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CONTENTS

Week in Review	02
House Committee Action.....	04
Bills Introduced in the House This Week	07

WEEK IN REVIEW - MARCH 29 - APRIL 2, 1999

HOUSE FLOOR

The House of Representatives gave third reading to **H.3276** and sent the bill to the Senate. **H.3276** pertains to charges and taxes imposed on telecommunications companies by municipalities. The legislation establishes a uniform manner in which municipalities may charge telecommunications companies for the use of public rights-of-way and sets a ceiling for business license taxes which municipalities impose upon telecommunications companies. Under the proposed system, telecommunications companies will pay an annual fee for use of municipal rights-of-way ranging in amount from \$100 to \$1000, based on municipal population. Telecommunications companies who already have access to municipal rights-of-way do not have to obtain new consent for that access. All telecommunications companies will continue to pay the charges established under existing agreements with municipalities until the year 2003, or until such time after 2003 that an existing agreement is set to expire. Where an agreement does not exist, telecommunications companies will pay a 0.2% business license tax on retail revenues generated by customers in municipalities until the year 2003. After the year 2003, where there is no existing agreement, telecommunications companies will pay a 0.5% business license tax on retail revenues generated by customers in municipalities. The rights-of-way charge and the business license tax provided in the legislation, and the ad valorem property taxes and cable television franchise fees, provided elsewhere under the law, are the only charges that may be assessed to telecommunications companies by municipalities.

The House approved and enrolled for ratification **S.352** which ratifies an amendment to the South Carolina Constitution which the state's voters approved at the general election of 1998. The constitutional amendment revises the qualifications for members of the General Assembly so as to provide that a candidate for the Senate or House of Representatives must be a legal resident of the district in which he is a candidate at the time he files for the office.

The House amended and sent to the Senate **H.3293** which amends the definition of the term "committee" as it relates to campaign practices. As amended, the bill provides that the term "committee" includes a person who makes independent expenditures aggregating five hundred dollars or more during an election cycle in order to influence the outcome of (1) an elective office, or (2) a ballot measure.

The House amended, approved and sent to the Senate **H.3616** which pertains to restrictions on campaign contributions received from political parties. The bill provides that a recipient given a contribution in violation of the restrictions must remit it to the Children's Trust Fund within ten days of its receipt.

The House approved and enrolled for ratification Joint Resolution **S.448**. The legislation reduces from 32.5 cents to 31 cents per mile the mileage reimbursement rate for state employees using personal vehicles for official business in order to conform to federal regulation.

The House gave second reading to **H.3531** which provides that each office on the South Carolina Employment Security Commission is a separate office and must be assigned a numerical designation. Under this bill, each election must be for a specific seat on the Commission. The bill further provides that the term of office for the commissioners begins on July 1 of each presidential election year.

SENATE FLOOR

TUESDAY MARCH 30

S.56 was amended, read for the third time, and ordered sent to the House. This bill relates to the Public Service Commission's regulation of water and sewer utilities.

The following bills were read for the third time and ordered sent to the House:

- **S.199** a bill relating to the registration and license requirements for day care centers and group homes
- **S.577** a bill prohibiting a person from seeking more than one judicial vacancy at the same time
- **S.654** a bill pertaining to underage individuals purchasing or possessing alcohol
- **S.535** a bill that establishes the "South Carolina First Steps to Readiness Act"

S.329 was read for the second time and ordered placed on the third reading calendar with notice of general amendments, carrying over all amendments to third reading. This bill relates to the manner and amounts a municipality may charge telecommunications providers for the use of public rights of way and business license taxes.

WEDNESDAY MARCH 31

S.70 was amended, read for the third time, and ordered sent to the House. This bill relates to property exempt from bankruptcy proceedings, attachment, levy, and sale.

The following bills were read for the third time and ordered sent to the House:

- **S.333** a bill relating to license renewal and continuing education requirements for massage / body work therapists
- **S.509** a bill relating to the correction of errors in the records of the South Carolina Retirement System
- **S.526** a bill pertaining to warrants of execution for the collection of default payments owed to the South Carolina Employment Security Commission
- **S.660** a bill pertaining to abuse and neglect of vulnerable adults

H.3188 was amended and read for the second time. This bill relates to maximum speed limits on interstate highways and other roads.

