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Legislative Update

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MAJOR ISSUES FROM THE 2013 LEGISLATIVE SESSION

This report highlights activity of the first regular session of the 120th South Carolina General Assembly. This document summarizes many of the key issues that have passed the General Assembly this year. Since this document focuses on key issues, not all provisions of legislation are included in the summaries.

This report is a guide to, not a substitute for, the full text of the legislation summarized. Bill summaries in this document are prepared by staff of the South Carolina House of Representatives and are not the expression of the legislation's sponsor(s) or the House of Representatives. The summaries 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.

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2013 LEGISLATIVE OVERVIEW

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In its first regular session, the 120th South Carolina General Assembly authorized several sources of **funding for the state's infrastructure** needs (H.3360). Lawmakers approved the transfer of \$50 million each year to the Transportation Infrastructure Bank to obtain \$500 million in bonds, along with federal matching funds, to finance bridge replacement, rehabilitation projects, and expansion and improvements to existing mainline interstate highways. Legislators established a dedicated funding source for the state's secondary roadways by redirecting half of the tax revenue collected each year on the sales of motor vehicles, representing \$41.4 million, to the State Non-Federal Aid Highway Fund to be used exclusively for highway, road, and bridge maintenance, construction, and repair. Additionally, \$50 million in unobligated general fund revenue generated during Fiscal Year 2012-2013 is devoted to bridge rehabilitation and replacement.

The General Assembly enacted legislation (H.3248) to **enhance the enforcement of identity theft offenses**. In addition to broadening the scope of identity theft provisions, the new legislation ensures that victims of identity fraud can make reports to their local law enforcement agencies and have the offenses prosecuted in their home counties rather than having the matter passed along to other jurisdictions, that could be far from where they reside, simply because the fraud was committed in those other cities or counties.

\$10 million from the Capital Reserve Fund (H.3711) is devoted to providing an extension of **consumer protection services** for citizens whose personal financial information was compromised as a result of the Department of Revenue computer security breach of 2012 and for state agency **cyber security** improvements. An additional \$10.6 million is provided (H.3710, H.3711) to begin updating the state's information security infrastructure, including 24 new full-time information security employee positions. Legislators authorized (H.3710) an income tax deduction of up to \$300 for an individual and \$1000 for a joint filing for those affected by the DOR security breach to purchase consumer protection and identity theft resolution services if they are not utilizing the services offered by the state free of charge. A Department of Revenue Identity Theft Reimbursement Fund is established (H.3710), with \$200 thousand, for the purpose of reimbursing individuals for financial losses sustained as a result of a state computer data breach.

The General Assembly approved a **state government budget** for Fiscal Year 2013-2014 (H.3710, H.3711) totaling \$22.7 billion, which includes \$6.3 billion in recurring state general funds and \$106 million in capital reserve funds. \$77 million in new funding is directed to the Education Finance Act, with \$20.5 million used to maintain the current base student cost of \$2,012 in the face of enrollment growth and an additional \$56.4 million used to increase the base student cost to \$2,100 for each student. Funds provided should be sufficient for school districts to award their teachers a salary step increase. Funding for K-12 instructional material is increased by over \$24 million, and \$4 million in Education Lottery funds is devoted to digital instructional materials. Private school teachers are allowed to claim up to \$275 in tax credits for classroom supplies purchased with personal funds that matches the classroom supply assistance allowed for public school teachers. Funding for charter schools is increased by \$12 million. The budget legislation includes a four-year-old kindergarten initiative for school districts with a poverty index of at least 75%, other than the plaintiff districts in the *Abbeville School District vs. the State of South Carolina* lawsuit, with 65% of funds directed to the State Department of Education for public programs and 35% directed to private initiatives

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through the First Steps Program. A school choice initiative for special needs students is included that allows tax credits for donations to charitable student scholarship organizations that grant scholarships for exceptional needs students to attend independent schools. These tax credits may reduce a taxpayer's liability by up to 60% and the program's tax credit total may not exceed \$8 million. \$13 million is devoted to school transportation for the maintenance and upkeep of the state's school bus fleet and a total of \$23.5 million, derived from such sources as capital reserve funds and unclaimed Education Lottery prize money, is included for the purchase or lease of new school buses. Over \$7.5 million is devoted to worker training through the Ready SC Program at the state's technical colleges. \$16 million is provided for the Deal Closing Fund that the Department of Commerce uses to recruit new business to the state. Increased costs for operating the state's health insurance plan are addressed by devoting \$54 million to a 6.8% increase in employer premiums and no increase in the premiums paid by employees, but an increase in coinsurance payments and deductibles of up to 20%. The budget legislation keeps local government funding at its current level of \$212 million. The budget allows for thirty new troopers at the Department of Public Safety and eighteen additional law enforcement officers at the Department of Natural Resources. The budget legislation does not include an expansion in eligibility for the state's Medicaid Program as allowed by the federal "Patient Protection and Affordable Care Act" of 2010. Instead, the budget includes a redirection of Medicaid spending under a new comprehensive Medicaid Accountability and Quality Improvement Initiative to be undertaken by the state Department of Health and Human Services upon approval by the Centers for Medicare and Medicaid Services (CMS). A total of up to \$35 million (\$10.5 million in state funding) is devoted to the Healthy Outcomes Initiative which would provide financial incentives for hospitals to reduce reliance on comparatively expensive emergency room treatment. This initiative involves participating in price and quality transparency efforts and entering into agreements with primary care providers to help meet the needs of chronically ill uninsured patients through home visits and care in other settings outside the emergency room. \$20 million (\$6 million in state funding) is provided to pay 100% of the uncompensated care costs at designated rural hospitals. New Disproportionate Share Hospital (DSH) payment accountability provisions are included for uncompensated care payment claims-level data improvements. \$10 million is devoted to a primary care safety net program for the treatment of low-income, uninsured patients that involves Federally Qualified Health Centers, rural health clinics, free clinics, and Welvista. \$8 million is provided to enhance a telemedicine program at the Medical University of South Carolina Hospital Authority. \$1.6 million is devoted to an initiative to enhance rural provider capacity by leveraging the state's Graduate Medical Education program, Supplemental Teaching Payments, and teaching hospitals to encourage physicians to work in underserved areas, expanding the use of telemedicine, and providing for targeted placement and support of OB/GYN services in at least four counties with demonstrated needs. \$7 million is provided for the Optional State Supplement that assists elderly, blind, or disabled individuals in paying for community residential care facilities.

The General Assembly approved **election law reform** (S.2) measures that address the conflicting assertions about how to satisfy the state's filing requirements for candidates for public office found in the lawsuits at the last general election resulting in court rulings that removed several challengers from the ballot for filing their statements of economic interests or making other required filings in ways that failed to meet the timeline established in statute. The legislation removes the filing of a statement of economic interests from election law requirements and makes such filings an ethics law matter,

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exclusively, for candidates and incumbent office-holders, alike. Under the revisions, the failure to make a timely filing of required statements of economic interests would not cause candidates to be removed from the ballot or otherwise impair their status as candidates, but such a failure would be subject to the penalties established for violating the Ethics Act. The procedures for filing as a candidate for public office are revised by the legislation so that they no longer depend upon the involvement of political party officials and all necessary filings, attestations, and payments of fees are, instead, conducted in the governmental settings of state or local election commissions.

The General Assembly approved legislation (H.3560) establishing a new statewide **Mental Health Adjudication and Commitment Reporting** initiative to compile information that is to be used to preclude firearms purchases and disallow concealed weapons permits for those who have been committed to mental institutions, have been found insane by a criminal court, or have otherwise been officially designated as mentally defective by a court.

Legislators approved new provisions relating to **prohibited gambling devices** (S.3). This legislation specifies that those who are licensed to hold and advertise special events such as bingo or other similar activities intended to raise money for charitable purposes do not have the authority to make use of video poker machines, slot machines, or other coin-operated gambling machines and similar statutorily prohibited devices. The legislation also specifies that these prohibited gambling devices are not authorized for use in the sweepstakes and other promotional games that beer and wine sales permit holders are allowed to conduct.

The General Assembly addressed **retail theft operations** by creating criminal offenses (H.3602) to target shoplifting rings that make use of fencing operations for stolen goods along with such other practices as fraudulently obtaining store refunds and manipulating product codes to receive fraudulent discounts on merchandise.

Legislators authorized (H.3568) **enhanced penalties for bypassing utility meters and tampering with utilities** in order to target practices that are used to provide power, water, or heat for illegal drug manufacturing and growing operations.

Lawmakers approved legislation (H.3061) establishing a protocol for addressing **student athletes and concussions** in public school sporting events and competitions sanctioned by the High School League.

Legislators approved the "**Safe Access To Vital Epinephrine (SAVE) Act**" (H.3725) which allows the state's public and private schools to keep supplies of epinephrine auto-injectors, also known as EpiPens, in stock and affords schools greater authority to administer this potentially life-saving medication to those who are experiencing severe allergic reactions.

The "**Emerson Rose Act**" (S.341) was approved to direct the Department of Health and Environmental Control to require each licensed birthing facility to perform screenings for the purpose of **detecting critical congenital heart defects in newborns**.

The General Assembly approved legislation (S.237) **revising the protocol for flying State Capitol Building flags at half-staff in memory of fallen South Carolina military** so that these flags at the State House complex may be flown at half-staff in

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tribute for a period of five days leading up to the funeral for members of the United States military services who were residents of South Carolina and who lost their lives in the line of duty while in combat. During the time of tribute, those memorialized must be identified on a conspicuous place on the Governor's website.

The General Assembly approved the “**Military Service Occupation, Education, and Credentialing Act**” (S.417). The legislation provides new authority for state-supported post-secondary educational institutions, including technical and comprehensive educational institutions, to award educational credit to students who were honorably discharged from the United States Armed Forces for certain course work they completed as part of their military training or service. The legislation also allows military training to be used towards satisfying qualifications for the issuance of a professional or occupational license or certification. An individual is exempted from completing continuing education requirements for professional or occupational licensing while serving on active military duty. The legislation allows military personnel who come to the state through duty assignment to avail themselves of the provisions for obtaining temporary professional and occupational licenses that have been established to assist military spouses in continuing their careers following relocation.

Legislators approved authorization (S.578) for the issuance of up to \$120 million in **economic development bonds** for the expansion of an existing economic development bond project, bringing an additional investment of at least \$400 million and at least four hundred new jobs, and for an enhanced economic development project with an investment of at least \$1.1 billion and creating at least two thousand additional jobs. Site preparation and infrastructure improvements funded through these economic development bonds facilitate the Boeing Company's initiative to expand its aircraft manufacturing operations in North Charleston and establish operations that support its manufacturing in South Carolina, such as research and development functions. The “**High Growth Small Business Job Creation Act of 2013**” (H.3505) was approved to offer state income tax credits to encourage those who act as "angel investors" by providing early stage capital for emerging high-growth enterprises in such areas as manufacturing, processing, warehousing, wholesaling, software development, and information technology services.

Lawmakers approved the “**South Carolina Abandoned Buildings Revitalization Act**” (H.3093) to establish tax credit provisions that encourage investment in the rehabilitation of abandoned buildings.

