherford, Sandifer, Schuessler, Sessions, G.M. Smith, M.M. Smith, Stavrinakis, Taylor, Tedder, Thayer, Thigpen, Trantham, Vaughan, Weeks, West, Wetmore, Wheeler, White, Whitmire, Williams, Willis, Wooten and Yow: A CONCURRENT RESOLUTION TO IMPROVE THE CARE OF ATHEROSCLEROTIC CARDIOVASCULAR DISEASE IN THE STATE OF SOUTH CAROLINA.

Senator VERDIN asked unanimous consent to make a motion to recall the Concurrent Resolution from the Committee on Medical Affairs.

The Concurrent Resolution was recalled from the Committee on Medical Affairs and ordered placed on the Calendar for consideration tomorrow.

RECALLED

H. 3975 -- Reps. Sessions, King, West, Felder, Hewitt, Pedalino, W. Newton, O'Neal, Hiott, Lawson, A.M. Morgan, B. Newton, Ligon, Harris, Guffey, Murphy, Williams, Chapman, Mitchell, Connell, Schuessler, Brewer, Wetmore, B.J. Cox, Vaughan, T.A. Morgan, J.L. Johnson, Moss, Robbins and Thayer: A CONCURRENT RESOLUTION TO RECOGNIZE THE RIGHTS OF CITIZENS WITH DOWN SYNDROME, TO PROMOTE THEIR INCLUSION AND WELL-BEING, AND TO DECLARE MARCH 21, 2023, AS "DOWN SYNDROME DAY" IN SOUTH CAROLINA.

Senator VERDIN asked unanimous consent to make a motion to recall the Concurrent Resolution from the Committee on Medical Affairs.

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The Concurrent Resolution was recalled from the Committee on Medical Affairs and ordered placed on the Calendar for consideration tomorrow.

RECALLED

H. 3973 -- Rep. Alexander: A CONCURRENT RESOLUTION TO RECOGNIZE MARCH 2023 AS "CHRONIC KIDNEY DISEASE AWARENESS MONTH" IN SOUTH CAROLINA IN ORDER TO RAISE AWARENESS FOR THE NEED FOR RESEARCH, SCREENING PROGRAMS, AND ACCESS TO CARE FOR INDIVIDUALS WHO SUFFER FROM CHRONIC KIDNEY DISEASE.

Senator VERDIN asked unanimous consent to make a motion to recall the Concurrent Resolution from the Committee on Medical Affairs.

The Concurrent Resolution was recalled from the Committee on Medical Affairs and ordered placed on the Calendar for consideration tomorrow.

RECALLED

H. 4141 -- Rep. Taylor: A CONCURRENT RESOLUTION TO DECLARE THE MONTH OF APRIL 2023 AS "DISTRACTED DRIVER AWARENESS MONTH".

Senator GROOMS asked unanimous consent to make a motion to recall the Concurrent Resolution from the Committee on Transportation.

The Concurrent Resolution was recalled from the Committee on Transportation and ordered placed on the Calendar for consideration tomorrow.

RATIFICATION OF ACTS

Pursuant to an invitation the Honorable Speaker and House of Representatives appeared in the Senate Chamber on March 15, 2023, at 1:15 P.M. and the following Acts and Joint Resolutions were ratified:

(R4, S. 361) -- Senators Grooms and Scott: AN ACT TO AMEND THE SOUTH CAROLINA CODE OF LAWS BY AMENDING SECTION 57-5-1630, RELATING TO THE EXTENSION OF CONSTRUCTION CONTRACTS, SO AS TO PROVIDE THAT THE DEPARTMENT OF TRANSPORTATION COMMISSION IS NOT REQUIRED TO PROVIDE PREAPPROVAL OF CONSTRUCTION

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CONTRACT EXTENSIONS AND TO PROVIDE THAT THE COMMISSION MUST RATIFY EXTENSIONS AT THE NEXT COMMISSION MEETING.

L:\COUNCIL\ACTS\361CM125.DOCX

(R5, S. 478) -- Senator Gambrell: AN ACT TO AMEND ACT 549 OF 1973, AS AMENDED, RELATING TO THE BOARD OF DIRECTORS OF THE BROADWATER WATER AND SEWERAGE DISTRICT, SO AS TO REDUCE THE NUMBER OF MEMBERS OF THE BROADWATER WATER AND SEWERAGE DISTRICT BOARD FROM NINE TO SEVEN.

L:\COUNCIL\ACTS\478PH125.DOCX

(R6, H. 3604) -- Reps. Bannister, G.M. Smith and Murphy: A JOINT RESOLUTION TO APPROPRIATE FUNDING FOR CERTAIN INFRASTRUCTURE AND OTHER PURPOSES TO FOSTER ECONOMIC DEVELOPMENT AND PRESCRIBE THE APPROPRIATE PURPOSES, TERMS, AND CONDITIONS.

L:\COUNCIL\ACTS\3604DG125.DOCX

(R7, H. 3741) -- Rep. W. Newton: AN ACT TO ADOPT REVISED CODE VOLUME 13A OF THE SOUTH CAROLINA CODE OF LAWS, TO THE EXTENT OF ITS CONTENTS, AS THE ONLY GENERAL PERMANENT STATUTORY LAW OF THE STATE AS OF JANUARY 1, 2023.

L:\COUNCIL\ACTS\3741AHB125.DOCX

(R8, H. 3961) -- Reps. Murphy, Brewer, Gatch, Jefferson and Robbins: AN ACT TO AMEND ACT 535 OF 1982, AS AMENDED, RELATING TO THE ELECTION OF THE SEVEN MEMBERS OF THE BOARD OF TRUSTEES OF SUMMERVILLE SCHOOL DISTRICT 2 OF DORCHESTER COUNTY, SO AS TO CHANGE THE METHOD OF ELECTING FROM AT-LARGE TO SINGLE-MEMBER DISTRICTS, TO DESIGNATE A MAP NUMBER ON WHICH THESE SINGLE-MEMBER ELECTION DISTRICTS ARE DELINEATED, TO CHANGE THE CANDIDATE FILING METHOD, AND TO PROVIDE DEMOGRAPHIC INFORMATION FOR THE NEWLY DRAWN ELECTION DISTRICTS.

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INTRODUCTION OF BILLS AND RESOLUTIONS

The following were introduced:

S. 635 -- Senator Bennett: A BILL TO AMEND THE SOUTH CAROLINA CODE OF LAWS BY AMENDING SECTIONS 56-3-253, 56-3-376, 56-3-377, AND 56-3-385, RELATING TO THE ESTABLISHMENT OF BIENNIAL VEHICLE REGISTRATION PERIODS, SO AS TO ESTABLISH ANNUAL VEHICLE REGISTRATION PERIODS; BY ADDING SECTION 56-3-600 SO AS TO PROVIDE FOR THE ANNUAL PAYMENT OF VEHICLE REGISTRATION AND LICENSE FEES; TO AMEND SECTIONS 56-3-610, 56-3-620, 56-3-640, 56-3-645, 56-3-660, 56-3-700, 56-3-710, 56-3-720, 56-3-740, 56-3-750, 56-3-760, 56-3-770, 56-3-840, 56-3-900, 56-3-1230, 56-3-1450, 56-3-1510, 56-3-1530, 56-3-1610, 56-3-1630, 56-3-2010, 56-3-2020, 56-3-2150, 56-3-2160, 56-3-2540, 56-3-2810, 56-3-2820, 56-3-3410, 56-3-3420, 56-3-3500, 56-3-3600, 56-3-3910, 56-3-3950, 56-3-4100, 56-3-4200, 56-3-4410, 56-3-4510, 56-3-4600, 56-3-4800, 56-3-5010, 56-3-5200, 56-3-5300, 56-3-5400, 56-3-6500, 56-3-7000, 56-3-7010, 56-3-7050, 56-3-7200, 56-3-7300, 56-3-7310, 56-3-7320, 56-3-7330, 56-3-7340, 56-3-7350, 56-3-7370, 56-3-7610, 56-3-7700, 56-3-7750, 56-3-7800, 56-3-7890, 56-3-7910, 56-3-7940, 56-3-7950, 56-3-8000, 56-3-8100, 56-3-8200, 56-3-8300, 56-3-8400, 56-3-8600, 56-3-8710, 56-3-8910, 56-3-9000, 56-3-9100, 56-3-9200, 56-3-9300, 56-3-9400, 56-3-9500, 56-3-9600, 56-3-9710, 56-3-9800, 56-3-10010, 56-3-10510, 56-3-10810, 56-3-10910, 56-3-11310, 56-3-11420, 56-3-11810, 56-3-12010, 56-3-12110, 56-3-12210, 56-3-12310, 56-3-12410, 56-3-12510, 56-3-12610, 56-3-12710, 56-3-12810, 56-3-13010, 56-3-13310, 56-3-13410, 56-3-13520, 56-3-13610, 56-3-13710, 56-3-13810, 56-3-13910, 56-3-14010, 56-3-14110, 56-3-14210, 56-3-14510, 56-3-14610, 56-3-14710, 56-3-14810, 56-3-14910, 56-3-14920, 56-3-14930, 56-3-14940, 56-3-14950, 56-3-14960, 56-3-14970, 56-3-14980, AND 11-43-167, RELATING TO THE BIENNIAL PAYMENT OF REGISTRATION, LICENSE AND ROAD USE FEES FOR VARIOUS VEHICLES AND VARIOUS LICENSE PLATES, DELINQUENT REGISTRATION AND LICENSE PENALTIES, THE ISSUANCE OF REFUNDS OF REGISTRATION AND LICENSE FEES, LICENSE PLATE SPECIFICATIONS AND THE ISSUANCE OF LICENSE PLATES AND REVALIDATION STICKERS, THE ISSUANCE OF "YEAR OF MANUFACTURE" LICENSE PLATES, "AMATEUR RADIO OPERATORS" LICENSE PLATES, "EMERGENCY MEDICAL TECHNICIANS" LICENSE PLATES, "SPECIAL

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PERSONALIZED" LICENSE PLATES, LICENSE PLATES FOR VARIOUS ACTIVE AND RETIRED ELECTED OFFICIALS AND RETIRED JUDICIAL OFFICERS, "CONSERVE SOUTH CAROLINA" LICENSE PLATES, "VOLUNTEER FIREMEN" LICENSE PLATES, "NATIONAL WILD TURKEY FEDERATION" LICENSE PLATES, "PENN CENTER" LICENSE PLATES, "SOUTH CAROLINA NURSES" LICENSE PLATES, "SHAG COMMEMORATIVE" LICENSE PLATES, "KEEP SOUTH CAROLINA BEAUTIFUL" LICENSE PLATES, "SOUTH CAROLINA ELKS ASSOCIATION" LICENSE PLATES, "CAROLINA PANTHERS" LICENSE PLATES, "SHARE THE ROAD" LICENSE PLATES, "SOUTH CAROLINA WILDLIFE" LICENSE PLATES, "HOMEOWNERSHIP: THE AMERICAN DREAM" LICENSE PLATES, "SONS OF CONFEDERATE VETERANS" LICENSE PLATES, "PUBLIC EDUCATION: A GREAT INVESTMENT" LICENSE PLATES, "SOUTH CAROLINA: FIRST IN GOLF" LICENSE PLATES, "CHARTER LIMOUSINE" LICENSE PLATES, "FRATERNAL ORDER OF POLICE" LICENSE PLATES, "UNITED STATES NAVAL ACADEMY" LICENSE PLATES, "COUNTY VETERANS AFFAIRS OFFICERS" LICENSE PLATES, "UNITED STATES AIR FORCE ACADEMY" LICENSE PLATES, "ARTS AWARENESS" LICENSE PLATES, "SALTWATER FISHING" LICENSE PLATES, "EMERGENCY MEDICAL SERVICE" LICENSE PLATES, "BOY SCOUTS OF AMERICA" AND "EAGLE SCOUT" LICENSE PLATES, "NATIVE AMERICAN" LICENSE PLATES, "SOUTH CAROLINA PEACH COUNCIL" LICENSE PLATES, "CANCER RESEARCH CENTERS OF THE CAROLINAS" LICENSE PLATES, "SQUARE DANCE" LICENSE PLATES, "SPECIAL OLYMPICS" LICENSE PLATES, "FRATERNITY AND SORORITY" LICENSE PLATES, "SOUTH CAROLINA AQUARIUM" LICENSE PLATES, "OUR FARMS - OUR FUTURE" LICENSE PLATES, "H.L. HUNLEY SUBMARINE" LICENSE PLATES, "REDUCE, REUSE, RECYCLE" LICENSE PLATES, "HUNTING ISLAND STATE PARK" LICENSE PLATES, "NONPROFIT ORGANIZATION" LICENSE PLATES, SPECIAL LICENSE PLATES PRODUCTION AND DISTRIBUTION GUIDELINES, "ROTARY INTERNATIONAL" LICENSE PLATES, "LIONS CLUB" LICENSE PLATES, "DUCKS UNLIMITED" LICENSE PLATES, "NASCAR" LICENSE PLATES, "CHOOSE LIFE" LICENSE PLATES, "SERTOMA INTERNATIONAL" LICENSE PLATES, "SOUTH CAROLINA TECHNOLOGY

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ALLIANCE" LICENSE PLATES, "IN GOD WE TRUST" LICENSE PLATES, "UNITED WE STAND" LICENSE PLATES, "MORRIS ISLAND LIGHTHOUSE" LICENSE PLATES, "GOD BLESS AMERICA" LICENSE PLATES, "NO MORE HOMELESS PETS" LICENSE PLATES, "HERITAGE CLASSIC FOUNDATION" LICENSE PLATES, "BREAST CANCER AWARENESS" LICENSE PLATES, "PARROT HEAD" LICENSE PLATES, "I BELIEVE" LICENSE PLATES, "SOUTH CAROLINA TENNIS PATRONS FOUNDATION" LICENSE PLATES, "TREE MY DOG" LICENSE PLATES, "SECOND AMENDMENT" LICENSE PLATES, "STATE FLAG" LICENSE PLATES, "I SUPPORT LIBRARIES" LICENSE PLATES, "SOUTH CAROLINA EDUCATOR" LICENSE PLATES, "BEACH MUSIC" LICENSE PLATES, CITADEL ALUMNI ASSOCIATION "BIG RED" LICENSE PLATES, "LARGEMOUTH BASS" LICENSE PLATES, "HIGH SCHOOL" LICENSE PLATES, "SOUTH CAROLINA WILDLIFE FEDERATION" LICENSE PLATES, "DR. MARY MCLEOD BETHUNE" LICENSE PLATES, "GADSDEN FLAG" LICENSE PLATES, "2010-11 BASEBALL NATIONAL CHAMPIONS" LICENSE PLATES, "MOTORCYCLE AWARENESS" LICENSE PLATES, "SOUTH CAROLINA RIVERKEEPERS" LICENSE PLATES, "AUTISM AWARENESS" LICENSE PLATES, "SOUTH CAROLINA STANDS WITH ISRAEL" LICENSE PLATES, "AMERICAN RED CROSS" LICENSE PLATES, "CHASE AWAY CHILDHOOD CANCER" LICENSE PLATES, "SPECIAL PERSONALIZED MOTOR VEHICLE" LICENSE PLATES, "CLEMSON UNIVERSITY 2016 AND 2018 FOOTBALL NATIONAL CHAMPIONS" LICENSE PLATES, "2016 BASEBALL NATIONAL CHAMPIONS" LICENSE PLATES, "UNIVERSITY OF SOUTH CAROLINA 2017 WOMEN'S BASKETBALL NATIONAL CHAMPIONS" LICENSE PLATES, "VIRGINIA TECH" LICENSE PLATES, "POWERING THE PALMETTO STATE" LICENSE PLATES, "DRIVERS FOR A CURE" SPECIAL LICENSE PLATES, AND "TWO HUNDRED FIFTY YEAR ANNIVERSARY REVOLUTIONARY WAR COMMEMORATIVE" SPECIAL LICENSE PLATES, SO AS TO PROVIDE FOR THE ANNUAL REGISTRATION AND LICENSING OF CERTAIN SPECIAL LICENSE PLATES REFLECTIVE OF VARIOUS AWARDS, SPECIAL LICENSE PLATES REFLECTIVE OF DISTINGUISHED SERVICE AWARDS, SPECIAL LICENSE PLATES REFLECTIVE OF EXEMPLARY SERVICE AWARDS, SPECIAL LICENSE PLATES REFLECTIVE OF A SERVICE-CONNECTED

