**NO. 36**

**JOURNAL**

**OF THE**

**SENATE**

**OF THE**

**STATE OF SOUTH CAROLINA**

****

**REGULAR SESSION BEGINNING TUESDAY, JANUARY 10, 2017**

**\_\_\_\_\_\_\_\_\_**

**THURSDAY, MARCH 9, 2017**

**Thursday, March 9, 2017**

**(Statewide Session)**

~~Indicates Matter Stricken~~

Indicates New Matter

The Senate assembled at 11:00 A.M., the hour to which it stood adjourned, and was called to order by the PRESIDENT.

A quorum being present, the proceedings were opened with a devotion by the Chaplain as follows:

1 John 5:14

“And this is the confidence that we have in him, that, if we ask anything according to his will, he hears us.”

Gracious God, we know that You value our prayers and that You hear our prayers and that You answer our prayers. There are simply countless examples of these answered prayers throughout our lives. We are humbled by Your love and grace manifested in and through our successes and blessings.

But like the familiar song, “thank God for unanswered prayer”, we also know that in Your wisdom, You don’t always grant us our prayer requests. In some cases, this is truly a blessing, in other cases, not so much.

We are not dismayed O God, for through Your word we know that in all prayers You hear us and You answer us according to Your perfect will for our lives. Help us to accept our accomplishments and our failures, our blessings and our disappointments as part of the journey that molds us, matures us and makes us Your people of faith.

In Your holy name we pray, Amen.

The PRESIDENT called for Petitions, Memorials, Presentments of Grand Juries and such like papers.

**Point of Quorum**

At 11:03 A.M., Senator LEATHERMAN made the point that a quorum was not present. It was ascertained that a quorum was not present.

Alexander Allen Bennett

Campbell Cromer Davis

Fanning Gambrell Grooms

Johnson Leatherman Martin

Massey Nicholson Peeler

Rice Senn Shealy

Sheheen Talley Timmons

Turner Young

A quorum being present, the Senate resumed.

**Doctor of the Day**

Senator McElveen introduced Dr. Christopher Yeakel of Elgin, S.C., Doctor of the Day.

**Leave of Absence**

At 11:07 A.M., Senator TURNER requested a leave of absence for Senator GREGORY for the day.

**Leave of Absence**

At 11:07 A.M., Senator BENNETT requested a leave of absence for Senator GOLDFINCH until 11:15 A.M.

**Leave of Absence**

At 11:08 A.M., Senator MARTIN requested a leave of absence for Senator MALLOY for the day.

**Leave of Absence**

At 12:03 P.M., Senator YOUNG requested a leave of absence for Senator WILLIAMS for the day.

**Expression of Personal Interest**

Senator CAMPBELL rose for an Expression of Personal Interest.

**Expression of Personal Interest**

Senator CAMPSEN rose for an Expression of Personal Interest.

**Expression of Personal Interest**

Senator MASSEY rose for an Expression of Personal Interest.

**CO-SPONSORS ADDED**

The following co-sponsors were added to the respective Bills:

S. 323 Sen. Corbin

S. 341 Sen. Senn

S. 342 Sens. Alexander, Senn, Climer

**INTRODUCTION OF BILLS AND RESOLUTIONS**

The following were introduced:

S. 527 -- Senators Hembree, Kimpson, Gregory and Campsen: A BILL TO AMEND ARTICLE 1, CHAPTER 23, TITLE 16 OF THE 1976 CODE, BY ADDING SECTION 16-23-25, TO PROVIDE THAT IT IS UNLAWFUL FOR A PERSON TO SELL, OFFER TO SELL, DELIVER, LEASE, RENT, BARTER, EXCHANGE, OR TRANSPORT FOR SALE IN THIS STATE ANY HANDGUN TO A PERSON WHO IS UNDER THE AGE OF EIGHTEEN AND TO PROVIDE FOR EXCEPTIONS; TO AMEND SECTION 16-23-30, RELATING TO THE UNLAWFUL CARRYING OF A HANDGUN, TO DELETE THE USE OF THE TERM "HANDGUN" AND REPLACE IT WITH "FIREARM" OR "FIREARM AND AMMUNITION," TO PROVIDE THAT IT IS UNLAWFUL FOR A PERSON TO SELL, OFFER TO SELL, DELIVER, LEASE, RENT, BARTER, EXCHANGE, TRANSPORT FOR SALE INTO THIS STATE, OR OTHERWISE DISPOSE OF ANY FIREARM OR AMMUNITION TO A PERSON KNOWING OR HAVING REASONABLE CAUSE TO BELIEVE THAT THE PERSON MEETS A CERTAIN CATEGORY; TO AMEND SECTION 16-23-50, RELATING TO PENALTIES, DISPOSITION OF FINES, AND THE FORFEITURE AND DISPOSITIONS OF HANDGUNS, TO DELETE THE USE OF THE TERM "HANDGUN" AND REPLACE IT WITH "FIREARM" OR "FIREARM AND AMMUNITION," TO PROVIDE FOR PENALTIES FOR A PERSON WHO VIOLATES THE PROVISIONS OF THIS ARTICLE, EXCEPT SECTION 16-23-20, TO PROVIDE THAT A LAW ENFORCEMENT AGENCY THAT RECEIVES A FIREARM PURSUANT TO THIS SECTION SHALL ADMINISTRATIVELY RELEASE THE FIREARM TO AN INNOCENT OWNER UNDER CERTAIN CIRCUMSTANCES; TO AMEND AND ADD NECESSARY TERMS TO SECTION 16-23-10; AND TO REPEAL SECTIONS 16-23-500 AND 23-31-1040 OF THE 1976 CODE.

l:\s-res\gh\011fire.kmm.gh.docx

Read the first time and referred to the Committee on Judiciary.

S. 528 -- Senator Gambrell: A BILL TO AMEND SECTION 12-36-2120, AS AMENDED, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO EXEMPTIONS FROM THE STATE SALES TAX, SO AS TO EXEMPT TOYS PURCHASED BY THE MARINES TOYS FOR TOTS FOUNDATION.

l:\council\bills\dka\3081sa17.docx

Read the first time and referred to the Committee on Finance.

S. 529 -- Senator McLeod: A SENATE RESOLUTION TO HONOR AND RECOGNIZE JORY FLEMING OF COLUMBIA AND TO CONGRATULATE HIM ON BEING AWARDED A RHODES SCHOLARSHIP.

l:\s-res\msm\001jory.kmm.msm.docx

The Senate Resolution was adopted.

S. 530 -- Senator Talley: A BILL TO AUTHORIZE THE PELHAM-BATESVILLE FIRE DISTRICT, WHICH PROVIDES FIRE PROTECTION SERVICES TO PORTIONS OF GREENVILLE AND SPARTANBURG COUNTY, TO ISSUE BONDS TO FINANCE CERTAIN NECESSARY CAPITAL IMPROVEMENTS AND TO PROVIDE FOR THE AMOUNT AND PROCESS THROUGH WHICH THE BONDS MAY BE ISSUED.

l:\s-res\sft\008pelh.kmm.sft.docx

Read the first time and referred to the Committee on Finance.

S. 531 -- Senator Young: A BILL TO AMEND SECTION 59-112-50(C)(2) OF THE 1976 CODE, RELATING TO THE DEFINITION OF 'COVERED INDIVIDUAL' FOR THE PURPOSES OF IN-STATE TUITION AND FEES FOR CHILDREN AND SPOUSES OF VETERANS AND ACTIVE DUTY MILITARY PERSONNEL, TO PROVIDE THAT THE DEFINITION INCLUDES A CHILD OR SPOUSE ENROLLING WITHIN THREE YEARS OF A VETERANS DISCHARGE PROVIDED THAT THE CHILD OR SPOUSE WHO IS ENTITLED TO AND RECEIVING ASSISTANCE UNDER SECTION 3319, TITLE 38 OF THE UNITED STATES CODE, A CHILD OR SPOUSE OF ACTIVE DUTY MILITARY PERSONNEL WHO IS ENTITLED TO AND RECEIVING ASSISTANCE UNDER SECTION 3319, TITLE 38 OF THE UNITED STATES CODE, AND A CHILD OR SPOUSE OF ACTIVE DUTY MILITARY PERSONNEL KILLED IN THE LINE OF DUTY WHO IS ENTITLED TO AND RECEIVING ASSISTANCE UNDER SECTION 3311(b)(9), TITLE 38 OF THE UNITED STATES CODE; AND TO AMEND SECTION 59-112-50(C)(4), TO PROVIDE ELIGIBILITY FOR CONTINUOUS ENROLLMENT BEYOND THE THREE YEAR INITIAL ELIGIBILITY PERIOD.

l:\s-res\try\016mili.kmm.try.docx

Read the first time and referred to the Committee on Education.

S. 532 -- Senators Peeler, Alexander, Scott and Verdin: A CONCURRENT RESOLUTION TO FIX WEDNESDAY, APRIL 5, 2017, AT NOON, AS THE DATE AND TIME FOR THE HOUSE OF REPRESENTATIVES AND THE SENATE TO MEET IN JOINT SESSION IN THE HALL OF THE HOUSE OF REPRESENTATIVES FOR THE PURPOSE OF ELECTING AN AT-LARGE MEMBER OF THE BOARD OF VISITORS OF THE CITADEL FOR A TERM TO EXPIRE JUNE 30, 2023; FOR THE PURPOSE OF ELECTING A MEMBER OF THE BOARD OF TRUSTEES OF COASTAL CAROLINA UNIVERSITY FROM THE SECOND CONGRESSIONAL DISTRICT, SEAT 2, FOR A TERM TO EXPIRE JUNE 30, 2021; A MEMBER FROM THE FOURTH CONGRESSIONAL DISTRICT, SEAT 4, FOR A TERM TO EXPIRE JUNE 30, 2021; FROM THE SIXTH CONGRESSIONAL DISTRICT, SEAT 6, FOR A TERM TO EXPIRE JUNE 30, 2021, AND AT-LARGE MEMBERS FROM SEATS 8, 10, 12, 14, AND 15, RESPECTIVELY, ALL FOR TERMS TO EXPIRE JUNE 30, 2021; FOR THE PURPOSE OF ELECTING A MEMBER OF THE BOARD OF TRUSTEES OF THE COLLEGE OF CHARLESTON TO FILL THE TERM OF THE MEMBER FROM THE THIRD CONGRESSIONAL DISTRICT, SEAT 6, FOR A TERM TO EXPIRE JUNE 30, 2020; FOR THE PURPOSE OF ELECTING A MEMBER OF THE BOARD OF TRUSTEES OF LANDER UNIVERSITY TO FILL THE TERM OF THE MEMBER FROM AT-LARGE SEAT 10, WHOSE TERM WILL EXPIRE JUNE 30, 2018; FOR THE PURPOSE OF ELECTING MEMBERS OF THE BOARD OF TRUSTEES OF THE MEDICAL UNIVERSITY OF SOUTH CAROLINA TO FILL THE TERMS OF THE HEALTH PROFESSION MEMBERS FROM THE THIRD AND SIXTH CONGRESSIONAL DISTRICTS WHOSE TERMS WILL EXPIRE JUNE 30, 2018; FOR THE PURPOSE OF ELECTING AN AT-LARGE MEMBER FROM SEAT 8 FROM WINTHROP UNIVERSITY FOR A TERM TO EXPIRE JUNE 30, 2023; AND FOR THE PURPOSE OF ELECTING FOUR AT-LARGE MEMBERS OF THE BOARD OF TRUSTEES OF THE WIL LOU GRAY OPPORTUNITY SCHOOL, ALL FOR TERMS TO EXPIRE JUNE 30, 2021; AND FOR THE PURPOSE OF ELECTING AN AT-LARGE MEMBER OF THE LEGISLATIVE AUDIT COUNCIL PURSUANT TO SECTION 2-15-10 FROM AMONG THE CANDIDATES NOMINATED BY THE LEGISLATIVE AUDIT COUNCIL NOMINATING COMMITTEE PURSUANT TO SECTION 2-15-20, FOR A TERM TO EXPIRE ON JUNE 30, 2023.

l:\council\bills\nl\13666sd17.docx

The Concurrent Resolution was introduced and referred to the Committee on Invitations.

S. 533 -- Senator Fanning: A BILL TO AMEND THE CODE OF LAWS OF SOUTH CAROLINA, 1976, BY ADDING SECTION 8-1-200 SO AS TO PROVIDE THAT AN ELECTED LOCAL, STATE, OR FEDERAL PUBLIC OFFICIAL WHOSE OFFICE IS DECLARED VACANT DUE TO A CRIMINAL CONVICTION DURING THE OFFICIAL'S TERM OF OFFICE SHALL REIMBURSE THE APPROPRIATE STATE OR LOCAL ELECTIONS AUTHORITY FOR THE ACTUAL COSTS OF HOLDING THE ENSUING PRIMARY, RUNOFF PRIMARY, OR SPECIAL ELECTION NECESSITATED BY THE OFFICIAL'S REMOVAL FROM OFFICE PRIOR TO THE EXPIRATION OF HIS TERM; TO AUTHORIZE THE PRESIDING JUDGE BEFORE WHOM AN INCUMBENT ELECTED LOCAL, STATE, OR FEDERAL PUBLIC OFFICIAL WAS CONVICTED TO ORDER THE OFFICIAL TO PAY, COMPENSATE, OR REIMBURSE THE APPROPRIATE STATE OR LOCAL ELECTIONS AUTHORITY FOR THE ACTUAL COSTS OF HOLDING THE ENSUING PRIMARY, RUNOFF PRIMARY, OR SPECIAL ELECTION; AND TO REQUIRE THE ATTORNEY GENERAL OR THE CIRCUIT SOLICITOR TO ASK THE PRESIDING JUDGE TO INCLUDE AN ORDER REQUIRING THE ELECTED LOCAL, STATE, OR FEDERAL PUBLIC OFFICIAL TO PAY, COMPENSATE, OR REIMBURSE THE APPROPRIATE STATE OR LOCAL ELECTIONS AUTHORITY FOR THE ACTUAL COSTS OF HOLDING THE ENSUING PRIMARY, RUNOFF PRIMARY, OR SPECIAL ELECTION.

l:\council\bills\ggs\22978zw17.docx

Read the first time and referred to the Committee on Judiciary.

