**NO. 61**

**JOURNAL**

**OF THE**

**SENATE**

**OF THE**

**STATE OF SOUTH CAROLINA**

****

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

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**THURSDAY, APRIL 20, 2017**

**Thursday, April 20, 2017**

**(Statewide Session)**

~~Indicates Matter Stricken~~

Indicates New Matter

The Senate assembled at 10:00 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:

Jeremiah 33:3

“Call to Me, and I will answer you, and show you great and mighty things, which you do not know.”

Let us pray. Almighty God, You are our Lord in all seasons and in all circumstances in our lives. We can come to You when life makes us joyful or when life makes us sad. Wherever we go and in whatever situation we find ourselves --You are there. You are already at work with people we meet before we encounter them. You prepare solutions for the challenges and conflicts we will experience. Always You are ready to help us even before we ask You. So today we call to You and claim Your promise that You will show us “great and mighty things” and we praise You in advance for Your divinely inspired resolution. With expectant hearts and minds we offer this pray in Your holy name, Amen.

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

**Point of Quorum**

At 10:06 A.M., Senator CORBIN made the point that a quorum was not present. It was ascertained that a quorum was not present.

**Call of the Senate**

Senator LEATHERMAN moved that a Call of the Senate be made. The following Senators answered the Call:

Bennett Campbell Campsen

Climer Corbin Cromer

Davis Gambrell Goldfinch

Hutto Johnson Leatherman

Malloy Martin Massey

McElveen Nicholson Sheheen

Talley Timmons Turner

Williams Young

A quorum being present, the Senate resumed.

**MESSAGE FROM THE GOVERNOR**

The following appointments were transmitted by the Honorable Henry Dargan McMaster:

**Local Appointments**

Initial Appointment, Richland County Magistrate, with the term to commence April 30, 2015, and to expire April 30, 2019

Daniel M. Coble, 3901 Yale Avenue, Columbia, SC 29205 *VICE* Kirby D. Shealy, Jr.

Initial Appointment, Greenville County Magistrate, with the term to commence April 30, 2014, and to expire April 30, 2018

Latoya Tennell Barksdale, 809 Hampton Avenue, Greenville, SC 29609 *VICE* Horace Butler

**Expression of Personal Interest**

Senator JOHNSON rose for an Expression of Personal Interest.

**Remarks to be Printed**

On motion of Senator SABB, with unanimous consent, the remarks of Senator JOHNSON, when reduced to writing and made available to the Desk, would be printed in the Journal.

**CO-SPONSOR ADDED**

The following co-sponsor was added to the respective Bill:

S. 547 Sen. Verdin

**RECALLED**

S. 498 -- Senator Alexander: A CONCURRENT RESOLUTION TO DESIGNATE THE MONTH OF MAY 2017 AS “MENTAL HEALTH MONTH” IN SOUTH CAROLINA IN ORDER TO RAISE AWARENESS AND UNDERSTANDING OF MENTAL ILLNESS AND THE NEED FOR APPROPRIATE AND ACCESSIBLE SERVICES FOR ALL PEOPLE WITH MENTAL ILLNESS.

Senator PEELER asked unanimous consent to make a motion to recall the Concurrent Resolution from the Committee on Medical Affairs.

The Concurrent Resolution was recalled from the Committee on Medical Affairs and ordered placed on the Calendar for consideration tomorrow.

**RECALLED**

S. 638 -- Senator Alexander: A CONCURRENT RESOLUTION TO RECOGNIZE APRIL 27, 2017 AS “DONATED DENTAL SERVICES RECOGNITION DAY” AND TO HONOR THE SOUTH CAROLINA DENTAL ASSOCIATION, THE DENTAL LIFELINE NETWORK OF SOUTH CAROLINA, AND THE HUNDREDS OF DENTISTS AND DENTAL LABORATORIES THAT VOLUNTEER FOR THE DONATED DENTAL SERVICES PROGRAM.

Senator PEELER asked unanimous consent to make a motion to recall the Concurrent Resolution from the Committee on Medical Affairs.

The Concurrent Resolution was recalled from the Committee on Medical Affairs and ordered placed on the Calendar for consideration tomorrow.

**RECALLED**

H. 4122 -- Reps. Thayer, White, 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, Delleney, 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, B. Newton, W. Newton, 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, Thigpen, Toole, Weeks, West, Wheeler, Whipper, Whitmire, Williams, Willis and Yow: A CONCURRENT RESOLUTION TO RECOGNIZE THE MONTH OF APRIL 2017 AS “DONATE LIFE MONTH” IN SOUTH CAROLINA AND TO ENCOURAGE ALL SOUTH CAROLINIANS TO REGISTER AS ORGAN DONORS.

Senator PEELER asked unanimous consent to make a motion to recall the Concurrent Resolution from the Committee on Medical Affairs.

The Concurrent Resolution was recalled from the Committee on Medical Affairs and ordered placed on the Calendar for consideration tomorrow.

**RECALLED**

S. 522 -- Senator Cromer: A CONCURRENT RESOLUTION TO DECLARE AUGUST 14-21, 2017, AS “IMMUNIZATION WEEK” IN SOUTH CAROLINA AND TO SEEK TO INCREASE THE POPULATION’S AWARENESS OF THE IMPORTANCE OF RECEIVING VACCINATIONS.

Senator PEELER asked unanimous consent to make a motion to recall the Concurrent Resolution from the Committee on Medical Affairs.

The Concurrent Resolution was recalled from the Committee on Medical Affairs and ordered placed on the Calendar for consideration tomorrow.

**RECALLED**

H. 3969 -- Reps. Felder and Allison: 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.

Senator HEMBREE asked unanimous consent to make a motion to recall the Bill from the Committee on Education.

The Bill was recalled from the Committee on Education and ordered placed on the Calendar for consideration tomorrow.

**RECALLED AND ADOPTED**

S. 572 -- Senator Jackson: A CONCURRENT RESOLUTION TO REQUEST THE DEPARTMENT OF TRANSPORTATION NAME RICHARD STREET IN RICHLAND COUNTY “DEACON JAMES KNOTTS STREET” AND ERECT APPROPRIATE MARKERS OR SIGNS ALONG THIS STREET CONTAINING THIS DESIGNATION.

Senator JACKSON asked unanimous consent to make a motion to recall the Resolution from the Committee on Transportation.

The Resolution was recalled from the Committee on Transportation.

Senator JACKSON asked unanimous consent to make a motion to take the Resolution up for immediate consideration.

There was no objection.

The Senate proceeded to a consideration of the Resolution. The question then was the adoption of the Resolution.

On motion of Senator JACKSON, the Resolution was adopted and ordered sent to the House.

**INTRODUCTION OF BILLS AND RESOLUTIONS**

The following were introduced:

S. 644 -- Senator Sabb: A SENATE RESOLUTION TO HONOR AND RECOGNIZE TYRONE ADAM BURROUGHS, CHAIRMAN, PRESIDENT, AND CEO OF FIRST CHOICE SALES AND MARKETING GROUP, INC., AND TO CONGRATULATE HIM UPON THE OCCASION OF BENEDICT COLLEGE'S SCHOOL OF BUSINESS AND ECONOMICS BEING NAMED IN HIS HONOR.

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The Senate Resolution was adopted.

S. 645 -- Senator Kimpson: A SENATE RESOLUTION TO EXPRESS THE PROFOUND SORROW OF THE MEMBERS OF THE SOUTH CAROLINA SENATE UPON THE PASSING OF JUDY K. JOHNSON-PASLEY AND TO EXTEND THEIR DEEPEST SYMPATHY TO HER FAMILY AND MANY FRIENDS.

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The Senate Resolution was adopted.

S. 646 -- Senators Davis, Campsen and M. B. Matthews: A BILL TO AMEND THE CODE OF LAWS OF SOUTH CAROLINA, 1976, BY ADDING SECTIONS 4-3-75 AND 4-3-325 SO AS TO ALTER THE BOUNDARY LINES OF BEAUFORT AND JASPER COUNTIES BY ANNEXING A CERTAIN PORTION OF JASPER COUNTY TO BEAUFORT COUNTY AND A CERTAIN PORTION OF BEAUFORT COUNTY TO JASPER COUNTY AND MAKE PROVISIONS FOR LEGAL RECORDS.

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

S. 647 -- Senator Leatherman: A SENATE RESOLUTION TO AUTHORIZE THE GREENVILLE YOUNG MEN'S CHRISTIAN ASSOCIATION TO USE THE CHAMBER OF THE SOUTH CAROLINA SENATE AND ANY AVAILABLE COMMITTEE HEARING ROOMS IN THE GRESSETTE BUILDING FOR ITS YOUTH IN GOVERNMENT PROGRAM ON MONDAY, NOVEMBER 13 THROUGH FRIDAY, NOVEMBER 17, 2017. HOWEVER, THE CHAMBER MAY NOT BE USED IF THE SENATE IS IN SESSION OR THE CHAMBER IS OTHERWISE UNAVAILABLE.

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

S. 648 -- Senators Scott, Setzler, McLeod, Jackson and McElveen: A BILL TO AMEND SECTION 59-53-1784, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO THE DISPOSAL OF SURPLUS PROPERTY BY THE MIDLANDS TECHNICAL COLLEGE ENTERPRISE CAMPUS AUTHORITY, SO AS TO PROVIDE THAT THE EXEMPTION OF THE AUTHORITY FROM SURPLUS PROPERTY LAWS APPLIES TO REAL, PERSONAL, AND MIXED PROPERTY IN CERTAIN CIRCUMSTANCES.

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Read the first time and ordered placed on the Calendar without reference.

H. 3936 -- Reps. Whipper, Gilliard, Mack and Brown: A BILL TO AMEND SECTION 7-7-140, AS AMENDED, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO THE DESIGNATION OF VOTING PRECINCTS IN CHARLESTON COUNTY, SO AS TO REDESIGNATE THE MAP NUMBER ON WHICH THE NAMES OF THE CHARLESTON COUNTY VOTING PRECINCTS MAY BE FOUND AND MAINTAINED BY THE REVENUE AND FISCAL AFFAIRS OFFICE, AND TO STRIKE OBSOLETE REFERENCES TO THE OFFICE OF RESEARCH AND STATISTICS.

Read the first time and ordered placed on the Local and Uncontested Calendar.

**REPORTS OF STANDING COMMITTEES**

Senator CAMPSEN from the Committee on Judiciary submitted a favorable with amendment report on:

S. 148 -- Senators Hutto, Johnson and Cromer: A BILL TO AMEND SECTION 22‑8‑40, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO FULL‑TIME AND PART‑TIME MAGISTRATES AND THEIR SALARIES, SO AS TO REVISE THE METHOD OF SETTING A BASE SALARY FOR MAGISTRATES AND PROVIDE ADDITIONAL SUPPLEMENTS TO FULL‑TIME CHIEF AND ASSISTANT CHIEF MAGISTRATES; AND BY ADDING SECTION 22‑3‑315 SO AS TO ADD AN ASSESSMENT OF FIFTEEN DOLLARS TO ALL CIVIL FILINGS IN MAGISTRATES COURT AND PROVIDE FOR DISTRIBUTION OF THE PROCEEDS.

Ordered for consideration tomorrow.