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DISABILITY, SPECIAL LICENSE PLATES REFLECTIVE OF CAMPAIGN MEDALS, SPECIAL LICENSE PLATES REFLECTIVE OF MERITORIOUS SERVICE, SPECIAL LICENSE PLATES REFLECTIVE OF MILITARY SERVICE, AND SPECIAL LICENSE PLATES SHOWING SUPPORT FOR MILITARY-RELATED PRIVATE ORGANIZATIONS, SO AS TO PROVIDE FOR THE ANNUAL REGISTRATION AND LICENSING OF CERTAIN MOTOR VEHICLES, TO PROVIDE COUNTIES SHALL COLLECT CERTAIN FEES ASSESSED AGAINST VEHICLES POWERED BY ANY FUEL OTHER THAN MOTOR FUEL, AND TO PROVIDE A COUNTY MAY COLLECT CERTAIN DELINQUENCY FEES ON BEHALF OF THE DEPARTMENT; BY AMENDING SECTION 11-43-167, RELATING TO FEES AND FINES CREDITED TO THE STATE HIGHWAY FUND, SO AS TO PROVIDE THE DEPARTMENT OF TRANSPORTATION SHALL REDUCE THE ALLOCATION TO THE STATE-FUNDED RESURFACING PROGRAM BY A CERTAIN PROPORTION, SHALL TRANSFER NONTAX REVENUE TO THE INFRASTRUCTURE BANK IN AN AMOUNT DETERMINED BY THE DEPARTMENT, AND THE INFRASTRUCTURE BANK SHALL TRANSFER CERTAIN AMOUNTS OF MONEY TO THE DEPARTMENT; BY ADDING SECTION 56-3-117 SO AS TO PROVIDE THE DEPARTMENT MUST REFUSE TO RENEW THE MOTOR VEHICLE REGISTRATION OF A PERSON WHO HAS NOT PAID THE VEHICLE'S PERSONAL PROPERTY TAXES, AND PROVIDE A COUNTY OR MUNICIPALITY MUST NOTIFY THE DEPARTMENT OF PERSONS VIOLATING THIS CHAPTER; BY ADDING SECTION 56-3-205 SO AS TO PROVIDE THE DEPARTMENT MAY ISSUE REVALIDATION DECALS AND ENTER INTO AND SUPERVISE CONTRACTS WITH CERTAIN ENTITIES TO ISSUE LICENSE PLATES AND REVALIDATION DECALS, TO PROVIDE GOVERNMENTAL ENTITIES THAT ISSUE REVALIDATION DECALS MAY CHARGE A FEE TO DEFRAY THE COST OF ISSUING PLATES AND DECALS, AND PROVIDE A PLAN MUST BE DEVELOPED TO ALLOW EACH COUNTY TO ISSUE LICENSE PLATES AND REVALIDATION DECALS; AND TO REPEAL SECTIONS 56-3-378, 56-3-905, AND 56-2-2740 RELATING TO THE DEPARTMENT OF MOTOR VEHICLES ESTABLISHING A SYSTEM OF REGISTERING MOTOR VEHICLES, REFUNDING A PORTION OF THE VEHICLE REGISTRATION FEE WHEN A LICENSE PLATE AND

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REGISTRATION IS SURRENDERED TO THE DEPARTMENT,
AND THE ISSUANCE OF BIENNIAL LICENSE PLATES AND
REVALIDATION DECALS.

lc-0267cm23.docx : 4c6f5f88-478b-4025-96b8-5e03ec8b2c22

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

S. 636 -- Senator Turner: A BILL TO AMEND THE SOUTH
CAROLINA CODE OF LAWS BY AMENDING SECTION 38-75-
1000, RELATING TO COMMISSIONS PAID BY A TITLE INSURER,
SO AS TO REMOVE THE CAP ON THE COMMISSION.

sr-0301km23.docx : 7d5fcf76-c9ad-4096-aae4-fb28def9d3b6

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

S. 637 -- Senators Kimbrell, M. Johnson and Adams: A BILL TO
AMEND THE SOUTH CAROLINA CODE OF LAWS BY
REPEALING CHAPTER 20, TITLE 12 RELATING TO
CORPORATION LICENSE FEES.

sr-0326km23.docx : bcfac8d-1900-4f68-9d47-b0768af6a7c5

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

S. 638 -- Senator Rankin: A BILL TO AMEND THE SOUTH
CAROLINA CODE OF LAWS BY ADDING SECTION 23-31-1100
RELATING TO FIREARMS, SO AS TO REQUIRE THE SOUTH
CAROLINA LAW ENFORCEMENT DIVISION TO ESTABLISH
THE SOUTH CAROLINA VOLUNTARY DO-NOT-SELL
FIREARMS LIST TO PROVIDE A LIST OF NAMES TO FIREARMS
DEALERS' BACKGROUND CHECK SYSTEM OF THOSE
INDIVIDUALS WHO VOLUNTARILY WAIVE THEIR RIGHT TO
PURCHASE A FIREARM; BY ADDING SECTION 23-31-1110 TO
SPECIFY REQUIREMENTS OF APPLICATION TO THE DO-NOT-
SELL FIREARMS LIST AND REQUESTS FOR REMOVAL; AND
BY ADDING SECTION 23-31-1120 TO PROVIDE THAT IT IS
UNLAWFUL FOR ANY PERSON WHO IS REQUIRED TO
PERFORM A BACKGROUND CHECK PRIOR TO THE TRANSFER
OF A FIREARM TO KNOWINGLY SELL OR DELIVER A
FIREARM TO ANY PERSON ON THE VOLUNTARY DO-NOT-
SELL FIREARMS LIST AND TO PROVIDE PENALTIES.

sj-0040bm23.docx : 55490942-8ebb-43b0-b9d7-df890a7ad758

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

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S. 639 -- Senator Climer: A BILL TO AMEND THE SOUTH CAROLINA CODE OF LAWS BY AMENDING SECTION 7-7-530, RELATING TO DESIGNATION OF VOTING PRECINCTS IN YORK COUNTY, SO AS TO REDESIGNATE THE MAP NUMBER ON WHICH THESE PRECINCTS MAY BE FOUND ON FILE WITH THE REVENUE AND FISCAL AFFAIRS OFFICE.

lc-0175hdb23.docx : 4dec9c36-44b1-4204-b31c-ca757350f792

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

S. 640 -- Agriculture and Natural Resources Committee: A JOINT RESOLUTION REGULATION TO APPROVE REGULATIONS OF THE DEPARTMENT OF HEALTH AND ENVIRONMENTAL CONTROL, RELATING TO WATER CLASSIFICATIONS AND STANDARDS, DESIGNATED AS REGULATION DOCUMENT NUMBER 5119, PURSUANT TO THE PROVISIONS OF ARTICLE 1, CHAPTER 23, TITLE 1 OF THE SOUTH CAROLINA CODE OF LAWS.

lc-0277wab-dbs23.docx : 87f2da3a-8bac-40df-93b5-c4a1399826a0

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

S. 641 -- Agriculture and Natural Resources Committee: A JOINT RESOLUTION REGULATION TO APPROVE REGULATIONS OF THE DEPARTMENT OF LABOR, LICENSING AND REGULATION - BOARD OF VETERINARY MEDICAL EXAMINERS, RELATING TO DEFINITIONS; PRACTICE STANDARDS FOR LICENSED VETERINARY TECHNICIANS AND UNLICENSED VETERINARY AIDES; LICENSURE AND EXAMINATIONS FOR VETERINARIANS, DESIGNATED AS REGULATION DOCUMENT NUMBER 5121, PURSUANT TO THE PROVISIONS OF ARTICLE 1, CHAPTER 23, TITLE 1 OF THE SOUTH CAROLINA CODE OF LAWS.

lc-0276wab-rt23.docx : c2462295-bce7-4bf7-b3a6-a406d270dfbc

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

S. 642 -- Fish, Game and Forestry Committee: A JOINT RESOLUTION REGULATION TO APPROVE REGULATIONS OF THE DEPARTMENT OF NATURAL RESOURCES, RELATING TO WILDLIFE MANAGEMENT AREA REGULATIONS; BEAR HUNTING RULES AND SEASONS, DESIGNATED AS

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REGULATION DOCUMENT NUMBER 5165, PURSUANT TO THE PROVISIONS OF ARTICLE 1, CHAPTER 23, TITLE 1 OF THE SOUTH CAROLINA CODE OF LAWS.

lc-0280wab-dbs23.docx : f13a9492-80ff-454c-9f61-fec9963907ab

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

H. 3433 -- Reps. Hixon and W. Newton: A BILL TO AMEND THE SOUTH CAROLINA CODE OF LAWS BY AMENDING SECTION 50-5-2510, RELATING TO THE SUSPENSION OF SALTWATER PRIVILEGES FOR THE ACCUMULATION OF POINTS, SO AS TO CHANGE THE METHOD FOR THE NOTICE OF SUSPENSION; BY AMENDING SECTION 50-5-2515, RELATING TO THE NOTICE OF SUSPENSION OF SALTWATER PRIVILEGES, SO AS TO MAKE A CONFORMING CHANGE; BY AMENDING SECTION 50-9-1140, RELATING TO THE SUSPENSION OF HUNTING AND FISHING PRIVILEGES, SO AS TO CHANGE THE METHOD FOR THE NOTICE OF SUSPENSION; BY AMENDING SECTION 50-9-1150, RELATING TO THE NOTICE OF SUSPENSION OF HUNTING AND FISHING PRIVILEGES, SO AS TO PROVIDE THAT A PERSON OR ENTITY MAY APPEAL THE DECISION UNDER THE ADMINISTRATIVE PROCEDURES ACT; AND BY REPEALING SECTION 50-5-2545 RELATING TO POINTS FOR VIOLATIONS OF MARINE RESOURCES LAWS RECEIVED PRIOR TO THE EFFECTIVE DATE OF THE MARINE RESOURCES ACT OF 2000; AND BY REPEALING SECTION 50-9-1160 RELATING TO JUDICIAL REVIEW OF A SUSPENSION OF HUNTING AND FISHING PRIVILEGES.

lc-0001ph23.docx : 29e00ff7-cd30-4d57-bcd0-a3a0c36df8f3

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

H. 4099 -- Reps. B. Newton, Neese, Mitchell and Yow: A BILL TO AMEND THE SOUTH CAROLINA CODE OF LAWS BY AMENDING SECTION 7-7-350, RELATING TO DESIGNATION OF VOTING PRECINCTS IN LANCASTER COUNTY, SO AS TO ADD ONE PRECINCT AND TO REDESIGNATE THE MAP NUMBER ON WHICH THESE PRECINCTS MAY BE FOUND ON FILE WITH THE REVENUE AND FISCAL AFFAIRS OFFICE.

lc-0162hdb23.docx : 50cc7c76-dfd6-420e-b984-4745083ef4b7

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

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H. 4156 -- Reps. Moss, Alexander, Anderson, Atkinson, Bailey, Ballentine, Bamberg, Bannister, Bauer, Beach, Bernstein, Blackwell, Bradley, Brewer, Brittain, Burns, Bustos, Calhoon, Carter, Caskey, Chapman, Chumley, Clyburn, Cobb-Hunter, Collins, Connell, B. J. Cox, B. L. Cox, Crawford, Cromer, Davis, Dillard, Elliott, Erickson, Felder, Forrest, Gagnon, Garvin, Gatch, Gibson, Gilliam, Gilliard, Guest, Guffey, Haddon, Hager, Hardee, Harris, Hart, Hartnett, Hayes, Henderson-Myers, Henegan, Herbkersman, Hewitt, Hiott, Hixon, Hosey, Howard, Hyde, Jefferson, J. E. Johnson, J. L. Johnson, S. Jones, W. Jones, Jordan, Kilmartin, King, Kirby, Landing, Lawson, Leber, Ligon, Long, Lowe, Magnuson, May, McCabe, McCravy, McDaniel, McGinnis, Mitchell, J. Moore, T. Moore, A. M. Morgan, T. A. Morgan, Murphy, Neese, B. Newton, W. Newton, Nutt, O'Neal, Oremus, Ott, Pace, Pedalino, Pendarvis, Pope, Rivers, Robbins, Rose, Rutherford, Sandifer, Schuessler, Sessions, G. M. Smith, M. M. Smith, Stavrinakis, Taylor, Tedder, Thayer, Thigpen, Trantham, Vaughan, Weeks, West, Wetmore, Wheeler, White, Whitmire, Williams, Willis, Wooten and Yow: A CONCURRENT RESOLUTION TO PROMOTE UNDERSTANDING OF THE GROWING RISK OF BLADDER CANCER IN THE UNITED STATES, TO ENCOURAGE RESEARCH IN THE MEDICAL COMMUNITY TO IDENTIFY THE CAUSES AND DEVELOP A CURE FOR THE DISEASE, AND TO DECLARE MAY 2023 AS "BLADDER CANCER AWARENESS MONTH" IN SOUTH CAROLINA.

lc-0279wab-rm23.docx : d80a4733-30ca-47e3-b6a3-9d70a0a3ebeb

The Concurrent Resolution was introduced and referred to the Committee on Medical Affairs.

H. 4300 -- Ways and Means Committee: A BILL TO MAKE APPROPRIATIONS AND TO PROVIDE REVENUES TO MEET THE ORDINARY EXPENSES OF STATE GOVERNMENT FOR THE FISCAL YEAR BEGINNING JULY 1, 2023, TO REGULATE THE EXPENDITURE OF SUCH FUNDS, AND TO FURTHER PROVIDE FOR THE OPERATION OF STATE GOVERNMENT DURING THIS FISCAL YEAR AND FOR OTHER PURPOSES.

11010dg23.docx : 00000000-0000-0000-000000000000

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

H. 4301 -- Ways and Means Committee: A JOINT RESOLUTION TO APPROPRIATE MONIES FROM THE CAPITAL RESERVE FUND FOR FISCAL YEAR 2022-2023, AND TO ALLOW

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UNEXPENDED FUNDS APPROPRIATED TO BE CARRIED FORWARD TO SUCCEEDING FISCAL YEARS AND EXPENDED FOR THE SAME PURPOSES.

lc-0168dg23.docx : fd295761-100a-4908-b2c9-41b56e8497f4

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

REPORTS OF STANDING COMMITTEES

Senator RANKIN from the Committee on Judiciary submitted a favorable with amendment report on:

S. 112 -- Senators Allen, Hembree and Shealy: A BILL TO AMEND THE SOUTH CAROLINA CODE OF LAWS BY AMENDING SECTION 34-11-90, RELATING TO JURISDICTION FOR OFFENSES INVOLVING CHECKS AND PENALTIES, SO AS TO PROVIDE A METHOD TO EXPUNGE CONVICTIONS; AND TO AMEND SECTION 17-22-910, AS AMENDED, RELATING TO APPLICATIONS FOR EXPUNGEMENT, SO AS TO ADD MULTIPLE MISDEMEANOR OFFENSES OF CHECK FRAUD TO THOSE OFFENSES ELIGIBLE FOR EXPUNGEMENT.

Ordered for consideration tomorrow.

