

**TRANSPORTATION & REGULATORY SUBCOMMITTEE
RECOMMENDATIONS FOR FY 2023-24
TO THE PROVISO SUBCOMMITTEE**

SECTION 71 - L460 - COMMISSION FOR MINORITY AFFAIRS

71.smb ADD (CMA: Division of Small and Minority Business Contracting and Certification) **SUBCOMMITTEE RECOMMENDATION:** ADD new proviso to transfer the Division of Small and Minority Business Contracting and Certification and their authorized appropriations, employees, assets, and liabilities from the Department of Administration to the Commission for Minority Affairs. Requires the Division to continue to perform its codified duties and responsibilities. Provides for the requirements of the personnel transfer. Authorizes contracts entered by or on behalf of the Division to be continued.

71.smb. (CMA: Division of Small and Minority Business Contracting and Certification) For the current fiscal year, the Division of Small and Minority Business Contracting and Certification (the Division) and the funds appropriated to the Division pursuant to Part IA of this Act are transferred to the Commission for Minority Affairs. The Division shall continue to perform its duties and responsibilities required in Article 21, Chapter 35, Title 11 including, but not limited to, assisting the Department of Revenue in providing income tax credits for firms with state contracts that subcontract with minority firms pursuant to Section 11-35-5230(B). In addition to the authorized appropriations for the Division, the employees and the assets and liabilities of the Division are also transferred to and become part of the Commission for Minority Affairs for the current fiscal year. All classified or unclassified personnel transferred by this provision are to become employees of the Commission for Minority Affairs with the same compensation, classification, and grade level, as applicable, for the duration that this provision remains in effect. Applicable regulations promulgated by or related to the Division are continued and are considered to be promulgated by the Commission for Minority Affairs. Applicable contracts entered into by or on behalf of the Division are continued and are considered to be devolved upon the Commission for Minority Affairs at the time of the transfer.

SECTION 72 - R040 - PUBLIC SERVICE COMMISSION

72.scb ADD (PSC: Santee Cooper Billing) **SUBCOMMITTEE RECOMMENDATION:** ADD new proviso to allow the Public Service Commission to bill Santee Cooper for costs associated with the oversight performed pursuant to Act 90 of 2021 and any other relevant legislation, statute, or proviso. Allows Santee Cooper to reduce their remittance of revenues to the State in the second semi-annual remittance. Requested by the Public Service Commission.

72.scb. (PSC: Santee Cooper Billing) The Public Service Commission is authorized, subject to the Public Utilities Review Committee's approval of the commission's annual budget, to bill Santee Cooper for costs associated with its oversight of Santee Cooper performed pursuant to Act 90 of 2021 and any other relevant legislation, statute, or provision; provided such costs do not exceed the amounts authorized for the oversight of Santee Cooper in this act. Santee Cooper may reduce their remittance of revenues to the State by the amount paid to the commission for oversight costs under this provision. This reduction shall be made in Santee Cooper's second semi-annual remittance to the State.

SECTION 75 - R120 - STATE ACCIDENT FUND

75.alf ADD (SAF: Adjuster License Fees) **SUBCOMMITTEE RECOMMENDATION:** ADD new proviso to allow the State Accident Fund to utilize appropriated funds for adjuster license fee

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dues owed by the Department of Insurance for any adjusters employed as adjusters with the State Accident Fund.

75.alf. (SAF: Adjuster License Fees) The State Accident Fund is authorized to use other appropriated funds to pay the costs of adjuster license fee dues owed to the Department of Insurance for any licensed adjusters employed as working adjusters with the State Accident Fund, where such license is an agency requirement for their position

SECTION 78 – R20 DEPARTMENT OF INSURANCE

78.4 DELETE (INS: Special Study on Fraudulent Claim Status) Directs the department to conduct a study on possible violations pursuant to Title 38 [INSURANCE]. Provides the guidelines of the study and requires the department to report their results to the General Assembly and the Governor’s Office by December 1, 2022.

SUBCOMMITTEE RECOMMENDATION: DELETE proviso.

~~78.4. (INS: Special Study on Fraudulent Claim Status) Of the funds appropriated and/or authorized to the Department of Insurance, the department shall conduct a study on possible violations pursuant to Title 38 of the 1976 Code. The study shall review instances in which insurers licensed to do business in South Carolina engage in improper claim practices, including, but not limited to, inappropriately or inaccurately classifying or presuming claims as fraudulent. The Department of Insurance shall report the results of their study to the General Assembly and the Governor’s Office by December 1, 2022.~~

SECTION 82 R400 DEPARTMENT OF MOTOR VEHICLES

82.7 AMEND (DMV: Real ID) Authorizes DMV to spend any available earmarked cash reserves to implement Real ID.

SUBCOMMITTEE RECOMMENDATION: AMEND proviso to update fiscal year reference.