The General Assembly approved the “**Permit Extension Joint Resolution of 2013**” (H.3774) to provide a temporary extension, through 2016, for building permits, air and water quality certifications, and certain other government approvals affecting the development of real property within the state. The measure has been offered as a means of preventing the abandonment of development projects in the state during depressed economic conditions.

The General Assembly approved legislation (S.438) establishing a **prohibition on awarding public building contracts and governmental incentives that are contingent upon project labor agreements** with labor organizations.

The General Assembly approved a proposed amendment to the South Carolina Constitution (S.239) **authorizing charitable raffles conducted by nonprofit**

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organizations that must be submitted to the state's voters as a ballot question at the next general election. Lawmakers approved legislation (S.213) to govern the conduct of these charitable raffles should the state constitution be amended.

This session a rules change was adopted (H.3001) to revise the **composition of the House of Representatives Legislative Ethics Committee** by increasing its size from six members to ten and providing for representation on the committee to be divided equally between the majority and minority parties.

APPROPRIATIONS FOR FISCAL YEAR 2013-2014

Through the passage of H.3710, the General Appropriations Act and H.3711, the joint resolution making appropriations from the Capital Reserve Fund, the General Assembly approved the Fiscal Year 2013-2014 state government budget totaling \$22.7 billion, which includes \$6.3 billion in recurring state general funds and \$106 million in capital reserve funds.

The budget legislation fully funds the state's reserve accounts that are used to cope with revenue shortfalls. Comparing all sources of state funds, recurring and non-recurring, the budget is 2.74% below Fiscal Year 2012-2013 levels. Overall, the total budget is down 3.63% driven by an over 12% reduction in federal funds that is largely attributed to an accounting adjustment to remove authorization for the Federal Food Stamp Program.

The budget accommodates the funding initiatives for the state's infrastructure needs approved this year through the passage of H.3360.

\$10 million from the Capital Reserve Fund is devoted to providing an extension of consumer protection services for citizens whose personal financial information was compromised as a result of the Department of Revenue computer security breach of 2012 and for state agency cyber security improvements. An additional \$10.6 million is provided to begin updating the state's information security infrastructure, including 24 new full-time information security employee positions. Provisions are included for an income tax deduction of up to \$300 for an individual and \$1000 for a joint filing for those affected by the DOR security breach to purchase consumer protection and identity theft resolution services if they are not utilizing the services offered by the state free of charge. A Department of Revenue Identity Theft Reimbursement Fund is established, with \$200 thousand, for the purpose of reimbursing individuals for financial losses sustained as a result of a state computer data breach. The budget legislation repays the \$20 million dollar loan from the Insurance Reserve Fund for costs associated with the data breach and provides DOR \$7.5 million for a new tax processing system.

The budget legislation does not include an expansion in eligibility for the state's Medicaid Program as allowed by the federal "Patient Protection and Affordable Care Act" of 2010. Instead, the budget legislation includes a redirection of Medicaid spending under a new comprehensive Medicaid Accountability and Quality Improvement Initiative to be undertaken by the state Department of Health and Human Services upon approval by the Centers for Medicare and Medicaid Services (CMS). A total of up to \$35 million (\$10.5 million in state funding) is devoted to the Healthy Outcomes Initiative which would provide financial incentives for hospitals to reduce reliance on comparatively expensive emergency room treatment. This initiative involves participating in price and quality transparency efforts and entering into agreements with primary care providers to help meet the needs of chronically ill uninsured patients through home visits and care in other settings outside the emergency room. \$20 million (\$6 million in state funding) is provided to pay 100% of the uncompensated care costs at designated rural hospitals. New Disproportionate Share Hospital (DSH) payment accountability provisions are included for uncompensated care payment claims-level data improvements. \$10 million

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is devoted to a primary care safety net program for the treatment of low-income, uninsured patients that involves Federally Qualified Health Centers, rural health clinics, free clinics, and Welvista. \$8 million is provided to enhance a telemedicine program at the Medical University of South Carolina Hospital Authority. \$1.6 million is devoted to an initiative to enhance rural provider capacity by leveraging the state's Graduate Medical Education program, Supplemental Teaching Payments, and teaching hospitals to encourage physicians to work in underserved areas, expanding the use of telemedicine, and providing for targeted placement and support of OB/GYN services in at least four counties with demonstrated needs. \$7 million is provided for the Optional State Supplement that assists elderly, blind, or disabled individuals in paying for community residential care facilities.

The state's maintenance of effort for the Medicaid program is fully funded with \$105 million in tobacco master settlement agreement funds. \$5 million is included for an across the board rate increase for nursing home services.

An additional \$4.2 million is provided for the Department of Health and Environmental Control for air and water quality improvement and emergency medical services functions. The House of Representatives sustained the Governor's veto of over \$1.4 million in general funds appropriated to DHEC for conducting the Certificate of Need Program which requires providers of health care services, such as hospitals and nursing homes, to obtain department approval for additions to or significant expansions of their facilities and services.

\$1.5 million in state surplus funds is devoted to Best Chance Network breast cancer screenings and Colorectal Cancer Awareness/Protection initiatives.

The Department of Health and Environmental Control is charged with coordinating a multi-agency initiative to combat obesity in the state.

An additional \$20.7 million is included for the Department of Mental Health for such agency functions as client services, veterans nursing homes, and school-based mental health services.

The budget devotes around \$175 million new dollars to K-12 education for the 2013-2014 fiscal year.

\$77 million in new funding is directed to the Education Finance Act, with \$20.5 million used to maintain the current base student cost of \$2,012 in the face of enrollment growth and an additional \$56.4 million used to increase the base student cost to \$2,100 for each student.

Funds provided should be sufficient for school districts to award their teachers a salary step increase.

The budget legislation includes a four-year-old kindergarten initiative for school districts with a poverty index of at least 75%, other than the plaintiff districts in the *Abbeville School District vs. the State of South Carolina* lawsuit, with 65% of funds directed to the State Department of Education for public programs and 35% directed to private initiatives through the First Steps Program. A school choice initiative for special needs students is included that allows tax credits for donations to charitable student

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scholarship organizations that grant scholarships for exceptional needs students to attend independent schools. These tax credits may reduce a taxpayer's liability by up to 60% and the program's tax credit total may not exceed \$8 million.

School districts are directed to make use of funding flexibility provisions to ensure that district-approved safety precautions are in place at every school.

Funding for charter schools is increased by \$12 million.

\$32 million is included for K-12 instructional materials and \$4 million in Education Lottery funds is devoted to digital instructional materials.

Private school teachers are allowed to claim up to \$275 in tax credits for classroom supplies purchased with personal funds that matches the classroom supply assistance allowed for public school teachers.

\$13 million is devoted to school transportation for the maintenance and upkeep of the state's school bus fleet and a total of \$23.5 million, derived from such sources as capital reserve funds and unclaimed Education Lottery prize funds, is included for the purchase or lease of new school buses.

Full funding is provided for the LIFE, HOPE, and Palmetto Fellows higher education scholarship programs. The National Guard Tuition Repayment Program is provided an additional \$2.85 million to address recent shortfalls.

The state's colleges and universities receive some additional recurring funding, including the direction of funding to the University of South Carolina branch campuses to address funding parity issues. All of the state's higher education institutions receive some one-time funding for individual projects. A proviso is included that prohibits the state's institutions of higher learning from making use of state aircraft for athletic recruiting purposes.

\$7.5 million is devoted to worker training through the Ready SC Program at the state's technical colleges. \$3.8 million is provided for the State Board for Technical and Comprehensive Education's Manufacturing Skills Standards Council Initiative.

\$16 million is provided for the Deal Closing Fund that the Department of Commerce uses to recruit new business to the state. \$1 million in capital reserve funds is included for the Department's Business Incubator Program.

\$3.5 million is included for tourism sales and marketing at the Department of Parks, Recreation, and Tourism and \$4 million is included for the destination-specific tourism advertising program.

Increased costs for operating the state's health insurance plan are addressed by devoting \$54 million to a 6.8% increase in employer premiums and no increase in the premiums paid by employees, but an increase in coinsurance payments and deductibles of up to 20%. The State Budget and Control Board is prohibited from making unauthorized adjustments to State Health Plan premiums.

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The budget legislation keeps local government funding at its current level of \$212 million.

\$1.7 million is included for a 3% pay raise for correctional officers at the state's maximum security prisons and the Department of Corrections is provided \$9.7 million for capital projects.

Total funding for the State Law Enforcement Division is increased by \$3.8 million.

The budget allows for thirty new troopers at the Department of Public Safety and eighteen additional law enforcement officers at the Department of Natural Resources.

\$1.8 million in nonrecurring revenue is directed to provide for vehicle replacement at the State Law Enforcement Division, the Department of Public Safety, and the Department of Natural Resources.

\$9.2 million is provided for the restoration of the general fund base of the Department of Juvenile Justice, addressing budget cuts sustained by the agency during the recent years of recession.

\$2 million from the Capital Reserve Fund is included for Forestry Commission firefighting equipment and funding is provided for 12 new firefighters.

The Arts Commission continues to be funded at current state dollar levels.

The budget legislation continues the funding rationale that eliminates all general funds for South Carolina Educational Television, but allows SCETV to retain revenue derived from contracts for the use of its broadcast towers, signal spectrum and other facilities and services in order to fund its operations.

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The Lt. Governor's Office on Aging is afforded \$3 million for home and community based services and just under \$3 million for family caregivers.

*STATUS: Having been approved by the General Assembly, **H.3710**, the General Appropriations Act, was ratified on June 19, 2013, (R.120). On June 25, the Governor vetoed certain items. Legislators subsequently sustained some of the vetoes and overrode others to allow these provisions, along with provisions not vetoed by the Governor, to become law. Having been approved by the General Assembly, **H.3711**, the joint resolution making appropriations from the Capital Reserve Fund, was ratified on June 19, 2013, (R.121). On June 25, the Governor vetoed certain items. Legislators subsequently sustained some of the vetoes and overrode others to allow these provisions, along with provisions not vetoed by the Governor, to become law.*

BUSINESS, ECONOMIC DEVELOPMENT, AND EMPLOYMENT

ABANDONED BUILDINGS REVITALIZATION ACT

The General Assembly approved **H.3093**, the "South Carolina Abandoned Buildings Revitalization Act" which establishes tax credit provisions that encourage investment in the rehabilitation of abandoned buildings. A taxpayer who makes qualifying investments to rehabilitate an abandoned building is eligible for either: (1) a credit against income taxes, corporate license fees, taxes on associations, or a combination of these; or (2) a credit against local real property taxes. The amount of the credit is equal to twenty-five percent of the actual rehabilitation expenses incurred at the building site if the actual rehabilitation expenses incurred in rehabilitating the building site are between eighty percent and one hundred twenty-five percent of the estimated rehabilitation expenses set forth in the required Notice of Intent to Rehabilitate. If the actual rehabilitation expenses exceed one hundred twenty-five percent of these estimated expenses, the taxpayer qualifies for the credit based on one hundred twenty-five percent of the estimated expenses as opposed to the actual expenses incurred in rehabilitating the building site. If the actual rehabilitation expenses are below eighty percent of the estimated rehabilitation expenses, the credit is not allowed. The legislation provides for the distribution of tax credits and limits the entire credit earned under the legislation to a maximum of five hundred thousand dollars for any taxpayer in a tax year for each abandoned building site. If the taxpayer qualifies for both the credit allowed by this legislation and the credit allowed under the Textiles Communities Revitalization

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Act or the Retail Facilities Revitalization Act, the taxpayer only may claim one of the three credits. Abandoned Buildings Revitalization Act tax credits are available through 2019.