Senator RANKIN from the Committee on Judiciary submitted a favorable with amendment report on:

S. 252 -- Senators M. Johnson, Adams, Kimbrell, Reichenbach and Senn: A BILL TO AMEND CHAPTER 2, TITLE 30 OF THE SOUTH CAROLINA CODE OF LAWS BY ENACTING THE LAW ENFORCEMENT PERSONAL INFORMATION PRIVACY PROTECTION ACT, BY ADDING ARTICLE 5 TO PROVIDE THAT A LAW ENFORCEMENT OFFICER MAY FORMALLY REQUEST THAT HIS PERSONAL IDENTIFYING INFORMATION HELD OR MAINTAINED BY A STATE OR LOCAL GOVERNMENTAL AGENCY BE HELD CONFIDENTIAL AFTER WHICH THE INFORMATION MUST NOT BE DISCLOSED EXCEPT TO ANOTHER GOVERNMENTAL AGENCY, UNDER SUBPOENA, BY ORDER OF THE COURT, OR UPON WRITTEN CONSENT OF THE OFFICER.

Ordered for consideration tomorrow.

Senator RANKIN from the Committee on Judiciary submitted a favorable with amendment report on:

S. 260 -- Senators Rankin and Hutto: A BILL TO AMEND THE SOUTH CAROLINA CODE OF LAWS BY ENACTING THE

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"RESPONSIBLE ALCOHOL SERVER TRAINING ACT"; BY AMENDING TITLE 61, RELATING TO ALCOHOL AND ALCOHOLIC BEVERAGES, BY ADDING CHAPTER 3, TO PROVIDE FOR THE ESTABLISHMENT, IMPLEMENTATION, AND ENFORCEMENT OF A MANDATORY ALCOHOL SERVER TRAINING AND EDUCATION PROGRAM, TO REQUIRE SERVERS OF ALCOHOLIC BEVERAGES FOR ON-PREMISES CONSUMPTION IN LICENSED OR PERMITTED BUSINESSES TO OBTAIN ALCOHOL SERVER CERTIFICATES, TO PROVIDE GUIDANCE FOR THE CURRICULA OF THE TRAINING PROGRAMS, TO PROVIDE FOR THE DEPARTMENT OF REVENUE TO BE RESPONSIBLE FOR APPROVAL OF THE TRAINING PROGRAMS AND IMPLEMENTATION OF THE ALCOHOL SERVER CERTIFICATES, TO REQUIRE FEES FROM PROVIDERS OF TRAINING PROGRAMS AND FROM APPLICANTS FOR ALCOHOL SERVER CERTIFICATES TO COVER THE COSTS OF THE MANDATORY TRAINING AND ENFORCEMENT, TO REQUIRE COORDINATION AMONG THE DEPARTMENT OF REVENUE, THE STATE LAW ENFORCEMENT DIVISION, AND OTHER STATE AND LOCAL AGENCIES FOR THE IMPLEMENTATION AND ENFORCEMENT OF THESE PROVISIONS, AND TO PROVIDE FOR FINES AND PENALTIES FOR VIOLATIONS OF THESE PROVISIONS; BY AMENDING SECTION 61-2-60, RELATING TO THE PROMULGATION OF REGULATIONS, TO AUTHORIZE THE DEPARTMENT OF REVENUE TO PROMULGATE REGULATIONS GOVERNING THE DEVELOPMENT, IMPLEMENTATION, EDUCATION, AND ENFORCEMENT OF RESPONSIBLE ALCOHOL SERVER TRAINING PROVISIONS; AND BY AMENDING SECTION 61-2-145, SECTION 61-4-50, SECTION 61-4-90(A), SECTION 61-4-580, SECTION 61-6-2220, SECTION 61-6-4070(A), AND SECTION 61-6-4080, ALL RELATING TO THE UNLAWFUL SALE OF ALCOHOL, TO PROVIDE FOR FINES AND PENALTIES FOR VIOLATIONS OF CERTAIN PROVISIONS.

Ordered for consideration tomorrow.

Senator RANKIN from the Committee on Judiciary submitted a favorable with amendment report on:

S. 425 -- Senators Talley, Turner, Adams, Bennett, Climer, Davis, Hembree, Hutto, M. Johnson, Kimbrell, McElveen, Scott, Senn and Shealy: A BILL TO AMEND THE SOUTH CAROLINA CODE OF

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LAWS BY AMENDING SECTION 61-2-170, RELATING TO DRIVE-THROUGH OR CURBSIDE SERVICE OF ALCOHOLIC BEVERAGES, SO AS TO PROVIDE CERTAIN EXCEPTIONS; BY ADDING SECTION 61-4-45 SO AS TO PROVIDE THAT THE DEPARTMENT MAY ISSUE CERTAIN LICENSES OR PERMITS ALLOWING A RETAILER TO OFFER CERTAIN CURBSIDE DELIVERY OR PICK UP; BY ADDING SECTION 61-4-280 SO AS TO PROVIDE THAT A RETAIL DEALER MAY HIRE A DELIVERY SERVICE TO DELIVER CERTAIN BEER AND WINE AND TO PROVIDE FOR REQUIREMENTS; BY ADDING SECTION 61-6-1570 SO AS TO PROVIDE THAT THE DEPARTMENT MAY ISSUE CERTAIN LICENSES OR PERMITS ALLOWING A RETAILER TO OFFER CERTAIN CURBSIDE DELIVERY OR PICK UP; AND BY ADDING SECTION 61-6-1580 SO AS TO PROVIDE THAT A RETAIL DEALER MAY HIRE A DELIVERY SERVICE TO DELIVER CERTAIN ALCOHOLIC LIQUORS AND TO PROVIDE FOR REQUIREMENTS.

Ordered for consideration tomorrow.

Senator CROMER from the Committee on Banking and Insurance submitted a favorable with amendment report on:

S. 483 -- Senators Alexander, Peeler, Grooms, Williams, Massey, K. Johnson, Shealy, Turner, Gambrell, Climer, Talley, Kimbrell, Young, Goldfinch, Reichenbach, Verdin, Davis, Rice, M. Johnson, Hutto, Loftis, Corbin, Senn, Adams, Fanning, Martin, McElveen, Setzler, Gustafson, Campsen and Bennett: A BILL TO AMEND THE SOUTH CAROLINA CODE OF LAWS BY AMENDING SECTION 37-1-102, RELATING TO THE PURPOSES OF THE CONSUMER PROTECTION CODE, SO AS TO INCLUDE THE PROMOTION OF EDUCATION FOR CONSUMERS, BEST PRACTICES FOR BUSINESSES, AND TO MEDIATE COMPLAINTS; BY AMENDING SECTION 37-6-106, RELATING TO INVESTIGATORY POWERS OF THE ADMINISTRATOR, SO AS TO REQUIRE THE PRESENTATION OF PROBABLE CAUSE BEFORE BEGINNING AN INVESTIGATION; BY AMENDING SECTION 37-6-108, RELATING TO ENFORCEMENT ORDERS OF THE ADMINISTRATOR, SO AS TO REQUIRE CERTAIN INFORMATION BE PROVIDED BEFORE A CEASE AND DESIST IS ISSUED TO A BUSINESS; AND BY AMENDING SECTION 37-2-307, RELATING TO MOTOR VEHICLE SALES CONTRACT

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CLOSING FEES, SO AS TO REQUIRE THE CLOSING FEE TO BE PROMINENTLY DISPLAYED WITH THE ADVERTISED PRICE.

Ordered for consideration tomorrow.

Senator DAVIS from the Committee on Labor, Commerce and Industry submitted a favorable with amendment report on:

S. 546 -- Senators Massey, Alexander and Campsen: A BILL TO AMEND THE SOUTH CAROLINA CODE OF LAWS BY AMENDING SECTION 41-29-20, RELATING TO THE APPOINTMENT OF THE DEPARTMENT OF EMPLOYMENT AND WORKFORCE'S EXECUTIVE DIRECTOR, HIS APPOINTMENT, REMOVAL FROM OFFICE, AND COMPENSATION, SO AS TO PROVIDE THAT THE EXECUTIVE DIRECTOR IS APPOINTED BY THE GOVERNOR WITH THE ADVICE AND CONSENT OF THE SENATE; BY AMENDING SECTION 41-29-35, RELATING TO APPOINTMENT OF THE EXECUTIVE DIRECTOR, SO AS TO PROVIDE QUALIFICATIONS FOR OFFICE; AND BY REPEALING ARTICLE 7, CHAPTER 27, TITLE 41, RELATING TO THE DEPARTMENT OF EMPLOYMENT AND WORKFORCE REVIEW COMMITTEE.

Ordered for consideration tomorrow.

Senator RANKIN from the Committee on Judiciary submitted a favorable with amendment report on:

S. 576 -- Senators Massey, Garrett, Peeler, Climer, Cash, Bennett, Turner, Gustafson, Rice, Verdin, Young, Kimbrell, Corbin, Cromer, McElveen and Campsen: A BILL TO AMEND THE SOUTH CAROLINA CODE OF LAWS BY AMENDING SECTION 27-13-30, RELATING TO LIMITATION ON ALIEN LAND OWNERSHIP, SO AS TO PROVIDE THAT CORPORATIONS CONTROLLED BY A FOREIGN ADVERSARY CANNOT ACQUIRE AN INTEREST IN REAL PROPERTY IN THIS STATE; TO DEFINE NECESSARY TERMS; AND TO REDUCE THE AMOUNT OF REAL PROPERTY THAT AN ALIEN OR CORPORATION MAY ACQUIRE AN INTEREST IN FROM FIVE HUNDRED THOUSAND ACRES TO ONE THOUSAND ACRES.

Ordered for consideration tomorrow.

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Senator CLIMER from the Committee on Agriculture and Natural Resources submitted a favorable report on:

S. 603 -- Senator Climer: A BILL TO AMEND THE SOUTH CAROLINA CODE OF LAWS BY AMENDING SECTION 46-41-230, RELATING TO THE SOUTH CAROLINA GRAIN AND COTTON PRODUCERS GUARANTY FUND'S AMOUNT AND CLAIMS, SO AS TO PROVIDE THAT, IF THERE IS AN INSUFFICIENT AMOUNT OF MONEY TO COVER ALL CLAIMS, THEN PAYMENTS MUST BE MADE ON A PRO RATA BASIS, AND THE PRO RATA DETERMINATION SHALL BE BASED UPON THE PRODUCER'S TOTAL LOSS AMOUNT AS WELL AS THE TOTAL NUMBER OF EXEMPTIONS GRANTED TO THE PRODUCER; AND BY AMENDING SECTION 46-41-250, RELATING TO THE SOUTH CAROLINA GRAIN AND COTTON PRODUCERS GUARANTY FUND, SO AS TO INCLUDE COTTON.

Ordered for consideration tomorrow.

Senator CLIMER from the Committee on Agriculture and Natural Resources submitted a favorable report on:

H. 3312 -- Reps. Haddon, Hixon, Forrest, Trantham, Chumley, Cobb-Hunter and Williams: A JOINT RESOLUTION TO CREATE THE "CHILD FOOD AND NUTRITION SERVICES STUDY COMMITTEE" TO DEVELOP RECOMMENDATIONS FOR TRANSFERRING ADMINISTRATION OF CERTAIN FEDERAL CHILD FOOD AND NUTRITION PROGRAMS IN THIS STATE TO THE DEPARTMENT OF AGRICULTURE, TO PROVIDE FOR THE MEMBERSHIP OF THE STUDY COMMITTEE, TO REQUIRE THE STUDY COMMITTEE PREPARE A REPORT WITH FINDINGS AND RECOMMENDATIONS FOR THE GENERAL ASSEMBLY, AND TO PROVIDE FOR THE DISSOLUTION OF THE STUDY COMMITTEE.

Ordered for consideration tomorrow.

Message from the House

Columbia, S.C., February 15, 2023

Mr. President and Senators:

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

H. 3604 -- Reps. Bannister, G.M. Smith and Murphy: A JOINT RESOLUTION TO APPROPRIATE FUNDING FOR CERTAIN

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INFRASTRUCTURE AND OTHER PURPOSES TO FOSTER ECONOMIC DEVELOPMENT AND PRESCRIBE THE APPROPRIATE PURPOSES, TERMS, AND CONDITIONS.

and has ordered the Joint Resolution enrolled for Ratification.

Very respectfully,

Speaker of the House

Received as information.

HOUSE CONCURRENCES

S. 625 -- Senator Gambrell: A CONCURRENT RESOLUTION TO RECOGNIZE AND HONOR ANDERSON COUNTY EMS DIRECTOR STEVE KELLY FOR HIS EXCELLENT WORK IN LEADING ANDERSON EMS AND TO CONGRATULATE HIM UPON RECEIVING EMS DIRECTOR OF THE YEAR.

Returned with concurrence.

Received as information.

S. 626 -- Senator Gambrell: A CONCURRENT RESOLUTION TO RECOGNIZE AND HONOR ANDERSON COUNTY EMS FOR ITS EXCELLENT WORK TO SAVE LIVES AND RESCUE THOSE IN DISTRESS COUNTYWIDE AND TO CONGRATULATE THE EMS RESPONDERS UPON RECEIVING SYSTEM OF THE YEAR.

Returned with concurrence.

Received as information.

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

OBJECTION

S. 36 -- Senators Hutto, Young, Campsen and Grooms: A BILL TO AMEND THE SOUTH CAROLINA CODE OF LAWS BY AMENDING VARIOUS SECTIONS WITHIN CHAPTER 1, TITLE 56, TO RESTRUCTURE THE IGNITION INTERLOCK DEVICES PROGRAM. (ABBREVIATED TITLE)

Senator MALLOY objected to consideration of the Bill.

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**READ THE THIRD TIME
SENT TO THE HOUSE**

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

S. 138 -- Senators McElveen, Senn, Cromer, Loftis and Stephens: A BILL TO AMEND THE SOUTH CAROLINA CODE OF LAWS BY AMENDING SECTION 59-149-50, RELATING TO GRADE POINT AVERAGE REQUIREMENTS FOR LIFE SCHOLARSHIP ELIGIBILITY AND RETENTION, SO AS TO PROVIDE A STUDENT WHO BECOMES ELIGIBLE FOR A LIFE SCHOLARSHIP MAY NOT SUBSEQUENTLY BECOME INELIGIBLE FOR RETENTION OF THE SCHOLARSHIP BASED ON A GRADE IN A DUAL ENROLLMENT CLASS.

The Senate proceeded to the consideration of the Bill.

The question then being third reading of the Bill.

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

Ayes 40; Nays 0

AYES

Alexander	Allen	Bennett
Campsen	Cash	Climer
Corbin	Cromer	Davis
Fanning	Gambrell	Garrett
Grooms	Gustafson	Harpootlian
Hutto	Jackson	<i>Johnson, Kevin</i>
<i>Johnson, Michael</i>	Kimbrell	Loftis
Malloy	Martin	Massey
Matthews	McElveen	McLeod
Peeler	Rankin	Reichenbach
Rice	Sabb	Senn
Setzler	Shealy	Stephens
Turner	Verdin	Williams
Young		

Total--40

NAYS

Total—0

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The Bill was read the third time passed and ordered sent to the House.

OBJECTION

S. 459 -- Senator Grooms: A BILL TO AMEND THE SOUTH CAROLINA CODE OF LAWS BY ADDING SECTION 55-9-235, SO AS TO PROVIDE FOR THE SALE AND CONSUMPTION OF LIQUOR BY THE DRINK THROUGHOUT THE TRANSPORTATION SECURITY ADMINISTRATION SCREENED PORTION OF QUALIFYING SOUTH CAROLINA AIRPORTS.

Senator MATTHEWS objected to consideration of the Bill.

