

Economic Development, Transportation, and Natural Resources Subcommittee Meeting

Thursday, August 5, 2021

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AGENDA

South Carolina
House of Representatives



Legislative Oversight Committee

*ECONOMIC DEVELOPMENT, TRANSPORTATION,
AND NATURAL RESOURCES SUBCOMMITTEE*

The Honorable William M. "Bill" Hixon, Chair

The Honorable Adam M. Morgan

The Honorable Russell L. Ott

The Honorable Marvin R. Pendarvis

Thursday, August 5, 2021

10:00 a.m.

321 - Blatt Building

*Pursuant to Committee Rule 6.8, S.C. ETV shall be allowed access for internet streaming whenever
technologically feasible.*

AMENDED AGENDA

- I. Approval of Minutes**
- II. Discussion of the study of the Department of Commerce**
- III. Adjournment**

MEETING MINUTES

Chair Wm. Weston J. Newton

*First Vice-Chair:
Joseph H. Jefferson, Jr.*

Legislative Oversight Committee

*Kambrell H. Garvin
Rosalyn D. Henderson-Myers
Jeffrey E. "Jeff" Johnson
John R. McCravy, III
Adam M. Morgan
Melissa Lackey Oremus
Marvin R. Pendarvis
Tommy M. Stringer
Chris Wooten*



South Carolina House of Representatives

*Gil Gatch
William M. "Bill" Hixon
Kimberly O. Johnson
Josiah Magnuson
Timothy A. "Tim" McGinnis
Travis A. Moore
Russell L. Ott
Michael F. Rivers, Sr.
John Taliaferro (Jay) West, IV*

*Jennifer L. Dobson
Research Director*

*Cathy A. Greer
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*Charles L. Appleby, IV
Legal Counsel*

*Lewis Carter
Research Analyst/Auditor*

*Riley E. McCullough
Research Analyst*

Economic Development, Transportation, and Natural Resources Subcommittee

Tuesday, June 29, 2021

10:00 a.m.

Blatt Room 110

Archived Video Available

- I. Pursuant to House Legislative Oversight Committee Rule 6.8, South Carolina ETV was allowed access for streaming the meeting. You may access an archived video of this meeting by visiting the South Carolina General Assembly's website (<http://www.scstatehouse.gov>) and clicking on *Committee Postings and Reports*, then under *House Standing Committees* click on *Legislative Oversight*. Then, click on *Video Archives* for a listing of archived videos for the Committee.

Attendance

- I. The Economic Development, Transportation, and Natural Resources Subcommittee meeting was called to order by Chair Bill Hixon on Tuesday, June 29, 2021, in Room 110 of the Blatt Building. Representative Russell L. Ott, Representative Marvin R. Pendarvis, and Representative Hixon were present for all or a portion of the meeting. Representative Adam M. Morgan was absent .

Minutes

- I. House Rule 4.5 requires standing committees to prepare and make available to the public the minutes of committee meetings, but the minutes do not have to be verbatim accounts of meetings. It is the practice of the Legislative Oversight Committee to provide minutes for its subcommittee meetings.
- II. Representative Pendarvis makes a motion to approve the meeting minutes from the prior Subcommittee meeting.

Rep. Pendarvis' motion to approve the minutes from the June 4, 2021 meeting:	Yea	Nay	Not Voting (Not present)
Rep. Hixon	✓		
Rep. Morgan			✓
Rep. Ott	✓		
Rep. Pendarvis	✓		

Discussion of the S.C. Department of Commerce

- I. Chair Hixon places the following agency representatives under oath:
 - a. Ashely Teasdel, Director of Business Services
 - b. Anita Patel, Deputy Director, International Strategy & Trade
 - c. Elisabeth Kovacs, Deputy Director-Workforce Development

Chair Hixon reminds all previously sworn in that they remain under oath.

- II. Representative Pendarvis asks agency personnel questions about the Viva Recycling plant. Agency representatives respond to the questions.
- III. Ms. Kovacs, Deputy Director-Workforce Development and Ms. Teasdel, Director of Business Services present information about deliverables in the agency's Service after the Sale presentation. Topics discussed include:
 - Workforce Development**
 - a. S.C. Workforce Ecosystem: (1) Advocacy, Engagement, Recruitment and Job Placement; (2) Education, Training and Labor Market Data
 - b. Overview of S.C. Commerce Workforce Initiatives: (1) Regional Workforce Advisors; (2) Talent Management Services; (3) Coordinating Council for Workforce Development
 - c. Regional Workforce Advisors overview
 - d. List of services provided by Regional Workforce Advisors
 - e. Example of Regional Workforce Advisor Engagement with Boeing
 - f. Regional Workforce Advisors Engagement numbers for 2017-18 through 2019-20: (1) # of educators receiving information, resources and services; (2) # of students receiving information, resources and services

- g. Talent Management Service objective and list of services
- h. Example of Talent Management Services with TD Bank
- i. Coordinating Council for Workforce Development: Mission, Advocacy, Data, and Initiatives
- j. ManuFirstSC public-private initiative explained
- k. Overview of paths within ManuFirstSC, # of citizens engaged, certificates issued, etc.

Emergency Management/COVID-19 Support

- l. Goal, approach, and key support areas
- m. Screenshot of Virtual Business Emergency Operations Center page from SCEMD website
- n. List of COVID-19 business support services provided from March 2020-March 2021

Business Impact

- o. Business Impact Survey overview (2020 survey was not issued due to COVID-19)
- p. Fall 2019 survey response rate (30%), time frame, industries that responded; Direct impact to your company as a result of Dept. of Commerce program resource connections results
- q. What do you see as the most important strategic opportunity/challenge for your company results
- r. Spring 2021 survey response rate (5%), time frame, industries that responded; Direct impact to your company as a result of Dept. of Commerce program resource connections results
- s. Direct impact to your business as a result of Dept. of Commerce COVID-19 business resource assistance and connections results
- t. What do you see as the most important strategic opportunity/challenge for your company results

Subcommittee members ask questions pertaining to the topics presented. Agency representatives respond to the questions.

- IV. Mr. Chris Huffman, Chief Financial Officer presents information about deliverables in the agency's Other Agency Duties presentation. Topics discussed include:
 - a. \$51 Million Intra-Agency loan with Palmetto Railways
 - b. Shared Resources

Subcommittee members ask questions pertaining to the topics presented. Agency representatives respond to the questions.

Conclusion

- I. There being no further business, the meeting is adjourned.

STUDY TIMELINE

The House Legislative Oversight Committee's (Committee) process for studying the Department of Commerce (agency) includes actions by the full Committee; Economic Development, Transportation, and Natural Resources Subcommittee (Subcommittee); the agency; and the public. Key dates and actions are listed below in Figure 1.

Legislative Oversight Committee Actions

- December 9, 2019 – Holds **Meeting #1** and prioritizes the agency for study
- January 15, 2020 - Provides the agency notice about the oversight process
- February 28 – April 1, 2020 - Solicits input about the agency in the form of an online public survey

Economic Development, Transportation, and Natural Resources Subcommittee

- March 4, 2021 - Holds **Meeting #2** to discuss the agency's vision; mission; director responsibilities; organizational structure; history; and information about finances and employees
- March 11, 2021 - Holds **Meeting #3** to discuss agency deliverables related to TEAMSC, LocateSC, Community Development Block Grant, Appalachian Regional Commission, Applied Research Grant Program, Rural Development, and Regional Economic Development organizations
- May 12, 2021 - Holds **Meeting #4** to discuss agency deliverables related to marketing the state and project management
- May 27, 2021 - Holds **Meeting #5** to continue discussing agency deliverables related to project management and discuss deliverables related to incentives
- June 4, 2021 - Holds **Meeting #6** to discuss agency deliverables related to service after the sale.
- June 29, 2021 - Holds **Meeting #7** to continue discussion of agency deliverables related to service after the sale and begin discussion of other agency duties.
- August 5, 2021 - Holds **Meeting #8 (TODAY)** to continue discussion of agency deliverables related to other agency duties and discuss law recommendations from the agency

Department of Commerce

- March 31, 2015 - Submits its **Annual Restructuring and Seven-Year Plan Report**
- January 12, 2016 - Submits its **2016 Annual Restructuring Report**
- September 2016 - Submits its **2015-16 Accountability Report**
- September 2017 - Submits its **2016-17 Accountability Report**
- September 2018 - Submits its **2017-18 Accountability Report**
- September 2019 - Submits its **2018-19 Accountability Report**
- March 13, 2020 - Submits its **Program Evaluation Report**
- September 2020 - Submits its **2019-20 Accountability Report**
- December, 2019 - Present - Responds to Subcommittee's inquiries

Public's Actions

- February 28 – April 1, 2020 - Provides input about the agency via an **online public survey**
- Ongoing - Submits written comments on the Committee's webpage on the General Assembly's website (www.scstatehouse.gov)

Figure 1. Key dates in the study process.

AGENCY SNAPSHOT

Department of Commerce

Agency Mission

Working together to create opportunities by promoting job creation, economic growth and improved living standards for all South Carolinians.

History

The Department of Research, Planning and Development, created in 1945, changed to the State Development Board in 1954, and, during reorganization of state government in 1993, was replaced by the Department of Commerce, which also assumed duties of other entities including the Coordinating Council for Economic Development.

Organizational Units

Administration
 Global Business Development
 International Strategy and Trade
 Small Business and Existing Industry
 Community and Rural Development
 Marketing and Communications
 Research
 Grants
 Workforce
 Innovation
 Palmetto Railways
 Military Base Task Force

Resources (FY 19-20)

Employees

98
 filled FTE positions
 at the end of the year

Funding

\$256,919,111
 Cash and available funds

Successes

Identified by the agency

Jan. 2011-2020

- 151,800+ new jobs recruited
- \$41.3 billion+ capital investment
- 1,429 projects (i.e., new or expanding company, recruited and managed by agency to facilitate the creation of new jobs and taxable investment in South Carolina)

Challenges

Identified by the agency

Current:

- COVID-19
- Succession planning
- Economic development in rural South Carolina
- Infrastructure

Emerging:

- Diversification of economy
- Trade environment
- Adaptability to a changing economy

Figure 2. Snapshot of the agency's major organizational units, fiscal year 2019-20 resources (employees and funding), successes, and challenges.¹

AGENCY PRESENTATION – COORDINATING COUNCIL
ON ECONOMIC DEVELOPMENT

Coordinating Council for Economic Development: Membership

The Coordinating Council for Economic Development (CCED) consists of the heads or board chairs of 11 state agencies concerned with economic development.

- ✓ SC Department of Commerce
- ✓ SC Ports Authority
- ✓ SC Department of Parks, Recreation & Tourism
- ✓ SC Department of Agriculture
- ✓ SC Technical College System
- ✓ SC Research Authority
- ✓ SC Department of Employment and Workforce
- ✓ SC Department of Revenue
- ✓ Jobs Economic Development Authority
- ✓ SC Department of Transportation
- ✓ Santee Cooper



Coordinating Council for Economic Development: Experience & Professional Staff*

CCED Board Members

- 5 with 10+ years
- 1 with 20 years mfg. experience
- 1 with 20 years Port experience
- 1 with 20 years investment industry experience
- 1 with 30 years economic development experience
- 1 with nearly 30 years at SCDOT

CCED Staff

- Director with 17 years (35 at Commerce)
- 1 with 25 years (27 at Commerce)
- Staff counsel with 12 years (plus 12 years prior corporate transactional experience)
- Chief Counsel with 22 years



**During HOC review period.*

Discretionary Grants

No set formulas, but there are general parameters for grant commitments that include the following:

- No more than \$10,000 per job
- No more than 10% of investment
- Investment goes into real property

**Unless project represents significant state impact and/or has special considerations.*



Discretionary Grants: Vetting

- Commerce Project Managers learn about and evaluate the company and the prospective project during the site selection process.
- CCED staff reviews and considers preliminary information such as:
 - Needs of project
 - Type of project
 - Number of new jobs
 - Amount and nature of investment
 - Proposed location of project
- If the project is consistent with economic development goals of the state and meets established evaluation criteria, the local government is invited to submit a formal application for funding.



Discretionary Grants: Application



- Once received, the application is processed by CCED staff and presented to the CCED at its quarterly meetings.
- The CCED has the discretion to approve or disapprove all funding requests and to negotiate funding terms and amounts.



Discretionary Grants: Approval/Agreement



- If funding is approved, a grant is awarded to the local government to assist with project costs.
- The company is required to enter into a Performance Agreement with the Coordinating Council for Economic Development (CCED) and local government.
- The Performance Agreement holds the company responsible for completing its project, as described in the application, and requires repayment of funds on a pro rata basis if the specific terms are not met.
- The company is required to create the number of jobs and investment levels set forth in the grant application within a period of time known as the “Grant Period” (generally within 5 years of the application approval date).
- For grant amounts greater than \$100,000, the company is also required to maintain the jobs and investment for an additional period of time, known as the “Maintenance Period.”

Discretionary Grants: Performance

Total Jobs & Investment by Year of Award

Year Awarded	Number of Grants	Total Awarded	Total Investment Requirement	Total Actual Investment	Total Jobs Requirement	Total Actual Jobs
2009	23	17,384,983	685,805,000	857,496,773	3,660	3,429
2010	33	21,963,936	1,515,649,000	1,744,099,123	6,064	5,322
2011	42	35,309,125	2,392,511,797	2,634,945,241	4,655	4,895
2012	51	32,437,841	2,372,434,834	2,666,185,431	6,725	6,499
2013	32	15,245,886	611,864,416	865,982,472	2,461	2,854
2014	38	30,369,468	1,676,029,350	1,865,732,859	5,067	5,730
2015	33	30,076,631	1,320,517,621	1,677,473,785	5,337	5,323
2016	1	100,000	5,015,200	7,738,907	29	108
2017	4	1,575,000	87,150,000	89,264,821	396	638
Grand Total	257	184,462,871	10,666,977,218	12,408,919,411	34,394	34,798
<i>Performance Above Minimums</i>				116%		101%

*Source: CCED 2020 Annual Report of Fund Activity. This chart reflects grants that are satisfied.

Discretionary Grants: Repayments/Clawbacks

- Performance agreements require repayment of all grant funds if a company:
 - Does not locate in South Carolina.
 - Fails to create any new jobs and make any investment in South Carolina.

- A company is required to repay a portion of the grant funds expended if it:
 - Creates jobs and/or makes investment but fails to meet the job requirement and/or the investment requirement.
 - Meets, but then fails to maintain, either requirement (if the company has a contractual maintenance requirement).

- The portion of grant funds required to be repaid is based upon the actual number of jobs created and/or investment made. In addition, a pro rata repayment for failure to meet either the job requirement or the investment requirement will be calculated, independently, with each calculation based on 50% of the grant funds expended.

GRANT FUNDS REPAYMENT CALCULATION	
Jobs Repayment	
Grant Funds Disbursed	\$100,000
50% Funds Allocated to Jobs Requirement	x 50%
	\$50,000
Only 80% of Jobs Requirement	x 20%
Jobs Repayment	<u>\$10,000</u>
Investment Repayment	
Grant Funds Disbursed	\$100,000
50% Funds Allocated to Invest. Requirement	x 50%
	\$50,000
Only 90% of Investment Requirement	x 10%
Investment Repayment	<u>\$5,000</u>
TOTAL Repayment	<u>\$15,000</u>

For example, if a company receives a \$100,000 grant and, at the end of its performance period, only creates 80% of the required jobs and makes 90% of the required investment, its repayment would be calculated as shown in table above.



Discretionary Grants: Examples of Project Evaluations

Example #1

During the performance period, the company, located in Tier 1 county, experienced a market downturn which led to decrease in employment below the base level at the time the application was approved. However, despite the downturn, the company had continued to grow and surpassed its investment requirement by 10 times the original commitment. In addition, the company was a strong corporate citizen for the county and had supported education in the area including donations to local universities.

Example #2

During the performance period, the company experienced substantial delays in construction due to unforeseen regulatory issues and was granted a one-year extension for performance. At the end of the period, the company had satisfied its investment requirement, but had only met approximately 50% of its job creation requirement. At that time, the company indicated it would be making an additional investment of \$140,000,000, so it was granted another extension. At the end of the extended performance period, the company had made the additional investment, which brought the project's total investment to \$340,000,000. Due to the fact that the company nearly doubled its investment, the Coordinating Council for Economic Development agreed to waive repayment for the job creation shortage.

**These are examples of some grants for which the project was evaluated by the CCED, and the performance was deemed fulfilled in 2020. The company name, county and exact job and investment numbers have been removed.*



Discretionary Grants: Examples of Project Evaluations

Example #3

The company exceeded job requirement during its performance period and maintained for a year before reducing by about 15%. The company never reached its full investment requirement. In consideration of the company being located in a Tier IV county and because the company had created up to 47 jobs and had maintained at least 38 for three years, the Coordinating Council for Economic Development agreed to accept performance and waive repayment.

Example #4

The company located in a Tier IV county in a building with a lease agreement with option to purchase. The building was purchased, and renovated using RIF funds. The company met both the investment and job requirements, but failed to maintain the jobs as required. SC Commerce had another project interested in the site. The company agreed to terminate the lease, release its option to purchase, discharge any outstanding liens or claims and indemnify the state and county against any claims occurring on the property in exchange for a waiver of the repayment amount. Another company has already located in this building, has hired over 100 employees and continues to grow.

**These are examples of some grants for which the project was evaluated by the CCED, and the performance was deemed fulfilled in 2020. The company name, county and exact job and investment numbers have been removed.*



GEAR Program

- The Governmental Enterprise Accounts Receivable (GEAR) program is a flexible debt collection service provided to state agencies by the S.C. Department of Revenue (DOR).
- GEAR collection efforts include:
 - Use of tax liens;
 - Levy of bank accounts;
 - Revocation of licenses.
- SC Commerce is now working with DOR to utilize this program to recover outstanding repayments of grant funds owed to the Coordinating Council for Economic Development by delinquent business entities that have failed to meet the requirements set out in their performance agreements.



AGENCY PRESENTATION – OTHER AGENCY DUTIES

House Legislative Oversight Committee

June 29, 2021



South Carolina
Department of Commerce

Just right for business.

Other Agency Duties



South Carolina
Department of Commerce

Just right for business.

Other Agency Duties Outline

- **\$51 MILLION INTRA-AGENCY LOAN WITH PALMETTO RAILWAYS**
- **SHARED RESOURCES**
- **TOURISM INFRASTRUCTURE FUND**
- **LEGISLATIVE MANDATES**
- **COMMUNITY DEVELOPMENT ORGANIZATIONS**
- **MANAGE**
 - **Venture Capital Authority**
 - **Disaster Recovery**
 - **Military Base Task Force**
 - **Savannah Valley Development**
- **OTHER ADVISORY BOARDS/COUNCILS AND COMMITTEES**



\$51 Million Intra-Agency Loan with Palmetto Railways

Project Background

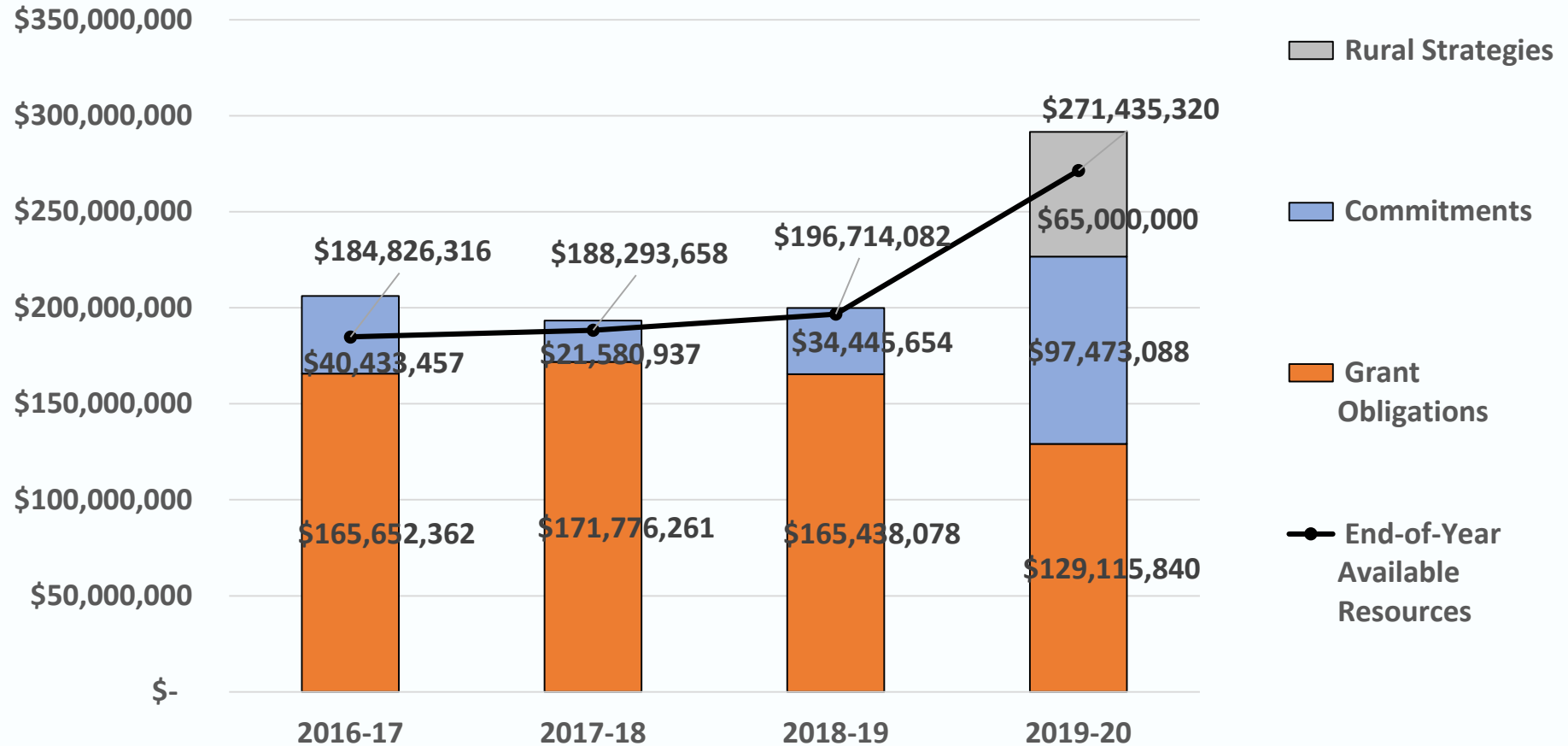
- In 2015, for the Navy Base Intermodal Facility (NBIF) to stay on pace to open near the completion of new HLT container terminal, SC Commerce issued an intra-agency loan to Palmetto Railways in the amount of \$51 million as interim, interest-free financing for permitting and preliminary construction costs.
- The plan has always been to repay this loan from the final, long-term funding mechanism for the NBIF.
- At the time the loan was first extended, SC Commerce and Palmetto Railways expected the NBIF would be funded by a loan through the Railroad Rehabilitation and Improvement Financing program (RRIF) from the Federal Railroad Administration (FRA).
- In 2019, following a meeting with all interested parties, JBRC initiated a study for potential financing alternatives.

