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Report of the Committee
To Make a Study of
Public and Private Services,
Programs and Facilities
For the Aging in
South Carolina, and
Of Laws Pertaining Thereto

March, 1973

REPORT OF THE COMMITTEE TO MAKE A STUDY
OF PUBLIC AND PRIVATE SERVICES, PROGRAMS
AND FACILITIES FOR THE AGING IN SOUTH
CAROLINA, AND OF LAWS PERTAINING THERETO

MARCH, 1973

(Concurrent Resolution No. 1286 of June 17, 1969)
(Continuing Resolution No. S-574 of 1970)
(Continuing Resolution No. S-285 of 1971)
(Continuing Resolution No. S-913 of 1972)

TRANSMITTAL LETTER

*To the Honorable John C. West, Governor of South Carolina and
Members of the General Assembly of South Carolina:*

The Committee, which came into being in 1969, has during the past year met frequently to discuss the needs of South Carolina's 200,000 elderly citizens (over age 65) and to formulate possible solutions to the many problems which beset this valued segment of our population.

It has been concerned with the operation of the important Homestead Tax Exemption Act, and has studied many proposals for making this successful state program more effective and more workable.

The Committee has considered the transportation needs of the elderly; their tax burden; their need for identification in lieu of driver's licenses; ideas for continuing education; plans for research on aging; income and employment of older people; welfare benefits; legal problems of the elderly; their recreational opportunities; their housing; their loneliness; and a host of other large and small concerns.

This report presents those matters considered by the Committee to be of the greatest importance at this time; legislative action on a variety of matters is recommended at the 1973 session of the General Assembly; on other topics, the Committee states an opinion, or makes a status report.

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Many other studies are pending. Moreover, the concern of the General Assembly and the Governor of this state continue to be in the direction of attempting to solve the ongoing plight of our elderly citizens. The Committee therefore requests that it be kept intact to study and recommend action for South Carolina's older citizens.

Respectfully submitted,

/s/ RICHARD W. RILEY, *Chairman*
Senator, Greenville

/s/ JAMES E. MOORE, *Vice-Chairman*
Representative, Greenwood

/s/ PATRICK B. HARRIS, *Secretary*
Representative, Anderson

/s/ HYMAN RUBIN,
Senator, Richland,

/s/ EDWARD SALEEBY,
Senator, Darlington

/s/ GILES P. CLEVELAND,
Representative, Spartanburg,

Gubernatorial Appointees:

/s/ FATHER WILLIAM PENTIS,
York

/s/ REV. I. DEQUIENCEY NEWMAN,
Columbia

/s/ MRS. B. J. BLACKWELL,
Florence

I. RECOMMENDATIONS OF COMMITTEE

RECOMMENDATION 1

Increase the amount of Homestead Tax Exemption from \$5,000 to \$10,000; Change "one-acre" definition of Homestead; simplify annual re-application.

Since enactment of the Homestead Tax Exemption Act the Committee has closely followed its operation, and received many suggestions for changes. It has reviewed many special cases and questions which have been called to its attention. In its continuing monitoring of the operation of the Act, the Committee has sought to identify those matters which might improve the situation of significant numbers of older home owners without destroying the simplicity of the Act's administration or adding unreasonably to its cost.

One such change which has already been made has been to include holders of certain life estates among those eligible for the Exemption.

The Committee after lengthy study now recommends that the following additional changes be made:

- (a) That the amount of exemption be increased from \$5,000 to \$10,000. Among South Carolina's 200,000 people aged 65 or older, "Income" continues to be the number one problem. With regard to the Homestead Tax Exemption, rising property assessments and increasing millage have in many cases eroded the benefits intended by the General Assembly. Moreover, the cost to the State of reimbursing counties for revenue lost due to granting exemptions the first year of the Act's operation is expected to be less than half the originally-estimated amount of \$3,500,000. An increase in the exemption from \$5,000 to \$10,000 would substantially benefit older home owners, restoring some of their eroded benefits; and, would cost little or nothing more than the amount originally set aside for this purpose. The Committee has found that oftentimes the older home owner in the medium price range home is the one hardest pressed economically.
- (b) Re-define Homestead as dwelling and not more than five acres of land (instead of one acre). County auditors favor this change to simplify administrative procedures involving separating a one-acre homestead tract from the larger areas

of land occupied by many older people's residences. Moreover, the change would give more equitable benefits to many of our rural older home owners who need it most, occupants of dwellings whose value, together with only one acre, is too low to qualify for the full amount of the exemption.