~~82.7. (DMV: Real ID) For Fiscal Year 2022-23 2023-24, the Department of Motor Vehicles may expend any available earmarked cash reserves on the implementation of Real ID.~~

82.13 DELETE (DMV: Mobile Driver’s License Study Committee) Directs the DMV to lead a study committee to make recommendations on the implementation and acceptance of mobile identities. Provides guidelines and composition of the committee.

SUBCOMMITTEE RECOMMENDATION: DELETE proviso. Requested by the Department of Motor Vehicles.

~~82.13. (DMV: Mobile Driver’s License Study Committee) In the current fiscal year, the Department of Motor Vehicles shall lead a study committee with the purpose of making recommendations on the implementation and acceptance of mobile identities in South Carolina. The committee shall meet at least quarterly throughout the fiscal year, and the DMV shall author recommendations on adopting mobile identities by the end of the fiscal year. The recommendations shall be addressed to the Chairmen of Senate Finance, Senate Transportation, House Ways and Means, and House Education and Public Works. In addition to the Department of Motor Vehicles, the committee shall consist of at least one member from the following entities:~~

~~(1) the Department of Public Safety;~~

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- ~~(2) the Department of Revenue;~~
- ~~(3) the Department of Administration;~~
- ~~(4) the Department of Employment and Workforce;~~
- ~~(5) the State Election Commission;~~
- ~~(6) the South Carolina Retail Association;~~
- ~~(7) the South Carolina Bankers Association;~~
- ~~(8) the South Carolina Sheriffs' Association;~~
- ~~(9) the South Carolina Police Chiefs Association;~~
- ~~(10) the South Carolina Medical Association;~~
- ~~(11) the South Carolina Pharmacy Association; and~~
- ~~(12) the South Carolina Appleseed Legal Justice Center or a similar organization that represents indigent persons.~~

~~The Department of Motor Vehicles, in its discretion, and other committee members may recommend additional participants that support the mission of the committee, to include a staff member from the Senate Transportation and House Education and Public Works Committees.~~

~~Entities listed above must submit the name and contact information of their committee member to the DMV no later than August 1, 2022.~~

82.sam **ADD** (DMV: Special Account for System Modernization) **SUBCOMMITTEE RECOMMENDATION:** ADD new proviso to authorize the department to expend funds from a special funded program created for the sole purpose of IT system modernization. Allows those funds to be carried forward and requires the expenditure to be in accordance with the process established by proviso 117.109 in Act 239 of 2022. Requested by the Department of Motor Vehicles.

82.sam. (DMV: Special Account for System Modernization) In the current fiscal year, the Department of Motor Vehicles may expend funds from a special funded program created for the sole purpose of IT system modernization. The Department of Motor Vehicles shall be authorized to carry forward any unexpended funds appropriated for the IT System Modernization and expend for the same purpose in accordance with the process established by proviso 117.109 in Act 239 of 2022.

82.cwf **ADD** (DMV: Authorized to Charge a Witness Fee) **SUBCOMMITTEE RECOMMENDATION:** ADD new proviso to authorize the department to charge a witness fee for each employee testifying in matters which do not involve the department as a party and provides for the amounts. Directs that the fee shall be charged in addition to any court prescribed payment. Allows the department to receive, expend, retain, and carry forward these funds. Requested by the Department of Motor Vehicles.

82.cwf. (DMV: Authorized to Charge a Witness Fee) In the current fiscal year, the Department of Motor Vehicles is authorized to charge a witness fee of \$100 an hour, up to \$1,000 a day, for each employee testifying in matters which do not involve the department as a party. This fee shall be charged in addition to any court prescribed payment due as compensation or reimbursement for judicial appearances and depositing into a designated revenue account. The department is authorized to receive, expend, retain, and carry forward these funds.

82.epa **ADD** (DMV: Emergency Powers of the SCDMV) **SUBCOMMITTEE RECOMMENDATION:** ADD new proviso to authorize the department to issue waivers for expiration dates, fees, and penalties if citizens' items expire during the State of Emergency. Allows the department to provide meals to employees working in support of the State of

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Emergency and to implement any waivers issued by certain federal entities and programs. Requested by the Department of Motor Vehicles.

82.epa. (DMV: Emergency Powers of the SCDMV) In the current fiscal year, in the event of a State of Emergency declared by the Governor or during extenuating circumstances outside of the Department of Motor Vehicle's control, the agency may:

(1) temporarily extend expiration dates for any products issued by the department; provided that extensions are only granted for citizens with items due for expiration during the State of Emergency;

(2) temporarily waive delinquent fees and penalties of any type; provided that waivers are only granted for citizens with items that fall under the provisions of item (1);

(3) provide meals to employees who are working in support of the State of Emergency; or

(4) implement any waivers issued by the Federal Motor Carrier Safety Administration, International Fuel Tax Agreement, International Registration Plan, or other federal entities and programs issued during the State of Emergency as deemed necessary by the Executive Director or his or her designee.