Current Status

- The Ports Authority requested funding directly from the SC General Assembly.
- Earlier in the session, the Senate passed S.491, authorizing up to \$550 million in General Obligation Bonds (\$400 million for construction of NBIF; \$150 million for the Barge Project).
- Discussions on whether to cash fund or issue bonds to fund the project are ongoing.



\$51 Million Intra-Agency Loan with Palmetto Railways



Shared Resources

117.49. (GP: Agency Administrative Support Collaboration)
It is the intent of the General Assembly that state agencies continue to actively pursue cost savings measures through collaborative efforts and where feasible may combine administrative support functions with other agencies in order to maximize efficiency and effectiveness.

- ✓ SC Commerce has administrative support agreements with Jobs-Economic Development Authority (JEDA) and Rural Infrastructure Authority (RIA) to provide a variety of administrative and information technology services.



Tourism Infrastructure Fund

Tourism Infrastructure Admissions Tax Act allows 50% of the admissions tax collected at a qualifying tourism and recreation facility to be remitted as follows:

- 25% to county or municipality where the facility is located
- 25% to the Infrastructure Fund administered by the SC Coordinating Council for Economic Development.

To be an establishment, the facility must be:

1. A major tourism or recreation facility. This is a single tourism or recreational facility in which an investment exceeding \$20 million is made; or
2. A tourism or recreation facility located in a major tourism or recreation area. This is an area designated by a county or municipality as a designated development area that has one or more tourism or recreation facilities that collect admissions tax where there is a combined investment of at least \$20 million.



Tourism Infrastructure Fund – Open Grants

SC Coordinating Council for Economic Development
 Tourism Infrastructure Fund - Open Grants
 FY 2020-2021 as of May 31, 2021

Grantee	TIF Project Name	Project Number	Date Approved	Total Gross Deposits	Net Deposits this FY	Total Payments	Total Admin	Payments this FY	Available Balance
Aiken County	USC Aiken Convocation Center	AT09020022	6/4/2009	18,354.51	-	-	616.53	-	17,620.34
City of Columbia	Colonial Life Arena	AT04400014	11/8/2004	1,275,427.96	-	1,215,418.60	55,320.22	-	-
City of Greenville	West End Field	AT07230021	3/6/2008	338,742.19	803.56	202,155.33	9,489.17	-	123,037.19
City of Myrtle Beach	DRC Downtown Development District	AT12260024	6/5/2014	558,230.80	31,964.26	501,404.56	12,725.73	-	34,496.99
City of Myrtle Beach	Grande Dunes Golf Course	AT04260016	3/15/2005	344,521.63	-	330,976.95	11,984.16	-	-
City of Myrtle Beach	Market Commons DDA	AT14260025	9/4/2014	240,877.28	3,621.48	223,499.82	4,400.06	-	7,742.38
City of Myrtle Beach	Myrtle Beach Sports Center	AT18260026	3/8/2018	1,018,882.60	105,628.63	853,332.81	-	-	124,794.47
City of Myrtle Beach	Pine Lakes Country Club	AT11260023	12/1/2011	69,003.56	4,188.64	61,978.29	1,598.65	-	4,265.14
City of Myrtle Beach	Speedpark Designated Development Area	AT04260013	3/15/2005	1,046,961.41	-	974,416.60	36,080.56	-	31,315.56
City of North Augusta	North Augusta Riverside Village (Greenjackets Stadium)	AT18260027	9/6/2018	53,159.03	704.17	49,448.05	-	-	1,584.62
City of North Myrtle Beach	Barefoot Resort DDA	AT05260018	9/14/2005	1,429,249.92	-	1,361,608.23	46,764.38	-	11,073.16
City of Rock Hill	Manchester Village/Waterford Links DDA	AT04460017	3/15/2005	619,426.92	-	587,583.90	19,833.56	-	7,450.39
York County	Paramount Carowinds	AT02460012	12/4/2002	4,948,966.26	-	1,699,196.85	226,519.46	-	2,985,221.95
				11,961,804.07	146,910.74	8,061,019.99	425,332.48	-	3,348,602.19



Legislative Mandates: I-73

50.9. (CMRC: Funding For I-73)
Of the funds authorized for the Coordinating Council for Economic Development, \$500,000 shall be made available for the routing, planning and construction of I-73.



Fiscal Year 2016-17

- ✓ Town of Eastover thru Richland County - \$100,000
- ✓ IT-ology CoursePower - \$400,000

Fiscal Year 2018-19

Economic Development Hubs and Community Development Infrastructure

- ✓ City of Forest Acres - \$250,000
- ✓ City of Sumter - \$100,000
- ✓ Paxville Community Development Corporation - \$250,000
- ✓ Town of Eastover - \$375,000
- ✓ SC State University - \$225,000
- ✓ Clarendon County Community Development Corporation - \$100,000



Community Development Organizations

Certification

- ✓ Interested Community Development Corporations (CDC) and/or Community Development Financial Institutions (CDFI) submit application and corroborating information, along with a non-refundable \$500 processing fee to our partner, the South Carolina Association for Community Economic Development (SCACED).
- ✓ SCACED reviews the documentation and submits a recommendation to SC Commerce.
- ✓ SC Commerce either approves the application, sends it back with request for clarification or more information, or rejects the application.
- ✓ Certification lasts for two years.



Community Development Organizations

Certification Tax Credits: When funding is available, taxpayer may claim as a credit against state income taxes 33% of all equity investments and 50% of all cash donations to a certified CDC or CDFI.

- ✓ Tax credits are authorized on a first come first served basis.
- ✓ The qualifying organization submits a Tax Credit Reservation Form to South Carolina Association for Community Economic Development (SCACED) with the taxpayer information and amount of the credit requested.
- ✓ SCACED reviews the information, and if tax credits are available, they are reserved for the taxpayer.
- ✓ The taxpayer and qualified organization then have 10 days to submit verification of the equity investment or cash donation.
- ✓ Upon receipt, SC Commerce issues a Contribution Certificate to the taxpayer to authenticate the credits associated with the investment/donation.



Manage: Venture Capital Authority (VCA)

- In 2005, the Venture Capital Investment Act was created by state legislature to promote the availability of capital for creating and building business ventures in South Carolina.
- The Venture Capital Authority (VCA) was established as an agency within SC Commerce to identify and select qualified professional investors who will invest in South Carolina companies.
- The VCA is a seven-member board selected by the governor and state lawmakers.
- In 2007, the VCA received financing by a private institutional lender secured by state tax credits, and four venture capital firms were selected.
- InvestSC, Inc. was formed by the SC Jobs-Economic Development Authority (JEDA) at the specific request of the VCA.
- The authority selected InvestSC to serve as a “Designated Investor Group” to assist the VCA in meeting the goals and objectives of the Venture Capital Investment Act.
- InvestSC was organized in 2007 as a nonprofit corporation and received 501(c)(3) tax-exempt status approval from the Internal Revenue Service.



Manage: Venture Capital Authority (VCA)

- The VCA Board approved DBAH , LLC (Deutsche Bank) as a lender under the Act and received approval from the State Budget and Control Board.
- On June 22, 2007, InvestSC and DBAH signed a Securities Purchase Agreement for \$50 million in notes.
- The notes are secured by all of the investments and tax credit certificates issued by the authority.
- It is anticipated that in June of 2022, all notes will be repaid.



Manage: Disaster Recovery Office (DRO)

- Executive Order 2016-13 established the South Carolina Disaster Recovery Office (DRO) within SC Commerce.
- SC Commerce was awarded two Community Development Block Grant-Disaster Recovery (CDBG-DR) grants and one Federal Emergency Management Agency (FEMA) grant related to the 2015 Flood and 2016 Hurricane Matthew.
- DRO was to be a temporary office at SC Commerce, however with Hurricane Florence in 2018, the decision was made to establish a more permanent location for this office.
- Executive Order 2018-59 transferred DRO to the Department of Administration to become a division with that agency.



Manage: Military Base Task Force

- Executive Order 2013-04 reconstituted the Military Base Task Force and directed SC Commerce to administer the funds and assist in carrying out the directives.
- The purpose of the Task Force is to enhance the value of military installations and facilities and the quality of life for military personnel located in this state.
- The Task Force shall:
 - Assist military communities with such value enhancement;
 - Address the various incentives to military personnel assigned in this state;
 - Coordinate the efforts of the military communities; and
 - Provide for other methods and incentives to accomplish these purposes.
- With the passage of 2019 Act No. 26, the Military Base Task Force was transferred to the newly created Office of Veteran Affairs.



Manage: Savannah Valley Development Division (SVDD)

- In 1993, SVDD became a division of SC Commerce with the following primary functions:
 - 1) To support a residential real estate development at Richard B. Russell Lake in Abbeville County (Lake Russell Project);
 - 2) To serve as a cost-share partner with USACE as to public amenities on lands leased to SVDD by USACE;
 - 3) To hold certain railroad rights-of-way acquired from Seaboard Railroad (Anderson Branch ROW); and
 - 4) To serve as a conduit for a \$20 Million loan to McCormick County to support the development of Savannah Lakes Village.
- Lacking the financial resources to maintain its remaining assets and meet ongoing obligations, SC Commerce began looking for interested parties to transfer the various assets and obligations to preserve those assets for public use and enjoyment.
- In the FY2011-12 Appropriation Act, SC Commerce requested and the General Assembly added proviso 40.17 to authorize SC Commerce to transfer assets to interested parties upon approval of Budget and Control Board.
- In 2012, the Budget and Control Board approved the transfer of property to interested parties, and the division is no longer active.



Other Advisory Councils/Boards and Committees

- Serve on Solid Waste Advisory Council
- Serve on Heritage Trust Advisory Board
- Serve on SC Mining Council



AGENCY PRESENTATION – LAW
RECOMMENDATIONS

Law Changes

Making Commerce's legal framework reflect and clarify what Commerce does and can do to grow the economy and improve living standards for all South Carolinians.



Key Takeaways

- **Commerce can fulfill its mission under current enabling statutes, but . . .**
- **HOC review provides opportunity to update and streamline statutory framework for the future.**
 - Repeal provisions no longer (or never) used.
 - Eliminate obsolescence.
 - Update to include new programs.
 - Codify and amend reporting requirements.
 - Amend former programs that could be used for current purposes.
 - Provide clarity on what Commerce does and what Commerce can do.



Law Change # 1

Law Summary

SECTION 1-30-25.

Transfers former agencies, boards, and commissions into new Commerce Department during restructuring.

SECTION 13-1-10

Establishes Department of Commerce.

Recommendation

Eliminate References to:

- Aeronautics Division
- Savannah Valley Authority/Savannah Valley Development Division

Make technical changes:

- Eliminate “Advisory” from Coordinating Council.



Law Change # 2

Law Summary

SECTION 13-1-610 thru -810
Enabling legislation for the Division
of Savannah Valley Development.

Recommendation

Repeal. Division no longer exists.



Law Change # 3

Law Summary

SECTIONS 13-1-1000 thru 1-1090.

Enabling legislation for the Aeronautics Commission.

Recommendation

Relocate these provisions out of Commerce's enabling legislation to an appropriate location in SC Code.



Law Change # 4

Law Summary

SECTION 13-1-45.

Creates the SC Water and Wastewater Infrastructure Fund and establishes the duties and powers of the Department of Commerce and criteria for selecting qualified projects.

Recommendation

Modify to allow this statutory framework to be available for other infrastructure projects in the state, including possibly broadband.



Law Change # 4

RECOMMENDATION: Modify to allow framework to be available for other infrastructure projects.

- The South Carolina Water and Wastewater Infrastructure Fund was created in 2000 to distribute a portion of South Carolina's Tobacco Settlement proceeds.
 - ✓ Program was implemented and all grants are closed.
- Fund could be used for other purposes, including possibly broadband.



S. C. Code Ann. §13-1-45 (PER pp. 43-44)

There is established under the direction and control of the Secretary of Commerce the South Carolina ~~Water and Wastewater~~ Infrastructure Fund for the purposes of selecting, assisting, and financing major qualified projects by providing financing assistance to governmental units and private entities for constructing and improving ~~water and wastewater facilities that are necessary for public purposes, including economic development and for technology-related infrastructure grants for local units of government.~~

(A) As used in this section:

(1) "Fund" means the South Carolina ~~Water and Wastewater~~ Infrastructure Fund.

(8) "Qualified borrower" means any government unit, public or private nonprofit entity or private for profit entity fulfilling an essential public purpose approved by the department that is authorized to construct, operate, or own a qualified project and receives financing assistance pursuant to this section.

Law Change # 5

Law Summary

SECTION 13-1-320.

Establishes the objectives of the Division of State Development.

Recommendation

Modify to update Commerce objectives:

- Delete obsolete language.
- Add objectives related to promotion of strategic planning (moved from CCED statutes) and rural and workforce development.



Law Change # 5

RECOMMENDATION: Modify and update objectives

- Commerce is not the “official state liaison office”, but promotes coordination of functions and activities of various agencies at the state, federal and local level regarding planning, research and development.
- Commerce promotes, but does not implement, a system of transportation in the state.
- Since 2016, Commerce has provided staff support for the SC Coordinating Council for Workforce Development (§13-1-2030). Commerce also has responsibility for regional education centers (§13-1-1810 and -1820).



S. C. Code Ann. §13-1-320 (2), (3), (4) (PER p. 51)

The objectives of the division are to:

...

(2) promote coordination of the functions and activities of ~~state agencies and act as the official state liaison office between~~ the state, federal, and local planning, research, and development agencies;

(3) promote a system of transportation for the State through development and expansion, by state, federal, and local government agencies, of the highway, railroad, port, waterway, and airport systems;

(4) promote strategic planning for economic development, through coordination and collaboration with state, federal, and local government agencies and other stakeholders, and correlate state and local activity in planning public works projects, all for the purpose of diversifying and expanding the economic base of the State;

...

Law Change # 5

RECOMMENDATION: Modify and update objectives.

- Finding ways to overcome challenges faced by rural communities to attract jobs, investment and new residents is an important objective.
- Connecting education, communities and businesses regarding workforce has been an objective since 2003 Restructuring.
- Since 2014, Commerce has provided staff support for the SC Education and Economic Development Coordinating Council (§59-59-175). Commerce also has responsibility for regional education centers (§13-1-1810 and 1820).



S. C. Code Ann. §13-1-320 (9), (10), (11) (PER p. 52)

The objectives of the division are to:

...

(9) identify challenges facing rural communities in the State and solutions to overcome those challenges for the purpose of diversifying and expanding the economic base of the State;

(10) facilitate interaction by and among education, communities, and private businesses to ensure that all South Carolina citizens are knowledgeable and prepared to meet the current and future workforce needs of new and existing businesses in the State;

(911) advance the general welfare of the people.

Law Change # 6

Law Summary

SECTION 13-1-330.

Requires that the Division of State Development be made up of certain bureaus and be headed by individuals with certain qualifications.

Recommendation

Modify limiting language:

- Give Secretary of Commerce discretion on how to organize division and staff with qualified personnel.
- Delete obsolete language.



Law Change # 6

RECOMMENDATION: Update obsolete language re: agency and staff organization

- Bureau language is outdated and does not reflect organization of Commerce since 1993 Restructuring.
- Removing limiting language clarifies that current and future Secretaries have the ability to organize the Division of State Development, or Commerce, in the way that best meets the needs of the state.

S. C. Code Ann. §13-1-330 (*PER p. 53*)

The division shall be organized at the discretion of the director, with approval of the Secretary, and staffed by personnel with the necessary qualifications and experience to perform the duties required ~~consist of a bureau of research, a bureau of planning, a bureau of development, and such other bureaus as the director may establish. Each bureau may be headed by a bureau chief selected on the basis of his technical and administrative qualifications and experience to perform the duties required by his position. The chief for the bureau of research shall be a person thoroughly familiar with the principles of, and experienced in, the methods and techniques of research and economics. The chief for the bureau of planning shall be an industrial engineer experienced in that type of work. The chief for the bureau of development shall be a person thoroughly familiar with the principles of, and experienced in, the methods and techniques of developing a program of advertising and salesmanship.~~



Law Change # 7

Law Summary

SECTION 13-1-340.

Establishes duties, powers, and responsibilities of Director of Division of State Development.

Recommendation

Modify and update to consolidate into this section the broad powers of former boards, commissions, and councils to the extent those duties, powers, and responsibilities are still relevant and useful. (See Law Change #8.)



Law Change # 7

RECOMMENDATION: Consolidate and update §13-1-340 and §13-1-350

- This is the primary section outlining S.C. Commerce's duties, powers, and responsibilities, which have not been updated since 1993.

S. C. Code Ann. §13-1-340(7) & (11) (PER p. 55)

The director is vested with duties, powers, and responsibilities involved in accomplishing the division's objectives outlined in this article ...The director may:

...

(7) publish and distribute the division's findings through ~~written reports, brochures, magazine and newspaper articles, and other appropriate forms and use the radio, periodicals, and other recognized forms of advertising and marketing,~~ personal interviews, exhibits, and displays in order that governmental agencies, corporations, and individual citizens may become acquainted with the development program of the State;

...

(11) accept gifts, grants, loans, funds, and property to accomplish the division's objectives, administer and disburse gifts, grants, loans, and funds, and dispose of property to counties, municipalities, and local agencies performing a public service or function which may disburse the gifts, grants, and funds or make the property available to eligible participants in a program established to perform and implement the public service or function subject to the approval of the State Fiscal Accountability Authority.



Law Change # 7

RECOMMENDATION: Consolidate and update §13-1-340 and §13-1-350

- While most of the duties, powers, and responsibilities under Section 13-1-340 are still relevant, many of the additional duties, powers, and responsibilities set forth in Section 13-1-350 are obsolete, unconstitutional, duplicative of duties being performed by other state agencies, or can be updated and consolidated into one section. (See Law Change #8.)



S. C. Code Ann. §13-1-340 (12), (13), (14) (PER p. 56)

The director is vested with duties, powers, and responsibilities involved in accomplishing the division's objectives outlined in this article ...The director may:

...

(12) compile surveys showing the nature and extent of the natural resources and of the manufactured products and raw materials found or produced in the State which may move in domestic or foreign commerce;

(13) determine the areas throughout the world where commodities and products of this State may find advantageous markets and secure perfection of arrangements between citizens of this State and producers and consumers in other areas whereby there may be carried on greater interchange of commerce.

(14) purchase, hold, use, lease, sell, transfer, convey, assign, or otherwise to acquire or dispose of any property, real, personal or mixed, or any estate or interest therein, all subject to requisite approvals;

...

Law Change # 7

RECOMMENDATION: Consolidate and update §13-1-340 and §13-1-350

- While most of the duties, powers, and responsibilities under Section 13-1-340 are still relevant, many of the additional duties, powers, and responsibilities set forth in Section 13-1-350 are obsolete, unconstitutional, duplicative of duties being performed by other state agencies, or can be updated and consolidated into one section. (See Law Change #8.)



S. C. Code Ann. §13-1-340 (15), (16), (17), (18) (PER p. 56)

The director is vested with duties, powers, and responsibilities involved in accomplishing the division's objectives outlined in this article ...The director may:

...

(15) employ attorneys and other consultants and contractors upon such reasonable basis of compensation commensurate with the services rendered or to be rendered to the end that no excessive or unreasonable fees or compensation shall be allowed;

(16) Promulgate regulations in accordance with Chapter 23 of Title 1;

(17) have the power of eminent domain;

(18) borrow money from the United States or any corporation or agency created, designed or established by the United States;

(19) have all additional powers, not inconsistent with this article, that are vested by law in corporations generally.

Law Change # 8

Law Summary

SECTION 13-1-350.

Outlines additional duties and powers vested in Commerce from former entities that were restructured into the Division of State Development.

Recommendation

Repeal and consolidate duties that are still relevant and useful (and not duplicative of duties being performed by other agencies, obsolete and/or unconstitutional) into Section 13-1-340. (See Law Change #7.)



Law Change # 8

RECOMMENDATION: Consolidate §13-1-350 as appropriate into §13-1-340

- Repeal and consolidate duties that are still relevant and useful (and not duplicative of duties being performed by other agencies, obsolete and/or unconstitutional) into Section 13-1-340. (See Law Change #7.)

S. C. Code Ann. §13-1-350

For proposed statutory revisions and whether proposed language is recommended to be **MOVED** or repealed as **DUPLICATIVE, OBSOLETE** or **UNCONSTITUTIONAL**

Please see *PER pp. 56 – 63*



Law Change # 9

Law Summary

SECTION 13-7-20.

Designates Division of State Development as agency responsible for promotion and development of atomic energy resources in South Carolina.

Recommendation

Repeal as obsolete (and duplicative of existing statutory authority related to all industrial activities).



Law Change # 10

Law Summary

SECTION 13-1-370.

Allows Secretary to establish advisory committee to the Division of State Development.

Recommendation

Repeal as duplicative, but move identification of challenges facing rural communities and solutions to agency objectives under Section 13-1-320. (See Law Change #5.)



Law Change # 11

Law Summary

SECTION 13-1-380.

Establishes Recycling Market Development Advisory Council (RMDAC).

Recommendation

Modify manner of funding and move annual reporting date to one month after DHEC's report to General Assembly is due. (See Law Change #18, codifying and updating Proviso 50.12.)



