



South Carolina House of Representatives

# Legislative Update

Robert W. Harrell, Jr., Speaker of the House

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***NOTE: THESE SUMMARIES ARE PREPARED BY THE STAFF OF THE SOUTH CAROLINA HOUSE OF REPRESENTATIVES AND ARE NOT THE EXPRESSION OF THE LEGISLATION'S SPONSOR(S) OR THE HOUSE OF REPRESENTATIVES. THEY ARE STRICTLY FOR THE INTERNAL USE AND BENEFIT OF MEMBERS OF THE HOUSE OF REPRESENTATIVES AND ARE NOT TO BE CONSTRUED BY A COURT OF LAW AS AN EXPRESSION OF LEGISLATIVE INTENT.***

# HOUSE WEEK IN REVIEW

The House of Representatives approved and sent to the Senate **H.3185**, the “**SOUTH CAROLINA HIGHER EDUCATION TRANSPARENCY ACT OF 2011**”. This legislation requires each public institution of higher learning to maintain a detailed transaction register of all funds expended each month and post that register online. The register must be searchable and updated once a month. The legislation outlines requirements for implementation and provides certain exceptions. Also, each public institution of higher learning must post online all of its monthly credit card statements and the credit card statements for credit cards issued to its officers and employees for official use. If the Comptroller General's office posts the same credit card information on its website, the institution may provide information on how to access its credit card information on the Comptroller General's website in lieu of complying with the these requirements.

The House concurred in Senate amendments to **H.3286**, relating to the **PAYMENT OF EXTENDED UNEMPLOYMENT BENEFITS**, and enrolled the bill for ratification. This legislation revises the method for calculating certain funding indicators to allow South Carolinians to take full advantage of federally funded extensions in unemployment benefits. The legislation also provides for the establishment of a separate Department of Employment and Workforce interest assessment fund and includes other revisions to Department of Employment and Workforce provisions.

The House amended, approved, and sent to the Senate **H.3095**, a bill relating to **TRANSFER FEE COVENANTS**, which are provisions purporting to run with the land or bind current owners or successors in title to specified real property that obligate a transferee or transferor of all or part of the property to pay a fee or charge to a third person upon transfer of an interest in all or part of the property, or in consideration for permitting this transfer. The bill provides a transfer fee covenant recorded after the effective date of this legislation, or any lien to the extent that it purports to secure the payment of a transfer fee, is not binding on or enforceable against the affected real property or any subsequent owner, purchaser, or mortgagee of any interest in the property. Nothing in this legislation may imply that a transfer fee covenant recorded before the effective date of this legislation is valid or enforceable.

The House approved and sent to the Senate **H.3295**, a bill allowing certain **HOMEOWNERS ASSOCIATIONS TO OBTAIN A LICENSE TO SELL ALCOHOLIC LIQUORS BY THE DRINK**. Specifically, this legislation allows a homeowner's association, chartered as a nonprofit organization by the Secretary of State, whose membership is limited to individuals who own property in the residential community and whose affairs are governed by a board of directors elected by the membership, to be eligible for a license to sell alcoholic liquors by the drink. No member, officer, agent, or employee of the association may be paid a salary or other form of compensation from any of the profit of the sale of alcoholic beverages, except as may be voted on at a meeting of the governing body nor shall the salaries or compensation be in excess of reasonable compensation for the services actually performed. Upon dissolution of the homeowner's association, the remaining assets, if any, may be distributed to its members.

The House amended, approved, and sent to the Senate **H.3112**. This bill revises provisions for **PLACARDS ISSUED BY THE DEPARTMENT OF MOTOR VEHICLES FOR HANDICAPPED PARKING** to allow users to cover the portion of the placard that displays the user's photograph. The covering must be easily removable and the photograph must be shown when it is requested by law enforcement agents.

The House approved and sent to the Senate **H.3122**, which relates to the **DEPARTMENT OF MOTOR VEHICLES ISSUANCE OF SPECIAL PERMITS TO MOVE VEHICLES** during an emergency. This bill expands the use of these permits. This bill deletes the term "move" and replaces it with the term "operate". The bill deletes the provision that restricts the issuance of the permits to emergency situations, removes the restriction placed on the number of permits that may be issued for a vehicle, and revises the information that must be specified on the permit.

The House approved and sent to the Senate **H.3351**, a bill declaring January 17 of each year as "**EARTHA KITT DAY**" in South Carolina in honor of the late Eartha Mae Kitt, nationally and internationally known actress, singer, and native South Carolinian.

## HOUSE COMMITTEE ACTION

### AGRICULTURE, NATURAL RESOURCES, AND ENVIRONMENTAL AFFAIRS

The full Agriculture, Natural Resources, and Environmental Affairs Committee did not meet.

### EDUCATION AND PUBLIC WORKS

The Education and Public Works Committee met on Wednesday, February 2, and one bill was on the agenda. **H.3241** pertaining to **CHARTER SCHOOLS**, received a majority favorable with amendment and minority unfavorable report. However, as of the publication deadline for the *Legislative Update*, the proposed amendment was unavailable.