S. 534 -- Senator Hembree: A BILL TO AMEND THE CODE OF LAWS OF SOUTH CAROLINA, 1976, BY ADDING SECTION 59-18-1940 SO AS TO PROVIDE THE EDUCATION OVERSIGHT COMMITTEE SHALL DESIGN AND PILOT CERTAIN DISTRICT ACCOUNTABILITY MODELS THAT FOCUS ON COMPETENCY-BASED EDUCATION; BY ADDING SECTION 59-18-1950 SO AS TO PROVIDE FOR THE ESTABLISHMENT OF A STATE LONGITUDINAL DATA SYSTEM FOR MEASURING THE CONTINUOUS IMPROVEMENT OF PUBLIC EDUCATION AND THE COLLEGE READINESS AND CAREER READINESS OF PUBLIC SCHOOL GRADUATES, AND TO PROVIDE RELATED FINDINGS; BY ADDING SECTION 59-18-1960 SO AS TO PROVIDE THE MEASURING OF STUDENT PROGRESS OR GROWTH USING A VALUE-ADDED SYSTEM; TO AMEND SECTION 59-18-100, AS AMENDED, RELATING TO THE PURPOSE OF THE ACCOUNTABILITY SYSTEM IN THE EDUCATION ACCOUNTABILITY ACT, SO AS TO PROVIDE ADDITIONAL PURPOSES CONCERNING THE PROFILE OF THE SOUTH CAROLINA GRADUATE; TO AMEND SECTION 59-18-120, AS AMENDED, RELATING TO DEFINITIONS IN THE EDUCATION ACCOUNTABILITY ACT, SO AS TO REVISE AND ADD DEFINED TERMS; TO AMEND SECTION 59-18-310, AS AMENDED, RELATING TO THE STATEWIDE ASSESSMENT PROGRAM FOR MEASURING STUDENT PERFORMANCE, SO AS TO DELETE OBSOLETE LANGUAGE AND TO DELETE PROVISIONS CONCERNING THE TIMING FOR ADMINISTERING CERTAIN ASSESSMENTS; TO AMEND SECTION 59-18-320, AS AMENDED, RELATING TO THE ADMINISTRATION OF CERTAIN STATEWIDE STANDARDS-BASED ASSESSMENTS, SO AS TO DELETE OBSOLETE PROVISIONS CONCERNING THE NO CHILD LEFT BEHIND ACT, AND TO DELETE PROVISIONS CONCERNING PERFORMANCE LEVEL RESULTS IN VARIOUS CORE SUBJECT AREAS; TO AMEND SECTION 59-18-325, AS AMENDED, RELATING TO COLLEGE AND CAREER READINESS SUMMATIVE ASSESSMENTS, SO AS TO REVISE PROCUREMENT AND ADMINISTRATION PROVISIONS AND THE TIME AFTER WHICH RESULTS OF SUCH ASSESSMENTS MAY BE INCLUDED IN SCHOOL RATINGS; TO AMEND SECTION 59-18-330, AS AMENDED, RELATING TO THE COORDINATION AND ADMINISTRATION OF THE NATIONAL ASSESSMENT OF EDUCATION PROGRESS, SO AS TO PROVIDE THE STATE SHALL PARTICIPATE AS AN INDIVIDUAL EDUCATION SYSTEM IN THE PROGRAM FOR INTERNATIONAL STUDENT ASSESSMENT AND TO PROVIDE ASSOCIATED RESPONSIBILITIES OF THE STATE DEPARTMENT OF EDUCATION; TO AMEND SECTION 59-18-340, AS AMENDED, RELATING TO THE MANDATORY PROVISION OF STATE-FUNDED ASSESSMENTS SO AS TO DELETE ONE SUCH ASSESSMENT AND INCLUDE TWO ADDITIONAL ASSESSMENTS; TO AMEND SECTION 59-18-900, AS AMENDED, RELATING TO THE COMPREHENSIVE ANNUAL REPORT CARD FOR SCHOOLS, SO AS TO PROVIDE IT IS WEB-BASED, TO REVISE THE PURPOSES OF THE REPORT CARD, TO REVISE AND DEFINE CATEGORIES OF ACADEMIC PERFORMANCE RATINGS, TO PROVIDE THE SAME CATEGORIES ALSO MUST BE ASSIGNED TO INDIVIDUAL INDICATORS USED TO MEASURE SCHOOL PERFORMANCE, TO MAKE THE USE OF STUDENT SCORES IN CALCULATING SCHOOL RATINGS BE OPTIONAL INSTEAD OF MANDATORY, TO DELETE STUDENT PERFORMANCE LEVELS, TO PROVIDE THE REPORT CARD MUST INCLUDE INDICATORS THAT MEET FEDERAL LAW REQUIREMENTS, TO INCLUDE DROPOUT RETENTION DATA AND ACCESS TO TECHNOLOGY AMONG THE TYPES OF INFORMATION THAT SHOULD BE INCLUDED IN REPORT CARDS, AND TO REVISE REQUIREMENTS FOR RELATED SCHOOL IMPROVEMENT COUNCIL REPORTS; TO AMEND SECTION 59-18-910, AS AMENDED, RELATING TO COMPREHENSIVE CYCLICAL REVIEWS OF THE ACCOUNTABILITY SYSTEM, SO AS TO REQUIRE THE INCLUSION OF CERTAIN RECOMMENDATIONS DETERMINING THE READINESS OF GRADUATING STUDENTS IN CERTAIN CATEGORIES RELATED TO THE PROFILE OF THE SOUTH CAROLINA GRADUATE; TO AMEND SECTION 59-18-920, AS AMENDED, RELATING TO CHARTER SCHOOLS, SO AS TO PROVIDE DATA REQUIRED OF A CHARTER SCHOOL MAY BE USED TO DEVELOP A RATING OF THE SCHOOL, TO DELETE EXISTING PROVISIONS CONCERNING THE CHARTER SCHOOL RATINGS, TO DELETE PROVISIONS PROHIBITING USE OF CHARTER SCHOOL STUDENT PERFORMANCE IN A DISTRICT'S OVERALL PERFORMANCE RATINGS; TO AMEND SECTION 59-18-930, AS AMENDED, RELATING TO THE REQUIREMENT THAT THE DEPARTMENT ANNUALLY ISSUE AN EXECUTIVE SUMMARY OF THE REPORT CARD, SO AS TO PROVIDE THE DEPARTMENT INSTEAD MAY PUBLISH THE REPORT ON ITS WEBSITE IN A CERTAIN MANNER, AND TO PROVIDE CERTAIN NATIONAL ASSESSMENT SCORES MAY BE INCLUDED; AND TO REPEAL SECTION 59-18-950 RELATING TO CRITERIA FOR SCHOOL DISTRICT AND HIGH SCHOOL RATINGS.

l:\council\bills\agm\19142wab17.docx

Read the first time and referred to the Committee on Education.

S. 535 -- Senators Talley and Martin: A SENATE RESOLUTION TO CONGRATULATE THE DORMAN HIGH SCHOOL BASKETBALL TEAM, COACHES, AND SCHOOL OFFICIALS ON A STELLAR SEASON AND TO HONOR THEM FOR WINNING THE 2017 CLASS 5A STATE CHAMPIONSHIP TITLE.

l:\s-res\sft\009dorm.kmm.sft.docx

The Senate Resolution was adopted.

S. 536 -- Senator Rice: A BILL TO AMEND THE CODE OF LAWS OF SOUTH CAROLINA, 1976, BY ADDING SECTION 7-5-115 SO AS TO PROVIDE THAT A PERSON IS NOT ALLOWED TO VOTE IN A PARTISAN PRIMARY ELECTION OR PARTISAN ADVISORY REFERENDUM UNLESS THE PERSON HAS REGISTERED AS BEING A MEMBER OF THAT PARTY; TO AMEND SECTION 7-5-110, RELATING TO THE REQUIREMENT OF REGISTRATION IN ORDER TO VOTE, SO AS TO PROVIDE THAT A PERSON IS NOT ALLOWED TO VOTE IN A PARTISAN PRIMARY ELECTION OR PARTISAN ADVISORY REFERENDUM UNLESS THE PERSON HAS REGISTERED AS BEING A MEMBER OF THAT POLITICAL PARTY; TO AMEND SECTION 7-5-170, AS AMENDED, RELATING TO THE REQUIREMENTS FOR VOTER REGISTRATION, SO AS TO PROVIDE THE REQUIREMENT OF STATING POLITICAL PARTY AFFILIATION, IF ANY, ON THE FORM AND INCLUDING IT IN THE OATH, AND TO REQUIRE THE STATE ELECTION COMMISSION TO ASSIST IN CAPTURING THIS DATA; AND TO AMEND SECTION 7-9-20, AS AMENDED, RELATING TO THE QUALIFICATIONS FOR VOTING IN PRIMARY ELECTIONS, SO AS TO INCLUDE, AS A REQUIREMENT, REGISTERING AS A MEMBER OF THE PARTY AND TO PROVIDE A PROCEDURE FOR CHANGING POLITICAL PARTY AFFILIATION OR NONAFFILIATION AFTER A SELECTION HAS BEEN MADE.

l:\council\bills\ggs\22981zw17.docx

Read the first time and referred to the Committee on Judiciary.

H. 3234 -- Reps. McEachern and Sandifer: A BILL TO AMEND SECTION 27-40-120, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO EXEMPTIONS TO THE PROVISIONS OF THE RESIDENTIAL LANDLORD AND TENANT ACT, SO AS TO DELETE OCCUPANCY UNDER A RENTAL AGREEMENT COVERING THE PREMISES USED BY THE OCCUPANT PRIMARILY FOR AGRICULTURAL PURPOSES AS AN EXEMPTION UNDER THE ACT.

Read the first time and referred to the Committee on Judiciary.

H. 3256 -- Reps. Jefferson and Daning: A BILL TO AMEND THE CODE OF LAWS OF SOUTH CAROLINA, 1976, BY ADDING ARTICLE 140 TO CHAPTER 3, TITLE 56 SO AS TO PROVIDE THAT THE DEPARTMENT OF MOTOR VEHICLES MAY ISSUE PALMETTO CROSS SPECIAL LICENSE PLATES.

Read the first time and referred to the Committee on Transportation.

H. 3649 -- Reps. Crawford and Sandifer: A BILL TO AMEND SECTION 40-3-60, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO RULES AND OFFICERS OF THE BOARD OF ARCHITECTURAL EXAMINERS, SO AS TO PROVIDE THE BOARD MAY PROVIDE ADVICE AND MAKE RECOMMENDATIONS TO THE DEPARTMENT OF LABOR, LICENSING AND REGULATION CONCERNING THE DEVELOPMENT OF STATUTORY REVISIONS AND OTHER MATTERS AS THE DEPARTMENT REQUESTS CONCERNING THE ADMINISTRATION OF CHAPTER 3, TITLE 40; TO AMEND SECTION 40-3-115, RELATING TO JURISDICTION OF THE BOARD, SO AS TO REVISE THIS JURISDICTION; AND TO AMEND SECTION 40-3-290, RELATING TO EXCEPTIONS FROM CHAPTER 3, TITLE 40, SO AS TO REVISE CRITERIA FOR CERTAIN EXEMPT BUILDINGS AND DETACHED SINGLE-FAMILY OR TWO-FAMILY DWELLINGS.

Read the first time and referred to the Committee on Labor, Commerce and Industry.

H. 3792 -- Reps. Thayer, Funderburk and Sandifer: A BILL TO AMEND THE CODE OF LAWS OF SOUTH CAROLINA, 1976, BY ADDING SECTION 59-23-245 SO AS TO PROVIDE MINIMUM STANDARDS FOR THE NUMBERS OF TOILETS AND LAVATORIES AVAILABLE FOR MEN AND WOMEN AT MIDDLE SCHOOL FOOTBALL STADIUMS AND HIGH SCHOOL FOOTBALL STADIUMS, AND TO PROVIDE THESE STANDARDS APPLY NOTWITHSTANDING OTHERWISE APPLICABLE BUILDING CODES AND PLUMBING CODES, AMONG OTHER THINGS.

Read the first time and referred to the Committee on Education.

H. 3793 -- Reps. Crawford, Clemmons, Jordan, Johnson, Fry, Hardee, Bennett, Anderson, Alexander, Atkinson, Kirby, Crosby, Arrington, Sottile, McCoy, Daning, Duckworth, Hayes, Lowe, S. Rivers, Stavrinakis, Knight, Ryhal, Hewitt, Davis, Yow and Whipper: A BILL TO AMEND SECTION 59-103-15, AS AMENDED, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO THE MISSION AND GOALS OF INSTITUTIONS OF HIGHER LEARNING, SO AS TO AUTHORIZE CERTAIN DOCTORAL DEGREE PROGRAMS SO LONG AS STATE GENERAL FUNDS ARE NOT APPROPRIATED FOR THE OPERATIONS OF THE DEGREE PROGRAM.

Read the first time and referred to the Committee on Education.

H. 3861 -- Reps. Hixon, Hamilton, Crawford, Sandifer and Hewitt: A BILL TO AMEND SECTION 40-57-120, AS AMENDED, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO THE AUTHORITY OF THE REAL ESTATE COMMISSION TO RECOGNIZE NONRESIDENT REAL ESTATE LICENSES ON ACTIVE STATUS FROM OTHER JURISDICTIONS WHICH RECIPROCATE, SO AS TO REMOVE THE REQUIREMENT THAT SUCH NONRESIDENT APPLICANTS SEEKING LICENSURE IN THIS STATE FIRST MUST COMPLETE SUCCESSFULLY THE STATE PORTIONS OF THE APPLICABLE EXAMINATIONS.

Read the first time and referred to the Committee on Labor, Commerce and Industry.

H. 3899 -- Regulations and Administrative Procedures Committee: A JOINT RESOLUTION TO APPROVE REGULATIONS OF THE DEPARTMENT OF REVENUE, RELATING TO HOTELS, MOTELS, AND SIMILAR FACILITIES, DESIGNATED AS REGULATION DOCUMENT NUMBER 4664, PURSUANT TO THE PROVISIONS OF ARTICLE 1, CHAPTER 23, TITLE 1 OF THE 1976 CODE.

Read the first time and referred to the Committee on Finance.

H. 3900 -- Regulations and Administrative Procedures Committee: A JOINT RESOLUTION TO APPROVE REGULATIONS OF THE DEPARTMENT OF REVENUE, RELATING TO CIGARETTE TAXES, DESIGNATED AS REGULATION DOCUMENT NUMBER 4702, PURSUANT TO THE PROVISIONS OF ARTICLE 1, CHAPTER 23, TITLE 1 OF THE 1976 CODE.

Read the first time and referred to the Committee on Finance.

H. 3901 -- Regulations and Administrative Procedures Committee: A JOINT RESOLUTION TO APPROVE REGULATIONS OF THE DEPARTMENT OF REVENUE, RELATING TO EXEMPTION MEALS SOLD TO SCHOOL CHILDREN, DESIGNATED AS REGULATION DOCUMENT NUMBER 4731, PURSUANT TO THE PROVISIONS OF ARTICLE 1, CHAPTER 23, TITLE 1 OF THE 1976 CODE.

Read the first time and referred to the Committee on Finance.

H. 3902 -- Regulations and Administrative Procedures Committee: A JOINT RESOLUTION TO APPROVE REGULATIONS OF THE SOUTH CAROLINA HUMAN AFFAIRS COMMISSION, RELATING TO INVESTIGATION AND PRODUCTION OF EVIDENCE, DESIGNATED AS REGULATION DOCUMENT NUMBER 4677, PURSUANT TO THE PROVISIONS OF ARTICLE 1, CHAPTER 23, TITLE 1 OF THE 1976 CODE.

Read the first time and referred to the Committee on Judiciary.

H. 3903 -- Regulations and Administrative Procedures Committee: A JOINT RESOLUTION TO APPROVE REGULATIONS OF THE SOUTH CAROLINA HUMAN AFFAIRS COMMISSION, RELATING TO ISSUANCE OF COMPLAINT, DESIGNATED AS REGULATION DOCUMENT NUMBER 4679, PURSUANT TO THE PROVISIONS OF ARTICLE 1, CHAPTER 23, TITLE 1 OF THE 1976 CODE.

Read the first time and referred to the Committee on Judiciary.