**READ THE THIRD TIME
SENT TO THE HOUSE**

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

S. 569 -- Senators Shealy, Alexander, Peeler, Garrett, Gambrell, Kimbrell, Young, M. Johnson, Turner, Sabb, Matthews, Campsen, Setzler and Malloy: A BILL TO AMEND THE SOUTH CAROLINA CODE OF LAWS BY AMENDING SECTION 44-36-320, RELATING TO THE DUTIES OF THE ALZHEIMER'S DISEASE AND RELATED DISORDERS RESOURCE COORDINATION CENTER SO AS TO ADD TO THE CENTER'S DUTIES CONCERNING THE STATEWIDE PLAN TO ADDRESS ALZHEIMER'S DISEASE AND RELATED DEMENTIAS; BY AMENDING SECTION 44-36-330, RELATING TO THE ADVISORY COUNCIL TO THE ALZHEIMER'S DISEASE AND RELATED DISORDERS RESOURCE COORDINATION CENTER SO AS TO PROVIDE THAT THE ADVISORY COUNCIL MUST DEVELOP A STATEWIDE PLAN TO ADDRESS ALZHEIMER'S DISEASE AND RELATED DEMENTIAS AND TO PROVIDE THAT THE STATEWIDE PLAN MUST BE UPDATED EVERY FIVE YEARS; AND TO PROVIDE THAT THE STATEWIDE PLAN MUST BE UPDATED IN 2028 AND EVERY FIVE YEARS THEREAFTER.

HOUSE BILL RETURNED

The following Resolution was read the third time and ordered returned to the House with amendments.

H. 3604 -- Reps. Bannister, G.M. Smith and Murphy: A JOINT RESOLUTION TO APPROPRIATE FUNDING FOR CERTAIN INFRASTRUCTURE AND OTHER PURPOSES TO FOSTER

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ECONOMIC DEVELOPMENT AND PRESCRIBE THE APPROPRIATE PURPOSES, TERMS, AND CONDITIONS.

On motion of Senator PEELER.

Recorded Vote

Senator CORBIN desired to be recorded as voting against the third reading of the Bill.

CARRIED OVER

S. 165 -- Senators Climer and Allen: A BILL TO AMEND THE SOUTH CAROLINA CODE OF LAWS BY AMENDING TITLE 1, CHAPTER 40, RELATING TO BOARD REGULATION OF PROFESSIONS AND OCCUPATIONS, BY ADDING SECTION 40-1-75, SO AS TO PROVIDE THAT PROFESSIONAL BOARDS AND COMMISSIONS MAY NOT SOLELY DENY A LICENSE APPLICATION BASED UPON AN APPLICANT'S PRIOR CRIMINAL CONVICTION UNLESS THE CONVICTION IS FOR A CRIME THAT DIRECTLY RELATES TO THE DUTIES AND RESPONSIBILITIES FOR THE SPECIFIC OCCUPATION OR PROFESSIONAL LICENSE BEING SOUGHT; BY ADDING SECTION 40-1-77 SO AS TO PROVIDE FOR LICENSURE BY BOARDS AND COMMISSIONS FOR APPLICANTS WHO COMPLETE CERTAIN APPRENTICESHIP PROGRAMS; AND TO REPEAL SECTION 40-1-140, RELATING TO THE EFFECT OF PRIOR CONVICTIONS ON LICENSE APPLICATIONS FOR PROFESSIONS AND OCCUPATIONS.

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

READ THE SECOND TIME

S. 142 -- Senators Shealy, Gustafson, Goldfinch, Hutto, Jackson, Campsen, McLeod, Setzler and Garrett: A BILL TO AMEND THE SOUTH CAROLINA CODE OF LAWS BY AMENDING SECTION 16-3-2010, RELATING TO THE DEFINITION OF "SEX TRAFFICKING", SO AS TO EXPAND THE DEFINITION TO INCLUDE SEXUAL EXPLOITATION OF A MINOR AND PROMOTING OR PARTICIPATING IN PROSTITUTION OF A MINOR; AND BY AMENDING SECTION 16-3-2020, RELATING TO TRAFFICKING IN PERSONS, PENALTIES, MINOR VICTIMS AND DEFENSES, SO AS TO PROVIDE THAT A SEX TRAFFICKING VICTIM MAY RAISE DURESS AND COERCION AS AN AFFIRMATIVE DEFENSE TO NONVIOLENT OFFENSES

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COMMITTED AS A DIRECT RESULT OR INCIDENT TO THE TRAFFICKING, TO PROVIDE THAT A MINOR SEX TRAFFICKING VICTIM MAY NOT BE CONVICTED FOR NONVIOLENT OFFENSES COMMITTED AS A DIRECT RESULT OR INCIDENT TO THE TRAFFICKING, AND TO PROVIDE THAT A MINOR SEX TRAFFICKING VICTIM CANNOT BE FOUND IN VIOLATION OF OR BE THE SUBJECT OF A DELINQUENCY PETITION IF THE MINOR'S CONDUCT WAS A DIRECT RESULT OF OR INCIDENTAL TO OR RELATED TO TRAFFICKING; AND SO AS TO PROVIDE THAT THE PROVISIONS IN THIS ACT ARE RETROACTIVE.

The Senate proceeded to the consideration of the Bill.

The question then being second reading of the Bill, as amended.

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

Ayes 40; Nays 0

AYES

Alexander	Allen	Bennett
Campsen	Cash	Climer
Corbin	Cromer	Davis
Fanning	Gambrell	Garrett
Grooms	Gustafson	Harpootlian
Hutto	Jackson	<i>Johnson, Kevin</i>
<i>Johnson, Michael</i>	Kimbrell	Loftis
Malloy	Martin	Massey
Matthews	McElveen	McLeod
Peeler	Rankin	Reichenbach
Rice	Sabb	Senn
Setzler	Shealy	Stephens
Turner	Verdin	Williams
Young		

Total--40

NAYS

Total--0

The Bill was read the second time, passed and ordered to a third reading.

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OBJECTION

S. 330 -- Senators Rankin, Alexander, Verdin and Garrett: A BILL TO AMEND THE SOUTH CAROLINA CODE OF LAWS BY AMENDING SECTION 16-11-740, RELATING TO MALICIOUS INJURY TO TELEGRAPH, TELEPHONE, OR ELECTRIC UTILITY SYSTEM, SO AS TO ADD TIERED PENALTIES FOR DAMAGE TO A UTILITY SYSTEM.

Senator MALLOY objected to consideration of the Bill.

AMENDED, READ THE SECOND TIME

S. 445 -- Senators Garrett and Matthews: A BILL TO AMEND THE SOUTH CAROLINA CODE OF LAWS BY ADDING ARTICLE 2 TO CHAPTER 49, TITLE 44 SO AS TO REQUIRE THE DEPARTMENT OF ALCOHOL AND OTHER DRUG ABUSE SERVICES TO APPROVE A CREDENTIALING ENTITY TO DEVELOP AND ADMINISTER A VOLUNTARY CERTIFICATION PROGRAM FOR RECOVERY HOUSING; TO REQUIRE THE APPROVED CREDENTIALING ENTITY TO ESTABLISH RECOVERY HOUSING CERTIFICATION REQUIREMENTS AND PROCEDURES BASED UPON NATIONALLY RECOGNIZED QUALITY STANDARDS; AND TO DESIGNATE THE EXISTING SECTIONS OF CHAPTER 49 AS ARTICLE 1, ENTITLED "GENERAL PROVISIONS".

The Senate proceeded to the consideration of the Bill.

Senators GARRETT and MATTHEWS proposed the following amendment (SR-445.JG0004S), which was adopted:

Amend the bill, as and if amended, SECTION 1, by striking Section 44-49-320(3) and inserting:

(3) "Recovery housing" means recovery residences, recovery homes, sober living homes, work-rehab homes, three-quarter houses, and other similar dwellings that provide individuals recovering from alcohol and substance use disorders with a living environment free from alcohol and illicit substance use and centered on peer support and connection to services that promote sustained recovery, including continued sobriety, improved individual health, residential stability, and positive community involvement. Recovery housing does not include treatment facilities as defined in Section 44-52-10.

Amend the bill further, SECTION 1, by striking Section 44-49-330(C)(5) and inserting:

(5) have safeguards in place to uphold residents' rights;

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(6) assist residents in finding suitable employment; and

(7) assist residents who desire to relocate upon completion of the recovery program with relocation assistance services.

Amend the bill further, SECTION 1, by adding:

Section 44-49-370. It is unlawful for an owner or operator of recovery housing that is not certified pursuant to this article to advertise or otherwise represent that such recovery housing is certified pursuant to this article. An owner or operator of recovery housing who violates this section is subject to a civil penalty of not less than one hundred dollars nor more than five hundred dollars per occurrence.

Re-number sections to conform.

Amend title to conform.

Senator GARRETT explained the amendment.

The amendment was adopted.

The question then being second reading of the Bill, as amended.

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

Ayes 38; Nays 0

AYES

Alexander	Allen	Bennett
Campsen	Cash	Climer
Corbin	Cromer	Davis
Fanning	Gambrell	Garrett
Grooms	Gustafson	Harpootlian
Hutto	<i>Johnson, Kevin</i>	<i>Johnson, Michael</i>
Kimbrell	Loftis	Malloy
Martin	Massey	Matthews
McElveen	McLeod	Peeler
Rankin	Reichenbach	Rice
Sabb	Senn	Setzler
Shealy	Stephens	Turner
Williams	Young	

Total--38

NAYS

Total--0

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

CARRIED OVER

H. 3605 -- Reps. G.M. Smith, Sandifer, Carter, Kirby, Oremus, Magnuson, Pace, Long, Elliott, Burns, May, Beach, Forrest, Blackwell, B. Newton, Caskey and Ligon: A BILL TO AMEND THE SOUTH CAROLINA CODE OF LAWS BY AMENDING SECTION 40-1-80, RELATING TO INVESTIGATIONS OF LICENSEES, SO AS TO REQUIRE THE DIRECTOR TO SEND INFORMATION REGARDING AN INVESTIGATION TO THE LICENSEE; BY ADDING SECTION 40-1-85 SO AS TO ESTABLISH INFORMAL CONFERENCES; BY AMENDING SECTION 40-1-90, RELATING TO DISCIPLINARY ACTION PROCEEDINGS, SO AS TO ALLOW A LICENSEE TO REQUEST CERTIFICATION OF AN INVESTIGATION FROM THE DIRECTOR; AND BY AMENDING SECTION 40-1-140, RELATING TO EFFECT OF PRIOR CRIMINAL CONVICTIONS OF APPLICANTS, SO AS TO PROHIBIT THE DENIAL OF A LICENSE BASED SOLELY OR IN PART ON A PRIOR CRIMINAL CONVICTION IN CERTAIN CIRCUMSTANCES.

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

READ THE SECOND TIME

S. 604 -- Senators Peeler, Alexander, Setzler, Malloy and Scott: A JOINT RESOLUTION TO AUTHORIZE THE EXPENDITURE OF FEDERAL FUNDS DISBURSED TO THE STATE IN THE AMERICAN RESCUE PLAN ACT OF 2021, AND TO SPECIFY THE MANNER IN WHICH THE FUNDS MAY BE EXPENDED.

The Senate proceeded to the consideration of the Resolution.

Senator GAMBRELL explained the Resolution.

The question then being second reading of the Resolution.

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

Ayes 40; Nays 0

AYES

Alexander	Allen	Bennett
Campsen	Cash	Climer

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Corbin	Cromer	Davis
Fanning	Gambrell	Garrett
Grooms	Gustafson	Harpoottian
Hutto	Jackson	<i>Johnson, Kevin</i>
<i>Johnson, Michael</i>	Kimbrell	Loftis
Malloy	Martin	Massey
Matthews	McElveen	McLeod
Peeler	Rankin	Reichenbach
Rice	Sabb	Senn
Setzler	Shealy	Stephens
Turner	Verdin	Williams
Young		

Total--40

NAYS

Total--0

The Resolution was read the second time, passed and ordered to a third reading.

OBJECTION

H. 3518 -- Reps. Felder and Williams: A BILL TO AMEND THE SOUTH CAROLINA CODE OF LAWS BY AMENDING SECTION 56-1-395, RELATING TO THE DRIVER'S LICENSE REINSTATEMENT FEE PAYMENT PROGRAM, SO AS TO PROVIDE THE DRIVERS' LICENSES ISSUED UNDER THIS PROGRAM ARE VALID FOR AN ADDITIONAL SIX MONTHS, TO REVISE THE AMOUNT OF REINSTATEMENT FEES OWED BY PERSONS TO BECOME ELIGIBLE TO OBTAIN THESE DRIVERS' LICENSES, TO REVISE THE DISTRIBUTION OF THE ADMINISTRATIVE FEES COLLECTED, TO PROVIDE THE DEPARTMENT OF MOTOR VEHICLES MAY PROVIDE PERSONS IN THE PROGRAM A FEE SCHEDULE OF THE AMOUNTS OWED AND THE ABILITY TO MAKE ONLINE PAYMENTS, TO REVISE THE TYPES OF DRIVERS' LICENSE SUSPENSIONS THAT ARE COVERED BY THIS SECTION, AND TO REVISE THE FREQUENCY THAT PERSONS MAY PARTICIPATE IN THE PROGRAM AND THE CONDITIONS FOR FUTURE PARTICIPATION; BY AMENDING SECTION 56-1-396, RELATING TO THE DRIVER'S LICENSE SUSPENSION AMNESTY PERIOD,

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SO AS TO LIMIT THE TYPES OF QUALIFYING SUSPENSIONS; BY AMENDING SECTION 56-10-240, RELATING TO THE REQUIREMENT THAT UPON LOSS OF INSURANCE, NEW INSURANCE MUST BE OBTAINED OR PERSONS MUST SURRENDER THEIR REGISTRATION AND PLATES, WRITTEN NOTICE BY INSURERS, APPEAL OF SUSPENSIONS, ENFORCEMENT, AND PENALTIES, SO AS TO REVISE THE PERIOD OF TIME VEHICLE OWNERS MUST SURRENDER MOTOR VEHICLE LICENSE PLATES AND REGISTRATION CERTIFICATES FOR CERTAIN UNINSURED MOTOR VEHICLES, TO DELETE THE PROVISION THAT GIVES THE DEPARTMENT OF MOTOR VEHICLES DISCRETION TO AUTHORIZE INSURERS TO UTILIZE ALTERNATE METHODS OF PROVIDING CERTAIN NOTICES TO THE DEPARTMENT, TO DELETE THE PROVISION THAT ALLOWS CERTAIN PERSONS TO APPEAL CERTAIN SUSPENSIONS TO THE DEPARTMENT OF INSURANCE FOR FAILURE TO MEET THE STATE'S FINANCIAL RESPONSIBILITY REQUIREMENTS IN ERROR, AND TO ALLOW THESE PERSONS TO PROVIDE CERTAIN DOCUMENTS TO SHOW THE SUSPENSION WAS ISSUED IN ERROR; BY AMENDING SECTION 56-10-245, RELATING TO PER DIEM FINES FOR LAPSE IN REQUIRED COVERAGE, SO AS TO PROVIDE THE FINES CONTAINED IN THE SECTION MAY NOT EXCEED TWO HUNDRED DOLLARS PER VEHICLE FOR A FIRST OFFENSE; BY AMENDING ARTICLE 5 OF CHAPTER 10, TITLE 56, RELATING TO THE ESTABLISHMENT OF THE UNINSURED MOTORIST FUND, SO AS TO REVISE THE PROVISIONS OF THIS ARTICLE TO REGULATE THE OPERATION OF UNINSURED MOTOR VEHICLES, TO DELETE PROVISIONS RELATING TO THE ESTABLISHMENT AND COLLECTION OF UNINSURED MOTOR VEHICLE FEES, TO MAKE TECHNICAL CHANGES, TO REVISE THE AMOUNT OF THE MOTOR VEHICLE REINSTATEMENT FEE AND PROVIDE IT SHALL BE INCREASED ANNUALLY, TO PROVIDE SUSPENDED LICENSES, REGISTRATION CERTIFICATES, LICENSE PLATES, AND DECALS MAY BE RETURNED TO THE DEPARTMENT OF MOTOR VEHICLES BY ELECTRONIC MEANS OR IN PERSON, AND TO DELETE THE PROVISIONS THAT REQUIRE THE DEPARTMENT OF MOTOR VEHICLES TO COLLECT STATISTICS REGARDING VARIOUS MOTOR VEHICLE REGISTRATION, INSURANCE, AND UNINSURED MOTORIST FUND ISSUES.