## JUDICIARY

The Judiciary Committee met on Tuesday, February 1, and reported out four items.

The Judiciary Committee gave a favorable report to **H.3375**. This legislation enacts the “**SOUTH CAROLINA FAIRNESS IN CIVIL JUSTICE ACT OF 2011**,” which provides tort reform in five areas of our legal system.

**H.3375** caps the award of **punitive damages** at three times compensatory damages or \$350,000, whichever is greater. The limitation on punitive damages does not apply in situations involving: intentional conduct; conviction of a felony criminal charge in the course of conduct that gives rise to the damages; and intoxication. The bill provides that (1) a claim for punitive damages must be specifically prayed for in a complaint; (2) the plaintiff shall not specifically plead an amount of punitive damages, only that punitive damages are sought; (3) a bifurcated trial on punitive damages must be held before the same finder of fact; and (4) a "clear and convincing" evidence standard must be used for an award of punitive damages with eleven factors to be considered by the finder of fact in awarding punitive damages. Punitive damages may be considered if compensatory damages have been awarded in the first stage of the trial. An award of nominal damages cannot support an award of punitive damages. If punitive damages are awarded, the trial court shall review the jury's decision to ensure that the award is not excessive or the result of passion or prejudice.

A part of this legislation is the "**Private Attorney Retention Sunshine Act**". The bill establishes parameters under which the Attorney General or a circuit solicitor may retain outside counsel. In contingent fee cases, the bill sets up a sliding scale for compensation to be received by the outside counsel based upon the amount of the award. The Attorney General or circuit solicitor shall retain 10% of outside counsel's fees, and all other proceeds are to be used for the State of South Carolina or the victims based on the Attorney General or solicitor's judgment. Outside counsel must provide the Attorney General or solicitor a detailed account of all work performed each month. Outside counsel shall be reimbursed for reasonable costs and expenses when expressly authorized by the Attorney General or solicitor; certain items must be authorized in advance. A circuit solicitor or the Attorney General may depart from the guidelines by publicly disclosing the reasons for the departure and that the departure was in the best interests of the State; this information is public record subject to disclosure pursuant to the Freedom of Information Act.

**H.3375** makes **revisions to the Statute of Repose**. The bill provides that building code violations do not constitute per se fraud, gross negligence or recklessness, but such violations may be introduced as evidence of fraud, gross negligence, or recklessness.

The legislation establishes a **cap on the bond a business must post to file an appeal in a civil lawsuit**. The legislation limits the amount of an appeal bond that a court can order posted to the amount of the judgment or \$25 million dollars for a large business or \$1 million for all other entities or individuals, whichever is less. Large businesses are defined based on gross receipts and number of employees.

Also, **H.3375** repeals the current statutory prohibition on admissibility of failure to use a **seat belt**.

**H.3246**, a bill relating to **ALCOHOLIC ENERGY DRINKS AND CAFFEINATED MALT BEVERAGES**, received a favorable with amendment recommendation. This bill prohibits the importation, production, manufacture, distribution, or sale of alcoholic energy drinks and caffeinated malt beverages. The bill provides definitions for the terms “alcoholic energy drink” and “caffeinated malt beverage”. A person or entity who violates a provision of this legislation or a rule or regulation promulgated by the Department of Revenue or the State Law Enforcement Division pertaining to this legislation, upon conviction, must be fined not less than \$100 hundred dollars nor more than \$500 dollars, or imprisoned for not less than 30 days nor more than six months, or both, in the discretion of the court. Also, a person must forfeit his permit and is not authorized, for a period of two years after conviction, to engage in a business taxable under the provisions relating to beer, ale, porter and wine.

**H.3104**, relating to entering a **SATISFACTION OF MORTGAGE** in the public record, received a favorable report. This legislation allows these documents to be acknowledged pursuant to the Uniform Recognition of Acknowledgments Act. The legislation includes an acknowledgement form in the satisfaction affidavit.

**H.3221** also received a favorable recommendation. This legislation requires the **DEPARTMENT OF REVENUE TO FILE ELECTRONICALLY ALL DOCUMENTS RELATING TO THE ENFORCED COLLECTION OF TAXES DUE** with county clerks of court and registers of deeds in those counties which accept electronic filings.

## **LABOR, COMMERCE AND INDUSTRY**

The full Labor, Commerce and Industry Committee met on Tuesday, February 1, and reported out several bills.

The committee gave a favorable report on **H.3373**, a bill **REMOVING CERTAIN EXEMPTIONS FROM THE REQUIREMENT FOR AN AUTOMOBILE INSURER TO WRITE COVERAGE** for an applicant or existing policyholder. The legislation provides for revisions that expand the book of business for the state’s automobile insurers, accommodating the needs of residents from other states who spend only a portion of the year in South Carolina as well as citizens of foreign nations brought here as a result of South Carolina’s international business presence.