Law Change # 11

RECOMMENDATION: Modify and update funding and annual reporting language.

- The Solid Waste Management Trust Fund is funding expenses of the Recycling Market Development Advisory Council (RMDAC) as originally contemplated by the statute.
- Moving the annual report to one month after the date DHEC's annual report to the General Assembly is due allows RMDAC to take DHEC's report into account. This amendment also codifies and updates Proviso 50.12. (See Law Change 18.)



S. C. Code Ann. §13-1-380 (D) & (G) (PER pp. 71 & 73)

(D) Each member of the advisory council shall serve a two-year term beginning on the date of his appointment and shall serve until a successor is appointed and qualified. Members shall serve at the pleasure of their appointing authority and shall receive the usual mileage, per diem, and subsistence provided by law for members of boards, committees, and commissions. ~~Until sufficient funds have accumulated in the Solid Waste Management Trust Fund shall to cover the advisory council's expenses, the appointing authorities shall provide the mileage, per diem, and subsistence for their respective appointees. Any other expenses of the advisory council shall be shared equally by the appointing authorities until the trust fund has sufficient funds to cover the expenses.~~

(G) Following its initial report, the council shall submit to the Governor and to the General Assembly ~~the end of each calendar year~~ an annual report on recycling activities in this State for the previous calendar year. The report shall be submitted one month after the date the annual report on recycling activities is submitted by the Department of Health and Environmental Control and ~~which shall, at a minimum, include...~~

Law Change # 18

Law Summary

Proviso 50.12

Requires annual report by Recycling Market Development Advisory Council (RMDAC) by March 15 annually.

Recommendation

Modify & codify:

- Change date to April 15 to allow RMDAC to receive and consider DHEC's final report on recycling activities due on March 15.
- Reporting requirement should be codified in Section 13-1-380. (See Law Change #11.)



Law Change # 12

Law Summary

SECTIONS 13-1-1720, -1730 , -1740, -1750, -1770, -1780.

These sections comprise most of the statutory framework authorizing the South Carolina Coordinating Council for Economic Development.

Recommendation

Modify and update:

- Remove obsolete mandates and programs.
- Add authorization to administer and require reporting on post-1993 programs.
- Update funding mechanism for Council. (See Law Change #16.)
- Other technical clarifying updates.



Law Change # 12

RECOMMENDATION: Modify Coordinating Council duties regarding strategic planning & move to Division of Development

- Coordinating Council mandates related to strategic planning predated 1993 creation of the Department of Commerce.
- Coordinating Council commissioned a strategic plan for economic development in late 1980s.
- Following 1993 Restructuring, Commerce has been responsible for strategic planning in collaboration with other public and private stakeholders in the State. (See Law Change #5.)



S.C. Code Ann. §13-1-1720 (PER p. 77)

(A) ... It shall enhance the economic growth and development of the State through ~~strategic planning and~~ coordinating activities that include:

~~(1) development and revision of a strategic state plan for economic development. "Strategic state plan for economic development" means a planning document that outlines strategies and activities designed to continue, diversify, or expand the economic base of South Carolina, based on the natural, physical, social, and economic needs of the State;~~

~~(2) monitoring implementation of a strategic plan for economic development through an annual review of economic development activities of the previous year and modifying the plan as necessary;~~

...

~~(24) use of federal funds, foundation grants, and private funds in the development, implementation and revision, and promotion of a strategic plan for economic development...~~

~~(35) evaluation of plans and programs in terms of their compatibility with state objectives and priorities as outlined in the strategic plan for economic development;~~

Law Change # 12

RECOMMENDATION: Add programs under Coordinating Council jurisdiction that post-dated 1993 Restructuring

- Approval of Rural Infrastructure grants pursuant to Section 12-10-85.
- Approval of Enterprise Zone Act applications and negotiation of revitalization agreements pursuant to Chapter 10 of Title 12 of the Code.
- Approval of Port Volume Increase credits pursuant to Section 12-6-3375.

S.C. Code Ann. § 13-1-1720 (*PER p. 78*)

(46) approval of infrastructure and other economic development grants for local units of government pursuant to Section 12-10-85, Section 12-28-2910 or any other source designated for administration by the council;

(57) approval of infrastructure development grants for local units of government pursuant to Section 12-21-6540;

(68) approval of applications submitted under the Enterprise Zone Act of 1996 and negotiation of revitalization agreements pursuant to Section 12-10-60;

(79) approval of applications submitted under Section 12-6-3375.

...



Law Change # 12

RECOMMENDATION: Repeal Council's responsibility to review Commerce appropriation requests and to report on strategic planning; update reporting.

- Since 1993 Restructuring, the Council has no role in reviewing Commerce's budget; as a cabinet agency, Commerce submits its budget to the Governor.
- Update Coordinating Council reporting requirements to include grants that do not otherwise have a statutory reporting requirement.



S.C. Code Ann. § 13-1-1730 (PER p. 78)

The coordinating council shall make reports to the Governor, the chairmen of the Senate Finance and House Ways and Means Committees, and the General Assembly at least annually regarding grant programs administered by the council that do not otherwise have a statutory reporting requirement. Such reports shall itemize the expenditures for the preceding calendar year and include, at a minimum, the following information:

- (a) company name or confidential project number;
- (b) location of the project;
- (c) amount of the grant award; and
- (d) scope of grant award.

Reports required by this section are in addition to any other reporting requirements applicable to the council.
~~in the Department of Commerce's annual report, on the status and progress of economic development goals which have been set for the State as a part of the ongoing planning process and on the commitments, expenditures, and balance of the Economic Development Account, with appropriate recommendations.~~

Law Change # 12

RECOMMENDATION: Repeal Council duties to make strategic planning recommendations and to review agency appropriation requests

- The Coordinating Council is no longer involved in strategic planning or in reviewing agency appropriation requests.
- Following 1993 Restructuring, Commerce has been responsible for strategic planning in collaboration with other public and private stakeholders in the State. (See Law Change #5.)
- Commerce reports annually on economic development goals and status.



S.C. Code Ann. § 13-1-1740 (PER p. 79)

~~(A) The coordinating council shall make recommendations to the Governor, the General Assembly, and the State Fiscal Accountability Authority as to the policies and programs involved in the state's economic development it considers necessary to carry out the objectives of the strategic plan.~~

~~(B) The coordinating council shall review agency requests for legislative appropriations for economic development and may make recommendations to the Office of the Governor and the State Fiscal Accountability Authority and the General Assembly concerning requests compatible with the objectives of the strategic plan. This section does not limit an agency's direct access to the General Assembly, and comment by the coordinating council is not a part of the budget process.~~

Law Change # 12

RECOMMENDATION: Update funding of Coordinating Council: repeal funding mechanism in §13-1-1750 and codify Proviso 50.2 (See Law Change 17)

- Funding mechanism in §13-1-1750 is obsolete.
- For over 20 years, staff support for the Council has been authorized by proviso and funded via a percentage of the Set Aside Fund. (See Law Change #17)

S.C. Code Ann. § 13-1-1750 (PER pp. 79-80)

SECTION 13-1-1750. Funding; technical advisory committees; data sources.

~~Funds for technical, administrative, and clerical assistance and other expenses of the coordinating council must be provided by the member agencies. The coordinating council may establish technical advisory committees to assist in the development of a strategic plan for economic development. The coordinating council shall seek to utilize data available from the Department of Transportation, the University of South Carolina, Clemson University, and other state agencies and organizations and relevant to the economic growth and development of the State.~~

From the amount set aside in Section 12-28-2910, the council is authorized to use up to ten percent of such amount for actual operating expenses in support of administrative program costs and business recruitment and retention and up to \$60,000 to support the Geographic Information Systems (GIS) program, as approved by council. Any balance on June thirtieth of the prior fiscal year may be carried forward and expended for the same purposes in the current fiscal year.



Law Change # 17

Law Summary

Proviso 50.2

Provides for funding administration of Coordinating Council from up to 10% of Set Aside Fund and authorizes up to \$60k to be spent on GIS system.

Recommendation

Codify:

- Commerce has funded staff for the Council for 20 years pursuant to this proviso.
- Section 13-1-1750 should be updated to reflect existing funding model in proviso. (See Law Change #12.)



Law Change # 12

RECOMMENDATION: Modify language regarding Downtown Redevelopment Program to make discretionary

- Mandate originated in a 1998 proviso.
- While a formal downtown redevelopment program was never officially established, the Coordinating Council has funded these types of activities with Rural Infrastructure Funds and Commerce has done so with CDBG funds.

S.C. Code Ann. § 13-1-1770 (PER p. 80)

(A) The coordinating council ~~shall~~ may establish the "Downtown Redevelopment Program" for the purpose of making grants for revitalizing and enhancing the viability of downtown areas through partnerships of municipal government, county government, and private investors.

....



Law Change # 12

RECOMMENDATION: Update language in §13-1-1780

- The language in §13-1-1780 uses an incorrect fund name.
- Department of Agriculture agrees with the proposed change.

S.C. Code Ann. § 13-1-1780 (*PER p. 80*)

In awarding grants or other incentives benefits for economic development projects, ~~including awards from the Governor's Closing Fund,~~ the Department of Commerce and the coordinating council must consider agricultural businesses. The Department of Commerce and the coordinating council must consider the number of jobs created, including full-time, part-time, and seasonal jobs, and the total investment made, including the cost of the real property.



Law Change # 13

Law Summary

SECTION 11-56-10.

Enabling legislation for Microenterprise Development Act contained in Editor's Note, which established a Clean Energy Industry Manufacturing Market Development Advisory Commission.

Recommendation

Repeal/delete language in Editor's Note

- Commission was dissolved automatically with submission of Commission's final report in 2015.
- Secretary of Commerce has separate authority to form advisory councils as necessary, including on Clean Energy.



Law Change # 14

Law Summary

SECTION 24-1-290.

Requires Commerce to assist Corrections in marketing its Prison Industries Program and to certify that there is no unfair competitive wage disadvantage created by contracts using prison labor.

Recommendation

Modify to remove Commerce:

- Program has value, but Corrections can administer without Commerce.
- Commerce has no role in recruiting these industries and does not have access to data needed for mandated certification.



Law Change # 14

RECOMMENDATION: Eliminate Commerce involvement with prison industries program

- S.C. Commerce:
 - has no role in recruiting or marketing the types of companies that perform the services that the prison industries program provides; and
 - cannot make the certification required by statute because Commerce does not have the data required.
- The Prison Industries Program has value, but Corrections can provide public notice and take note of any objections without S.C. Commerce.



S.C. Code Ann. § 24-1-290 (PER pp. 84-85)

(A) The Department of Corrections, ~~in conjunction with the Department of Commerce,~~ shall develop and maintain a marketing plan to attract private sector service businesses for the employment of inmates through the prison industries program.

(B) Prior to entering into new contracts and renewals of existing contracts with private sector service entities that want to hire inmates through the prison industries program, the Department of Corrections must provide public notice of its intention to establish or continue a prison-based industry at a particular facility ~~and receive certification by the Department of Commerce that an unfair competitive wage disadvantage to the local economy is not created by each new contract for prison labor.~~

...
(B)(1)(a) The Department of ~~Commerce~~ Corrections must maintain a copy of any objections filed for a period of three years from the date that the objections were received.

...
(B)(1)(C) No contract may be negotiated or executed prior to forty days after the last date that the notice required by subsection (A) appears. New contracts and renewals of existing contracts between private sector entities and the Department of Corrections must be negotiated in accordance with procedures established ~~jointly by the Department of Commerce and the Department of Corrections.~~ The procedures must be drafted to ensure fairness and consistency in establishing contracts with private sector entities seeking to establish or continue prison-based operations whenever the wage to be paid is less than the federally established minimum wage.

...

Law Change # 15

Law Summary

SECTIONS 31-1-30, 31-1-110 through -230; 31-3-20, -340, -370, 390, -750.

Establishes duties of Commerce related to housing, limited dividend housing corporations, and oversight over municipal housing authorities/commissions.

Recommendation

Repeal/remove Commerce from housing matters:

- Move statutory duties and authorization to Secretary of State; or
- Repeal to the extent obsolete. (See Law Change #8.)



Law Change # 15

RECOMMENDATION: Remove participation of Secretary of Commerce from housing-related matters and move duties to Secretary of State

- Many of these statutory provisions are likely obsolete or should be handled by Secretary of State.
- The Secretary of Commerce should not have oversight over housing-related matters. (See Law Change #8.)

SC Housing and the SC State Library have provided information and background to Commerce, which is included in the Proposed Revisions to Law Wording found on pp. 87 – 88 of the PER.

Commerce takes no position on the disposition of these statutes other than that any housing-related responsibilities do not appropriately reside with the Secretary of Commerce.



Law Change # 19

Law Summary

SECTION 11-37-200.

Establishes Water Resources Coordinating Council and makes Secretary of Commerce a member.

Recommendation

Repeal because Water Resources Coordinating Council is defunct. (See Rural Infrastructure Authority Law Change #4.)



Law Change # 20

Law Summary

SECTION 38-75-470.

Establishes membership of Advisory Committee to Director and SC Building Codes Council Loss Mitigation Grant Program, and SC Comprehensive Hurricane Damage Mitigation Program.

Recommendation

Modify:

- Remove Commerce representative because membership originates from obsolete duties related to housing.
- Commerce currently designates a private construction company executive to serve.



Law Change # 21

Law Summary

SECTION 15-9-390.

Provides for service of process on nonresident operators of aircraft and requires service on Secretary of Commerce as agent of nonresident operator.

Recommendation

Modify:

- Remove Secretary of Commerce and replace with Aeronautics Commission.
- Commerce was substituted for Commission during 1993 Restructuring when Aeronautics was made a division of Commerce.
- Aeronautics Commission has been reconstituted.



LAW RECOMMENDATION DETAILS (SAME ORDER AS
LAW RECOMMENDATIONS PRESENTATION)

Law Change #1

LAW CHANGE #1			
Law	Summary of Current Law(s) and Recommended Change(s)	Basis for Recommendation	Approval and Others Impacted
<p>SECTION 1-30-25. Department of Commerce.</p> <p>SECTION 13-1-30. Secretary of Commerce; executive director; division directors; duties and responsibilities.</p>	<p><u>Current Law:</u> Transfers former agencies, boards, and commissions into the newly formed Department of Commerce as part of state government restructuring.</p> <p><u>Recommendation:</u> Modify to delete references to the following:</p> <ul style="list-style-type: none"> • SC Aeronautics Commission • Savannah Valley Authority • Savannah Valley Development • “Advisory” from Coordinating Council name. 	<p>Aeronautics was transferred to the former B&CB in 2009 and thereafter to DOA.</p> <p>The Savannah Valley Authority became the Savannah Valley Development Division (SVDD) during 1993 Restructuring, but no longer exists at Commerce. The remaining assets of SVDD were transferred to other interested parties in 2012.</p> <p>The Coordinating Council is not merely “Advisory.” This term has been removed from some, but not all, statutory references to the Coordinating Council. Need a global change to delete “advisory” from the Coordinating Council’s name.</p>	<p><u>Presented and approved by agency’s governing body:</u> Review by Governor pending.</p> <p><u>Other entities potentially impacted:</u></p> <ul style="list-style-type: none"> • SC Aeronautics Commission <p><u>If the law is a regulation, where agency is in the process of finalizing it and providing it to the General Assembly:</u> Not applicable.</p>
Current Law Wording		Proposed Revisions to Law Wording	
<p>SECTION 1-30-25. Department of Commerce.</p> <p>The following agencies, boards, and commissions, including all of the allied, advisory, affiliated, or related entities as well as the employees, funds, property, and all contractual rights and obligations associated with any such agency, except for those subdivisions specifically included under another department, are transferred to and incorporated in and must be administered as part of the Department of Commerce to be initially divided into divisions for Aeronautics, Advisory Coordinating Council for Economic Development, State Development, Public Railways, and Savannah Valley Development:</p>		<p>SECTION 1-30-25. Department of Commerce.</p> <p>The following agencies, boards, and commissions, including all of the allied, advisory, affiliated, or related entities as well as the employees, funds, property, and all contractual rights and obligations associated with any such agency, except for those subdivisions specifically included under another department, are transferred to and incorporated in and must be administered as part of the Department of Commerce to be initially divided into divisions for Aeronautics, Advisory Coordinating Council for Economic Development, State Development, and Public Railways, and Savannah Valley Development:</p>	

(A) South Carolina Aeronautics Commission, formerly provided for at Section 55-5-10, et seq.;

(B) Coordinating Council for Economic Development, formerly provided for at Section 41-45-30, et seq.;

(C) Savannah Valley Authority, formerly provided for at Section 13-9-10, et seq.;

(D) existing divisions or components of the Department of Commerce formerly a part of the State Development Board excluding the South Carolina Film Commission; and

(E) South Carolina Public Railways Commission, formerly provided for at Section 58-19-10, et seq.

HISTORY: 1993 Act No. 181, Section 1; 1999 Act No. 100, Part II, Section 71; 2000 Act No. 387, Part II, Section 73; 2004 Act No. 299, Section 5, eff July 1, 2004; 2005 Act No. 56, Section 3, eff May 9, 2005, applicable to taxable years beginning July 1, 2004; 2008 Act No. 313, Section 6.A, eff upon approval (became law without the Governor's signature on June 12, 2008); 2008 Act No. 359, Section 1, eff July 1, 2008.

SECTION 13-1-10. Department of Commerce established.

(A) The Department of Commerce is established as an administrative agency of state government which is comprised of a Division of State Development, a Division of Savannah Valley Development, a Division of Aeronautics, a Division of Public Railways, and an Advisory Coordinating Council for Economic Development. Each division of the Department of Commerce shall have such functions and powers as provided for by law.

(B) All functions, powers, and duties provided by law to the State Development Board, the Savannah Valley Authority, the South Carolina

~~(A) South Carolina Aeronautics Commission, formerly provided for at Section 55-5-10, et seq.;~~

~~(B) Coordinating Council for Economic Development, formerly provided for at Section 41-45-30, et seq.;~~

~~(C) Savannah Valley Authority, formerly provided for at Section 13-9-10, et seq.;~~

(DB) existing divisions or components of the Department of Commerce formerly a part of the State Development Board excluding the South Carolina Film Commission; and

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(B) All functions, powers, and duties provided by law to the State Development Board, the Savannah Valley Authority, the South Carolina Aeronautics Commission,

Aeronautics Commission, the South Carolina Public Railways Commission, and the Coordinating Council for Economic Development, its officers or agencies, are hereby transferred to the Department of Commerce together with all records, property, personnel, and unexpended appropriations. All rules, regulations, standards, orders, or other actions of these entities shall remain in effect unless specifically changed or voided by the department in accordance with the Administrative Procedures Act.

HISTORY: 1993 Act No. 181, Section 243, eff July 1, 1993.

the South Carolina Public Railways Commission, and the Coordinating Council for Economic Development, its officers or agencies, are hereby transferred to the Department of Commerce together with all records, property, personnel, and unexpended appropriations. All rules, regulations, standards, orders, or other actions of these entities shall remain in effect unless specifically changed or voided by the department in accordance with the Administrative Procedures Act.

Law Change #2

LAW CHANGE #2			
Law	Summary of Current Law(s) and Recommended Change(s)	Basis for Recommendation	Approval and Others Impacted
SECTION 13-1-610 thru 13-1-810 Division of Savannah Valley Development	<p><u>Current Law:</u> Enabling legislation for the former Savannah Valley Authority, which became the Division of Savannah Valley Development (SVDD) at the Department of Commerce during 1993 Restructuring.</p> <p><u>Recommendation:</u> Repeal.</p>	The former Savannah Valley Authority became the SVDD during 1993 Restructuring, but no longer exists at Commerce. With the approval of SFAA, Commerce transferred the remaining assets of SVDD to other interested parties in 2012.	<p><u>Presented and approved by agency's governing body:</u> Review by Governor pending.</p> <p><u>Other entities potentially impacted:</u> None.</p> <p><u>If the law is a regulation, where agency is in the process of finalizing it and providing it to the General Assembly:</u> Not applicable.</p>
Current Law Wording			Proposed Revisions to Law Wording
<p style="text-align: center;">ARTICLE 5 Division of Savannah Valley Development</p> <p>SECTION 13-1-610. Definitions.</p> <p>The following terms, when used in this article, shall have the following meanings unless the context clearly requires otherwise:</p> <p>(1) "Director" means the Director for the Division of Savannah Valley Development.</p> <p>(2) "Division" means the Division of Savannah Valley Development.</p> <p>(3) "Secretary" means the Secretary of Commerce.</p> <p>HISTORY: 1993 Act No. 181, Section 245, eff July 1, 1993; 1994 Act No. 361, Section 5, eff May 3, 1994.</p> <p>SECTION 13-1-620. Rights and powers of director.</p> <p>The director has all the rights and powers necessary or convenient to manage the business and affairs of the division and to take action as he considers advisable, necessary, or convenient in carrying out his powers, including, but not limited to, the following rights and powers to:</p>			Repeal entire statute.