Senator VERDIN from the Committee on Agriculture and Natural Resources submitted a favorable report on:

H. 3531 -- Reps. Crawford, Clemmons, Fry, Duckworth, Hixon, Hardee, V.S. Moss, Forrest and Martin: A BILL TO AMEND THE CODE OF LAWS OF SOUTH CAROLINA, 1976, BY ADDING CHAPTER 2 TO TITLE 47 SO AS TO DEFINE CERTAIN TERMS, TO PROHIBIT CERTAIN PERSONS FROM OWNING, POSSESSING, IMPORTING, PURCHASING, OR SELLING A LARGE WILD CAT, NON‑NATIVE BEAR, OR GREAT APE, TO AUTHORIZE CONFISCATION OF THESE ANIMALS UNDER CERTAIN CIRCUMSTANCES, AND TO PROVIDE THAT LOCAL GOVERNMENTAL BODIES MAY ADOPT ORDINANCES THAT REGULATE THE POSSESSION OF THESE ANIMALS, TO REGULATE THE TREATMENT OF THESE ANIMALS, AND TO PROVIDE A PENALTY; AND TO AMEND SECTION 47‑5‑50, RELATING TO THE PROHIBITION OF THE SALE OF WILD CARNIVORES AS PETS AND THE SALE OF DOMESTICATED FERRETS, SO AS TO DELETE THE PROVISION THAT ALLOWS THE PUBLIC DISPLAY, SHOWING, OR EXHIBITION OF CERTAIN WILD CARNIVORES, PRIMATES, OR OTHER ANIMALS.

Ordered for consideration tomorrow.

Senator VERDIN from the Committee on Agriculture and Natural Resources submitted a favorable with amendment report on:

H. 3559 -- Reps. Pitts, Ott, Putnam, Gagnon, Atkinson, Dillard, Martin, West, Hill, Bedingfield, Gilliard, Kirby, Davis, King, Whipper and Govan: A BILL TO AMEND CHAPTER 55, TITLE 46, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO THE CULTIVATION OF INDUSTRIAL HEMP, SO AS TO REVISE THE DEFINITIONS OF TERMS CONTAINED IN THIS CHAPTER, TO PROVIDE A DEFINITION FOR THE TERM “HUMAN CONSUMPTION”, TO CREATE THE SOUTH CAROLINA INDUSTRIAL HEMP PROGRAM, TO PROVIDE THAT INDUSTRIAL HEMP IS AN AGRICULTURAL CROP UPON WHICH AN INSTITUTION OF HIGHER EDUCATION MAY CONDUCT RESEARCH, TO PROVIDE THAT INDUSTRIAL HEMP OR HEMP PRODUCTS MAY NOT BE CONSIDERED AN ADULTERANT, TO PROVIDE PROVISIONS THAT REGULATE THE GROWING, SELLING, AND IMPORTATION OF INDUSTRIAL HEMP AND HEMP SEED, TO DELETE THE PROVISION THAT EXCLUDES INDUSTRIAL HEMP FROM THE DEFINITION OF MARIJUANA, TO REVISE THE PROVISION THAT SPECIFIES THAT CERTAIN CONDUCT REGARDING THE MANUFACTURING, DISTRIBUTION, PURCHASE, AND OTHER ACTIVITIES RELATING TO DISGUISING MARIJUANA TO MAKE IT APPEAR TO BE INDUSTRIAL HEMP, AND TO PROVIDE FOR LABORATORY TESTING OF INDUSTRIAL HEMP.

Ordered for consideration tomorrow.

Senator VERDIN from the Committee on Agriculture and Natural Resources submitted a favorable report on:

H. 4003 -- Reps. Hiott, Hewitt, Davis, Forrest, Bennett, West, Ott, Atkinson and Hixon: A BILL TO AMEND THE CODE OF LAWS OF SOUTH CAROLINA, 1976, BY ADDING CHAPTER 26 TO TITLE 39 SO AS TO ENACT THE “PRODUCE SAFETY ACT”, TO ESTABLISH THE AUTHORITY OF THE SOUTH CAROLINA DEPARTMENT OF AGRICULTURE TO ENFORCE CERTAIN FOOD SAFETY STANDARDS APPLICABLE TO FARM PRODUCE INCLUDING, BUT NOT LIMITED TO, THE AUTHORITY TO INSPECT CERTAIN FARMS; TO SEIZE, CONDEMN, AND DESTROY COVERED PRODUCE; AND TO OBTAIN A COURT ORDER FOR FORFEITURE AND DESTRUCTION OF COVERED PRODUCE; TO PROVIDE FOR THE APPEAL OF COURT ORDERS; TO DEFINE CERTAIN TERMS, INCLUDING “FARM” AND “COVERED PRODUCE”; TO PROVIDE EXCEPTIONS FOR CERTAIN FARMS AND PRODUCE; TO AUTHORIZE THE DEPARTMENT TO PROMULGATE REGULATIONS; TO ESTABLISH CERTAIN PENALTIES FOR VIOLATION OF THE CHAPTER; TO PROVIDE FOR THE REPEAL OF THE CHAPTER UNDER CERTAIN CIRCUMSTANCES; AND FOR OTHER PURPOSES.

Ordered for consideration tomorrow.

**HOUSE CONCURRENCE**

S. 643 -- Senator Grooms: A CONCURRENT RESOLUTION TO HONOR AND RECOGNIZE THE LAING MIDDLE SCHOOL OF SCIENCE AND TECHNOLOGY FOR ITS RICH HISTORY IN THE STATE OF SOUTH CAROLINA.

Returned with concurrence.

Received as information.

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

**HOUSE BILL RETURNED**

The following Bill was read the third time and ordered returned to the House with amendments.

H. 3221 -- Reps. Allison, Collins, Felder, Daning, Govan, Taylor, Knight and Anderson: A BILL TO AMEND THE CODE OF LAWS OF SOUTH CAROLINA, 1976, BY ADDING SECTION 59‑20‑90 SO AS TO REQUIRE THE STATE DEPARTMENT OF EDUCATION TO DEVELOP AND ADOPT A STATEWIDE PROGRAM FOR IDENTIFYING FISCAL PRACTICES AND BUDGETARY CONDITIONS THAT, IF UNCORRECTED, COULD COMPROMISE THE FISCAL INTEGRITY OF A SCHOOL DISTRICT AND FOR ADVISING THE DISTRICT ON HOW TO TAKE APPROPRIATE CORRECTIVE ACTIONS, TO ESTABLISH THREE LEVELS OF FISCAL AND BUDGETARY CONCERNS WITH CONDITIONS AND REQUIREMENTS ASSOCIATED WITH EACH, AND TO DIRECT THE DEPARTMENT TO PROMULGATE REGULATIONS TO CARRY OUT THE PROVISIONS OF THIS SECTION; AND BY ADDING SECTION 59‑20‑95 SO AS TO REQUIRE THE STATE AUDITOR TO ADOPT THE STATEWIDE PROGRAM CREATED BY THE DEPARTMENT OF EDUCATION IN SECTION 59‑20‑90 AND USE IT TO IDENTIFY FISCAL PRACTICES AND BUDGETARY CONDITIONS THAT, IF UNCORRECTED, COULD COMPROMISE THE FISCAL INTEGRITY OF A STATE AGENCY THAT IS ALSO A LOCAL EDUCATION AGENCY AND TO ADVISE THE STATE AGENCY THAT IS ALSO A LOCAL EDUCATION AGENCY ON HOW TO TAKE APPROPRIATE CORRECTIVE ACTIONS, AND TO PROVIDE EXCEPTIONS TO ENABLE THE STATE AUDITOR TO DIRECT THE DEPARTMENT TO IMMEDIATELY ASSUME EMERGENCY MANAGEMENT OF THE STATE AGENCY THAT IS ALSO A LOCAL EDUCATION AGENCY FOR WHICH IT HAS MADE A DECLARATION OF FISCAL CAUTION OR FISCAL EMERGENCY, TO CONTINUE THIS EMERGENCY MANAGEMENT OF THE LOCAL EDUCATION AGENCY UNTIL THE STATE AUDITOR RELEASES THE STATE AGENCY THAT IS ALSO A LOCAL EDUCATION AGENCY FROM THE DECLARATION OF FISCAL CAUTION OR FISCAL EMERGENCY, AS APPLICABLE, AND TO DIRECT THE STATE AUDITOR TO PROMULGATE REGULATIONS TO CARRY OUT THE PROVISIONS OF THIS SECTION.

**READ THE THIRD TIME**

**SENT TO THE HOUSE**

The following Bill was read the third time and ordered sent to the House of Representatives:

S. 626 -- Transportation Committee: A BILL TO AMEND CHAPTER 3, TITLE 56 OF THE 1976 CODE, RELATING TO MOTOR VEHICLE REGISTRATION AND LICENSING, BY ADDING ARTICLE 140, TO PROVIDE THAT THE DEPARTMENT MAY ISSUE “POWERING THE PALMETTO STATE” SPECIAL LICENSE PLATES HONORING SOUTH CAROLINA’S ELECTRICAL LINEMEN; TO AMEND CHAPTER 3, TITLE 56, RELATING TO MOTOR VEHICLE REGISTRATION AND LICENSING, BY ADDING ARTICLE 141, TO PROVIDE THAT THE DEPARTMENT OF MOTOR VEHICLES MAY ISSUE “LEGION OF MERIT” SPECIAL LICENSE PLATES; TO AMEND SECTION 56-3-8400, RELATING TO “LIONS CLUB” SPECIAL LICENSE PLATES, TO PROVIDE THAT THE DEPARTMENT OF MOTOR VEHICLES MAY ISSUE “LIONS CLUB” SPECIAL MOTOR VEHICLE LICENSE PLATES TO OWNERS OF PRIVATE PASSENGER MOTOR VEHICLES AS DEFINED IN SECTION 56-3-630 REGISTERED IN THEIR NAMES; AND TO AMEND CHAPTER 3, TITLE 56, RELATING TO MOTOR VEHICLE REGISTRATION AND LICENSING, BY ADDING ARTICLE 142, TO PROVIDE THAT THE DEPARTMENT OF MOTOR VEHICLES MAY ISSUE “VIRGINIA TECH” SPECIAL LICENSE PLATES.

**SECOND READING BILL**

The following Bill, having been read the second time, was ordered placed on the Third Reading Calendar:

H. 3171 -- Reps. Whipper and Gilliard: A BILL TO AMEND ACT 340 OF 1967, AS AMENDED, RELATING TO THE CHARLESTON COUNTY SCHOOL DISTRICT, SO AS TO REESTABLISH THE BOUNDARY LINES THAT DEFINE THE CHARLESTON COUNTY SCHOOL DISTRICT’S CONSTITUENT DISTRICTS; AND TO AMEND ACT 245 OF 1979, AS AMENDED, RELATING TO THE COOPER RIVER SCHOOL DISTRICT NUMBER 4 BOARD OF TRUSTEES, SO AS TO REDRAW THE THREE GEOGRAPHIC AREAS IN WHICH THE MEMBERS OF THE BOARD OF TRUSTEES MUST RESIDE, TO DESIGNATE A MAP NUMBER ON WHICH THESE GEOGRAPHIC AREAS ARE DELINEATED, AND TO PROVIDE DEMOGRAPHIC INFORMATION PERTAINING TO THE REDRAWN AREAS.

