

**TRANSPORTATION & REGULATORY SUBCOMMITTEE
RECOMMENDATIONS FOR FY 2025-26
TO THE PROVISO SUBCOMMITTEE**

SECTION 71 - L460 - COMMISSION FOR MINORITY AFFAIRS

71.cfs **ADD** (CMA: Carry Forward of Small and Minority Business Contracting and Certification Budget) **SUBCOMMITTEE RECOMMENDATION:** ADD new proviso to allow the commission to carry forward unexpended funds and expend the funds on the transfer of the Division of Small and Minority Business Contracting. Requested by the Commission for Minority Affairs.

71.cfs. (CMA: Carry Forward of Small and Minority Business Contracting and Certification Budget) The Commission for Minority Affairs may carry forward any unexpended general fund balance or other funds from the prior fiscal year and expend those funds in the current fiscal year for expenditures related to the transfer of the Division of Small and Minority Business Contracting and Certification to it from the Department of Administration.

SECTION 72 - R040 - PUBLIC SERVICE COMMISSION

72.ace **ADD** (PSC: Avoided Cost Experts) **SUBCOMMITTEE RECOMMENDATION:** ADD new proviso to authorize the commission to repurpose funds authorized in the General Appropriations Act of 2023 for expenses incurred for third-party consultants and experts. Requested by the Public Service Commission.

72.ace. (PSC: Avoided Cost Experts) The Public Service Commission is authorized to use and expend funds appropriated in Act 84 of 2023, Proviso 118.19(52) for the South Carolina Integration Study, for expenses incurred for third-party avoided cost consultants and experts employed through contract or otherwise and retained pursuant to Section 58-41-20(I). The appropriation is redirected for the Public Service Commission to utilize these funds to pay for the third-party avoided cost consultants and experts employed through contract or otherwise.

SECTION 78 - R200 - DEPARTMENT OF INSURANCE

78.4 **DELETE** (INS: Coastal Insurance Markets) Directs the department to conduct a study on the coastal property insurance market. Provides for the composition and provisions of the study. Directs the study to be submitted to SFC, the Senate Banking and Insurance Committee, WMC, and the House Labor, Commerce and Industry Committee, and the Governor by October 1. Directs the department to immediately initiate efforts to recruit additional insurance providers in the market.
SUBCOMMITTEE RECOMMENDATION: DELETE proviso. Requested by the Department of Insurance.

~~**78.4.** (INS: Coastal Insurance Markets) From the funds appropriated in this act, the Department of Insurance shall conduct a study on the status and market conditions of the South Carolina coastal property insurance market. The study shall include the number of property insurance companies participating in the coastal insurance market, coastal insurance premium pricing, coastal insurance market outlook for the future, possible strategies to stabilize our State's coastal insurance market, efforts the department may utilize to recruit additional insurance providers, and any other information deemed pertinent to the issue including suggested statutory changes. The study shall be submitted to the Senate Finance Committee, the Senate Banking and Insurance Committee, the House Ways and Means Committee, the House Labor, Commerce and Industry Committee, and the Governor by October 1, 2024. The department is further directed to~~

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~~immediately initiate statutorily allowed efforts to recruit additional insurance providers in the coastal property insurance market.~~

78.5 DELETE (INS: Review and Study Committee) Creates a review and study committee to conduct a thorough review of the State's civil justice and insurance laws and address coverage availability, premium rates, and deductibles. Provides for the composition of the committee. Directs the committee to submit a report to the General Assembly and the Governor by January 31, 2025.

SUBCOMMITTEE RECOMMENDATION: DELETE proviso. Requested by the Department of Insurance.

