

A4R
8. L33
v. 6/15
Copy 3



South Carolina House of Representatives

Legislative Update & Research Reports

Robert J. Sheheen, Speaker of the House

Vol. 6

April 18, 1989

No. 15

CONTENTS

House Week in Review.....2

1989-90 Budget Highlights.....3

Bills Introduced.....11

S. C. STATE LIBRARY
 APR 20 1989
STATE DOCUMENTS

Printed by the Legislative Council

House Week in Review

Automobile insurance and the introduction of bills dominated the attention of the House of Representatives last week. House members scurried to introduce bills by Thursday in order to meet the April 15 House deadline.

Auto Insurance

House members continued to wade through section after section of H.3695, the Automobile Insurance Reform Act. By the end of the legislative week, the House was near completing its first pass at the bill. A second reading vote was delayed until a corrected copy of the bill could be obtained for the general edification of everyone who has tried to follow work on the bill.

After days of amendments, the easiest thing to determine when the dust settled last week is what sections of H.3695 have been tabled by the House. Here is a list of the sections tabled over the past two weeks. An explanation of the sections can be found in the March 28 issue of the *Legislative Update*.

Sections of the H.3695 tabled include:

- Section 2 -- Eliminates Punitive Damages Coverage
- Section 6 -- Mandate to Write
- Section 7 -- Optional Punitive Damages Coverage
- Section 12 -- Punitive Damages
- Section 23 -- Reinsurance Facility Cession Limitation
- Section 24 & 25 -- Repeal Mandate to Write Physical Damages Coverage
- Section 31 -- Agents' Commissions
- Section 50 -- ISO Rates
- Section 55 -- Non-Economic Loss
- Section 56 -- Agent Commissions
- Section 57 -- Reinsurance Facility Servicing Carriers
- Section 58 -- Liability Deductible
- Section 59 -- Measures to Increase Competition
- Section 61 -- Reinsurance Facility Coverages
- Section 62 -- ISO Rates
- Section 75 -- PIP Coverage

In addition, Section 39, allowing banks to sell reinsurance, was ruled out of order by the chair.

1989-90 Budget Highlights

In record time, the House approved the \$3.3 billion 1989-90 Appropriations Bill last month. This bill was one of five budget bills considered by the House this session. The others are the \$53.8 million Capital Reserve Fund Bill (H.3602), the \$58 million Supplemental Appropriations Bill (H.3601), the \$55.4 million Surplus Supplemental Bill (H.3622) and the \$12.1 million Deficiency Supplemental Bill (H.3573).

Unlike last session when a number of pending issues were resolved in the budget bill, this year the pressing issues are fewer and the perennial questions -- what to do about pay raises, education, new prisons -- dominated the budget deliberations.

The House Ways and Means Committee recently distributed a document summarizing the action the House took on the four budget bills previously mentioned (the Deficiency Supplemental Bill was passed by the House earlier in the session).

To provide a quick reference for House members, here are some of the budget highlights gleaned from the Ways and Means Committee report. A more complete narrative and additional budget information can be found in the full report.

State Employee Health Insurance Reserve Fund

One of the most pressing financial issues facing the Legislature this session is what to do about the shortfall in the state employee health insurance reserve fund. The fund, which serves 135,000 state employees, retirees and teachers, is currently \$8 million in the red. The deficit is expected to grow to \$20 million by the end of the fiscal year and to \$43 million by the end of the calendar year.

To address this growing deficit, the House approved \$25.7 million in the appropriation bills for the health insurance reserve fund.

Of this total, \$6.8 million is earmarked for the reserve in the Deficiency Supplemental Bill (H.3573). Another \$6.8 million was appropriated in the Capital Reserve Fund (H.3602) and up to \$12 million in lapsed monies will be directed into the fund. The House also approved moving \$8 million in surplus money from the dental insurance reserve fund into the health insurance reserve.

Still to be resolved is what impact the health insurance reserve fund deficit will have on employee-paid premiums and benefits. The State Budget and Control Board currently is studying this question.