(a) have perpetual succession;

(b) sue and be sued;

(c) adopt, use, and alter a corporate seal;

(d) adopt and amend bylaws for regulation of the division's affairs consistent with this article;

(e) notwithstanding any provision of law or regulation to the contrary, and in accordance with its own procurement procedures and regulations as approved by the State Fiscal Accountability Authority, acquire, purchase, hold, use, improve, manage, lease, mortgage, pledge, sell, transfer, and dispose of any property, real, personal, or mixed, or any interest in any property, or revenues of the authority, including as security for notes, bonds, evidences of indebtedness, or other obligations of the authority. The authority is subject to the provisions of Title 11, Chapter 35. The authority has no power to pledge the credit and the taxing power of the State or any of its political subdivisions;

(f) receive contributions, donations, and payments and to invest and disburse the division's funds;

(g) make inquiry into the status of, and plans for, the development of the J. Strom Thurmond project and the Richard B. Russell project by the United States government, by the State of Georgia, or by any other agency or instrumentality;

(h) encourage, assist, promote, and cooperate in the development of the Savannah River and the streams, canals, or watercourses now or at a later time connected to or flowing into the river and to appear on behalf of the State before any agency, department, or commission of this State, of the United States, or of any other state in furtherance of the development or of any matter connected with the development or related to the development;

(i) negotiate agreements, accords, or compacts on behalf of and in the name of the State with the State of Georgia or the United States, or both, with any agency, department, or commission of either or both, or with any other state or any agency, department, or commission of the other state, relating to the development of the Savannah River and the development of the streams, canals, or watercourses now or at a later time connected to or flowing into the river, and particularly in reference to joint or concurrent action in the furtherance of agreements, accords, or contracts. Interstate compacts made by the division are subject to approval by concurrent resolution of the General Assembly;

(j) act as a regional development agency of the State to receive, purchase, hold title to, and to manage any real property in the division's jurisdiction acquired by release of surplus real property, by purchase, by donation, by lease, or by exchange and

to develop and promote the development of the land for recreational, transportation, residential, commercial, and industrial purposes, both public and private, and to lease, sublease, or convey title in fee simple to the real property as provided in the bylaws of the division. The division shall retain, carry forward, or expend any proceeds derived from the sale, lease, rental, or other use of real and personal property under the division's exclusive jurisdiction. The proceeds shall only be used in the development and the promotion of the division as provided by this article and for the purposes authorized by this article;

(k) promulgate regulations governing the use of or doing business on the division's property or facilities, including the adoption of safety standards and insurance coverage or proof of financial responsibility, including, but not limited to, providing for the licensing of persons, firms, or corporations using or doing business on such property or facilities, and for license fees to cover the expense thereof;

(l) borrow money, make and issue notes, bonds, and other evidences of indebtedness, including refunding and advanced refunding notes and bonds, of the division; to secure the payment of the obligations or any part by mortgage, lien, pledge, or deed of trust on any of its property, contracts, franchises, or revenues, including the proceeds of any refunding and advanced refunding notes, bonds, and other evidences of indebtedness and the investments in which proceeds are invested and the earnings on and income from the investments; to invest its monies, including without limitation its revenues and proceeds of the notes, bonds, or other evidences of indebtedness, in obligations of, or obligations the principal of and interest on which are guaranteed by or are fully secured by contracts with, the United States, in obligations of any agency, instrumentality, or corporation which has been or may at a later time be created by or pursuant to an act of the United States Congress as an agency, instrumentality, or corporation, in direct and general obligations of this State, and in certificates of deposit issued by any bank, trust company, or national banking association; to make agreements with the purchasers or holders of the notes, bonds, or other evidences of indebtedness or with others in connection with any notes, bonds, or other evidences of indebtedness, whether issued or to be issued, as the division considers advisable; and to provide for the security for the notes, bonds, or other evidences of indebtedness and the rights of the holders of the notes, bonds, or other evidences of indebtedness. In the exercise of the powers granted in this section to issue advanced refunding notes, bonds, or other evidences of indebtedness the director may, but is not required to, avail himself of or comply with any of the provisions of Chapter 21 of Title 11. The director, when investing in certificates of deposit, shall invest in certificates of deposit issued by institutions authorized to do business in this State if the institutions offer terms which, in the opinion of the director, are equal to or better than those offered by other institutions;

(m) loan the proceeds of notes, bonds, or other evidences of indebtedness to a person, corporation, or partnership to construct, acquire, improve, or expand the projects described in Section 13-1-640;

(n) make contracts, including service contracts with a person, corporation, or partnership, to provide the services provided in Section 13-1-640, and to execute all instruments necessary or convenient for the carrying out of business

(o) for the acquiring of rights-of-way and property necessary for the accomplishment of its duties and purposes, the division may purchase them by negotiation or may condemn them, and should it elect to exercise the right of eminent domain, condemnation actions must be in the name of the division. The power of eminent domain applies to all property of private persons or corporations and also to property already devoted to public use in Abbeville and McCormick counties;

(p) employ and dismiss, at the will and pleasure of the authority, those employees, consultants, and other providers of services as the authority considers necessary and to fix and to pay their compensation; provided, that the state agency head salary review process and the rules and guidelines thereunder applies to the executive director of the authority. As of July 1, 1993, the compensation of the executive director of the authority must be re-evaluated by the State Agency Head Salary Commission in order that the appropriate adjustments be made. Except as provided above, employees of the authority or an entity established pursuant to Section 13-9-190 are not considered state employees except for eligibility for participation in the State Retirement System and the State Health Insurance Group Plans and pursuant to Chapter 78 of Title 15; provided, however, that employees of the authority are subject to the state uniform classification and compensation system until such time as the authority is self-supporting. Except as provided above, the provisions of Chapter 11 of Title 8 and Article 5, Chapter 17 of Title 8 do not apply to the authority. The authority is responsible for complying with the other state and federal laws covering employers. The authority may contract with the Division of Human Resources Management of the Department of Administration to establish a comprehensive human resource management program.

(q) fix, alter, charge, and collect tolls, fees, rents, charges, and assessments for the use of the facilities of or for the services rendered by, the division; these rates must be at least sufficient to provide for payment of all expenses of the division, the conservation, maintenance, and operation of its facilities and properties, the payment of principal and interest on its notes, bonds, and other evidences of indebtedness or obligation, and to fulfill the terms and provisions of any agreements made with the purchasers and holders of these notes, bonds, or other evidences of indebtedness or obligation.

HISTORY: 1993 Act No. 181, Section 245, eff July 1, 1993; 1993 Act No. 164, Part II, Section 52, eff June 21, 1993.

Code Commissioner's Note

1993 Act No. 164, Part II, Section 52, amended Section 13-9-30, effective June 21, 1993. Subsequently, 1993 Act No. 181, Section 1617(A), repealed Section 13-9-30, effective July 1, 1993, and by Section 245, enacted Section 13-1-620, containing substantially the same provisions as former Section 13-9-30. At the direction of the Code Commissioner, the amendment to Section 13-9-30 by 1993 Act No. 164, Part II, Section 52, has been executed to Section 13-1-620, pursuant to the direction of 1993 Act No. 181, Section 1614.

SECTION 13-1-630. Area of director's powers.

The director may exercise any of the powers and duties conveyed under Section 13-1-620 in the entire area of a county or

portion of a county which borders the Savannah River or is within the Savannah River Basin.

HISTORY: 1993 Act No. 181, Section 245, eff July 1, 1993.

SECTION 13-1-640. Issuance of revenue bonds to fund projects.

In furtherance of its purposes, the division may issue revenue bonds, the interest on which may or may not be excludable from gross income for federal income tax purposes, for the purpose of raising funds needed from time to time for the financing or refinancing, in whole or in part, the acquisition, construction, equipment, maintenance, and operation of a facility, building structure, or any other matter or thing which the division is authorized to acquire, construct, equip, maintain, or operate. In connection with the issuance of bonds, the division may enter into an agreement with a company to construct, operate, maintain, and improve a project, and the division may enter into a financing agreement with the company prescribing the terms and conditions of the payments to be made by the company to the division, or its assignee, to meet the payments that become due on bonds.

HISTORY: 1993 Act No. 181, Section 245, eff July 1, 1993.

SECTION 13-1-650. Executive order of director required for issuance of revenue bonds; contents of order.

Revenue bonds issued under this article for any project described in Section 13-1-640 must be authorized by executive order of the director. The director's executive order may contain provisions which are a part of the contract between the division and the several holders of the bonds as to:

- (a) the custody, security, use, expenditure, or application of the proceeds of the bonds;
- (b) the acquisition, construction, and completion of any project for which the bonds are issued;
- (c) the use, regulation, operation, maintenance, insurance, or disposition of the project for which the bonds are issued, or any restrictions on the exercise of the powers of the division to dispose of or limit or regulate the use of the project;
- (d) the payment of the principal of or interest on the bonds and the sources and methods of payment, the rank or priority of any bonds as to any lien or security, or the acceleration of the maturity of any bonds;
- (e) the use and disposition of the revenues derived or to be derived from the operation of any project;
- (f) the pledging, setting aside, depositing, or entrusting of the revenues from which the bonds are made payable to secure the payment of the principal of and interest on the bonds or the payment of expenses of operation and maintenance of the project;

(g) the setting aside of revenues, reserves, or sinking funds and the source, custody, security, regulation, and disposition of the revenues, reserves, or sinking funds;

(h) the determination of the definition of revenues or of the expenses of operation and maintenance of the project for which the bonds are issued;

(i) the rentals, fees, or other charges derived from the use of the project and the fixing, establishing, collection, and enforcement of the rentals, fees, or other charges, the amount or amounts of revenues to be produced by the rentals, fees, or other charges, and the disposition and application of the amounts charged or collected;

(j) limitations on the issuance of additional bonds or any other obligations or the incurrence of indebtedness payable from the same revenues from which the bonds are payable;

(k) rules to ensure the use of the project by the public or private sector to the maximum extent to which the project is capable of serving the public or private sector;

(l) any other matter or course of conduct which, by recital in the resolution authorizing the bonds, is declared to further secure the payment of the principal of or interest on the bonds.

HISTORY: 1993 Act No. 181, Section 245, eff July 1, 1993.

SECTION 13-1-660. Specifics of revenue bonds and their issuance.

The bonds may be issued in one or more series, may bear a date, may mature at a time not exceeding forty years from their respective dates, may bear interest at the rate or rates per annum as approved by the State Fiscal Accountability Authority, may be payable in a medium of payment and at a place, may be in a denomination, may be in a form, either coupon or registered, may carry registration privileges, may be subject to terms of redemption before maturity, with or without premium, and may contain terms, covenants, and conditions as the executive order authorizing the issuance of the bonds may provide. The interest rate on bonds issued by the division, the proceeds of which are loaned to a company pursuant to a financing agreement to construct or acquire a project authorized under Section 13-1-640, are not subject to approval by the State Fiscal Accountability Authority. The bonds are fully negotiable within the meaning of and for the purposes of the Uniform Commercial Code.

HISTORY: 1993 Act No. 181, Section 245, eff July 1, 1993.

SECTION 13-1-670. Principal and interest on bonds exempt from taxation.

The principal of and interest on bonds issued under this article are exempt from taxation, as provided in Section 12-1-60. All security agreements, indentures, and financing agreements made pursuant to the provisions of this article are exempt from

state stamp and transfer taxes.

HISTORY: 1993 Act No. 181, Section 245, eff July 1, 1993.

SECTION 13-1-680. Approval of State Fiscal Accountability Authority as prerequisite to issuance of bonds.

No bonds may be issued pursuant to the provisions of this article until the proposal of the director to issue the bonds receives the approval of the State Fiscal Accountability Authority. When the director proposes to issue bonds, he shall file a proposal with the State Fiscal Accountability Authority setting forth:

(a) a brief description of the project proposed to be undertaken and its anticipated effect upon the economy of the area in which the project is to be located;

(b) a reasonable estimate of the cost of the project;

(c) a general summary of the terms and conditions of any financing agreement and security agreement. Upon the filing of the proposal the State Fiscal Accountability Authority or Department of Administration, as applicable, shall, as soon as practicable, make an independent investigation, as it considers necessary or appropriate, and if it finds that the project is intended to promote the purposes of this article, it may approve the project. At any time following the approval, the division may proceed with the acquisition and financing of the project. If the proceeds of the bonds are to be made available to a company to construct a project, as provided in Section 13-1-640, notice of the approval of any project by the State Fiscal Accountability Authority or Department of Administration, as applicable, must be published at least once by the division in a newspaper having general circulation in the county where the project is to be located. Any interested party may, within twenty days after the date of the publication of notice, but not after the twenty days, challenge the validity of the approval in the court of common pleas in the county where the project is to be located.

HISTORY: 1993 Act No. 181, Section 245, eff July 1, 1993.

SECTION 13-1-690. Signature on bonds.

The bonds must be signed in the name of the director by the manual or facsimile signature of the director. Interest coupons attached to the bonds must be signed by the facsimile signature of the director. The bonds may be issued notwithstanding that the director signing them or whose facsimile signature appears on the bonds or the coupons has ceased to hold office at the time of issue or at the time of the delivery of the bonds to the purchaser.

HISTORY: 1993 Act No. 181, Section 245, eff July 1, 1993.

SECTION 13-1-700. Manner of sale of bonds.

The bonds must be sold at public or private sale upon terms and conditions as the State Fiscal Accountability Authority considers advisable.

HISTORY: 1993 Act No. 181, Section 245, eff July 1, 1993.

SECTION 13-1-710. Report to State Treasurer following issuance of bonds.

The deputy director shall file with the State Treasurer within thirty days from the date of their issuance a complete description of all obligations entered into by the division with the rates of interest, maturity dates, annual payments, and all pertinent data.

HISTORY: 1993 Act No. 181, Section 245, eff July 1, 1993.

SECTION 13-1-720. Enforceability of orders, covenants, and agreements related to bonds.

All provisions of an executive order authorizing the issuance of the bonds in accordance with this article and any covenants and agreements constitute legally binding contracts between the division and the several holders of the bonds, regardless of the time of issuance of the bonds, and are enforceable by any holder by mandamus or other appropriate action, suit, or proceeding at law or in equity in any court of competent jurisdiction.

HISTORY: 1993 Act No. 181, Section 245, eff July 1, 1993.

SECTION 13-1-730. Bonds to constitute limited obligations of division; payment on bonds.

The bonds authorized by the article are limited obligations of the division. The principal and interest are payable solely out of the revenues derived by the division, including any revenues that may be derived by the division pursuant to the financing agreement with respect to the project which the bonds are issued to finance. The bonds are an indebtedness payable solely from a revenue producing source or from a special source which does not include revenues from any tax or license. The bonds do not constitute nor give rise to a pecuniary liability of the division, the department, the State, or any political subdivision of the State, or to a charge against the general credit of the division, the department, the State, or any political subdivision of the State or taxing powers of the State, or any political subdivision of the State, and this fact must be plainly stated on the face of each bond. The principal of and interest on any bonds issued under this article must be secured by a pledge of the revenues from which the bonds are payable, may be secured by a security agreement, including a mortgage or any property given as security pursuant to a financing agreement, and may be additionally secured by a pledge of the financing agreement with respect to the project. In making any agreements or provisions, the division does not have the power to obligate itself or the department with respect to any project for which the proceeds of bonds issued under this article have been loaned to a company, except with respect to the project and the application of the revenues from the financing agreement, and does not have the power to incur a pecuniary liability or a charge upon its general credit or upon the general credit of the department. The trustee under any security agreement or indenture, or any depository specified by the security agreement or indenture, may be any person or corporation as the division designates, notwithstanding that the trustee may be a nonresident of this State or incorporated under the laws of the United States or the laws of other states.

HISTORY: 1993 Act No. 181, Section 245, eff July 1, 1993.

SECTION 13-1-740. Investment of funds.

All funds of the division must be invested by the State Treasurer and, upon approval and designation by the State Treasurer of a financial institution or institutions, all funds must be deposited in such institutions by the division in accordance with policies established by the director. Funds of the division must be paid out only upon warrants issued in accordance with policies established by the director. No warrants may be drawn or issued disbursing any of the funds of the division except for a purpose authorized by this article. The net earnings of the division, beyond that necessary for retirement of its bonds or other obligations or to implement the purposes of this article, may not inure to the benefit of any person other than the division. Upon termination of the existence of the division, title to all property, real and personal, owned by it, including net earnings, vests in the State.

HISTORY: 1993 Act No. 181, Section 245, eff July 1, 1993.

SECTION 13-1-750. Carryover of funds to subsequent fiscal years.

The division shall retain unexpended funds at the close of the fiscal year of the State regardless of the source of the funds and expend the funds in subsequent fiscal years.

HISTORY: 1993 Act No. 181, Section 245, eff July 1, 1993.

SECTION 13-1-760. Determinations of director as prerequisites to undertaking of projects; financing agreements.

(A) Prior to undertaking any project authorized by Section 13-1-640, the director shall make a determination:

- (1) that the project will serve the purposes of this article;
- (2) that the project is anticipated to benefit the general public welfare of the locality by providing services, employment, recreation, or other public benefits not otherwise provided locally;
- (3) that the project will give rise to no pecuniary liability of the division, the department, the State, or any political subdivision of the State, or charge against the general credit of the division, the department, the State, or any political subdivision of the State, or taxing power of the State or any political subdivision of the State if the proceeds are loaned by the division to a company to construct a project;
- (4) as to the amount of bonds required to finance the project;
- (5) as to the amount necessary in each year to pay the principal of and the interest on the bonds proposed to be issued to finance the project;
- (6) as to the amount necessary to be paid each year into any reserve funds which the director may consider advisable to

establish in connection with the retirement of the proposed bonds and the maintenance of the project. The determinations of the director must be set forth in the proceedings under which the proposed bonds are to be issued.

(B) Every financing agreement between the division and a company with respect to a project shall contain an agreement obligating the company to complete the project if the proceeds of the bonds prove insufficient, and obligating the company to pay an amount under the terms of a financing agreement, which, upon the basis of the determinations made by the director, is sufficient:

(1) to pay the principal of and interest on the bonds issued to finance the project;

(2) to build up and maintain any reserves considered by the director to be advisable in connection with the project;

(3) to pay the costs of maintaining the project in good repair and keeping it properly insured, unless the financing agreement obligates the company to pay for the maintenance and insurance of the project.

HISTORY: 1993 Act No. 181, Section 245, eff July 1, 1993.

SECTION 13-1-770. Application of proceeds from sale of bonds; what constitutes cost of acquiring project.

The proceeds from the sale of any bonds issued under division of this article may be applied only for the purpose for which the bonds were issued, except any premium and accrued interest received in any sale must be applied to the payment of the principal of or the interest on the bonds sold, and if for any reason any portion of the proceeds are not needed for the purpose for which the bonds were issued, that portion of the proceeds must be applied to the payment of the principal of or the interest on the bonds. The cost of acquiring any project includes the following:

(a) the actual cost of the construction of any part of a project, including architects', engineers', and attorneys' fees;

(b) the purchase price of any part of a project that may be acquired by purchase;

(c) all expenses in connection with the authorization, sale, and issuance of the bonds to finance the acquisition;

(d) the interest on the bonds for a reasonable time prior to construction and for not exceeding one year after completion of the construction.

HISTORY: 1993 Act No. 181, Section 245, eff July 1, 1993.

SECTION 13-1-780. Promulgation of regulations.

The regulations of the division must be promulgated in accordance with Chapter 23 of Title 1.

HISTORY: 1993 Act No. 181, Section 245, eff July 1, 1993.

SECTION 13-1-790. Establishment of corporations by director.

The director may establish profit or not-for-profit corporations as he considers necessary to carry out the purposes of this article. Officials or employees of the division may act as officials or employees of the corporations created pursuant to this section without additional compensation. A corporation created pursuant to this section is considered a "public procurement unit" for purposes of Article 19, Chapter 35 of Title 11. The division may make grants or loans to, or make guarantees for, the benefit of a not-for-profit corporation which the division has caused to be formed whose articles of incorporation require that its directors be elected by members of the division and all assets of which, upon dissolution, must be distributed to the division if it is in existence or, if it is not in existence, then to this State. These grants, loans, or guarantees may be made upon a determination by the division that the receiving not-for-profit corporation is able to carry out the purposes of this article and on the terms and conditions imposed by the division. A guarantee made by the division does not create an obligation of the State or its political subdivisions and is not a grant or loan of the credit of the State or a political subdivision. A guarantee issued by the division must be a special obligation of the division. Neither this State nor any political subdivision is liable on a guarantee nor may they be payable out of any funds other than those of the division and a guarantee issued by the division must contain on its face a statement to that effect.

HISTORY: 1993 Act No. 181, Section 245, eff July 1, 1993.

SECTION 13-1-800. Payment in lieu of property taxes on property of division.

The property of the division is not subject to any taxes or assessments, but the division shall negotiate a payment in lieu of taxes with the appropriate taxing authorities.

HISTORY: 1993 Act No. 181, Section 245, eff July 1, 1993.

SECTION 13-1-810. Division's status as "agency".

Notwithstanding any provision of law or regulation, the division continues to be an "agency" for purposes of Chapter 78 of Title 15; however, the division is not considered to be an "agency" or "state agency" or any other form of state institution for purposes of Sections 2-7-65 and 2-57-60.

HISTORY: 1993 Act No. 181, Section 245, eff July 1, 1993.

Law Change #3

LAW CHANGE #3			
Law	Summary of Current Law(s) and Recommended Change(s)	Basis for Recommendation	Approval and Others Impacted
<p>SECTIONS 13-1-1000 thru 13-1-1090. Aeronautics Division</p>	<p><u>Current Law:</u> Enabling legislation for Aeronautics Commission.</p> <p><u>Recommendation:</u> Relocate the Aeronautics Commission's enabling legislation out of Title 13, Chapter 1 of the Code to an appropriate location in the enabling legislation of SFAA.</p>	<p>The Aeronautics Commission is no longer a part of Commerce, but its enabling legislation continues to reside in middle of the enabling statutes applicable to Commerce, which creates confusion.</p>	<p><u>Presented and approved by agency's governing body:</u> Review by Governor pending.</p> <p><u>Other entities potentially impacted:</u></p> <ul style="list-style-type: none"> • Aeronautics Division • State Fiscal Accountability Authority <p><u>If the law is a regulation, where agency is in the process of finalizing it and providing it to the General Assembly:</u> Not applicable.</p>
<p>Current Law Wording</p>			<p>Proposed Revisions to Law Wording</p>
<p style="text-align: center;">ARTICLE 6 Aeronautics Commission</p> <p>SECTION 13-1-1000. Definitions. Notwithstanding any other provision of law, the following terms, when used in this article, have the following meanings unless the context clearly requires otherwise:</p> <p>(1) "Authority" means the State Fiscal Accountability Authority.</p> <p>(2) "Executive director" means the Executive Director for the Division of Aeronautics.</p> <p>(3) "Division" means the Division of Aeronautics.</p> <p>(4) "Commission" means the Aeronautics Commission.</p> <p>HISTORY: 2005 Act No. 11, Section 1.B, eff upon approval (became law without the Governor's signature on January 13,</p>			<p>Transfer provisions to enabling legislation of SFAA.</p>

2005); 2012 Act No. 270, Section 12, eff June 18, 2012.

SECTION 13-1-1010. Commission created; purpose; purchase and sale of aeronautics assets.