**H. 3171--Ordered to a Third Reading**

On motion of Senator KIMPSON, with unanimous consent, H. 3171 was ordered to receive a third reading on Friday, April 21, 2017.

**COMMITTEE AMENDMENT ADOPTED**

**READ THE SECOND TIME**

S. 446 -- Senators Leatherman, Setzler, Williams and Campbell: A BILL TO AMEND SECTION 12‑6‑3585, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO THE INDUSTRY PARTNERSHIP FUND TAX CREDIT, SO AS TO INCREASE THE AGGREGATE ANNUAL CREDIT AMOUNT.

The Senate proceeded to a consideration of the Bill.

The Committee on Finance proposed the following amendment (DG\446C006.BBM.DG17), which was adopted:

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

/ SECTION 1. A. Section 12‑6‑3585(A), (E), and (F) of the 1976 Code are amended to read:

“(A) For each tax year beginning after 2016, a taxpayer may claim as a credit against state income tax imposed by Chapter 6, Title 12, bank tax imposed by Chapter 11, Title 12, license fees imposed by Chapter 20 of Title 12, or insurance premiums imposed by Chapter 7, Title 38, or any combination of them, one hundred percent of an amount contributed to the Industry Partnership Fund at the South Carolina Research Authority (SCRA), or an SCRA‑designated affiliate, or both, pursuant to Section 13‑17‑88(E), up to a maximum credit of ~~six hundred fifty thousand dollars for a single taxpayer, not to exceed an aggregate credit of two million dollars for all taxpayers in tax year 2006; up to a maximum credit of one million three hundred thousand dollars for a single taxpayer, not to exceed an aggregate credit of four million dollars for all taxpayers in tax year 2007; and up to a maximum credit of two million dollars for a single taxpayer, not to exceed an aggregate credit of six million dollars for all taxpayers for each tax year beginning after December 31, 2007~~ two hundred fifty thousand dollars for a single taxpayer, not to exceed an aggregate credit of twelve million dollars for all taxpayers. For purposes of determining a taxpayer’s entitlement to the credit for qualified contributions for a given tax year in which more than the applicable aggregate annual limit on the credit is contributed by taxpayers for that year, taxpayers who have made contributions that are intended to be qualified contributions earlier in the applicable tax year than other taxpayers must be given priority entitlement to the credit. The SCRA shall certify to taxpayers who express a bona fide intention of making one or more qualified contributions as to whether the taxpayer is entitled to that priority.

(E) ‘Taxpayer’ means an individual, corporation, partnership, trust, bank, insurance company, or other entity having a state income or insurance premium tax or license fee liability who has made a qualified contribution. However, for purposes of this section, any member of the SCRA board of trustees or the SC Launch!, Inc. board of directors is not considered a taxpayer, and may not claim the credit allowed by this section.

(F) To qualify for the credit, the taxpayer shall retain a form provided by SCRA identifying the taxpayer and the year and amount of credit for which the taxpayer qualifies. The Department of Revenue may require a copy of the form be attached to the taxpayer’s income tax return or be provided otherwise to the department. Also, to qualify for the credit, a taxpayer who is certified by SCRA under subsection (A) as having priority entitlement to the credit for an applicable year must make a commitment satisfactory to SCRA, at such time as SCRA may deem appropriate but not later than April 1st of such year, to make the contribution during such year.”

B. Notwithstanding the increase in the annual maximum credit amount for all taxpayers from six million dollars to twelve million dollars in Section 12‑6‑3585, as amended by this SECTION, the increased maximum credit amount shall be phased in in two equal and cumulative installment amounts beginning in tax years beginning after 2016.

SECTION 2. Section 12‑6‑3585 of the 1976 Code is amended by adding an appropriately lettered subsection to read:

“( ) By March fifteenth of each year, the South Carolina Research Authority shall issue a report to the Chairman of the Senate Finance Committee, the Chairman of the House Ways and Means Committee, and the Governor detailing the amount contributed to the Industry Partnership Fund in the previous tax year that entitled the taxpayer to the credit allowed by this section, the taxpayers that received the credit, and the manner in which such contributions were expended or are expected to be expended. The report also must be posted in a conspicuous place on the website maintained by the South Carolina Research Authority.”

SECTION 3. This act takes effect upon approval by the Governor and applies to tax years beginning after 2016, except that the Section 1 amendment to Section 12‑6‑3585 (F) and Section 2 shall not take effect until January 1, 2018. /

Renumber sections to conform.

Amend title to conform.

Senator CAMPBELL explained the committee amendment.

The committee amendment was adopted

The question being the second reading of the Bill.

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

**Ayes 40; Nays 1**

**AYES**

Alexander Bennett Campbell

Campsen Climer Corbin

Cromer Davis Fanning

Gambrell Goldfinch Gregory

Grooms Hutto Jackson

Johnson Kimpson Leatherman

Malloy Martin Massey

*Matthews, Margie* McElveen McLeod

Nicholson Peeler Rankin

Reese Rice Sabb

Scott Senn Setzler

Shealy Talley Timmons

Turner Verdin Williams

Young

**Total--40**

**NAYS**

Sheheen

**Total--1**

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

**READ THE SECOND TIME**

S. 499 -- Senator Malloy: A BILL TO AMEND SECTION 56-1-148 OF THE 1976 CODE, RELATING TO THE IDENTIFYING CODE AFFIXED TO THE DRIVER'S LICENSE OF A PERSON CONVICTED OF CERTAIN CRIMES, TO REMOVE THE FIFTY DOLLAR FEE ASSOCIATED WITH PLACING THE IDENTIFYING CODE ON A DRIVER'S LICENSE.

The Senate proceeded to a consideration of the Bill.

The question being the second reading of the Bill.

Senator MALLOY explained the Bill.

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

**Ayes 41; Nays 0**

**AYES**

Alexander Bennett Campbell

Campsen Climer Corbin

Cromer Davis Fanning

Gambrell Goldfinch Gregory

Grooms Hutto Jackson

Johnson Kimpson Leatherman

Malloy Martin Massey

*Matthews, Margi*e McElveen McLeod

Nicholson Peeler Rankin

Reese Rice Sabb

Scott Senn Setzler

Shealy Sheheen Talley

Timmons Turner Verdin

Williams Young

**Total--41**

**NAYS**

**Total--0**

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

**READ THE SECOND TIME**

S. 637 -- Senators Talley, Martin, Peeler, Reese and Corbin: A BILL TO AMEND SECTION 7‑7‑490 OF THE 1976 CODE, RELATING TO THE DESIGNATION OF VOTING PRECINCTS IN SPARTANBURG COUNTY, TO ADD ANDERSON MILL BAPTIST, D. R. HILL MIDDLE SCHOOL, HOPE, LYMAN ELEMENTARY, AND TRINITY PRESBYTERIAN PRECINCTS; TO REMOVE THE FRIENDSHIP BAPTIST PRECINCT; AND TO REDESIGNATE THE MAP NUMBER ON WHICH THE NAMES OF THESE PRECINCTS MAY BE FOUND AND MAINTAINED BY THE REVENUE AND FISCAL AFFAIRS OFFICE.

On motion of Senator TALLEY, with unanimous consent, Rule 39 was waived and the Bill was taken up for immediate consideration.

Senator TALLEY explained the Bill.

The question being the second reading of the Bill.

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

**Ayes 41; Nays 0**

**AYES**

Alexander Bennett Campbell

Campsen Climer Corbin

Cromer Davis Fanning

Gambrell Goldfinch Gregory

Grooms Hutto Jackson

Johnson Kimpson Leatherman

Malloy Martin Massey

*Matthews, Margie* McElveen McLeod

Nicholson Peeler Rankin

Reese Rice Sabb

Scott Senn Setzler

Shealy Sheheen Talley

Timmons Turner Verdin

Williams Young

**Total--41**

**NAYS**

**Total--0**

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

**CARRIED OVER**

H. 4033 -- Reps. Hixon, Taylor, Blackwell, Clyburn, Allison, Daning, Yow, Erickson, B. Newton, Bennett, Arrington, Murphy, Crawford and Clemmons: A BILL TO AMEND SECTION 56‑5‑1535, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO SPEEDING IN WORK ZONES AND PENALTIES ASSOCIATED WITH SPEEDING IN WORK ZONES, SO AS TO DELETE THIS PROVISION AND PROVIDE A DEFINITION FOR THE TERMS “HIGHWAY WORK ZONE” AND "HIGHWAY WORKER", TO CREATE THE OFFENSE OF “ENDANGERMENT OF A HIGHWAY WORKER”, AND TO PROVIDE A PENALTY FOR THIS OFFENSE; TO AMEND SECTION 56‑1‑720, RELATING TO THE POINT SYSTEM ESTABLISHED FOR THE EVALUATION OF THE DRIVING RECORD OF PERSONS OPERATING MOTOR VEHICLES, SO AS TO PROVIDE THAT THE OFFENSE OF ENDANGERMENT OF A HIGHWAY WORKER RESULTING IN NO INJURY IS A TWO POINT VIOLATION, THE OFFENSE OF ENDANGERMENT OF A HIGHWAY WORKER IN WHICH INJURY OCCURS IS A FOUR POINT VIOLATION, AND THE OFFENSE OF ENDANGERMENT OF A HIGHWAY WORKER IN WHICH GREAT BODILY INJURY OCCURS IS A SIX POINT VIOLATION; AND TO REPEAL SECTION 56‑5‑1536 RELATING TO DRIVING IN TEMPORARY WORK ZONES AND PENALTIES FOR UNLAWFUL DRIVING IN TEMPORARY WORK ZONES.

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

**OBJECTION**

H. 3289 -- Reps. G.R. Smith and Knight: A BILL TO AMEND SECTION 56‑5‑1930, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO THE DISTANCE THAT MUST BE MAINTAINED BETWEEN VEHICLES TRAVELING ALONG A HIGHWAY, SO AS TO PROVIDE THAT THIS SECTION DOES NOT APPLY TO THE OPERATOR OF ANY NONLEADING VEHICLE TRAVELING IN A PROCESSION OF VEHICLES IF THE SPEED OF EACH VEHICLE IS AUTOMATICALLY COORDINATED.

Senator RANKIN objected to consideration of the Bill.

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

**MOTION ADOPTED**

At 10:46 A.M., on motion of Senator LEATHERMAN, the Senate agreed to dispense with the balance of the Motion Period.

**THE SENATE PROCEEDED TO A CONSIDERATION OF THE VETOES.**

**CARRIED OVER**

(R2, S310) -- Senator Sheheen: AN ACT TO PERMIT THE TOWN OF CAMDEN TO ANNEX CERTAIN REAL PROPERTY BY ORDINANCE UPON FINDING THAT THE PROPERTY IS BLIGHTED.

On motion of Senator MASSEY, the veto was carried over.