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Senator BENNETT objected to consideration of the Bill.

ADOPTED

S. 579 -- Senator Loftis: A SENATE RESOLUTION TO ENCOURAGE ALL SOUTH CAROLINIANS TO JOIN WITH THE SENATE IN RECOGNIZING THE POSITIVE IMPACT OF STEM EDUCATION AND STEM EDUCATORS ON THE QUALITY OF LIFE FOR RESIDENTS OF THE PALMETTO STATE AND TO DECLARE APRIL 12, 2023, AS STEM EDUCATION DAY THROUGHOUT THE STATE OF SOUTH CAROLINA.

The Senate proceeded to the consideration of the Resolution.

Senator LOFTIS explained the Resolution.

The question then being the adoption of the Resolution.

The Resolution was adopted.

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

MOTION ADOPTED

At 3:11 P.M., on motion of Senator MASSEY, the Senate agreed to dispense with the balance of the Motion Period.

THE SENATE PROCEEDED TO THE SPECIAL ORDERS.

**COMMITTEE AMENDMENT ADOPTED
AMENDED, READ THE SECOND TIME**

S. 285 -- Senators Davis, Rice, Grooms, Goldfinch, Climer and Gustafson: A BILL TO AMEND THE SOUTH CAROLINA CODE OF LAWS BY ADDING SECTION 12-6-3791 SO AS TO ALLOW AN INCOME TAX CREDIT FOR CONTRIBUTIONS TO A SCHOLARSHIP-FUNDING ORGANIZATION THAT PROVIDES GRANTS FOR STUDENTS TO ATTEND CERTAIN INDEPENDENT AND HOME SCHOOLS, TO SPECIFY THE MANNER IN WHICH THE CREDIT IS CLAIMED, TO SPECIFY THE PROCESS BY WHICH CERTAIN ORGANIZATIONS AND SCHOOLS BECOME ELIGIBLE, TO SPECIFY CERTAIN INFORMATION WHICH MUST BE MADE PUBLIC, AND TO ALLOW THE STATE TREASURER

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AND DEPARTMENT OF REVENUE TO ENFORCE THE PROVISIONS OF THE CREDIT; AND TO REPEAL SECTION 12-6-3790 RELATING TO THE EDUCATIONAL CREDIT FOR EXCEPTIONAL NEEDS CHILDREN'S FUND.

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

The Committee on Finance proposed the following amendment (LC-285.SA0004S), which was adopted:

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

SECTION 1. Chapter 6, Title 12 of the S.C. Code is amended by adding:

Article 26

Academic Choice in Education (ACE)

Section 12-6-3850. For purposes of this article:

(1) "Academic Choice in Education fund" or "ACE" means education funding provided on behalf of eligible students by nonprofit scholarship funding organizations for qualifying expenses as outlined in this article.

(2) "Department" means the South Carolina Department of Revenue.

(3) "Disadvantaged child" means a child or his family who meets the qualifications for federal Medicaid benefits, or whose family has an annual adjusted gross income of two hundred percent or less of the federal poverty guidelines as promulgated annually by the United States Department of Health and Human Services.

(4) "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;

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

(f) is a member in good standing of the South Carolina Association of Christian Schools, the South Carolina Independent

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Schools Association, the Palmetto Association of Independent Schools, the American Montessori Society, the International Montessori Council, or the National Association of Private Schools, or alternatively accredited by Cognia or the National Council for Private School Accreditation.

(5) “Eligible student” means a student who:

- (a) meets the definition of “general child”;
- (b) meets the definition of “disadvantaged child”;
- (c) meets the definition of “exceptional needs child”; or
- (d) meets the definition of “home school child”; and
- (e) is not a recipient of an Education Scholarship Trust Fund.

(6) “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 as either permanently or 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.

(7) “General child” means a child who is a South Carolina resident who, immediately before receiving a scholarship under this article and enrolling in an eligible school or program, was enrolled in a South Carolina secondary or primary public school or who is eligible to enroll in a qualified first grade, kindergarten, or prekindergarten program or received a scholarship pursuant to this article for the previous school year; provided, however, that if a student is considered to be an eligible student pursuant to this item, he shall continue to qualify as such until he graduates, reaches the age of twenty, or returns to a public school, whichever occurs first.

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(8) “Home school” means a home, residence, or location where a parent or legal guardian teaches one or more children as authorized pursuant to Section 59-65-40, Section 59- 65-45, or Section 59-65-47.

(9) “Home school child” means any child attending an eligible home school.

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

(a) is registered and in good standing with the South Carolina Secretary of State;

(b) 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 tax code; and

(c) is approved annually by the Treasurer and listed on the Treasurer’s approved list, which must be published on the Treasurer’s website;

(11) “Parent” means a resident of this State who is the natural or adoptive parent, legal guardian, custodian, or other person with legal authority to act on behalf of an eligible student.

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

(13) “Program” means the ACE scholarship program created by this article.

(14) “Public School” means a school operated by publicly elected or appointed school officials in which the program and activities are under the control of these officials and which is supported by public funds.

(15) “Qualifying expense” means:

(a) the total amount of money charged for the cost of an eligible student to attend an eligible school including, but not limited to, fees for attending the school, textbook fees, tutoring, and/or transportation to and from school that is provided by the school. These costs may not be in excess of what is currently provided; and

(b) in the case of an eligible home school student, the total amount of money charged for instruction-related expenditures to attend an eligible home school provider including, but not limited to, curriculum packages, textbooks, digital education, and testing materials.

(16) “Resident school district” means the public school district in which the student is domiciled.

(17) “Scholarship” means education funding allocated from an account established on a student’s behalf pursuant to this article.

(18) “Treasurer” means the Office of the State Treasurer.

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Section 12-6-3855. (A) A person is entitled to a tax credit against income taxes imposed pursuant to this chapter, or bank taxes imposed pursuant to Chapter 11 of this title, 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 section if:

(1) the contribution is used to provide scholarships for qualifying expenses to an eligible student enrolled in an eligible school; and

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

(B)(1) Scholarships may be awarded by a scholarship funding organization to an eligible student qualifying and defined under Section 12-6-3850(5)(a) [General child] for a school year in an amount not exceeding the actual state allocated revenue for each pupil as calculated by the Revenue and Fiscal Affairs Office and required to be published by the annual appropriations act or the total amount of qualifying expenses, whichever is less.

(2) Scholarships may be awarded by a scholarship funding organization to an eligible student qualifying and defined under Section 12-6-3850(5)(b) and (c) [Disadvantaged Child & Exceptional Needs Child] for a school year in an amount not exceeding one hundred forty percent of the amount of subsection (B)(1) above or the total amount of qualifying expenses, whichever is less.

(3) Scholarships may be awarded by a scholarship funding organization to an eligible student qualifying and defined under Section 12-6-3850(5)(d) [Home School Child] for a school year in an amount not exceeding twenty percent of the amount of subsection (B)(1) above or the total cost of home school curriculum fees, whichever is less. A scholarship funding organization may reimburse a parent directly for expenditures actually paid for home school curriculum fees or pay vendors directly for home school curriculum fees at the direction of the parent and on behalf of the home school child.

(4) Once an eligible student receives a scholarship, he must receive priority status for future scholarships; provided, however, that the eligible student is in good standing with the school.

(C) Except as otherwise provided, the Department of Education, the Department of Revenue, the Treasurer, or any other state agency may not regulate the educational programs of a school that accepts eligible students receiving scholarships pursuant to this article.

Section 12-6-3860.(A) The Treasurer shall create a standard application process and establish the timeline for parents to establish the

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eligibility of their student for the ACE scholarship. The application window established shall last at least forty-five days, opening no earlier than January fifteenth, and closing no later than March fifteenth of each calendar year.

(B) Pursuant to the timeline established pursuant to this section, the Treasurer shall:

(1) process applications in the order in which they are received; and
(2) enroll and issue eligibility certificates within thirty days of the deadline for receipt of completed applications and all required documentation. The eligibility certificate must list the names and contact information of the eligible scholarship-granting organizations.

(C) Before awarding an eligibility certificate, the Treasurer shall obtain evidence of the student's eligibility criteria set forth in this article.

(D) The Treasurer shall approve an application for scholarship if:

(1) the parent submits an annual application for a scholarship in accordance with the application and procedures established by the Treasurer;

(2) the student on whose behalf the parent is applying is an eligible student;

(3) the parent signs an annual agreement with the Treasurer:

(a) to provide, at a minimum, a program of academic instruction for the eligible student in at least the subjects of English and language arts to include writing, mathematics, social studies, and science;

(b) to acknowledge and agree to comply with the eligible schools prescribed curriculum, dress code and other requirements of enrolled students; and

(c) to use program funds for qualifying expenses only for an eligible school to educate the scholarship student, subject to penalty.

(E) Receipt of an eligibility certificate does not guarantee a scholarship award from a scholarship granting organization.

Section 12-6-3865. (A) The Treasurer shall prescribe the form and manner to be an approved nonprofit scholarship funding organization, the annual application must at a minimum include:

(1) the number and total amount of scholarships issued to schools that accept eligible students in the preceding school year;

(2) the identity of the school and the amount of the scholarship issued to each eligible student in the preceding school year;

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

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(4) 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;

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

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

(7) a certification by the organization of the following:

(a) it meets the definition of a nonprofit scholarship funding organization and that the report is true, accurate, and complete under penalty of perjury in accordance with Section 16-9-10;

(b) it allocates at least ninety-five percent of its annual contributions received during a particular year to provide scholarships to schools on behalf of eligible enrolled children and incurs administrative expenses annually of no more than five percent of its annual contributions for a particular year to cover operational costs;

(c) it allocates all of its funds used for scholarships on an annual basis to eligible students;

(d) it does not provide scholarships on behalf of eligible students only for the benefit of one school, and if the Treasurer determines that the nonprofit scholarship funding organization is providing scholarships to one particular school, the tax credit allowed by this section may be disallowed;

(e) it does not have as a volunteer, contractor, consultant, fundraiser, or member of its governing board, any parent, legal guardian, or member of his immediate family who has a child or ward who is currently receiving or has received a scholarship authorized by this article from the organization within one year of the date the parent, legal guardian, or member of his immediate family became a board member. A person serving on the governing board of a nonprofit scholarship funding organization shall have a fiduciary duty to the donors and eligible students at schools served by the organization and shall avoid any conflicts of interest with the organization and those it serves;

(f) it 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 or other financial crime, been disciplined by a professional, self-regulatory body, had a professional license or designation suspended, revoked, or otherwise restricted in use, or is otherwise prevented from engaging in a profession as part of a court

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order, court settlement, or arbitration ruling. This item also must apply to immediate family members residing in the same household;

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

(B) The application deadline under this section is August first of each year.

Section 12-6-3870. (A) The parent shall provide the eligibility certificate to the scholarship funding organization. Upon awarding of a scholarship by the scholarship funding organization and at the direction of the parent, the scholarship funding organization shall issue a check payable to the eligible school on behalf of the student and deliver it to the school within thirty days upon approval of the application or thirty days of the start of the school's semester. If the eligible student leaves or withdraws from the school for any reason before the end of the semester or school year and does not re-enroll within thirty days, then the school shall return a prorated amount of the scholarship to the scholarship funding organization based on the number of days the eligible student was enrolled in the school during the semester or school year within sixty days of the student's departure.

(B) Before the issuance of a check, a parent shall certify that the eligible student has not received a scholarship from any other scholarship-granting organizations in the current academic year.

(C) Before the issuance of a check to an eligible school, the school must provide documentation to the scholarship funding organization that it meets the criteria established in Section 12-6-3850(4).

(D)(1) The tax credits authorized for an eligible student qualified and defined under Section 12-6-3850(5)(a) [General Child],(b) [Disadvantaged Child] and (c) [Exceptional Needs Child] may not exceed cumulatively a total of fifteen million dollars in each qualifying category, each calendar year.

(2) The tax credits authorized for an eligible student qualified and defined under Section 12-6-3850 (5)(d) [Home School Child] may not exceed cumulatively a total of ten million dollars each calendar year.

(3) If the South Carolina Department of Revenue determines that the total of the credits claimed in this section by all taxpayers exceeds the limit amount, it shall allow credits only up to those amounts on a

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first-come, first-served basis. However before October first of each tax year, no taxpayer may claim more than fifty percent of the allotment for any of the tax credits allowed in this section. After October first, a taxpayer that has claimed the maximum allotment may reapply to claim additional credits. For purposes of determining priority, the subsequent application must be placed in order with all other applications received.

(4) The tax credits authorized pursuant to this section remain the same unless an increased or decreased limit is authorized in the annual general appropriations act.

(E) 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.

(1) The tax credit must be claimed on the return for the tax year that the contribution is made.

(2) A taxpayer may not claim more than one hundred percent of his total tax liability for the tax year in contributions toward the tax credits authorized by section. This credit is not refundable. If the credit exceeds the taxpayer's tax liability for the taxable year, the excess amount may be carried forward for credit against the next ten succeeding taxable years.

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

(F) The department shall prescribe the form and manner of proof required to obtain the credits authorized by this article. Also the department shall develop a method of informing taxpayers and scholarship-funding organizations if the credit limit is met at any time during the year.

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

(2) Notwithstanding the maximum credit limits set forth in this article, if one of the eligible student-qualifying categories listed in subsection (D) reaches its limits but another eligible student-qualifying category has not reached its limit by October first of each tax year, then the department may transfer the unused credits to the eligible student qualifying category that has reached its limit. However, the credit only may be transferred and may not cumulatively allow more than the authorized annual cumulative total provided in this section. In

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considering a credit transfer under this item, those eligible student qualifying categories listed in subsection 12-6-3850(5)(b) [Disadvantaged Child], (c) [Exceptional Needs Child], (d) [Home School Child], and (a)[General Child] must have priority order when transferring credits.

Section 12-6-3875. (A) By September first of each year, the Treasurer shall publish on its website a list of all qualifying nonprofit scholarship-funding organizations for the succeeding calendar year, to include their names, addresses, telephone numbers, and, if available, website addresses and applicable audits.

(B) By January fifteenth of each year, the Treasurer shall report to the Chairman of the Senate Finance Committee, the Chairman of the House Ways and Means Committee, and the Governor:

(1) the number and total amount of scholarships issued by the scholarship-funding organizations to schools on behalf of eligible students that attended in the prior school year;

(2) the identity of the school that accepts eligible students and the amount of each scholarship issued to the school in the prior school year by each scholarship funding organization;

(3) an itemization and detailed explanation of fees or other revenues obtained from or on behalf of eligible students to a school by any scholarship-funding organization;

(4) a copy of each scholarship-funding 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;

(5) a copy of a compilation, review, or audit of each scholarship-funding organization conducted by a certified public accounting firm as provided to the Treasurer by each scholarship-funding organization in their application to participate in the program;

(6) the criteria and eligibility requirements for scholarship awards of each scholarship-funding organization as provided to the Treasurer by each scholarship-funding organization in their application to participate in the program; and

(7) any report required by this section may not specifically include the name, amount, or any other personally identifiable information of scholarship recipients.

Section 12-6-3880. (A)(1) The Treasurer and the department have authority to examine and audit the nonprofit scholarship-funding organizations, including determining whether the nonprofit scholarship-funding organization is being operated in a manner consistent with the

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requirements for an IRC Section 501(c)(3) organization or is in compliance with any other provision of this section.

(2)(a) If an audit by the Treasurer or department produces evidence 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 substantial provision of this section, the Treasurer or the department immediately may revoke the organization's participation in the program and shall notify the organization in writing of the revocation.

(b) Actual notice of revocation may be provided to the organization by personal delivery to the organization, by certified return receipt mail to the last known address of the organization, or by other means reasonably designed to provide actual notice to the organization.