H.3002, a bill enacting the "Gambling Cruise Act," was made a Special Order. However, the bill will not be taken up for consideration before Tuesday, April 13, 1999.

HOUSE COMMITTEE ACTION

AGRICULTURE, NATURAL RESOURCES, AND ENVIRONMENTAL AFFAIRS

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

EDUCATION AND PUBLIC WORKS

The full Education and Public Works Committee did not meet this week.

JUDICIARY

The Judiciary Committee gave a favorable recommendation with amendment to **H.3509**. This bill that enacts the "Personal Financial Security Act," and it creates the offense of financial identity fraud. Under the bill, financial identity fraud occurs when a person without permission (1) obtains or records identifying information about another person or (2) accesses or attempts to access the financial resources of another person through the use of identifying information. The bill has a provision stating what the term "identifying information" includes. In a criminal proceeding, the crime is considered to have been committed in a county in which a part of the financial fraud took place, regardless of whether the defendant was ever actually in that county. As introduced, the bill provides that a person who violates the provisions of this section is guilty of a felony and, upon conviction, must be fined in the discretion of the court or imprisoned not more than five years, or both. The Judiciary Committee's proposed amendment increases the maximum time of imprisonment from five years to ten years.

H.3075 was recommitted to the Criminal Laws Subcommittee. This bill requires a sheriff to provide written notification of a sex offender's residence to every residence within a four-block radius of the sex offender's residence.

The Judiciary Committee gave a favorable report with amendment to **H.3500**. As introduced, the bill provides that a member of a municipal or county election commission is not eligible for reappointment once removed by the Governor. The Judiciary Committee's proposed amendment removes the permanent ban from reappointment and replaces it with an eight-year ban on reappointment.

S.36 received a favorable recommendation with amendment from the Judiciary Committee. This bill requires a person serving in an office elected by the General Assembly, who is not seeking re-election, to give written notice to the joint committee for the review of candidates of his or her decision not to seek re-election. Under this bill, the notice must be given at least thirty days before the last date for filing for that office. If the notice is given less than thirty days before the last date for filing for that office, the bill allows the joint committee to reopen or extend the time period for filing for that office. As introduced, the bill provides that the notice of intent not to seek re-election is irrevocable. However, the Judiciary Committee's proposed amendment deletes this provision from the bill.

The Judiciary Committee gave a favorable recommendation with amendment to **H.3465**. As introduced, this bill provides that the minimum age for both males and females to enter into a valid marriage is sixteen. The Judiciary Committee's proposed amendment (1) prohibits a marriage license from being issued when either applicant is under the age of sixteen, and (2) requires parental / guardian / or judicial consent when either applicant for a marriage license is between the ages of sixteen and eighteen.

The Judiciary Committee gave a favorable recommendation to **H.3547**. This bill increases from \$25.00 to \$30.00 the service charge relating to collection and prosecution procedures for checks drawn with insufficient funds on deposit.

The Judiciary Committee adjourned debate on **H.3552**, a bill relating to seat belt violations.

H.3420 received a favorable report with amendment from the Judiciary Committee. This bill pertains to lawsuits brought by the State and its political subdivisions against firearm manufacturers, firearm trade associations, and firearm dealers. **The Judiciary Committee's**

proposed amendment to H.3420 was not available at the time of printing of the Legislative Update.

LABOR, COMMERCE AND INDUSTRY

The full House Labor, Commerce and Industry Committee did not meet this week.

MEDICAL, MILITARY, PUBLIC AND MUNICIPAL AFFAIRS

The full House Medical, Military, Public and Municipal Affairs Committee met on Tuesday, March 30, and gave a favorable report to H.3477. This bill establishes the South Carolina Silver Haired Legislature, Inc. The purpose of this organization is to: (1) identify issues, concerns, and possible solutions for problems facing South Carolina's aging population; (2) make recommendations to the Governor and members of the General Assembly; (3) arrange educational forums to explore issues related to older citizens, and; (4) promote good government for all South Carolinians.

The participants must be 65 years of age or older and must be selected according to procedures adopted by the Silver Haired Legislature, Inc. in coordination with the states' network of aging programs. The organization will meet annually in the State House upon approval of the appropriate chamber.