H. 3904 -- Regulations and Administrative Procedures Committee: A JOINT RESOLUTION TO APPROVE REGULATIONS OF THE SOUTH CAROLINA HUMAN AFFAIRS COMMISSION, RELATING TO PLEADINGS, MOTIONS AND DISCOVERIES, DESIGNATED AS REGULATION DOCUMENT NUMBER 4680, PURSUANT TO THE PROVISIONS OF ARTICLE 1, CHAPTER 23, TITLE 1 OF THE 1976 CODE.

Read the first time and referred to the Committee on Judiciary.

H. 3905 -- Regulations and Administrative Procedures Committee: A JOINT RESOLUTION TO APPROVE REGULATIONS OF THE SOUTH CAROLINA HUMAN AFFAIRS COMMISSION, RELATING TO PRESERVATION OF RECORDS IN EVENT OF CHARGE OF DISCRIMINATION, DESIGNATED AS REGULATION DOCUMENT NUMBER 4681, PURSUANT TO THE PROVISIONS OF ARTICLE 1, CHAPTER 23, TITLE 1 OF THE 1976 CODE.

Read the first time and referred to the Committee on Judiciary.

H. 3906 -- Regulations and Administrative Procedures Committee: A JOINT RESOLUTION TO APPROVE REGULATIONS OF THE SOUTH CAROLINA HUMAN AFFAIRS COMMISSION, RELATING TO PROCEDURE FOR THE INSTITUTION OF CIVIL ACTIONS AS PROVIDED IN SECTION 1-13-90(d) OF THE ACT, DESIGNATED AS REGULATION DOCUMENT NUMBER 4682, PURSUANT TO THE PROVISIONS OF ARTICLE 1, CHAPTER 23, TITLE 1 OF THE 1976 CODE.

Read the first time and referred to the Committee on Judiciary.

H. 3907 -- Regulations and Administrative Procedures Committee: A JOINT RESOLUTION TO APPROVE REGULATIONS OF THE DEPARTMENT OF LABOR, LICENSING AND REGULATION - OFFICE OF AMUSEMENT RIDES, RELATING TO PURPOSE AND DEFINITIONS, DESIGNATED AS REGULATION DOCUMENT NUMBER 4712, PURSUANT TO THE PROVISIONS OF ARTICLE 1, CHAPTER 23, TITLE 1 OF THE 1976 CODE.

Read the first time and referred to the Committee on Labor, Commerce and Industry.

H. 3908 -- Regulations and Administrative Procedures Committee: A JOINT RESOLUTION TO APPROVE REGULATIONS OF THE OFFICE OF THE GOVERNOR, RELATING TO STATE EMERGENCY MANAGEMENT STANDARDS, DESIGNATED AS REGULATION DOCUMENT NUMBER 4703, PURSUANT TO THE PROVISIONS OF ARTICLE 1, CHAPTER 23, TITLE 1 OF THE 1976 CODE.

Read the first time and referred to the General Committee.

H. 3909 -- Regulations and Administrative Procedures Committee: A JOINT RESOLUTION TO APPROVE REGULATIONS OF THE SOUTH CAROLINA HUMAN AFFAIRS COMMISSION, RELATING TO COMPLAINT, DESIGNATED AS REGULATION DOCUMENT NUMBER 4675, PURSUANT TO THE PROVISIONS OF ARTICLE 1, CHAPTER 23, TITLE 1 OF THE 1976 CODE.

Read the first time and referred to the Committee on Judiciary.

H. 3910 -- Regulations and Administrative Procedures Committee: A JOINT RESOLUTION TO APPROVE REGULATIONS OF THE SOUTH CAROLINA HUMAN AFFAIRS COMMISSION, RELATING TO EMPLOYMENT RECORDS TO BE RETAINED FOR SIX MONTHS, DESIGNATED AS REGULATION DOCUMENT NUMBER 4676, PURSUANT TO THE PROVISIONS OF ARTICLE 1, CHAPTER 23, TITLE 1 OF THE 1976 CODE.

Read the first time and referred to the Committee on Judiciary.

**REPORTS OF STANDING COMMITTEES**

Senator CROMER from the Committee on Banking and Insurance submitted a favorable with amendment report on:

S. 9 -- Senator Hutto: A BILL TO AMEND THE CODE OF LAWS OF SOUTH CAROLINA, 1976, BY ADDING SECTION 38‑71‑380 SO AS TO PROVIDE THAT THE OPTIONAL INTOXICANTS AND NARCOTICS EXCLUSION PROVISION CONTAINED IN CERTAIN INSURANCE POLICIES THAT REQUIRE THE REPLICATION OF EXACT LANGUAGE AS PROVIDED IN SECTION 38‑71‑370 DOES NOT APPLY TO A MEDICAL EXPENSE POLICY, AND TO DEFINE MEDICAL EXPENSE POLICY.

Ordered for consideration tomorrow.

Senator ALEXANDER from the Committee on Labor, Commerce and Industry submitted a favorable with amendment report on:

S. 185 -- Senator Shealy: A BILL TO AMEND SECTION 40-19-20(1) OF THE 1976 CODE, RELATING TO THE DEFINITION OF “ADVERTISEMENT” AS USED IN REGARD TO EMBALMERS AND FUNERAL DIRECTORS, BY ADDING THE TERM “INTERNET” TO THE DEFINITION OF ADVERTISEMENT; TO AMEND SECTION 40-19-20 OF THE 1976 CODE BY ADDING A DEFINITION FOR THE TERM “THIRD PARTY FUNERAL SERVICE PROVIDER”; AND TO AMEND CHAPTER 19, TITLE 40 OF THE 1976 CODE, BY ADDING SECTION 40‑19‑40, TO PROVIDE THAT THIRD PARTY FUNERAL SERVICE PROVIDERS MUST BE LICENSED BY THE STATE BOARD OF FUNERAL SERVICE, TO PROVIDE NOTICE AND DISCLOSURE REQUIREMENTS FOR THIRD PARTY FUNERAL SERVICE PROVIDER ADVERTISEMENTS, TO PROVIDE FOR LICENSE REVOCATION FOR VIOLATIONS OF THE ADVERTISING REQUIREMENTS, TO PROVIDE THAT THE STATE BOARD OF FUNERAL SERVICE SHALL PRESCRIBE THE FORMAT OF ADVERTISEMENT DISCLOSURE BY REGULATION, AND TO PROVIDE THAT THIRD PARTY FUNERAL SERVICE PROVIDERS MUST DISCLOSE TO CUSTOMERS THE NAME AND CONTACT INFORMATION OF THE FUNERAL ESTABLISHMENT THAT WILL BE IN CHARGE OF HANDLING ALL FUNERAL ARRANGEMENTS.

Ordered for consideration tomorrow.

Senator ALEXANDER from the Committee on Labor, Commerce and Industry submitted a favorable with amendment report on:

S. 323 -- Senators Campbell, Turner, Talley, Bennett, Climer, Nicholson, Cromer, Reese, Grooms, Hembree, Verdin, Massey, Alexander, Williams, Johnson, Gambrell, Sabb, Young, Shealy, Scott and Corbin: A BILL TO AMEND TITLE 31 OF THE 1976 CODE, RELATING TO HOUSING AND REDEVELOPMENT, BY ADDING CHAPTER 24, TO PROVIDE THAT MANUFACTURING AND INDUSTRIAL FACILITIES SHALL NOT BE ELIGIBLE FOR NUISANCE SUITS.

Ordered for consideration tomorrow.

Senator ALEXANDER from the Committee on Labor, Commerce and Industry submitted a favorable with amendment report on:

S. 342 -- Senators Williams, Davis, Hembree, Campbell, J. Matthews, Setzler, Grooms, Hutto, Allen, Johnson, Nicholson, Scott, M.B. Matthews, Rankin, Sabb, Goldfinch, Alexander, Climer and Senn: A BILL TO AMEND SECTION 40-22-295 OF THE 1976 CODE, RELATING TO ENGINEER IMMUNITY, TO PROVIDE SPECIFIED IMMUNITY FOR CERTAIN VOLUNTARY SURVEYING SERVICES AT THE SCENE OF A DECLARED STATE OR NATIONAL EMERGENCY AT THE REQUEST OF THE GOVERNOR, TO PROVIDE EXCEPTIONS TO THIS IMMUNITY, AND TO PROVIDE THE CONDITIONS AND CIRCUMSTANCES UNDER WHICH THIS GRANT OF IMMUNITY IS APPLICABLE.

Ordered for consideration tomorrow.

Senator ALEXANDER from the Committee on Labor, Commerce and Industry submitted a favorable with amendment report on:

S. 359 -- Senator Cromer: A BILL TO AMEND SECTION 39‑5‑325, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO UNFAIR TRADE PRACTICES FOR MOTOR FUEL RETAILERS, SO AS TO REMOVE REFERENCES TO THE DEPARTMENT OF CONSUMER AFFAIRS.

Ordered for consideration tomorrow.

Senator DAVIS from the Committee on Invitations polled out S. 377 favorable:

S. 377 -- Senator Shealy: A CONCURRENT RESOLUTION TO AUTHORIZE PALMETTO GIRLS STATE TO USE THE CHAMBERS OF THE SENATE AND THE HOUSE OF REPRESENTATIVES ON FRIDAY, JUNE 16, 2017.

**Poll of the Invitations Committee**

**Polled 11; Ayes 10; Nays 0; Not Voting 1**

**AYES**

Davis Alexander Reese

Campsen Cromer Johnson

Nicholson Hembree

Young Goldfinch

**Total--10**

**NAYS**

**Total--0**

**NOT VOTING**

Malloy

**Total--1**

Ordered for consideration tomorrow.

Senator CROMER from the Committee on Banking and Insurance submitted a favorable report on:

S. 463 -- Senators Cromer and Gambrell: A BILL TO AMEND SECTION 38‑1‑20, AS AMENDED, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO DEFINITIONS USED IN TITLE 38, SO AS TO INCLUDE CERTAIN FORMS OF DISABILITY INSURANCE IN THE DEFINITION FOR THE TERM “SURPLUS LINES INSURANCE”.

Ordered for consideration tomorrow.

Senator DAVIS from the Committee on Invitations polled out H. 3752 favorable:

H. 3752 -- Reps. Delleney, Alexander, Allison, Anderson, Anthony, Arrington, Atkinson, Atwater, Bales, Ballentine, Bamberg, Bannister, Bedingfield, Bennett, Bernstein, Blackwell, Bowers, Bradley, Brown, Burns, Caskey, Chumley, Clary, Clemmons, Clyburn, Cobb‑Hunter, Cogswell, Cole, Collins, Crawford, Crosby, Daning, Davis, Dillard, Douglas, Duckworth, Elliott, Erickson, Felder, Finlay, Forrest, Forrester, Fry, Funderburk, Gagnon, Gilliard, Govan, Hamilton, Hardee, Hart, Hayes, Henderson, Henegan, Herbkersman, Hewitt, Hill, Hiott, Hixon, Hosey, Howard, Huggins, Jefferson, Johnson, Jordan, King, Kirby, Knight, Loftis, Long, Lowe, Lucas, Mack, Magnuson, Martin, McCoy, McCravy, McEachern, McKnight, Mitchell, D.C. Moss, V.S. Moss, Murphy, Neal, B. Newton, W. Newton, Norman, Norrell, Ott, Parks, Pitts, Pope, Putnam, Quinn, Ridgeway, M. Rivers, S. Rivers, Robinson‑Simpson, Rutherford, Ryhal, Sandifer, Simrill, G.M. Smith, G.R. Smith, J.E. Smith, Sottile, Spires, Stavrinakis, Stringer, Tallon, Taylor, Thayer, Thigpen, Toole, Weeks, West, Wheeler, Whipper, White, Whitmire, Williams, Willis and Yow: A CONCURRENT RESOLUTION TO AUTHORIZE PALMETTO BOYS STATE TO USE THE CHAMBERS OF THE SOUTH CAROLINA HOUSE OF REPRESENTATIVES AND SENATE FOR ITS ANNUAL STATE HOUSE MEETING ON FRIDAY, JUNE 16, 2017, HOWEVER, THE CHAMBERS MAY NOT BE USED IF THE GENERAL ASSEMBLY IS IN SESSION OR THE CHAMBERS ARE OTHERWISE UNAVAILABLE.

**Poll of the Invitations Committee**

**Polled 11; Ayes 10; Nays 0; Not Voting 1**

**AYES**

Davis Alexander Reese

Campsen Cromer Johnson

Nicholson Hembree

Young Goldfinch

**Total--10**

**NAYS**

**Total--0**

**NOT VOTING**

Malloy

**Total--1**

Ordered for consideration tomorrow.

**HOUSE CONCURRENCE**

S. 414 -- Senator Shealy: A CONCURRENT RESOLUTION TO HONOR OUR SENIOR NUTRITION PROGRAMS, THE SENIORS THEY SERVE, AND THE VOLUNTEERS WHO CARE FOR THEM AND TO DECLARE MARCH 2017 AS “MARCH FOR MEALS MONTH” IN SOUTH CAROLINA.

Returned with concurrence.

Received as information.

**THE SENATE PROCEEDED TO A CALL OF THE UNCONTESTED LOCAL AND STATEWIDE CALENDAR.**

**AMENDED, READ THE THIRD TIME**

**SENT TO HOUSE**

S. 411 -- Senator Sheheen: A BILL TO AMEND SECTION 59-53-1410 OF THE 1976 CODE, RELATING TO THE CENTRAL CAROLINA TECHNICAL COLLEGE COMMISSION, TO INCREASE THE TOTAL NUMBER OF COMMISSION MEMBERS, AND TO INCREASE THE NUMBER OF MEMBERS APPOINTED FROM KERSHAW COUNTY.

The Senate proceeded to a consideration of the Bill.

Senators SHEHEEN and McELVEEN proposed the following amendment (411R001.SP.VAS), which was adopted:

Amend the bill, as and if amended, page 1, by striking lines 27-31 and inserting:

/ politic and corporate consisting of ~~eleven~~ fourteen members. Each member must be appointed by the Governor, upon the recommendation of a majority of the legislative delegation of the member’s respective county, and each member must be a qualified registered elector of the county represented. ~~Six~~ Seven members must be /

Renumber sections to conform.

Amend title to conform.

Senator SHEHEEN explained the Bill.

Senator SHEHEEN explained the amendment.

The "ayes" and "nays" were demanded and taken, resulting as follows:

**Ayes 35; Nays 0**

**AYES**

Alexander Allen Bennett

Campbell Campsen Climer

Courson Cromer Davis

Fanning Gambrell Goldfinch

Grooms Hutto Johnson

Kimpson Leatherman Martin

Massey *Matthews, John* McElveen

McLeod Nicholson Peeler

Rankin Rice Scott

Senn Shealy Sheheen

Talley Timmons Turner

Verdin Young

**Total--35**

**NAYS**

**Total--0**

The Bill was read third time, passed and ordered sent to the House of Representatives with amendments.

**READ THE THIRD TIME**

**SENT TO THE HOUSE**

The following Bills and Resolution were read the third time and ordered sent to the House of Representatives:

S. 200 -- Senators Grooms, Bryant, Campbell and Alexander: A BILL TO AMEND SECTION 57-25-150(G) OF THE 1976 CODE, RELATING TO PERMITS FOR THE ERECTION AND MAINTENANCE OF SIGNS, TO PROVIDE THAT PERMITS FOR A NONCONFORMING SIGN THAT IS REMOVED OR DISMANTLED ARE VOID.