(c) Any donations made following the date the actual notice of revocation are received by the organization do not qualify for the credit and the donated funds must be returned to the donor by the organization.

(d)(i) Within thirty days after the day on which the organization is provided actual notice of the revocation, the organization may request a contested hearing before the Administrative Law Court. Within seven 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 Treasurer or the department has the burden of proof of showing that the revocation was reasonable under the circumstances. The revocation is reasonable if the Treasurer or the department has substantial credible evidence 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 other substantial provisions of this article. If the organization does not request a contested case hearing within thirty days of the immediate revocation, the revocation is permanent.

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

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

(e) If at any time during the process, the Treasurer and department believes the organization is in compliance, the Treasurer may reinstate the organization.

(f) Following the permanent revocation of a nonprofit scholarship-funding organization, the Treasurer has the authority to oversee the transfer of donated funds of the revoked organization to other nonprofit scholarship-funding organizations.

(g) A scholarship-funding organization may transfer funds to another scholarship-funding organization if the organization ceases to exist. The funds that are transferred by one scholarship funding organization to another only may be considered by one organization when calculating its administrative expenses. The scholarship-funding organizations transferring and receiving the funds shall notify the Treasurer in writing within three days of the transfer. The notification may be made via electronic methodology.

SECTION 2.A. Section 12-6-3790 of the S.C. Code is repealed.

B. This SECTION takes effect upon the full implementation of this act as provided in SECTION 4.

SECTION 3. If any 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 section, subsection, paragraph, subparagraph, sentence, clause, phrase, and word thereof, irrespective of the fact that any one or more other sections, subsections, paragraphs, subparagraphs, sentences, clauses, phrases, or words hereof may be declared to be unconstitutional, invalid, or otherwise ineffective.

SECTION 4. This act takes effect upon approval by the Governor, provided that upon approval of this act by the Governor, the Treasurer shall begin undertaking and executing responsibilities incidental to the implementation of this act so that the provisions of this act may be fully implemented at the beginning of the 2024-2025 School Year.

Re-number sections to conform.

Amend title to conform.

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Senator FANNING spoke on the committee amendment.

The question then was the adoption of the committee amendment.

The amendment was adopted.

Amendment No. 2B

Senator FANNING proposed the following amendment (SMIN-285.MW0057S), with was ruled out of order:

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

SECTION X. Section 59-6-10 of the S.C. Code is amended to read:

~~Section 59-6-10. (A)(1) In order to assist in, recommend, and supervise implementation of programs and expenditure of funds for the Education Accountability Act and the Education Improvement Act of 1984, the Education Oversight Committee is to serve as the oversight committee for these acts. The Education Oversight Committee shall:~~

~~—— (a) review and monitor the implementation and evaluation of the Education Accountability Act and Education Improvement Act programs and funding;~~

~~—— (b) make programmatic and funding recommendations to the General Assembly;~~

~~—— (c) report annually to the General Assembly, State Board of Education, and the public on the progress of the programs;~~

~~—— (d) recommend Education Accountability Act and EIA program changes to state agencies and other entities as it considers necessary.~~

~~—— (2) Each state agency and entity responsible for implementing the Education Accountability Act and the Education Improvement Act funded programs shall submit to the Education Oversight Committee programs and expenditure reports and budget requests as needed and in a manner prescribed by the Education Oversight Committee.~~

~~—— (3) The committee consists of the following persons:~~

~~—— (a) Speaker of the House of Representatives or his designee;~~

~~—— (b) President of the Senate or his designee;~~

~~—— (c) Chairman of the Education and Public Works Committee of the House of Representatives or his designee;~~

~~—— (d) Chairman of the Education Committee of the Senate or his designee;~~

~~—— (e) Governor or his designee;~~

~~—— (f) Chairman of the Ways and Means Committee of the House of Representatives or his designee;~~

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~~—(g) Chairman of the Finance Committee of the Senate or his designee;~~

~~—(h) State Superintendent of Education or the superintendent's designee who shall be an ex-officio nonvoting member;~~

~~—(i) five members representing business and industry who must have experience in business, management, or policy to be appointed as follows: one by the Governor, one by the President of the Senate, one by the Speaker of the House, one by the Chairman of the Senate Education Committee, and one by the Chairman of the House Education and Public Works Committee; and~~

~~—(j) five members representing public education teachers and principals to be appointed as follows: one by the Governor, one by the President of the Senate, one by the Speaker of the House, one by the Chairman of the Senate Education Committee, and one by the Chairman of the House Education and Public Works Committee.~~

~~—(4) Initial appointment must be made by July 31, 1998, at which time the Governor or his designee shall call the first meeting. At the initial meeting, a chairman elected from the members representing the business and industry appointees and a vice chairman representing the education members shall be elected by a majority vote of the committee. The members appointed pursuant to items (1) through (8) may serve notwithstanding the provisions of Section 8-13-770. Their terms of office on the committee must be coterminous with their terms of office as Governor, Superintendent of Education, or members of the General Assembly.~~

~~—(B)(1) The terms of office of the members of the Education Oversight Committee, except for the legislative members, Governor, and State Superintendent of Education, are four years and until their successors are appointed and qualify except of those first appointed the terms must be staggered as follows:~~

~~—(a) initial terms of two years shall be served by the two members of the business and industry community appointed by the chairmen of the Education Committees;~~

~~—(b) initial terms of three years shall be served by the members of the education community appointed by the President of the Senate and the Speaker of the House; and~~

~~—(c) all other voting members shall serve initial four year terms. The terms of chairman and vice chairman shall be two years. At the end of each two year term, an election must be held for the chairmanship and vice chairmanship by majority vote of the members attending with~~

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~~quorum present. No member shall serve more than four consecutive years as chairman or vice chairman.~~

~~—(2) Members of the committee shall meet no less than once a quarter and annually shall submit their findings and recommendations to the General Assembly before March first of each fiscal year. The staff positions of the Education Oversight Committee and the people presently in those positions initially shall be transferred to the Education Oversight Committee as administrative staff to carry out its functions.~~Effective July 1, 2023, the Education Oversight Committee is abolished and its functions, powers and duties, responsibilities, and authority are devolved upon the State Department of Education.

(B)(1) A joint committee must be appointed to review and make recommendations as to which of the functions, powers, duties, responsibilities, and authority of the Education Oversight Committee are to be devolved upon the State Department of Education and which functions, powers, duties, responsibilities, and authority of the Education Oversight Committee are to be devolved upon the State Board of Education.

(2) The joint committee shall consist of five members appointed by the Chairman of the House Education and Public Works Committee and five members appointed by the Chairman of the Senate Education Committee. The Committee must be co-chaired by one member of the House and one member of the Senate.

(3) A report must be provided to Speaker of the House and the President of the Senate within ninety days after the first meeting of the joint committee, for the purpose of developing legislation to implement the requirements of subsection (A).

Renumber sections to conform.

Amend title to conform.

Senator FANNING explained the amendment.

Point of Order

Senator BENNETT raised a Point of Order under Rule 24A that the amendment was out of order inasmuch as it was not germane to the Bill.

Senator FANNING spoke on the Point of Order.

The PRESIDENT sustained the Point of Order.

The amendment was ruled out of order.

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Amendment No. 3

Senators SABB and SETZLER proposed the following amendment (SMIN-285.AA0013S), which was adopted:

Amend the bill, as and if amended, SECTION 1, by striking Section 12-6-3850(7) and inserting:

(7) "General child" means a child who is a South Carolina resident who, immediately before receiving a scholarship under this article and enrolling in an eligible school or program, was enrolled in a South Carolina secondary or primary public school or who is eligible to enroll in a qualified first grade, kindergarten, or a three or four year old prekindergarten program or received a scholarship pursuant to this article for the previous school year; provided, however, that if a student is considered to be an eligible student pursuant to this item, he shall continue to qualify as such until he graduates, reaches the age of twenty, or returns to a public school, whichever occurs first.

Renumber sections to conform.

Amend title to conform.

Senator SABB explained the amendment.

The amendment was adopted.

Amendment No. 4

Senator SABB proposed the following amendment (SMIN-285.MW0052S), which was adopted:

Amend the bill, as and if amended, SECTION 1, by striking Section 12-6-3850(15)(a) and inserting:

(a) the total amount of money charged for the cost of an eligible student to attend an eligible school including, but not limited to, fees for attending the school, textbook fees, tutoring, parental engagement programs involving a three- or four-year-old prekindergarten student, and/or transportation to and from school that is provided by the school. These costs may not be in excess of what is currently provided; and

Renumber sections to conform.

Amend title to conform.

Senator SABB explained the amendment.

The amendment was adopted.

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Amendment No. 5

Senator FANNING proposed the following amendment (SMIN-285.MW0021S), which was adopted:

Amend the bill, as and if amended, SECTION 1, by striking Section 12-6-3865(7)(e) and inserting:

(e) it does not have as a volunteer, contractor, consultant, fundraiser, or member of its governing board, any parent, legal guardian, or member of his immediate family who has a child or ward who is currently receiving or has received a scholarship authorized by this article from the organization within one year of the date the parent, legal guardian, or member of his immediate family became a board member. A person serving on the governing board of a nonprofit scholarship funding organization shall have a fiduciary duty to the donors and eligible students at schools served by the organization and shall resign if any conflicts of interest develop with the organization and those it serves;

Renumber sections to conform.

Amend title to conform.

Senator FANNING explained the amendment.

The amendment was adopted.

Amendment No. 6

Senator BENNETT proposed the following amendment (LC-285.SA0047S), which was adopted:

Amend the bill, as and if amended, SECTION 1, by striking Section 12-6-3855(B)(3) and inserting:

(3) Scholarships may be awarded by a scholarship funding organization to an eligible student qualifying and defined under Section 12-6-3850(5)(d) [Home School Child] for a school year in an amount not exceeding twenty percent of the amount of subsection (B)(1) above or the total cost of qualifying expenses, whichever is less. A scholarship funding organization may reimburse a parent directly for expenditures actually paid for qualifying expenses or pay vendors directly for qualifying expenses at the direction of the parent and on behalf of the home school child.

Renumber sections to conform.

Amend title to conform.

Senator BENNETT explained the amendment.

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The amendment was adopted.

Amendment No. 7

Senator MARTIN proposed the following amendment (LC-285.SA0015S), which was tabled:

Amend the bill, as and if amended, SECTION 1, by deleting Section 12-6-3850(5)(d).

Amend the bill further, SECTION 1, by deleting Section 12-6-3850(8) and (9).

Amend the bill further, SECTION 1, by striking Section 12-6-3850(15) and inserting:

(15) "Qualifying expense" means the total amount of money charged for the cost of an eligible student to attend an eligible school including, but not limited to, fees for attending the school, textbook fees, tutoring, and/or transportation to and from school that is provided by the school. These costs may not be in excess of what is currently provided.

Amend the bill further, SECTION 1, by deleting Section 12-6-3855(3).

Amend the bill further, SECTION 1, by deleting Section 12-6-3870(D)(2).

Amend the bill further, SECTION 1, by striking Section 12-6-3870(F)(2) and inserting:

(2) Notwithstanding the maximum credit limits set forth in this article, if one of the eligible student-qualifying categories listed in subsection (D) reaches its limits but another eligible student-qualifying category has not reached its limit by October first of each tax year, then the department may transfer the unused credits to the eligible student qualifying category that has reached its limit. However, the credit only may be transferred and may not cumulatively allow more than the authorized annual cumulative total provided in this section. In considering a credit transfer under this item, those eligible student qualifying categories listed in subsection 12-6-3850(5)(b) [Disadvantaged Child], (c) [Exceptional Needs Child], and (a)[General Child] must have priority order when transferring credits.

Re-number sections to conform.

Amend title to conform.

Senator MARTIN explained the amendment.

Senator CASH spoke on the amendment.

Senator DAVIS moved to lay the amendment on the table.

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The amendment was laid on the table.

Recorded Vote

Senator MARTIN desired to be recorded as voting against the motion to table the amendment.

Senator SETZLER asked unanimous consent to proceed to Amendment No. 10.

Amendment No. 10

Senator SETZLER proposed the following amendment (SF-285.CH0043S), which was adopted:

Amend the bill, as and if amended, SECTION 1, by striking Section 12-6-3870(D)(3) and inserting:

(3) If the South Carolina Department of Revenue determines that the total of the credits claimed in this section by all taxpayers exceeds the limit amount, it shall allow credits only up to those amounts on a first-come, first-served basis. Within the first forty-five days that the credits are available, persons as defined in SECTION 1 are only allowed to claim a total amount of ten thousand dollars in tax credits per person. After the forty fifth day, any remaining tax credits are available to all persons.

Re-number sections to conform.

Amend title to conform.

Senator SETZLER explained the amendment.

Senator DAVIS spoke on the amendment.

The amendment was adopted.

On motion of Senator SETZLER, with unanimous consent, Amendment No. 11 was withdrawn.

On motion of Senator DAVIS, with unanimous consent, Amendment No. 1 was withdrawn.

Amendment No. 8A

Senator MASSEY proposed the following amendment (SR-285.KM0061S), which was carried over and subsequently withdrawn:

Amend the bill, as and if amended, SECTION 1, by striking Sections 12-6-3850 and 12-6-3855 and inserting:

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(3) “Disadvantaged child” means a child or his family who meets the qualifications for federal Medicaid benefits, or whose family has an annual adjusted gross income of four hundred percent or less of the federal poverty guidelines as promulgated annually by the United States Department of Health and Human Services.

(4) “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;

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

(f) is a member in good standing of the South Carolina Association of Christian Schools, the South Carolina Independent Schools Association, the Palmetto Association of Independent Schools, the American Montessori Society, the International Montessori Council, or the National Association of Private Schools, or alternatively accredited by Cognia or the National Council for Private School Accreditation.

(5) “Eligible student” means a student who:

(a) meets the definition of “disadvantaged child”; or

(b) meets the definition of “home school child”; and

(c) is not a recipient of an Education Scholarship Trust Fund.

(6) “Home school” means a home, residence, or location where a parent or legal guardian teaches one or more children as authorized pursuant to Section 59-65-40, Section 59- 65-45, or Section 59-65-47.

(7) “Home school child” means any child attending an eligible home school.

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

(a) is registered and in good standing with the South Carolina Secretary of State;

(b) 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 tax code; and

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(c) is approved annually by the Treasurer and listed on the Treasurer's approved list, which must be published on the Treasurer's website;

(9) "Parent" means a resident of this State who is the natural or adoptive parent, legal guardian, custodian, or other person with legal authority to act on behalf of an eligible student.

(10) "Person" means an individual, partnership, corporation, or other similar entity.

(11) "Program" means the ACE scholarship program created by this article.

(12) "Public School" means a school operated by publicly elected or appointed school officials in which the program and activities are under the control of these officials and which is supported by public funds.

(13) "Qualifying expense" means:

(a) the total amount of money charged for the cost of an eligible student to attend an eligible school including, but not limited to, fees for attending the school, textbook fees, tutoring, or transportation to and from school that is provided by the school, or any combination thereof. These costs may not be in excess of what is currently provided; and

(b) in the case of an eligible home school student, the total amount of money charged for instruction-related expenditures to attend an eligible home school provider including, but not limited to, curriculum packages, textbooks, digital education, and testing materials.

(14) "Resident school district" means the public school district in which the student is domiciled.

(15) "Scholarship" means education funding allocated from an account established on a student's behalf pursuant to this article.

(16) "Treasurer" means the Office of the State Treasurer.

Section 12-6-3855. (A) A person is entitled to a tax credit against income taxes imposed pursuant to this chapter, or bank taxes imposed pursuant to Chapter 11 of this title, 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 section if:

(1) the contribution is used to provide scholarships for qualifying expenses to an eligible student enrolled in an eligible school; and

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

(B)(1) Scholarships may be awarded by a scholarship funding organization to an eligible student qualifying and defined under Section

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12-6-3850(5)(a)[Disadvantaged Child] for a school year in an amount not exceeding the actual state allocated revenue for each pupil as calculated by the Revenue and Fiscal Affairs Office and required to be published by the annual appropriations act or the total amount of qualifying expenses, whichever is less.