State Employee Pay Raise

Classified state employees will receive a 2 percent base pay increase on July 1 and another 2 percent increase January 1 under the House-approved budget bills. Unclassified employees will receive the pay increase in October. In addition, the House funded another one-time December bonus in the Capital Reserve Fund. Under this bonus, those employees earning \$20,000 or less will receive \$286, and those making over \$20,000 will receive a \$143 bonus.

The base pay raises, funded in the Appropriations Bill, will cost \$32.6 million. The one-time December bonus in the Capital Reserve Fund bill will cost \$8.9 million.

Higher Education

This fiscal year, the state's public colleges, universities and technical colleges received 93.3 percent of formula funding, up from 88.5 percent in the 1987-88 budget year. For the 1989-90 budget, the House again approved funding for higher education at the 93.3 percent formula level.

In addition, the Cutting Edge, the Commission on Higher Education's program for excellence among the institutions of higher learning, received another \$5 million in non-recurring funds in the new budget, matching this year's appropriation. The 1989-90 appropriation comes from \$2 million in the Supplemental Appropriations Bill and \$3 million in the Capital Reserve Fund Bill.

Also under higher education funding, the House approved a \$2 million increase for the Higher Education Tuition Grants Program, which provides tuition grants for state residents who attend in-state private colleges and universities.

Public Education

Public education, grades K-12, received a 13 percent funding boost over the the 1988-89 budget, demonstrating the continued commitment of the House to quality education. The House approved a total of \$131.8 million in new funding over the \$1 billion received by public education this fiscal year.

Fully funded by the House in 1989-90 budget are the Education Finance Act and the state textbook program. The textbook program will receive \$2 million in the Capital Reserve Fund bill and another \$5 million in the Supplemental Appropriations Bill.

School buses and the state's 6,000 adult school bus drivers were an important budget item last session. This year, they still figured in the budget discussions. The school bus replacement program was fully funded with \$8.8 million to purchase 500 new school buses. Bus driver salaries were given a 3 percent increase, raising the minimum hourly rate from \$4.75 to \$4.89. In addition, a pay scale was established which will take driving experience into consideration, and a safe driving program will provide a \$250 bonus to the top 1,000 school bus drivers.

Under the Education Improvement Act, the average teacher salary will be \$27,051, a 5.8 percent increase. This salary figure will meet the projected southeastern average for teachers. In addition, partial funding for the proposed "Target 2000" School Reform Bill also received House approval. Funding includes \$5.2 million for dropout prevention (\$2 million of it in the Supplemental Bill), \$2.6 million for expansion of the gifted and talented program, \$1.97 million for a preschool program for "at risk" 4-year-olds, and \$1.5 million in school flexibility grants.

Most important to the overall quality education effort, the House provided \$16.4 million in the Surplus Supplemental Bill for school building construction aid.

Catastrophic Health Care and Medicaid

The House increased the appropriation to Medicaid this year, earmarking \$24 million in state funds for the program, which will attract another \$70 million in federal funding. Of this appropriation, \$8.6 million will fund the state's share of the new Catastrophic Health Care program, passed by Congress last year.

In addition, the House funded 186 new nursing home beds. Another \$17.4 million will go to make inflationary adjustments to the reimbursements received by Medicaid providers and \$18.7 million will be used to bring rural hospital rates up to cost. Many of the state's rural hospitals are facing severe budget problems due to a myriad of reasons, most prominently money lost on Medicare and Medicaid patients, low patient use rates and difficulty in attracting medical professionals.

South Carolina would continue its fight against infant mortality through the Medicaid benefits expansion approved by the House in the new budget. Under the House-approved budget, Medicaid would provide medical coverage to poor pregnant women, infants and children up to age 4. In the current year's budget, the coverage includes pregnant women, infants and children to age 1.

Mental Health

To meet the requirements of the Mental Health Department's settlement with the Justice Department, \$4.3 million and 73 new positions were approved by the House to increase staffing at the State Hospital and the Community Mental Health Center. Additional funding and positions were approved for children and adolescent services, family treatment programs, autism services and the Alzheimer's Team Project at Hall Institute, among others.