The committee gave a report of favorable with amendment on **H.3332**, a bill revising **DRIVER TRAINING COURSE CREDITS** that allow for a reduction in premium charges for automobile insurance liability and collision coverage for adult drivers who successfully complete approved driver training courses and refresher courses. The legislation lowers from eight hours to three hours the course requirement that allows an adult driver to be eligible to receive the driver training course credit from his insurer.

The committee gave a report of favorable with amendment on **H.3344**, the “**UNFAIR DISCRIMINATION AGAINST SUBJECTS OF ABUSE IN INSURANCE ACT**”. The legislation provides that it is unfair discrimination for an insurer to deny, refuse to issue or renew, cancel, restrict or exclude coverage, deny a claim or limit payments, or add a premium differential to a policy or certificate of coverage on the basis that an applicant or

insured has been or is perceived to have been abused or may be a subject of abuse by a current or former family member, household member, intimate partner, or caretaker. The legislation establishes penalties for violations, including fines up to two hundred thousand dollars.

The committee gave a report of favorable with amendment on **H.3301**, a bill relating to the **PLACEMENT OF DISPLAY MODEL MODULAR HOMES**. The legislation revises standards for placement of modular homes, so as to provide circumstances in which a modular home used as a display model may be placed for its first residential use.

## **MEDICAL, MILITARY, PUBLIC AND MUNICIPAL AFFAIRS**

The full Medical, Military, Public and Municipal Affairs Committee did not meet.

## **WAYS AND MEANS**

The full Ways and Means Committee did not meet.

# **BILLS INTRODUCED IN THE HOUSE THIS WEEK**

## **AGRICULTURE, NATURAL RESOURCES, AND ENVIRONMENTAL AFFAIRS**

### **H.3562 "ALL-TERRAIN VEHICLE SAFETY ACT" - "CHANDLER'S LAW" Rep. Ott**

The legislation provides that it is unlawful for the parents or legal guardian of a person less than nine years old to knowingly permit that person to operate an ATV. It further outlines that it is unlawful for a parent or legal guardian of a person without a driver's license and less than sixteen years old to knowingly allow that person to carry a passenger while operating an ATV. The bill outlines safety course completion requirements as well as safety equipment requirements. The legislation provides penalties for violations.

### **H.3569 COASTAL TIDELANDS AND WETLANDS Rep. Loftis**

This bill outlines that before the SC Department of Health and Environmental Control issues a staff decision on a coastal tidelands or wetlands permit application, the applicant must be provided the opportunity to review a copy of the draft decision or permit. In addition, the applicant must be given the opportunity to meet with the appropriate staff before issuing the staff decision.

### **H.3570 COASTAL TIDELANDS AND WETLANDS Rep. Loftis**

This bill outlines that when the SC Department of Health and Environmental considers the economic benefits of an activity in or alteration of a critical area when providing permits for critical areas in the coastal tidelands and wetlands, the economic benefit analysis must include the effect the project will have on the ability of small business to create and sustain jobs.

**H.3571 COASTAL TIDELANDS AND WETLANDS Rep. Loftis**

The legislation states that if the permit application requirement to provide a plat of the area requires the plat to include any more than a standard boundary survey, the requirement must be governed by the SC Department of Health and Environmental Control regulations.

**H.3586 FISHING PIERS Rep. Hardwick**

The legislation deletes from the exemptions dealing with new construction or reconstruction seaward of the baseline, certain piers and associated structures, public and private, existing on September 21, 1989.

**H.3587 DREDGING CANALS Rep. Edge**

This legislation adds an exemption for maintenance dredging by counties or municipalities of certain canals if the dredging is authorized by the US Army Corps of Engineers. The legislation also provides that all other state certifications for such dredging are waived.

**H.3590 "SOUTH CAROLINA BEVERAGE CONTAINER RECYCLING ACT"  
Rep. J.E. Smith**

This legislation provides for the recycling of beverage containers by consumers. The legislation further outlines that by September 1, 2011, all deposit beverage distributors that operate within the state are to register with the Department of Revenue and to maintain certain records. The legislation establishes a container recovery fee and a deposit fee. The legislation outlines guidelines for the program.

## **EDUCATION AND PUBLIC WORKS**

**H.3529 SCHOOL SNACKS, FOOD AND BEVERAGES Rep. Sellers**

This bill provides that each district's Coordinated School Health Advisory Council shall determine which snacks and beverages may be sold for student consumption during the regular school day. The bill outlines nutritional guidelines for snacks and beverages sold for student consumption. There are different nutritional guidelines for beverages sold in elementary, middle and high schools. Snacks and beverages offered for student consumption in vending machines in middle and high schools must conform to the same nutritional standards. Snacks and beverages may not be offered for sale for student consumption in vending machines in elementary schools. At least 50% of nonmilk beverages offered for sale for student consumption in elementary, middle, and high schools must be water and zero calorie or low calorie options. Beginning with the 2011-2012 school year, the legislation outlines certain nutritional guidelines that food served to a student in an elementary, middle, or high school during the regular school day that is not a 'full meal' must contain. Portion size for a la carte sales in a cafeteria must not

exceed the serving size of the food served in the National School Lunch Program or School Breakfast Program. These provisions may not be construed to prohibit or limit the school approved sale or distribution by students, teachers, or groups, of any food or beverage item for fundraising purposes. Revisions to nutritional standards must correspond with the Alliance for a Healthier Generation's Competitive Food Guidelines.