Notwithstanding any other provision of law, the Aeronautics Commission is hereby created within the State Fiscal Accountability Authority. The State Fiscal Accountability Authority shall provide administrative support functions to the division. The commission shall oversee the operation of the division as the division's governing body. The Joint Bond Review Committee must review, prior to approval by the Aeronautics Commission, purchases or sales of any aeronautics assets, the value of which exceeds fifty thousand dollars. There may be no purchase or sale of any aeronautics assets without the approval of the commission.

HISTORY: 2005 Act No. 11, Section 1.B, eff upon approval (became law without the Governor's signature on January 13, 2005); 2012 Act No. 270, Section 13, eff June 18, 2012.

SECTION 13-1-1020. Commission districts; election and appointment of members.

Notwithstanding any other provision of law, the congressional districts of this State are constituted and created commission districts of the State, designated by numbers corresponding to the number of the respective congressional districts. The commission shall be composed of one member from each district elected by the delegations of the congressional district and one member appointed by the Governor, upon the advice and consent of the Senate, from the State at large. The elections or appointments shall take into account race and gender so as to represent, to the greatest extent possible, all segments of the population of the State and shall comply with the provisions of Chapter 13, Title 8. However, consideration of these factors in making an appointment or in an election does not create a cause of action or basis for an employee grievance for a person appointed or elected or for a person who fails to be appointed or elected. HISTORY: 2005 Act No. 11, Section 1.B, eff upon approval (became law without the Governor's signature on January 13, 2005).

SECTION 13-1-1030. County-commission district overlap; consecutive terms; two commissioners from same county.

(A) Notwithstanding any other provision of law, a county that is divided among two or more commission districts, for purposes of electing a commission member, is considered to be in the district which contains the largest number of residents from that county.

(B) Notwithstanding any other provision of law, no county within a commission district shall have a resident commission member for more than one consecutive term and in no event shall any two persons from the same county serve as a commission member simultaneously.

HISTORY: 2005 Act No. 11, Section 1.B, eff upon approval (became law without the Governor's signature on January 13, 2005).

SECTION 13-1-1040. Delegations to elect commissioner from district; organization of delegation; certification and issuance of commission.

Notwithstanding any other provision of law, legislators residing in the congressional district shall meet upon written call of a majority of the members of the delegation of each district at a time and place to be designated in the call for the purpose of electing a commissioner to represent the district. A majority present, either in person or by written proxy, of the delegation from a given congressional district constitutes a quorum for the purpose of electing a district commissioner. No person may be elected commissioner who fails to receive a majority vote of the members of the delegation.

The delegation must be organized by the election of a chairman and a secretary, and the delegations of each congressional district shall adopt rules they consider proper to govern the election. Any absentee may vote by written proxy. When the election is completed, the chairman and the secretary of the delegation shall immediately transmit the name of the person elected to the Secretary of State who shall issue to the person after he has taken the usual oath of office, a certificate of election as commissioner. The Governor then shall issue a commission to the person, and pending the issuance of the commission, the certificate of election is sufficient warrant to the person to perform all of the duties and functions of his office as commissioner. Each commissioner shall serve until his successor is elected and qualified.

HISTORY: 2005 Act No. 11, Section 1.B, eff upon approval (became law without the Governor's signature on January 13, 2005).

SECTION 13-1-1050. Terms of commission members; vacancies; forfeiture of office; at-large commission member as chairman.

(A) Notwithstanding any other provision of law, beginning February 15, 2005, commissioners must be elected by the legislative delegation of each congressional district. For the purposes of electing a commission member, a legislator shall vote only in the congressional district in which he resides. All commission members must serve for a term of office of four years that expires on February fifteenth of the appropriate year. Commissioners shall continue to serve until their successors are elected and qualify, provided that a commissioner may only serve until their successors are elected and qualify, and provided that a commissioner may only serve in a hold-over capacity for a period not to exceed six months. Any vacancy occurring in the office of commissioner must be filled by election in the manner provided in this article for the unexpired term only. No person is eligible to serve as a commission member who is not a resident of that district at the time of his appointment, except that the at-large commission member may be appointed from any county in the State regardless of whether another commissioner is serving from that county. Failure by a commission member to maintain residency in the district for which he is elected shall result in the forfeiture of his office. The at-large commission member, upon confirmation by the Senate, shall serve as chairman of the commission.

(B) The terms of the initial members of the commission appointed from congressional district are as follows:

(1) commission members appointed to represent congressional district one and two, two years;

(2) commission members appointed to represent congressional district three, four, and seven, three years;

(3) commission members appointed to represent congressional district five and six, four years.

(C) The at-large commissioner shall serve at the pleasure of the Governor.

HISTORY: 2005 Act No. 11, Section 1.B, eff upon approval (became law without the Governor's signature on January 13, 2005); 2012 Act No. 270, Section 11, eff June 18, 2012; 2012 Act No. 279, Section 6, eff June 26, 2012.

SECTION 13-1-1060. Oath of office.

Notwithstanding any other provision of law, each voting commission member, within thirty days after his election or appointment, and before entering upon the discharge of the duties of his office, shall take, subscribe, and file with the Secretary of State the oath of office prescribed by the Constitution of the State.

HISTORY: 2005 Act No. 11, Section 1.B, eff upon approval (became law without the Governor's signature on January 13, 2005).

SECTION 13-1-1070. Official seal; adoption of rules and procedures; reimbursement for official expenses.

(A) The commission may adopt an official seal for use on official documents of the division.

(B) The commission shall adopt its own rules and procedures and may select additional officers to serve terms designated by the commission.

(C) Commissioners must be reimbursed for official expenses as provided by law for members of state boards and commissions as established in the annual general appropriations act.

HISTORY: 2005 Act No. 11, Section 1.B, eff upon approval (became law without the Governor's signature on January 13, 2005).

SECTION 13-1-1080. Appointment of executive director.

Notwithstanding any other provision of law, the executive director shall be appointed in accordance with the following procedures:

(A)(1) The commission shall nominate no more than one qualified candidate for the Governor to consider for appointment as executive director. In order to be nominated, a candidate must meet the minimum requirements as provided in Section

13-1-1090.

(2) If the Governor rejects a person nominated by the commission for the position of executive director, the commission must nominate another candidate for the Governor to consider until such time as the Governor makes an appointment.

(3) In the case of a vacancy in the position of executive director for any reason, the name of a nominee for the executive director's successor must be submitted by the commission to the Governor.

(4) The appointment must comply with the provisions contained in Chapter 13, Title 8.

(B) The executive director shall serve at the pleasure of the commission and be appointed as provided in this section.

HISTORY: 2005 Act No. 11, Section 1.B, eff upon approval (became law without the Governor's signature on January 13, 2005).

SECTION 13-1-1090. Qualifications for commission chairman and members.

Notwithstanding any other provision of law, individuals serving on the commission must meet the following minimum qualifications to be qualified:

(1) the commission chairman must have experience in the fields of business, general aviation, and airport management;

(2) all other members of the commission must have a proven record of public and community service, and experience in the fields of business and aviation. Additionally, each member must meet at least two of the following criteria:

(a) general aviation experience;

(b) airport or fixed based operator (FBO) management experience;

(c) aviation service provider experience;

(d) previous service as a state or regional airport commissioner;

(e) legal experience; or

(f) active involvement in a recognized aviation association.

HISTORY: 2005 Act No. 11, Section 1.B, eff upon approval (became law without the Governor's signature on January 13, 2005).

ARTICLE 7
Division of Aeronautics

SECTION 13-1-1110. Organization and objectives of division.

The organization and objectives of the division are stated in Chapters 1 through 9 of Title 55.

HISTORY: 1993 Act No. 181, Section 246, eff July 1, 1993.

Law Change #4

LAW CHANGE #4			
Law	Summary of Current Law(s) and Recommended Change(s)	Basis for Recommendation	Approval and Others Impacted
<p>SECTION 13-1-45. South Carolina Water and Wastewater Infrastructure Fund created; definitions; powers and duties of Department of Commerce; criteria for selecting qualified projects.</p>	<p><u>Current Law</u> Creates the SC Water and Wastewater Infrastructure Fund and establishes duties and powers of the Department of Commerce as well as criteria for selecting qualified projects.</p> <p><u>Recommendation</u> Modify to allow this statutory framework to be available for other infrastructure projects in the state, including possibly broadband.</p>	<p>The South Carolina Water and Wastewater Infrastructure Fund was created in 2000 to distribute a portion of South Carolina's Tobacco Settlement proceeds. The program was implemented and all grants are closed. With minor modifications, this fund could be used for other purposes. While Commerce has proposed revisions, additional or different amendments may be required.</p>	<p><u>Presented and approved by agency's governing body:</u> Review by Governor pending.</p> <p><u>Other entities potentially impacted:</u> None.</p> <p><u>If the law is a regulation, where agency is in the process of finalizing it and providing it to the General Assembly:</u> Not applicable.</p>
Current Law Wording		Proposed Revisions to Law Wording	
<p>There is established under the direction and control of the Secretary of Commerce the South Carolina Water and Wastewater Infrastructure Fund for the purposes of selecting, assisting, and financing major qualified projects by providing financing assistance to governmental units and private entities for constructing and improving water and wastewater facilities that are necessary for public purposes, including economic development and for technology-related infrastructure grants for local units of government.</p> <p>(A) As used in this section:</p> <p>(1) "Fund" means the South Carolina Water and Wastewater Infrastructure Fund.</p> <p>(2) "Department" means the Department of Commerce.</p> <p>(3) "Financing agreement" means any agreement entered into between the</p>		<p>There is established under the direction and control of the Secretary of Commerce the South Carolina Water and Wastewater Infrastructure Fund for the purposes of selecting, assisting, and financing major qualified projects by providing financing assistance to governmental units and private entities for constructing and improving water and wastewater facilities that are necessary for public purposes, including economic development and for technology-related infrastructure grants for local units of government.</p> <p>(A) As used in this section:</p> <p>(1) "Fund" means the South Carolina Water and Wastewater Infrastructure Fund.</p> <p>(2) "Department" means the Department of Commerce.</p> <p>(3) "Financing agreement" means any agreement entered into between the department and a qualified borrower pertaining to financing assistance. This</p>	

department and a qualified borrower pertaining to financing assistance. This agreement may contain, in addition to financing terms, provisions relating to the regulation and supervision of a qualified project, or other provisions as the department determines. The term "financing agreement" includes, without limitation, a loan or grant agreement, trust indenture, security agreement, reimbursement agreement, guarantee agreement, ordinance or resolution, or similar instrument.

(4) "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 this 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.

(5) "Loan obligation" means a note or other evidence of an obligation issued by a qualified borrower.

(6) "Financing assistance" means, but is not limited to, grants, contributions, credit enhancement, capital or debt reserves for debt instrument financing, interest rate subsidies, provision of letters of credit and credit instruments, provision of debt financing instrument security, and other lawful forms of financing and methods of leveraging funds that are approved by the department, and in the case of federal funds, as allowed by federal law.

(7) "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, including the proceeds of financing made by the department, investment earnings, reserves for capital

agreement may contain, in addition to financing terms, provisions relating to the regulation and supervision of a qualified project, or other provisions as the department determines. The term "financing agreement" includes, without limitation, a loan or grant agreement, trust indenture, security agreement, reimbursement agreement, guarantee agreement, ordinance or resolution, or similar instrument.

(4) "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 this 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.

(5) "Loan obligation" means a note or other evidence of an obligation issued by a qualified borrower.

(6) "Financing assistance" means, but is not limited to, grants, contributions, credit enhancement, capital or debt reserves for debt instrument financing, interest rate subsidies, provision of letters of credit and credit instruments, provision of debt financing instrument security, and other lawful forms of financing and methods of leveraging funds that are approved by the department, and in the case of federal funds, as allowed by federal law.

(7) "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, including the proceeds of financing made by the department, investment earnings, reserves for capital and current expenses, proceeds of insurance or condemnation,

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.

(8) "Qualified borrower" means any government unit, public or private nonprofit entity approved by the department that is authorized to construct, operate, or own a qualified project and receives financing assistance pursuant to this section.

(9) "Qualified project" means an eligible project that has been selected by the department to receive financing assistance pursuant to this section.

(10) "Revenues" means any receipts, fees, income, or other payments received or to be received by the department, expressly for the fund including, without limitation, receipts and other payments deposited for the fund and investment earnings on any monies and accounts established for the fund.

(B) The department shall provide the required staff and may add additional staff or contract for services, if necessary, to administer the fund in accordance with this section. The compensation, costs, and expenses incurred incident to administering the fund may be paid from revenues. If the department requests, the Department of Administration may provide legal, technical, planning, and other assistance through intergovernmental agreement. Costs incurred by the board pursuant to such a request must be reimbursed to it by the department from revenues.

(C) In addition to the powers and authority granted in this chapter, the department has the powers and authority necessary to carry out the purposes of this section including, but not limited to:

(1) establish procedures and guidelines necessary for the administration of this section;

(2) offer any form of financing assistance that the department considers

and proceeds from the sale or other disposition of property and from any other special source as may be provided by the qualified borrower.

(8) "Qualified borrower" means any government unit, public or private nonprofit entity or private for profit entity fulfilling an essential public purpose approved by the department that is authorized to construct, operate, or own a qualified project and receives financing assistance pursuant to this section.

(9) "Qualified project" means an eligible project that has been selected by the department to receive financing assistance pursuant to this section.

(10) "Revenues" means any receipts, fees, income, or other payments received or to be received by the department, expressly for the fund including, without limitation, receipts and other payments deposited for the fund and investment earnings on any monies and accounts established for the fund.

(B) The department shall provide the required staff and may add additional staff or contract for services, if necessary, to administer the fund in accordance with this section. The compensation, costs, and expenses incurred incident to administering the fund may be paid from revenues. If the department requests, the Department of Administration may provide legal, technical, planning, and other assistance through intergovernmental agreement. Costs incurred by the board pursuant to such a request must be reimbursed to it by the department from revenues.

(C) In addition to the powers and authority granted in this chapter, the department has the powers and authority necessary to carry out the purposes of this section including, but not limited to:

(1) establish procedures and guidelines necessary for the administration of this section;

(2) offer any form of financing assistance that the department considers necessary to any qualified borrower for a qualified project;

(3) provide loans or other financing assistance to qualified borrowers to finance the

<p>necessary to any qualified borrower for a qualified project;</p> <p>(3) provide loans or other financing assistance to qualified borrowers to finance the eligible costs of qualified projects and to acquire, hold, and sell loans or other obligations at prices and in the manner the department determines advisable;</p> <p>(4) provide qualified borrowers with other financing assistance necessary to defray eligible costs of a qualified project;</p> <p>(5) enter into contracts, arrangements, and agreements with qualified borrowers, governmental units, or other otherwise eligible entities, and execute and deliver all financing agreements and other instruments necessary or convenient to the exercise of the powers granted in this chapter;</p> <p>(6) 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;</p> <p>(7) establish fiscal controls and accounting procedures to ensure proper accounting and reporting by qualified borrowers;</p> <p>(8) acquire by purchase, lease, donation, or other lawful means and sell, convey, pledge, lease, exchange, transfer, and dispose of all or part of its properties and assets of every kind and character or any interest in it to further the public purpose of the fund, without further approval or authorization;</p> <p>(9) 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 debt issued by a qualified borrower or other entity receiving assistance pursuant to this section, including the power to pay premiums or fees on insurance, guarantees, letters of credit, and other</p>	<p>eligible costs of qualified projects and to acquire, hold, and sell loans or other obligations at prices and in the manner the department determines advisable;</p> <p>(4) provide qualified borrowers with other financing assistance necessary to defray eligible costs of a qualified project;</p> <p>(5) enter into contracts, arrangements, and agreements with qualified borrowers, governmental units, or other otherwise eligible entities, and execute and deliver all financing agreements and other instruments necessary or convenient to the exercise of the powers granted in this chapter;</p> <p>(6) 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;</p> <p>(7) establish fiscal controls and accounting procedures to ensure proper accounting and reporting by qualified borrowers;</p> <p>(8) acquire by purchase, lease, donation, or other lawful means and sell, convey, pledge, lease, exchange, transfer, and dispose of all or part of its properties and assets of every kind and character or any interest in it to further the public purpose of the fund, without further approval or authorization;</p> <p>(9) 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 debt issued by a qualified borrower or other entity receiving assistance pursuant to this section, including the power to pay premiums or fees on insurance, guarantees, letters of credit, and other forms of collateral or security or credit support, without further approval or authorization;</p> <p>(10) collect fees and charges in connection with financing assistance and expend such funds to effectuate the purposes of this section;</p> <p>(11) apply for, receive and accept from any source, aid, grants, and contributions of</p>
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forms of collateral or security or credit support, without further approval or authorization;

(10) collect fees and charges in connection with financing assistance and expend such funds to effectuate the purposes of this section;

(11) 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 section;

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

(D) The department shall establish accounts and subaccounts within the state accounts and any federal accounts to receive and disburse funds to effectuate the purposes of this section. Earnings on the balances in these state accounts must be expended to effectuate the purposes of this section. Earnings on balances in the federal accounts must be credited and invested according to federal law. All accounts must be held in trust by the State Treasurer and the unexpended funds in these accounts carry forward from year to year. All earnings on state accounts must be retained in those accounts and used for the same purposes.

(E) The department shall determine which projects are eligible projects and then select from among the eligible projects those qualified to receive financing assistance under this section. Priority in funding must be given to projects located in underdeveloped areas of the State.

(F) In selecting qualified projects, the department shall consider the projected feasibility of the project and the amount of financial risk. The department also may consider, but is not limited to, the following criteria in making its determination that an eligible project is a qualified project:

(1) local support of the project, expressed by resolutions by the governing bodies in the areas in which the project will be located;

money, property, labor, or other things of value to be used to carry out the purposes of this section;

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

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(F) In selecting qualified projects, the department shall consider the projected feasibility of the project and the amount of financial risk. The department also may consider, but is not limited to, the following criteria in making its determination that an eligible project is a qualified project:

(1) local support of the project, expressed by resolutions by the governing bodies in the areas in which the project will be located;

(2) economic benefit of the project;

(3) readiness of the project to proceed;

(4) ability of the applicant to repay financial assistance obtained;

(5) financial or in-kind contributions to the project;

<p>(2) economic benefit of the project;</p> <p>(3) readiness of the project to proceed;</p> <p>(4) ability of the applicant to repay financial assistance obtained;</p> <p>(5) financial or in-kind contributions to the project;</p> <p>(6) development status of the county in which the project is located; and</p> <p>(7) whether the governing bodies of the county or the incorporated municipality in which the project is located provide to the department a resolution that makes a finding that the project is essential to economic development in the political subdivisions, or the department receives a resolution or certificate from the Coordinating Council for Economic Development that the project is essential to economic development in this State, or both, at the option of the department.</p> <p>(G) Qualified borrowers may obtain financing assistance pursuant to this section through financing or grant agreements. Qualified borrowers entering into financing or grant agreements or issuing debt obligations may perform any acts, take any action, adopt any proceedings, or make and carry out any contracts or agreements with the department as may be agreed to by the department and any qualified borrower and necessary for effectuating the purposes of this section.</p> <p>(H) In addition to the authorizations contained in this section, all other statutes or provisions permitting government units to borrow money and issue obligations including, but not limited to, the Revenue Bond Act for Utilities and the Revenue Bond Refinancing Act of 1937, may be utilized by any government unit in obtaining financing assistance from the department pursuant to this section. Notwithstanding the foregoing, obligations secured by ad valorem taxes may be issued by a government unit and purchased by the department or its agent without regard to any public bidding</p>	<p>(6) development status of the county in which the project is located; and</p> <p>(7) whether the governing bodies of the county or the incorporated municipality in which the project is located provide to the department a resolution that makes a finding that the project is essential to economic development in the political subdivisions, or the department receives a resolution or certificate from the Coordinating Council for Economic Development that the project is essential to economic development in this State, or both, at the option of the department.</p> <p>(G) Qualified borrowers may obtain financing assistance pursuant to this section through financing or grant agreements. Qualified borrowers entering into financing or grant agreements or issuing debt obligations may perform any acts, take any action, adopt any proceedings, or make and carry out any contracts or agreements with the department as may be agreed to by the department and any qualified borrower and necessary for effectuating the purposes of this section.</p> <p>(H) In addition to the authorizations contained in this section, all other statutes or provisions permitting government units to borrow money and issue obligations including, but not limited to, the Revenue Bond Act for Utilities and the Revenue Bond Refinancing Act of 1937, may be utilized by any government unit in obtaining financing assistance from the department pursuant to this section. Notwithstanding the foregoing, obligations secured by ad valorem taxes may be issued by a government unit and purchased by the department or its agent without regard to any public bidding requirement.</p> <p>(I) A qualified borrower may receive, apply, pledge, assign, and grant security interest in project revenues; and, in the case of a governmental unit, its project revenues, revenues derived from a special source or ad valorem taxes, to secure its obligations as provided in this section, and may fix, revise, charge, and collect fees, rates, rents, assessments, and other charges of general or special application for the operation or services of a qualified project, the system of which it is a part, and any other revenue producing facilities from which the qualified borrower derives project revenues, to meet its obligations under a financing agreement or to provide for the construction and improving of a qualified project.</p>
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requirement.

(I) A qualified borrower may receive, apply, pledge, assign, and grant security interest in project revenues; and, in the case of a governmental unit, its project revenues, revenues derived from a special source or ad valorem taxes, to secure its obligations as provided in this section, and may fix, revise, charge, and collect fees, rates, rents, assessments, and other charges of general or special application for the operation or services of a qualified project, the system of which it is a part, and any other revenue producing facilities from which the qualified borrower derives project revenues, to meet its obligations under a financing agreement or to provide for the construction and improving of a qualified project.

(J) If a qualified borrower fails to collect and remit in full all amounts due under any related financing agreement, note, or other obligation, the department may, on or after the date these amounts are due, notify the State Treasurer who shall withhold all or a portion of the state funds and all funds administered by this State, its agencies, boards, and instrumentalities allotted or appropriated to the government unit and apply an amount necessary to the payment of the amount due; or in the case of a private entity, the department may pursue recovery pursuant to Chapter 56 of Title 12; or the department may pursue any other remedy provided by law.