The Capital Reserve Fund bill, as approved by the House, would provide \$5.1 million to meet the Department of Mental Health's current operating deficit. The bill also would appropriate \$1.1 million for renovation and construction in the department's Day Program. In addition, the Deficiency Supplemental bill appropriated \$1.1 million to pay for inmate medical treatment.

Prisons

The budgets for the Correction Department's two newest prisons -- the Allendale Correctional Institute and the Josiah J. Evans Correctional Institute near Bennettsville -- were annualized in this year's budget bill at the cost of \$10.7 million. These funds also annualized the 4 percent base pay increase given correction officers in January.

Five new 100-bed work camps were funded by the House. These camps would be located in Greenwood, Bamberg, Aiken, Wateree and Columbia. Also approved was a 100-bed shock probation unit at the Wateree facility.

With the opening of the 808-bed Evans and Allendale prisons, the state will have a total of 31 prisons in operation. Since 1986, four prisons and two shock probation camps have been built by the state to deal with prison overcrowding.

Tax Relief

The House approved tax cuts that will lighten the tax burden of state residents by \$144 million over the next five years. Most of these tax reductions were part of the \$55.4 million Surplus Supplemental Bill (H.3622). The Capital Gains Tax reduction was funded in the Appropriations Bill.

Tax reductions approved by the House include:

- \$5.5 million to index all tax brackets for inflation and to charge 2.5 percent on the first \$2,000 of taxable income instead of the current 3 percent.
- \$37.3 million over five years to reduce the Capital Gains Tax to the rate used before conforming with federal tax changes. According to 1987 tax figures, about 3 percent of the state's taxpayers paid Capital Gains Tax.
- \$7.9 million to increase the Homestead Exemption from \$20,000 to \$25,000. Homeowners 65-years-old or older, the blind and disabled are eligible for this property tax exemption. The current statewide average for homestead exemptions is \$146.80. It is estimated the increased exemption would provide an average additional savings of \$41.20 per homeowner.
- \$10 million for an Earned Income tax credit. This tax credit is aimed at benefiting working people with a family and an income of less than \$18,576. The Tax Commission estimates 670,000 returns would benefit from this tax credit. The state tax credit would be a maximum of 8 percent of the federal earned income tax credit or \$70. The taxpayers must meet certain criteria to be eligible for the credit.

Miscellaneous

Other significant funding measures approved by the House in the 1989-90 budget bills include:

- \$4 million to renovate the South Carolina Supreme Court Building.
- \$51,100 for 1990 census preparation.

- \$2.1 million to fund 25 new positions to staff the new SLED forensics laboratory scheduled to open next year.
- \$1.2 million to fund 50 new county DSS staff members to investigate abuse and neglect cases.
- \$750,000 to PRT for national tourism advertising and \$450,000 for international tourism advertising.
- \$1 million in the Capital Reserve Fund Bill for PRT's Recreation Land Trust Fund. This trust fund will be used to acquire land for needed park land acquisitions and to acquire land for beach access and recreation areas.
- \$1.3 million in the Capital Reserve Fund for development of the Savannah Valley recreation facility aimed at boosting economic development in Hampton County.
- \$4.3 million to ETV for equipment for its new facility.
- \$170,000 for a House roll call system.
- Aid to Subdivisions would be funded at 85.4 percent of formula.

Still To Be Addressed

The House had completed work on the 1989-90 budgets bill when the state learned of the U.S. Supreme Court's decision in Davis v. Michigan Department of the Treasury. The Supreme Court ruled that states could not tax federal retirees if they exempt state and local government pensions. The tax laws of 14 other states, including South Carolina's, were affected by the Supreme Court ruling. There are about 50,000 federal, military and civil service retirees in South Carolina.

According to the Tax Commission, the financial liability of the state in the aftermath of the Michigan decision could be over \$100 million -- \$34 million for the 1988 tax year and possibly \$34 million for the tax years 1985 through 1987, under the state's three year statute of limitations. Litigation has been filed in connection with the refunds for past tax years.

The State Budget and Control Board has been briefed by the Tax Commission on the state's options following the court ruling. Whatever course is taken will probably have an impact on the budget bills currently before the Senate Finance Committee.