**H.3531 REVISIONS TO GOLD STAR FAMILY LICENSE PLATES Rep. White**

Relating to the issuance of Gold Star Family special license plates by the Department of Motor Vehicles, this bill allows the license plate applicant to choose the letters or numbers, or both that appear on the license plate.

**H.3532 CONSOLIDATION OF THE SOUTH CAROLINA SCHOOL FOR THE DEAF AND BLIND, THE JOHN DE LA HOWE SCHOOL AND THE WIL LOU GRAY OPPORTUNITY SCHOOL WITH THE DEPARTMENT OF EDUCATION Rep. Crawford**

This bill transfers the powers and duties of the South Carolina School for the Deaf and Blind, the John De La Howe School and the Wil Lou Gray Opportunity School to the Department of Education. The existing boards remain as advisory boards to the respective schools.

**H.3558 MAKE-UP WORK FOR MILITARY STUDENTS AT INSTITUTIONS OF HIGHER EDUCATION Rep. J. E. Smith**

This legislation requires all state institutions of higher education to allow students to complete assignments or take make-up examinations when an absence is caused by attending or participating in military service, duty, training, or disaster relief efforts.

## JUDICIARY

**H.3515 QUARTERLY ELECTION DATES FOR CONDUCTING REFERENDA  
OR OTHER BALLOT QUESTIONS Rep. G. R. Smith**

Under this bill, an entity authorized by law to conduct a referendum, ballot measure, or other election event where a person is not elected to an office shall conduct this event, at which qualified electors are allowed to cast a ballot, on one of four dates. The dates on which a referendum, ballot measure, or other election event may be held are: (1) the third Tuesday in March; (2) the third Tuesday in June; (3) the third Tuesday in September; or (4) the Tuesday after the first Monday in November. Notwithstanding another provision of law, if an entity is required to conduct a referendum, ballot measure, or other election event at which a person is not elected to office, it must be conducted on one of the four dates after and nearest to the date established by another provision of law. These provisions do not apply to amendments proposed to the Constitution of this State or the United States Constitution.

**H.3517 ESTABLISHMENT OF THE OFFENSE OF ATTEMPTED MURDER OF  
A LAW ENFORCEMENT OFFICER Rep. McCoy**

This legislation establishes the felony offense of attempted murder of a law enforcement officer. A person who violates this provision must be imprisoned for a mandatory minimum of fifteen years but no more than thirty years. No part of the mandatory minimum sentence may be suspended nor may probation be granted.

**H.3527 PROHIBITING INMATES FROM JOINING SOCIAL NETWORK  
WEBSITES Rep. Gilliard**

This legislation provides that it is unlawful for an inmate to be a member of any Internet-based social networking website. An inmate who joins an Internet-based social networking website or a person who establishes an account with an Internet-based social network website for an inmate is guilty of a misdemeanor and, upon conviction, must be fined not more than \$500 dollars, or imprisoned not more than 30 days, or both.

**H.3534 CONSOLIDATION OF THE STATE HUMAN AFFAIRS COMMISSION,  
THE STATE COMMISSION FOR MINORITY AFFAIRS AND THE  
DEPARTMENT OF CONSUMER AFFAIRS WITH THE OFFICE OF  
SECRETARY OF STATE Rep. Crawford**

This legislation provides that the State Human Affairs Commission is the Division of Human Affairs in the Office of Secretary of State. The legislation provides that the State Commission for Minority Affairs is the Division of Minority Affairs in the Office of Secretary of State. The legislation further provides that the Department of Consumer Affairs is the Division of Consumer Affairs in the Office of Secretary of State. The administrator of the consumer protection code must be employed by, and under the administration and supervision of, the Secretary of State rather than by the Commission on Consumer Affairs. When the administrator performs his duties, it must be with the approval of the Secretary of State. The existing boards remain as advisory boards to the respective divisions within the Office of the Secretary of State.

**H.3538 MORATORIUM ON THE FORECLOSURE OF, AND ON THE  
ACCRUAL OF INTEREST ON, CERTAIN MORTGAGES Rep. Hart**

This legislation provides a six-month moratorium on the foreclosure of, and on the accrual of interest on, certain mortgages secured by residential real estate located in South Carolina.

**H.3542 PROHIBITION ON THE USAGE OF CELLULAR PHONES AND OTHER DEVICES WHILE OPERATING A MOTOR VEHICLE**

**Rep. Hart**

This legislation provides that it is unlawful for a person to operate a motor vehicle while using a cellular telephone, pager, personal digital assistant device, or another wireless communications device while the vehicle is in motion. There is an exception for devices equipped with and operated with a hands-free mechanism. This is a misdemeanor offense and, upon conviction, a person must be imprisoned not more than 30 days, or fined not more than \$500 dollars, or both.