S. 321 -- Senator Verdin: A BILL TO AMEND THE CODE OF LAWS OF SOUTH CAROLINA, 1976, BY ADDING CHAPTER 14 TO TITLE 56 SO AS TO ESTABLISH PROCEDURES THAT REGULATE THE RELATIONSHIP BETWEEN RECREATIONAL VEHICLE MANUFACTURERS, DISTRIBUTORS, AND DEALERS OF RECREATIONAL VEHICLES; TO AMEND SECTION 56‑15‑10, AS AMENDED, RELATING TO CERTAIN TERMS AND THEIR DEFINITIONS REGARDING THE REGULATION OF MOTOR VEHICLE MANUFACTURERS, DISTRIBUTORS, AND DEALERS, SO AS TO REVISE THE DEFINITION OF THE TERM “MOTOR VEHICLE” AND TO DELETE THE TERM “MOTOR HOME” AND ITS DEFINITION; TO REPEAL ARTICLE 5, CHAPTER 17, TITLE 31 RELATING TO THE SALE OF TRAVEL TRAILERS; AND TO PROVIDE THAT THE DEPARTMENT OF MOTOR VEHICLES MAY PROMULGATE REGULATIONS FOR ENFORCEMENT OF THE PROVISIONS OF CHAPTER 14, TITLE 56.

S. 344 -- Senator Corbin: A BILL TO AMEND SECTION 56-1-80(A) OF THE 1976 CODE, RELATING TO APPLICATION FOR A LICENSE OR PERMIT, TO PROVIDE THAT AN APPLICATION FOR A DRIVER’S LICENSE OR PERMIT MUST ALLOW AN APPLICANT WHO HAS BEEN MEDICALLY DIAGNOSED WITH AUTISM TO VOLUNTARILY DISCLOSE THAT HE IS AUTISTIC, WHICH MUST BE INDICATED BY A SYMBOL DESIGNATED BY THE DEPARTMENT ON THE DRIVER’S LICENSE AND CONTAINED IN THE DRIVER’S RECORD.

S. 456 -- Senators Grooms and Shealy: A BILL TO AMEND SECTION 56-1-50 OF THE 1976 CODE, RELATING TO BEGINNER’S PERMITS, TO PROVIDE THAT A PERSON WHO HOLDS A MOTORCYCLE BEGINNER’S PERMIT WHO HAS FAILED THE MOTORCYCLE DRIVER’S LICENSE TEST THREE OR MORE TIMES MUST SUCCESSFULLY COMPLETE A SOUTH CAROLINA TECHNICAL COLLEGE MOTORCYCLE SAFETY COURSE, OR ITS EQUIVALENT, IN LIEU OF PASSING THE MOTORCYCLE DRIVER’S LICENSE TEST, IN ORDER TO OBTAIN A MOTORCYCLE LICENSE; AND TO AMEND SECTION 56-1-770, RELATING TO POINTS REDUCED FOR COMPLETING A DEFENSIVE DRIVING COURSE, TO PROVIDE THAT ANY DRIVER WITH A CLASS M (MOTORCYCLE) ENDORSEMENT WHO HAS ACCUMULATED POINTS UNDER THE PROVISIONS OF THIS ARTICLE SHALL HAVE THE NUMBER OF HIS POINTS REDUCED BY FOUR UPON PROVING TO THE SATISFACTION OF THE DEPARTMENT OF MOTOR VEHICLES THAT HE HAS SUCCESSFULLY COMPLETED A SOUTH CAROLINA TECHNICAL COLLEGE MOTORCYCLE SAFETY COURSE OR ITS EQUIVALENT, TO PROVIDE FOR THE SPECIFICATIONS OF THE COURSE, AND TO PROVIDE THAT NO PERSON’S POINTS MAY BE REDUCED MORE THAN ONE TIME IN ANY THREE‑YEAR PERIOD.

S. 465 -- Senator Campsen: A BILL TO AMEND SECTION 50‑5‑15, AS AMENDED, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO CERTAIN TERMS AND THEIR DEFINITIONS PERTAINING TO SALTWATERS, SO AS TO PROVIDE DEFINITIONS FOR THE TERMS “SHELLFISH MARICULTURE” AND “SHELLFISH SEED”; TO AMEND SECTION 50‑5‑360, RELATING TO WHOLESALE SEAFOOD DEALERS, PEELER CRAB, AND MOLLUSCAN SHELLFISH LICENSES, SO AS TO PROVIDE THAT A PERSON REQUIRED TO OBTAIN A WHOLESALE SEAFOOD DEALER LICENSE WHO RECEIVES MOLLUSCAN SHELLFISH MUST PROVIDE THE DEPARTMENT OF NATURAL RESOURCES CERTIFICATION OF COMPLETION OF CERTAIN SHELLFISH TRAINING; TO AMEND SECTION 50‑5‑945, RELATING TO A SHELLFISH CULTURE PERMITTEE ACQUIRING A PERMIT TO TAKE SHELLFISH FOR REPLANTING FROM STATE BOTTOMS DESIGNATED FOR THAT PURPOSE, SO AS TO PROVIDE FOR THE ISSUANCE OF PERMITS TO SHELLFISH MARICULTURE PERMITTEES TO HARVEST WILD SHELLFISH SEED FOR USE IN MARICULTURE; TO AMEND SECTION 50‑5‑965, RELATING TO THE TAKING OF SHELLFISH FROM BOTTOMS OR WATERS DESIGNATED FOR COMMERCIAL HARVEST, SO AS TO PROVIDE THAT THE DEPARTMENT OF NATURAL RESOURCES MAY PLACE CERTAIN CONDITIONS UPON HARVEST PERMITS FOR THESE AREAS, PROVIDE THAT THE DEPARTMENT MAY SUSPEND OR REVOKE THE PERMITS UNDER CERTAIN CIRCUMSTANCES, AND TO PLACE ADDITIONAL REQUIREMENTS UPON A PERSON SEEKING TO OBTAIN AN INDIVIDUAL HARVESTER PERMIT; TO AMEND SECTION 50‑5‑995, RELATING TO THE ISSUANCE OF SHELLFISH MARICULTURE OPERATION PERMITS BY THE DEPARTMENT OF NATURAL RESOURCES, SO AS TO PROVIDE FOR THE ISSUANCE OF OUT‑OF‑SEASON HARVEST PERMITS TO SHELLFISH MARICULTURE PERMITTEES; TO AMEND SECTION 50‑5‑1005, RELATING TO THE ISSUANCE OF SHELLFISH IMPORTATION PERMITS, SO AS TO PROHIBIT THE PLACING OF GENETICALLY MODIFIED SHELLFISH IN THE WATERS IN THIS STATE EXCEPT UNDER THE PROVISIONS OF A PERMIT ISSUED BY THE DEPARTMENT OF HEALTH AND ENVIRONMENTAL CONTROL, TO PROVIDE FOR THE ISSUANCE OF PERMITS TO PERSONS WHO POSSESS, PRODUCE, BARTER, TRADE, OR SELL GENETICALLY MODIFIED SHELLFISH, AND TO PROVIDE FOR THE ISSUANCE OF PERMITS WITH CONDITIONS RELATING TO TESTING, TREATMENT OF EFFLUENT, AND BIOSECURITY; AND TO AMEND SECTION 50‑5‑2500, RELATING TO THE ASSIGNMENT OF POINT VALUES BY THE DEPARTMENT OF NATURAL RESOURCES UPON PERSONS WHO VIOLATE PROVISIONS RELATED TO THE MARINE RESOURCES ACT, SO AS TO PROVIDE THAT THIS PROVISION ALSO APPLIES TO VIOLATIONS RELATED TO HARVESTING AND HANDLING OF SHELLFISH.

Senator CAMPSEN explained the Bill.

S. 496 -- Medical Affairs Committee: A JOINT RESOLUTION TO APPROVE REGULATIONS OF THE DEPARTMENT OF HEALTH AND ENVIRONMENTAL CONTROL, RELATING TO SHELLFISH, DESIGNATED AS REGULATION DOCUMENT NUMBER 4736, PURSUANT TO THE PROVISIONS OF ARTICLE 1, CHAPTER 23, TITLE 1 OF THE 1976 CODE.

S. 254 -- Senator Cromer: A BILL TO AMEND THE CODE OF LAWS OF SOUTH CAROLINA, 1976, SO AS TO ENACT THE “OWN RISK AND SOLVENCY ASSESSMENT ACT” BY ADDING ARTICLE 8 TO CHAPTER 13, TITLE 38 SO AS TO EXPRESS THE PURPOSE OF THIS ACT, TO DEFINE NECESSARY TERMS, TO REQUIRE AN INSURER TO MAINTAIN A RISK MANAGEMENT FRAMEWORK FOR CERTAIN PURPOSES, TO REQUIRE AN INSURER OR INSURANCE GROUP OF WHICH AN INSURER IS A MEMBER TO CONDUCT AN OWN RISK AND SOLVENCY ASSESSMENT (ORSA) ON NO LESS THAN AN ANNUAL BASIS, TO REQUIRE AN INSURER OR INSURANCE GROUP TO SUBMIT AN ORSA REPORT TO THE DIRECTOR OF THE DEPARTMENT OF INSURANCE AND TO DESCRIBE WHAT THE REPORT MUST CONTAIN, TO PROVIDE EXEMPTIONS FROM THE REPORTING PROVISIONS IN CERTAIN CIRCUMSTANCES AND TO ALLOW AN INSURER TO APPLY FOR A WAIVER UNDER CERTAIN CIRCUMSTANCES, TO ESTABLISH THAT THE ORSA REPORT BE PREPARED IN A MANNER CONSISTENT WITH THE ORSA GUIDANCE MANUAL, TO PROVIDE THAT ALL DOCUMENTS, MATERIALS, AND INFORMATION CREATED UNDER THE OWN RISK AND SOLVENCY ASSESSMENT ACT ARE CONFIDENTIAL, TO PROHIBIT THE DIRECTOR OR ANYONE WHO RECEIVES ORSA‑RELATED INFORMATION FROM TESTIFYING IN A PRIVATE CIVIL ACTION CONCERNING THE CONFIDENTIAL INFORMATION, TO PERMIT THE DIRECTOR TO TAKE CERTAIN ACTIONS CONCERNING HIS REGULATORY DUTIES, TO PROVIDE A PENALTY FOR AN INSURER WHO FAILS TO FILE THE ORSA SUMMARY REPORT, AND TO SET AN EFFECTIVE DATE FOR THE PROVISIONS OF THIS ACT; AND TO AMEND SECTION 38‑21‑10, AS AMENDED, RELATING TO DEFINED TERMS FOR THE INSURANCE HOLDING COMPANY REGULATORY ACT, SO AS TO DEFINE THE TERM “SUPERVISORY COLLEGE”.

**COMMITTEE AMENDMENT ADOPTED**

**READ THE SECOND TIME**

S. 179 -- Senators Hutto and Hembree: A BILL TO AMEND THE CODE OF LAWS OF SOUTH CAROLINA, 1976, BY ADDING ARTICLE 19 TO CHAPTER 53, TITLE 44 SO AS TO PROVIDE LIMITED IMMUNITY FROM PROSECUTION FOR CERTAIN DRUG AND ALCOHOL‑RELATED OFFENSES COMMITTED BY A PERSON WHO SEEKS MEDICAL ASSISTANCE FOR ANOTHER PERSON WHO IS EXPERIENCING A DRUG OR ALCOHOL‑RELATED OVERDOSE OR BY A PERSON WHO IS EXPERIENCING A DRUG OR ALCOHOL‑RELATED OVERDOSE AND SEEKS MEDICAL ASSISTANCE, TO ALLOW THE COURT TO CONSIDER AS A MITIGATING FACTOR IN PROCEEDINGS RELATED TO OTHER CRIMINAL OFFENSES WHETHER THE PERSON SOUGHT MEDICAL ASSISTANCE FOR A PERSON EXPERIENCING AN OVERDOSE, TO LIMIT THE IMMUNITY TO ALLOW PROSECUTION OF A PERSON FOR OTHER CRIMES ARISING OUT OF THE DRUG OR ALCOHOL‑RELATED OVERDOSE, TO ALLOW FOR ADMISSIBILITY OF CERTAIN EVIDENCE, TO PROVIDE CIVIL AND CRIMINAL IMMUNITY FOR LAW ENFORCEMENT OFFICERS RELATING TO THE ARREST OF A PERSON LATER DETERMINED TO QUALIFY FOR LIMITED IMMUNITY, AND FOR OTHER PURPOSES.

The Senate proceeded to a consideration of the Bill.

The Committee on Medical Affairs proposed the following amendment (S-179), which was adopted:

Amend the bill, as and if amended, page 2, by striking lines 11-19 and inserting:

/ Section 44‑53‑1920. (A) Except as otherwise provided in subsection (B), a person acting in good faith who seeks medical assistance from an emergency room, outpatient medical clinic, the 911 system or other medical facility, for another person who appears to be experiencing a drug or alcohol‑related overdose may not be prosecuted, if the evidence for prosecution was solely obtained as a result of the person seeking medical assistance for the apparent overdose for: /

Amend the bill further, beginning on page 2 by striking lines 40-42, and on page 3 by striking lines 1-19 and inserting:

/ 63‑19‑2440; or

(8) contributing to the delinquency of a minor in violation of Section 16‑17‑490 based solely upon the provision of a controlled substance to the minor in need of medical assistance.

(B) If the person seeking medical assistance pursuant to subsection (A) previously has sought medical assistance for another person pursuant to this article, the court may consider the circumstances of the prior incidents and the related offenses to determine whether to grant the person immunity from prosecution.

(C) A person described in subsection (A) must use his or her own name when contacting authorities, fully cooperate with law enforcement and medical personnel and must remain with the individual needing medical assistance until help arrives.

Section 44‑53‑1930. (A) A person who experiences a drug or alcohol‑related overdose, is in need of medical assistance and who requests medical assistance from an emergency room, outpatient medical clinic, the 911 system, or other medical facility may not be prosecuted for any of the offenses listed in Section 44‑53‑1920 if the evidence for prosecution was solely obtained as a result of the drug or alcohol‑related overdose and need for medical assistance.

(B) A person described in Section 44-53-1920(A) must use his or her own name when contacting authorities, and fully cooperate with law enforcement and medical personnel. /

Amend the bill further, page 4, by striking line 2 and inserting:

/ cause.

Section 44-53-1980. Nothing in this article shall be construed to limit any seizure of evidence or contraband otherwise permitted by law.”/

Renumber sections to conform.

Amend title to conform.

Senator CAMPBELL explained the committee amendment.

The question then was second reading of the Bill.

The "ayes" and "nays" were demanded and taken, resulting as follows:

**Ayes 38; Nays 0**

**AYES**

Alexander Allen Bennett

Campbell Campsen Climer

Corbin Courson Cromer

Davis Fanning Gambrell

Goldfinch Grooms Hembree

Hutto Johnson Kimpson

Leatherman Martin Massey

*Matthews, John* McElveen McLeod

Nicholson Peeler Rankin

Rice Sabb Scott

Senn Shealy Sheheen

Talley Timmons Turner

Verdin Young

**Total--38**

**NAYS**

**Total--0**

There being no further amendments, the Bill was read the second time, passed and ordered to a third reading.

**READ THE SECOND TIME**

S. 485 -- Education Committee: A JOINT RESOLUTION TO APPROVE REGULATIONS OF THE COMMISSION ON HIGHER EDUCATION, RELATING TO SOUTH CAROLINA NATIONAL GUARD COLLEGE ASSISTANCE PROGRAM, DESIGNATED AS REGULATION DOCUMENT NUMBER 4730, PURSUANT TO THE PROVISIONS OF ARTICLE 1, CHAPTER 23, TITLE 1 OF THE 1976 CODE.