Facing the state are decisions on what to do about the inequities in the tax laws and what to do about the possible \$100 million in refund payments. Several bills were introduced in the House last week that would change the exemptions available to both state and federal retirees.

Highlights of the
Capital Reserve Fund, Supplemental Appropriations,
Surplus Supplemental and Deficiency Supplemental
Appropriations Bills

Here are brief summaries of the three additional budget bills passed by the House this session. Some of the items contained in these summaries were noted in the preceding budget highlights narrative.

The Capital Reserve Fund bill (H.3602), totaling \$53.8 million, included:

- \$8.8 million in a one-time state employee bonus.
- \$6.8 million to the Health Insurance Reserve Fund.
- \$3 million for CHE's "Cutting Edge."
- \$2 million to the Department of Education for textbooks.
- \$250,000 for the School Bus Driver Safe Driver Bonus.
- \$4.3 million to ETV for equipment for its new facility.
- \$1.4 million to DHEC for its county offices computer network.
- \$5.1 million to cover the current year deficit in the Department of Mental Health.
- \$1.1 million for the Department of Mental Retardation's Day Program.
- \$1 million for the PRT Recreation Land Trust Fund.
- \$4 million for renovation of the State Supreme Court building.
- \$1 million to JEDA's Revolving Loan Fund.
- \$1.3 million to the Savannah Valley Authority Hampton Project.
- \$1.1 million to the State Tax Commission for equipment revenue enhancement.
- \$110,000 to the State Library for matching grants for library construction.
- \$170,000 for roll call equipment for the House chamber.
- \$5,000 for a women's handicapped restroom facility in the Statehouse.

The Supplemental Appropriations Bill (H.3601), totaling \$58 million, included:

- \$2 million to Aid to Subdivisions Homestead Reimbursements.
- \$3.4 million for EPA local match funds.
- \$3.7 million in Aid to Entities for Rural Development. Of this, \$626,447 would be used by House members for Local Government Division grants; a like amount for Senate use. The balance must be used for projects that do not qualify for federal funds such as EPA, EDA, FHA, ARC or CDBG money.

- \$7.2 million to the General Reserve Fund
- \$17 million for Higher Education formula funding.
- An additional \$1.9 million for Higher Education's "Cutting Edge"
- The Department of Education would get:
 - * Another \$5 million for textbooks.
 - * \$8.8 million for school bus replacement
 - * \$2 million for drop-out prevention.

Provisos in the bill require:

- The CHE, in conjunction with the State Board of Education, to establish a Center for the Advancement of Teaching and School Leadership.
- Development of a discipline-based arts education curricula by the State Department of Education in conjunction with the State Arts Commission.
- Establishment of the Public School Employee Cost Savings Programs to award school district employees with cost saving ideas.
- Under the Cutting Edge's Research Investment Initiative, 25 percent of the funds must be allocated to the senior colleges. However, if the number of quality programs submitted by the public colleges does not use the 25 percent, the balance may go to the universities.

The Surplus Supplemental Bills (H.3622), totaling \$55.4 million, included:

- \$2.2 million for Aid to Entities for Rural Development.
- \$5.5 million for an State Income Tax rate reduction.
- \$7.9 million for a Homestead Exemption increase from \$20,000 to \$25,000.
- \$10 million for an Earned Income tax credit.
- \$16.4 million in School Building Aid.
- \$10 million in Aid to Subdivisions.

The Deficiency Supplemental Appropriations bill (H.3573), totaling \$12.1 million, included:

- \$168,000 to SLED for required overtime payments.
- \$1 million for adjustments to the technical colleges' vacancy factor.
- \$1.1 million to the Department of Mental Health for inmate medical care.
- \$6.8 million for the health insurance reserve fund.
- \$3 million to the MUSC hospital budget shortfall.

Bills Introduced

Here is a sampling of the bills introduced in the House during the past week. Not all the bills introduced are featured here. The bills are organized by the standing committees to which they were referred.