**H.3543 BENCH WARRANTS** **Rep. Hart**

This legislation provides that a judge may not issue a bench warrant for failure to appear in court, unless the: (1) solicitor files an affidavit with the court attesting to the fact that written notice was given to the defendant, the defendant's attorney, and the bond surety company, if applicable, of the solicitor's intent to seek a bench warrant for failure to appear; and (2) court first holds a rule to show cause hearing.

**H.3544 ESTREATMENT OF BOND OR RECOGNIZANCE** **Rep. Hart**

When a condition of bond or recognizance is violated by the person's failure to appear in court as required by law, this bill provides that the State has the right to full estreatment of the bond or recognizance 180 days after the person failed to appear in court as required by law.

**H.3545 PROHIBITED ACTS REGARDING THE SALE OF BEER AND WINE**  
**Rep. Hart**

This legislation prohibits the placement of portable containers or coolers containing beer or wine near doors used for ingress or egress from a licensed establishment.

**H.3546 "SOUTH CAROLINA UNIFORMED AND OVERSEAS CITIZENS ABSENTEE VOTERS ACT"** **Rep. J. E. Smith**

Relating to applications and issuance of write-in absentee ballots, this bill allows a voter to make a statement on a federal write-in absentee ballot that he is unable to vote by regular absentee ballot or in person due to the requirements of military service, living in an isolated area, or an extremely remote area of the world. A qualified absentee elector may alternatively submit a federal write-in absentee ballot for any federal, state, or local office or ballot initiative. Relating to voter eligibility and absentee instant runoff ballots, this legislation substitutes the word "sent" for the word "mailed". The legislation requires all absentee ballots to be mailed to the elector at least forty-five days prior to an election. Relating to absentee ballots as provided by the Uniformed and Overseas Citizens Absentee Voting Act, the legislation makes the provisions applicable to federal, state, and local offices. The legislation provides that an electronic free access ballot tracking system is available to electors. Relating to the signing and witnessing of the oath by the absentee ballot applicant, this bill provides an exception for witness requirements for voters qualified under the Uniformed and Overseas Citizens Absentee Voters Act. Relating to the oath of absentee ballot applicants, this legislation exempts qualified uniformed and overseas absentee voters.

**H.3549 "PERSONAL PROPERTY RECOVERY ACT" Rep. Cobb-Hunter**

This legislation provides for the licensure and regulation of recovery agencies and recovery agents by the Department of Consumer Affairs. Among other things, this legislation provides licensure requirements, including fees, surety bonds, and record keeping requirements, grounds for denial, revocation, or suspension of a license, license renewal procedures and requirements, including continuing education, personal property recovery procedures, and civil and criminal penalties for violations.

**H.3550 CONFIDENTIALITY OF CERTAIN PATIENT AND EMERGENCY MEDICAL TECHNICIAN INFORMATION Rep. Harrison**

This bill relates to the confidentiality of certain patient and emergency medical technician information. The bill includes in the exception for investigation or prosecution of criminal activity that information may be released to sheriffs and chiefs of police.

**H.3559 PROHIBITION ON VEHICLES WITH FALSE COMPARTMENTS  
Rep. Young**

This legislation provides that it is unlawful for a person to own or operate a vehicle that the person knows to contain a false or secret compartment which is found to actually contain: (1) an illegal controlled substance; (2) an illegal firearm; (3) a person concealed for unlawful purposes; or (4) other contraband. A person who violates these provisions is guilty of a misdemeanor, and, upon conviction, must be fined not more than \$10,000 dollars or imprisoned not more than two years, or both.

**H.3563 DEPARTMENT OF HEALTH AND WELLNESS (CONSOLIDATION OF THE DEPARTMENT OF ALCOHOL AND OTHER DRUG ABUSE SERVICES; THE DEPARTMENT OF DISABILITIES AND SPECIAL SERVICES; THE DEPARTMENT OF HEALTH AND HUMAN NEEDS, THE DEPARTMENT OF HEALTH AND HUMAN SERVICES; THE DEPARTMENT OF MENTAL HEALTH; AND THE COMMISSION FOR THE BLIND) Rep. Crawford**

This comprehensive legislation creates the Department of Health and Wellness in the executive branch of state government. Among other things, the Department of Health and Wellness must develop and implement a state plan for the coordinated care and unified delivery of health and wellness services; the new department must oversee the administration and delivery of health and wellness services. Under this legislation, the Department of Alcohol and Other Drug Abuse Services is the Department of Health and Wellness, Division of Alcohol and Other Drug Abuse Services. Under this legislation the Department of Disabilities and Special Needs is the Department of Health and Wellness, Division of Disabilities and Special Needs. Under this legislation, the Department of Health and Human Services is the Department of Health and Wellness, Division of Health and Human Services. Under this legislation, the Department of Mental Health is the Department of Health and Wellness, Division of Mental Health. Under the legislation, the Commission for the Blind is the Department of Health and Wellness, Division for the Blind. The existing boards remain as advisory boards to the respective divisions.