The Senate proceeded to a consideration of the Resolution.

The question being the second reading of the Resolution.

The "ayes" and "nays" were demanded and taken, resulting as follows:

**Ayes 38; Nays 0**

**AYES**

Alexander Allen Bennett

Campbell Campsen Climer

Corbin Courson Cromer

Davis Fanning Gambrell

Goldfinch Grooms Hembree

Hutto Johnson Kimpson

Leatherman Martin Massey

*Matthews, John* McElveen McLeod

Nicholson Peeler Rankin

Rice Sabb Scott

Senn Shealy Sheheen

Talley Timmons Turner

Verdin Young

**Total--38**

**NAYS**

**Total--0**

The Resolution was read the second time, passed and ordered to a third reading.

**READ THE SECOND TIME**

S. 486 -- Education Committee: A JOINT RESOLUTION TO APPROVE REGULATIONS OF THE COMMISSION ON HIGHER EDUCATION, RELATING TO FREE TUITION FOR RESIDENTS SIXTY YEARS OF AGE, DESIGNATED AS REGULATION DOCUMENT NUMBER 4728, PURSUANT TO THE PROVISIONS OF ARTICLE 1, CHAPTER 23, TITLE 1 OF THE 1976 CODE.

The Senate proceeded to a consideration of the Resolution.

The question being the second reading of the Resolution.

The "ayes" and "nays" were demanded and taken, resulting as follows:

**Ayes 38; Nays 0**

**AYES**

Alexander Allen Bennett

Campbell Campsen Climer

Corbin Courson Cromer

Davis Fanning Gambrell

Goldfinch Grooms Hembree

Hutto Johnson Kimpson

Leatherman Martin Massey

*Matthews, John* McElveen McLeod

Nicholson Peeler Rankin

Rice Sabb Scott

Senn Shealy Sheheen

Talley Timmons Turner

Verdin Young

**Total--38**

**NAYS**

**Total--0**

The Resolution was read the second time, passed and ordered to a third reading.

**COMMITTEE AMENDMENT ADOPTED**

**READ THE SECOND TIME**

H. 3726 -- Reps. Herbkersman, Cobb‑Hunter, Anthony, Whitmire, Stringer, Bradley, Lucas and White: A BILL TO AMEND SECTION 9‑1‑1085, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO THE SOUTH CAROLINA RETIREMENT SYSTEM EMPLOYER AND EMPLOYEE CONTRIBUTION RATES, SO AS TO CHANGE FUTURE EMPLOYER AND EMPLOYEE CONTRIBUTION RATES AND TO REQUIRE THAT THE UNFUNDED LIABILITIES OF THE SYSTEM MUST BE ON A CERTAIN AMORTIZATION SCHEDULE; TO AMEND SECTION 9‑11‑225, RELATING TO THE POLICE OFFICERS RETIREMENT SYSTEM EMPLOYER AND EMPLOYEE CONTRIBUTION RATES, SO AS TO CHANGE FUTURE EMPLOYER AND EMPLOYEE CONTRIBUTION RATES AND TO REQUIRE THAT THE UNFUNDED LIABILITIES OF THE SYSTEM MUST BE ON A CERTAIN AMORTIZATION SCHEDULE; TO AMEND SECTION 9‑16‑335, RELATING TO THE ASSUMED RATE OF RETURN, SO AS TO CHANGE THE ASSUMED RATE OF RETURN TO SEVEN AND ONE QUARTER PERCENT AND TO PROVIDE THAT THE ASSUMED RATE OF RETURN EXPIRES EVERY FOUR YEARS; TO AMEND SECTION 9‑4‑10, RELATING TO THE TERM OF MEMBERS OF THE BOARD OF DIRECTORS OF THE SOUTH CAROLINA PUBLIC EMPLOYEE BENEFIT AUTHORITY (PEBA), SO AS TO CHANGE THE TERM FROM TWO TO FIVE YEARS AND TO REQUIRE THE BOARD TO EMPLOY AN EXECUTIVE DIRECTOR; TO AMEND SECTION 9‑4‑40, RELATING TO THE AUDIT OF PEBA, SO AS TO REQUIRE PEBA TO BE AUDITED EVERY FOUR YEARS; TO AMEND SECTION 9‑16‑10, AS AMENDED, RELATING TO RETIREMENT SYSTEM FUNDS “FIDUCIARY” DEFINITION, SO AS TO ADD THE COMMISSION’S “CHIEF EXECUTIVE OFFICER” TO THE DEFINITION; TO AMEND SECTION 9‑16‑90, AS AMENDED, RELATING TO CERTAIN INVESTMENT REPORTS, SO AS TO PROVIDE THAT CERTAIN REPORTS MUST CONTAIN A SCHEDULE OF NET MANAGER FEES AND EXPENSES; TO AMEND SECTION 9‑16‑315, AS AMENDED, RELATING TO THE RETIREMENT SYSTEM INVESTMENT COMMISSION, SO AS TO CHANGE CERTAIN MEMBERS OF THE COMMISSION, TO ADD QUALIFICATIONS, AND TO REQUIRE THE COMMISSION TO EMPLOY AN EXECUTIVE DIRECTOR; TO AMEND SECTION 9‑16‑330, AS AMENDED, RELATING TO CERTAIN STATEMENTS OF ACTUARIAL ASSUMPTIONS AND INVESTMENT OBJECTIVES, SO AS TO ALLOW FOR CERTAIN DELEGATIONS TO THE CHIEF INVESTMENT OFFICER, AND TO REQUIRE THE INVESTMENT PLAN TO INCLUDE THE FINAL AUTHORITY TO INVEST MADE BY THE COMMISSION; TO AMEND SECTION 9‑16‑380, RELATING TO THE AUDIT OF THE RETIREMENT SYSTEM INVESTMENT COMMISSION, SO AS TO PROVIDE THAT THE RETIREMENT SYSTEM INVESTMENT COMMISSION BE AUDITED EVERY FOUR YEARS; BY ADDING SECTION 9‑16‑100 SO AS TO PLACE CERTAIN RESTRICTIONS ON LOBBYISTS AND TO PROHIBIT THE COMMISSION FROM MAKING CERTAIN INVESTMENTS; TO AMEND SECTION 9‑1‑1310, AS AMENDED, RELATING TO THE TRUSTEE OF THE RETIREMENT SYSTEM, SO AS TO CHANGE A TRUSTEE FROM THE STATE FISCAL ACCOUNTABILITY AUTHORITY TO THE RETIREMENT SYSTEM INVESTMENT COMMISSION; TO AMEND SECTION 9‑1‑1320, RELATING TO THE CUSTODY OF THE ASSETS OF THE RETIREMENT SYSTEM, SO AS TO CHANGE THE CUSTODIAN OF THE ASSETS FROM THE STATE TREASURER TO THE BOARD OF DIRECTORS OF PEBA; TO AMEND SECTION 1‑3‑240, AS AMENDED, RELATING TO THE REMOVAL OF OFFICERS BY THE GOVERNOR, SO AS TO ADD THE SOUTH CAROLINA RETIREMENT INVESTMENT COMMISSION MEMBERS AND THE SOUTH CAROLINA PUBLIC BENEFIT AUTHORITY MEMBERS; AND TO REPEAL SECTIONS 9‑4‑45, 9‑8‑170, 9‑9‑160, 9‑10‑80, AND 9‑11‑250 RELATING TO POLICY DETERMINATIONS AND THE CUSTODY OF FUNDS FOR THE RETIREMENT SYSTEM FOR JUDGES AND SOLICITORS, THE RETIREMENT SYSTEM FOR MEMBERS OF THE GENERAL ASSEMBLY, THE NATIONAL GUARD RETIREMENT SYSTEM, AND THE POLICE OFFICERS RETIREMENT SYSTEM.

The Senate proceeded to a consideration of the Bill.

The Committee on Finance proposed the following amendment (3726R001.SP.HKL), which was adopted:

Amend the bill, as and if amended, by striking all after the enacting words and inserting:

/ Part I

Funding of the Retirement System

SECTION 1. Section 9‑1‑1085 of the 1976 Code, as added by Act 278 of 2012, is amended to read:

“Section 9‑1‑1085. (A) As provided in Sections 9‑1‑1020 and 9‑1‑1050, the employer and employee contribution rates for the system beginning in Fiscal Year ~~2012‑2013~~ 2017‑2018, expressed as a percentage of earnable compensation, are as follows:

Fiscal Year Employer Contribution Employee Contribution

~~2012‑2013~~ ~~10.60~~ ~~7.00~~

~~2013‑2014~~ ~~10.60~~ ~~7.50~~

~~2014‑2015 and after~~ ~~10.90~~ ~~8.00~~

2017‑2018 13.56 9.00

2018‑2019 14.56 9.00

2019‑2020 15.56 9.00

2020‑2021 16.56 9.00

2021‑2022 17.56 9.00

2022‑2023 18.56 9.00

2023‑2024 18.56 9.00

2024‑2025 18.56 9.00

2025‑2026 18.56 9.00

2026‑2027 and after 18.56 9.00

The employer contribution rate set out in this schedule includes contributions for participation in the incidental death benefit plan provided in Sections 9‑1‑1770 and 9‑1‑1775. The employer contribution rate for employers that do not participate in the incidental death benefit plan must be adjusted accordingly.

(B) After June 30, ~~2015~~ 2027, the board may increase the percentage rate in employer ~~and employee~~ contributions for the system on the basis of the actuarial valuation~~, but any such increase may not result in a differential between the employee and employer contribution rate for the system that exceeds 2.9 percent of earnable compensation~~. An increase in the employer contribution rate adopted by the board pursuant to this section may not provide for an increase in an amount of more than one‑half of one percent of earnable compensation in any one year.

(C)(1) The unfunded actuarial accrued liability (UAAL) of the system as determined by the annual actuarial valuation must be amortized over a funding period that does not exceed the following schedule:

Fiscal Year Funding Period

2017‑2018 30 years

2018‑2019 29 years

2019‑2020 28 years

2020‑2021 27 years

2021‑2022 26 years

2022‑2023 25 years

2023‑2024 24 years

2024‑2025 23 years

2025‑2026 22 years

2026‑2027 21 years

2027‑2028 and after 20 years

(2) If the scheduled employer and employee contributions provided in subsection (A), or the rates last adopted by the board pursuant to subsection (B), are insufficient to ~~maintain a thirty year~~ ~~amortization schedule for the unfunded liabilities of the system~~ meet the funding period set forth in item (1) for the applicable year, then the board shall increase the employer contribution rate ~~as provided in subsection (A) or as last adopted by the board~~ ~~in equal percentage amounts for employer and employee contributions~~ as necessary to ~~maintain an amortization schedule of no more than thirty years~~ meet the funding period set forth in item (1). Such adjustments may be made without regard to the annual limit increase of one‑half of one percent of earnable compensation provided pursuant to subsection (B)~~, but the differential in the employer and employee contribution rates provided in subsection (A) or subsection (B), as applicable, of this section must be maintained at the rate provided in the schedule for the applicable fiscal year~~. Participating employers must be notified of any contribution rate increase required by this item by July first of the fiscal year preceding the fiscal year in which the increase takes effect.

(D)(1) After June 30, ~~2015~~ 2027, if the most recent annual actuarial valuation of the system shows a ratio of the actuarial value of system assets to the actuarial accrued liability of the system (the funded ratio) that is equal to or greater than ~~ninety~~ eighty‑five percent, then the board, effective on the following July first, may decrease the then current employer and employee contribution rates in equal amounts upon making a finding that the decrease will not result in a funded ratio of less than ~~ninety~~ eighty‑five percent. ~~Any decrease in contribution rates must maintain the 2.9 percent differential between employer and employee contribution rates provided pursuant to subsection (B) of this section.~~

(2) If contribution rates are decreased pursuant to item (1) of this subsection and the most recent annual actuarial valuation of the system shows a funded ratio of less than ~~ninety~~ eighty‑five percent, then effective on the following July first, and annually ~~thereafter~~ after that time as necessary, the board shall increase the then current employer and employee contribution rates ~~as provided pursuant to subsection (B) of this section~~ in equal amounts not exceeding one‑half of one percent of earnable compensation in any one year until a subsequent annual actuarial valuation of the system shows a funded ratio that is equal to or greater than ~~ninety~~ eighty‑five percent. However, the employee contribution rate may not exceed nine percent and any contribution increase required by this item after the employee contribution rate equals nine percent must be an employer contribution rate.

(E) When there is no longer an unfunded actuarial accrued liability (UAAL) of the system as determined by the annual actuarial valuation, all new employees must participate in a defined contribution retirement plan.”

SECTION 2. Section 9‑11‑225 of the 1976 Code, as added by Act 278 of 2012, is amended to read:

“Section 9‑11‑225. (A) As provided in Sections 9‑11‑210 and 9‑11‑220, the employer and employee contribution rates for the system beginning in Fiscal Year ~~2012‑2013~~ 2017‑2018, expressed as a percentage of earnable compensation, are as follows:

Fiscal Year Employer Contribution Employee Contribution

~~2012‑2013~~ ~~12.30~~ ~~7.00~~

~~2013‑2014~~ ~~12.50~~ ~~7.50~~

~~2014‑2015 and after~~ ~~13.00~~ ~~8.00~~

2017‑2018 16.24 9.75

2018‑2019 17.24 9.75

2019‑2020 18.24 9.75

2020‑2021 19.24 9.75

2021‑2022 20.24 9.75

2022‑2023 21.24 9.75

2023‑2024 21.24 9.75

2024‑2025 21.24 9.75

2025‑2026 21.24 9.75

2026‑2027 and after 21.24 9.75

The employer contribution rate set out in this schedule includes contributions for participation in the incidental death benefit plan provided in Sections 9‑11‑120 and 9‑11‑125 and for participation in the accidental death benefit program provided in Section 9‑11‑140. The employer contribution rate for employers that do not participate in these programs must be adjusted accordingly.

(B) After June 30, ~~2015~~ 2027, the board may increase the percentage rate in employer ~~and employee~~ contributions for the system on the basis of the actuarial valuation~~, but any such increase may not result in a differential between the employee and employer contribution rate for that system that exceeds 5.00 percent of earnable compensation~~. An increase in the employer contribution rate adopted by the board pursuant to this section may not provide for an increase in an amount of more than one‑half of one percent of earnable compensation in any one year.

(C)(1) The unfunded actuarial accrued liability (UAAL) of the system as determined by the annual actuarial valuation must be amortized over a funding period that does not exceed the following schedule:

Fiscal Year Funding Period

2017‑2018 30 years

2018‑2019 29 years

2019‑2020 28 years

2020‑2021 27 years

2021‑2022 26 years

2022‑2023 25 years

2023‑2024 24 years

2024‑2025 23 years

2025‑2026 22 years

2026‑2027 21 years

2027‑2028 and after 20 years

(2) If the scheduled employer and employee contributions provided in subsection (A), or the rates last adopted by the board pursuant to subsection (B), are insufficient to ~~maintain a thirty year~~ ~~amortization schedule for the unfunded liabilities of the system~~ meet the funding period set forth in item (1), for the applicable year, then the board shall increase the employer contribution rate ~~as provided in subsection (A) or as last adopted by the board~~ ~~in equal percentage amounts for employer and employee contributions~~ as necessary to ~~maintain an amortization schedule of no more than thirty years~~ meet the funding period set forth in item (1). Such adjustments may be made without regard to the annual limit increase of one‑half of one percent of earnable compensation provided pursuant to subsection (B)~~, but the differential in the employer and employee contribution rates provided in subsection (A) or subsection (B), as applicable, of this section must be maintained at the rate provided in the schedule for the applicable fiscal year~~. Participating employers must be notified of any contribution rate increase required by this item by July first of the fiscal year preceding the fiscal year in which the increase takes effect.