(K) Nothing contained in this section mandates the withholding of funds allocated to a government unit or private entity which would violate contracts to which this State is a party, the requirements of federal law imposed on this State, or judgments of a court binding on this State.

(L) Notice, proceeding, or publication, except those required in this section, are not necessary to the performance of any act authorized in this section nor is any act of the department subject to any referendum.

(M) Following the close of each state fiscal year, the department shall submit an annual report of its activities pursuant to this section for the preceding year to the Governor and to the General Assembly.

(J) If a qualified borrower fails to collect and remit in full all amounts due under any related financing agreement, note, or other obligation, the department may, on or after the date these amounts are due, notify the State Treasurer who shall withhold all or a portion of the state funds and all funds administered by this State, its agencies, boards, and instrumentalities allotted or appropriated to the government unit and apply an amount necessary to the payment of the amount due; or in the case of a private entity, the department may pursue recovery pursuant to Chapter 56 of Title 12; or the department may pursue any other remedy provided by law.

(K) Nothing contained in this section mandates the withholding of funds allocated to a government unit or private entity which would violate contracts to which this State is a party, the requirements of federal law imposed on this State, or judgments of a court binding on this State.

(L) Notice, proceeding, or publication, except those required in this section, are not necessary to the performance of any act authorized in this section nor is any act of the department subject to any referendum.

(M) Following the close of each state fiscal year, the department shall submit an annual report of its activities pursuant to this section for the preceding year to the Governor and to the General Assembly.

(N) No funds under this section may be provided, promised, or allocated to any projects authorized hereunder before November 15, 2000.

(O) The department shall submit a quarterly report to the State Fiscal Accountability Authority, Revenue and Fiscal Affairs Office, and Executive Budget Office of all projects obligated for funding pursuant to this section.

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(N) No funds under this section may be provided, promised, or allocated to any projects authorized hereunder before November 15, 2000.

(O) The department shall submit a quarterly report to the State Fiscal Accountability Authority, Revenue and Fiscal Affairs Office, and Executive Budget Office of all projects obligated for funding pursuant to this section.

HISTORY: 2000 Act No. 387, Part II, Section 69A.2, eff June 30 2000.

Law Change #5

LAW CHANGE #5			
Law	Summary of Current Law(s) and Recommended Change(s)	Basis for Recommendation	Approval and Others Impacted
<p>SECTION 13-1-320. Objectives of division.</p>	<p><u>Current Law</u> Establishes the objectives of the Division of State Development.</p> <p><u>Recommendation</u> Modify to update objectives.</p> <ul style="list-style-type: none"> • Delete reference to division as the “official state liaison office.” • Clarify that promotion of system of transportation does not infer that division actually implements the development and expansion statewide of highway, railroad, port, waterway, and airport systems. • Add promotion of strategic planning for economic development (moved from Coordinating Council enabling legislation in Law Change 12). • Add objective to identify and overcome challenges in rural communities. • Add objective to facilitate coordination by and among education, communities, and businesses to ensure workforce needs are being met in the State. 	<p>While not the “official state liaison office”, Commerce promotes coordination of functions and activities of various agencies at the state, federal and local level regarding planning research and development.</p> <p>Commerce promotes, but does not actually implement, a system of transportation in the state (other than through its Division of Public Railways, which is separate from the Division of State Development).</p> <p>Since 1993 Restructuring Commerce, not the Coordinating Council, has undertaken and funded strategic planning in collaboration with other public and private stakeholders in the State. Recommend repeal of strategic planning and related mandates of the Coordinating Council in Sections 13-1-1720(A)(1)-(5). (See also Law Change 12.)</p> <p>Finding ways to overcome the unique challenges faced by rural communities to attract jobs, investment and new residents is and has been an important objective of Commerce.</p>	<p><u>Presented and approved by agency’s governing body:</u> Review by Governor pending.</p> <p><u>Other entities potentially impacted:</u> None.</p> <p><u>If the law is a regulation, where agency is in the process of finalizing it and providing it to the General Assembly:</u> Not applicable.</p>

		<p>Connecting education, communities and businesses regarding workforce needs is an objective the General Assembly has given Commerce since Commerce was created during 2003 Restructuring. Since 2014, Commerce has been responsible, along with the Department of Education, to provide staff support for the SC Education and Economic Development Coordinating Council (Section 59-59-175). Commerce also now has responsibility for and oversight of regional education centers (Sections 13-1-1810 and 1820).</p>	
<p>Current Law Wording</p>		<p>Proposed Revisions to Law Wording</p>	
<p>The objectives of the division are to:</p> <p>(1) conserve, restore, and develop the natural and physical, the human and social, and the economic and productive resources of the State;</p> <p>(2) promote coordination of the functions and activities of state agencies and act as the official state liaison office between the state, federal, and local planning, research, and development agencies;</p> <p>(3) promote a system of transportation for the State through development and expansion of the highway, railroad, port, waterway, and airport systems;</p> <p>(4) promote and correlate state and local activity in planning public works projects;</p> <p>(5) promote public interest in the development of the State through cooperation with public agencies, private enterprises, and charitable and social institutions;</p>		<p>The objectives of the division are to:</p> <p>(1) conserve, restore, and develop the natural and physical, the human and social, and the economic and productive resources of the State;</p> <p>(2) promote coordination of the functions and activities of state agencies and act as the official state liaison office between the state, federal, and local planning, research, and development agencies;</p> <p>(3) promote a system of transportation for the State through development and expansion, <u>by state, federal, and local government agencies,</u> of the highway, railroad, port, waterway, and airport systems;</p> <p>(4) promote <u>strategic planning for economic development, through coordination and collaboration with state, federal, and local government agencies and other stakeholders,</u> and correlate state and local activity in planning public works projects, <u>all for the purpose of diversifying and expanding the economic base of the State;</u></p> <p>(5) promote public interest in the development of the State through cooperation</p>	

(6) promote and encourage industrial development, private business and commercial enterprise, agricultural production, transportation, and the utilization and investment of capital within the State;

(7) assist the development of existing state and interstate trade, commerce, and markets for South Carolina goods and in the removal of barriers to the industrial, commercial, and agricultural development of the State;

(8) assist in ensuring stability in employment, increase the opportunities for employment of the citizens of the State, and devise ways and means to raise the living standards of the people of the State;

(9) advance the general welfare of the people.

HISTORY: 1993 Act No. 181, Section 244, eff July 1, 1993.

with public agencies, private enterprises, and charitable and social institutions;

(6) promote and encourage industrial development, private business and commercial enterprise, agricultural production, transportation, and the utilization and investment of capital within the State;

(7) assist the development of existing state and interstate trade, commerce, and markets for South Carolina goods and in the removal of barriers to the industrial, commercial, and agricultural development of the State;

(8) assist in ensuring stability in employment, increase the opportunities for employment of the citizens of the State, and devise ways and means to raise the living standards of the people of the State;

(9) identify challenges facing rural communities in the State and solutions to overcome those challenges for the purpose of diversifying and expanding the economic base of the State;

(10) facilitate interaction by and among education, communities, and private businesses to ensure that all South Carolina citizens are knowledgeable and prepared to meet the current and future workforce needs of new and existing businesses in the State;

(911) advance the general welfare of the people.

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Law Change #6

LAW CHANGE #6			
Law	Summary of Current Law(s) and Recommended Change(s)	Basis for Recommendation	Approval and Others Impacted
SECTION 13-1-330. Division made up of bureaus.	<p><u>Current Law:</u> Requires that the Division of State Development be made up of certain bureaus and headed by individuals with certain qualifications.</p> <p><u>Recommendation:</u> Modify to update obsolete language and provide discretion to director, with approval of Secretary of Commerce, to organize and staff division with qualified personnel.</p>	Bureau language is outdated and does not reflect organization of Commerce since 1993 Restructuring. Removing limiting language clarifies that current and future Secretaries have the ability to organize the Division of State Development, or Commerce, in the way that best meets the needs of the state.	<p><u>Presented and approved by agency's governing body:</u> Review by Governor pending.</p> <p><u>Other entities potentially impacted:</u> None.</p> <p><u>If the law is a regulation, where agency is in the process of finalizing it and providing it to the General Assembly:</u> Not applicable.</p>
Current Law Wording		Proposed Revisions to Law Wording	
<p>The division shall consist of a bureau of research, a bureau of planning, a bureau of development, and such other bureaus as the director may establish. Each bureau may be headed by a bureau chief selected on the basis of his technical and administrative qualifications and experience to perform the duties required by his position. The chief for the bureau of research shall be a person thoroughly familiar with the principles of, and experienced in, the methods and techniques of research and economics. The chief for the bureau of planning shall be an industrial engineer experienced in that type of work. The chief for the bureau of development shall be a person thoroughly familiar with the principles of, and experienced in, the methods and techniques of developing a program of advertising and salesmanship.</p> <p>HISTORY: 1993 Act No. 181, Section 244, eff July 1, 1993.</p>		<p>The division shall <u>be organized at the discretion of the director, with approval of the Secretary, and staffed by personnel with the necessary qualifications and experience to perform the duties required</u> consist of a bureau of research, a bureau of planning, a bureau of development, and such other bureaus as the director may establish. Each bureau may be headed by a bureau chief selected on the basis of his technical and administrative qualifications and experience to perform the duties required by his position. The chief for the bureau of research shall be a person thoroughly familiar with the principles of, and experienced in, the methods and techniques of research and economics. The chief for the bureau of planning shall be an industrial engineer experienced in that type of work. The chief for the bureau of development shall be a person thoroughly familiar with the principles of, and experienced in, the methods and techniques of developing a program of advertising and salesmanship.</p>	

Law Change #7

LAW CHANGE #7			
Law	Summary of Current Law(s) and Recommended Change(s)	Basis for Recommendation	Approval and Others Impacted
<p>SECTION 13-1-340. Director of division; duties, powers and responsibilities.</p>	<p><u>Current Law:</u> Establishes duties, powers, and responsibilities of the Director of the Division of State Development, or Commerce.</p> <p><u>Recommendation:</u> Modify and consolidate duties, powers, and responsibilities set forth in Section 13-1-350 with Section 13-1-340 to update, eliminate duplication, and remove obsolete and/or unconstitutional statutory language. (See Law Change 8.)</p>	<p>This is the primary section outlining Commerce’s duties, powers, and responsibilities, which have not been updated since 1993. While most of the duties, powers, and responsibilities under Section 13-1-340 are still relevant, many of the additional duties, powers, and responsibilities set forth in Section 13-1-350 (related to former boards, commissions, and councils restructured into Commerce) are obsolete, unconstitutional, duplicative of duties being performed by other state agencies, or can be updated and consolidated into this one section of the duties, powers, and responsibilities. (See Law Change 8.)</p>	<p><u>Presented and approved by agency’s governing body:</u> Review by Governor pending.</p> <p><u>Other entities potentially impacted:</u> None.</p> <p><u>If the law is a regulation, where agency is in the process of finalizing it and providing it to the General Assembly:</u> Not applicable.</p>
Current Law Wording		Proposed Revisions to Law Wording	
<p>SECTION 13-1-340. Director of division; duties, powers and responsibilities.</p> <p>The director is vested with duties, powers, and responsibilities involved in accomplishing the division's objectives outlined in this article within the appropriations provided by the General Assembly. The director may:</p> <p>(1) advise and make recommendations to the Governor and the General Assembly on matters concerning the division's objectives;</p> <p>(2) cooperate with the operating agencies of the State in the development of plans;</p>		<p>SECTION 13-1-340. Director of division; duties, powers and responsibilities.</p> <p>The director is vested with duties, powers, and responsibilities involved in accomplishing the division's objectives outlined in this article within the appropriations provided by the General Assembly. The director may:</p> <p>(1) advise and make recommendations to the Governor and the General Assembly on matters concerning the division's objectives;</p> <p>(2) cooperate with the operating agencies of the State in the development of plans;</p> <p>(3) have access to the records and studies of each state agency pertaining to the</p>	

(3) have access to the records and studies of each state agency pertaining to the division's objectives;

(4) conduct studies on his own initiative pertaining to the division's objectives and others at the request of the Governor, the General Assembly, or state or local agencies;

(5) make special studies on area problems or specific subjects, establish local agencies, and furnish staff or financial aid;

(6) stimulate and encourage local, state, and federal governmental agencies with similar and related objectives and purposes and cooperate with local, regional, and federal planning and development programs;

(7) publish and distribute the division's findings through written reports, brochures, magazine and newspaper articles, and other appropriate forms and use the radio, periodicals, and other recognized forms of advertising, personal interviews, exhibits, and displays in order that governmental agencies, corporations, and individual citizens may become acquainted with the development program of the State;

(8) advertise the advantages of the State for industrial, agricultural, and commercial development by paid publicity;

(9) provide information to and make contact with private business enterprises and local, state, and federal governmental agencies to acquaint them with industrial, agricultural, and commercial opportunities in the State and encourage the establishment of new or the expansion of existing industries and enterprises;

(10) provide advice upon request by local, state, and federal agencies, private citizens, and business and commercial enterprises upon matters of economic development, industrial and business expansion, and agricultural activity upon which his knowledge, sources of information, and findings and decisions qualify him to speak;

division's objectives;

(4) conduct studies on his own initiative pertaining to the division's objectives and others at the request of the Governor, the General Assembly, or state or local agencies;

(5) make special studies on area problems or specific subjects, establish local agencies, and furnish staff or financial aid;

(6) stimulate and encourage local, state, and federal governmental agencies with similar and related objectives and purposes and cooperate with local, regional, and federal planning and development programs;

(7) publish and distribute the division's findings through ~~written reports, brochures, magazine and newspaper articles, and other appropriate forms and use the radio, periodicals, and other~~ recognized forms of advertising and marketing, personal interviews, exhibits, and displays in order that governmental agencies, corporations, and individual citizens may become acquainted with the development program of the State;

(8) advertise the advantages of the State for industrial, agricultural, and commercial development by paid publicity;

(9) provide information to and make contact with private business enterprises and local, state, and federal governmental agencies to acquaint them with industrial, agricultural, and commercial opportunities in the State and encourage the establishment of new or the expansion of existing industries and enterprises;

(10) provide advice upon request by local, state, and federal agencies, private citizens, and business and commercial enterprises upon matters of economic development, industrial and business expansion, and agricultural activity upon which his knowledge, sources of information, and findings and decisions qualify him to speak;

(11) accept gifts, grants, loans, funds, and property to accomplish the division's

(11) accept gifts, grants, funds, and property to accomplish the division's objectives, administer and disburse gifts, grants, and funds, and dispose of property to counties, municipalities, and local agencies performing a public service or function which may disburse the gifts, grants, and funds or make the property available to eligible participants in a program established to perform and implement the public service or function subject to the approval of the State Fiscal Accountability Authority.

HISTORY: 1993 Act No. 181, Section 244, eff July 1, 1993.

objectives, administer and disburse gifts, grants, loans, and funds, and dispose of property to counties, municipalities, and local agencies performing a public service or function which may disburse the gifts, grants, and funds or make the property available to eligible participants in a program established to perform and implement the public service or function subject to the approval of the State Fiscal Accountability Authority.

(12) compile surveys showing the nature and extent of the natural resources and of the manufactured products and raw materials found or produced in the State which may move in domestic or foreign commerce;

(13) determine the areas throughout the world where commodities and products of this State may find advantageous markets and secure perfection of arrangements between citizens of this State and producers and consumers in other areas whereby there may be carried on greater interchange of commerce.

(14) purchase, hold, use, lease, sell, transfer, convey, assign, or otherwise to acquire or dispose of any property, real, personal or mixed, or any estate or interest therein, all subject to requisite approvals;

(15) employ attorneys and other consultants and contractors upon such reasonable basis of compensation commensurate with the services rendered or to be rendered to the end that no excessive or unreasonable fees or compensation shall be allowed;

(16) promulgate regulations in accordance with Chapter 23 of Title 1.

(17) have the power of eminent domain;

(18) borrow money from the United States or any corporation or agency created, designed or established by the United States;

(19) have all additional powers, not inconsistent with this article, that are vested by law in corporations generally.

Law Change #8

LAW CHANGE #8			
Law	Summary of Current Law(s) and Recommended Change(s)	Basis for Recommendation	Approval and Others Impacted
<p>SECTION 13-1-350. Director to assume duties of certain former boards, commissions, and councils.</p>	<p><u>Current Law:</u> Outlines additional duties and powers vested in Commerce from former boards, commissions, and councils restructured into the Division of State Development.</p> <p><u>Recommendation:</u> Repeal and consolidate certain duties into Section 13-1-340. (See Law Change 7.)</p>	<p>Many of the duties, powers, and responsibilities of these former boards, commissions, and councils are obsolete (most if not all had not been amended long before 1993 Restructuring), unconstitutional, duplicative of duties being performed by other state agencies, or can be updated and consolidated into the duties, powers, and responsibilities under Section 13-1-340. (See Law Change 7.)</p> <p>Under “Proposed Revisions to Law Wording,” each section of the statute is in a separate row for ease in referencing which statutes are proposed to be eliminated, and why, and which to be moved to Section 13-1-340. Duties, powers, and responsibilities that remain and are proposed to be moved to Section 13-1-340 are in BOLD.</p>	<p><u>Presented and approved by agency’s governing body:</u> Review by Governor pending.</p> <p><u>Other entities potentially impacted:</u></p> <ul style="list-style-type: none"> • SC State Housing & Finance Development Authority • Parks, Recreation & Tourism • DHEC • Department of Agriculture <p><u>If the law is a regulation, where agency is in the process of finalizing it and providing it to the General Assembly:</u> Not applicable.</p>
<u>Current Law Wording</u>		<u>Proposed Revisions to Law Wording</u>	
<p>The former State Planning Board, State Board of Housing, Building Council of South Carolina, South Carolina Commerce Development Board, South Carolina Intra-Coastal Waterway Commission, South Carolina Board for Promotion of External Trade, and Natural Resources Commission and their successor the State Development Board having been abolished, the director shall have the following additional duties formerly imposed on such boards, commissions and councils:</p>		<p>Repeal entire statute and add the duties, powers, and responsibilities that remain relevant and useful to the list of duties powers and responsibilities of the Division of State Development in Section 13-1-340. (See Law Change 7.)</p> <p>Certain duties of the State Board of Housing may be duplicative of current duties of the SC State Housing Finance & Development Authority, but Commerce makes no recommendation regarding housing-related duties other than to repeal/remove</p>	

	<p>responsibilities the Secretary of Commerce has for housing-related matters. (See Law Change 15.)</p> <p>Each section of the statute is in a separate row below for ease in referencing which statutes are proposed to be eliminated, and why, and which to be moved to Section 13-1-340. Duties, powers, and responsibilities that remain and are proposed to be moved to Section 13-1-340 are in BOLD.</p>
<p>(1) State Planning Board:</p> <p>(a) to confer and cooperate with the executive, legislative and planning authorities of the United States and of neighboring states and of subdivisions thereof;</p> <p>(b) to promote interest in the understanding of the problems of state planning; and</p> <p>(c) to cooperate with the United States and any of its agencies in the planning, conservation, utilization and development of state resources and in the planning of its public works programs and to act, when so designated, as an agency of the United States, or of any agency thereof.</p>	<ul style="list-style-type: none"> • (1)(a)-(c) is DUPLICATIVE: Duties already contained in Sections 30-4-340(2), (4), (5), (6).
<p>(2) State Board of Housing: to perform the duties imposed upon him under Title 31 of this Code;</p> <p>(3) Building Council of South Carolina: to promulgate and recommend to the General Assembly of the State a building code for adoption;</p>	<ul style="list-style-type: none"> • (2) and (3) are OBSOLETE as to Commerce: These provisions predated the creation of SC State Housing Finance & Development Authority (“SC Housing”) and have not been amended for decades. • Certain provisions may be DUPLICATIVE of current duties of SC Housing. (See Law Change 15.)
<p>(4) Commerce Development Board:</p>	
<p>(a) to purchase, hold, use, lease, mortgage, sell, transfer, convey, assign, pledge or otherwise to acquire, encumber or dispose of any property, real, personal or mixed, or any estate or interest therein, including, but without limiting the foregoing, stock in any corporation;</p>	<ul style="list-style-type: none"> • (4)(a) is MOVED as appropriate and not unconstitutional into Section 13-1-340(14). Proposed language for Section 13-1-340(14) is as follows: <p>(14) purchase, hold, use, lease, sell, transfer, convey, assign, or otherwise to acquire or dispose of any property, real, personal or mixed, or any estate or interest therein, all subject to requisite approvals;</p>

	<ul style="list-style-type: none"> Wording not in bold is unconstitutional and not moved into Section 13-1-340. Mortgaging, pledging, encumbering state property and state ownership of stock in any corporation is unconstitutional.
<p>(b) to employ attorneys upon such reasonable basis of compensation as may be agreed upon, or as he may determine, commensurate with the services rendered or to be rendered to the end that no excessive or unreasonable fees or compensation shall be allowed;</p>	<ul style="list-style-type: none"> (4)(b) is MOVED into Section 13-1-340(15) and added to the duties of Division of Development. Proposed language for Section 13-1-340(15) is as follows: (15) employ attorneys and other consultants and contractors upon such reasonable basis of compensation commensurate with the services rendered or to be rendered to the end that no excessive or unreasonable fees or compensation shall be allowed;
<p>(c) to build, acquire, construct and maintain power houses and any and all structures, ways and means necessary, useful or customarily used and employed in the construction of highways, in the construction and operation of railroads and in the manufacture, generation and distribution of electricity and any and all other kinds of power, including power transmission lines, poles, telephone and telegraph lines, substations, transformers and generally all things used or useful in the manufacture, distribution and purchase of power and electricity; provided, that electric current produced shall be used by the director and that none of it shall be sold;</p>	<ul style="list-style-type: none"> (4)(c) is OBSOLETE.
<p>(d) to acquire or to build, construct, equip, maintain and operate one or more railroads with any motive power, one or more highways or other methods, means or ways of commerce or transportation or of communication, telegraph or telephone lines, electric lines, pipe lines, commissaries, houses, camps, lakes, fills, dams, reservoirs, ditches, drains, roads, tunnels, culverts, bridges, conduits, shops and depots and equipment; provided, that telegraph or telephone lines shall be used by the director and that no telegraph or telephone service shall be sold to the general public;</p>	<ul style="list-style-type: none"> 4(d) is DUPLICATIVE: Commerce’s Division of Public Railways, to be studied at a later date, has the authority to build, construct, equip, maintain and operate railroads. DHEC is responsible for flood prevention and dam regulation under the Dams and Reservoirs Safety Act, Section 49-110 thru 260 and associated regulations R.72.1- thru .71.9. SCDOT is responsible for construction and maintenance of state highways and bridges and electric power and telephone service infrastructure and services are almost exclusively in the private sector.
<p>(e) to engage in the business of a common carrier of freight <i>or passengers</i> for hire;</p>	<ul style="list-style-type: none"> (4)(e) is partly DUPLICATIVE and partly OBSOLETE: Commerce’s Division of Public Railways is a common carrier of freight. Words in italics are obsolete.