**HAVING DISPENSED WITH THE MOTION PERIOD, THE SENATE PROCEEDED TO A CONSIDERATION OF REPORTS OF COMMITTEES OF CONFERENCE AND FREE CONFERENCE.**

**H. 3346--FREE CONFERENCE POWERS GRANTED**

**FREE CONFERENCE COMMITTEE APPOINTED**

**REPORT OF THE COMMITTEE OF FREE CONFERENCE ADOPTED**

H. 3346 -- Reps. Collins, Clary and Hiott: A BILL TO AMEND ACT 260 OF 1981, AS AMENDED, RELATING TO THE PICKENS COUNTY SCHOOL BOARD OF TRUSTEES, SO AS TO INCREASE THE NUMBER OF BOARD MEMBERS FROM SIX TO SEVEN AND TO PROVIDE FOR SEVEN SINGLE‑MEMBER DISTRICTS BEGINNING WITH THE 2018 GENERAL ELECTION; AND TO PROVIDE FOR A PROCEDURE FOR CLOSING A SCHOOL WITHIN THE DISTRICT.

On motion of Senator ALEXANDER, with unanimous consent, the Report of the Committee of Free Conference was taken up for immediate consideration.

Senator ALEXANDER spoke on the report.

The question then was adoption of the Report of Committee of Conference.

**H. 3346--Free Conference Powers Granted**

**Free Conference Committee Appointed**

Senator ALEXANDER asked that the Committee of Conference be granted Free Conference Powers.

The question then was granting of Free Conference Powers.

Free Conference Powers were granted.

Whereupon, Senators ALEXANDER, FANNING and RICE were appointed to the Committee of Free Conference on the part of the Senate and a message was sent to the House accordingly.

The question then was adoption of the Report of the Committee of Free Conference.

On motion of Senator ALEXANDER, the Report of the Committee of Free Conference to H. 3346 was adopted as follows:

The Committee of Conference Committee was adopted as follows:

**H. 3346-- Free Conference Report**

The General Assembly, Columbia, S.C., April 20, 2017

The COMMITTEE OF CONFERENCE, to whom was referred:

H. 3346 -- Reps. Collins, Clary and Hiott: A BILL TO AMEND ACT 260 OF 1981, AS AMENDED, RELATING TO THE PICKENS COUNTY SCHOOL BOARD OF TRUSTEES, SO AS TO INCREASE THE NUMBER OF BOARD MEMBERS FROM SIX TO SEVEN AND TO PROVIDE FOR SEVEN SINGLE‑MEMBER DISTRICTS BEGINNING WITH THE 2018 GENERAL ELECTION; AND TO PROVIDE FOR A PROCEDURE FOR CLOSING A SCHOOL WITHIN THE DISTRICT.

Beg leave to report that they have duly and carefully considered the same and recommend:

That the same do pass with the following amendments: (Reference is to 3/30/17--S. [SEC 3/31/17 2:07 PM].)

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

/ SECTION 1. Act 260 of 1981, as last amended by Act 90 of 2011, is further amended to read:

“Section 1. Notwithstanding another provision of law, the Public Educational System of Pickens County is directed and managed by the Board of Trustees of the School District of Pickens County. ~~The~~ Beginning with the 2018 general election, the board must be comprised of ~~six~~ seven members, ~~all~~ each of whom must be a qualified ~~electors~~ elector ~~from each of~~ and each must reside in the single‑member district he represents. ~~districts for which members of the county governing body of Pickens County are elected~~ The lines defining the single-member districts are as shown on an official map on file with the Revenue and Fiscal Affairs Office designated as document S‑77‑00-17 and on file with the Pickens County GIS Mapping Department. ~~A current at‑large member holding Seat 7, 8, or 9 shall continue to serve until his term is ended or he vacates the at‑large seat for whatever reason, whichever occurs first. Upon the end of the term or the earlier vacation of the at‑large seat, that at‑large seat no longer exists.~~ This map must be used for the 2018 general election and to fill any vacancies that occur following the 2018 general election. Beginning with the 2022 general election, the seven single‑member districts must conform to the latest United States Decennial Census and be approved by statewide legislation amending this section in order to become effective. Only those electors residing in the particular district are eligible to vote for ~~each of~~ the ~~six single‑member trustees representing~~ trustee who will represent the district. ~~The~~ On the effective date of these provisions, the current trustees ~~from the single‑member districts~~ shall continue to serve until their four‑year terms expire and until their successors are elected and qualify. In the 2018 general election, trustees will be elected for single-member Districts 2, 4, 6, and 7. Each trustee residing in single-member Districts 1, 3, and 5 shall continue to serve as the trustee for the single-member district in which he resides until his term ends in 2020 and his successor is elected and qualifies or until his office is vacated, whichever occurs first.

The electors of the Dellwood Subdivision of the City of Clemson, Anderson County, as shown in Plat Book 1920, page 150‑A, Plat Book 12, page 266, and Plat Book 14, page 31, filed in the office of the Clerk of Court of Pickens County, shall be eligible to vote in the election of the member of the board of trustees for the nearest contiguous single‑member school district and shall be eligible to serve on the board for that district.

All members of the board of trustees must be elected in a nonpartisan election at the time of the general election in the year in which their terms expire.

Upon the termination of the term of each single‑member district trustee, his successor must be a qualified elector of the same district and must be elected in a nonpartisan election to be held at the same time as the general election preceding the expiration date by the qualified electors of the district for a term of four years and until his successor is elected and qualifies. If a single‑member district seat is vacated before the end of ~~its~~ the term, the seat must be filled for the remainder of the term by ~~way of~~ special election conducted in the same manner. The board of trustees shall elect a chairman and such other officers as it considers necessary.

Section 2. ~~If any of the five current trustees who reside in any particular area of the county but are elected at large shall offer for any of the seats created pursuant to Section 1 of this act, their seat shall be abolished. At the expiration of the term of one of the present at large seats, such seat shall be abolished.~~ Any action by the board of trustees to close any school in the school district requires consideration at three separate board meetings held on three separate days with a minimum of six days between each meeting. During at least one of the three meetings, the board of trustees must allow public testimony, and at least one of the three meetings must be held at the school to be closed or in a location within one mile of the school to be closed.

Section 3. ~~The current Pickens County Board of Trustees shall serve the remainder Of the term for which each member was elected. None of the current area trustee seats shall be filled in case of a vacancy and shall be abolished at the end of the current term of office.~~(A) Within sixty days after the vote by the board of trustees to close any school in the school district, a petition signed by the qualified electors of the school district equal in number to at least fifteen percent of the registered voters at the last preceding regular election for the board of trustees may be filed with the board of trustees requesting that any such vote be reversed.

(B) If the board of trustees fails to reverse the vote, the adoption or repeal of the vote must be submitted to the electors not less than thirty days nor more than one year from the date the board takes its final vote thereon. The board may, in its discretion, and if no regular election is to be held within such period, provide for a special election.”

SECTION 2. If any section, subsection, paragraph, subparagraph, sentence, clause, phrase, or word of this act is for any reason held to be unconstitutional or invalid, such holding shall not affect the constitutionality or validity of the remaining portions of this act, the General Assembly hereby declaring that it would have passed this chapter, and each and every section, subsection, paragraph, subparagraph, sentence, clause, phrase, and word thereof, irrespective of the fact that any one or more other sections, subsections, paragraphs, subparagraphs, sentences, clauses, phrases, or words hereof may be declared to be unconstitutional, invalid, or otherwise ineffective.

SECTION 3. This act shall take effect upon approval by the Governor and shall be applicable (1) for the 2018 general election of Board of Trustees members, and (2) to school closure actions taken after the effective date of this act. /

Amend title to conform.

/s/Sen. Thomas C. Alexander /s/Rep. David R. Hiott

/s/Sen. Mike Fanning /s/Rep. Gary E. Clary

/s/Sen. Rex F. Rice /s/Rep. Neal A. Collins

On Part of the Senate. On Part of the House.

, and a message was sent to the House accordingly.

**THE SENATE PROCEEDED TO THE INTERRUPTED DEBATE.**

**DEBATE INTERRUPTED**

H. 3516 -- Reps. Simrill, Lucas, White, G.M. Smith, Pope, Stringer, W. Newton, Bales, Clary, Cole, Delleney, Herbkersman, Hixon, Sandifer, Douglas, Knight, Erickson, Henegan, Ridgeway, Williams, Jefferson, Ott, Govan, Henderson, V.S. Moss, Martin, Spires, Funderburk, D.C. Moss, Brown, Whipper, Cobb‑Hunter, Felder, Bernstein, J.E. Smith, Clemmons, Clyburn, Daning, Cogswell, Davis, B. Newton, Anthony, Crosby, S. Rivers, Thigpen, Hosey, Murphy, Hardee, Weeks, King, Sottile and Anderson: A BILL TO AMEND SECTION 12‑28‑310, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO THE MOTOR FUEL USER FEE, SO AS TO PHASE IN AN INCREASE OF TEN CENTS ON THE FEE OVER FIVE YEARS; TO AMEND SECTIONS 56‑11‑410 AND 56‑11‑450, BOTH RELATING TO THE ROAD TAX, SO AS TO INCREASE THE ROAD TAX IN THE SAME MANNER AS THE MOTOR FUEL USER FEE; TO AMEND SECTION 56‑3‑620, AS AMENDED, RELATING TO THE BIENNIAL REGISTRATION OF A MOTOR VEHICLE, SO AS TO INCREASE THE FEE FOR THE REGISTRATION; BY ADDING SECTION 56‑3‑627 SO AS TO REQUIRE EACH RESIDENT TO PAY AN INFRASTRUCTURE MAINTENANCE FEE UPON FIRST REGISTERING ANY VEHICLE AND CERTAIN OTHER ITEMS IN THIS STATE AND TO SPECIFY THE MANNER IN WHICH THE FEE IS CALCULATED, CREDITED, AND ADMINISTERED; BY ADDING SECTION 56‑3‑645 SO AS TO IMPOSE A ROAD USE FEE ON CERTAIN MOTOR VEHICLES THAT OPERATE ON FUEL THAT IS NOT SUBJECT TO THE MOTOR FUEL USER FEE; TO AMEND SECTION 12‑36‑2110, RELATING TO THE MAXIMUM SALES TAX, SO AS TO INCREASE THE MAXIMUM TAX ON CERTAIN ITEMS; TO AMEND SECTION 12‑36‑2120, AS AMENDED, RELATING TO EXEMPTIONS FROM THE STATE SALES TAX, SO AS TO EXEMPT ANY ITEM SUBJECT TO THE INFRASTRUCTURE MAINTENANCE FEE; TO AMEND SECTION 12‑36‑1710, RELATING TO THE CASUAL EXCISE TAX, SO AS TO PROVIDE THAT MOTOR VEHICLES AND MOTORCYCLES ARE NOT SUBJECT TO THE TAX; AND TO AMEND ARTICLE 23, CHAPTER 37, TITLE 12, RELATING TO MOTOR CARRIERS, SO AS TO DEFINE TERMS, TO PROVIDE THAT THE ARTICLE DOES NOT APPLY TO A SMALL COMMERCIAL VEHICLE, TO PROVIDE THAT CERTAIN VEHICLES ARE ASSESSED AND APPORTIONED BASED ON A ROAD USE FEE INSTEAD OF PROPERTY TAXES, TO PROVIDE THAT THE ROAD USE FEE IS DUE AT THE SAME TIME AS REGISTRATION FEES, TO PROVIDE FOR THE DISTRIBUTION OF THE ROAD USE FEE, AND TO EXEMPT CERTAIN SEMITRAILERS, TRAILERS, LARGE COMMERCIAL MOTOR VEHICLES, AND BUSES FROM AD VALOREM TAXATION.