~~**78.5.** (INS: Review and Study Committee) (A) There is created a review and study committee to be comprised of nine members:~~

~~(1) one Senator appointed by the President of the Senate, one Senator appointed by the Chairman of the Senate Banking and Insurance Committee, and one Senator appointed by the Chairman of the Senate Judiciary Committee;~~

~~(2) three members of the House of Representatives appointed by the Speaker of the House of Representatives; and~~

~~(3) three members of the public at large appointed by the Governor.~~

~~(B) Of the members appointed by the Governor, one member must have substantial academic or professional experience in the insurance industry, one member must be a practicing attorney with extensive experience representing plaintiffs in insurance related litigation, and one member must be a practicing attorney with extensive insurance defense experience. The members of the committee must meet as soon as practicable after appointment and organize by electing one of the committee's members as chairman and other officers as the committee may consider necessary. Thereafter, the committee must meet as necessary to fulfill the duties required by this proviso at the call of the chairman or by a majority of the members. A quorum consists of five members who shall serve without compensation, and are ineligible for the usual mileage, subsistence, and per diem allowed by law for members of state boards, committees, and commissions. Staffs of the Senate Judiciary Committee, Senate Banking and Insurance Committee, the House of Representatives Judiciary Committee, and the House of Representatives Labor, Commerce and Industry Committee shall be available to assist the committee in its work. Any other expenses incurred by the committee shall be paid equally from each respective house's approved account subject to the approval of the Senate Operations and Management Committee and the Speaker of the House, and unless authorized by a further or subsequent enactment, shall conclude the committee's business by January 31, 2025, at which time the committee is dissolved. The General Assembly may extend the dates by which the committee shall submit reports required by this proviso.~~

~~(C) The committee shall conduct a thorough review of this State's civil justice and insurance laws from the standpoint of adequacy, equity, and efficiency with the goal of continuing to maintain and enhance South Carolina as an optimum competitor in its effort to both retain and attract new individuals and business to relocate, live, work, and invest in South Carolina. The committee shall address coverage availability, premium rates, and deductibles in the following five categories: (1) property and casualty for single family dwellings, multi family units, and condominium complexes and commercial buildings; (2) automobiles and trucks; (3) commercial general liability; (4) business; and (5) restaurant /tavern/bar liability liquor liability. The committee shall review how other states' civil justice and insurance laws compare with South Carolina's laws regarding coverage availability, premium rates, and deductibles. No later than January 31, 2025, the committee shall submit a report on its findings and recommendations to~~

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~~the full General Assembly and the Governor and make the report available to the public on the General Assembly's website.~~

SECTION 81 - R360 - DEPARTMENT OF LABOR, LICENSING AND REGULATION

81.14 **AMEND** (LLR: Compensatory Payment) Allows exempt Office of State Fire Marshal employees, at the agency director's discretion and if funds are available, to be paid for actual hours worked in lieu of accruing comp time during a Governor declared State of Emergency or in a situation that requires the use of mutual assistance under Section 25-1-450, relating to duties of state, county, and municipal governments for mutual assistance in emergencies.

SUBCOMMITTEE RECOMMENDATION: AMEND proviso to add the Fire Academy to the eligible employees for being paid in actual hours worked. Requested by the Department of Labor, Licensing and Regulation.

81.14. (LLR: Compensatory Payment) In the event a State of Emergency is declared by the Governor or in the event of a situation requiring the use of mutual assistance under Section 25-1-450 of the 1976 Code, exempt employees of the Department of Labor, Licensing and Regulation's Office of State Fire Marshal *and Fire Academy* may be paid for actual hours worked, in lieu of accruing compensatory time, at the discretion of the agency director, and providing funds are available.

SECTION 82 - R400 - DEPARTMENT OF MOTOR VEHICLES

82.2 **AMEND** (DMV: Cost Recovery Fee/Sale of Photos or Digitized Images) Authorizes DMV to collect and retain fees, not to exceed rates charged as of February 1, 2001, to recover the costs of producing, purchasing, handling and mailing information and/or documents . Allows the department to collect and retain fees to defray costs associated with fulfilling FOIA requests. Prohibits the sale of photographs taken for driver's licenses or personal identification cards. Directs that revenue generated by fees, with an exception to FOIA requests, be placed into the State Highway Fund.