- (c) Simplify annual re-application for Homestead Exemption. The Act requires older home owners to re-apply annually for the Homestead Exemption. This requirement was included to assist County Auditors in keeping their property ownership records up-to-date and to safeguard against granting the exemption when the status of property may have changed. However, a personal visit (or visit by an agent) to the Auditor each year is in many cases a hardship for the older homeowner. It also places additional time-consuming administrative responsibility on the County Auditor.

In response to a Committee request, the Comptroller General, who was given authority by the Act to promulgate rules and regulations necessary to carry out the provisions of the Act, has authorized County Auditors to receive re-applications by mail, in compliance with the following rule:

"The County Auditor is authorized to mail the application for the Homestead Exemption to any persons that qualified for the exemption for the previous tax year and that person is hereby authorized to return the completed application to such County Auditor by mail. Nothing herein contained however is to apply to any applicant that was not qualified for the exemption for the previous tax year and such person or their agent must make application for the exemption at the Auditor's Office."

The Committee strongly urges County Auditors to act under authority of this rule during the current period for taking applications, and make re-applications available by mail whenever possible.

County Auditors, individually and as a group, have shown genuine concern and compassion for the older people of South Carolina in administering the Homestead Exemption Act, and in making constructive suggestions for change, as have the offices of the Comptroller General, the Attorney General, and others. The Committee expresses its appreciation to all of these for their interest and cooperation.

RECOMMENDATION 2

A ten per cent increase in the amount of Old Age Assistance Payments.

At its last session, the General Assembly eliminated the claim of the Department of Social Services against estates of persons receiving Old Age Assistance payments. The Department of Social Services concurred in this action, which eliminated a barrier of fear that had blocked some from seeking aid for which they were eligible.

The financial plight of the indigent elderly dependent on Old Age Assistance has not been significantly improved in the past. Average monthly Old Age Assistance Payments (as of Oct., 1972) were \$53.88.

The Committee, which has conferred with the Department of Social Services numerous times in the past year, recommends that Old Age Assistance Payments be increased by ten per cent, as requested by the Department in its budget.

RECOMMENDATION 3

Reduced fees for persons 65 or older for use of State Park Facilities (excluding cabins).

Many older South Carolinians use the facilities at our State Parks, and benefit from the healthful recreation they enjoy there. To encourage their increasing use and enjoyment of park facilities, the Committee recommends that such available activities as camping, miniature golf, swimming, boating, use of the Myrtle Beach State Park Pier, admission to Charlestowne Landing, and all other activities and services of like nature (except the use of park rental cabins) be made available at half-price to South Carolina residents age 65 or older. Presentation of a Medicare Card, or a "Gold Card" (to be made available at appropriate places) would be considered sufficient identification. In making this recommendation, the Committee calls attention to the fact that funds received from all these sources are part of the budgeted operating revenue of the Department of Parks, Recreation and Tourism. The Department would lose an estimated \$24,100 in granting half-price use of the facilities mentioned.

RECOMMENDATION 4

Implementation of plans for an in-depth investigation of the institutionalized elderly of South Carolina.

At any one time, about 8,000 older South Carolinians are confined to public or private institutions of various kinds from board-

ing homes to full-service hospitals. Counting turnover, about 15,000 yearly enter institutions. There is no clear picture of the type of care that they need, nor the kind of care they are receiving, nor whether they would be better off in their own homes provided some supportive community services were available. The South Carolina Commission on Aging proposes a complete study of the situation and the development of a State Plan to provide the best possible care for the elderly, and to prevent unnecessary institutionalization. This one-year study would be conducted under contract to a university or similar institution with necessary expertise, personnel, and facilities. It is proposed that this program be funded out of non-recurring Revenue Sharing Funds.

RECOMMENDATION 5

Eliminate maximum age limit for jury service.

South Carolina's Constitutional Amendment relating to Judicial Reform, approved by a referendum and awaiting ratification, provides that persons selected for jury service must be qualified electors of good moral character. No mention is made of age limitations. The South Carolina Code, however, Section 38-52, provides for jury service by persons 21 to 65 years of age. The Committee, believing that full advantage should be taken of the wisdom of older persons, recommends that the Amendment be ratified, and the Code amended to conform.