(D)(1) After June 30, ~~2015~~ 2027, if the most recent annual actuarial valuation of the system shows a ratio of the actuarial value of system assets to the actuarial accrued liability of the system (the funded ratio) that is equal to or greater than ~~ninety~~ eighty‑five percent, then the board, effective on the following July first, may decrease the then current employer and employee contribution rates in equal amounts upon making a finding that the decrease will not result in a funded ratio of less than ~~ninety~~ eighty‑five percent. ~~Any decrease in contribution rates must maintain the 5.0 percent differential between employer and employee contribution rates provided pursuant to subsection (B) of this section.~~

(2) If contribution rates are decreased pursuant to item (1) of this subsection and the most recent annual actuarial valuation of the system shows a funded ratio of less than ~~ninety~~ eighty‑five percent, then effective on the following July first, and annually ~~thereafter~~ after that time as necessary, the board shall increase the then current employer and employee contribution rates ~~as provided pursuant to subsection (B) of this section~~ in equal amounts not exceeding one‑half of one percent of earnable compensation in any one year until a subsequent annual actuarial valuation of the system shows a funded ratio that is equal to or greater than ~~ninety~~ eighty‑five percent. However the employee contribution rate may not exceed nine and three quarters of one percent and any contribution increase required by this item after the employee contribution rate equals nine and three quarters of one percent must be an increase in the employer contribution rate.

(E) When there is no longer an unfunded actuarial accrued liability (UAAL) of the system as determined by the annual actuarial valuation, all new employees must participate in a defined contribution retirement plan.”

SECTION 3. Section 9‑16‑335 of the 1976 Code, as added by Act 278 of 2012, is amended to read:

“Section 9‑16‑335. (A) For all purposes of this title, the assumed annual rate of return on the investments of the Retirement System must be established by the General Assembly pursuant to this section. Effective July 1, ~~2012~~ 2017, the assumed annual rate of return on retirement system investments is seven ~~and one~~‑~~half~~ and one quarter percent.

(B) The assumed rate of return set in subsection (A) expires on July 1, 2021. A new annual rate of return must be set and made effective no later than July 1, 2021, and, every four years after, a new annual rate must be set and made effective. Before January first of each year that the assumed rate of return is due to expire, the board shall submit a proposed assumed annual rate of return for the corresponding four‑year period. The proposed assumed annual rate of return must be developed based on the recommendations of the board’s actuary and in consultation with the commission, and must be submitted to the Chairman of the Senate Finance Committee and the Chairman of the House Ways and Means Committee. If the General Assembly does not enact a joint resolution that continues or amends the assumed annual rate of return before expiration, the assumed annual rate of return developed and submitted by the board takes effect for the corresponding four‑year period until subsequent action of the General Assembly.”

Part II

Public Employee Benefit Authority

SECTION 4. Section 9‑4‑10 of the 1976 Code, as added by Act 278 of 2012, is amended to read:

“Section 9‑4‑10. (A) Effective July 1, 2012, there is created the South Carolina Public Employee Benefit Authority. The sole governing body of the authority is a board of directors consisting of eleven members. The functions of the authority must be performed, exercised, and discharged under the supervision and direction of the board of directors.

(B)(1) The board is composed of:

(a) three nonrepresentative members appointed by the Governor;

(b) two members appointed by the President Pro Tempore of the Senate, one a nonrepresentative member and one a representative member who is either an active or retired member of SCPORS;

(c) two members appointed by the Chairman of the Senate Finance Committee, one a nonrepresentative member and one a representative member who is a retired member of SCRS;

(d) two members appointed by the Speaker of the House of Representatives, one a nonrepresentative member and one a representative member who must be a state employee who is an active contributing member of SCRS; and

(e) two members appointed by the Chairman of the House Ways and Means Committee, one a nonrepresentative member and one a representative member who is an active contributing member of SCRS employed by a public school district.

(2) For purposes of the appointments provided by this section, a nonrepresentative member may not belong to those classes of employees and retirees from whom representative members must be appointed.

(C)(1) A nonrepresentative member may not be appointed to the board unless the person possesses at least one of the following qualifications:

(a) at least twelve years of professional experience in the financial management of pensions or insurance plans;

(b) at least twelve years academic experience and holds a bachelor’s or higher degree from a college or university as classified by the Carnegie Foundation;

(c) at least twelve years of professional experience as a certified public accountant with financial management, pension, or insurance audit expertise;

(d) at least twelve years as a Certified Financial Planner credentialed by the Certified Financial Planner Board of Standards; or

(e) at least twelve years membership in the South Carolina Bar and extensive experience in one or more of the following areas of law:

(i) taxation;

(ii) insurance;

(iii) health care;

(iv) securities;

(v) corporate;

(vi) finance; or

(vii) the Employment Retirement Income Security Act (ERISA).

(2) A representative member may not be appointed to the board unless the person:

(a) possesses one of the qualifications set forth in item (1); or

(b) has at least twelve years of public employment experience and holds a bachelor’s degree from a college or university as classified by the Carnegie Foundation.

(D) In making appointments, the appointing authorities shall select members who are representative of the racial, gender, and geographical diversity of the State.

(E) Members of the board shall serve for terms of ~~two~~ four years and until their successors are appointed and qualify, except that the terms of the board members appointed by the Governor on July 1, 2016, expire on June 30, 2018, the terms of the nonrepresentative board members appointed by members of the General Assembly on July 1, 2016, expire on June 30, 2019, and the terms of the representative board members appointed by members of the General Assembly on July 1, 2016, expire on June 30, 2020. Vacancies must be filled within sixty days in the manner of original appointment for the unexpired portion of the term. Terms ~~commence on July first of even numbered years~~ expire after June thirtieth of the year in which the term is due to expire. Upon a ~~member’s~~ person’s appointment, the appointing official shall certify to the Secretary of State that the appointee meets or exceeds the qualifications set forth in subsections (B) and (C). ~~No~~ A person appointed may not qualify unless he first certifies that he meets or exceeds the qualifications applicable for their appointment. A member ~~serves at the pleasure of the member’s appointing authority~~ may be removed before the term expires only by the Governor for the reasons provided in Section 1‑3‑240(C). A member may not be appointed to serve more than two consecutive four‑year terms, except that a member of the board who has five or more years of consecutive service on the board at the expiration of his term, beginning July 1, 2016, may not be appointed to serve for more than one additional consecutive four‑year term.

~~(E)~~(F) The members shall select a nonrepresentative member to serve as chairman and shall select those other officers they determine necessary. Subject to the qualifications for chairman provided in this section, members may set their own policy related to the rotation of the selection of a chairman of the board.

~~(F)~~(G)(1) Each member ~~must~~ shall receive an annual salary of twelve thousand dollars. This compensation must be paid from approved accounts of general funds and retirement system funds based on the proportionate amount of time the board devotes to its various functions. Members may receive the mileage and subsistence authorized by law for members of state boards, commissions, and committees paid from approved accounts funded by general funds and retirement system funds in the proportion that compensation is paid.

(2) Notwithstanding any other provision of law, membership on the board does not make a member eligible to participate in a retirement system administered pursuant to this title and does not make a member eligible to participate in the employee insurance program administered pursuant to Article 5, Chapter 11, Title 1. Any compensation paid on account of the member’s service on the board is not considered earnable compensation for purposes of any state retirement system.

~~(G)~~(H) Minimally, the board shall meet ~~monthly~~ quarterly and at other times set by the board. If the chairman considers it more effective, the board may meet by teleconferencing or video conferencing. However, if the agenda of the meeting consists of items that are not exempt from disclosure or the meeting may not be closed to the public pursuant to Chapter 4, Title 30, the provisions of Chapter 4, Title 30 apply, and the meeting must be open to the public.

~~(H)~~(I) Effective July 1, 2012, the following offices, divisions, or components of the State Budget and Control Board are transferred to, and incorporated into, an administrative agency of state government to be known as the South Carolina Public Employee Benefit Authority:

(1) Employee Insurance Program; and

(2) the Retirement Division.

(J) The board shall employ an executive director who will serve at the pleasure of the board. The executive director is the chief administrative officer of the authority as an agency and is charged with the affirmative duty to carry out the mission, policies, and direction of the board as established by the board. The executive director is delegated all the authority of the board necessary, reasonable, and prudent to carry out the operation and management of the authority as an agency and to implement the board’s decisions and directives. The executive director shall employ the other professional, administrative, and clerical personnel he determines necessary to support the administration and operation of the authority and fix their compensation pursuant to an organizational plan approved by the authority.

(K) Members of the board and the executive director, and other employees or agents designated by the board, are fiduciaries of the authority and in discharging their duties as fiduciaries shall act:

(1) only in the interest of the participants and beneficiaries of the employee benefit plans administered by the authority;

(2) for the exclusive purpose of providing retirement and insurance benefits to participants and beneficiaries of the employee benefit plans administered by the authority and paying reasonable expenses of administering those employee benefit plans;

(3) with the care, skill, and caution under the circumstances then prevailing which a prudent person acting in a like capacity and familiar with those matters would use in the conduct of an activity of like character and purpose;

(4) impartially, taking into account any differing interests of participants and beneficiaries;

(5) incurring only costs that are appropriate and reasonable; and

(6) in accordance with a good faith interpretation of this chapter and other applicable provisions of law.

(L)(1) A board member or other fiduciary employed by the authority who breaches a duty imposed by this section personally is liable to the affected employee benefit plan administered by the authority for any losses resulting from the breach and any profits resulting from the breach or made by the board member or other fiduciary through use of assets of the employee benefit plan by the board member or other fiduciary. The board member or other fiduciary is subject to other equitable remedies, as the court considers appropriate, including removal.

(2) An agreement that purports to limit the liability of a fiduciary for a breach of duty under this section is void.

(3) The authority may insure a fiduciary or itself against liability or losses occurring because of a breach of duty under this section.

(4) A fiduciary may insure against personal liability or losses occurring because of a breach of duty under this section if the insurance is purchased or provided by the individual fiduciary, but a fiduciary who obtains insurance pursuant to this section shall disclose all terms, conditions, and other information relating to the insurance policy to the authority.

(5) Nothing in this subsection may be construed to limit the applicability of the provisions of Section 9‑4‑15.”

SECTION 5. Section 9‑4‑40 of the 1976 Code, as last amended by Act 278 of 2012, is further amended to read:

“Section 9‑4‑40. ~~Each year in the general appropriations act, the General Assembly shall appropriate sufficient funds to the Office of the State Inspector General to~~ Every four years the State Auditor shall employ a private audit firm to perform a fiduciary audit on the South Carolina Public Employee Benefit Authority. The audit firm must be selected by the ~~State Inspector General~~ State Auditor. ~~The~~ A report from ~~the previous fiscal year~~ the private audit firm must be completed by January ~~fifteenth~~ 15, 2019, and every four years after that time. Upon completion, the report must be submitted to the Governor, the President Pro Tempore of the Senate, the Speaker of the House of Representatives, the Chairman of the Senate Finance Committee, and the Chairman of the House Ways and Means Committee.”

SECTION 6. Section 9-1-240 of the 1976 Code is amended to read:

“Section 9-1-240. The board shall designate an actuary, subject to the approval of the State Fiscal Accountability Authority or its successor, who ~~shall be~~ is the technical advisor of the board on matters regarding the operation of the system and shall perform such other duties as are required in connection therewith, provided, however, that the Retirement System Investment Commission is a third-party beneficiary of the contract with the actuary, with full rights to all actuarial valuations prepared by the actuary. The board shall provide to the State Fiscal Accountability Authority or its successor actuarial valuations and reports requested.”

Part III

Retirement System Investment Commission

SECTION 7. Section 9‑16‑10(4) of the 1976 Code, as last amended by Act 153 of 2005, is further amended by adding an appropriately lettered subitem to read:

“( ) is the commission’s chief executive officer.”

SECTION 8. Section 9-16-30 of the 1976 Code, as last amended by Act 153 of 2005, is further amended by adding an appropriately lettered subsection to read:

“( ) The commission shall cast shareholder proxy votes that are in keeping with its fiduciary duties that are consistent with the best interest of the trust fund and most likely to maximize shareholder value.”

SECTION 9. Section 9‑16‑90(B) of the 1976 Code, as last amended by Act 153 of 2005, is further amended to read:

“(B) In addition to the quarterly reports provided in subsection (A), the commission shall provide an annual report to the State Fiscal Accountability Authority, Revenue and Fiscal Affairs Office, and the Executive Budget Office, the Speaker of the House of Representatives, members of the House of Representatives or Senate, but only upon their request, the President Pro Tempore of the Senate, and other appropriate officials and entities of the investment status of the retirement systems. The report must contain:

(1) a description of a material interest held by a trustee, fiduciary, or an employee who is a fiduciary with respect to the investment and management of assets of the system, or by a related person, in a material transaction with the system within the last three years or proposed to be effected;

(2) a schedule of the rates of return, net of total investment expense, on assets of the system overall and on assets aggregated by category over the most recent one‑year, three‑year, five‑year, and ten‑year periods, to the extent available, and the rates of return on appropriate benchmarks for assets of the system overall and for each category over each period;

(3) a schedule of the sum of total investment expense, manager fees and expenses, and ~~total~~ general administrative expense for the fiscal year expressed as a percentage of the fair value of assets of the system on the last day of the fiscal year, and an equivalent percentage for the preceding five fiscal years; ~~and~~

(4) a schedule of the net manager fees and expenses for each asset class for the fiscal year, including the total amount of manager fee and expense for each asset class and the amount of manager fee and expense for each asset class divided into the amounts attributable to management fees, performance fees or carried interest, and other expenses charged to the managed investment vehicle. The amount of manager fees and expenses must be expressed in total, and in each category of fee and expense, as a dollar amount and a percentage of the fair value of assets of the system on the last day of the fiscal year. The schedule also must include the net investment return for each asset class. In addition to being included in the annual report required by this subsection, the schedule of manager fees and expenses required by this item also must be published in a conspicuous location on the commission’s website; and

(5) a schedule of all assets held for investment purposes on the last day of the fiscal year aggregated and identified by issuer, borrower, lessor, or similar party to the transaction stating, if relevant, the asset’s maturity date, rate of interest, par or maturity value, number of shares, costs, and fair value and identifying an asset that is in default or classified as uncollectible.

(6) a schedule of investment decisions that have been delegated from the commission to the chief investment officer to include the name, asset class, asset value, fees paid, and performance since inception by manager.

These disclosure requirements are cumulative to and do not replace other reporting requirements provided by law.”