**H.3564 COCKFIGHTING Rep. G. M. Smith**

This bill increases penalties for cockfighting. The bill provides that a person who engages in or is present at cockfighting or game fowl fighting or illegal game fowl testing or who possesses birds for the purpose of cockfighting or game fowl fighting is guilty of a: (1) felony and, upon conviction, must be fined not less than five hundred dollars but not more than one thousand dollars or imprisoned not less than six months but not more

than five years for a first offense; or (2) felony and, upon conviction, must be fined not less than one thousand dollars but not more than three thousand dollars or imprisoned not less than one year but not more than five years for a second or subsequent offense.

**H.3565 REVISIONS TO THE YOUTHFUL OFFENDER ACT Rep. G.M. Smith**

This bill allows a person under the age of 21 who commits armed robbery to receive a youthful offender sentence not below a minimum of three years. This bill also revises the definition of a youthful offender to include persons who commit a broader range of criminal offenses.

**H.3566 EXPANSION OF NO PAROLE OFFENSES AND "MIDDLE COURT PROCESSES ACT" Rep. G.M. Smith**

This bill expands the definition of the term no parole offense so as to eliminate parole for most offenses. These provisions do not affect the Youthful Offender Act. The legislation also establishes the "Middle Court Processes Act". The stated purpose of a statewide middle court process is to promote the rehabilitation and reentry of certain nonviolent offenders into society and reserve the state's prisons for those dangerous offenders and others for whom prison is the best alternative in the criminal justice system.

**H.3567 EXEMPTION OF COUNTIES FROM BLUE LAW PROVISIONS REGULATING ACTIVITIES ON SUNDAYS Rep. G. M. Smith**

This bill reduces from \$900,000 dollars to nine dollars the required amount of accommodations tax revenues collected in a county during a fiscal year which exempts a county from Blue Law provisions regulating activities on Sundays.

**H.3573 REGISTRATION OF LOBBYISTS AND LOBBYIST PRINCIPALS Rep. Merrill**

This bill increases the filing fee for registration of lobbyist from \$100 to \$200 dollars; the legislation also increases the filing fee for registration of lobbyist principals from \$100 to \$200 dollars.

**H.3582 ELIGIBILITY FOR A TRAFFIC EDUCATION PROGRAM**

**Rep. Harrison**

This bill allows a person to be considered for a traffic education program if he has no significant history of traffic violations. Currently, the person must have no points on his driving record.

**H.3594 CONSOLIDATION OF THE DEPARTMENT OF PROBATION, PAROLE AND PARDON SERVICES AND DEPARTMENT OF JUVENILE JUSTICE WITH THE DEPARTMENT OF CORRECTIONS**

**Rep. Crawford**

This legislation transfers all functions, powers, duties, responsibilities and authority statutorily exercised by the department of Probation, Parole and Pardon Services to the Department of Corrections, Division of Probation, Parole and Pardon Services. This legislation also transfer all functions, powers, duties, responsibilities and authority statutorily exercised by the Department of Juvenile Justice to the Department of Corrections, Division of Juvenile Justice.

**H.3595 DISCLOSURES ON STATEMENTS OF ECONOMIC INTEREST**

**Rep. G. M. Smith**

Relating to the contents of a person's statement of economic interests, this bill provides for certain other disclosures which must be made by a filer on his statement of economic interests.

## **LABOR, COMMERCE AND INDUSTRY**

**H.3535 MANDATORY MINIMUM GRACE PERIOD FOR A MORTGAGE PAYMENT** Rep. Hart

This bill provides for a mandatory minimum grace period of twenty days for a mortgage payment. The mandatory minimum grace period applies only to a mortgage on which interest is calculated monthly and does not apply to a simple interest mortgage or other mortgage in which interest accrues daily.

**H.3536 REQUIREMENT FOR AT LEAST THIRTY PERCENT OF A MORTGAGE**

**PAYMENT TO BE APPLIED TO THE LOAN PRINCIPAL** Rep. Hart

This bill provides that when a mortgagee makes a payment on a loan secured by a mortgage, the mortgagor shall apply at least thirty percent of the payment received toward the principal balance of the loan secured by the mortgage. A violation of this requirement must result in a civil penalty against the mortgagor and payable to the mortgagee in an amount equal to treble the amount of the mortgage payment.

**H.3541 MOTOR VEHICLE EVENT DATA RECORDERS OR SENSING AND DIAGNOSTIC MODULES** Rep. Hart

This bill provides that a manufacturer of a new motor vehicle that is sold or leased in this state which is equipped with an event data recorder or a sensing and diagnostic module shall disclose this information in the motor vehicle's owner's manual and on its window sticker. The legislation provides that a company that rents a motor vehicle that is equipped with this device must disclose its existence in the company's rental agreement. The legislation provides that if a vehicle is equipped with a recording device that is

capable of recording or transmitting certain information and that capability is part of a subscription service, the fact that the information may be recorded or transmitted must be disclosed in the subscription service agreement. The legislation restricts the use of certain data obtained by a recording device.