Agriculture and Natural Resources Committee

S.C. Mining Act (H.3865, Rep. Corning). This bill would make a number of changes in the S.C. Mining Act. Among the proposed amendments is changing the permitting process from every 10 years to every four years. The bill would require that no permit could be issued without an environmental impact statement, which must be approved by both the Department of Health and Environmental Control and the State Land Resources Conservation Commission. The bill spells out what the environmental impact statement must entail. The cost of the impact study would be paid by the company seeking the permit.

Pit Bulls (H.3896, Rep. Neilson). Ownership or possession of pit bull dogs would be outlawed if this bill is enacted. Violation would be a misdemeanor carrying a fine of not more than \$1,000 and/or imprisonment for not more than one year.

Forestry Commission (H.3902, Rep. McLeod). The State Forestry Commission would be reconstituted under this bill. The legislation calls for changing the current 9-member commission, appointed by the governor, to a 7-member commission elected by the General Assembly. The bill specifically states that no person owning more than 5,000 acres of forest land may serve on the commission, neither could a person who is employed or retained by a large forest land owner.

Felonious Dangerous Dogs (H.3914, Rep. Neilson). The penalty for violation of the state Dangerous Dog law would be increased from a misdemeanor to a felony under this bill. The legislation also increases the fine for first offense from \$200 to \$500 and the jail term from 30 to 60 days. Second offense would carry a \$1,500 fine that could not be suspended.

Styrofoam Containers (H.3928, Rep. Sharpe). This bill would make it unlawful for eating establishments to use styrofoam containers for food or beverages taken off the premises. Violation would be a misdemeanor carrying a fine of up to \$200 or not more than 30 days in jail.

Education and Public Works Committee

Age of First Graders (H.3851, Rep. Gordon). This bill would change the cut off birthday date for children entering the first grade from November 1 to December 31 of the school year they wish to enter. Under state law, children cannot begin the first grade unless they are 6-years-old by November 1 of the school year they begin first grade.

Study of the Declaration of Independence (H.3861, Rep. Nesbitt). In addition to studying and being tested on the tenets of the U.S. Constitution, students attending state-supported high schools, colleges and universities also would be required to study and be tested on the Declaration of Independence and the Federalist Papers if this bill is enacted.

Housing for In-state Students (H.3906, Rep. T.C. Alexander). In-state students would receive priority status for student housing at the state's public colleges and universities under this bill.

Judiciary Committee

Highway Safety Bill (H.3848, House Education and Public Works Committee). This committee bill, a follow-up to last session's Highway Safety Act, would, in part,:

- Raise the minimum ages for regular and special restricted driver's licenses by six months and provide a longer period of supervised driving for those driving with a restricted license.
- Increase fines for speeding.
- Make driving through a railroad crossing when the crossing gate or barrier is closed a six point violation.
- Increase the punishments for a variety of offenses involving uninsured vehicles.
- Increase the punishment for driving with a cancelled, suspended or revoked license.

- Increase the penalty for DUI/DUS.
- Increase the penalty for passing a stopped school bus.
- Increase the punishment for reckless driving and reckless homicide.
- Require mandatory blood testing in fatal injury crashes.
- Suspend the driver's license of 13-to-21-year-olds for one year following conviction on certain alcohol-related offenses.
- Increase the punishment for DUI.

Liability Limit on Childhood Vaccines (H.3849, Rep. Keyserling). This bill would create the Childhood Vaccine Injury Act. Under this bill, claims of injury must be brought within three years after the date the injury occurred or was discovered. Claimants would be limited to recovering a maximum of \$250,000, and no award damages could include punitive and exemplary damages or interest before a judgment is rendered.

A vaccine-related injury would refer to the manufacture, distribution or sale of the vaccine administered, but could not include injury caused by the method in which the vaccine was injected. Vaccines covered by this bill include DTP, TD, polio, rubeola and rubella. If more than one person claims they were injured in connection with the vaccine-related injury, they would be treated as one claimant under this bill.

Lobbyist Regulations (H.3868, Rep. Gregory). This bill would overhaul the state regulations relating to lobbyists and lobbying activities. Among other provisions, this bill would create the South Carolina Commission on Lobbying, whose members would include the Secretary of State and the chairmen of the House and Senate Ethics Committees.