RECOMMENDATION 6

That the budgetary needs of the Commission on Aging be met adequately.

The work of the Commission has expanded tremendously since more Federal funds became available following the 1971 White House Conference on Aging. An even greater increase is anticipated in the near future. The Committee feels that it is essential for the budgetary needs of the Commission to be met adequately if it is to fulfill its fast-growing responsibilities.

The Committee commends the Commission on Aging for the outstanding support and efficient assistance it has given the Committee throughout the four years since the Committee's establishment.

RECOMMENDATION 7

That support be assured the Clemson Institute on Aging.

Clemson University is organizing its knowledgeable people and its facilities to establish a permanent Institute on Aging, which would

serve as an education, research and service arm for other organizations engaged in work with and for the aging.

This effort would apply to housing and health care facilities, recreation and education, nutrition, biomedical technology, physiology of aging, socio-economic aspects of aging, and nursing.

RECOMMENDATION 8

That the Committee be continued.

II. STATEMENTS OF POSITION BY COMMITTEE

STATEMENT 1

Transportation for the Elderly.

Transportation is one of the crucial needs of older people. In many cases, the senior citizen is unable to meet these needs through his own resources. The problem of getting to necessary places—the doctor, the grocery store, the church—is a major one for many older people. If there's a bus, it may not go where the elderly person wants to go; if there's a taxi service, it may be prohibitively expensive; if there's a relative or friend with a car, it is only available when the relative or friend is available. Various solutions to the transportation problem are being tried. In South Carolina Planning District No. 1, Piedmont Life Enrichment for the Aging, an areawide demonstration project, is furnishing rides in mini-buses. The Governor's Administrative Division is making a study of the state's transportation needs. Some other states have broadened the "Highway Department" concept, establishing Departments of Transportation responsible not only for road construction, maintenance and administration, but also responsible for the whole area of getting people from place to place as they need to go.

The Committee supports the idea of continued study of our state's transportation needs and facilities as a matter of high priority.

STATEMENT 2

Encouragement of Employment Beyond Customary "Retirement Age".

The Committee believes that mandatory retirement at an arbitrary age, when competence, ability and health are unimpaired, is both uneconomical for the employer and a disservice to the individual.

To force retirement of an able individual deprives the employer of the employee's fund of experience, knowledge, and contacts. Moreover, it deprives industry in South Carolina of a substantial

number of trained workers badly needed by new and expanding enterprises.

From the employee's standpoint, forced retirement is in many cases tantamount to forced unemployment, lowering the individual's income, standard of living, and buying power.

With advances in health care, many persons reaching the usual retirement age are still endowed with physical vigor and alert mentality. Moreover, the development of technology has brought about shorter hours and less strenuous job requirements in many cases, which present fewer demands on the stamina of the individual worker.

The rate of unemployment in South Carolina is one of the lowest of any state in the nation, and one of the major needs for industrial expansion is an adequate labor supply. At the present time, more jobs are available in the state in many areas than there are qualified workers to fill them.

The Committee therefore supports efforts to enable senior citizens to work beyond an arbitrary age of retirement and plans to study this problem in greater depth with an aim towards enabling legislation where needed.

STATEMENT 3

State Reimbursement to Municipalities desiring to grant Homestead Exemption to older citizens.

The Committee lauds the municipalities which have expressed a desire to grant a homestead exemption from municipal taxes on a basis similar to that now granted in regard to county taxes.

The Committee feels, however, that action should be taken first to increase the Homestead Exemption on County taxes from \$5,000 to \$10,000. Moreover, further study needs to be given to certain questions raised, since city exemptions would benefit only city dwellers, while county exemptions benefit both county and city dwellers.

The Committee also believes that the cost of Homestead Exemption to the state should remain level for the time being.

STATEMENT 4

Elimination of Sales Tax on Prescription Drugs at the Point of purchase, for older citizens.