SUBCOMMITTEE RECOMMENDATION: AMEND proviso to eliminate the restriction that limits fees charged for the products at the department to be tied to the rate charged as of February 1, 2001, and to allow the department to retain the balance of the revenue collected from any increase to fees above the rate charged on February 1, 2001. Department of Motor Vehicles.

82.2. (DMV: Cost Recovery Fee/Sale of Photos or Digitized Images) The Department of Motor Vehicles may collect processing fees and fees to recover the costs of the production, purchase, handling and mailing of documents, publications, records and data sets. The department may collect and retain fees to defray the cost associated with fulfilling a Freedom of Information Act (FOIA) request. ~~The amount charged by the Department of Motor Vehicles for any fees collected pursuant to this proviso may not exceed the rates that the department charged as of February 1, 2001.~~ The Department of Motor Vehicles may not sell, provide or otherwise furnish to private parties, copies of photographs, whether digitized or not, taken for the purpose of a driver's license or personal identification card. Photographs and digitized images from a driver's license or personal identification card are not considered public records. With the exception of the cost associated with fulfilling a FOIA request, revenue generated by ~~the fees imposed by this provision~~ *each fee collected up to the fee amounts charged pursuant to this provision on February 1, 2001,* must be placed into the State Highway Fund as established by Section 57-11-20 of the 1976 Code and be distributed as provided in Section 11-43-167. *The*

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balance of the revenue from each fee collected must be retained by the Department of Motor Vehicles.

SECTION 83 - R600 - DEPARTMENT OF EMPLOYMENT AND WORKFORCE

83.5 **AMEND** (DEW: REED Act Spending Authority) Authorizes DEW to spend up to \$2,375,072 of funds made available to the State under Section 903 of the U.S. Social Security Act. Directs the funds be used to for UI, WIOA, and Employment Services Programs. Prohibits the funds from being obligated after a 2-year period beginning July 1, 2024.

SUBCOMMITTEE RECOMMENDATION: AMEND proviso to update calendar year reference. Requested by the Department of Employment and Workforce.

83.5. (DEW: REED Act Spending Authority) The Department of Employment and Workforce is authorized to expend up to \$2,375,072 of funds made available to the State under Section 903 of the United States Social Security Act, as amended. The funds must be used under the direction of the Department of Employment and Workforce, for the purpose of funding Unemployment Insurance, Workforce Innovation and Opportunity Act, and Employment Services Programs. No part of the funds herein authorized may be obligated after a two-year period beginning on July 1, ~~2024~~ 2025. The amount obligated pursuant to this provision shall not at any time exceed the amount by which (a) the aggregate of amounts transferred to the accounts of the State pursuant to Section 903 of the Social Security Act exceeds (b) the aggregate of the amounts obligated for administration and paid out for administration and paid out for benefits and as required by law to be charged against the amounts transferred to the account of this State.

83.she **CONFORM TO FUNDING / ADD** (DEW: Systemic Study of Higher Education) **SUBCOMMITTEE RECOMMENDATION:** CONFORM TO FUNDING / ADD new proviso to direct DEW to use appropriated funds to contract state and national experts for a study assessing whether South Carolina’s public higher education system and degree programs align with the state’s current and future workforce needs. The study will analyze enrollment trends, campus space utilization, graduation rates, workforce alignment, system efficiency, and barriers to degree attainment, including cost comparisons with regional states. Directs public institutions of higher education, the Commission on Higher Education, and the Technical College System to collaborate by providing data. Directs that DEW’s procurement of experts is exempt from standard state purchasing procedures, though competition should be maximized. Directs that a final report is due by June 30, 2026 to the Governor, Speaker of the House of Representatives, Chairman of the House Ways and Means Committee, President of the Senate, and Chairman of the Senate Finance Committee, with a possible six-month extension upon approval.