SECTION 83 - R600 - DEPARTMENT OF EMPLOYMENT AND WORKFORCE

83.5 **AMEND** (DEW: UI Tax System Modernization) Authorizes DEW to spend up to \$2,230,756 of funds made available to the State under Section 903 of the U.S. Social Security Act. Directs the funds be used to replace the agency's unemployment tax information system with a modern technology solution. Prohibits the funds from being obligated after a 2-year period beginning July 1, 2022.

SUBCOMMITTEE RECOMMENDATION: AMEND proviso to change the title to "REED Act Spending Authority." Amend funds available to expend to "\$2,375,072." Deletes that the funds must be used to replace the unemployment tax information system, and add that the funds must be used for UI, WIOA, and Employment Services Programs. Updates calendar year reference. Requested by the Department of Employment and Workforce.

83.5. (DEW: ~~UI Tax System Modernization~~ REED Act Spending Authority) The Department of Employment and Workforce is authorized to expend up to ~~\$2,230,756~~ \$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 ~~acquiring software, equipment, and necessary services to replace the agency's unemployment tax information system with a modern technology solution~~ funding of UI, WIOA, and Employment Services Programs. No part of the funds herein authorized may be obligated after a two-year period beginning on July 1, ~~2022~~ 2023. 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~~ are required by law to be charged against the amounts transferred to the account of this State.

83.7 **AMEND** (DEW: GED Incentive Program) Directs that unexpended funds for the GED Incentive Program may be carried forward and expended for the same purposes in the current fiscal year. Directs that \$1,500,000 of funds allocated to the department from the Department of Education GED Incentive Program be used as an incentive for individuals drawing unemployment benefits

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to obtain their GED or high school diploma. Provides eligibility requirements for individuals and the manner in which the department shall issue incentive payments.

SUBCOMMITTEE RECOMMENDATION: AMEND proviso to delete requirement that carry forward funds shall be utilized as an incentive for only individuals currently drawing unemployment benefits and adds an incentive if the individuals successfully complete a short-term occupational training. Deletes the eligibility requirement that the individual must have an active claim from state or federal unemployment insurance. Updates calendar year reference and adds the State Technical College System to the data sharing agreement. Adds an additional one-time \$500 payment to individuals upon confirmation from the State Technical College System for successfully completing occupational training. Requested by the Department of Employment and Workforce.

83.7. (DEW: GED Incentive Program) Unexpended funds for the GED Incentive Program at the Department of Employment and Workforce may be carried forward and expended for the same purposes in the current fiscal year. \$1,500,000 shall be utilized as an incentive for individuals ~~currently drawing unemployment benefits~~ to obtain their GED or high school diploma with an additional incentive if they successfully complete a short-term occupational training provided by a South Carolina technical college. In order to be eligible, the individual must ~~have an active claim from any of the state or federal unemployment insurance programs~~ and be a South Carolina resident who is at least nineteen years of age. The individual must certify to the department that they do not currently hold a GED or high school diploma from any state. They must also enroll in and complete the GED or high school diploma, and, if applicable, short-term occupational training, course work prior to June 1, ~~2023~~ 2024. The Department of Employment and Workforce shall enter into a data-sharing agreement with the Department of Education and the State Technical College System to cross match eligibility to ensure that participants do not currently hold a GED or high school diploma and to confirm that the individual enrolled in and completed the diploma process to obtain the GED or high school diploma along with enrollment in and completion of a short-term occupational training. The Department of Employment and Workforce shall issue a one-time payment in the amount of \$500 to the individual upon confirmation from the Department of Education that the individual has successfully received the GED or diploma and an additional \$500 to the individual upon confirmation from the State Technical College System that the individual also successfully completed qualifying occupational training. These incentive payments shall be issued on a first come first served basis based on completion date, until the funds from this program have been exhausted. Funds allocated for this incentive program shall not be transferred or utilized for any other purpose.

SECTION 84 - U120 - DEPARTMENT OF TRANSPORTATION

84.10 DELETE (DOT: General Fund Balance Carry Forward) Authorizes DOT to carry forward unexpended general funds and expend those funds in the current fiscal year.

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

84.10. (DOT: General Fund Balance Carry Forward) ~~The Department of Transportation may carry forward any unexpended general fund balance from the prior fiscal year and expend those funds in the current fiscal year.~~

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SECTION 117 - X900 - GENERAL PROVISIONS

117.95 AMEND (GP: Prohibit Use of State Aircraft for Athletic Recruitment) Authorizes institutions of higher learning to utilize the state aircraft for the purpose of athletic recruiting provided that they reimburse the Division of Aeronautics for all flight hours at an at cost basis using non general funds.