*STATUS: Having been approved by the General Assembly, **H.3093** was ratified on June 11, 2013, (R.91) and was signed into law by the Governor on June 11 (Act No. 57).*

AUTOMOBILE MANUFACTURERS, DISTRIBUTORS AND DEALERS

The General Assembly approved [S.382](#), legislation that makes revisions pertaining to the regulation of automobile manufacturers, distributors and dealers. The legislation defines the terms 'due cause' and material breach' as these terms relate to the regulation of manufacturers, distributors, and dealers. The legislation provides additional unfair methods of competition by prohibiting manufacturers, distributors, and wholesalers from requiring or coercing a motor vehicle dealer (1) to sell an extended service or maintenance plan, financial product, or insurance product that is offered or sold or sponsored by the manufacturer, distributor, or wholesaler; or (2) to sell, assign, or transfer any retail installment contract or lease to a specified financial or leasing company, or any other specified person. In the event of dealer death or incapacity, the legislation prohibits a manufacturer from preventing a motor vehicle dealer from designating a successor to the dealership. The legislation makes revisions pertaining to approval of warranty claims by manufacturer; the legislation provides that any claim not specifically disapproved in writing within 30 days of receipt shall be construed as approved and payment must follow within 30 days. Any disapproval must be based on a material defect and a manufacturer may not disapprove a claim for which the motor vehicle dealer has received preauthorization or based on and incidental clerical or administrative error. The legislation makes revisions pertaining to termination of a franchise agreement; among other things, the legislation provides that a manufacturer may not terminate or cancel a franchise or selling agreement of a motor vehicle without due cause and provides that the nonrenewal of a franchise or selling agreement, without due cause, constitutes an unfair termination or cancellation regardless of the terms of the franchise or selling agreement. With regards to dealer performance standards, the legislation provides that a performance standard or other program for measuring dealership performance that may have a material effect on a motor vehicle dealer must be fair, reasonable, equitable, based on accurate information and uniformly applied. If a motor vehicle dealer protests a new standard, the burden of proof is on the manufacturer to show that a new performance standard is reasonable under market conditions. The legislation prohibits a manufacturer or distributor from unreasonably altering a new motor vehicle dealer's area of responsibility.

*STATUS: Having been approved by the General Assembly, **S.382** was ratified June 4, 2013, (R.52) and signed into law by the Governor on June 7 (Act No. 44).*

BREWERIES - SAMPLES OR SALES OF BEER FOR ON-PREMISES CONSUMPTION IN CONJUNCTION WITH TOURS

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The General Assembly approved [H.3554](#), which relates to samples or sales of beer for on-premises consumption in conjunction with tours of breweries. The legislation: specifies that twelve percent alcohol by weight is the maximum that may be offered for on-premises consumption; allows for the sale of forty-eight ounces of beer to a consumer every twenty-four hours; requires a brewery to develop and use a system to monitor the amounts and types of beer sampled or sold to a consumer for on-premises consumption; requires a brewery to post information stating the alcoholic content by weight of the various types of beer available in the brewery and the penalties for convictions for driving under the influence and certain other alcohol-related crimes; requires a brewery to provide approved alcohol enforcement training for the employees who serve beer on the premises; requires a brewery to maintain certain amounts of liability insurance coverage; provides the beer must be sold at the approximate retail price; provides that appropriate taxes must be remitted. Penalties are enhanced for breweries that commit violations. A report on these brewery tour provisions compiled jointly by the Department of Revenue and the State Law Enforcement Division must be provided to pertinent legislative committees by March 15, 2016. Under current law, breweries may offer samples with or without cost; a sample cannot be more than two ounces per brand of beer with over eight percent alcohol by weight and no more than four ounces of beer with under eight percent alcohol by weight.

STATUS: Having been approved by the General Assembly, [H.3554](#) was ratified June 4, 2013, (R.68) and signed into law by the Governor on June 6 (Act No. 36).

ECONOMIC DEVELOPMENT BONDS

Legislators approved [S.578](#) to authorize the issuance of up to \$120 million in economic development bonds for the expansion of an existing economic development bond project, bringing an additional investment of at least \$400 million and at least four hundred new jobs, and for an enhanced economic development project with an investment of at least \$1.1 billion and creating at least two thousand additional jobs. Site preparation and infrastructure improvements funded through these economic development bonds facilitate the Boeing Company's initiative to expand its aircraft manufacturing operations in North Charleston and establish operations that support its manufacturing in South Carolina, such as research and development functions.

STATUS: Having been approved by the General Assembly, [S.578](#) was ratified on April 18, 2013, (R.19) and was signed into law by the Governor on April 23 (Act No. 13).

“HIGH GROWTH SMALL BUSINESS JOB CREATION ACT OF 2013”

The General Assembly approved [H.3505](#), the “High Growth Small Business Job Creation Act of 2013”, which establishes provisions for state income tax credits to encourage those who act as "angel investors" by providing early stage capital for emerging high-growth enterprises in such areas as manufacturing, processing, warehousing, wholesaling, software development, and information technology services.

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An angel investor is entitled to a nonrefundable income tax credit of thirty-five percent of cash investments or other qualifying investments made to a business that meets the legislation's criteria. The legislation includes provisions for carrying forward a portion of the tax credit and for allocating tax credits among partners or shareholders affiliated in a pass-through arrangement. Tax credits may not exceed one hundred thousand dollars each year for an individual for direct and indirect investment and the total amount of credits allowed under the legislation may not exceed in the aggregate five million dollars for all taxpayers for any one calendar year. These tax credits are available through 2019. An annual report on the legislation's qualified businesses must be made to the House Ways and Means Committee, the Senate Finance Committee, and the Governor that includes details on the number and types of jobs created.

*STATUS: Having been approved by the General Assembly, **H.3505** was ratified on June 11, 2013, (R.101) and was signed into law by the Governor on June 14 (Act No. 80).*

MANUFACTURED HOUSING BOARD OVERSIGHT

The General Assembly approved **S.310**, legislation relating to Manufactured Housing Board oversight provisions. The legislation includes new financial responsibility guidelines for retail dealers licensed by the Manufactured Housing Board. The legislation establishes requirements for manufactured housing retail dealers to include their license numbers in advertising. The legislation revises criteria for criminal activity that disallows Manufactured Housing Board licensure by limiting it to a violent crime, a felony directly related to any aspect of the business of manufactured housing, or a felony, an essential element of which is dishonesty, reasonably related to any aspect of the business of manufactured housing. Exemptions from manufactured home sales provisions are established for sales and transfers involving repossessed and foreclosed manufactured homes.

*STATUS: Having been approved by the General Assembly, **S.310** was ratified on June 19, 2013, (R.118) and was signed into law by the Governor on June 20 (Act No. 97).*

MOTION PICTURE PRODUCTION TAX REBATE ENHANCEMENTS

The General Assembly approved **S.163**, legislation enhancing the state's motion picture production tax rebate provisions. The legislation increases tax rebates to a motion picture production company by the South Carolina Film Commission, by providing that the rebate may not exceed twenty, rather than the current fifteen, percent of the total aggregate payroll for qualifying persons subject to South Carolina income tax withholdings, and may not exceed twenty-five percent for South Carolina residents, for persons employed in connection with the production when total production costs in South Carolina are at least one million dollars during the taxable year. The legislation allows a rebate of up to thirty, rather than the current fifteen, percent of qualifying expenditures made by a motion picture production company with a minimum in-state

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expenditure of one million dollars. The legislation disallows rebates for motion picture productions that fall within the state's statutory criteria for obscene material.

*STATUS: Having been approved by the General Assembly, **S.163** was ratified on May 2, 2013, (R.29) and was signed into law by the Governor on May 8 (Act No. 26).*

"PERMIT EXTENSION JOINT RESOLUTION OF 2013"

The General Assembly approved **H.3774**, the "Permit Extension Joint Resolution of 2013" to provide a temporary extension for building permits, air and water quality certifications, and certain other government approvals affecting the development of real property within the state that applies to approved development that was current and valid on December 31, 2012. The development approval and any associated vested right is suspended during the period beginning January 1, 2013, and ending December 31, 2016. The measure has been offered as a means of preventing the abandonment of development projects in the state during depressed economic conditions.

*STATUS: Having been approved by the General Assembly, **H.3774** was ratified June 19, 2013, (R.123) and signed into law by the Governor on June 20.*

PORT CARGO VOLUME INCREASE TAX CREDIT EXPANSION

The General Assembly approved **H.3557**, legislation to expand the tax credit allowed for increasing port cargo volume. The legislation expands the types of businesses that qualify for the tax credit for port cargo volume increase so that the credit also applies to businesses engaged in freight forwarding, freight handling, goods processing, cross docking, transloading, or wholesaling of goods. The legislation establishes criteria allowing taxpayers engaged in the movement of goods imported or exported through South Carolina's port facilities to be eligible for the credit for new distribution centers constructed in the state. The legislation removes the current limitation that credits against employee withholdings may comprise no more than half the eight million dollar annual total allowed for port cargo volume increase tax credits. Provisions are included to allow for credits to be carried forward when amounts exceed tax liability.

*STATUS: Having been approved by the General Assembly, **H.3557** was ratified on June 11, 2013, (R.102) and was signed into law by the Governor on June 13 (Act No. 81).*

ROOFING WORK ARRANGEMENTS PAID WITH INSURANCE POLICY PROCEEDS

The General Assembly approved **H.3409**, legislation establishing restrictions on roofing work arrangements paid with insurance policy proceeds. The legislation prohibits a builder or contractor from representing or negotiating on behalf of an owner or possessor of residential real estate on any insurance claim in connection with the repair or replacement of roof systems. The legislation prohibits a builder or contractor from advertising or promising to pay or rebate all or any portion of any insurance deductible

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as an inducement to the sale of goods or services. A violation is a misdemeanor and is included among the instances of misconduct that the South Carolina Residential Builders Commission considers in determining whether a license or registration should be revoked, suspended, or restricted. The legislation establishes a procedure allowing a person who enters into a written contract for goods or services related to a roofing system with a party who will be paid from proceeds of a property and casualty insurance policy and who subsequently receives written notice from the insurer that all or part of the claim or contract is not a covered loss under the policy to cancel the contract prior to midnight on the fifth business day after the insured has received the written notice of the denial of coverage.