83.she. (DEW: Systemic Study of Higher Education) (A) With the funds appropriated to the Department of Employment and Workforce (DEW), DEW will contract with state and national experts, consultants, and advisors for a study that will determine if South Carolina’s public higher education system and the postsecondary degree programs provided are meeting the current and future workforce needs of the State. The study shall address, but not be limited to, the following topics and analysis: (1) analysis of the impact of the declining birth rate on the current and future enrollment trends in public higher education from state and regional perspectives; (2) assessment of the utilization of existing physical space/buildings on existing campuses and projections of additional capital projects needed given enrollment trends and utilization of virtual technologies; (3) analysis of the graduation rates and credentials and

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diplomas earned in public higher education institutions compared to the workforce needs of the State; (4) recommendations to improve the efficiency and effectiveness of our public higher education system; and (5) identification of barriers that prevent citizens from earning a postsecondary degree or credential, which must include an analysis of the cost of a postsecondary degree or credential compared to other states in our region. The thirty-three public institutions of higher education, the Commission on Higher Education, and the South Carolina Technical College System will collaborate with and provide data as requested by DEW.

(B) Procurements by DEW of any experts, consultants, and advisors including, but not limited to, accountants and attorneys, are exempt from the purchasing procedures of the South Carolina Consolidated Procurement Code in Chapter 35, Title 11, and any other provisions of the general law of this State in conflict with these directives. Procurements made by DEW pursuant to this provision shall be made with as much competition as is practicable under the circumstances. DEW shall submit the final report to the Governor, Speaker of the House of Representatives, Chairman of the House Ways and Means Committee, President of the Senate, and Chairman of the Senate Finance Committee by June 30, 2026. In the event that DEW needs an extension of up to six months, the extension can be granted upon the approval of the Governor, the President of the Senate, and the Speaker of the House.

SECTION 84 - U120 - DEPARTMENT OF TRANSPORTATION

84.11 DELETE (DOT: Preventative Maintenance Credit) Authorizes DOT to transfer a portion of the motor fuel user fee held in the Infrastructure Maintenance Trust Fund to DOR to satisfy the preventative maintenance credits. Fiscal Impact: RFAO states this provision would have no additional impact on the General Fund, Other Funds, or Federal Funds expenditures or revenue. **SUBCOMMITTEE RECOMMENDATION:** DELETE proviso. Requested by the Department of Transportation.

~~**84.11.** (DOT: Preventative Maintenance Credit) The Department of Transportation is authorized to transfer a portion of proceeds of the motor fuel user fee received from Section 12-28-310(D) to the Department of Revenue in order to satisfy the requirements of the preventive maintenance credit in Section 12-6-3780(B)(2).~~

SECTION 117 - X900 - GENERAL PROVISIONS

117.111 AMEND (GP: Retail Facilities Revitalization Act Repeal Suspension) Suspends the repeal of Chapter 34 of Title 6, relating to the Retail Facilities Act, as specified in Act 285 of 2006 for sites that provided DOR written notification of election of mode of credit before 7/1/16 and for which a building permit was issued prior to 7/1/16. **SUBCOMMITTEE RECOMMENDATION:** AMEND proviso to update fiscal year reference.

~~**117.111.** (GP: Retail Facilities Revitalization Act Repeal Suspension) The repeal of Chapter 34, Title 6 of the 1976 Code as specified in Act 285 of 2006 as to sites for which written notification of election of mode of credit has been provided to the Department of Revenue prior to July 1, 2016 and for which a building permit has been issued prior to July 1, 2016, is suspended for Fiscal Year ~~2024-25~~ 2025-26.~~

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117.146 AMEND (GP: Electricity Market Reform) Directs that the Electricity Market Reform Measures Study Committee issue a report on its findings no later than January 31, 2025. Directs that the committee may continue to meet past that date and issue additional reports.

SUBCOMMITTEE RECOMMENDATION: AMEND proviso to update calendar year references.

117.146. (GP: Electricity Market Reform) The Electricity Market Reform Measures Study Committee shall issue a report on its work to the General Assembly no later than January 31, 2025-2026; however, nothing in this provision prohibits the committee from continuing to meet past January 31, 2025-2026 and issue additional reports pursuant to Act 187 of 2020.