SECTION 10. Section 9‑16‑315 of the 1976 Code, as last amended by Act 278 of 2012, is further amended to read:

“Section 9‑16‑315. (A) There is established the ‘Retirement System Investment Commission’ (RSIC) consisting of ~~seven~~ eight members, seven of which have voting privileges, as follows:

(1) ~~one~~ two ~~member~~ members appointed by the Governor, one of which is an active member of the South Carolina Retirement System, Police Officers Retirement System, the Judges and Solicitors Retirement System, or the National Guard Retirement System;

(2) one member appointed by the State Treasurer~~, ex officio~~;

(3) one member appointed by the Comptroller General;

(4) one member appointed by the Chairman of the Senate Finance Committee;

(5) one member appointed by the Chairman of the House Ways and Means Committee ~~of the House of Representatives~~;

(6) one member who is a retired member of the ~~retirement system~~ South Carolina Retirement System, Police Officers Retirement System, Judges and Solicitors Retirement System, or National Guard Retirement System. This representative member must be appointed by unanimous vote of the voting members of the commission; and

(7) the Executive Director of South Carolina Public Employee Benefit Authority, ex officio, without voting privileges.

(B) ~~The State Treasurer may appoint a member to serve in his stead. A member appointed by the State Treasurer shall serve for a term coterminous with the State Treasurer and must possess at least one of the qualifications provided in subsection (E). Once appointed, this member may not be removed except as provided in subsection (C)~~ In making appointments, the appointing authorities shall select members who are representative of the racial, gender, and geographical diversity of the State.

~~(C)~~ ~~Except as provided in subsection (B), members~~ Members shall serve for terms of ~~five~~ four years and until their successors are appointed and qualify~~, except that of those first appointed, the appointees of the Comptroller General and the Chairman of the Senate Finance Committee shall serve for terms of three years and the appointee of the Chairman of the Committee on Ways and Means and the representative appointee shall serve for terms of one year~~. Except for the Executive Director of the South Carolina Public Employee Benefit Authority, a person appointed may not serve until the appointing official certifies to the Secretary of State that the appointee meets or exceeds the qualifications set forth in subsections (D) and (E). A person appointed may not qualify unless he first certifies that he meets or exceeds the qualifications applicable for his appointment. Terms are deemed to expire after June thirtieth of the year in which the term is due to expire. Members are appointed for a term and may be removed before the term expires only by the Governor for the reasons provided in Section 1‑3‑240(C). A member may not be appointed to serve more than two consecutive full four‑year terms. A member serving a second or greater term, beginning July 1, 2016, may not serve an additional consecutive four‑year term upon the expiration of his term pursuant to the provisions of this subsection. A member who has served for ten or more years as of July 1, 2017, may complete the term for which he was appointed but may not be reappointed to the commission.

~~(D)~~(C) The commission shall select one of the voting members to serve as chairman and shall select those other officers it determines necessary~~, but the State Treasurer may not serve as chairman~~.

~~(E)~~(D) A person may not be appointed to the commission unless the person possesses at least one of the following qualifications:

(1) the Chartered Financial Analyst credential of the CFA Institute;

(2) ~~the~~ at least twelve years as a Certified Financial Planner ~~credential of~~ credentialed by the Certified Financial Planner Board of Standards;

(3) ~~reserved~~ the Chartered Alternative Investment Analyst certification of the Chartered Alternative Investment Analyst Association;

(4) at least twenty years professional actuarial experience, including at least ten as an Enrolled Actuary licensed by a Joint Board of the Department of the Treasury and the Department of Labor, to perform a variety of actuarial tasks required of pension plans in the United States by the Employee Retirement Income Security Act of 1974;

(5) at least twenty years professional teaching experience in economics or finance, ten of which must have occurred at a doctorate‑granting university, master’s granting college or university, or a baccalaureate college as classified by the Carnegie Foundation;

(6) an earned Ph.D. in economics or finance from a doctorate‑granting institution as classified by the Carnegie Foundation; ~~or~~

(7) the Certified Internal Auditor credential of The Institute of Internal Auditors;

(8) at least twelve years of professional experience in the financial management of pensions or insurance plans; or

(9) at least twelve years of professional experience as a certified public accountant with financial management, pension, or insurance audit expertise.

~~(F)~~(E) ~~Not including the State Treasurer~~ Except for the member appointed pursuant to subsection (A)(6) and (7), ~~no~~ a person may not be appointed or continue to serve who is an elected or appointed officer ~~or employee~~ of the State or any of its political subdivisions, including school districts.

~~(G)~~(F) The Retirement System Investment Commission is established to invest the funds of the retirement system. All of the powers and duties of the State Budget and Control Board as investor in equity securities and the State Treasurer’s function of investing in fixed income instruments are transferred to and devolved upon the Retirement System Investment Commission.

(G) The commission shall employ a chief executive officer who serves at the pleasure of the commission. The chief executive officer is the chief administrative officer of the commission as an agency and is charged with the affirmative duty to carry out the mission, policies, and direction of the commission as established by the commission. The chief executive officer is delegated the authority of the commission necessary, reasonable, and prudent to carry out the operation and management of the commission as an agency and to implement the commission’s decisions and directives. Notwithstanding Section 9‑16‑30, the chief executive officer may execute on behalf of the commission any documents necessary to implement a final decision to invest.

(H)(1) ~~To assist the commission in its investment function, it~~ The chief executive officer shall employ a chief investment officer~~, who under the direction and supervision of the commission, and as its agent~~. The chief investment officer shall develop and maintain annual investment plans and invest and oversee the investment of retirement system funds subject to the oversight of the chief executive officer. ~~The chief investment officer serves at the pleasure of the commission and must receive the compensation the commission determines appropriate.~~

(2) The ~~commission may~~ chief executive officer shall employ the other professional, administrative, and clerical personnel ~~it~~ he determines necessary to support the administration and operation of the commission and fix their compensation pursuant to an organizational plan approved by the commission. All employees of the commission are employees at will and serve at the pleasure of the chief executive officer. The compensation of the chief executive officer, chief investment officer, and other employees of the commission is not subject to the state compensation plan.

(I) Notwithstanding Section 1‑7‑170, the commission, in consultation with the Attorney General, may engage, on a fee basis, attorneys necessary to exercise its exclusive authority to invest and manage the retirement system’s assets. The commission shall establish policies and procedures for the retention of attorneys pursuant to this subsection and shall notify the Attorney General of the terms and conditions of a representation upon engagement. The commission shall provide quarterly reports to the Attorney General on attorneys retained, hourly rates, and estimated maximum fees, which he shall monitor for reasonableness and to ensure consistency with the terms and conditions of the representation.

~~(H)~~(J)(1) The administrative costs of the Retirement System Investment Commission must be paid from the earnings of the state retirement system ~~in the manner provided in Section 9‑1‑1310~~.

(2) ~~Effective beginning July 1, 2012,~~ Each commission member, ~~not including~~ except for the Executive Director of the South Carolina Public Employee Benefit Authority, ~~must~~ shall receive an annual salary of twenty thousand dollars plus mileage and subsistence as provided by law for members of state boards, committees, and commissions ~~paid as provided pursuant to item (1) of this subsection~~. Notwithstanding any other provision of law, membership on the commission does not make a member eligible to participate in a retirement system administered pursuant to this title and does not make a member eligible to participate in the employee insurance program administered pursuant to Article 5, Chapter 11, Title 1, if the member is not otherwise eligible. Compensation paid on account of the member’s service on the commission is not considered earnable compensation for purposes of any retirement system administered pursuant to this title.”

SECTION 11. Section 9‑16‑330 of the 1976 Code, as last amended by Act 153 of 2005, is further amended to read:

“Section 9‑16‑330. (A) The commission shall provide the chief executive officer and the chief investment officer with a statement of general investment objectives. The commission ~~shall~~ also shall provide the chief executive officer and the chief investment officer with a statement of actuarial assumptions developed by the system’s actuary and approved by the board. The commission shall review the statement of general investment objectives annually for the purpose of affirming or changing it and advise the chief executive officer and the chief investment officer of its actions. The retirement system shall provide the commission, ~~and~~ its chief executive officer and chief investment officer that data or other information needed to prepare the annual investment plan.

(B)(1) Notwithstanding Section 9‑16‑30(A), the commission’s statement of general investment objectives may include a delegation to the chief investment officer of the final authority to invest an amount not to exceed:

(a) two percent of the total value of portfolio assets for each investment, if the investment is in assets that are publicly tradeable and the investment provides for liquidity in ninety days or less; or

(b) one percent of the total value of portfolio assets for each investment, if the investment is in assets that are not publicly tradeable or the investment’s liquidity provision is greater than ninety days.

(2) Any final authority delegated to the chief investment officer pursuant to this subsection must be exercised subject to the oversight of the chief executive officer. The closing documentation of an investment made pursuant to this delegation must include the chief executive officer’s certification that the investment conforms to the amount and the extent of the delegation. Any authority exercised pursuant to this section must be exercised in a manner consistent with the limitations imposed by this section and investments may not be divided into smaller amounts in order to avoid these limitations. The commission must be notified of an investment made pursuant to any delegated authority within three business days of the investment’s closing and the investment must be reviewed with the commission at its next regularly scheduled meeting. The commission may amend, suspend, or revoke the delegation of the final authority to invest at any time and may place stricter limits on any delegated authority than those provided in this subsection.

(C) The annual investment plan must be consistent with actions taken by the commission pursuant to subsection (A) and must include, but is not limited to, the following components:

(1) general operational and investment policies;

(2) investment objectives and performance standards;

(3) investment strategies, which may include indexed or enhanced indexed strategies as the preferred or exclusive strategies for equity investing, and an explanation of the reasons for the selection of each strategy;

(4) industry sector, market sector, issuer, and other allocations of assets that provide diversification in accordance with prudent investment standards, including desired rates of return and acceptable levels of risks for each asset class;

(5) policies and procedures providing flexibility in responding to market contingencies;

(6) procedures and policies for selecting, monitoring, compensating, and terminating investment consultants, equity investment managers, and other necessary professional service providers; ~~and~~

(7) methods for managing the costs of the investment activities; and

(8) a detailed description of the amount and extent of the final authority to invest made by the commission pursuant to subsection (B).

~~(C)~~(D) In developing the annual investment plan, the chief investment officer shall:

(1) diversify the investments of the retirement systems, unless the commission reasonably determines that, because of special circumstances, it is clearly not prudent to do so; and

(2) make a reasonable effort to verify facts relevant to the investment of assets of the retirement systems.

(E) Before the implementation of delegation of final investment authority from the commission to the chief investment officer, the commission’s external investment consultant shall provide an analysis of the extent of investment authority delegation in other public pension funds, including resulting investment performance, and recommendations regarding policy parameters to govern investment authority delegation. The analysis and recommendations must be completed and provided to the commission before the implementation of delegation of final investment authority to the chief investment officer.”

SECTION 12. Section 9‑16‑380 of the 1976 Code, as added by Act 278 of 2012, is amended to read:

“Section 9‑16‑380. ~~Each year in the general appropriations act, the General Assembly shall appropriate sufficient funds to the Office of the State Inspector General to~~ Every four years the State Auditor shall employ a private audit firm to perform a fiduciary audit on the Retirement System Investment Commission. The audit firm must be selected by the State ~~Inspector General~~ Auditor. ~~The~~ A report from the ~~previous fiscal year~~ private audit firm must be completed by January ~~fifteenth~~ 15, 2019, and every four years after that time. Upon completion, the report must be submitted to the Governor, the President Pro Tempore of the Senate, the Speaker of the House of Representatives, the Chairman of the Senate Finance Committee, and the Chairman of the House Ways and Means Committee.”

SECTION 13. Article 1, Chapter 16, Title 9 of the 1976 Code is amended by adding:

“Section 9‑16‑100. (A) A lobbyist, as defined in Section 2‑17‑10(13), may not contact any member of the commission, the chief executive officer, chief investment officer, or staff member of the commission to solicit the investment of funds with a particular entity regardless of whether the lobbyist represents that entity.

(B) The commission may not make an investment with or invest in a fund managed by an external investment manager if a placement agent receives compensation as a result of the commission’s investment. For purposes of this subsection, ‘placement agent’ means an individual directly or indirectly hired, engaged, or retained by, or serving for the benefit of or on behalf of, an external manager or an investment fund managed by an external manager, and who acts or has acted for compensation as a finder, solicitor, marketer, consultant, broker, or other intermediary in connection with making an investment with or investing in a fund managed by the external investment manager.

(C) The commission may not invest in any asset or with any entity in which a commissioner or his immediate family has any interest. This subsection does not apply to publicly traded securities.”

Part IV

Administration of Retirement System Funds

SECTION 14. Section 9‑1‑1310(A) of the 1976 Code, as last amended by Act 278 of 2012, is further amended to read:

“(A) The South Carolina Public Employee Benefit Authority and the ~~State Fiscal Accountability Authority, or its successor,~~ Retirement System Investment Commission are cotrustees of the assets of the retirement system as ‘assets’ and ‘retirement system’ ~~is~~ are defined in Section 9‑16‑10(1) and (8) ~~in performing the functions imposed on them by law in the governance of the Retirement System~~. Notwithstanding any other provision of law, any reference in law to the trustee of the assets of the Retirement System must be construed to conform to the cotrusteeship as provided in this subsection. The Public Employee Benefit Authority shall hold the assets of the Retirement System in a group trust as provided in Section 9‑16‑20. The Retirement System Investment Commission shall invest and reinvest the ~~funds~~ assets of the retirement system ~~as ‘retirement system’ is defined in Section 9‑16‑10(8)~~, subject to all the terms, conditions, limitations, and restrictions imposed by Section 16, Article X of the South Carolina Constitution, 1895, subsection (B) of this section, and Chapter 16 of this title.”

SECTION 15. Section 9‑1‑1320 of the 1976 Code is amended to read:

“Section 9‑1‑1320. (A) The ~~State Treasurer~~ board ~~shall be~~ is the custodian of the ~~funds~~ assets of the Retirement System as ‘assets’ and ‘retirement system’ are defined in Section 9‑16‑10(1) and (8), and the Retirement System Investment Commission has the exclusive authority to select the custodial bank, provided, however, that the Public Employee Benefit Authority is a third‑party beneficiary of the contract with the custodial bank with full rights to information under them. ~~All payments from such funds shall be made by him only upon vouchers signed by two persons designated by the Board.~~ The custodial banking agreement may provide for electronic signatory approval.

(B)(1) A custodial bank selected by the commission must:

(a) be a United States domiciled trust company and a member of the Federal Reserve;

(b) have in excess of one trillion dollars of assets under custody;

(c) have provided custody services for at least the previous fifteen years; and

(d) provide custody services to other public fund institutional clients that individually have assets under management that meet or exceed the amount of assets managed by the commission.

(2) Nothing in this subsection prohibits the commission from imposing more stringent or additional qualifications as part of its selection process.”

Part V

Miscellaneous and Time Effective

SECTION 16. Section 1‑3‑240(C)(1) of the 1976 Code, as last amended by Act 275 of 2016, is further amended by adding appropriately lettered subitems to read:

“( ) South Carolina Retirement Investment Commission members appointed by the Governor or members of the General Assembly;

( ) South Carolina Public Benefit Authority members.”