(2) Scholarships may be awarded by a scholarship funding organization to an eligible student qualifying and defined under Section 12-6-3850(5)(b) [Home School Child] for a school year in an amount not exceeding twenty percent of the amount of subsection (B)(1) above or the total cost of home school curriculum fees, whichever is less. A scholarship funding organization may reimburse a parent directly for expenditures actually paid for home school curriculum fees or pay vendors directly for home school curriculum fees at the direction of the parent and on behalf of the home school child.

(3) Once an eligible student receives a scholarship, he must receive priority status for future scholarships; provided, however, that the eligible student is in good standing with the school.

(C) Except as otherwise provided, the Department of Education, the Department of Revenue, the Treasurer, or any other state agency may not regulate the educational programs of a school that accepts eligible students receiving scholarships pursuant to this article.

Amend the bill further, SECTION 1, by striking Section 12-6-3870 and inserting:

(D)(1) The tax credits authorized for an eligible student qualified and defined under Section 12-6-3850(5)(a) [Disadvantaged Child] may not exceed a total of forty-five million dollars, each calendar year.

(2) The tax credits authorized for an eligible student qualified and defined under Section 12-6-3850 (5)(b) [Home School Child] may not exceed cumulatively a total of ten million dollars each calendar year.

(3) If the South Carolina Department of Revenue determines that the total of the credits claimed in this section by all taxpayers exceeds the limit amount, it shall allow credits only up to those amounts on a first-come, first-served basis. However before October first of each tax year, no taxpayer may claim more than fifty percent of the allotment for any of the tax credits allowed in this section. After October first, a taxpayer that has claimed the maximum allotment may reapply to claim additional credits. For purposes of determining priority, the subsequent application must be placed in order with all other applications received.

(4) The tax credits authorized pursuant to this section remain the same unless an increased or decreased limit is authorized in the annual general appropriations act.

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(E) 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.

(1) The tax credit must be claimed on the return for the tax year that the contribution is made.

(2) A taxpayer may not claim more than one hundred percent of his total tax liability for the tax year in contributions toward the tax credits authorized by section. This credit is not refundable. If the credit exceeds the taxpayer's tax liability for the taxable year, the excess amount may be carried forward for credit against the next ten succeeding taxable years.

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

(F) The department shall prescribe the form and manner of proof required to obtain the credits authorized by this article. Also the department shall develop a method of informing taxpayers and scholarship-funding organizations if the credit limit is met at any time during the year.

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

(2) Notwithstanding the maximum credit limits set forth in this article, if one of the eligible student-qualifying categories listed in subsection (D) reaches its limits but another eligible student-qualifying category has not reached its limit by October first of each tax year, then the department may transfer the unused credits to the eligible student qualifying category that has reached its limit. However, the credit only may be transferred and may not cumulatively allow more than the authorized annual cumulative total provided in this section. In considering a credit transfer under this item, those eligible student qualifying categories listed in subsection 12-6-3850(5)(a) [Disadvantaged Child], and (b) [Home School Child], must have priority order when transferring credits.

Renumber sections to conform.

Amend title to conform.

Senator MASSEY explained the amendment.

Senator DAVIS spoke on the amendment.

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

Amendment No. 9

Senator FANNING proposed the following amendment (LC-285.SA0038S), which was tabled:

Amend the bill, as and if amended, by striking SECTION 4 and inserting:

SECTION 4. This act takes effect upon approval by the Governor and expires on June 30, 2030, unless reauthorized by the General Assembly, provided that upon approval of this act by the Governor, the Treasurer shall begin undertaking and executing responsibilities incidental to the implementation of this act so that the provisions of this act may be fully implemented at the beginning of the 2024-2025 School Year.

Renumber sections to conform.

Amend title to conform.

Senator FANNING explained the amendment.

Senator BENNETT spoke on the amendment.

Senator BENNETT moved to lay the amendment on the table.

The amendment was laid on the table.

Amendment No. 12

Senator FANNING proposed the following amendment (SMIN-285.MW0018S), which was tabled:

Amend the bill, as and if amended, SECTION 1, by striking Section 12-6-3865(b) and inserting:

(b) it allocates at least ninety-eight percent of its annual contributions received during a particular year to provide scholarships to schools on behalf of eligible enrolled children and incurs administrative expenses annually of no more than two percent of its annual contributions for a particular year to cover operational costs;

Renumber sections to conform.

Amend title to conform.

Senator FANNING explained the amendment.

Senator DAVIS moved to lay the amendment on the table.

The amendment was laid on the table.

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Amendment No. 14

Senator FANNING proposed the following amendment (SMIN-285.MW0020S), which was adopted:

Amend the bill, as and if amended, SECTION 1, by striking Section 12-6-3850(15)(b) and inserting:

(b) in the case of an eligible home school student, the total amount of money charged for instruction-related expenditures to attend an eligible home school provider including, but not limited to, curriculum packages, textbooks, digital education, tutoring, and testing materials.

Re-number sections to conform.

Amend title to conform.

Senator FANNING explained the amendment.

The amendment was adopted.

Amendment No. 15

Senator MASSEY proposed the following amendment (SR-285.KM0070S), which was adopted:

Amend the bill, as and if amended, SECTION 1, by striking Section 12-6-3850(7) and inserting:

(7) "General child" means a child whose family has an adjusted gross income of four hundred percent or less of the federal poverty guidelines and who is a South Carolina resident who, immediately before receiving a scholarship under this article and enrolling in an eligible school or program, was enrolled in a South Carolina secondary or primary public school or who is eligible to enroll in a qualified first grade, kindergarten, or prekindergarten program or received a scholarship pursuant to this article for the previous school year; provided, however, that if a student is considered to be an eligible student pursuant to this item, he shall continue to qualify as such until he graduates, reaches the age of twenty, or returns to a public school, whichever occurs first.

Re-number sections to conform.

Amend title to conform.

Senator MASSEY explained the amendment.

The amendment was adopted.

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On motion of Senator MASSEY, with unanimous consent, Amendment No. 8A was withdrawn.

Senator FANNING spoke on the Bill.

The question then was second reading of the Bill.

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

Ayes 28; Nays 9

AYES

Adams	Alexander	Bennett
Campsen	Cash	Climer
Corbin	Cromer	Davis
Garrett	Grooms	Gustafson
Hembree	Jackson	<i>Johnson, Michael</i>
Kimbrell	Loftis	Malloy
Martin	Massey	Peeler
Rankin	Reichenbach	Rice
Shealy	Turner	Verdin
Young		

Total--28

NAYS

Allen	Fanning	Matthews
McElveen	McLeod	Sabb
Scott	Stephens	Williams

Total--9

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

REPORT RECEIVED

Subcommittee Report and Recommendations

The Constitutional Subcommittee of the Senate Finance Committee convened on four occasions to investigate the FY2022 Annual Comprehensive Financial Report (ACFR) \$3.5 billion restatement: February 9, 2023, February 16, 2023, February 23, 2023, and March 7,

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2023. The Subcommittee consists of Chairman LAWRENCE K. “LARRY” GROOMS, Senator J. THOMAS McELVEEN, III, Senator MIKE FANNING, Senator STEPHEN L. GOLDFINCH, and Senator TOM YOUNG, Jr.

February 9, 2023

Comptroller General Richard Eckstrom appeared before the Subcommittee to present Fiscal Year 2023-2024 budget requests for his office. After stating he had no requests, he notified the Subcommittee of the ACFR restatement. He stated that the ACFR overstated the amount of cash the State had in its General Fund for the past 10 years, attributing it to a “mapping error” in the State’s conversion to the South Carolina Enterprise Information System (SCEIS) beginning in 2007. However, subcommittee members found that his timeline of events leading to the restatement was unclear, and he could not adequately and succinctly explain exactly what happened. Therefore, the Subcommittee carried over his testimony.

February 16, 2023

The Subcommittee called General Eckstrom back for questioning under oath. Members found that he was still incapable of coherently articulating the reason for the \$3.5 billion restatement, despite knowing the Subcommittee wanted a succinct explanation and having a week to prepare, and that he either would not, or categorically, could not answer very direct and specific questions. Only when he called for aid from his staff were questions more clearly answered.

General Eckstrom’s staff reported that the restatement stems from a mistake in how State agencies with Audited Financial Statements (AFS) were classified in SCEIS, causing the ACFR to omit transfers of funds out from these agencies. The reported restatement is a result of the Office of the Comptroller General’s failure to incorporate a recurring solution to a \$1.3 billion conversion adjustment that occurred in 2017 when SCEIS became fully implemented. The Office of the Comptroller General believed the error that required the 2017 adjustment had been corrected, but because of a lack of oversight, the overstatement of general funds grew to a purported \$3.5 billion in 2022.

February 23, 2023

The subcommittee heard from the Office of the State Treasurer (STO), the Department of Administration (DOA), the Office of the State Auditor (OSA), and CliftonLarsonAllen LLP (CLA), an independent accounting firm contracted by the State to aid in audits. Testimony under oath from Treasurer Curtis Loftis and DOA Director Marcia Adams confirmed that the preparation, compilation, completion, and accuracy of the State’s

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ACFR is solely the responsibility of the Comptroller General. Remi Omisore, Principal Auditor of CliftonLarsonAllen LLP testified under oath that a restatement in the amount of \$3.5 billion is uncommon, and likely connected to a staffing shortage in the Office of the Comptroller General. The State Auditor, George Kennedy, reported under oath that the internal controls in the Office of the Comptroller General were insufficient to detect errors. Both Mr. Kennedy and Mr. Omisore noted that weakness in internal controls was a recurring concern in their audits of the Office over the last 10 years. The State Auditor informed the Comptroller General of these concerns in 2012, 2013, 2014, 2015, 2016, 2017, 2019, 2020, 2021, and 2022.

March 7, 2023

The Subcommittee requested that General Eckstrom appear before the subcommittee to respond under oath to the testimony provided on February 23rd. After having almost two weeks to prepare clear testimony and rebuttal, subcommittee members found that he continued to testify circuitously and avoided answering questions directly, continued to rely upon his staff for explanations, and deflected blame on to other offices and officers of the State. He testified that the OSA is responsible for both the accuracy of the ACFR and fund reconciliation, contrary not only to prior testimony from the STO, DOA, and OSA, but also to his own testimony on February 9th and 16th. He testified that he was “surprised” that the auditors felt his “internal controls were consistently weak,” despite being informed of those weaknesses over the vast majority of the last ten years in the form of Internal Controls Reports, which also contained his responses to those weaknesses. He later testified that the 2007 DOA “SCEIS team” was responsible for the original misclassification of AFS agencies, even though DOA Director Adams unequivocally testified that only General Eckstrom’s office had access to account classification. When asked if there were any other Offices of the State better suited to prepare the ACFR, and General Eckstrom responded no.

Among other notably troubling testimony was when General Eckstrom was directly asked whether he had hired a lawyer. He was evasive and explicitly denied having done so despite clear evidence in the possession of the Subcommittee. The Subcommittee read to General Eckstrom an email from an attorney dated that same day, notifying Senate staff that General Eckstrom had hired him. When given an opportunity to clarify, General Eckstrom insisted that the attorney was hired only for communication assistance.

March 9, 2023

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In a written response to General Eckstrom's testimony from March 7th, State Auditor George Kennedy and Remi Omisore of CliftonLarsonAllen LLP stated that cash reconciliations are the duty of the CGO to provide a control in the compilation of the ACFR. They also noted that performing the duties of the Comptroller General would inhibit their capacity to be objective and independent in their audits. They also reported not having the system access necessary to perform cash reconciliations.

The auditors agreed in part that the CGO doesn't have a responsibility for reconciling cash. However, they stated that General Eckstrom could have specified the two types of cash reconciliations necessary for the successful compilation of the ACFR: reconciliation to the banks, and reconciliation to the ACFR itself. Reconciliations to the banks are managed by the STO, and reconciliations to the ACFR are managed by the CGO. However, a reconciliation to the ACFR is achieved through collaboration between the CGO and STO.

The State Auditor also supplied the Subcommittee with Internal Control Reports dating from 2012 to 2022. "Reconciliation of cash and cash equivalents" was noted as a "material weakness" in auditing the CGO in 2013, 2014, 2015, 2017, and 2022. In 2012 it was reported as a "significant deficiency." In auditing the STO, "reconciliation of cash and cash equivalents" was reported as a "material weakness" in 2013 and 2015, and as a "significant deficiency" in 2017. "Reconciliations of cash and cash equivalents" wasn't reported as a deficiency or a weakness in audits of the STO once SCEIS was fully implemented in 2017.

March 13, 2023

The STO submitted a written response to General Eckstrom's testimony regarding reconciliations of cash on March 7th. The STO indicated that it is not aware of requests from the CGO to perform reconciliations differently. They also affirmed that "reconciliation of cash and cash equivalents" was reported as deficient by the SAO in 2013 and between 2015 and 2017, but that it was related to the legacy conversion from STARS to SCEIS and hasn't been featured in Internal Control Reports since then.

Information Requests

During the investigation, the Subcommittee sent letters to General Eckstrom requesting correspondence surrounding the \$3.5 billion restatement. The responses provided by General Eckstrom were either incomplete or not related to the request at all.

In response to the letter sent on February 17th, 2023, requesting correspondence related to the restatement itself, he replied by furnishing

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emails dated between October 2022 and January 2023. Based on prior testimony from General Eckstrom, it was the belief of the Subcommittee that there was additional correspondence prior to October 2022 and after January 2023. Subsequently, an additional letter was sent requesting correspondence before October 2022 and until February 2023 on February 24th. To date, General Eckstrom has not responded to that request.

On March 9th, the Subcommittee sent General Eckstrom a letter requesting all correspondence to the STO or any other agency showing that the CGO communicated its needs and expectations as to closing packages and reconciliations necessary to prepare an accurate ACFR. Further, the Subcommittee asked for any correspondence from the CGO to the STO indicating that the STO's reconciliation methods and packages were inadequate or insufficient for the CGO to successfully compile the ACFR. On March 13th, General Eckstrom responded that he was "unable to locate" any pertinent correspondence dating back ten years and the information he provided was unrelated to the Subcommittee's request.

Also in his March 13th response, the CGO provided a 2014 email between General Eckstrom and Mr. Rich Gilbert, the State's Interim auditor at that time. In the email Mr. Gilbert cites proviso 96.2, in which the General Assembly directs the Comptroller General "as the State Accounting Officer, to maintain a Statewide Accounting and Reporting System that will result in proper authorization and control of agency expenditures... and in the preparation and issuance of the official financial reports for the State of South Carolina. [T]he Comptroller General is given full power and authority to issue accounting policy directives to state agencies in order to comply with GAAP. The Comptroller General is also given full authority to conduct surveys, acquire consulting services, and implement new procedures required to implement fully changes required by GAAP". This proviso has been in place since FY2004.