An amendment was proposed to H.3477 that lowers the minimum age requirement to 60.

WAYS AND MEANS

The full Ways and Means Committee gave a favorable recommendation with amendment to H.3482. Current law provides that local hospitality tax revenues must be used exclusively for certain purposes. One of those purposes is "cultural, recreational, or historic facilities." H.3482, as originally drafted, adds language providing that to be eligible for funding from this revenue, these facilities must be "substantially used or visited by tourists." The committee amended the bill by striking all after the enacting words and inserting the words "tourism-related" before the words "cultural, recreational, or historic facilities," so as to provide that these facilities may be funded with local accommodations tax revenues only if the facilities are tourism-related.

The committee also amended and reported favorably on H.3571. This joint resolution, as originally drafted, proposes an amendment to the SC Constitution to provide that property tax must be levied separately on any classification of personal property created to include a portion of the "all other personal property" classification but subject to an assessment ratio of less than ten and one-half percent and to provide that the millage rate imposed by this new class may not exceed the rate imposed for such property beginning in 2000 except upon referendum approval or by a positive majority of the governing body. The joint resolution as originally drafted proposes also to amend the SC Constitution relating to the assessment ratio of "all other personal property," so as to create a new property tax classification consisting of personal property not used in a trade or business which must be titled by a state or federal agency excluding aircraft and units of manufactured housing and providing an assessment ratio for this new class equal to nine and thirty-eight one hundredths percent of fair market value declining over four years to a permanent rate of six percent.

The Ways and Means Committee's amended version of **H.3571** was reported out as a committee bill (**H.3809**). **H.3809** proposes to amend the SC Constitution relating to the assessment ratio on "all other personal property" so as to create a separate class of property tax classification consisting of personal motor vehicles which must be titled by a state or federal agency excluding units of manufactured housing and commercially operated aircraft and including passenger motor vehicles, recreational vehicles, pickup trucks, trailers, motorcycles, boats, and private aircraft which must be assessed for property tax at the rate of 9.75% of fair market value beginning in 2002, declining in equal annual reductions over six years to a permanent rate of 6.0% for 2007 and beyond. This proposed amendment would appear on the ballot in November 2000.

The committee also reported out as a committee bill joint resolution **H.3815**. This resolution requires that the Constitutional Ballot Commission provide an explanation for the amendment proposed in **H.3809**. **H.3815** requires that the explanation must read substantially as follows: *"Motor vehicles, pickup trucks, motorcycles, boats, boat motors, and private planes are valued for property tax purposes at ten and one-half percent of fair market value. The amendment would reduce that ten and one-half percent to six percent over six years. If local governments do not increase millage rates, the amendment would reduce property taxes by forty-three percent over six years on motor vehicles, pickup trucks, motorcycles, boats, boat motors, and private planes."*

BILLS INTRODUCED IN THE HOUSE THIS WEEK

AGRICULTURE, NATURAL RESOURCES, AND ENVIRONMENTAL AFFAIRS

H.3803 WATER HYACINTH AND HYDRILLA Rep. D. Smith

This bill provides a \$5,000 penalty for persons who unlawfully possess, sell, import into South Carolina, or release into the waters of this state Water Hyacinth and Hydrilla.

H.3789 TOBACCO ESCROW FUND Rep. Battle

This bill requires major tobacco product manufacturers selling tobacco products to consumers in South Carolina to either (1) become a participating manufacturer and perform its financial obligations under the Master Settlement Agreement (signed November 23, 1988 by the State and leading tobacco manufacturers in the United States), or (2) place a percentage of the funds generated from tobacco sales in escrow. The funds will be released from escrow to pay a judgment or settlement on any released claim brought against the manufacturer by the State or any releasing party located in the state. Funds will revert back to the manufacturer 25 years after the date they were placed into escrow. Any tobacco manufacturer who fails in any year to place the required funds into escrow will be notified by the Attorney General who may bring a civil action against the manufacturer. The court may impose a civil penalty not to exceed 5% of the amount improperly withheld from escrow per day of the violation and in total not to exceed 100% of the original amount improperly withheld from escrow. For known violations, the penalty is up to 15% of the improperly withheld amount and a total of up to 300% of the original amount improperly withheld from escrow. If a manufacturer knowingly withholds funds a second time, the manufacturer will be

prohibited from selling cigarettes to consumers in this state for up to two years and must pay reasonable costs and attorney's fees incurred by the State for enforcement of the fund.