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

**Amendment No. 6A**

Senator TIMMONS proposed the following amendment (3516R073.KM.WRT), which was carried over:

Amend the bill, as and if amended, page 26, line 33, by adding an appropriately numbered new SECTION to read:

/ SECTION \_\_. A. Chapter 4, Title 10 of the 1976 Code is amended by adding:

“ARTICLE 10.

TRANSPORTATION INFRASTRUCTURE SALES TAX ACT

Section 4‑10‑1000. This article may be cited as the ‘Transportation Infrastructure Sales Tax Act’.

Section 4‑10‑1010. For the purposes of this article ‘transportation infrastructure project’ or ‘project’ shall mean construction, improvement, maintenance, and paving for existing rural, county, municipal, or state roads and bridges. Transportation infrastructure projects may be located within or without, or both within and without, the boundaries of the local governmental entities, including the county, municipalities, and special purpose districts located in the county area.

Section 4‑10‑1020. Subject to the requirements of this article, the county governing body may impose a one percent sales and use tax by ordinance, subject to a referendum, within the county area for a specific project or projects and for a limited amount of time.

Section 4‑10‑1030. The county governing body shall consider proposals for funding transportation infrastructure projects within the county area on rural, county, or state roads and bridges with proceeds of a tax imposed pursuant to this article. The county governing body shall formulate the referendum question that is to appear on the ballot pursuant to this article.

Section 4‑10‑1040. (A) The sales and use tax authorized by this article is imposed by an enacting ordinance of the county governing body containing the ballot question formulated by the county governing body pursuant to Section 4‑10‑1030 subject to referendum approval in the county. The ordinance must specify:

(1) the type of work to be undertaken and identify the transportation infrastructure projects that will be undertaken;

(2) the maximum time, in one‑year increments not to exceed five years from the date of imposition, or in the case of a reimposed tax, a period ending on April thirtieth, not to exceed four years, for which the tax may be imposed; and

(3) any other condition precedent, as determined by the county governing body to the imposition of the sales and use tax authorized by this article or condition or restriction on the use of sales and use tax revenue collected pursuant to this article.

(B) When the tax authorized by this article is imposed for more than one project, the enacting ordinance must set forth the priority based on need in which the net proceeds are to be expended for the purposes stated. The enacting ordinance may set forth a formula or system by which multiple projects are funded simultaneously.

(C) Upon receipt of the ordinance, the county election commission must conduct a referendum on the question of imposing the sales and use tax in the area of the county that is to be subject to the tax. The referendum for imposition or reimposition of the tax must be held at the time of the next scheduled county election or general election, whichever occurs first. Two weeks before the referendum the election commission must publish in a newspaper of general circulation the question that is to appear on the ballot, with the list of projects and the cost of the projects. This notice is in lieu of any other notice otherwise required by law.

(D) The referendum question to be on the ballot must read substantially as follows:

‘Must a special one percent sales and use tax be imposed in (county) for not more than (time) to raise the amounts specified for the following purposes?

(1) for (transportation infrastructure project);

(2) for (transportation infrastructure project);

(3) etc.

Yes [ ]

No [ ]’

(E) All qualified electors desiring to vote in favor of imposing the tax for the stated purposes shall vote ‘yes’ and all qualified electors opposed to levying the tax shall vote ‘no’. If a majority of the votes cast are in favor of imposing the tax, then the tax is imposed as provided in this article and the enacting ordinance. A subsequent referendum on this question must be held on the date prescribed in subsection (C). The election commission shall conduct the referendum under the election laws of this State, mutatis mutandis, and shall certify the result to the county governing body and to the Department of Revenue no later than thirty days after the referendum is held. Expenses of the referendum must be paid by the governmental entities that would receive the proceeds of the tax in the same proportion that those entities would receive the net proceeds of the tax.

(F) Upon receipt of the returns of the referendum, the county governing body must, by resolution, declare the results. In that event, the results of the referendum, as declared by resolution of the county governing body, are not open to question except by a suit or proceeding instituted within thirty days from the date the resolution is adopted.

Section 4‑10‑1050. (A) If the sales and use tax is approved in the referendum, the tax is imposed on the first of May following the date of the referendum. If the reimposition of an existing sales and use tax imposed pursuant to this article is approved in the referendum, the new tax is imposed immediately following the termination of the earlier imposed tax and the reimposed tax terminates on the thirtieth of April, not to exceed four years from the date of reimposition. If the certification is not timely made to the Department of Revenue, the imposition is postponed for twelve months.

(B) The tax terminates the final day of the maximum time period specified for the imposition.

(C)(1) Amounts collected in excess of the required net proceeds must first be applied, if necessary, to complete a project for which the tax was imposed.

(2) If funds still remain after first using the funds as described in item (1) and the tax is reimposed, the remaining funds must be used to fund the projects approved by the voters in the referendum to reimpose the tax, in priority order as the projects appeared on the enacting ordinance.

(3) If funds still remain after first using the funds as described in item (1) and the tax is not reimposed, the remaining funds must be used for the purposes set forth in Section 4‑10‑1030. These remaining funds only may be expended for the purposes set forth in Section 4‑10‑1030 following an ordinance specifying the authorized purpose or purposes for which the funds will be used.

Section 4‑10‑1060. (A) The tax levied pursuant to this article must be administered and collected by the Department of Revenue in the same manner that other sales and use taxes are collected. The department may prescribe amounts that may be added to the sales price because of the tax.

(B) The tax authorized by this article is in addition to all other local sales and use taxes and applies to the gross proceeds of sales in the applicable area that is subject to the tax imposed by Chapter 36, Title 12 and the enforcement provisions of Chapter 54, Title 12. The gross proceeds of the sale of items subject to a maximum tax in Chapter 36, Title 12 are exempt from the tax imposed by this article. Unprepared food items eligible for purchase with United States Department of Agriculture food coupons are exempt from the tax imposed pursuant to this article. The tax imposed by this article also applies to tangible personal property subject to the use tax in Article 13, Chapter 36, Title 12.

(C) A taxpayer required to remit taxes under Article 13, Chapter 36 of Title 12 must identify the county in which the personal property purchased at retail is stored, used, or consumed in this State.

(D) A utility is required to report sales in the county in which the consumption of the tangible personal property occurs.

(E) A taxpayer subject to the tax imposed by Section 12‑36‑920, who owns or manages rental units in more than one county, must report separately in his sales tax return the total gross proceeds from business done in each county.

(F) The gross proceeds of sales of tangible personal property delivered after the imposition date of the tax levied under this article in a county, either under the terms of a construction contract executed before the imposition date, or a written bid submitted before the imposition date, culminating in a construction contract entered into before or after the imposition date, are exempt from the sales and use tax provided in this article if a verified copy of the contract is filed with the Department of Revenue within six months after the imposition date of the sales and use tax provided for in this article.

(G) Notwithstanding the imposition date of the sales and use tax authorized pursuant to this chapter, with respect to services that are billed regularly on a monthly basis, the sales and use tax authorized pursuant to this article is imposed beginning on the first day of the billing period beginning on or after the imposition date.

Section 4‑10‑1070. The revenues of the tax collected under this article must be remitted to the Department of Revenue and placed on deposit with the State Treasurer and credited to a fund separate and distinct from the general fund of the State. After deducting the amount of any refunds made and costs to the Department of Revenue of administering the tax, not to exceed one percent of the revenues, the State Treasurer shall distribute the revenues quarterly to the county treasurer in the county area in which the tax is imposed and the revenues must be used only for the purposes stated in the imposition ordinance. The State Treasurer may correct misallocations by adjusting subsequent distributions, but these adjustments must be made in the same fiscal year as the misallocations. However, allocations made as a result of city or county code errors must be corrected prospectively.

Section 4‑10‑1080. The Department of Revenue shall furnish data to the State Treasurer and to the county treasurers receiving revenues for the purpose of calculating distributions and estimating revenues. The information that must be supplied to counties and municipalities upon request includes, but is not limited to, gross receipts, net taxable sales, and tax liability by taxpayers. Information about a specific taxpayer is considered confidential and is governed by the provisions of Section 12‑54‑240. A person violating this section is subject to the penalties provided in Section 12‑54‑240.

Section 4‑10‑1090. Annually, and only in the month of June, funds collected by the department from the transportation infrastructure project sales tax, which are not identified as to the governmental unit due the tax, must be transferred, after reasonable effort by the department to determine the appropriate governmental unit, to the State Treasurer’s Office. The State Treasurer shall distribute these funds to the county treasurer in the county area in which the tax is imposed and the revenues must be used only for the purposes stated in the imposition ordinance. The State Treasurer shall calculate this supplemental distribution on a proportional basis, based on the current fiscal year’s county area revenue collections.

Section 4‑10‑1100. The revenues of the tax collected under this article may be used to defray debt service on bonds issued to pay for projects authorized in this article.

Section 4‑10‑1110. A county may impose the sales tax provided in this article in addition to any other local option sales taxes already in effect in that county.

Section 4‑10‑1120. If a county fails to approve a one percent sales and use tax by ordinance pursuant to Section 4‑1‑1020 on or before January 1, 2018, or having approved a one percent sales and use tax by ordinance pursuant to Section 4‑1‑1020, a referendum authorizing the imposition fails, then a municipality within the county may impose the Municipal Transportation Infrastructure Sales Tax Act authorized under Section 5-8-100, et seq.

B. Chapter 21, Title 5 of the 1976 Code is amended by adding:

“CHAPTER 8

Municipal Transportation Infrastructure Sales Tax Act

Section 5‑8‑100. This chapter may be cited as the ‘Municipal Transportation Infrastructure Sales Tax Act’.

Section 5‑8‑110. If a county fails to impose a one percent sales and use tax by ordinance pursuant to Section 4‑1‑1020 on or before January 1, 2018, or having imposed a one percent sales and use tax by ordinance pursuant to Section 4‑1‑1020, a referendum authorizing the imposition fails, then a municipality within the county may impose the Municipal Transportation Infrastructure Sales Tax Act authorized pursuant to this chapter.

Section 5-8-120. For the purposes of this chapter ‘transportation infrastructure project’ or ‘project’ means construction, improvement, maintenance, and paving for existing rural, county, municipal, or state roads and bridges located within the municipality’s boundaries.

Section 5-8-130. Subject to the requirements of this chapter, the municipal governing body may impose a one percent sales and use tax by ordinance, subject to a referendum, within the municipal area for a specific project or projects and for a limited amount of time.

Section 5-8-140. The municipal governing body shall consider proposals for funding transportation infrastructure projects within the municipal area on rural, county, municipal, or state roads and bridges with proceeds of a tax imposed pursuant to this chapter. The municipal governing body shall formulate the referendum question that is to appear on the ballot pursuant to this chapter.