<p>(f) to build, construct, equip, maintain and operate, or cause the same to be done, a railroad or a highway connecting the existing lines of railroad at Walhalla, South Carolina, and at or near Maryville, Tennessee, or as near to such points as practicable and to do every act and thing necessary or proper to accomplish that result and to secure improvement of such existing lines connecting the same with the Atlantic seaboard;</p>	<ul style="list-style-type: none"> • (4)(f) is OBSOLETE.
<p>(g) to transport goods, freight, <i>mail, passengers and intelligence for hire</i> and to fix and collect proper charges therefor;</p>	<ul style="list-style-type: none"> • (4)(g) is partly DUPLICATIVE and partly OBSOLETE: Commerce’s Division of Public Railways is a common carrier of freight. • Words in italics are obsolete.
<p>(h) to construct or establish parks or playgrounds for the use, benefit, recreation and amusement of the people of this State under such rules and regulations and subject to such charges as it may establish, determine or fix, with all necessary or proper appurtenances, roadways, lakes, reservoirs, pipe lines, wires, buildings or other structures and equipment which it may from time to time deem desirable;</p>	<ul style="list-style-type: none"> • (4)(h) is DUPLICATIVE: PRT has confirmed it has this responsibility under Section 51-1-60(h).
<p>(i) to take such steps as may be proper to prevent and control soil erosion and floods in the areas served by it;</p>	<ul style="list-style-type: none"> • (4)(i) is DUPLICATIVE: DHEC has confirmed it has authority to undertake these duties and maintain regulatory programs to control stormwater runoff and sediment erosion. Sections 48-14-10 thru 170 and associated regulations.
<p>(j) to cooperate with the United States to promote the national defense;</p>	<ul style="list-style-type: none"> • (4)(j) is OBSOLETE
<p>(k) to develop and increase commerce, intrastate, interstate and foreign, by shortening and improving existing routes, by constructing new routes and facilities and by equipping, maintaining and operating or leasing the same, or causing it to be done, by procuring or endeavoring to procure a reduction in freight, passenger, power, light, water, telegraph and telephone rates and tolls and by any other means or method which shall tend so to do and securing to the people of this State the annual saving of large sums and an improvement in their living conditions and general welfare;</p>	<ul style="list-style-type: none"> • (4)(k) is DUPLICATIVE: Division of Public Railways (rail routes and freight). SCDOT (road and highway routes)

<p>(l) to cooperate with the health authorities in the areas served by it to the end that the public health may be improved and disease and suffering reduced;</p>	<ul style="list-style-type: none"> • (4)(l) is DUPLICATIVE: DHEC has confirmed that it has broad authority to fulfill this mandate. Sections 44-1-80 thru 44-1-170.
<p>(m) to fix, alter, charge and collect tolls, freight and other charges for the use of the division's facilities or for the services rendered by or for any commodities furnished by it, at rates to be determined by the director, such rates to be at least sufficient to provide for payment of all expenses of the director under this subparagraph (4) of this section, the conservation, maintenance and operation of its facilities and properties, the payment of principal and interest on its notes, bonds and other evidences of indebtedness or obligation and to fulfill the terms and provisions of any agreements made with the purchasers or holders of any of the division's notes, bonds or other evidences of indebtedness or obligation;</p>	<ul style="list-style-type: none"> • (4)(m) language is OBSOLETE • BUT any authority here to charge for use of facilities would be captured in catchall provision related to corporate powers in Section 13-1-140(19).
<p>(n) to have the power of eminent domain;</p>	<ul style="list-style-type: none"> • (4)(n) is MOVED to Section 13-1-340(17) and added to the duties of Division of Development. Proposed language for 13-1-340(17) is as follows: (17) have the power of eminent domain;
<p>(o) to acquire by purchase, gift, condemnation or in any other manner any lands, waters, water rights, riparian rights, flowage rights, rights of way, easements, licenses, franchises, engineering data, maps, construction plans or estimates or any other property of any kind, real, personal or mixed, necessary or useful in carrying out any of his powers;</p>	<ul style="list-style-type: none"> • (4)(o) is MOVED to Section 13-1-340(14) and added to the duties of Division of Development. Words that are OBSOLETE and/or not needed are omitted. Proposed language for Section 13-1-340(14) is as follows: (14) purchase, hold, use, lease, sell, transfer, convey, assign, or otherwise to acquire or dispose of any property, real, personal or mixed, or any estate or interest therein, all subject to requisite approvals;
<p>(p) to borrow money, to make and issue negotiable notes, bonds and other evidences of indebtedness and to secure the payment of such obligations or any part thereof by mortgage, lien, pledge or deed of trust on any or all of the division's property, contracts, franchises or revenues and to make such agreements with the purchasers or holders of such notes, bonds or other evidences of indebtedness or with others in connection with any such notes, bonds or other evidences of indebtedness, whether issued or to be issued, as the director shall deem advisable and in general to provide for the security for</p>	<ul style="list-style-type: none"> • (4)(p) is MOVED as appropriate and not unconstitutional into Section 13-1-340(18) and added to the duties of Division of Development. Words that are OBSOLETE and/or not needed are omitted Proposed language for Section 13-1-340(18) is as follows: (18) borrow money from the United States or any corporation or agency created, designed or established by the United States; • Wording not in bold is UNCONSTITUTIONAL.

<p>such notes, bonds or other evidences of indebtedness and the rights of the holders thereof;</p>	<ul style="list-style-type: none"> Accepting and disbursing “loans” is also proposed to be added to Section 13-1-340(11). See Law Change 7.
<p>(q) to endorse or otherwise to guarantee the obligations of any corporation all of the voting stock of which the division may own or acquire;</p> <p>(r) to mortgage, pledge, hypothecate or otherwise to encumber any or all of the division's property, real, personal or mixed, facilities or revenues as security for notes, bonds, evidences of indebtedness or other obligations;</p>	<ul style="list-style-type: none"> (4)(q)-(r) is UNCONSTITUTIONAL.
<p>(s) to borrow money from the United States or any corporation or agency created, designed or established by the United States;</p>	<ul style="list-style-type: none"> (4)(s) is MOVED into Section 13-1-340(18) and added to the duties of Division of Development. Proposed language for Section 13-1-340(18) is as follows: (18) borrow money from the United States or any corporation or agency created, designed or established by the United States; Accepting and disbursing “loans” is also proposed to be added to Section 13-1-340(11). See Law Change 7.
<p>(t) to exercise the powers and to do the things authorized by subparagraph (4) of this section either by and with his own efforts and resources or to procure or to cause the same to be done by the United States or any agency or instrumentality thereof, by any one or more of the states affected or their political subdivisions, agencies or instrumentalities, by any private corporation, association or individual, contractor or otherwise or by the joint efforts of any or all of them or by cooperation with any or all of them, having in mind that the primary objective to be achieved is the construction, maintenance and operation of the railroad, highways, lines of communication and other facilities authorized by this subparagraph, regardless of the particular method, manner or agency by or through which the same may be done, and to do any and all acts and things and to make any and all agreements or contracts necessary thereunto, including also the power to lease the whole or any part of the division's facilities or to contract or agree upon a particular method, manner or agency of or for the maintenance or operation of such facilities;</p>	<ul style="list-style-type: none"> (4)(t)-(u) are largely OBSOLETE. The authorization to make regulations in subsection (u) is MOVED to Section 13-1-340(16) and added to the duties of the Division of Development. Proposed language for Section 13-1-340(16) is as follows: (16) promulgate regulations in accordance with Chapter 23 of Title 1.

<p>(u) to make, alter and repeal reasonable rules and regulations governing the use of the division's facilities and to fix and collect the charges, tolls, prices or rate of compensation it shall receive for the same, but nothing herein contained shall prevent the director, when in his opinion the public interest will best be served thereby and when the division's financial condition will permit, from allowing the use of its parks, places of amusement and recreation, roads, highways and the like, to be designated by the director from time to time, free of charge or at a merely nominal charge for the benefit of the people of this State;</p>	
<p>(v) to sell or otherwise to dispose of any surplus property which the division may acquire and which the director may decide is not needed; and</p>	<ul style="list-style-type: none"> • (4)(v) is MOVED into Section 13-1-340(14) and added to the duties of Division of Development. Proposed language for Section 13-1-340(14) is as follows: (14) purchase, hold, use, lease, sell, transfer, convey, assign, or otherwise to acquire or dispose of any property, real, personal or mixed, or any estate or interest therein, all subject to requisite approvals;
<p>(w) to have all additional powers, not inconsistent with this article, that are vested by law in common carriers of freight, passengers, electricity and intelligence for hire and in corporations generally.</p>	<ul style="list-style-type: none"> • (4)(w) is MOVED as appropriate into Section 13-1-340(19) and added to the duties of Division of Development. Proposed language for Section 13-1-340(19) is as follows: (19) have all additional powers, not inconsistent with this article, that are vested by law in corporations generally.
<p>(5) South Carolina Intra-Coastal Waterway Commission: to perform the duties imposed upon it by Chapter 5 of Title 3 of this Code;</p>	<ul style="list-style-type: none"> • (5) is DUPLICATIVE: This reference has not been updated since 1993 Restructuring. In Chapter 3 of Title 5, DHEC was substituted for the SC Coastal Council during 1993 Restructuring when the former SC Intra Coastal Waterway Commission was made part of Commerce. DHEC has confirmed that it's Office of Coastal Resource Management (OCRM) has statutory authority, previously exercised by the State Development Board, and continues to perform the functions set forth in the Grants of Perpetual Rights and Easements to the United States for Development of Waterways Act. See Act No. 0508 of 1978.
<p>(6) Board for Promotion of External Trade: (a) to compile surveys showing the nature and extent of the natural resources</p>	<ul style="list-style-type: none"> • (6)(a) is MOVED into Section 13-1-340(12) and added to the duties of Division of Development. Proposed language for Section 13-1-340(12) is as follows:

<p>and of the manufactured products and raw materials found or produced in the State which may move in domestic or foreign commerce; and</p>	<p>(12) compile surveys showing the nature and extent of the natural resources and of the manufactured products and raw materials found or produced in the State which may move in domestic or foreign commerce;</p>
<p>(b) to determine the areas throughout the world where commodities and products of this State may find advantageous markets and secure perfection of arrangements between citizens of this State and producers and consumers in other areas whereby there may be carried on greater interchange of commerce.</p>	<ul style="list-style-type: none"> • (6)(b) is MOVED into Section 13-1-340(13) and added to the duties of Division of Development. Proposed language for Section 13-1-340(13) is as follows: <p>(13) determine the areas throughout the world where commodities and products of this State may find advantageous markets and secure perfection of arrangements between citizens of this State and producers and consumers in other areas whereby there may be carried on greater interchange of commerce.</p>
<p>(7) Natural Resources Commission:</p> <p>(a) to select a label, have it copyrighted and registered in the United States copyright office, which label shall in the judgment of the director be used to advertise the chemical and other contents of food products grown in South Carolina or to advertise other articles;</p> <p>(b) to promulgate and register the conditions upon which such label may be used and fix the charges for such use; and</p> <p>(c) to promulgate information furnished by the South Carolina Research Laboratories and other educational institutions and such other information as has bearing upon value of South Carolina products.</p> <p>HISTORY: 1993 Act No. 181, Section 244, eff July 1, 1993</p>	<ul style="list-style-type: none"> • (7)(a)-(c) is DUPLICATIVE: The Department of Agriculture confirms it has broad authorization to promote and market SC agricultural products and does so through its Certified South Carolina trademarked program. The Department of Agriculture also works with Clemson University and its Clemson Extension offices to receive and disseminate information that affects agricultural marketing efforts in SC.

Law Change #9

LAW CHANGE #9			
Law	Summary of Current Law(s) and Recommended Change(s)	Basis for Recommendation	Approval and Others Impacted
SECTION 13-7-20. Powers and duties of Division of State Development.	<p><u>Current Law:</u> Designates Division of State Development as agency responsible for promotion and development of atomic energy resources in South Carolina.</p> <p><u>Recommendation:</u> Repeal.</p>	The duties in Section 13-7-20 are obsolete. The former State Development Board aggressively recruited the fledgling nuclear industry in the 1960s. In 1965, the State Development Board created a Development Research Center with, among others, a Nuclear Energy and Space Age Activities Division; however, these duties have not been relevant to Division of State Development since 1993 Restructuring. Further, Commerce and its Division of State Development have equivalent statutory authority generally as to all industrial activities as is set forth specifically in Section 13-7-20 related to atomic energy.	<p><u>Presented and approved by agency's governing body:</u> Review by Governor pending.</p> <p><u>Other entities potentially impacted:</u> None.</p> <p><u>If the law is a regulation, where agency is in the process of finalizing it and providing it to the General Assembly:</u> Not applicable.</p>
<u>Current Law Wording</u>			<u>Proposed Revisions to Law Wording</u>
<p>The Division of State Development of the Department of Commerce, hereinafter in this section referred to as the division, is hereby designated as the agency of the State which shall be responsible for the promotion and development of atomic energy resources in South Carolina.</p> <p>In accordance with the laws of this State, the division shall employ, compensate, and direct the activities of such individuals as may be necessary to carry out the provisions of this article. The division shall have the following powers and duties in the promotion and development of atomic energy industries, and resources, in addition to its other duties as imposed by law:</p> <p>(1) Promote and assist in the establishment of private atomic energy facilities such as nuclear fuel manufacturing, fabrication, and reprocessing plants; radioisotope facilities; waste-disposal sites; test-reactor sites; transportation facilities; and others which are necessary or desirable for the promotion and development of atomic energy resources within the</p>			Repeal entire statute.

State.

(2) Assist the Governor, the General Assembly, and other agencies of state government in the development and promotion of atomic energy resources and industrial activities.

(3) Coordinate the atomic energy industrial development activities of the State, recognizing the regulatory authority of the State Department of Health and the duties of other departments of state government.

(4) Maintain a close liaison with the industrial community, the federal government, the governments of other states, and regional bodies concerned with the promotion and development of industrial activity in the field of atomic energy.

(5) Cooperate with institutions of higher learning in order to take full advantage of all research activities which will support atomic energy development and industrial activities.

(6) Accept and administer loans, grants, and other funds or gifts, conditional or otherwise, in the furtherance of its promotion and development functions, from the federal government and other sources, public or private.

HISTORY: 1962 Code Section 1-400.12; 1967 (55) 305; 1993 Act No. 181, Section 250, eff July 1, 1993.

Law Change #10

LAW CHANGE #10			
Law	Summary of Current Law(s) and Recommended Change(s)	Basis for Recommendation	Approval and Others Impacted
SECTION 13-1-370. Advisory committee of the Division of State Development.	<p><u>Current Law:</u> Allows director to establish advisory committee of the Division of State Development.</p> <p><u>Recommendation:</u> Repeal.</p>	While the State Library is researching whether the advisory committee has ever existed, a 46-year Commerce employee who previously worked for the State Development Board confirms that it has not. Additionally, the Secretary of Commerce has authority pursuant to Section 13-1-40 to form advisory councils so this statutory provision is not needed.	<p><u>Presented and approved by agency's governing body:</u> Review by Governor pending.</p> <p><u>Other entities potentially impacted:</u> None.</p> <p><u>If the law is a regulation, where agency is in the process of finalizing it and providing it to the General Assembly:</u> Not applicable.</p>
Current Law Wording			Proposed Revisions to Law Wording
<p>The director may, in his discretion, establish an advisory committee of the Division of State Development (hereafter, in this section, the "advisory committee") which if established, would be comprised of twenty-four citizens of the State to be appointed by the Governor upon the advice and consent of the Senate. One member must be appointed from each of the following two-county areas:</p> <ol style="list-style-type: none"> 1. Richland and Kershaw counties; 2. Spartanburg and Cherokee counties; 3. Laurens and Newberry counties; 4. Abbeville and Greenwood counties; 5. Berkeley and Charleston counties; 6. Oconee and Anderson counties; 7. Florence and Marion counties; 8. Greenville and Pickens counties; 9. Horry and Georgetown counties; 10. Union and York counties; 11. Lee and Darlington counties; 			<p>Repeal entire statute and add the identification of challenges facing rural communities and solutions to those challenges as a Division of State Development objective under Section 13-1-320. See Law Change 5.</p>

12. Marlboro and Dillon counties;
13. Chester and Fairfield counties;
14. Lancaster and Chesterfield counties;
15. Sumter and Calhoun counties;
16. Clarendon and Williamsburg counties;
17. Beaufort and Jasper counties;
18. Dorchester and Colleton counties;
19. Orangeburg and Bamberg counties;
20. Allendale and Hampton counties;
21. Aiken and Barnwell counties;
22. Lexington and Saluda counties;
23. Edgefield and McCormick counties.

The Governor shall appoint one member from the State at large who shall serve as chairman. The terms of the members are for a period of four years and until their successors are appointed and qualify. Terms for all members commence on July first of the year of appointment. Of the members initially appointed from the two-county areas, the Governor shall appoint one member from each of the following counties for a term of two years: Kershaw, Cherokee, Newberry, Greenwood, Charleston, Anderson, Marion, Pickens, Georgetown, York, Darlington, and Dillon, and the Governor shall appoint one member from each of the following counties for a term of four years: Fairfield, Chesterfield, Calhoun, Williamsburg, Jasper, Colleton, Bamberg, Hampton, Barnwell, Lexington, and McCormick. Upon the expiration of the initial terms of the members appointed from the two-county areas, the Governor shall rotate the appointment of these members between the counties in each of the two-county areas. The advisory committee may select other officers from its membership to serve for terms designated by it. Vacancies must be filled in the manner of the original appointments for the unexpired portions of the terms. The members of the advisory committee must be paid the usual mileage and subsistence as is provided by law for members of state boards, commissions, and committees. The advisory committee must meet four times a year, and may meet more often if the chairman considers it necessary or if ten members request the chairman to call a meeting, and the director approves such additional meetings. The advisory committee may not meet at any location outside the boundaries of South Carolina. The advisory committee shall advise and consult with the director on the following matters:

- (a) the condition of and prospects for economic development in the State - particularly in the rural areas;
- (b) the fostering of a close working relationship between the primarily rural, or primarily agricultural, counties of the State and the counties which are primarily nonrural or nonagricultural;

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|---|--|
| <p>(c) the identification of problems facing smaller rural counties and of solutions to those problems;</p> <p>(d) having input to the director regarding industrial prospects throughout the State; and</p> <p>(e) any other matter which the director considers necessary to assist the director, in the way of consultation or advice, in carrying out any of the director's duties or functions under this article.</p> | |
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HISTORY: 1993 Act No. 181, Section 244, eff July 1, 1993.

Law Change #11

LAW CHANGE #11			
Law	Summary of Current Law(s) and Recommended Change(s)	Basis for Recommendation	Approval and Others Impacted
SECTION 13-1-380. Recycling Market Development Advisory Council.	<p><u>Current Law:</u> Establishes the Recycling Market Development Advisory Council (RMDAC).</p> <p><u>Recommendation:</u></p> <ul style="list-style-type: none"> • Modify manner of funding provision to reflect current manner of funding. • Modify annual reporting date. 	<p>The Solid Waste Management Trust Fund has accumulated sufficient funds and is funding the advisory council's expenses as contemplated when the RMDAC was formed.</p> <p>Moving the annual report to one month after the date DHEC's annual report to the General Assembly is due allows RMDAC to take DHEC's report into account. This amendment also codifies and updates Proviso 50.12. (See also Law Change 18.)</p>	<p><u>Presented and approved by agency's governing body:</u> Review by Governor pending.</p> <p><u>Other entities potentially impacted:</u> None.</p> <p><u>If the law is a regulation, where agency is in the process of finalizing it and providing it to the General Assembly:</u> Not applicable.</p>
Current Law Wording		Proposed Revisions to Law Wording	
<p>(A) Notwithstanding the provisions of Section 13-1-40, there is established within the division a Recycling Market Development Advisory Council to assist in the development of markets for recovered materials and products with recycled content in this State.</p> <p>(B) The members of the advisory council shall be appointed not later than ninety days after this article is effective.</p> <p>(C) The advisory council shall consist of fourteen members to be appointed by the Governor to include:</p> <p>(1) one member shall represent the division;</p> <p>(2) one member shall represent county governments;</p>		<p>(A) Notwithstanding the provisions of Section 13-1-40, there is established within the division a Recycling Market Development Advisory Council to assist in the development of markets for recovered materials and products with recycled content in this State.</p> <p>(B) The members of the advisory council shall be appointed not later than ninety days after this article is effective.</p> <p>(C) The advisory council shall consist of fourteen members to be appointed by the Governor to include:</p> <p>(1) one member shall represent the division;</p> <p>(2) one member shall represent county governments;</p>	

(3) one member shall represent municipalities;

(4) one member shall represent the solid waste collection and disposal industry;

(5) one member shall represent the existing recycling industry;

(6) one member shall represent the glass industry;

(7) one member shall represent the paper industry;

(8) one member shall represent the aluminum industry;

(9) one member shall represent the plastics industry;

(10) one member shall represent the tire industry;

(11) one member shall represent the general public;

(12) one member shall represent the oil industry;

(13) one member shall represent the scrap metal recycling industry; and

(14) one member shall represent higher education research institutions.