*STATUS: Having been approved by the General Assembly, **H.3409** was ratified on June 11, 2013, (R.96) and was signed into law by the Governor on June 14 (Act No. 77).*

UNEMPLOYMENT INSURANCE PROGRAM INTEGRITY

The General Assembly approved **H.3751**, legislation revising statutes governing the state's unemployment insurance program so as to incorporate new program integrity requirements that are mandatory for the unemployment insurance program of each state under the federal Trade Adjustment Assistance Extension Act of 2011. The legislation authorizes the Department of Employment and Workforce to assess a twenty-five percent monetary penalty on improper unemployment compensation payments resulting from false statements or failure to disclose material facts. Penalties collected are to be deposited in the Department of Employment and Workforce integrity fund that is to be used for preserving the integrity of the unemployment compensation fund through such efforts as identifying overpayments, verifying eligibility, determining status, and updating technology and education tools. The legislation establishes provisions that prohibit providing relief from charges to an employer's unemployment insurance account when the actions of an employer have led to an improper payment. The legislation directs the Department of Employment and Workforce to implement an on-line, employer pre-filing program that allows employers to address potential claims for benefits by one of the employer's former employees. The legislation revises the South Carolina Employables Program Act by providing that, in order for someone who is rehired or who returns to work to meet the definition of a "new hire" he must have been separated from employment for at least sixty consecutive days.

*STATUS: Having been approved by the General Assembly, **H.3751** was ratified on June 4, 2013, (R.70) and was signed into law by the Governor on June 7 (Act No. 53).*

COURTS AND CRIMINAL JUSTICE

BAIL BONDSMAN AND RUNNER CRIMINAL BACKGROUND SCREENING

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The General Assembly approved [S.463](#), legislation requiring criminal background checks for licensure as a bail bondsman or runner. The legislation revises the licensure of professional bondsmen and runners by establishing requirements for state and federal criminal background checks. The cost associated with these fingerprint-based criminal history record screenings must be borne by the applicant.

STATUS: Having been approved by the General Assembly, [S.463](#) was ratified on June 11, 2013, (R.80) and was signed into law by the Governor on June 13 (Act No. 67).

CERTIFICATION OF LAW ENFORCEMENT PATROL CANINE TEAMS

The General Assembly approved [S.8](#), legislation that makes revisions pertaining to the certification of law enforcement patrol canine teams. The term 'patrol canine teams' refers to a certified officer and a specific patrol canine controlled by the handler working together in the performance of law enforcement or correctional duties. The term 'patrol canine teams' does not refer to canines used exclusively for tracking or specific detection. This legislation requires the South Carolina Criminal Justice Academy to verify that patrol canine teams have been certified by a nationally recognized police dog association or similar organization. The legislation further provides that no law enforcement agency may utilize patrol canine teams after July 1, 2014, unless the patrol canine teams have met all certification requirements.

STATUS: Having been approved by the General Assembly, [S.8](#) was ratified June 11, 2013, (R.75) and signed into law by the Governor on June 12 (Act No. 62).

COMPREHENSIVE REVISIONS TO PROBATE AND TRUST CODE PROVISIONS

The General Assembly approved [S.143](#), legislation making comprehensive revisions to probate and trust code provisions which have not been updated or revised in a systematic fashion in several decades. The legislation does not revise the statutes governing guardians, conservators, and powers of attorneys.

STATUS: Having been approved by the General Assembly, [S.143](#) was ratified June 4, 2013, (R.46) and signed into law by the Governor on June 7 (Act No. 100).

COMPUTATION OF TIME SERVED BY A PRISONER

The General Assembly approved [H.3193](#), legislation relating to the computation of time served by a prisoner. The legislation provides that any time spent under monitored house arrest by a prisoner may be used in computing time served.

STATUS: Having been approved by the General Assembly, [H.3193](#) was ratified June 4, 2013, (R.66) and signed into law by the Governor on June 7 (Act No. 34).

ENFORCEMENT OF IDENTITY THEFT OFFENSES

The General Assembly approved [H.3248](#), a legislation relating to the enforcement of identity theft offenses. The legislation enhances identity fraud and financial identity fraud provisions by establishing more expansive criteria for personal identifying information and financial resources that are to be used in determining whether fraud has been committed. The legislation provides that the venue for the prosecution of identity fraud and financial identity fraud offenses is in the county in which the victim resided at the time the information was obtained or used. Conforming language contained in financial transaction card crime is added to provide that, in a prosecution for a violation of identity fraud offenses, the state is not required to establish and it is not a defense that some of the acts constituting the crime did not occur in this state or within one city, county, or local jurisdiction. The legislation revises the provision that allows someone who learns or reasonably suspects that he is the victim of identity theft to initiate an investigation by reporting to a local law enforcement agency that has jurisdiction over his actual legal residence, so as to eliminate the law enforcement agency's option of referring the investigation to another law enforcement agency where the crime was committed.

STATUS: Having been approved by the General Assembly, [H.3248](#) was ratified April 18, 2013, (R.21) and signed into law by the Governor on April 23 (Act No. 15).

ENHANCED PENALTIES FOR BYPASSING UTILITY METERS AND TAMPERING WITH UTILITIES

The General Assembly approved [H.3568](#), legislation which establishes enhanced penalties for bypassing utility meters and tampering with utilities in order to target practices that are used to provide power, water, or heat for illegal drug manufacturing and growing operations. This legislation increases the penalties for repeat offenders who alter, tamper with, or bypass electric, gas or water meters. The legislation creates an offense of tampering with these meters for profit, and it provides a graduated penalty scheme when the tampering results in substantial property damage or the risk of great bodily injury or death. The legislation also creates an offense of tampering with meters in conjunction with growing or manufacturing illegal drugs. The legislation increases penalties for repeat offenders who unlawfully appropriate gas from another for use and provides a graduated penalty scheme when violations result in substantial property damage or the risk of great bodily injury or death. The legislation increases penalties for repeat offenders who wrongfully use gas and interfere with gas meters and provides a graduated penalty scheme when violations result in substantial property damage or the risk of great bodily injury or death.

STATUS: Having been approved by the General Assembly, [H.3568](#) was ratified May 2, 2013, (R.34) and signed into law by the Governor on May 3 (Act No. 23).

EXPUNGEMENT OF CRIMINAL RECORDS

The General Assembly approved [H.3184](#), legislation revising eligibility criteria for the expungement of criminal records. The legislation provides that a person may be eligible

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for expungement of a first offense crime which carries a maximum fine of \$1,000, rather than \$500 as current law provides, including a conviction in magistrates or general sessions court. The legislation also includes instances where a person has been issued a courtesy summons within the provisions that require the destruction of arrest and booking records, files, mug shots, and fingerprints and disallows law enforcement from retaining pertinent evidence when proceedings against the person are dismissed, or the person is found not guilty of the charge.

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The legislation also includes requirements for making expungements from any internet-based public record within thirty days.

*STATUS: Having been approved by the General Assembly, **H.3184** was ratified June 11, 2013, (R.93) and signed into law by the Governor on June 13 (Act No. 75).*

LIABILITY FOR ATTACKS BY DOGS

The General Assembly approved [S.8](#), legislation that revises liability provisions for dog bites and attacks. This legislation provides exceptions to liability if at the time the person is bitten or otherwise attacked: (1) the person who was attacked provoked or harassed the dog and that provocation was the proximate cause of the attack; or (2) the dog is working in a law enforcement capacity with a governmental agency and in the performance of the dog's official duties provided that certain conditions are met. These conditions include the dog's attack was in direct and complete compliance with the lawful command of a duly certified canine officer and that the dog is trained and certified and that the governmental agency has adopted certain written policies and that the actions of the dog's handler or dog do not violate written policy or constitute excessive force and that the attack or bite does not occur on a third party bystander.

*STATUS: Having been approved by the General Assembly, **S.8** was ratified June 11, 2013, (R.75) and signed into law by the Governor on June 12 (Act No. 62).*

MENTAL HEALTH ADJUDICATION AND COMMITMENT REPORTING INITIATIVE

The General Assembly approved [H.3560](#), legislation which establishes a new statewide mental health adjudication and commitment reporting initiative to compile information that is to be used to preclude firearms purchases and disallow concealed weapons permits for those who have been committed to mental institutions, have been found insane by a criminal court, or have otherwise been officially designated as mentally defective by a court. The legislation's Mental Health Adjudication and Commitment Reporting initiative requires the Judicial Department and the State Law Enforcement Division (SLED) to work in conjunction to compile information regarding those who have been adjudicated as a mental defective or who have been committed to a mental institution. Adjudication as a mental defective involves a court making a determination that a person, as a result of marked subnormal intelligence, mental illness, mental incompetency, mental condition, or mental disease, is a danger to himself or to others or lacks the mental capacity to contract or manage his own affairs. This determination includes a finding of insanity by a court in a criminal case as well as a finding that someone is incompetent to stand trial or is not guilty by reason of insanity. Information amassed on those committed to mental institutions involve all formal commitments by courts, including all involuntary commitments, to mental hospitals, sanitariums, psychiatric wards, and other mental health facilities for mental illness, mental defectiveness, and other reasons, such as for drug use. This does not apply to voluntary admissions or to someone who is in a mental institution for observation. Information relating to a person's diagnosis or treatment may not be submitted and confidentiality provisions are included relating to submitted information. Courts must

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submit information on individuals who have been adjudicated as a mental defective and those who have been committed to a mental institution to SLED on an ongoing basis, and SLED is required to transmit the information to the National Instant Criminal Background Check System, which is used by federal firearms licensees to determine instantly whether a prospective buyer is eligible to buy firearms. The legislation provides that persons adjudicated as mental defective or who have been committed to a mental institution are prohibited from shipping, transporting, possessing or receiving firearms or ammunition under state law, as in federal law. Additionally, SLED must review the state's concealed weapons permit holder list to determine if a person adjudicated as a mental defective or someone who has been committed to a mental institution possesses a current concealed weapons permit. If the review reveals that such an individual holds a concealed weapons permit, the permit is revoked and must be surrendered to law enforcement. Procedures are included for law enforcement to retrieve the permit should the holder fail to return it within ten days of being notified of its revocation. An appeals process is included that allows someone to petition the court to remove a firearms and ammunition prohibition.

*STATUS: Having been approved by the General Assembly, **H.3560** was ratified May 2, 2013, (R.33) and signed into law by the Governor on May 3 (Act No. 22).*

OFFENSES CHARGED ON A UNIFORM TRAFFIC TICKET

The General Assembly approved [**H.3451**](#), relating to offenses charged on a uniform traffic ticket. This legislation addresses issues that arose from a recent Court of Appeals case pertaining to the use of a uniform traffic ticket to begin judicial proceedings in magistrates court. The legislation adds shoplifting and first and second offense criminal domestic violence to the list of offenses that may be charged, in addition to traffic offenses, on a uniform traffic ticket, which allows uniform traffic tickets to be issued for these offenses even if the act did not occur in the officer's presence. Also, the legislation requires an officer who makes a shoplifting arrest using a uniform traffic ticket to immediately file an incident report; this requirement is already in place under current law if a uniform traffic ticket is used for a criminal domestic violence offense. Further, the legislation allows a uniform traffic ticket to be used in an arrest for a misdemeanor offense within the

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jurisdiction of magistrates court that has been freshly committed or is committed in the presence of a law enforcement officer.