In addition to describing the duties and powers of the Lobbying Commission, the bill defines who is a lobbyist and who is not. It sets registration requirements and fees for lobbyists, and describes how a lobbyist should report his activities. It specifically prohibits state agencies from using public funds to employ a person whose duties consist of lobbying the General Assembly. Individuals employed by state agencies prior to February 1, 1989 would be exempt from this provision.

Lobbyists who violate provisions of this bill would be guilty of a misdemeanor and be subject to a fine of up to \$1,000 or jail time up to 90 days. If convicted, the lobbyist would be barred from lobbying activities for three years.

Article III Modernizing (H.3879, Rep. Sheheen). Similar to the bill introduced last year, this joint resolution would modernize the language of the Legislative Article of the State Constitution. Most of the amended sections in H.3879 do not change the meaning of the section, but simply modernize the language. Some sections of Article III are eliminated by the bill because they are obsolete.

Under this bill, the language of Article III would be updated to require that:

- House and Senate members must be elected from single member districts.
 - Legislative districts must be reapportioned every ten years based on the U.S. census.
 - House and Senate members must reside in their districts in order to be elected and must be of the constitutionally required age to serve at the time their term of office begins.
 - The General Assembly may receive an annual salary, mileage and subsistence as prescribed by law and may receive additional salary and allowances for special sessions. No General Assembly would have the power to increase the salary of its own members.
 - Neither house of the General Assembly could judge the qualifications of its own members as set out in the State Constitution.
 - Legislators would be immune from civil processes and criminal arrest for certain offenses during the legislative session. The bill deletes the constitutional language that extends the immunity ten days before and ten days after the session.
 - Either chamber may provide by rule for the second reading of any bill or joint resolution to be by voice vote ("viva voce") or by distribution of printed copies to each member.
 - All elections by the General Assembly must be by roll call vote unless dispensed with by unanimous consent.
 - All proceedings of either chamber must be open to the public except when two-thirds of the membership vote to have a closed session. The current language allows a closed session on occasions "as in the opinion of the house may require secrecy." House rules already require a two-thirds vote of the members present for an executive session. Senate rules do not require a two-thirds vote.
 - Any vacancy in the General Assembly where the unexpired term is less than one year may be filled as provided by general law.
- The General Assembly provide for the codification of laws and for keeping the codification up-to-date.

The joint resolution, which must be approved by the voters in a statewide referendum, would delete language from the State Constitution prohibiting marriages between whites and blacks and prohibiting unmarried girls under 14-year-old consenting to sexual intercourse.

Legislative Audit Council Director (H.3893, Rep. Blackwell). This bill would delete the four year term of the director of the Legislative Audit Council and require instead that he serve at the pleasure of the council.

State Political Party Conventions (S.571, Sen. Lourie). This bill would allow state party conventions to be held during a 13 month period ending on May 15 of each general election year. Current law says the conventions must be held during a 12 month period ending on April 15.

Invitations and Memorial Resolutions Committee

Sex Education Books (H.3892, Rep. Fair). This joint resolution would direct State School Supt. Charlie Williams to advise the state's public school teachers through their respective superintendents that two sex education books, "Growing to Maturity" and "Human Sexuality, A Responsible Approach" by Dr. Linda A. Berne do not conform to state law when taught alone.

Medical, Military, Public and Municipal Affairs Committee

Children's Services Act (H.3862, Rep. Corning). This bill, entitled the "Children's Services Act of 1990," would create the S.C. Department of Children's Services. This new department would be established to create a specialized children's agency to provide a statewide integrated program of children's service, including child care and development, child protective services with supportive homemaker and life skills services, foster care, adoption, and counseling.

The department would be governed by a 12-member board, half elected by the General Assembly, half appointed by the governor. The Children's Service Department would be funded by federal Title XX and Title IV-B funds. Arrangements would be made by the governor to receive the appropriate federal funds from the Department of Social Services. The department would take over all responsibilities of the children programs from DSS by July 1, 1990.

Attendance of State Board and Commission Members (H.3973, Rep. Wilkins). Members of state boards, committees, councils and commissions would have to attend at least half the meetings their respective boards hold during the calendar year. Failure to do so would constitute persistent neglect of duty. These provisions would not apply to ex officio members or their designees.