Section 5-8-150. (A) The sales and use tax authorized by this chapter is imposed by an enacting ordinance of the municipal governing body containing the ballot question formulated by the municipal governing body pursuant to Section 5-8-130 subject to referendum approval in the municipality. The ordinance must specify:

(1) the type of work to be undertaken and identify the transportation infrastructure projects that will be undertaken;

(2) the maximum time, in one‑year increments not to exceed five years from the date of imposition, or in the case of a reimposed tax, a period ending on April thirtieth, not to exceed four years, for which the tax may be imposed; and

(3) any other condition precedent, as determined by the municipal governing body to the imposition of the sales and use tax authorized by this chapter or condition or restriction on the use of sales and use tax revenue collected pursuant to this chapter.

(B) When the tax authorized by this chapter is imposed for more than one project, the enacting ordinance must set forth the priority based on need in which the net proceeds are to be expended for the purposes stated. The enacting ordinance may set forth a formula or system by which multiple projects are funded simultaneously.

(C) Upon receipt of the ordinance, the appropriate election commission must conduct a referendum on the question of imposing the sales and use tax in the municipality that is to be subject to the tax. The referendum for imposition or reimposition of the tax must be held at the time of the next scheduled county election or general election, whichever occurs first. Two weeks before the referendum the election commission must publish in a newspaper of general circulation the question that is to appear on the ballot, with the list of projects and the cost of the projects. This notice is in lieu of any other notice otherwise required by law.

(D) The referendum question to be on the ballot must read substantially as follows:

‘Must a special one percent sales and use tax be imposed in (municipality) for not more than (time) to raise the amounts specified for the following purposes?

(1) for (transportation infrastructure project);

(2) for (transportation infrastructure project);

(3) etc.

Yes [ ]

No [ ]’

(E) All qualified electors of the municipality desiring to vote in favor of imposing the tax for the stated purposes shall vote ‘yes’ and all qualified electors opposed to levying the tax shall vote ‘no’. If a majority of the votes cast are in favor of imposing the tax, then the tax is imposed as provided in this chapter and the enacting ordinance. A subsequent referendum on this question must be held on the date prescribed in subsection (C). The election commission shall conduct the referendum under the election laws of this State, mutatis mutandis, and shall certify the result to the municipal governing body and to the Department of Revenue no later than thirty days after the referendum is held. Expenses of the referendum must be paid by the municipality.

(F) Upon receipt of the returns of the referendum, the municipal governing body must, by resolution, declare the results. In that event, the results of the referendum, as declared by resolution of the municipal governing body, are not open to question except by a suit or proceeding instituted within thirty days from the date the resolution is adopted.

Section 5-8-160. (A) If the sales and use tax is approved in the referendum, the tax is imposed on the first of May following the date of the referendum. If the reimposition of an existing sales and use tax imposed pursuant to this chapter is approved in the referendum, the new tax is imposed immediately following the termination of the earlier imposed tax and the reimposed tax terminates on the thirtieth of April, not to exceed four years from the date of reimposition. If the certification is not timely made to the Department of Revenue, the imposition is postponed for twelve months.

(B) The tax terminates the final day of the maximum time period specified for the imposition.

(C)(1) Amounts collected in excess of the required net proceeds must first be applied, if necessary, to complete a project for which the tax was imposed.

(2) If funds still remain after first using the funds as described in item (1) and the tax is reimposed, the remaining funds must be used to fund the projects approved by the voters in the referendum to reimpose the tax, in priority order as the projects appeared on the enacting ordinance.

(3) If funds still remain after first using the funds as described in item (1) and the tax is not reimposed, the remaining funds must be used for the purposes set forth in Section 5-8-140. These remaining funds only may be expended for the purposes set forth in Section 5-8-140 following an ordinance specifying the authorized purpose or purposes for which the funds will be used.

Section 5-8-170. (A) The tax levied pursuant to this chapter must be administered and collected by the Department of Revenue in the same manner that other sales and use taxes are collected. The department may prescribe amounts that may be added to the sales price because of the tax.

(B) The tax authorized by this chapter is in addition to all other local sales and use taxes and applies to the gross proceeds of sales in the applicable area that is subject to the tax imposed by Chapter 36, Title 12 and the enforcement provisions of Chapter 54, Title 12. The gross proceeds of the sale of items subject to a maximum tax in Chapter 36, Title 12 are exempt from the tax imposed by this chapter. Unprepared food items eligible for purchase with United States Department of Agriculture food coupons are exempt from the tax imposed pursuant to this chapter. The tax imposed by this chapter also applies to tangible personal property subject to the use tax in Article 13, Chapter 36, Title 12.

(C) A taxpayer required to remit taxes under Article 13, Chapter 36 of Title 12 must identify the municipality in which the personal property purchased at retail is stored, used, or consumed in this State.

(D) A utility is required to report sales in the municipality in which the consumption of the tangible personal property occurs.

(E) A taxpayer subject to the tax imposed by Section 12‑36‑920, who owns or manages rental units in more than one municipality, must report separately in his sales tax return the total gross proceeds from business done in each municipality.

(F) The gross proceeds of sales of tangible personal property delivered after the imposition date of the tax levied under this chapter in a municipality, either under the terms of a construction contract executed before the imposition date, or a written bid submitted before the imposition date, culminating in a construction contract entered into before or after the imposition date, are exempt from the sales and use tax provided in this chapter if a verified copy of the contract is filed with the Department of Revenue within six months after the imposition date of the sales and use tax provided for in this chapter.

(G) Notwithstanding the imposition date of the sales and use tax authorized pursuant to this chapter, with respect to services that are billed regularly on a monthly basis, the sales and use tax authorized pursuant to this chapter is imposed beginning on the first day of the billing period beginning on or after the imposition date.

Section 5-8-180. The revenues of the tax collected under this chapter must be remitted to the Department of Revenue and placed on deposit with the State Treasurer and credited to a fund separate and distinct from the general fund of the State. After deducting the amount of any refunds made and costs to the Department of Revenue of administering the tax, not to exceed one percent of the revenues, the State Treasurer shall distribute the revenues quarterly to the municipality in which the tax is imposed and the revenues must be used only for the purposes stated in the imposition ordinance. The State Treasurer may correct misallocations by adjusting subsequent distributions, but these adjustments must be made in the same fiscal year as the misallocations. However, allocations made as a result of city or county code errors must be corrected prospectively.

Section 5-8-190. The Department of Revenue shall furnish data to the State Treasurer and to the municipality receiving revenues for the purpose of calculating distributions and estimating revenues. The information that must be supplied to counties and municipalities upon request includes, but is not limited to, gross receipts, net taxable sales, and tax liability by taxpayers. Information about a specific taxpayer is considered confidential and is governed by the provisions of Section 12‑54‑240. A person violating this section is subject to the penalties provided in Section 12‑54‑240.

Section 5-8-200. Annually, and only in the month of June, funds collected by the department from the transportation infrastructure project sales tax, which are not identified as to the governmental unit due the tax, must be transferred, after reasonable effort by the department to determine the appropriate governmental unit, to the State Treasurer’s Office. The State Treasurer shall distribute these funds to the municipality in which the tax is imposed and the revenues must be used only for the purposes stated in the imposition ordinance. The State Treasurer shall calculate this supplemental distribution on a proportional basis, based on the current fiscal year’s municipal revenue collections.

Section 5-8-210. The revenues of the tax collected under this chapter may be used to defray debt service on bonds issued to pay for projects authorized in this chapter.

Section 5-8-220. A municipality may impose the sales tax provided in this chapter in addition to any other local option sales taxes already in effect in that municipality. A tax imposed by a municipality pursuant to this chapter does not preclude a county governing body from imposing any other local option sales tax authorized by statute.

Section 5-8-230. If a municipality imposes a sales tax authorized by this chapter, the county governing body may impose a one cent sales and use tax pursuant to section 4‑1‑1020 in the unincorporated and incorporated areas of the counties that do not have a municipal transportation infrastructure sales tax. A referendum imposing a sales tax in the remaining areas of the county pursuant to this section shall not include any municipality that has an existing municipal transportation infrastructure sales and use tax. This county imposition shall expire on the same date of an existing municipal tax and a reimposition of all transportation infrastructure sales and use taxes must encompass the entire county, including any municipalities that have previously enacted a municipal transportation infrastructure sales and use tax.”

C. The provisions contained in this SECTION are effective July 1, 2017. /

Renumber sections to conform.

Amend title to conform.

Senator TIMMONS spoke on the amendment.

On motion of Senator TIMMONS, the amendment was carried over.

**Expression of Personal Interest**

With unanimous consent, Senator McELVEEN rose for an Expression of Personal Interest.

**Amendment No. 7**

Senator CORBIN proposed the following amendment (3516R018.KM.TDC), which was carried over:

Amend the bill, as and if amended, page 28, line 6, by inserting an appropriately numbered new SECTION to read:

/ SECTION \_\_. A. Article 25, Chapter 6, Title 12 of the 1976 Code is amended by adding:

“Section 12-6-3780. A taxpayer with a motor vehicle registered in this State is allowed a refundable credit against the income taxes imposed pursuant to this chapter in an amount equal to the average motor fuel user fee incurred by motorists as a result of increases in the motor fuel user fee pursuant to Section 12‑28‑310( ). A taxpayer with more than one motor vehicle registered in his name is allowed a tax credit pursuant to this section for each motor vehicle registered in his name. Married taxpayers filing jointly are allowed a tax credit pursuant to this section for each registered motor vehicle in the household.”

B. Beginning in tax year 2017, and for each tax year thereafter the Department of Revenue shall calculate the amount of the credit that may be claimed.

C. This SECTION takes effect upon approval of the Governor and applies to tax years after tax year 2016. /

Renumber sections to conform.

Amend title to conform.

Senator CORBIN spoke on the amendment.

Senator GROOMS spoke on the amendment.

On motion of Senator GROOMS, the amendment was carried over.

**RECESS**

At 12:16 P.M., on motion of Senator LEATHERMAN, the Senate receded from business until 12:45 P.M.

At 12:55 P.M., the Senate resumed.

**Point of Quorum**

At 12:56 P.M., Senator MALLOY made the point that a quorum was not present. It was ascertained that a quorum was not present.

**Call of the Senate**

Senator MALLOY moved that a Call of the Senate be made. The following Senators answered the Call:

Alexander Allen Bennett

Campbell Climer Corbin

Cromer Davis Fanning

Gambrell Goldfinch Gregory

Grooms Hembree Jackson

Johnson Leatherman Malloy

Martin Massey McElveen

McLeod Nicholson Peeler

Reese Rice Sabb

Scott Senn Setzler

Shealy Sheheen Talley

Timmons Turner Williams

Young

A quorum being present, the Senate resumed.

**Amendment No. 8A**

Senator CORBIN proposed the following amendment (3516R066.SP.TDC):

Amend the bill, as and if amended, page 7, by striking lines 10-20 and inserting:

/ 2013. The secretary shall submit all projects proposed to be financed pursuant to subsection (B) to the Joint Bond Review Committee, as provided in Section 11-43-180, before approving a project for financing.