Recommendations

Given the findings of this investigation, the Subcommittee makes the following recommendations:

Whereas, the Comptroller General of the State is statutorily charged with implementing appropriate accounting procedures to consolidate accounts, in connection with lump sum agencies, as necessary for proper accounting and for financial reporting in accordance with Generally Accepted Accounting Principles; for establishing rules and regulations for the uniform reimbursement, remittance, and transfers of funds to the

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general fund of the State as required by law; and for the oversight, operation, and implementation of The South Carolina Enterprise Information System Oversight Committee; and,

Whereas, the Comptroller General provides a detailed report of the State's spending in the Annual Comprehensive Financial Report, which is used by investors and rating agencies to judge the financial health of the State and is certified by the Comptroller General's signature as true and accurate; and,

Whereas, it is undisputed that Comptroller General Eckstrom, over the span of ten years, overstated the General Fund of this State by a purported three billion five hundred thirty million and no/100ths (\$3,530,000,000.00) dollars in previous Annual Comprehensive Financial Reports; and,

Whereas, in Note 15 of the FY2022 Annual Comprehensive Financial Report, released in December 2022, General Eckstrom provided a restatement explaining the three billion five hundred thirty million and no/100ths (\$3,530,000,000.00) dollars overstatement, describing it to be a result of a "mapping error," having origins in the State's conversion to the South Carolina Enterprise Information System; and,

Whereas, General Eckstrom addressed the restatement on January 17th, 2023, before the Constitutional Subcommittee of the House Ways & Means Committee; and,

Whereas, General Eckstrom addressed the restatement on February 9th, 2023, during a budget hearing of the Constitutional Subcommittee of the Senate Finance Committee testifying that he notified rating agencies of the overstatement; that the rating agencies are only concerned with numbers "ten times bigger"; that he described the issue of the restatement as "troubling times," but denied needing neither additional staff nor funding from the State when asked directly; and,

Whereas, on the same afternoon, Senate Finance Committee Chairman Harvey Peeler charged the Constitutional Subcommittee with investigating the restatement further; and,

Whereas, the Constitutional Subcommittee reconvened on February 16, 2023, to again hear from General Eckstrom, whose sworn testimony that day was described by Subcommittee members as "confusing", "obfuscated", "bizarre", "concealed", "nonchalant", "cavalier", "evasive", and "incoherent"; that subcommittee members found him incapable of answering any questions posited with confidence of certainty; that General Eckstrom did not take responsibility for a decade long error wholly under his statutory purview; that at the request of the Subcommittee, General Eckstrom provided a timeline of events leading

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to the restatement which contradicted his verbal testimony that he “knew of a problem” Summer 2022; that General Eckstrom demonstrated conclusively he knew of the issue at least as early as October 2022, but did not inform appropriate State leaders until December 2022; that the Chairman of the Senate Finance Committee was not directly informed of the restatement prior to the February 9th budget hearing; that the Subcommittee determined General Eckstrom to be “detached from the severity” of the restatement, and “deflecting blame” onto other offices and officers of the State; and,

Whereas, on February 17, 2023, the Subcommittee sent General Eckstrom a letter requesting correspondence related to the Fiscal Year 2022 Annual Comprehensive Financial Report and the three billion five hundred thirty million and no/100ths (\$3,530,000,000.00) dollars restatement; that the Office of the Comptroller General replied to that request on February 17, 2023, and furnished related emails dated between October 2022 and January 2023; and,

Whereas, in email correspondence submitted to the subcommittee, staff of the Office of the Comptroller General reported that deadlines to complete the Annual Comprehensive Financial Report impeded the capacity to properly perform an analysis of the document; that there was confusion over the dollar amount to report in the restatement; that there was a five hundred and five million and no/100ths dollars (\$505,000,000.00) “cash issue” for the South Carolina Department of Transportation, which was not mentioned in Note 15 of the Annual Comprehensive Financial Report, nor presented as testimony until March 7; that General Eckstrom referred to the restatement error as a “long standing riddle”; that there was discussion between General Eckstrom and staff regarding disclosing the restatement to the Electronic Municipal Market Access division of the Municipal Securities Rulemaking Board; and that Moody’s Analytics had serious questions and concerns related to the restatement, despite General Eckstrom’s testimony to the contrary.

Whereas, it was the belief of the Subcommittee based on testimony provided on February 9, 2023, and February 16, 2023, that there was correspondence in addition to what was provided by the Office of the Comptroller General on February 17th, 2023; that on February 24, 2023, the Subcommittee sent a letter to General Eckstrom requesting further correspondence dated before October 2022 and until February 2023 correlating with the Fiscal Year 2022 Annual Comprehensive Financial Report and the three billion five hundred thirty million and no/100ths

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(\$3,530,000,000.00) dollars restatement, and that General Eckstrom has yet as of the date of this report to respond to this request; and,

Whereas, the Constitutional Subcommittee reconvened on February 23, 2023, to hear testimony from the Office of the State Treasurer, the Department of Administration, the Office of the State Auditor, and CliftonLarsonAllen, LLP; and,

Whereas, on February 23, 2023, State Treasurer Curtis Loftis testified under oath that the preparation and responsibilities of the Annual Comprehensive Financial Report lies entirely within the Office of the Comptroller General; that the Office imposed tight, artificial deadlines in compiling the report in pursuit of unjustified accolades from professional associations; that the Office of the State Treasurer provides to the Office of the Comptroller General information in the form of closing packages for report compilation, and that the Office of the Comptroller General is responsible for specifying what information it needs in those packages; and,

Whereas, on February 23, 2023, Director Marcia Adams of the Department of Administration testified under oath that the restatement error is a result of misclassifying Audited Financial Statement agencies within the South Carolina Enterprise Information System; that this misclassification caused an exclusion of these agencies' transactions in the Annual Comprehensive Financial Report; that the Office of the Comptroller General is responsible for the proper classification of agencies within the South Carolina Enterprise Information System; that the Office of the Comptroller General notified the Department of Administration on December 5, 2022, of the error, and further requested the formation of a multi-agency working group between the Office of the Comptroller General, the Office of the State Treasurer, and staff of the South Carolina Enterprise Information System; that on January 6th, 2023, the Office of the Comptroller General identified a solution to prevent future restatements, which included properly reclassifying accounts in the South Carolina Enterprise Information System, as well as performing routine cash reconciliations; and,

Whereas, on February 23, 2023, State Auditor George Kennedy and Remi Omisore of CliftonLarsonAllen LLP testified under oath jointly, noting the disclosure of material weaknesses in their audits of the Office of the Comptroller General over the past ten years, citing weak internal controls as thematic; that, in their audits of the Office, the lack of an appropriately robust quality control process in Annual Comprehensive Financial Report compilation was repeatedly noted, and that the lack of quality assurances processes inhibits the ability of the Office to

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adequately review the document for accuracy and consistency; that there has been a recurring need to perform reconciliations of the State's pooled cash and investment so as to provide an appropriate control in supporting the allocation of cash and investments presented in the Annual Comprehensive Financial Report; and,

Whereas, on February 23, 2023, State Auditor George Kennedy also testified that had the Office of the Comptroller General regularly performed cash reconciliations, and had more staff members to ensure proper financial reporting, the error would have likely been prevented; and,

Whereas, on March 7, 2023, the Constitutional Subcommittee reconvened to provide General Eckstrom an opportunity to respond to testimony provided under oath from February 23rd, 2023; and,

Whereas, on March 7, 2023, General Eckstrom's testimony under oath was perceived as oblique by subcommittee members, and he continued to be incapable of answering questions directly; that General Eckstrom testified that the Office of the State Auditor and CliftonLarsonAllen LLP shared responsibility for the Annual Comprehensive Financial Report, which contradicted prior testimony from the Office of the State Treasurer, the Department of Administration, the Office of the State Auditor, and CliftonLarsonAllen LLP, who all affirmed that the responsibility of the Annual Comprehensive Financial Report belongs exclusively to the Comptroller General; that General Eckstrom continued to deny responsibility for the original account misclassifications in the South Carolina Enterprise Information System, which not only contradicts prior testimony heard from the State Treasurer's Office and the Department of Administration, but also his agency's website that affirms his responsibility as "chief fiscal watchdog" to "properly" classify accounts and their transactions; and,

Whereas, on March 7, 2023, General Eckstrom testified under oath that he was "surprised" that the State Auditor testified that his office had "weak internal controls" over the course of ten years, when in fact he had been informed annually of those weaknesses in the form of "Independent Auditors' Reports", and provided written responses acknowledging and addressing each of them to the Office of the State Auditor and CliftonLarsonAllen LLP; that the Office of State Treasurer was responsible for reconciling funds to the Annual Comprehensive Financial Report even though the State Treasurer previously testified having neither the authority nor the ability to do so; that General Eckstrom testified that he was responsible for subjecting his staff to strict deadlines, and speculated the error would have been intercepted sooner

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had he allotted them more time; that General Eckstrom, only when asked directly by subcommittee members, testified that there was a separate error in reporting the amount of funds for the South Carolina Department of Transportation, and that this separate error “netted out” the restatement amount to three billion five hundred thirty million and no/100ths (\$3,530,000,000.00) dollars;

Whereas, the Subcommittee members described the testimony General Eckstrom provided under oath on March 7, 2023, as “confusing”, “unreliable”, “inaccurate”, “deceptive”, and “opaque” testimony under oath on March 7, 2023; that General Eckstrom admitted the restatement amount exceeded three billion five hundred thirty million and no/100ths (\$3,530,000,000.00) dollars, inconsistent with not only the amount reported in the Fiscal Year 2022 Annual Comprehensive Financial Report, but also his own testimony on February 9th and February 16th; that General Eckstrom absolutely denied having hired a lawyer, and when confronted with documentary proof of having done so, he testified under oath that it was for “communication” purposes only; and,

Whereas, on March 9, 2023, State Auditor George Kennedy provided the Subcommittee a written response to the testimony of General Eckstrom on March 7, stating that cash reconciliations are the duty of the Office of the Comptroller General to provide a control in the compilation of the Annual Comprehensive Financial Report; that the duties General Eckstrom stated were the responsibilities of the Office of the State Auditor were instead the responsibilities of the Office of the Comptroller General; that performing the duties of the Office of the Comptroller General would inhibit the auditors’ capacity to be objective and independent in their audits; that they do not have the system access necessary in the South Carolina Enterprise Information System; and,

Whereas, State Auditor George Kennedy stated in his written response on March 9, 2023, to the testimony General Eckstrom provided under oath on March 7, 2023, that the Office of the State Treasurer manages cash reconciliations to the bank and the Office of the Comptroller General manages cash reconciliations to the Annual Comprehensive Financial Report itself; that both types of reconciliations are necessary for the successful compilation of an accurate Annual Comprehensive Financial Report and that a full reconciliation is only achieved through collaboration between the Office of the Comptroller General and the Office of the State Treasurer; and,

Whereas, on March 13, 2023, the Office of the State Treasurer submitted a written response to the testimony General Eckstrom

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provided under oath on March 7, 2023, indicating that the Office of the State Treasurer was not aware of any requests from the Office of the Comptroller General to perform reconciliations differently; that reconciliations of cash and cash equivalents on behalf of the Office of the State Treasurer were found to be material weaknesses in 2013 and 2015, and as a significant deficiency in 2017, but that the material weaknesses and the significant deficiency was related to the transition from the legacy accounting system to the South Carolina Enterprise Information System, and was not found as a deficiency in audits after 2017 when the South Carolina Enterprise Information System was fully implemented; and,

Whereas, on March 9, 2023, in view of the testimony General Eckstrom provided the Subcommittee that the State Treasurer was responsible for reconciling funds to the Annual Comprehensive Financial Report, the Subcommittee sent a letter to General Eckstrom requesting that he supply correspondence with the Office of the State Treasurer or any other agency of the State delineating their needs and expectations concerning necessary closing packages and reconciliations to prepare an accurate Annual Comprehensive Financial Report; that he also provide correspondence that communicated the manner in which the Office of the State Treasurer reconciled cash was insufficient or inadequate for the Office of the Comptroller General to successfully compile the Annual Comprehensive Financial Report; and,

Whereas, on March 13, 2023, General Eckstrom provided a written response to the March 9 request of the Subcommittee, stating that he was “unable to locate” any associated correspondence dating back ten years; that the Subcommittee found the information General Eckstrom provided was either unrelated to the actual request, or was information previously received in the form of testimony; and,

Whereas, General Eckstrom supplied the Subcommittee in his written response on March 13, 2023, with an email from 2014 between himself and Mr. Rich Gilbert, South Carolina Interim State Auditor for that year; and,

Whereas, in the 2014 email Mr. Gilbert cited proviso 96.2 of the Fiscal Year 2014 Appropriations Act, in which the General Assembly directs the Comptroller General “as the State Accounting Officer, to maintain a Statewide Accounting and Reporting System that will result in proper authorization and control of agency expenditure and in the preparation and issuance of the official financial reports for the State of South Carolina”; and,

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Whereas, per Proviso 96.2 of the Fiscal Year 2014 Appropriations Act, “The Comptroller General is given full power and authority to issue accounting policy directives to state agencies in order to comply with Generally Accepted Accounting Principles; that “the Comptroller General is also given full authority to conduct surveys, acquire consulting services, and implement new procedures required to implement fully changes required by Generally Accepted Accounting Principles”; and,

Whereas, Proviso 96.2 has been placed in the Appropriations Act each fiscal year since 2014, and can be found in the most recent Appropriations Act as Proviso 97.2.

Therefore, in view of the above, it is the collective opinion of the Subcommittee that:

1. Comptroller General Richard Eckstrom has repeatedly demonstrated his inability to perform statutory duties of the office to which he was elected;
2. That Comptroller General Richard Eckstrom should be relieved of his duties of his office;
3. That the General Assembly begin proceedings to remove Comptroller General Richard Eckstrom from office “for willful neglect of duty or other reasonable cause, which shall not be sufficient ground of impeachment” pursuant to Title XV Section 3 of the Constitution of the State of South Carolina;
4. That the responsibilities of the Office of the Comptroller General be transferred to other appropriate offices of the State;
5. That the Senate Finance Committee recommend which offices of the State receive those responsibilities;
6. That the General Assembly advance an amendment to the Constitution of the State of South Carolina, to remove the Comptroller General as an elected office.

A copy of the full report, including attachments, can be found here:
<https://www.scstatehouse.gov/CommitteeInfo/SenateFinanceConstitutionalSubComm/Sub%20Report%20PDF%203.15.pdf>

LOCAL APPOINTMENT

Confirmation

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

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Initial Appointment, Richland County Magistrate, with the term to commence April 30, 2023, and to expire April 30, 2027

John R. McLeod, 32 Braddock Point, Columbia, SC 29209-0809
VICE Tobias Ward

Motion Adopted

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

MOTION ADOPTED

On motion of Senator MATTHEWS, with unanimous consent, the Senate stood adjourned out of respect to the memory of Judge Richard E. Fields of Charleston, S.C. Judge Fields was a graduate of Avery Institute, West Virginia State College and Howard University School of Law. He was the first African-American to open a law practice and become a litigator in Charleston. He was the first African-American elected to a judicial office in the southeast and served as a City of Charleston Municipal Judge. Judge Fields served as a Family Court Judge for five years and as Circuit Court Judge, Ninth Judicial Circuit from 1980 until his retirement in 1992. He was an dedicated member of Centenary Methodist Episcopal Church. Judge Fields served on numerous boards including the Charleston County Chamber of Commerce, Bon Secours St. Francis Hospital, Florence Crittenden Home and Charleston School of Law to mention a few. He received many awards and honors including the South Carolina Voter Education Project award, Cent for Heirs Property award, Harvey Gantt Triumph award, Major for Justice award and the Order of the Palmetto to mention a few. Judge Fields was a loving father and dedicated South Carolinian who will be dearly missed.

and

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MOTION ADOPTED

On motion of Senators SHEALY, SETZLER, MASSEY, CROMER and HARPOOTLIAN with unanimous consent, the Senate stood adjourned out of respect to the memory of Mr. Howard Neal Rawl of Lexington, S.C. Howard graduated from Clemson Agricultural College and was a member of many agricultural associations including Future Farmers of America. He was a partner in Walter P. Rawl & Sons. He enjoyed spending time with his family and attending Clemson football games. He was a lifetime member of IPTAY and served on the Clemson University Board of Visitors. He was a member of the Lexington Masonic Lodge, Clover Leafs Square Dance Club, the Hollow Creek Community Club and Lakeals men's group. Howard was a loving father and doting grandfather who will be dearly missed.

ADJOURNMENT

At 6:26 P.M., on motion of Senator MASSEY, the Senate adjourned to meet tomorrow at 11:00 A.M.

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