In 1970, the General Assembly enacted legislation authorizing a rebate to persons 65 or older of state sales tax paid on prescription drugs. While this legislation has been of some benefit, only a small

percentage of the state's elderly have taken advantage of it. The probable reasons for this are :

(1) the small amount usually rebated and (2) the amount of bother, both to the older citizen and to the pharmacist, required to fill out the necessary form each time a purchase is made, and file an annual request for the rebate. Total amount refunded in the fiscal year ending June 30, 1972, was \$27,934.73, with an average refund of \$7.61 to the 3,369 people who applied. A suggestion has been made that the sales tax be eliminated for older persons at the point of purchase. The Committee discussed this suggestion and the present law with representatives of the Pharmaceutical Association and the Tax Commission at a hearing, and is hopeful the Association may later propose action which will both increase the benefits to the elderly and decrease the administrative burden of the pharmacists and of the Tax Commission.

The Committee generally feels that next year a change should be made in accordance with the above.

APPENDIX I

S-192

A BILL,

To amend Section 65-1522.1, Code of Laws of South Carolina, 1962, as amended, relating to Homestead Exemption, so as to increase the exemption and to further define dwelling place.

Be it enacted by the General Assembly of the State of South Carolina :

SECTION 1. Section 65-1522.1 of the 1962 Code, as last amended by Act 1132 of 1972, is further amended to read as follows :

“Section 65-1522.1. The first ten thousand dollars of the fair market value of the dwelling place of persons shall be exempt from county, school, and special assessment real estate property taxes when such persons have been residents of this State for at least one year, have each reached the age of sixty-five years on or before December thirty-first preceding the tax year in which the exemption herein is claimed and hold complete fee simple title or a life estate to the dwelling place. The exemption shall include the dwelling place when jointly owned in complete fee simple or life estate by husband and wife and either has reached sixty-five years of age on or before

December thirty-first preceding the tax year in which the exemption is claimed and either has been a resident of the State for one year. The exemption shall not, however, be granted unless such persons or their agents make written application therefor on or before May first of the tax year in which the exemption is claimed and shall also pay all real property taxes due by such persons before the date prescribed by statute for the imposition thereon of a late penalty or interest charge. The application for the exemption shall be made to the auditor of the county in which the dwelling place is located upon forms, provided by the county and approved by the Comptroller General, and a failure to so apply shall constitute a waiver of the exemption for that year. The term 'dwelling place' as used herein shall mean the permanent home and legal residence of the applicant and shall include not more than five acres of land on which the dwelling place is located. *Provided*, however, that if any portion of the five acres of land is used for income-producing purposes, the exemption shall not apply to that portion.

The Comptroller General shall promulgate such rules and regulations as may be necessary to carry out the provisions herein.

Nothing herein shall be construed as an intent to cause the reassessment of any person's property."

SECTION 2. This act shall take effect upon approval by the Governor.

Amendment to Bill No. S. 192:

Amend the Bill by adding a new Section 2 to read as follows:

"Section 2. Exemptions provided for in Section 65-1522.1 of the 1962 Code shall be effective for real property tax purposes for the 1973 tax year and thereafter provided that application is made for exemption as provided in Section 65-1522."

Renumber sections to conform.

APPENDIX II

S-193

A BILL

To provide that persons who are over sixty-five years of age may use all State Park facilities except cabins upon payment of one half the prescribed fee.

Be it enacted by the General Assembly of the State of South Carolina :

SECTION 1. Any South Carolina resident who is over sixty-five years of age, upon presentation of his Medicare card or other card approved by the South Carolina Commission on Aging to the employee of the State Department of Parks, Recreation and Tourism who is in charge of the particular State park, may use any facility of the State park except cabins upon payment of one half of the prescribed fee.

SECTION 2. This act shall take effect upon approval by the Governor.

APPENDIX III

S-188

A CONCURRENT RESOLUTION

To continue the committee appointed pursuant to H. 1286 of 1969 to make a study of public and private services, programs and facilities for the aging in South Carolina, and of laws relating thereto.

Be it resolved by the Senate, the House of Representatives concurring :

That the committee appointed pursuant to H. 1286 of 1969 to make a study of public and private services, programs and facilities for the aging in South Carolina, and of laws relating thereto, shall continue its study and make a report of its findings and recommendations during the 1974 session of the General Assembly. The members of the committee shall be allowed the usual per diem, mileage and subsistence as provided by law for members of boards, committees and commissions. The expenses of the committee shall not exceed five thousand dollars, to be paid from the approved accounts of both houses.