*STATUS: Having been approved by the General Assembly, **H.3451** was ratified June 11, 2013, (R.97) and signed into law by the Governor on June 13 (Act No. 78).*

PROHIBITED GAMBLING DEVICES

The General Assembly approved **S.3**, pertaining to prohibited gambling devices. This legislation specifies that those who are licensed to hold and advertise special events such as bingo or other similar activities intended to raise money for charitable purposes do not have the authority to make use of video poker machines, slot machines, or other coin-operated gambling machines and similar statutorily prohibited devices. The legislation also specifies that these prohibited gambling devices are not authorized for use in the sweepstakes and other promotional games that beer and wine sales permit holders are allowed to conduct.

*STATUS: Having been approved by the General Assembly, **S.3** was ratified March 21, 2013, (R.7) and signed into law by the Governor on March 22 (Act No. 5).*

RESTRAINING ORDERS AND MUTUAL ORDERS OF PROTECTION

The General Assembly approved **H.3717**, legislation which makes revisions relating to restraining orders and mutual orders of protections. The legislation includes in the purview of the harassment and stalking offenses persons who commit the offenses while subject to the terms of a restraining order issued by the family court. Also, the legislation provides that upon motion of a party, the court may determine that a temporary restraining order was improperly issued due to unknown facts. The court may order the temporary restraining order vacated and all records of the improperly issued order destroyed. The legislation further provides if mutual orders of protection have been entered that do not comply with certain provisions a petitioner may request the order be vacated and all records of the order be destroyed.

*STATUS: Having been approved by the General Assembly, **H.3717** was ratified June 19, 2013, (R.122) and signed into law by the Governor on June 20 (Act No. 99).*

RETAIL THEFT OPERATIONS

The General Assembly approved **H.3602**, legislation establishing criminal offenses targeting retail theft operations. The legislation creates the criminal offenses of committing or conspiring with another to commit retail theft, amounting to more than \$2,000 over a 90-day period, with the intent to sell the stolen property or to place the stolen property in the control of a retail property fence, which is a person or business that buys retail property knowing or believing that it is stolen. The legislation creates criminal offenses relating to stealing from a merchant by affixing a product code created

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for the purpose of fraudulently obtaining goods or merchandise at less than actual sale price. The legislation creates criminal offenses for using false or altered identification in order to obtain a refund fraudulently. The legislation establishes criminal offenses that apply to those who knowingly accept property represented as stolen by law enforcement officers conducting undercover operations. When a defendant is ordered to make restitution by a magistrate or municipal court, this legislation requires the court, upon a motion, to hold a hearing to require a defendant who is in default to show cause why his default should not be treated as a civil judgment and judgment lien attached. The legislation authorizes the conversion of unpaid restitution, fines, costs, fees, surcharges, and assessments to civil judgments.

STATUS: Having been approved by the General Assembly, [H.3602](#) was ratified June 11, 2013, (R.103) and signed into law by the Governor on June 13 (Act No. 82).

EDUCATION

CHARTER SCHOOL ENROLLMENT PREFERENCE AND PRIORITY

The General Assembly approved [H.3087](#), legislation revising charter school enrollment preference and priority provisions. The legislation requires a public charter school to give enrollment preference to students enrolled in the public charter school the previous school year which excludes these returning students from entering into a lottery. This legislation authorizes a charter school located on a federal military installation or base to give enrollment priority, not to exceed fifty percent of the charter school's total enrollment, to otherwise eligible students who are dependents of military personnel living in military housing on the base or installation or who are currently stationed at the base or installation.

STATUS: Having been approved by the General Assembly, [H.3087](#) was ratified May 15, 2013, (R.40) and signed into law by the Governor on May 21 (Act No. 29).

CONVERSION OF A PRIVATE SCHOOL TO A CHARTER SCHOOL

The General Assembly approved [H.3472](#), a bill revising the process for the conversion of a private school to a charter school. This legislation allows private schools to convert to public charter schools without having to dissolve and close for a period of twelve months if the private school's student population reflects the racial composition of the local school district in which the private school is located. Private schools that wish to convert without having to dissolve and close must adhere to certain statutory provisions. Private schools that successfully convert to charter schools will be held to the same requirements as all other charter schools. The legislation also provides authorization for a special public school that is funded directly by the State of South Carolina and, therefore, is not associated with a public school district to apply to become a public

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charter school if it serves as a professional development school for an institution of higher learning's teacher education program.

STATUS: Having been approved by the General Assembly, [H.3472](#) was ratified June 11, 2013, (R.99) and signed into law by the Governor on June 12 (Act No. 59).

"EXPANDED VIRTUAL LEARNING ACT"

The General Assembly approved [H.3752](#), the "Expanded Virtual Learning Act". The legislation changes references in law from the South Carolina Virtual School Program to a virtual education program. Also, the legislation removes limits on the number of online credits a student may be awarded under the program.

STATUS: Having been approved by the General Assembly, [H.3752](#) was ratified June 11, 2013, (R.106) and signed into law by the Governor on June 13 (Act No. 84).

"SAFE ACCESS TO VITAL EPINEPHRINE (SAVE) ACT"

The General Assembly approved [H.3725](#), the "Safe Access to Vital Epinephrine (SAVE) Act". The legislation allows the state's public and private schools to keep supplies of epinephrine auto-injectors, also known as EpiPens, in stock and affords schools greater authority to administer this potentially life-saving medication to those who are experiencing severe allergic reactions. The legislation establishes a protocol that allows physicians and certain other healthcare professionals to prescribe epinephrine auto-injectors maintained in the name of a school as a stock supply to be used by school nurses and other designated school personnel, including employees and volunteers, who have completed required training on the proper use of these epinephrine auto-injectors and how to recognize the symptoms of severe allergic reactions, including anaphylaxis. The governing authority of a school district or private school may authorize school nurses and other designated school personnel to administer an epinephrine auto-injector to a student in accordance with a prescription that is on file or provide an epinephrine auto-injector to a student with such a prescription for self-administration. These approved individuals may also be authorized to administer an epinephrine auto-injector to a student or anyone else on the premises believed to be experiencing anaphylaxis, regardless of prescription. The legislation requires participating school districts and private school governing authorities, in consultation with the State Department of Education and the Department of Health and Environmental Control, to implement a plan for the management of students with life-threatening allergies that must be made available online and must include the education and training required for designated school personnel. The legislation affords certain immunity from legal liability regarding this use of epinephrine auto-injectors in schools. Public school districts and private school governing authorities may enter into agreements with manufacturers of epinephrine auto-injectors or third party suppliers in order to obtain these at fair-market, free or reduced prices.

STATUS: Having been approved by the General Assembly, [H.3725](#) was ratified June 4, 2013, (R.69) and signed into law by the Governor on June 7 (Act No. 37).

STUDENT ATHLETES AND CONCUSSIONS

The General Assembly approved [H.3061](#), legislation establishing a protocol for addressing student athletes and concussions in K-12 public education. This legislation requires the Department of Health and Environmental Control, in consultation with the Department of Education to post on its website nationally recognized guidelines and procedures regarding the identification and management of suspected concussions in student athletes and model policies that incorporate best practices guidelines for the identification, management, and return to play decisions for concussions reflective of current scientific and medical literature. These model guidelines and procedures must be used by local school districts to develop guidelines and procedures which apply to South Carolina High School League sanctioned events. Each year, prior to participation in athletics, each school district shall provide to all coaches, volunteers, student athletes, including cheerleaders, and their parents or legal guardians, an information sheet on concussions which informs of the nature and risk of concussion and brain injury, including the risks associated with continuing to play after a concussion or brain injury. Parents or guardians must sign a statement indicating their review before a student is permitted to participate in an athletic competition or practice. If a coach, athletic trainer, official, or physician suspects that a student athlete under his control has sustained a concussion or brain injury in a practice or in an athletic competition, the student athlete must be removed from practice or competition at that time. Athletes may return to play if an athletic trainer, physician, physician's assistant, or nurse practitioner determines in an onsite evaluation using a written protocol that there are no signs or symptoms of a concussion or brain injury. Athletes suspected to have suffered a concussion or brain injury may not return to play until they have received written medical clearance by a physician. Those who perform onsite evaluations on student athletes and allow for their return to play are not liable for civil damages, unless their conduct is considered to be gross negligence or wilful wanton misconduct.

STATUS: Having been approved by the General Assembly, [H.3061](#) was ratified June 4, 2013, (R.65) and signed into law by the Governor on June 7 (Act No. 33).

ELECTION LAW REFORM

The General Assembly approved [S.2](#), legislation providing election law reform measures. The legislation addresses the conflicting assertions about how to satisfy the state's filing requirements for candidates for public office found in the lawsuits at the last general election that resulted in court rulings that removed several challengers from the ballot for filing their statements of economic interests or making other required filings in ways that failed to meet the timeline established in statute. The legislation overhauls statutory filing requirements and other provisions governing the way in which an individual becomes a candidate for public office in the state.

The legislation removes the filing of a statement of economic interests from election law requirements and makes such filings an ethics law matter, exclusively, for candidates and incumbent office-holders, alike. Under the revisions, the failure to make a timely filing of required statements of economic interests would not cause candidates to be

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removed from the ballot or otherwise impair their status as candidates, but such a failure would be subject to the penalties established for violating the Ethics Act. The legislation establishes deadlines for candidates to file statements of economic interests with the State Ethics Commission electronically. A March 30 deadline is established for public officials to make their required annual filing of statements of economic interest.

The procedures for officially becoming a candidate for public office are revised by the legislation so that they no longer depend upon the involvement of political party officials and all necessary filings, attestations, and payments of fees are, instead, conducted in the governmental settings of state or local election commissions. In order to qualify as a candidate to run in the general election, all candidates seeking nomination by political party primary or convention must file for office under a revised protocol where candidates seeking nomination for a statewide, congressional, or district office that includes more than one county must file the statement of intention of candidacy and party pledge and submit any filing fees with the State Election Commission. Candidates seeking nomination for the state Senate, the state House of Representatives, or a countywide or less than countywide office make their filings and payments of fees with the election commission in the county where they reside. The appropriate election commission must file the signed documents and receipts for payment of fees, all stamped with the date and time of receipt, provide copies of the material to the candidate, and relay copies to the appropriate political party officials along with filing fees. The county chairman of a political party and the chairman of the state executive committee of a political party may designate a person to observe the filings made at the election commission. Political parties continue to be responsible for verifying that candidates meet the qualifications for the offices they are seeking. The legislation specifies that an error or omission in these filing provisions made by a person seeking to qualify as a candidate that is not directly related to a constitutional or statutory qualification for that office must be construed in a manner that favors the person's access to the ballot.

The legislation also establishes a revised mechanism for political parties to follow in order to nominate candidates by conventions.

*STATUS: Having been approved by the General Assembly, **S.2** was ratified June 11, 2013, (R.74) and signed by the Governor on June 13 (Act No. 61).*

FAMILY AND HEALTH

ALTERNATIVE NICOTINE PRODUCTS INCLUDED IN PROHIBITION OF THE SALE OR PURCHASE OF TOBACCO PRODUCTS FOR MINORS

The General Assembly approved [**H.3538**](#), legislation that includes alternative nicotine products, such as electronic cigarettes, within the scope of the statute that prohibits the sale or purchase of tobacco products for minors. The legislation addresses products that offer alternative means of introducing nicotine into the body, including electronic cigarettes which are devices for producing a vapor that delivers nicotine or other

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substances when inhaled. The legislation requires any person engaged in the sale of alternative nicotine products over the internet or other remote sales method to perform an age verification through an independent service to ensure that the individual placing the order is eighteen years of age or older. The legislation amends statutes relating to the distribution of tobacco product samples, enforcement and reporting, and implementation to include alternative nicotine products.