**H.3575 PROFESSIONAL EMPLOYER ORGANIZATION ACT Rep. Edge**

This bill establishes the "South Carolina Professional Employer Organization Act" to revise provisions relating to the regulation of professional employer organizations in their entirety. The legislation: establishes the obligations of the Department of Consumer Affairs for licensing and regulating professional employer service organizations; establishes licensing requirements and procedures for a professional employer service organization; provides requirements for a controlling person of a professional employer service; establishes continuing education requirements; imposes license fees; establishes reporting and disclosure requirements; requires and provides specifications for a professional employer services agreement by written contract between the licensee and the client; provides for the creation of professional employer organization groups; authorizes the department to issue restricted licenses in certain circumstances; imposes provisions related to incentive or business preference programs; provides for the Department of Insurance to investigate insurance claims filed with it by a licensee; and to prohibits certain conduct related to the professional employer services and organizations.

**H.3584 FINANCING AGREEMENTS FOR THE INSTALLATION OF ENERGY-EFFICIENCY AND CONSERVATION IMPROVEMENTS**

**Rep. Sandifer**

This bill revises provisions relating to financing agreements for the installation of certain energy-efficiency and conservation improvements, so as to correct an erroneous cross-reference, and to provide where an electricity or natural gas provider contracts with a third party to perform certain functions, the liability of the third party is limited in a specific manner.

## **MEDICAL, MILITARY, PUBLIC AND MUNICIPAL AFFAIRS**

**H. 3537 NURSING HOMES Rep. Hart**

This bill requires nursing homes to obtain and carry liability insurance in the amount of at least one hundred thousand dollars.

**H. 3589 "SOUTH CAROLINA MILITARY PREPAREDNESS AND ENFORCEMENT ACT" Rep. J. E. Smith**

This bill clearly outlines the state's intent to create a business climate that is favorable to defense installations and activities through legislation that assists in reducing base operating cost while enhancing military value. As a result, the legislation establishes and provides for the membership, powers, and duties of the South Carolina Military Preparedness and Enhancement Commission that shall act to enhance the value of military facilities and assist defense communities with this value enhancement. The bill further establishes the South Carolina Military Value Revolving Loan Account to be used only for loans to defense communities that request assistance.

## WAYS AND MEANS

### **H.3516 STATE AID TO POLITICAL SUBDIVISIONS Rep. Cooper**

This joint resolution suspends for fiscal year 2011-2012 statutory restrictions on amending provisions in the State Aid to Subdivisions Act. The joint resolution also provides that, for the 2011-2012 fiscal year, counties of this state may transfer among appropriated state revenues as needed to ensure the delivery of services.

### **H.3528 ZERO BASE BUDGET PROCESS FOR STATE GOVERNMENT Rep. Stavrinakis**

This bill provides for the implementation of a zero base budget process, beginning with the annual general appropriations act for fiscal year 2012-2013. The legislation groups state government agencies into five functional areas and establishes a schedule that subjects each group to a zero base budget process on a four-year rotating basis.

### **H.3539 PROPOSED CONSTITUTIONAL AMENDMENT REVISING THE TAXATION OF REAL PROPERTY Rep. Hart**

This joint resolution proposes to amend the South Carolina Constitution by requiring the General Assembly to provide by law a definition of "fair market value" for real property for purposes of the property tax; eliminating the fifteen percent limit on increases in the value of real property over five years; and eliminating an assessable transfer of interest as an event which may change the value of the real property.

### **H.3540 STATE TAX CREDIT FOR EMPLOYERS HIRING INDIVIDUALS RECEIVING UNEMPLOYMENT COMPENSATION BENEFITS Rep.**

**Hart**

This bill establishes provisions allowing a state tax credit for employers hiring an unemployed individual receiving unemployment compensation benefits. The credit is allowed for eligible individuals hired after June 30, 2011, and before July 1, 2012, and extends for fifty months for each creditable employee.

### **H.3547 SOUTH CAROLINA AERONAUTICS COMMISSION REQUIRED TO POST FLIGHT LOGS ONLINE IN REAL TIME Rep. Simrill**

This bill requires the South Carolina Aeronautics Commission to post its flight logs on its website in real time.