EDUCATION AND PUBLIC WORKS

S.535 "SC FIRST STEPS TO SCHOOL READINESS ACT" Sen. Short

This bill establishes the SC First Steps to School Readiness initiative, which is intended to improve early childhood development through community-identified necessary education services for children from prenatal development through age five. The purpose of the First Steps initiative is to develop and assist efforts by public and private entities at the state and community level to collaborate so as to focus and intensify services; use available resources efficiently; and eliminate duplication of efforts to serve young children and families. The goals of the initiative are: increased prenatal/maternity care; provision of children services necessary to provide the protection, nutrition and health care needed to thrive from birth into the early years; access to support for parents who want to strengthen their families and promote optimal development of their preschool children; provision of high quality and appropriate preschool programs that promote normal growth and development; and mobilization of communities to provide enhanced services to families and young children to enable children to arrive at school healthy and ready to learn.

The bill creates the First Steps Trust Fund, an eleemosynary corporation, to oversee the initiative, and establishes an oversight Board consisting of fifteen gubernatorial appointees as well as *ex officio* members. The Governor (serving *ex officio*) will chair the Board. The Governor is authorized to employ a staff, and the bill provides duties and responsibilities for the staff and for the Board.

The bill provides eligibility requirements to become a First Steps Partnership, and establishes qualifying criteria and other requirements for three levels of grants that may be awarded to a partnership, ranging from level one development grants to level three implementation/management grants. The bill requires a funding match and provides for a standard fiscal accountability system for local partnerships. The bill also provides for the Board to conduct an annual review of partnerships, and provides for independent evaluation of the statewide and local initiatives every three years. The bill requires that state agencies, including the Department of Social Services and the Department of Health and Environmental Control, support the First Steps initiative.

H.3812 PARTISAN SCHOOL BOARD ELECTIONS Rep. Loftis

This joint resolution proposes a referendum to be held at the 2000 general election for voters of the Greenville County School District. The ballot question would read: *"Do you favor electing the members of the Board of Trustees of the Greenville County School District in partisan elections beginning with the election in the year 2002?"* The resolution provides that if the "yes" votes prevail in the referendum, the election of Greenville County School Trustees conducted at the same time as the general election of 2002 will be partisan.

The resolution provides for the partisan board to include a representative from each of the twelve defined single-member election districts established under current law. The resolution also includes provisions for staggered terms for board members until 2004; for filling board vacancies; and for election of each district's board member by voters of that district. Upon certification of a majority "yes" vote in the referendum, the resolution repeals the section of Act 521 of 1992 which provides for nonpartisan elections for Greenville County School District trustees.

JUDICIARY

H.3788 PENALTIES FOR VIOLATING THE NUMBERING REQUIREMENTS FOR WATERCRAFT Rep. Rodgers

This bill provides that a person who violates the provisions of *South Carolina Code of Laws* Chapter 50 (Equipment and operation of watercraft), Article 3 (Numbering) is guilty of a misdemeanor. The bill further provides that the offense is triable in magistrate's court. Penalties are established for failure to comply.

S.577 JUDICIAL VACANCIES Sen. McConnell

Under this bill, a person may not seek more than one judicial vacancy at the same time.

S.654 UNDERAGE PURCHASE OR POSSESSION OF ALCOHOL Sen. Judiciary Committee

This bill allows an underage individual to obtain a conditional discharge for a first offense of purchasing or possessing alcohol. If a condition of the discharge is violated, the bill provides that the court may enter an adjudication of guilt and proceed with sentencing the person for the offense committed. If a person fulfills the conditions, the bill allows the court to discharge the person and dismiss the proceedings. Under the bill, a nonpublic record will be forwarded to the South Carolina Criminal Law Enforcement Division; the nonpublic record may only be used to determine whether or not a person has committed a subsequent offense. This bill also authorizes individuals granted a conditional discharge to apply to the court for an order to expunge certain official records concerning the incident.