(3) Following consideration by the Joint Bond Review Committee, the secretary shall approve the projects to be financed. Upon approval, the Department of Transportation shall identify each project selected, the amount of non‑tax revenue that must be transferred to the bank for financing each project, a schedule for the transfers, and any other information necessary to carrying out the financing of each project. /

Amend the bill further, as and if amended, page 26, line 32, by inserting:

/ D. Section 57‑1‑430(A) of the 1976 Code is amended to read:

“Section 57-1-430. (A) The secretary ~~is charged with the affirmative duty to carry out the policies of the commission, to~~ must administer the day‑to‑day affairs of the department~~, to~~; direct the development and implementation of the Statewide Transportation Improvement Program and the Statewide Mass Transit Plan~~,~~; ~~and to~~ ensure the timely completion of all projects undertaken by the department, ~~and~~ routine operation and maintenance requests, and emergency repairs; operate and administer the State Infrastructure Bank as provided in Article 1, Chapter 43, Title 11 of the 1976 Code; and ensure that the department’s functions and purposes as provided by law are carried out in a timely, efficient manner. He must represent the department in its dealings with other state agencies, local governments, special districts, and the federal government. ~~The secretary must prepare an annual budget for the department that must be approved by the commission before becoming effective.~~” /

Amend the bill further, as and if amended, page 28, line 6, by adding an appropriately numbered SECTION to read:

/ SECTION \_\_. A. Section 11‑43‑120(B) of the 1976 Code is amended to read:

“(B) The bank is ~~governed~~ administered by ~~a board of directors~~ the Secretary of the Department of Transportation as provided in this chapter.”

B. Section 11‑43‑130 of the 1976 Code is amended to read:

“Section 11‑43‑130. As used in this chapter unless the context clearly indicates otherwise:

(1) ‘Bank’ means the South Carolina Transportation Infrastructure Bank.

(2) ~~‘Board’ means the board of directors of the bank.~~ Reserved.

(3) ‘Bonds’ means bonds, notes, or other evidence of indebtedness except as otherwise provided in Article 3 of this chapter.

(4) ‘Department of Transportation’ means the South Carolina Department of Transportation and its successors.

(5) ‘Eligible cost’ means as applied to a qualified project to be financed from the federal accounts, the costs that are permitted under applicable federal laws, requirements, procedures, and guidelines in regard to establishing, operating, and providing assistance from the bank. As applied to a qualified project to be financed from the state highway account, these costs include the costs of preliminary engineering, traffic and revenue studies, environmental studies, right‑of‑way acquisition, legal and financial services associated with the development of the qualified project, construction, construction management, facilities, and other costs necessary for the qualified project. As applied to any qualified project to be financed from the state transit account, eligible project costs are limited to capital expenditures for transit equipment and facilities.

(6) ‘Eligible project’ means a highway, including bridges, or transit project which provides public benefits by either enhancing mobility and safety, promoting economic development, or increasing the quality of life and general welfare of the public. ‘Eligible project’ also includes mass transit including, but not limited to, monorail and monobeam mass transit systems.

(7) ‘Federal accounts’ means collectively, the separate account for federal highway funds and federal transit funds.

(8) ‘Financing agreement’ means any agreement entered into between the bank and a qualified borrower pertaining to a loan or other financial assistance. This agreement may contain, in addition to financial terms, provisions relating to the regulation and supervision of a qualified project, or other provisions as the ~~board~~ Secretary of the Department of Transportation may determine. The term ‘financing agreement’ includes, without limitation, a loan agreement, trust indenture, security agreement, reimbursement agreement, guarantee agreement, bond or note, ordinance or resolution, or similar instrument.

(9) ‘Government unit’ means a municipal corporation, county, special purpose district, special service district, commissioners of public works, or another public body, instrumentality or agency of the State including combinations of two or more of these entities acting jointly to construct, own, or operate a qualified project, and any other state or local authority, board, commission, agency, department, or other political subdivision created by the General Assembly or pursuant to the Constitution and laws of this State which may construct, own, or operate a qualified project.

(10) ‘Loan’ means an obligation subject to repayment which is provided by the bank to a qualified borrower for all or a part of the eligible cost of a qualified project. A loan may be disbursed in anticipation of reimbursement for or direct payment of eligible costs of a qualified project.

(11) ‘Loan obligation’ means a bond, note, or other evidence of an obligation issued by a qualified borrower.

(12) ‘Other financial assistance’ means, but is not limited to, grants, contributions, credit enhancement, capital or debt reserves for bonds or debt instrument financing, interest rate subsidies, provision of letters of credit and credit instruments, provision of bond or other debt financing instrument security, and other lawful forms of financing and methods of leveraging funds that are approved by the ~~board~~ Secretary of the Department of Transportation, and in the case of federal funds, as allowed by federal law.

(13) ‘Private entity’ means a private person or entity that has entered into a contract with a government unit to design, finance, construct, and operate a highway, bridge, tunnel, or approach that is within the jurisdiction of the government unit that is responsible for complying with applicable federal requirements.

(14) ‘Project revenues’ means all rates, rents, fees, assessments, charges, and other receipts derived or to be derived by a qualified borrower from a qualified project or made available from a special source, and, as provided in the applicable financing agreement, derived from any system of which the qualified project is a part of, from any other revenue producing facility under the ownership or control of the qualified borrower including, without limitation, proceeds of grants, gifts, appropriations and loans, including the proceeds of loans made by the bank, investment earnings, reserves for capital and current expenses, proceeds of insurance or condemnation and proceeds from the sale or other disposition of property and from any other special source as may be provided by the qualified borrower.

(15) ‘Qualified borrower’ means any government unit or private entity which is authorized to construct, operate, or own a qualified project.

(16) ‘Qualified project’ means an eligible project which has been selected by the bank to receive a loan or other financial assistance from the bank to defray an eligible cost.

(17) ‘Revenues’ means, when used with respect to the bank, any receipts, fees, income, or other payments received or to be received by the bank including, without limitation, receipts and other payments deposited in the bank and investment earnings on its funds and accounts.

(18) ‘Secretary’ means the Secretary of the Department of Transportation.

~~(18)~~(19) ‘State accounts’ means, collectively, the separate account for state highway funds and state transit funds.”

C. Section 11‑43‑140 of the 1976 Code, relating to the membership, terms, and vacancies of the board of directors, is repealed.

D. Section 11‑43‑150(A) of the 1976 Code is amended to read:

“Section 11‑43‑150. (A) In addition to the powers contained elsewhere in this chapter, the bank has all power necessary, useful, or appropriate to fund, operate, and administer the bank, and to perform its other functions including, but not limited to, the power to:

(1) have perpetual succession;

(2) adopt, promulgate, amend, and repeal bylaws, not inconsistent with provisions in this chapter for the administration of the bank’s affairs and the implementation of its functions including the right of the ~~board~~ secretary to select qualifying projects and to provide loans and other financial assistance;

(3) sue and be sued in its own name;

(4) have a seal and alter it at its pleasure, although the failure to affix the seal does not affect the validity of an instrument executed on behalf of the bank;

(5) make loans to qualified borrowers to finance the eligible costs of qualified projects and to acquire, hold, and sell loan obligations at prices and in a manner as the ~~board~~ secretary determines advisable;

(6) provide qualified borrowers with other financial assistance necessary to defray eligible costs of a qualified project;

(7) enter into contracts, arrangements, and agreements with qualified borrowers and other persons and execute and deliver all financing agreements and other instruments necessary or convenient to the exercise of the powers granted in this chapter;

(8) enter into agreements with a department, agency, or instrumentality of the United States or of this State or another state for the purpose of planning and providing for the financing of qualified projects;

(9) establish:

(a) policies and procedures for the making and administering of loans and other financial assistance; and

(b) fiscal controls and accounting procedures to ensure proper accounting and reporting by the bank, government units, and private entities;

(10) acquire by purchase, lease, donation, or other lawful means and sell, convey, pledge, lease, exchange, transfer, and dispose of all or any part of its properties and assets of every kind and character or any interest in it to further the public purpose of the bank;

(11) procure insurance, guarantees, letters of credit, and other forms of collateral or security or credit support from any public or private entity, including any department, agency, or instrumentality of the United States or this State, for the payment of any bonds issued by it, including the power to pay premiums or fees on any insurance, guarantees, letters of credit, and other forms of collateral or security or credit support;

(12) collect or authorize the trustee under any trust indenture securing any bonds to collect amounts due under any loan obligations owned by it, including taking the action required to obtain payment of any sums in default;

(13) unless restricted under any agreement with holders of bonds, consent to any modification with respect to the rate of interest, time, and payment of any installment of principal or interest, or any other term of any loan obligations owned by it;

(14) borrow money through the issuance of bonds and other forms of indebtedness as provided in this chapter;

(15) expend funds to obtain accounting, management, legal, financial consulting, and other professional services necessary to the operations of the bank;

(16) expend funds credited to the bank as the ~~board~~ secretary determines necessary for the costs of administering the operations of the bank;

(17) establish advisory committees as the ~~board~~ secretary determines appropriate, which may include individuals from the private sector with banking and financial expertise;

(18) procure insurance against losses in connection with its property, assets, or activities including insurance against liability for its acts or the acts of its employees or agents or to establish cash reserves to enable it to act as a self‑insurer against any and all such losses;

(19) collect fees and charges in connection with its loans or other financial assistance;

(20) apply for, receive and accept from any source, aid, grants, and contributions of money, property, labor, or other things of value to be used to carry out the purposes of this chapter subject to the conditions upon which the aid, grants, or contributions are made;

(21) enter into contracts or agreements for the servicing and processing of financial agreements; and

(22) do all other things necessary or convenient to exercise powers granted or reasonably implied by this chapter.”

E. Section 11‑43‑160(A) of the 1976 Code is amended to read:

“Section 11‑43‑160. (A) The following sources may be used to capitalize the bank and for the bank to carry out its purposes:

(1) an annual contribution set by the ~~board~~ secretary of an amount not to exceed revenues produced by one cent a gallon of the tax on gasoline imposed pursuant to Section 12‑28‑310;

(2) federal funds made available to the State;

(3) federal funds made available to the State for the bank;

(4) contributions and donations from government units, private entities, and any other source as may become available to the bank including, but not limited to, appropriations from the General Assembly;

(5) all monies paid or credit to the bank, by contract or otherwise, payments of principal and interest on loans or other financial assistance made from the bank, and interest earnings which may accrue from the investment or reinvestment of the bank’s monies;

(6) proceeds from the issuance of bonds as provided in this chapter;

(7) other lawful sources as determined appropriate by the ~~board~~ secretary; and

(8) loans from the Department of Transportation to the bank to be repaid from revenues committed to the bank for the following year.”

F. Section 11‑43‑167(C) of the 1976 Code is amended to read:

“(C)(1) The Department of Transportation shall identify bridge and road projects to be financed utilizing non‑tax revenue transferred to the bank by the Department of Transportation in an amount equal to the financing requirements related to projects selected pursuant to this section.

(2) Funds transferred to the bank pursuant to this section may not be used to finance projects approved by the bank before July 1, 2013. The ~~bank~~ secretary shall submit all projects proposed to be financed pursuant to subsection (B) to the Joint Bond Review Committee as provided in Section 11‑43‑180, prior to approving a project for financing.