*STATUS: Having been approved by the General Assembly, **H.3538** was ratified June 4, 2013, (R.67) and signed into law by the Governor on June 7 (Act No. 35).*

AUTHORIZATION FOR THE DISCLOSURE OF MEDICAL INFORMATION

The General Assembly approved [S.117](#). The legislation revises the Adult Health Care Consent Act by requiring a health care provider to include on the patient information form an opportunity for the patient to designate a family member or other individual with whom the provider may discuss the patient's medical condition and treatment. If the patient chooses to take advantage of this option, the legislation allows, but does not require, the health care provider to discuss the patient's medical condition and treatment plan with the designated individual. Patients must also be informed that this authorization may be revoked or modified. A health care provider who discloses information pursuant to a patient authorization is not subject to liability or disciplinary penalties. Nursing homes, dentists, dental hygienists and dental technicians are exempted from the requirements of the bill.

STATUS: Having been approved by the General Assembly, [S.117](#) was ratified June 4, 2013, (R.45) and signed into law by the Governor on June 7 (Act No. 39).

CHILD SUPPORT ENFORCEMENT ASSISTANCE PROVIDED BY CLERKS OF COURT IN CASES NOT BEING ADMINISTERED PURSUANT TO FEDERAL LAW BY THE DEPARTMENT OF SOCIAL SERVICES

The General Assembly approved [H.3099](#). This legislation provides for child support enforcement assistance to be provided by clerks of court in cases not being administered pursuant to federal law by the Department of Social Services. The legislation allows clerks of court to attempt to locate individuals for the purpose of establishing, modifying, and enforcing child support obligations, and it allows clerks of court access to certain enforcement information.

STATUS: Having been approved by the General Assembly, [H.3099](#) was ratified June 11, 2013, (R.92) and signed by the Governor on June 14 (Act No. 74).

"EMERSON ROSE ACT" - NEW PROVISIONS FOR DETECTION OF CRITICAL CONGENITAL HEART DEFECTS IN NEWBORNS

The General Assembly approved [S.341](#). Under the "Emerson Rose Act", the legislation establishes new provisions for detection of critical congenital heart defects in newborns. The legislation directs the Department of Health and Environmental Control to require each licensed birthing facility to perform on every newborn in its care a pulse oximetry or other department-approved screening to detect critical congenital heart defects when the baby is twenty-four to forty-eight hours of age, or as late as possible if the baby is discharged from the hospital before reaching twenty-four hours of age. A department-approved screening must be based on standards set forth by the United States Secretary of Health and Human Services' Advisory Committee on Heritable

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Disorders in Newborns and Children, the American Heart Association, and the American Academy of Pediatrics. Newborns are only exempted if a parent objects, in writing, to the screening, for reasons pertaining to religious beliefs. The legislation directs the Department of Health and Human Services to work with birthing facilities through its partnership with the Birth Outcomes Initiative to recommend policies for critical congenital heart defect screening. The Birth Outcomes Initiative is an effort by DHHS and its partners to improve the health of newborns in the Medicaid program.

*STATUS: Having been approved by the General Assembly, **S.341** was ratified June 11, 2013, (R.77) and signed into law by the Governor on June 13 (Act No. 64).*

EXPEDITED RELATIVE PLACEMENTS OF CHILDREN AT THE PROBABLE CAUSE HEARING FOR EMERGENCY PROTECTIVE CUSTODY IN DEPARTMENT OF SOCIAL SERVICES CHILD ABUSE AND NEGLECT REMOVAL ACTIONS

The General Assembly approved [H.3464](#). The legislation revises provisions relating to Department of Social Services child abuse and neglect removal actions to establish specific legal rights for grandparents under expedited relative placements of children at the probable cause hearing for emergency protective custody. If the court finds at the probable cause hearing that the department made reasonable efforts to prevent removal of the child and that continuation of the child in the home would be contrary to the welfare of the child, this legislation provides that the court may order expedited placement of the child with a grandparent or other relative of the first or second degree. In making this expedited placement decision, the legislation requires the court to consider the totality of the circumstances including such factors as the individual's suitability, fitness, and willingness to serve as a placement for the child. A parent who complies with these requirements must be the first relative considered by the court for expedited placement. If the court orders expedited placement of the child with a grandparent or other relative of the first or second degree, the individual may be added as a party to the action for the duration of the case or until further order of the court.

*STATUS: Having been approved by the General Assembly, **H.3464** was ratified June 11, 2013, (R.98) and signed into law by the Governor on June 12 (Act No. 58).*

GOLDEN SEPTEMBER CHILDHOOD CANCER AWARENESS MONTH

The General Assembly approved [H.3973](#), legislation designating the month of September of every year as "Golden September Childhood Cancer Awareness Month" in South Carolina to honor and give courage to all those children in our State who are fighting this terrible disease.

STATUS: Having been approved by the General Assembly, [H.3973](#) was ratified May 2, 2013, (R.36) and signed into law by the Governor on May 3 (Act No. 25).

PHYSICIAN ASSISTANTS

The General Assembly approved [S.448](#), legislation dealing with physicians' supervisory relationship requirements with physician assistants. The legislation states that a licensed physician who accepts the responsibility to supervise a physician assistant's activities, must enter into a supervisory relationship with a physician assistant. The physician must notify the Board of Medical Examiners of South Carolina, in writing, of the proposed supervisory relationship and include the proposed scope of practice guidelines for the relationship. The legislation further outlines that no more than three full-time physician assistants can be supervised by a supervising physician. A physician assistant may practice in a public place, a private place, or a facility where the supervising physician regularly sees patients, may make house calls, perform hospital duties, and perform any functions performed by the supervising physician if the physician assistant is also qualified to perform those functions. A physician assistant may authorize prescriptions for an orally administered Schedule II controlled substance under certain requirements.

STATUS: Having been approved by the General Assembly, [S.448](#) was ratified May 15, 2013, (R.38) and signed into law by the Governor on May 21 (Act No. 28).

SOUTH CAROLINA BRAIN INJURY LEADERSHIP COUNCIL

The General Assembly approved [S.127](#). The legislation creates the South Carolina Brain Injury Leadership Council within the Department of Disabilities and Special Needs to promote statewide coordination of support services to people who have brain injuries and their caregivers. The Council's responsibilities include: making recommendations for improving service coordination; encouraging citizen participation; identifying emerging issues and resources to enhance services and serving as the statewide advisory board for implementing the federal Traumatic Brain Injury Act and applying for federal funds. The 14-member council will be comprised of representatives appointed by the state agencies that serve people with brain injuries, the two medical universities, the SC Statewide Independent Living Council, the SC Developmental Disabilities Council; Protection and Advocacy for People with Disabilities, and the Brain Injury Alliance of SC. The Council is to include survivors of traumatic brain injury or their family members and should have statewide geographic and demographic representation. Members and officers of the council are not entitled to mileage, per diem, subsistence, or any other form of compensation.

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*STATUS: Having been approved by the General Assembly, **S.127** was ratified June 11, 2013, (R.76) and signed into law by the Governor on June 13 (Act No. 63).*

GOVERNMENT

DEPARTMENT OF REVENUE RECORDS

The General Assembly approved [**H.3974**](#), relating to Department of Revenue Records. Relating to the disclosure of records and returns filed with the Department of Revenue, the legislation allows the disclosure of certain information to the Secretary of State about a taxpayer who filed an initial or final corporate return. The legislation allows the Department of Revenue to expunge the recording of a lien once the lien is fully paid and satisfied.

*STATUS: Having been approved by the General Assembly, **H.3974** was ratified June 11, 2013, (R.113) and signed into law by the Governor on June 13 (Act No. 90).*

FIREFIGHTER MOBILIZATION AND EMERGENCY RESPONSE

The General Assembly approved [**H.3870**](#), a bill revising firefighter mobilization and emergency response provisions. The legislation provides in the “Firefighter Mobilization Act of 2000” that the South Carolina Law Enforcement Division (SLED) has specific and exclusive jurisdiction on behalf of the state in matters pertaining to the response to, and crisis management of, acts of terrorism and emergency event management of explosive devices. The legislation adds the Chief of SLED to the South Carolina Firefighter Mobilization Oversight Committee. The legislation revises the South Carolina Firefighter Mobilization Plan provisions, so as to rename the committee as the South Carolina Firefighter Mobilization And Emergency Response Task Force Plan, to add the task force to those resources that the plan is intended to offer, and to provide the plan is operational when the Chief of SLED directs a response to a terrorist or explosive device event. The legislation revises the duties of the committee, so as to provide the committee shall develop guidelines for using resources allocated to the task force at the state and regional level. The legislation requires the Office of State Fire Marshal to provide administrative support as required by the committee to perform its prescribed functions. The legislation requires the state coordinator appointed by the committee to report to the State Fire Marshal and provide administrative support to the committee. Definitions for ‘fire and rescue resources’, the ‘South Carolina Emergency Response Task Force’, and ‘hazardous materials team’ are incorporated into the Firefighter Mobilization Act.

*STATUS: Having been approved by the General Assembly, **H.3870** was ratified on June 11, 2013, (R.107) and was signed into law by the Governor on June 13 (Act No. 85).*

HOUSE OF REPRESENTATIVES LEGISLATIVE ETHICS COMMITTEE COMPOSITION

With the approval of House Resolution **H.3001**, a rules change was adopted to revise the composition of the House of Representatives Legislative Ethics Committee by increasing its size from six members to ten and providing for representation on the committee to be divided equally between the majority and minority parties. The House of Representatives Legislative Ethics Committee, which is elected by the House membership to address allegations of unethical conduct involving current and former House Members, House candidates, and House officers and staff, is composed, under the revised rules, of five House Members who are from the majority party and five House Members who are from a minority party or who have no party affiliation. The Chairman of the Ethics Committee must be one of the five members from the majority party and is elected by the members of the Ethics Committee. The other officers of the Ethics Committee are also elected by the committee's membership, but are not required to be affiliated with a particular party.

*STATUS: House Resolution **H.3001** was adopted on December 4, 2012.*

PROHIBITION ON AWARDING PUBLIC BUILDING CONTRACTS AND GOVERNMENTAL INCENTIVES THAT ARE CONTINGENT UPON PROJECT LABOR AGREEMENTS

The General Assembly approved **S.438**, legislation providing for a prohibition on awarding public building contracts and governmental incentives that are contingent upon project labor agreements. The legislation provides that state and local governmental entities are prohibited from making the award of a contract for the construction, repair, remodeling, or demolition of a public building conditional upon adherence to an agreement with one or more labor organizations in regard to that project or a related construction project. These governmental entities are prohibited from discriminating against a bidder, offeror, contractor, or subcontractor based upon project-related labor union agreements. The presence or absence of labor

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union agreements must not be a condition for the award of construction-related governmental grants, tax abatements, and tax credits.