### **H.3548 REPEAL OF REAL PROPERTY VALUATION REFORM ACT AND IMPLEMENTATION OF NEW PROPERTY TAX PROVISIONS Rep.**

**Hart**

This bill repeals provisions of the "South Carolina Real Property Valuation Reform Act" including its provisions for valuation of real property at "point of sale" and other assessable transfers of interest and the statewide additional one percent sales and use tax for reimbursing school districts for the homestead exemption from all property tax millage imposed for school operations. The legislation revises the limit on annual property tax millage increases imposed by political subdivisions, so as to restore the former method of overriding the annual cap by a positive majority of the appropriate governing body and eliminate the super majority requirement for overriding the cap. The legislation restores funding for the residential property tax exemption and full funding for the school operating millage portion of the reimbursement paid local governments for the homestead property tax exemption for the elderly or disabled. The legislation returns to

the former valuation system in which real property and improvements to real property are appraised by the assessor and periodically adjusted in countywide reappraisals. The legislation provides that when the fifteen percent cap over five years on increases in fair market value of real property results in a value that is lower than the fair market value of the property as determined by the assessor that the lower value becomes the property tax value of the real property and is deemed its fair market value for purposes of imposition of property tax. The legislation provides that an assessable transfer of interest is a transfer of ownership or other instance causing a "step up" in the property tax value of real property to its fair market value as determined by the assessor. The legislation requires the cap on increases in value to be applied separately to real property and improvements. The legislation is contingent on passage of a proposed amendment to the South Carolina Constitution revising the taxation of real property.

**H.3568 SOUTH CAROLINA RETIREMENT INVESTMENT PLAN**

**Rep. G. M. Smith**

This bill closes the South Carolina Retirement System, the Retirement System for Judges and Solicitors, the Retirement System for Members of the General Assembly, and the State Optional Retirement Program to employees hired or officers taking office after June 30, 2012. Officers or employees hired or taking office after that date must be enrolled in the South Carolina Retirement Investment Plan which the legislation establishes as a defined contribution plan. The legislation provides for the plan's administration and operation. The legislation repeals, effective July 1, 2017, the State Optional Retirement Program provisions, transferring all persons enrolled in the program and their respective accounts to the South Carolina Retirement Investment Plan.

**H.3572 REWARD FOR MAKING REPORTS TO PUBLIC ASSISTANCE**

**FRAUD**

**HOTLINES THAT RESULT IN RECOVERY OF STATE FUNDS**

**Rep. R. L. Brown**

This bill provides that when reports of fraud or abuse of Medicaid or Food Stamp or Temporary Aid to Needy Families (TANF) programs are made to government-operated hotlines and the call results in the recovery of state source funds, the administering agency shall issue a monetary reward to the person reporting in an amount equal to ten percent of state funds received, not to exceed ten thousand dollars in total.

**H.3574 STATE BOARDS AND COMMISSIONS PROHIBITED FROM EMPLOYING THEIR OWN MEMBERS**

**Rep. Merrill**

This bill provides that a member of a state board or state commission may not be employed by the board or commission on which he serves, or an entity governed by that board or commission, during the term of his service or for one year after his tenure on the board or commission ends.

**H.3579 TRANSFER OF TEN PERCENT OF "OTHER FUNDS" FOR FISCAL YEAR 2010-2011**

**Rep. Ballentine**

This bill revises the general appropriations act for fiscal year 2010-2011, so as to provide that, unless otherwise prohibited by law and notwithstanding the amounts of "Other Funds" appropriated by Act 291 of 2010, an amount equal to ten percent of "Other Funds" is transferred to the general fund of the state. The legislation appropriates the transferred funds in the following manner: (1) twenty percent to fund costs of Medicaid and other health programs; (2) twenty percent to fund costs of the K-12 education

system; (3) twenty percent to fund the costs of the disabled; (4) twenty percent to fund the costs of the criminal and civil justice systems; and (5) twenty percent to fund the costs of law enforcement and public safety.

**H.3580 ACROSS-THE-BOARD REDUCTION IN EXPENDITURES APPLIED TO  
"OTHER FUNDS" Rep. Ballentine**

This bill revises provisions relating to across-the-board reduction in expenditures, so as to provide that unless otherwise prohibited by law, any across-the-board reduction in appropriations must be applied to all appropriated funds including state general fund appropriations and, except for federal funds, all "other funds" appropriations. The legislation provides that, unless otherwise prohibited by law, if the General Assembly mandates any across-the-board percentage reduction of any appropriated funds, the reduction applies in the same percentage to "other funds", except for federal funds.

**H.3591 SOLAR ENERGY REAL PROPERTY CLASSIFIED AS  
AGRICULTURAL  
FOR TAX PURPOSES Rep. J. E. Smith**

This bill revises classifications of property and tax assessment ratios, so as to provide that solar energy real property is considered agricultural property.

**H.3592 TAX CREDIT FOR RESEARCH AND DEVELOPMENT Rep. J. E. Smith**

This bill revises the tax credit for research and development, so as to provide that a taxpayer with fewer than one hundred fifty full-time employees may claim the entire credit in one year and, if the credit exceeds the taxpayer's liability, the Department of Revenue shall refund a certain remaining portion of the credit.

**H.3593 TAX CREDITS FOR SOLAR LIQUID FUEL Rep. J. E. Smith**

This bill establishes tax credits research activities related to solar liquid fuel, the production of solar liquid fuel in commercial quantities, and the modification existing motor vehicle fuel service stations for the retail sale of solar liquid fuel. Solar liquid fuel is liquid fuel that is generated through processes that use sunlight, carbon dioxide and water to produce infrastructure compatible liquid hydrocarbon fuels.

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