(3) Following consideration by the Joint Bond Review Committee, the ~~bank~~ secretary shall approve the projects to be financed. Upon approval, the ~~bank shall provide the~~ Department of Transportation ~~with written notice that identifies~~ shall identify each project selected, the amount of non‑tax revenue that must be transferred to the bank for financing each project, a schedule for the transfers, and any other information necessary to carrying out the financing of each project.

(4) Upon ~~receipt of the notice provided in item (3)~~ approval of the projects to be financed, the Department of Transportation shall transfer non‑tax revenue to the bank in the amounts and upon the schedule provided in the notice. The department shall take any other action identified in the notice that is necessary for financing each project.

(5) Projects financed utilizing funds transferred pursuant to this subsection shall not require a local match.”

G. Section 11‑43‑170(B) of the 1976 Code is amended to read:

“(B) For necessary and convenient administration of the bank, the ~~board~~ secretary shall direct the State Treasurer to establish federal and state accounts and subaccounts within the bank necessary to meet any applicable federal law requirements or as the bank shall determine necessary or desirable in order to implement the provisions of this chapter.”

H. Section 11‑43‑180 of the 1976 Code is amended to read:

“Section 11‑43‑180. (A) The bank may provide loans and other financial assistance to a government unit or private entity to pay for all or part of the eligible cost of a qualified project. Prior to providing a loan or other financial assistance to a qualified borrower, the ~~board must obtain the review and approval of the~~ Joint Bond Review Committee must review the terms of the proposed loan or other financial assistance. The term of the loan or other financial assistance must not exceed the useful life of the project. The bank may require the government unit or private entity to enter into a financing agreement in connection with its loan obligation or other financial assistance. The ~~board~~ secretary shall determine the form and content of loan applications, financing agreements, and loan obligations including the term and rate or rates of interest on a financing agreement. The terms and conditions of a loan or other financial assistance from federal accounts shall comply with applicable federal requirements.

(B) The ~~board~~ secretary shall determine which projects are eligible projects and then select from among the eligible projects those qualified to receive from the bank a loan or other financial assistance. Preference must be given to eligible projects which have local financial support. In selecting qualified projects, the ~~board~~ secretary shall consider the projected feasibility of the project and the amount and degree of risk to be assumed by the bank. The ~~board~~ secretary also may consider, but must not be limited to, the following criteria in making its determination that an eligible project is a qualified project:

(1) the local support of the project, expressed by resolutions by the governing bodies in the areas in which the project will be located, and the financial or in‑kind contributions to the project;

(2) maximum economic benefit, enhancement of mobility, enhancement of public safety, acceleration of project completion, and enhancement of transportation services;

(3) the ability of the applicant to repay a loan according to the terms and conditions established pursuant to this chapter, consideration of which may include, at the option of the ~~bank board~~ secretary, the existence of current investment grade rating on existing debt of the applicant secured by the same revenues to be pledged to secure repayment under the loan repayment agreement;

(4) the financial or in‑kind contributions to the project;

(5) greater weighting in recommending priorities for eligible projects to areas of the State experiencing high unemployment; and

(6) whether the governing bodies of the county or the incorporated municipality in which the project is to be located provides to the bank a resolution which makes a finding that the project is essential to economic development in the political subdivisions, or the bank receives a resolution or certificate from the Advisory Coordinating Council for Economic Development of the Department of Commerce that the project is essential to economic development in the State, or both, at the option of the ~~board~~ secretary.

(C) The bank may not provide any loans or other financial assistance, including bond proceeds, to any project unless the eligible costs of the project are at least twenty‑five million dollars.”

I. Section 11‑43‑220 of the 1976 Code is amended to read:

“Section 11‑43‑220. Neither the ~~board~~ secretary nor any officer, employee, or committee of the bank acting on behalf of it, while acting within the scope of this authority, is subject to any liability resulting from carrying out any of the powers given in this chapter.”

J. Section 11‑43‑250 of the 1976 Code is amended to read:

“Section 11-43-250. Following the close of each state fiscal year, the ~~bank~~ secretary shall submit an annual report of ~~its~~ the bank’s activities for the preceding year to the Governor and to the General Assembly. The ~~bank~~ secretary also shall submit an annual report to the appropriate federal agency in accordance with requirements of any federal program. An independent certified public accountant shall perform an audit of the books and accounts of the bank at least once in each state fiscal year.”

K. Section 11‑43‑510 of the 1976 Code is amended to read:

“Section 11‑43‑510. As used in this article:

(1) ~~‘Board’ means the Board of Directors of the South Carolina Transportation Infrastructure Bank.~~ ‘Secretary’ means the Secretary of the Department of Transportation.

(2) ‘State board’ means the governing board of the State Fiscal Accountability Authority.

(3) ‘Transportation infrastructure bonds’ means all general obligation bonds of this State designated as transportation infrastructure bonds, which are now outstanding and which may hereafter be issued pursuant to the authorizations of this article.”

L. Section 11‑43‑520 of the 1976 Code is amended to read:

“Section 11‑43‑520. Whenever it shall become necessary that monies be raised for qualified projects, including monies to be used to refund any transportation infrastructure bonds then outstanding, the ~~board~~ secretary may make a request to the state board for the issuance of transportation infrastructure bonds pursuant to this article. ~~This request may be in the form of a resolution adopted at any regular or special meeting of the board.~~ The request shall set forth on the face thereof or by schedules attached thereto:

(1) the amount then required for qualified projects;

(2) a tentative time schedule setting forth the period of time during which the sum requested will be expended; and

(3) a debt service table showing the annual principal and interest requirements for all the transportation infrastructure bonds then outstanding.”

M. Section 11‑43‑540 of the 1976 Code is amended to read:

“Section 11‑43‑540. The issuance of transportation infrastructure bonds is subject to the limitations contained in Section 13(6)(c), Article X of the Constitution of this State. Within such limitations, transportation infrastructure bonds may be issued for qualified projects or to refund transportation infrastructure bonds from time to time under the conditions prescribed by this article. The review and approval of the Joint Bond Review Committee must be obtained prior to the issuance of any transportation infrastructure bonds. No transportation infrastructure bonds may be issued unless the ~~board~~ secretary has a source of revenues to pay the principal and interest on the bonds.”

N. Section 11‑43‑550 of the 1976 Code is amended to read:

“Section 11‑43‑550. For the payment of the principal of and interest on all transportation infrastructure bonds, whether or not outstanding or hereafter issued, as they come due, there is pledged the full faith, credit, and taxing power of this State, and in accordance with the provisions of Section 13(4), Article X of the Constitution of this State, the General Assembly authorizes the allocation on an annual basis of sufficient tax revenues to provide for the punctual payment of the principal and interest on transportation infrastructure bonds. In addition to the full faith, credit, and taxing power, there also is pledged such revenue as may be available to the ~~board~~ secretary, and the State Treasurer is authorized to use such revenue when pledged, without further action of the ~~board~~ secretary, for the payment of the principal and interest on transportation infrastructure bonds as the bonds respectively mature. If the revenues so pledged prove insufficient to meet the payments of the interest on and principal of the transportation infrastructure bonds in the fiscal year, then the State Treasurer shall set aside from the general tax revenues received in the fiscal year so much of the general tax revenues as are needed for the purpose and shall apply these revenues to the punctual payment of the interest on and principal of transportation infrastructure bonds due or to become due in the fiscal year.”

O. Section 11‑43‑560 of the 1976 Code is amended to read:

“Section 11‑43‑560. The ~~board~~ secretary is authorized to request the state board to issue transportation infrastructure bonds. In order to effect the issuance of bonds pursuant to this article, the state board may adopt a resolution providing for the issuance of transportation infrastructure bonds, upon written request by the ~~board~~ secretary, and may transmit a certified copy thereof to the Governor and to the State Treasurer, with the request that they issue and deliver transportation infrastructure bonds in accordance with the terms and conditions of such resolution. This resolution must set forth:

(1) the amount, denomination, and numbering of transportation infrastructure bonds to be issued;

(2) the date as of which the same shall be issued;

(3) the maturity schedule for the retirement of the transportation infrastructure bonds;

(4) the redemption provisions, if any, applicable to the bonds;

(5) the maximum rate or rates of interest the bonds shall bear;

(6) the purposes for which the bonds are to be issued;

(7) the occasion on which bids shall be received for the sale of the bonds;

(8) the form of advertisement of sale;

(9) the form of the bonds of the particular issue; and

(10) such other matters as may be considered necessary in order to effect the sale, issuance, and delivery thereof.”

P. Chapter 43, Title 11 of the 1976 Code is amended by adding:

“ARTICLE 7

Dissolution of the Transportation Infrastructure Bank

Section 11-43-700. The South Carolina Infrastructure Bank shall not accept applications for new projects after March 1, 2017. Applications for projects submitted prior to this date shall be considered pursuant to Section 11-43-180. The bank may service outstanding bonds issued for projects submitted before March 1, 2017 and may not service any new bonds after this date.

Section 11-43-710. Upon the dissolution of the South Carolina Infrastructure Bank, all funding streams dedicated to the payment of outstanding bonding indebtedness incurred by the bank shall be applied to the State Highway Fund pursuant to Section 57-11-20.

Section 11-43-720. The South Carolina Infrastructure Bank shall be dissolved when all outstanding bonds are satisfied. The Department of Transportation shall collect and disburse fees pursuant to Section 11-43-167 upon dissolution of the bank. Any remaining property, assets, or liabilities of the bank will be transferred to the Department of Transportation upon dissolution.”

Q. The Code Commissioner is directed to change or correct all references to the State Infrastructure Bank Board in the 1976 Code to reflect the elimination of the board and to change all references to the board to the Secretary of the Department of Transportation. References to the board in the 1976 Code or other provisions of law are considered to be and must be construed to mean appropriate references.

R. This SECTION takes effect on approval of the Governor. /

Renumber sections to conform.

Amend title to conform.

Senator CORBIN spoke on the amendment.

Senator GROOMS spoke on the amendment.

**ACTING PRESIDENT PRESIDES**

At 2:23 P.M., Senator CROMER assumed the Chair.

Senator GROOMS continued speaking on the amendment.

Debate was interrupted by adjournment.

**LOCAL APPOINTMENTS**

**Confirmations**

Having received a favorable report from the Senate, the following appointments were confirmed in open session:

Initial Appointment, Greenville County Magistrate, with the term to commence April 30, 2014, and to expire April 30, 2018

Latoya Tennell Barksdale, 809 Hampton Avenue, Greenville, SC 29609 *VICE* Horace Butler

Initial Appointment, Richland County Magistrate, with the term to commence April 30, 2015, and to expire April 30, 2019

Daniel M. Coble, 3901 Yale Avenue, Columbia, SC 29205 *VICE* Kirby D. Shealy, Jr.

**Motion Adopted**

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

**MOTION ADOPTED**

On motion of Senator NICHOLSON, with unanimous consent, the Senate stood adjourned out of respect to the memory of Mr. Williams H. “Dick” Harter, Jr. of Ninety Six, S.C. Dick was a commissioner for Ninety Six CPW since 1962 and a Mason and charter member of Eureka Lodge. He retired from Maxwell Brothers Furniture and was the owner of North Cambridge Grocery. Dick was a faithful member of Cambridge United Methodist Church. Dick was a loving father and devoted grandfather who will be dearly missed.

**ADJOURNMENT**

At 3:06 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.

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