*STATUS: Having been approved by the General Assembly, **S.438** was ratified on June 4, 2013, (R.54) and was signed into law by the Governor on June 7 (Act No. 46).*

INSURANCE

CLOSED PANEL HEALTH INSURANCE PLANS

The General Assembly approved **S.530**, relating to closed panel health insurance plans offered by employers. This legislation eliminates the requirement that an employer who employs more than fifty eligible employees and who offers to employees major medical, hospitalization, and surgical health insurance coverage only under a closed panel health plan must also offer its employees a point-of-service option for this health insurance coverage. The legislation provides that differences between coinsurance percentages for in-network and out-of-network covered health care services or supplies in a point-of-service option may not exceed a maximum differential of thirty percent.

*STATUS: Having been approved by the General Assembly, **S.530** was ratified on June 4, 2013, (R.57) and was signed into law by the Governor on June 7 (Act No. 49).*

HAZARDOUS INSURER LICENSE SUSPENSION AND REVOCATION

The General Assembly approved **H.3621**, legislation that revises provisions governing the revocation or suspension of a certificate of authority to transact business in this state by an insurer, so as to revise provisions concerning the suspension or revocation of a license of a hazardous insurer. The legislation establishes standards that the Department of Insurance may consider to determine whether the continued operation of an insurer transacting insurance business in this state is hazardous to the general public, its creditors, or its policyholders.

*STATUS: Having been approved by the General Assembly, **H.3621** was ratified on April 18, 2013, (R.27) and was signed into law by the Governor on April 23 (Act No. 19).*

INDUSTRIAL INSURED CAPTIVE INSURANCE COMPANIES

The General Assembly approved **H.3620**, legislation to enhance the state's laws governing captive insurance companies as they relate to risk retention groups licensed as industrial insured captive insurance companies. The legislation provides that an industrial insured captive insurance company is subject to certain requirements concerning reports for risk-based capital, acquisitions disclosure, asset disposition, and ceded reinsurance agreements. The legislation establishes specific conditions under which the Department of Insurance may elect not to take regulatory action concerning risk-based capital.

*STATUS: Having been approved by the General Assembly, **H.3620** was ratified on April 18, 2013, (R.26) and was signed into law by the Governor on April 23 (Act No. 18).*

MULTIPLE EMPLOYER SELF-INSURED HEALTH PLAN REQUIREMENTS

The General Assembly approved **H.3960**, legislation establishing requirements for employers participating in a multiple employer self-insured health plan to execute hold harmless agreements in which the employer agrees to pay all unpaid portions of insured claims. The legislation provides that each participating employer, as a condition of participation in a multiple employer self-insured health plan, is required to execute an agreement by which the employer agrees to personally pay all claims for benefits covered under the multiple employer self-insured health plan which are incurred by his or its covered employees and their covered dependents, but which the plan has failed to pay. The legislation establishes notification requirements regarding the new provisions and provides that neither failure of a participating employer to execute an agreement, nor failure of the plan to require such execution, shall excuse the employer from liability for unpaid claims incurred by covered employees and dependents. The legislation revises requirements for a multiple employer self-insured health plan to include aggregate and individual excess stop-loss coverage, charging the Department of Insurance with reviewing the amounts of this required coverage to ensure that it is sufficient.

*STATUS: Having been approved by the General Assembly, **H.3960** was ratified on June 11, 2013, (R.110) and was signed into law by the Governor on June 13 (Act No. 88).*

SURPLUS LINES INSURANCE BROKERS

The General Assembly approved **S.460**, legislation revising the duties of surplus lines insurance brokers. The legislation provides that a surplus lines broker is not required to search with due diligence to determine whether the full amount or type of insurance can be obtained from an admitted insurer when the broker is seeking to procure or place nonadmitted insurance for an exempt commercial purchaser provided the: (1) broker procuring or placing the surplus lines insurance has disclosed to the exempt commercial purchaser that the insurance may or may not be available from the admitted market and that insurance obtained from the admitted market may provide greater protection with more regulatory oversight; and

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(2) exempt commercial purchaser has subsequently requested in writing for the broker to procure or place such insurance from a nonadmitted insurer.

*STATUS: Having been approved by the General Assembly, **S.460** was ratified on June 11, 2013, (R.79) and was signed into law by the Governor on June 13 (Act No. 66).*

MILITARY

FREE THREE-YEAR HUNTING LICENSE FOR DISABLED VETERANS

The General Assembly approved **S.584**. The legislation allows disabled veterans who are residents and receiving disability benefits from the Veterans Administration are eligible to apply for a three-year disability license at no cost.

*STATUS: Having been approved by the General Assembly, **S.584** was ratified June 11, 2013, (R.85) and signed into law by the Governor on June 13 (Act No. 94).*

“MILITARY SERVICE OCCUPATION, EDUCATION, AND CREDENTIALING ACT”

The General Assembly approved **S.417**, the “Military Service Occupation, Education, and Credentialing Act”. The legislation provides new authority for state-supported post-secondary educational institutions, including technical and comprehensive educational institutions, to award educational credit to students who were honorably discharged from the United States Armed Forces for certain course work they completed as part of their military training or service. The legislation also allows military training to be used towards satisfying qualifications for the issuance of a professional or occupational license or certification. An individual is exempted from completing continuing education requirements for professional or occupational licensing while serving on active military duty. The legislation allows military personnel who come to the state through duty assignment to avail themselves of the provisions for obtaining temporary professional and occupational licenses that

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have been established to assist military spouses in continuing their careers following relocation.

*STATUS: Having been approved by the General Assembly, **S.417** was ratified on June 4, 2013, (R.53) and was signed into law by the Governor on June 7 (Act No. 45).*

PURPLE HEART DAY

The General Assembly approved **H.3011**, relating to the designation of Purple Heart Day. Currently, South Carolina recognizes Purple Heart Day on the third Saturday in February, this bill changes the day of recognition to the seventh day of August in order to be in line with the rest of the nation.

*STATUS: Having been approved by the General Assembly, **H.3011** was ratified May 2, 2013, (R.31) and signed into law by the Governor on May 3 (Act No. 21).*

PROTOCOL FOR FLYING STATE CAPITOL BUILDING FLAGS AT HALF-STAFF IN MEMORY OF FALLEN SOUTH CAROLINA MILITARY

The General Assembly approved **S.237**, legislation revising the protocol for flying State Capitol building flags at half-staff in memory of fallen South Carolina military. The legislation revises the protocol so that State Capitol Building flags may be flown at half-staff in tribute for a period of five days leading up to the funeral for members of the United States military services who were residents of South Carolina and who lost their lives in the line of duty while in combat. The legislation provides for flags to be hoisted and lowered as many times as is needed if the period of tribute is for multiple individuals. During the time of tribute, those memorialized must be identified on a conspicuous place on the Governor's website.

*STATUS: Having been approved by the General Assembly, **S.237** was ratified on May 15, 2013, (R.37) and was signed into law by the Governor on May 17 (Act No. 27).*

SPECIAL LICENSE PLATE FOR RECIPIENTS OF THE DISTINGUISHED FLYING CROSS

The General Assembly approved **H.3033**, legislation which, among other things, authorizes the issuance of a special license plate for recipients of the Distinguished Flying Cross by the Department of Motor Vehicles. Only one plate may be issued to

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a person; the application for a special license plate must include proof that the applicant is a recipient of the Distinguished Flying Cross.

*STATUS: Having passed the General Assembly, **H.3033** was ratified June 11, 2013, (R.90) and signed into law by the Governor on June 12 (Act No. 56).*

RESIDENCY REQUIREMENT FOR HUNTING AND FISHING LICENSES FOR MILITARY MEMBERS

The General Assembly approved **S.584**. The legislation changes residency requirement for military members stationed in South Carolina and their dependents from 60 to 30 days for resident privileges.

*STATUS: Having been approved by the General Assembly, **S.584** was ratified June 11 (R.85) and signed into law by the Governor on June 13 (Act No. 94).*

VETERAN LICENSE PLATE REVISION

The General Assembly approved **H.3033**, legislation which, among other things, makes a revision to the existing veteran license plate provisions. Under current law the Department of Motor Vehicles may issue a veteran special license plate for use on a private passenger motor vehicle or motorcycle registered in a person's name in this state who served in the United States Armed Forces, active or reserve components, and who was honorably discharged from service; current law also requires an application for this special license plate to include official military documentation showing the applicant was honorably discharged from service. This legislation increases the number of veteran license plates that may be issued by the department to a veteran from two to four.

*STATUS: Having passed the General Assembly, **H.3033** was ratified June 11, 2013, (R.90) and signed into law by the Governor on June 12 (Act No. 56).*

NATURAL RESOURCES, ENVIRONMENTAL AFFAIRS AND AGRICULTURE

ANNUAL RECREATIONAL SALTWATER FISHING LICENSES

The General Assembly approved **S.584**. Beginning January 1, 2014, the legislation allows the Department of Natural Resources to issue annual recreational saltwater fishing licenses that expire on the anniversary date of issue instead of June 30, 2014. This is commonly referred to as a 365-day license. Also, three-year recreational saltwater fishing licenses will expire on the third anniversary date of issue instead of June 30, 2016. Additional recreational license types will be included in the 365-license program in the future.

*STATUS: Having been approved by the General Assembly, **S.584** was ratified June 11, 2013, (R.85) and signed into law by the Governor on June 13 (Act No. 94).*

APPRENTICE HUNTING LICENSE

The General Assembly approved **S.584**. The legislation allows a licensee who completes a hunter education course before his/her apprentice license expires can use the license as a state hunting license. The licensee must carry the hunter education certificate. The licensee can also buy any other permits, stamps and tags required to hunt with the apprentice license.

*STATUS: Having been approved by the General Assembly, **S.584** was ratified June 11, 2013, (R.85) and signed into law by the Governor on June 13 (Act No. 94).*

CATCH LIMITS FOR BLACK SEA BASS

The General Assembly approved **H.3735**. The legislation provides that the Black Sea Bass (*Centropristes striata*) lawful catch limit is five fish per person per day or the same as the federal limit for Black Sea Bass. The lawful minimum size is thirteen inches total length. Additionally there is no closed season on the catching of Black Sea Bass.

*STATUS: Having been approved by the General Assembly, **H.3735** was ratified June 11, 2013, (R.105) and signed into law by the Governor on June 13 (Act. No. 83).*

FALCONRY

The General Assembly approved **S.641**. This legislation makes it lawful to engage in falconry in South Carolina from January 1, 2014, through December 31, 2014, and provides for the regulation of falconry. The legislation is offered as a means of bridging

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a regulatory gap as state regulation takes over from federal regulation of this hunting of wild quarry in its natural state and habitat by means of a trained bird of prey or raptor, so that there will be no interval during which falconry will be unlawful in South Carolina.

*STATUS: Having been approved by the General Assembly, **S.641** was ratified June 4, 2013, (R.62) and signed into law by the Governor on June 7.*

GIGGING FOR FLOUNDER

The legislation provides that it is unlawful for a person to gig for flounder in salt waters during the daylight hours. The prohibition does not apply to underwater spear fishing. A violator is subject to a fine of up to one hundred dollars or imprisonment for not more than thirty days.