State Athletic Commission (H.3876, Rep. Washington). This bill would increase the membership of the State Athletic Commission from seven to nine members. The two new members would be legislators appointed to the commission by the President of the Senate and the House Speaker.

Heating Service and the Elderly (H.3890, Rep. Lockemy). Under this legislation, no utility or electric co-operative could halt electric or gas heating service to a household containing a person 65-years-old or older during the months of December, January or February. The senior citizen would have to file a notarized statement stating he can not afford to pay for the utility service. The utility could appeal to the State Public Service Commission if it is believed the older person could pay for the heating service.

Disposal of Fetal Tissue (H.3891, Rep. Fair). This skeleton bill will provide the vehicle for an amendment to the code outlining the requirements for the humane disposal of fetal tissue.

Inmate Cell Occupancy (H.3924, Rep. Hallman). Under provisions of this bill, the requirements and standards for inmate occupancy for each cell in state and local correctional facilities would be the same as those of federal correctional facilities.

Ways and Means Committee

Victims of Violent Crimes Memorial (H.3843, Rep. Wofford). This joint resolution would direct the state to erect an appropriate memorial on the Statehouse grounds recognizing South Carolinians who have been the victims of violent crimes. The memorial would be provided through the State Victim/Witness Program.

State Retiree Tax Exemption (H.3850, Rep. Kirsh). Under this bill, all federal, military, state and law enforcement retirees would be eligible for a \$5,000 state income tax exemption. This would raise the deduction currently allowed federal and military retirees from \$3,000. The pensions of state retirees and law enforcement officers currently are exempted from state income taxes. The U.S. Supreme Court recently ruled that states must tax or exempt the pensions of federal and state retirees the same way.

Federal Retiree Exemption (H.3864, Rep. Corning). In light of the U.S. Supreme Court decision, this bill would exempt the annuities of all federal retirees from state income taxes. Currently, federal retirees may deduction \$3,000 of their retirement income. Military retirees, also eligible for a \$3,000 deduction, would have their deduction raised to \$6,000 under this bill. Retirees with private pension funds would also be allowed a \$6,000 exemption, up from the current \$3,000 deduction.

Wholesale Gasoline Prices (H.3899, Rep. Elliott). Under this joint resolution, the wholesale prices of gasoline in the state would be rolled back to the base price as it stood on April 1, 1989. Prices above the April 1 wholesale price limit would be allowed to meet contractual requirements. However, this excess wholesale price would be declared a surtax, whose revenue would be used for funding the South Carolina SHIMS highway program. The wholesale price freeze outlined in this joint resolution would be in effect for six months after the effective date of the act.

Tax Filing Extension (H.3907, Rep. Mattos). The deadline for filing tax returns or payments or any form relating to real property would be extended for two working days if the original deadline falls on a weekend day or a holiday, under this bill.

Tuition Grants (H.3911, Rep. P. Harris). The Higher Education Tuition Grants program would receive an appropriation equal to 10 percent of the total appropriation for the Citadel, College of Charleston, Clemson, Francis Marion, Lander, the USC system, South Carolina State and Winthrop by the 1992-93 budget year, if this bill is enacted. This formula would be phased-in starting with the 1989-90 fiscal year.

Elimination of Tax Exemptions (H.3912, Rep. McEachin). This bill would eliminate all deductions from state income tax allowed federal, state, military, private, or law enforcement retirement benefits or pensions. Deductions allowed for permanent disability, business activities or support of a special needs child would continue under this bill. In addition, the legislation would repeal the provisions relating to the exclusion from income of retirement benefits of certain teachers and state employees living out-of-state, National Guardsmen or other military reserve components.

Tax Credit for Parents of the Severely Mentally Retarded (H.3922, Rep. P. Harris). The parents or guardians, who provide at least half the support for a severely retarded individual who lives at home, would be eligible for a 25 percent state income tax credit for these support expenses, under this bill. The tax credit could not exceed \$2,000 and would require certain official documentation of the dependent's mental condition, residence and expenditures.