SUBCOMMITTEE RECOMMENDATION: AMEND proviso to change “economic development” to “official state business” for the purposes of aircraft availability. Adds SLED, the Governor’s Office, the House of Representatives, and the Senate to have first right of refusal for scheduling conflicts with athletic recruiting flights.

117.95. (GP: Prohibit Use of State Aircraft for Athletic Recruitment) Institutions of higher learning may use the state aircraft operated by the Division of Aeronautics for the purpose of athletic recruiting, provided that they reimburse the Division of Aeronautics for all flight hours on an at cost basis, using non-general funds. To ensure availability of the aircraft for purposes of ~~economic development~~ *official state business, the State Law Enforcement Division, the Department of Commerce, the Office of the Governor, the House of Representatives, and the Senate* shall have first right of refusal in the event of scheduling conflicts with athletic recruiting flights.

117.113 AMEND (GP: Retail Facilities Revitalization Act Repeal Suspension) Suspends the repeal of Chapter 34 of Title 6, relating to retail facilities revitalization 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.

117.113. (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 ~~2022-23~~ 2023-24.

117.160 DELETE (GP: Human Affairs Commission and Commission for Minority Affairs Merger Study) Directs the Human Affairs Commission and Commission for Minority Affairs to work with DOA, EBO, and the Division of State Human Resources to study the merging of the two agencies. Directs the two agencies to develop a merger plan, lists the required plan information, and directs that the plan be submitted to the Chairmen of the Senate Finance and House Ways and Means Committees and the Governor by December 1, 2022.

SUBCOMMITTEE RECOMMENDATION: DELETE proviso.

117.160. (GP: Human Affairs Commission and Commission for Minority Affairs Merger Study) ~~The Human Affairs Commission and Commission for Minority Affairs shall each work with the Department of Administration, Executive Budget Office, and Division of State Human Resources to study the feasibility of a merger of the two agencies. The Human Affairs Commission and Commission for Minority Affairs shall develop a plan that includes, but is not limited to, proposed organizational structure, proposed program structure, and proposed budgetary and human resources changes to perform the functions of the two existing agencies in the event of a merger of the two agencies. The plan shall be submitted to the Chairman of the~~

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~~Senate Finance Committee, the Chairman of the House Ways and Means Committee, and the Governor by December 1, 2022.~~

SECTION 118 - X910 - STATEWIDE REVENUE

118.16 AMEND (SR: State Ports Authority Projects) Directs that funds authorized by proviso 118.18 (Nonrecurring Revenue) for the intermodal container transfer facility and waterborne cargo infrastructure be deposited into a separate and distinct account and direct that the funds only be used for costs directly related to the projects. Prohibits the funds from being used for salaries, bonuses, or normal administrative costs. Requires the authority to submit quarterly progress reports to JBRC, President of the Senate, Speaker of the House of Representatives and Chairmen of the Senate Finance and House Ways and Means Committees. Requires JBRC to review and comment on expenditures and provide other requirements and reports necessary for the operation of the project. Requires federal funds to be used first for the project if available. Direct that remaining state funds be transferred to a restricted account at DOA.

SUBCOMMITTEE RECOMMENDATION: AMEND proviso to update proviso reference.

118.16. (SR: State Ports Authority Projects) Any funds appropriated or authorized for the State Ports Authority by Proviso ~~418.17~~ 118.19 (Nonrecurring Revenue) for the intermodal container transfer facility and waterborne cargo infrastructure must be deposited into a separate and distinct account and shall only be used for costs directly related to those two projects. Funds shall not be used for salaries, bonuses, or any kind of normal administrative costs. Funds shall not be used for personnel expenses not directly related to the implementation of the two projects. In addition, the State Ports Authority shall provide quarterly progress reports on the implementation of each facility to the Joint Bond Review Committee, the President of the Senate, the Speaker of the House of Representatives, the Chairman of the Senate Finance Committee, and the Chairman of the House Ways and Means Committee. These quarterly reports shall include, but are not limited to, financial results, operating plans, budgets, capital plans, and performance objectives and results for the projects. The Joint Bond Review Committee must review and provide comment on expenditures, and may prescribe the reporting format and such other informational requirements and reports as it deems useful and necessary, to ensure the financial integrity, accountability, and stewardship of the funds and the ongoing operations of the project. To the extent permitted by federal law, if federal funds become available to the State that can be used for the Intermodal Container Transfer Facility or for Waterborne Cargo Infrastructure, those federal funds must first be used to complete the project. Any remaining state funds appropriated for these projects shall be transferred to a restricted account at the Department of Administration.