*STATUS: Having been approved by the General Assembly, **H.3047** was ratified April 18, 2013, (R.20) and signed into law by the Governor on April 23 (Act No. 14).*

PROGRAM TO ENCOURAGE SCHOOLS TO SERVE LOCALLY GROWN, MINIMALLY PROCESSED FARM FOODS

The General Assembly approved **S.191**. The legislation creates a program within the South Carolina Department of Agriculture to foster relationships between South Carolina farms, school districts, and other institutions and to provide them with fresh and minimally processed foods for consumption by students.

*STATUS: Having been approved by the General Assembly, **S.191** was ratified June 4, 2013, (R.47) and signed into law by the Governor on June 7 (Act No. 40).*

SATISFACTION OF GREEN BUILDING STANDARDS FOR PUBLIC CONSTRUCTION PROJECTS

The General Assembly approved **S.635**, legislation which provides that a major facility project requesting third-party certification of energy efficiency and environmental green building standards for public construction projects shall not be allowed to seek a rating point that would discriminate against wood products of this state derived from forest lands certified by the Sustainable Forestry Initiative or the American Tree Farm System. Only certification from the Forest Stewardship Council is currently being acknowledged.

*STATUS: Having been approved by the General Assembly, **S.635** was ratified on June 4, 2013, (R.60) and was signed into law by the Governor on June 7 (Act No. 60).*

UNLAWFUL HUNTING OF WILDLIFE

The General Assembly approved **H.3762**, a bill dealing with the unlawful hunting of wildlife. The legislation includes all devices under the provisions that authorize the

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Department of Natural Resources to seize property that is in the unlawful hunting of deer or bear at night. The legislation provides that when property is seized for a second offense, and the device is of greater value than five thousand dollars, the owner may at any time before sale redeem it by paying to the Department of Natural Resources the sum of five thousand dollars. When the device is of lesser value than five thousand dollars, the owner may at any time before sale redeem it by paying to the department the retail market value. If there is a third or subsequent offense, the device must be forfeited to the state. Upon sale or redemption of a confiscated device, the department shall pay over the net proceeds, after payment of any proper costs and expenses of the seizure, storage, advertisement, and sale to the State Treasurer for deposit in the County Game and Fish Fund. The legislation adds animals, trailers, and other means of conveyance to the list of items seized for unlawful hunting of deer or bear at night that DNR may release to an innocent owner or lien holder of the property. The legislation revises restrictions imposed on night hunting so that these restrictions do not apply to the killing of a coyote, armadillo, or feral hog.

*STATUS: Having been approved by the General Assembly, **H.3762** was ratified June 4, 2013, (R.71) and signed into law by the Governor on June 7 (Act No. 54).*

NONPROFITS AND VOLUNTEERS

CHARITABLE RAFFLES CONDUCTED BY NONPROFIT ORGANIZATIONS

Should the proposed constitutional amendment relating to charitable raffles be approved by the voters and ratified, **S.213** establishes general law provisions for charitable raffles conducted by nonprofit organizations. Under the legislation, a nonprofit organization, recognized by both the South Carolina Department of Revenue and the United States Internal Revenue Service, must register with the Secretary of State prior to conducting a raffle unless the raffle consists of 1) a donated non-cash prize(s) with a total value of \$500 or less, or 2) a raffle where tickets are not sold to the general public in which the proceeds collected must not exceed \$950 and are evenly split between the prize winner and the nonprofit (fifty-fifty raffles). A nonprofit operating a raffle under one of these two exemptions may not conduct a raffle more than once every seven days. Otherwise, a nonprofit is required to submit an annual registration form in order to conduct a charitable raffle, along with a \$50 fee that will be retained by the Secretary for use in enforcement of these provisions. A nonprofit may have up to four raffles per year. If a nonprofit has qualified affiliates or subsidiaries, each may also operate up to four per year. The raffles shall run for a maximum of nine months from the first ticket sale. A nonprofit may not contract with a person to operate raffles on its behalf nor allow its name to be used in conjunction with other raffles. A nonprofit may advertise a raffle, but it must meet certain requirements. Restrictions on compensation and allowable expenses are established for the operation of raffles. A raffle award may not exceed a fair market value of \$40,000 for an individual, and the total value of all prizes offered may not exceed \$250,000. Real property may not be offered as a raffle prize. The maximum price for a raffle ticket is \$100. Nonprofits are required to submit annual

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financial reports on the conduct of their lotteries to the Secretary of State. Penalties are established for violations. These provisions that authorize and govern the conduct of charitable raffles are repealed July 1, 2020, and every ten years thereafter, unless the General Assembly reauthorizes them by joint resolution. A reauthorization vote may occur within two years of an upcoming repeal date.

*STATUS: Having been approved by the General Assembly, **S.213** was ratified April 18, 2013, (R.16) and signed into law by the Governor on April 23 (Act No. 11).*

CONSTITUTIONAL AMENDMENT PROPOSED AUTHORIZING CHARITABLE RAFFLES CONDUCTED BY NONPROFIT ORGANIZATIONS

The General Assembly approved [S.239](#) a joint resolution that proposes to amend the South Carolina Constitution to authorize charitable raffles conducted by nonprofit organizations. Currently, only the state is allowed to operate a lottery under the terms of South Carolina's Constitution, and raffles are considered a lottery. This joint resolution proposes to amend the State Constitution so as to provide that a raffle is not a prohibited lottery if provided for by general law and conducted by a nonprofit organization for charitable, religious, fraternal, educational, or other eleemosynary purposes. The general law must define the types of nonprofit organizations authorized to operate and conduct a raffle, establish standards for the operation and conduct of raffles, provide for the use of proceeds for religious, charitable, fraternal, educational, or other eleemosynary purposes, provide penalties for violations, and establish other provisions necessary to ensure the proper functioning, honesty and integrity of the raffles. Having been

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approved by the General Assembly, the proposed constitutional amendment must be submitted to the state's voters as a ballot question at the next general election.

*STATUS: Having been approved by the General Assembly, **S.239** was ratified on April 18, 2013, (R.17). No signature of the Governor is required.*

EXEMPTIONS FROM CHARITABLE SOLICITATION ACT REGISTRATION REQUIREMENTS

The General Assembly approved, **S.250**, legislation that establishes an exemption for public school districts and public schools from Charitable Solicitation Act registration requirements. This public school exemption includes a student organization within the school that does not maintain separate financial accounts or a separate Federal Employer's Identification Number from the school and whose fundraising revenues are deposited in the school's student activity fund. Also exempt are charitable organizations that do not intend to solicit or receive contributions from the public in excess of \$7,500 during a calendar year. These entities are exempt even if they hire various fundraising professionals, but the fundraising professionals must comply with registration and filing requirements.

*STATUS: Having been approved by the General Assembly, **S.250** was ratified June 4, 2013, (R.50) and signed into law by the Governor on June 7 (Act No. 43).*

"VOLUNTEER SERVICE PERSONNEL APPRECIATION ACT"

The General Assembly approved **H.3378**, the "Volunteer Service Personnel Appreciation Act". This legislation allows the governing body of a local government to authorize the distribution of a gratuitous year-end or holiday monetary or other type of gift to the following categories of volunteer service personnel: (1) reserve law enforcement officers; (2) volunteer firefighters; or (3) volunteer emergency medical service personnel. If the governing body elects to make a distribution, the legislation requires the governing body to treat all persons within one of these categories equally.

*STATUS: Having been approved by the General Assembly, **H.3378** was ratified June 11, 2013, (R.95) and signed into law by the Governor on June 13 (Act No. 76).*

TRANSPORTATION AND INFRASTRUCTURE

INFRASTRUCTURE FUNDING

With the passage of H.3360, the General Assembly authorized several sources of funding for the state's infrastructure needs. The legislation provides for the transfer of \$50 million each year to the Transportation Infrastructure Bank to obtain \$500 million in bonds, along with federal matching funds, to finance bridge replacement, rehabilitation projects, and expansion and improvements to existing mainline interstate highways. The legislation establishes a dedicated funding source for the state's secondary roadways by redirecting half of the tax revenue collected each year on the sales of motor vehicles, representing \$41.4 million, to the State Non-Federal Aid Highway Fund to be used exclusively for highway, road, and bridge maintenance, construction, and repair. Additionally, \$50 million in unobligated general fund revenue generated during Fiscal Year 2012-2013 is devoted to bridge rehabilitation and replacement.

STATUS: Having been approved by the General Assembly, H.3360 was ratified on June 19, 2013, (R.119) and was signed into law by the Governor on June 24 (Act No. 98).

SPECIAL LICENSE PLATES AUTHORIZED BY THE GENERAL ASSEMBLY - BASIC PLATE DESIGNS

The General Assembly approved H.3033, legislation which, among other things, requires the Department of Motor Vehicles to develop a basic plate design that will be used for all special license plates authorized by the General Assembly. The license plate must be the same size and general design of regular motor vehicle license plates but may be imprinted on the license plate in an area specified by the department with an emblem, seal, insignia, or other identifying symbol of the sponsoring organization that the department considers appropriate. No text or slogans may be added to the license plate design unless they are part of the approved emblem, seal, insignia, or other identifying symbol. The name of the organization may be imprinted across the top of the license plate. The standard license plate design must be issued for all organizational license plates newly requested after July 1, 2013. License plate designs in production as of that date must be changed when the license plate, or license plate class, is replaced.

STATUS: Having passed the General Assembly, H.3033 was ratified June 11, 2013, (R.90) and signed into law by the Governor on June 12 (Act No. 56).

STATE HIGHWAY SYSTEM ROAD TRANSFERS

The General Assembly approved H.3360, legislation that, among other things, revises the procedure for adding and removing roads from the state highway system. Under the

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legislation, a county or municipality and the Department of Transportation (DOT) may by mutual consent agree to transfer a road from the county or municipal road system to the state highway system. The transfer may be of the road 'as is', without further improvement to the road or upon such terms and conditions as the parties mutually agree. Notification of the transfer must be given to the county's legislative delegation. If the department determines that a road in the county or municipal road system is necessary for the interconnectivity of the state highway system, and the municipality or county does not consent to the transfer, the department may initiate a condemnation action to acquire the road, or a portion of it, and the county or municipality is not required to make any further improvements to it. The legislation authorizes DOT to transfer from the state highway secondary system any road under its jurisdiction determined to be of low traffic importance to a county or municipality, a school, a governmental agency, a nongovernmental entity, or a person, with mutual consent. A county or municipality shall have first right of refusal to accept roads into their maintenance responsibility when roads are considered for transfer from the secondary highway system to a non-governmental entity or person, and in no case may a state road be transferred to a nongovernmental entity unless all persons and businesses located on the road are in agreement with the transfer. The legislation includes provisions about when maintenance jurisdiction begins for transferred roads. Notification of the transfer must be given to the county's legislative delegation.

*STATUS: Having been approved by the General Assembly, **H.3360** was ratified June 19, 2013, (R.119) and signed into law by the Governor on June 24 (Act No. 98).*

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