This bill allows a holder of a permit for the sale of beer or wine charged with the act of selling alcohol to an underage person to use as a mitigating circumstance programs used by the permit holder to educate and train its employees. If a permit holder and its employees participate in programs designed to prevent the sale or transfer of alcohol to underage persons, then under this bill the Administrative Law Judge may dismiss the charge against the permit holder. The bill provides that a nonpublic record will be forwarded to the South Carolina Criminal Law Enforcement Division; however, the nonpublic record may only be used to determine whether or not a person has committed a subsequent offense. Under the bill, a discharge and dismissal may occur only once with respect to a location.

H.3804 BOMBS, DESTRUCTIVE DEVICES, AND WEAPONS OF MASS DESTRUCTION Rep. Knotts

This bill prohibits the manufacture, transportation, possession, or use of bombs and weapons of mass destruction.

H.3808 RECORDING FEES FOR DEEDS Rep. Kelley

Under this bill, deeds that transfer realty from an agent to the agent's principal are exempt from the State's deed recording fee when the realty was purchased with funds of the principal.

H.3810 ACCESS OF THE LEGISLATIVE AUDIT COUNCIL TO STATE AGENCY RECORDS Rep. Sheheen

This bill grants subpoena powers to the Legislative Audit Council, and it requires the Council's information requests to be sent to the chief administrative officer of the agency being examined. The bill further provides that wilful noncompliance with a Council request is misfeasance in office.

This bill provides that audit working papers are confidential and not subject to public disclosure. Under the bill, the General Assembly, its staff, and other entities are subject to confidentiality requirements and penalties while performing audit compliance reviews.

LABOR, COMMERCE AND INDUSTRY

H.3798 FINANCIAL STATEMENTS FOR GENERAL CONTRACTOR'S LICENSE

Rep. Bailey

This bill revises the way in which a general contractor bidding and performing on jobs not exceeding certain specified amounts may satisfy the financial statement requirement in renewing his license. Current law requires a financial statement compiled by a licensed certified public accountant or licensed public accountant to be submitted for initial licensure and renewal of a license. Under the bill, the financial statement compiled by a licensed certified public accountant or licensed public accountant must still be submitted for initial licensure, but an owner-prepared financial statement with an affidavit of accuracy is to be submitted for the renewal of a license.

S.398 REGULATION OF PROFESSIONAL ENGINEERS AND LAND SURVEYORS

Sen. Setzler

This bill conforms the laws regulating professional engineers and land surveyors to the uniform statutory organizational framework established for boards under the administration of the Department of Labor, Licensing and Regulation. The bill also revisions pertaining to the licensure and regulation of professional engineers and land surveyors, including authorizing the South Carolina State Board of Registration for Professional Engineers and Land Surveyors to regulate cross-border engineering.

H.3811 COMPLIANCE WITH THE LOCAL GOVERNMENT COMPREHENSIVE PLANNING ENABLING ACT

Rep. Wilkins

This bill changes the date on which the Local Government Comprehensive Planning Enabling Act of 1994 is to go into effect. Current law provides that the planning and zoning programs of local governments must be in conformity with the Local Government Comprehensive Planning Enabling Act five years from the date on which the Governor approved the act, which is May 3, 1999. This bill extends that deadline for compliance to December 31, 1999.

S.56 WATER AND SEWER UTILITIES

Sen. Alexander

This bill revises the enforcement mechanisms for ensuring that the utilities regulated by the Public Service Commission provide adequate and proper water and sewer service. Under current law, if a utility fails to comply with the Public Service Commission's order to provide adequate and proper service, the Commission has the option to impose a penalty not exceeding one hundred dollars per day. Under the bill, the Commission is required to impose such a penalty for noncompliance in an amount not less than one hundred dollars per day but not more than one thousand dollars per day. The bill also increases the amount of the bond which a utility must file with the Commission before the Commission may authorize construction, operation, maintenance, acquisition, expansion, or improvement of any water or sewer facility. Currently, a bond in the amount of no less than ten thousand and no more than fifty thousand dollars is required; under the bill, a bond of no less than one hundred thousand and no more than three hundred fifty thousand dollars is required. The bill also provides that the annual salaries of the chairman and members of the Public Service Commission are to be set at a rate equal to the salaries paid to the chairman and members of the Employment Security Commission.