SECTION 17. Section 9-16-50(A) of the 1976 Code, as last amended by Act 153 of 2005, is further amended to read:

“(A) In investing and managing assets of a retirement system pursuant to Section 9‑16‑40, the commission:

(1) shall consider among other circumstances:

(a) general economic conditions;

(b) the possible effect of inflation or deflation;

(c) the role that each investment or course of action plays within the overall portfolio of the retirement system;

(d) needs for liquidity, regularity of income, and preservation or appreciation of capital; and

(e) the adequacy of funding for the plan based on reasonable actuarial factors;

(2) shall diversify the investments of the retirement system unless the commission reasonably determines that, because of special circumstances, it is clearly prudent not to do so;

(3) shall make a reasonable effort to verify facts relevant to the investment and management of assets of a retirement system; and

(4) may invest in any kind of property or type of investment consistent with this chapter and Section 9‑1‑1310;

~~(5)~~ ~~may consider benefits created by an investment in addition to investment return only if the commission determines that the investment providing these collateral benefits would be prudent even without the collateral benefits~~.”

SECTION 18. Sections 9‑4‑45, 9‑8‑170, 9‑9‑160, 9‑10‑80, and 9‑11‑250 of the 1976 Code are repealed.

SECTION 19. This act takes effect on July 1, 2017. /

Renumber sections to conform.

Amend title to conform.

Senator SHEHEEN explained the committee amendment.

The question was adoption of the committee amendment.

The "ayes" and "nays" were demanded and taken, resulting as follows:

**Ayes 38; Nays 1**

**AYES**

Alexander Allen Bennett

Campbell Campsen Climer

Corbin Courson Cromer

Davis Fanning Gambrell

Goldfinch Grooms Hembree

Hutto Johnson Leatherman

Martin Massey *Matthews, John*

McElveen McLeod Nicholson

Peeler Rankin Reese

Rice Sabb Scott

Senn Shealy Sheheen

Talley Timmons Turner

Verdin Young

**Total--38**

**NAYS**

Kimpson

**Total--1**

The committee amendment was adopted.

The question then was second reading of the Bill.

The "ayes" and "nays" were demanded and taken, resulting as follows:

**Ayes 38; Nays 0**

**AYES**

Alexander Allen Bennett

Campbell Campsen Climer

Corbin Courson Cromer

Davis Fanning Gambrell

Goldfinch Grooms Hembree

Hutto Johnson Kimpson

Leatherman Martin Massey

McElveen McLeod Nicholson

Peeler Rankin Reese

Rice Sabb Scott

Senn Shealy Sheheen

Talley Timmons Turner

Verdin Young

**Total--38**

There being no further amendments, the Bill was read the second time, passed and ordered to a third reading.

**H. 3726--Ordered to a Third Reading**

On motion of Senator LEATHERMAN, with unanimous consent, H. 3726 was ordered to receive a third reading on Friday, March 10, 2017.

**AMENDED, CARRIED OVER**

S. 199 -- Senators Bryant, Alexander, Shealy and Grooms: A BILL TO AMEND ARTICLE 21, CHAPTER 5, TITLE 56 OF THE 1976 CODE, RELATING TO REQUIRED STOPS FOR VEHICLES, BY ADDING A NEW SECTION, TO ALLOW THE DEPARTMENT OF PUBLIC SAFETY TO OBTAIN A CIVIL PENALTY CITATION AGAINST THE REGISTERED OWNER OF A VEHICLE VIOLATING SECTION 56-5-2770 AND TO PROVIDE A METHOD TO APPEAL THE CITATION.

The Senate proceeded to a consideration of the Bill.

Senators GROOMS and SHEHEEN proposed the following amendment (199R002.SP.LKG), which was adopted:

Amend the bill, as and if amended, page 1, by striking lines 38-41, and page 2, by striking lines 1-8, and inserting:

/ (B) The registered owner of the vehicle shall not be responsible for the civil penalty citation if, within thirty days after receiving notification of the civil penalty citation, he provides the Department of Public Safety an affidavit as described in this subsection. The department must include with the citation a form affidavit to be completed and returned to the department by the registered owner if the vehicle was not under his care, custody, or control at the time of the violation or if the vehicle was stolen. The affidavit must include the name and address of the person or company that had care, custody, and control of the vehicle at the time of the violation or, if the vehicle was stolen, evidence that the vehicle was insured at the time of the violation and a police report that confirms that the vehicle was stolen. The department must include with the affidavit an explanation of the purpose of the affidavit and an explanation of how to complete and return it to the department. The explanation must be written in plain and ordinary language. /

Renumber sections to conform.

Amend title to conform.

Senator GROOMS explained the amendment.

On motion of Senator MARTIN, the Bill was carried over.

**CARRIED OVER**

S. 262 -- Senator Setzler: A BILL TO AMEND THE CODE OF LAWS OF SOUTH CAROLINA, 1976, BY ADDING ARTICLE 7 TO CHAPTER 31, TITLE 59 SO AS TO PROVIDE A TEXTBOOK POLICY FOR PUBLIC INSTITUTIONS OF HIGHER EDUCATION THAT IS INTENDED TO HELP MINIMIZE COLLEGE TEXTBOOK COSTS, TO DEFINE NECESSARY TERMINOLOGY, AND TO PROVIDE RELATED OBLIGATIONS OF THE COMMISSION ON HIGHER EDUCATION AND PUBLIC INSTITUTIONS OF HIGHER EDUCATION REGARDING THE DEVELOPMENT AND IMPLEMENTATION OF TEXTBOOK POLICIES, AMONG OTHER THINGS.

On motion of Senator MARTIN, the Bill was carried over.

**OBJECTION**

S. 245 -- Senators Hutto and Hembree: A BILL TO AMEND SECTION 44‑53‑370, AS AMENDED, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO DRUG OFFENSES, SO AS TO CONFORM THE LANGUAGE OF TRAFFICKING IN ILLEGAL DRUGS PROVISIONS, INCLUDING OPIATES AND HEROIN, TO THE LANGUAGE OF THE PROVISIONS CONCERNING POSSESSION AND DISTRIBUTION OF CERTAIN ILLEGAL DRUGS WHICH WOULD INCLUDE SYNTHETIC OPIATES, AMONG OTHER DRUGS.

Senator MALLOY objected to consideration of the Bill.

S. 114 -- Senators Bennett and Senn: A BILL TO AMEND CHAPTERS 4 AND 6, TITLE 61, CODE OF LAWS OF SOUTH CAROLINA, 1976, BY ADDING SECTION 61‑4‑555 AND SECTION 61‑6‑2001, RELATING TO SPECIAL AND TEMPORARY PERMITS TO SELL ALCOHOLIC BEVERAGES AT CERTAIN EVENTS, SO AS TO ALLOW MANUFACTURERS OR PRODUCERS OF BEER, ALE, PORTER, WINE, OR ALCOHOLIC LIQUORS TO DONATE THEIR PRODUCTS AND FURNISH EQUIPMENT AND REPRESENTATIVES TO DISPENSE AND PROMOTE THEIR BEVERAGES TO QUALIFIED NONPROFIT ORGANIZATIONS THAT INTEND TO SELL THESE PRODUCTS AT PERMITTED EVENTS ORGANIZED TO RAISE FUNDS FOR THE NONPROFIT ORGANIZATION OR OTHER CHARITABLE PURPOSE.

Senator MALLOY objected to consideration of the Bill.

S. 115 -- Senators Rankin and Hutto: A BILL TO AMEND TITLE 61, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO ALCOHOL AND ALCOHOLIC BEVERAGES, BY ADDING CHAPTER 3, SO AS TO PROVIDE FOR THE ESTABLISHMENT, IMPLEMENTATION, AND ENFORCEMENT OF A MANDATORY ALCOHOL SERVER TRAINING AND EDUCATION PROGRAM; TO REQUIRE SERVERS OF ALCOHOLIC BEVERAGES FOR ON-PREMISES CONSUMPTION IN LICENSED OR PERMITTED BUSINESSES TO OBTAIN ALCOHOL SERVER CERTIFICATES; TO PROVIDE GUIDANCE FOR THE CURRICULA OF THE TRAINING PROGRAMS; TO PROVIDE FOR THE DEPARTMENT OF REVENUE TO BE RESPONSIBLE FOR APPROVAL OF THE TRAINING PROGRAMS AND IMPLEMENTATION OF THE ALCOHOL SERVER CERTIFICATES; TO REQUIRE FEES FROM PROVIDERS OF TRAINING PROGRAMS AND FROM APPLICANTS FOR ALCOHOL SERVER CERTIFICATES TO COVER THE COSTS OF THE MANDATORY TRAINING AND ENFORCEMENT; TO REQUIRE COORDINATION AMONG THE DEPARTMENT OF REVENUE, THE STATE LAW ENFORCEMENT DIVISION, AND OTHER STATE AND LOCAL AGENCIES FOR THE IMPLEMENTATION AND ENFORCEMENT OF THESE PROVISIONS; TO PROVIDE FOR FINES AND PENALTIES FOR VIOLATIONS OF THESE PROVISIONS; AND TO AUTHORIZE THE DEPARTMENT OF REVENUE TO PROMULGATE REGULATIONS NECESSARY TO ESTABLISH, IMPLEMENT, AND ENFORCE THESE PROVISIONS.

Senator MALLOY objected to consideration of the Bill.

S. 116 -- Senators Rankin and Malloy: A BILL TO AMEND THE CODE OF LAWS OF SOUTH CAROLINA, 1976, BY ADDING SECTION 61‑2‑145, SO AS TO REQUIRE THAT A PERSON PERMITTED OR LICENSED TO SELL BEER, WINE, OR ALCOHOLIC LIQUORS FOR ON‑PREMISES CONSUMPTION SHALL MAINTAIN LIABILITY INSURANCE WITH COVERAGE OF AT LEAST ONE MILLION DOLLARS DURING THE PERIOD OF THE PERMIT OR LICENSE.

Senator SHEALY objected to consideration of the Bill.

S. 275 -- Senator Bennett: A BILL TO AMEND SECTION 61‑4‑1515, AS AMENDED, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO BREWERIES, SAMPLES AND SALES FOR ON‑ AND OFF‑PREMISES CONSUMPTION, SO AS TO PROVIDE THAT A BREWERY BREWING AND SELLING BEER ON ITS LICENSED PREMISES IN THIS STATE MAY APPLY FOR A PERMIT TO SELL ALCOHOLIC LIQUOR BY THE DRINK FOR CONSUMPTION WITHIN A SPECIFIED AREA UNDER CERTAIN CONDITIONS, AND TO PROVIDE THAT A BREWPUB MAY APPLY FOR A BREWERY PERMIT PROVIDED THAT IT SURRENDERS ITS BREWPUB PERMIT AT THE TIME THE BREWERY PERMIT IS ISSUED.

Senator MALLOY objected to consideration of the Bill.

**ADOPTED**

H. 3359 -- Reps. Simrill, Pope, Norman, Felder, King, Delleney, D.C. Moss, B. Newton and Norrell: A CONCURRENT RESOLUTION TO REQUEST THE DEPARTMENT OF TRANSPORTATION NAME THE PORTION OF DAVE LYLE BOULEVARD FROM ITS INTERSECTION WITH INTERSTATE HIGHWAY 77 TO ITS INTERSECTION WITH UNITED STATES HIGHWAY 21 IN ROCK HILL “DEPUTY JAMES BRENT MCCANTS MEMORIAL BOULEVARD” AND ERECT APPROPRIATE MARKERS OR SIGNS CONTAINING THIS DESIGNATION.

The Resolution was adopted ordered returned to the House.

**THE CALL OF THE UNCONTESTED CALENDAR HAVING BEEN COMPLETED, THE SENATE PROCEEDED TO THE MOTION PERIOD.**

**MOTION ADOPTED**

At 12:29 P.M., on motion of Senator LEATHERMAN, the Senate agreed to dispense with the balance of the Motion Period.

**THE SENATE PROCEEDED TO THE SPECIAL ORDERS.**

**READ THE THIRD TIME**

**SENT TO THE HOUSE**

S. 105 -- Senators Rankin, Goldfinch and Verdin: A BILL TO AMEND SECTION 1‑23‑600 OF THE 1976 CODE, RELATING TO HEARINGS AND PROCEEDINGS IN CONTESTED CASES IN THE ADMINISTRATIVE LAW COURT, TO PROVIDE THAT A STAY OF AN AGENCY ORDER REMAINS IN EFFECT FOR THIRTY DAYS, RATHER THAN FOR AN UNDETERMINED TERM, OR UNTIL AN ORDER HAS BEEN ISSUED REGARDING A PRELIMINARY INJUNCTION; TO REVISE THE PROCEDURE FOR STAYS CONCERNING THE REVOCATION, SUSPENSION, OR RENEWAL OF A LICENSE AND PAYMENT OF FINES; TO DELETE THE PROVISION THAT THE COURT SHALL LIFT THE STAY FOR GOOD CAUSE SHOWN OR IF NO IRREPARABLE HARM WILL OCCUR AND ALSO DELETE THE REQUIREMENT THAT A HEARING MUST BE HELD WITHIN THIRTY DAYS TO LIFT THE AUTOMATIC STAY OR FOR A DETERMINATION OF THE APPLICABILITY OF THE AUTOMATIC STAY; TO PROVIDE THAT ANY PRELIMINARY INJUNCTION ORDERED BY THE ADMINISTRATIVE LAW COURT MAY REQUIRE THE POSTING OF A BOND OR OTHER SUFFICIENT SECURITY; AND TO EXEMPT STATE AGENCIES FROM THE REQUIREMENT TO POST A BOND UNDER THIS SECTION.

The Senate proceeded to a consideration of the Bill, the question being the third reading of the Bill.

The Bill was read the third time, passed and ordered sent to the House of Representatives with amendments.

**Statement by Senator McLEOD**

I voted in favor of the amendment to S.105 and the Bill on Second Reading.  Since then, concerned constituents have advised that while the amendment makes the Bill more palatable, it still does not adequately address their issues and concerns.   For that reason, I would have voted against S.105 on Third Reading.

**Motion Adopted**

On motion of Senator LEATHERMAN, the Senate agreed to stand adjourned.

**ADJOURNMENT**

At 12:37 P.M., on motion of Senator LEATHERMAN, the Senate adjourned to meet tomorrow at 11:00 A.M. under the provisions of Rule 1 for the purpose of taking up local matters and uncontested matters which have previously received unanimous consent to be taken up.

\* \* \*

**SENATE JOURNAL INDEX**

S. 9 **14**

S. 105 **56**

S. 114 **54**

S. 115 **54**

S. 116 **55**

S. 179 **24**

S. 185 **15**

S. 199 **52**

S. 200 **20**

S. 245 **54**

S. 254 **23**

S. 262 **53**

S. 275 **55**

S. 321 **20**

S. 323 **15**

S. 342 **16**

S. 344 **21**

S. 359 **16**

S. 377 **16**

S. 411 **19**

S. 414 **18**

S. 456 **21**

S. 463 **17**

S. 465 **22**

S. 485 **26**

S. 486 **27**

S. 496 **23**

S. 527 **3**

S. 528 **4**

S. 529 **4**

S. 530 **4**

S. 531 **4**

S. 532 **5**

S. 533 **6**

S. 534 **7**

S. 535 **9**

S. 536 **9**

H. 3234 **10**

H. 3256 **10**

H. 3359 **56**

H. 3649 **10**

H. 3726 **28**

H. 3752 **17**

H. 3792 **11**

H. 3793 **11**

H. 3861 **11**

H. 3899 **12**

H. 3900 **12**

H. 3901 **12**

H. 3902 **12**

H. 3903 **12**

H. 3904 **13**

H. 3905 **13**

H. 3906 **13**

H. 3907 **13**

H. 3908 **14**

H. 3909 **14**

H. 3910 **14**