MEDICAL, MILITARY, PUBLIC AND MUNICIPAL AFFAIRS

S.199 LICENSE AND REGISTRATION REQUIREMENTS FOR DAY CARE CENTERS AND NURSING HOMES Sen. J. Verne Smith

This bill makes various revisions to state laws governing the operation of child day care facilities. Child day care centers and group day care homes must display their license number in all advertisements; family day care homes must state their registration number in all advertisements. The bill makes various revisions to legal definitions of child day care facilities, to include, among other things, summer resident camps under the term "child day care facilities." The bill revises conditions for seeking an injunction against an operator of a child day care center or group day home. The bill eliminates DSS's power to issue a declaratory order on drawings and specifications of proposed construction. Instead, the bill authorizes DSS to offer consultation on proposed construction at the request of day care operators.

The bill also makes revisions that specifically pertain to religious child day care centers and group day care homes. A statement of registration must be issued to a religious day care facility upon satisfactory completion of prescribed procedures. Religious facilities must display the statement of registration conspicuously on the premises, and state the registration number in all advertisements. The bill subjects religious day care facilities to inspection procedures and requirements for floor space, child-staff ratio, and staff training required of other day care facilities. Inspection of religious day care facilities must be conducted before registration renewal.

WAYS AND MEANS

H.3805 NOTES ISSUED BY SAVANNAH VALLEY AUTHORITY Rep. Sheheen

This bill repeals the joint resolution of 1987 relating to the purchase of notes issued by the Savannah Valley Authority by the Insurance Reserve Fund. The bill requires that outstanding indebtedness of the Savannah Valley Authority to the Insurance Reserve Fund on the effective date of this act (upon approval of the Governor) must be repaid pursuant to its terms.

H.3806 INSTALLMENT LOANS MADE BY STATE TREASURER Rep. Sheheen

This bill repeals the section of the SC Code of Laws which authorizes the State Treasurer to make installment loans to boards, commissions, institutions, and agencies of state government for the purpose of renting, leasing, or purchasing certain equipment.

H.3813 SC ADVISORY COMMISSION ON INTERGOVERNMENTAL RELATIONS Rep. Keegan

This bill repeals the SC Code chapter relating to the establishment of the SC Advisory Commission on Intergovernmental Relations. The bill transfers commission assets, appropriations, FTE's, and personnel to the Office of Regional Development of the State Budget and Control Board.

H.3814 STATE CAPITAL IMPROVEMENT BONDS Rep. Carnell

This bill authorizes the issuance of state capital improvement bonds to finance projects totalling over \$265 million. Projects in the bill include but are not limited to: \$13 million for projects at Clemson University; \$15 million for projects at the University of Charleston;

Legislative Update, April 6, 1999

\$27.5 million for deferred maintenance and other projects at SC State University; \$18 million for projects at the Columbia campus of the University of South Carolina (including Medical School); \$17 million for projects at the Medical University of South Carolina; \$13 million for State Technical System education and training equipment; \$9.6 million for Central Carolina Technical College project; \$16 million for projects at the School for the Deaf and Blind; and \$14 million for Clemson PSA projects. The bill also requires that each agency or institution of higher education, in order to receive the allocation provided in the bill, must commit at least \$5,000 from Part I of the fiscal 1999-2000 General Appropriation Act to pay for the initial architectural and engineering cost.

The *Legislative Update* is on the Worldwide Web. Visit the South Carolina General Assembly Home Page (www.lpittr.state.sc.us) and click on the "Quick Find Guide." On the next screen, click on "Legislative Updates." This will list all of the *Legislative Updates* by date. Click on the date you need.

SPECIAL NOTE: A cumulative index to the weekly issues of the *Legislative Update* has been added to the *Legislative Update* page on the Worldwide Web. Bills are listed in numerical order in this index. Each bill number is followed by a list of hypertext links (in chronological order) to every reference to that bill in any issue of the *Legislative Update* during the current session, 1999-2000.

Legislative Update, April 6, 1999

This is an easy way (just click on the links) to find summaries of bills introduced into the House and to follow the progress of a bill through House committees and on the floors of the House and Senate.