(D) Each member of the advisory council shall serve a two-year term beginning on the date of his appointment and shall serve until a successor is appointed and qualified. Members shall serve at the pleasure of their appointing authority and shall receive the usual mileage, per diem, and subsistence provided by law for members of boards, committees, and commissions. Until sufficient funds have accumulated in the Solid Waste Management Trust Fund to cover the advisory council's expenses, the appointing authorities shall provide the mileage, per diem, and subsistence for their respective appointees. Any other expenses of the advisory council shall be shared equally by the appointing authorities until the trust fund has

(3) one member shall represent municipalities;

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(5) one member shall represent the existing recycling industry;

(6) one member shall represent the glass industry;

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(8) one member shall represent the aluminum industry;

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(10) one member shall represent the tire industry;

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sufficient funds to cover the expenses.

(E) The chairman shall be designated by the Secretary of Commerce and the advisory council shall select its own vice-chairman. The advisory council shall adopt operating procedures and shall meet on the call of the chairman or of a majority of the members. Members shall promulgate regulations concerning meeting attendance. A majority of the members shall constitute a quorum to do business. The division shall provide the necessary staff and administrative facilities and services to the advisory council. The Department of Health and Environmental Control shall provide technical assistance to the council at the request of the chairman or of the vice-chairman, or by majority vote of the advisory council.

(F) Not later than fifteen months after this article is effective, the council shall provide to the Governor and to the General Assembly an initial report which shall include, at a minimum, the following:

- (1) a description and analysis of this state's existing recycling industry;
- (2) an analysis of the projected long-term capacity of existing markets to absorb materials generated by source separation, recovery, or recycling programs;
- (3) an analysis of potential markets in this State, in other states, or in foreign countries for recovered materials and products with recycled content from this State;
- (4) an analysis of institutional, economic, and technical barriers to the use of recovered materials and products with recycled content;
- (5) recommendations for actions which may be taken to increase demand for source separated, recovered, or recycled materials or products;
- (6) recommendations for actions which may be taken to increase the incentives for private individuals and for business and industry to consume or

(E) The chairman shall be designated by the Secretary of Commerce and the advisory council shall select its own vice-chairman. The advisory council shall adopt operating procedures and shall meet on the call of the chairman or of a majority of the members. Members shall promulgate regulations concerning meeting attendance. A majority of the members shall constitute a quorum to do business. The division shall provide the necessary staff and administrative facilities and services to the advisory council. The Department of Health and Environmental Control shall provide technical assistance to the council at the request of the chairman or of the vice-chairman, or by majority vote of the advisory council.

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- (1) a description and analysis of this state's existing recycling industry;
- (2) an analysis of the projected long-term capacity of existing markets to absorb materials generated by source separation, recovery, or recycling programs;
- (3) an analysis of potential markets in this State, in other states, or in foreign countries for recovered materials and products with recycled content from this State;
- (4) an analysis of institutional, economic, and technical barriers to the use of recovered materials and products with recycled content;
- (5) recommendations for actions which may be taken to increase demand for source separated, recovered, or recycled materials or products;
- (6) recommendations for actions which may be taken to increase the incentives for private individuals and for business and industry to consume or export recovered materials and products with recycled content;
- (7) an analysis of the compatibility of recycling with solid waste treatment or disposal methods and recommendations on the feasibility of the implementation of

export recovered materials and products with recycled content;

(7) an analysis of the compatibility of recycling with solid waste treatment or disposal methods and recommendations on the feasibility of the implementation of mechanisms for cooperative marketing of recyclable materials;

(8) recommendations on categories of materials which should be recovered, given existing and potential markets for such materials;

(9) recommendations for a public education program to be implemented by the Office of Solid Waste Reduction and Recycling within the department to provide information to the public and to business and industry on the benefits of source separation, recovery, and recycling and on the availability of recovered materials or products with recycled content;

(10) a study of methods of and cost effectiveness of source separation and recycling of recovered materials;

(11) a study of packaging reduction; and

(12) a study of the design of products at the primary stage of development to promote recyclability.

(G) Following its initial report, the council shall submit to the Governor and to the General Assembly by the end of each calendar year an annual report on recycling activities in this State which shall, at a minimum, include the following:

(1) any revisions which the council determines are necessary to its initial report;

(2) a description and analysis of the amounts and types of solid waste materials recovered or recycled in this State during the preceding year;

mechanisms for cooperative marketing of recyclable materials;

(8) recommendations on categories of materials which should be recovered, given existing and potential markets for such materials;

(9) recommendations for a public education program to be implemented by the Office of Solid Waste Reduction and Recycling within the department to provide information to the public and to business and industry on the benefits of source separation, recovery, and recycling and on the availability of recovered materials or products with recycled content;

(10) a study of methods of and cost effectiveness of source separation and recycling of recovered materials;

(11) a study of packaging reduction; and

(12) a study of the design of products at the primary stage of development to promote recyclability.

(G) Following its initial report, the council shall submit to the Governor and to the General Assembly ~~the end of each calendar year~~ an annual report on recycling activities in this State for the previous calendar year. The report shall be submitted one month after the date the annual report on recycling activities is submitted by the Department of Health and Environmental Control and ~~which~~ shall, at a minimum, include the following:

(1) any revisions which the council determines are necessary to its initial report;

(2) a description and analysis of the amounts and types of solid waste materials recovered or recycled in this State during the preceding year;

(3) recommendations regarding materials which should be added to or deleted from source separation, recovery, and recycling programs; and

(4) any other recommendations, including tax incentives, to facilitate the

(3) recommendations regarding materials which should be added to or deleted from source separation, recovery, and recycling programs; and

(4) any other recommendations, including tax incentives, to facilitate the development of markets for recovered materials or products in this State.

HISTORY: 1993 Act No. 181, Section 244, eff July 1, 1993; 1994 Act No. 361, Section 8, eff May 3, 1994.

development of markets for recovered materials or products in this State.

Law Change #18

LAW CHANGE #18			
Law	Summary of Current Law(s) and Recommended Change(s)	Basis for Recommendation	Approval and Others Impacted
<p>50.12. (CMRC: Recycling Advisory Council Reporting) The Recycling Market Development Advisory Council must submit an annual report outlining recycling activities to the Governor and members of the General Assembly by March fifteenth each year.</p>	<p><u>Current Law:</u> Requires annual report from RMDAC by March 15 each year.</p> <p><u>Recommendation:</u> Modify due date and codify to Section 13-1-380(G). (See also Law Change 11.)</p>	<p>Changing the due date would allow RMDAC to receive and take into account DHEC's final report, which is due on March 15. (See also Law Change 11.)</p>	<p><u>Presented and approved by agency's governing body:</u> Review by Governor pending.</p> <p><u>Other entities potentially impacted:</u> None.</p> <p><u>If the law is a regulation, where agency is in the process of finalizing it and providing it to the General Assembly:</u> Not applicable.</p>
Current Law Wording	Proposed Revisions to Law Wording		
<p>The Recycling Market Development Advisory Council must submit an annual report outlining recycling activities to the Governor and members of the General Assembly by March fifteenth each year.</p>	<p>Section 13-1-380: (G) Following its initial report, the council shall submit to the Governor and to the General Assembly by the end of each calendar year <u>an annual report on recycling activities in this State for the previous calendar year. The report shall be submitted one month after the date the annual report on recycling activities is submitted by the Department of Health and Environmental Control and which</u> shall, at a minimum, include the following:</p> <ol style="list-style-type: none"> (1) any revisions which the council determines are necessary to its initial report; (2) a description and analysis of the amounts and types of solid waste materials recovered or recycled in this State during the preceding year; (3) recommendations regarding materials which should be added to or deleted from source separation, recovery, and recycling programs; and (4) any other recommendations, including tax incentives, to facilitate the development of markets for recovered materials or products in this State. 		

Law Change #12

LAW CHANGE #12			
Law	Summary of Current Law(s) and Recommended Change(s)	Basis for Recommendation	Approval and Others Impacted
<p>SECTION 13-1-1720. Purpose and duties of council.</p> <p>SECTION 13-1-1730. Reports.</p> <p>SECTION 13-1-1740. Recommendations by council; review of agency requests for appropriations.</p> <p>SECTION 13-1-1750. Funding; technical advisory committees; data sources.</p> <p>SECTION 13-1-1770. Downtown Redevelopment Program; purpose; guidelines for evaluating and awarding grants.</p> <p>SECTION 13-1-1780. Agricultural businesses considered for economic development awards.</p>	<p><u>Current Law:</u></p> <ul style="list-style-type: none"> Establishes the purpose and duties of Coordinating Council; establishes annual reporting requirements. Requires Coordinating Council to make recommendations concerning policies or programs necessary to carry out the state's strategic plan. Requires Coordinating Council to review appropriation requests by Commerce and make recommendations to General Assembly regarding same. Establishes that member agencies must fund staff and technical support to Coordinating Council. Requires the Coordinating Council to establish a Downtown Redevelopment Program. <p><u>Recommendation:</u></p> <ul style="list-style-type: none"> Modify duties to remove Coordinating Council responsibilities related to strategic planning and add those duties to the State Division of Development. 	<p>The Coordinating Council mandates related to strategic planning predated the creation of the Department of Commerce in 1993. Within two years of the Coordinating Council's formation in 1986, the Council commissioned a strategic plan</p>	<p><u>Presented and approved by agency's governing body:</u> Coordinating Council approved recommended Law Changes 11 and 16 at its March, 5, 2020 meeting.</p> <p><u>Other entities potentially impacted:</u></p> <ul style="list-style-type: none"> SC Department of Agriculture Department of Employment & Workforce SC Department of Parks & Tourism State Board for Technical & Comprehensive Education SC Ports Authority SC Public Service Authority SC Jobs Economic Development Authority SC Department of Revenue SC Department of Transportation SC Research Authority <p><u>If the law is a regulation, where agency is in the process of finalizing it and providing it to the General Assembly:</u> Not applicable.</p>

	<ul style="list-style-type: none"> • Modify duties to add programs under Coordinating Council jurisdiction that post-dated 1993 Restructuring. • Repeal responsibility of Coordinating Council to review Commerce appropriation requests and to report on strategic planning, which is now a Commerce function. • Update Coordinating Council reporting requirements to 	<p>for economic development after the General Assembly appropriated \$250,000 for that purpose. The Council remained active in strategic planning from 1989 until Restructuring in 1993. After that time Commerce, not the Coordinating Council, has undertaken and funded strategic planning in collaboration with other public and private stakeholders in the State. (See Law Change 5.)</p> <p>Approval of Rural Infrastructure grants pursuant to Section 12-10-85 post-dated 1993 Restructuring.</p> <p>Approval of Enterprise Zone Act applications and negotiation of revitalization agreements pursuant to Chapter 10 of Title 12 of the Code post-dated 1993 Restructuring.</p> <p>Approval of Port Volume Increase credits pursuant to Section 12-6-3375 post-dated 1993 Restructuring.</p> <p>Prior to 1993 Restructuring the Coordinating Council approved appropriation requests by the former State Development Board. Commerce is now a cabinet agency and must submit its budget to the Governor.</p> <p>The Coordinating Council reports annually on its various incentive programs; Commerce, not the Council, reports</p>	
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	<p>capture incentive programs with no statutory reporting mandate.</p> <ul style="list-style-type: none"> • Update funding of Coordinating Council by repealing funding mechanism in Section 13-1-1750 and codifying Proviso 50.2 (See Law Change 16.) • Modify requirement to establish the Downtown Redevelopment Program to make it discretionary, not mandatory. • Modify to update language in Section 13-1-1780. 	<p>annually on economic development goals and status.</p> <p>Funding mechanism in Section 13-1-1750 is obsolete. For over 20 years, staff support for the Coordinating Council has been authorized by proviso and funded via a percentage of the Set Aside Fund. (See also Law Change 16.)</p> <p>The Downtown Redevelopment Program originated in a 1998 proviso that was later codified at the request of a local legislative delegation for a particular project. The intent was the for the Coordinating Council to use Set Aside funds for this purpose, but the Coordinating Council did not believe that downtown redevelopment was an appropriate use of Set Aside funds so the program was never established. The Council, through its Rural Infrastructure Fund, and Commerce through CDBG funds, has the ability to fund downtown redevelopment, but doing so has lower priority than other needs, and cities and towns generally create their own programs when such development is a priority.</p> <p>When Section 13-1-1780 was added, Commerce was not consulted, and the language includes an incorrect fund</p>	
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		name. Department of Agriculture agrees with the proposed change.	
Current Law Wording		Proposed Revisions to Law Wording	
<p>SECTION 13-1-1720. Purpose and duties of council.</p> <p>(A) The coordinating council shall meet at least quarterly. It shall enhance the economic growth and development of the State through strategic planning and coordinating activities that include:</p> <p>(1) development and revision of a strategic state plan for economic development. "Strategic state plan for economic development" means a planning document that outlines strategies and activities designed to continue, diversify, or expand the economic base of South Carolina, based on the natural, physical, social, and economic needs of the State;</p> <p>(2) monitoring implementation of a strategic plan for economic development through an annual review of economic development activities of the previous year and modifying the plan as necessary;</p> <p>(3) coordination of economic development activities of member agencies of the coordinating council and its advisory committees;</p>		<p>SECTION 13-1-1720. Purpose and duties of council.</p> <p>(A) The coordinating council shall meet at least quarterly. It shall enhance the economic growth and development of the State through strategic planning and coordinating activities that include:</p> <p>(1) development and revision of a strategic state plan for economic development. "Strategic state plan for economic development" means a planning document that outlines strategies and activities designed to continue, diversify, or expand the economic base of South Carolina, based on the natural, physical, social, and economic needs of the State;</p> <p>(2) monitoring implementation of a strategic plan for economic development through an annual review of economic development activities of the previous year and modifying the plan as necessary;</p> <p>(13) coordination of economic development activities of member agencies of the coordinating council and its advisory committees;</p>	

(4) use of federal funds, foundation grants, and private funds in the development, implementation, revision, and promotion of a strategic plan for economic development. Funds from foundation grants and private funds used for these purposes are public monies, notwithstanding their private source, and must be treated like public monies. These monies are subject to all accountability requirements governing public monies, including compliance with the South Carolina Consolidated Procurement Code, unless exempt by formal approval of the State Fiscal Accountability Authority. These monies are also subject to all disclosure requirements governing public monies, unless exempt by Section 30-4-40;

(5) evaluation of plans and programs in terms of their compatibility with state objectives and priorities as outlined in the strategic plan for economic development;

(6) approval of infrastructure and other economic development grants for local units of government pursuant to Section 12-28-2910;

(7) approval of infrastructure development grants for local units of government pursuant to Section 12-21-6540.

(B) The coordinating council may not engage in the delivery of services.

HISTORY: 1993 Act No. 181, Section 248, eff July 1, 1993; 1993 Act No. 164, Part II, Section 46B, eff July 1, 1993; 1994 Act No. 497, Part II, Section 22A, eff July 1, 1994; 2000 Act No. 387, Part II, Section 57A, eff July 1, 2000; 2003 Act No. 86, Section 2, eff July 14, 2003.

SECTION 13-1-1730. Reports.

The coordinating council shall make reports to the Governor, the chairmen of the Senate Finance and House Ways and Means Committees, and the General Assembly at least annually, in the Department of Commerce's annual report, on the status and progress of economic development goals which

~~(24)~~ use of federal funds, foundation grants, and private funds in the ~~development,~~ implementation ~~and, revision, and~~ promotion of a ~~strategic plan for~~ economic development. Funds from foundation grants and private funds used for these purposes are public monies, notwithstanding their private source, and must be treated like public monies. These monies are subject to all accountability requirements governing public monies, including compliance with the South Carolina Consolidated Procurement Code, unless exempt by formal approval of the State Fiscal Accountability Authority. These monies are also subject to all disclosure requirements governing public monies, unless exempt by Section 30-4-40;

~~(35)~~ evaluation of plans and programs in terms of their compatibility with state objectives and priorities ~~as outlined in the strategic plan for economic development;~~

~~(46)~~ approval of infrastructure and other economic development grants for local units of government pursuant to Section 12-10-85, Section 12-28-2910 or any other source designated for administration by the council;

~~(57)~~ approval of infrastructure development grants for local units of government pursuant to Section 12-21-6540;

~~(68)~~ approval of applications submitted under the Enterprise Zone Act of 1996 and negotiation of revitalization agreements pursuant to Section 12-10-60;

~~(79)~~ approval of applications submitted under Section 12-6-3375.

(B) The coordinating council may not engage in the delivery of services.

SECTION 13-1-1730. Reports.

The coordinating council shall make reports to the Governor, the chairmen of the Senate Finance and House Ways and Means Committees, and the General Assembly at least annually regarding grant programs administered by the council that do not otherwise have a statutory reporting requirement. Such reports shall itemize the

have been set for the State as a part of the ongoing planning process and on the commitments, expenditures, and balance of the Economic Development Account, with appropriate recommendations.

HISTORY: 1993 Act No. 181, Section 248, eff July 1, 1993; 2000 Act No. 387, Part II, Section 57A, eff July 1, 2000.

SECTION 13-1-1740. Recommendations by council; review of agency requests for appropriations.

(A) The coordinating council shall make recommendations to the Governor, the General Assembly, and the State Fiscal Accountability Authority as to the policies and programs involved in the state's economic development it considers necessary to carry out the objectives of the strategic plan.

(B) The coordinating council shall review agency requests for legislative appropriations for economic development and may make recommendations to the Office of the Governor and the State Fiscal Accountability Authority and the General Assembly concerning requests compatible with the

expenditures for the preceding calendar year and include an identification of the following information:

(a) company name or confidential project number;

(b) location of the project;

(c) amount of the grant award; and

(d) scope of grant award.

Reports required by this section are in addition to any other reporting requirements applicable to the council.

~~in the Department of Commerce's annual report, on the status and progress of economic development goals which have been set for the State as a part of the ongoing planning process and on the commitments, expenditures, and balance of the Economic Development Account, with appropriate recommendations.~~

SECTION 13-1-1740. Recommendations by council; review of agency requests for appropriations.

Repeal.

objectives of the strategic plan. This section does not limit an agency's direct access to the General Assembly, and comment by the coordinating council is not a part of the budget process.

HISTORY: 1993 Act No. 181, Section 248, eff July 1, 1993; 2000 Act No. 387, Part II, Section 57A, eff July 1, 2000.

SECTION 13-1-1750. Funding; technical advisory committees; data sources.

Funds for technical, administrative, and clerical assistance and other expenses of the coordinating council must be provided by the member agencies. The coordinating council may establish technical advisory committees to assist in the development of a strategic plan for economic development. The coordinating council shall seek to utilize data available from the Department of Transportation, the University of South Carolina, Clemson University, and other state agencies and organizations and relevant to the economic growth and development of the State.

HISTORY: 1993 Act No. 181, Section 248, eff July 1, 1993; 2000 Act No. 387, Part II, Section 57A, eff July 1, 2000.

SECTION 13-1-1770. Downtown Redevelopment Program; purpose; guidelines for evaluating and awarding grants.

(A) The coordinating council shall establish the "Downtown Redevelopment Program" for the purpose of making grants for revitalizing and enhancing the viability of downtown areas through partnerships of municipal government, county government, and private investors.

SECTION 13-1-1750. Funding; ~~technical advisory committees; data sources.~~

~~Funds for technical, administrative, and clerical assistance and other expenses of the coordinating council must be provided by the member agencies. The coordinating council may establish technical advisory committees to assist in the development of a strategic plan for economic development. The coordinating council shall seek to utilize data available from the Department of Transportation, the University of South Carolina, Clemson University, and other state agencies and organizations and relevant to the economic growth and development of the State.~~

From the amount set aside in Section 12-28-2910, the council is authorized to use up to ten percent of such amount for actual operating expenses in support of administrative program costs and business recruitment and retention and up to \$60,000 to support the Geographic Information Systems (GIS) program, as approved by council. Any balance on June thirtieth of the prior fiscal year may be carried forward and expended for the same purposes in the current fiscal year.*

*Wording is the same as Proviso 50.2, which has existed for 20 years (see law change #17)

SECTION 13-1-1770. Downtown Redevelopment Program; purpose; guidelines for evaluating and awarding grants.

(A) The coordinating council ~~shall~~ may establish the "Downtown Redevelopment Program" for the purpose of making grants for revitalizing and enhancing the viability of downtown areas through partnerships of municipal government, county government, and private investors.

(B) The council shall establish program guidelines, regulations, and criteria by which grants must be evaluated and awarded including, but not limited to:

(1) a nonstate match requirement of at least one hundred fifty percent of state grant funds; and

(2) completion of an economic impact before an award is made.

HISTORY: 1998 Act No. 419, Part III, Section 3(A), eff July 1, 1998; 2000 Act No. 387, Part II, Section 57A, eff July 1, 2000.

SECTION 13-1-1780. Agricultural businesses considered for economic development awards.

In awarding benefits for economic development projects, including awards from the Governor's Closing Fund, the Department of Commerce and the coordinating council must consider agricultural businesses. The Department of Commerce and the coordinating council must consider the number of jobs created, including full-time, part-time, and seasonal jobs, and the total investment made, including the cost of the real property.

HISTORY: 2016 Act No. 256 (S.427), Section 6, eff June 8, 2016.

(B) The council shall establish program guidelines, regulations, and criteria by which grants must be evaluated and awarded including, but not limited to:

(1) a nonstate match requirement of at least one hundred fifty percent of state grant funds; and

(2) completion of an economic impact before an award is made.

SECTION 13-1-1780. Agricultural businesses considered for economic development awards.

In awarding ~~grants or other incentives~~ benefits for economic development projects, ~~including awards from the Governor's Closing Fund,~~ the Department of Commerce and the coordinating council must consider agricultural businesses. The Department of Commerce and the coordinating council must consider the number of jobs created, including full-time, part-time, and seasonal jobs, and the total investment made, including the cost of the real property.

Law Change #17

LAW CHANGE #17			
Law	Summary of Current Law(s) and Recommended Change(s)	Basis for Recommendation	Approval and Others Impacted
Proviso 50.2. (CMRC: Economic Dev. Coordinating Council - Set Aside Fund)	Current Law: Provides for funding for administration of the Coordinating Council from up to 10 percent of the Set Aside Fund and authorizes expenditure of up to \$60,000 to support a GIS system, as approved by the Council.	Recommendation: Codify to Section 13-1-1750 as amended. Commerce has funded administration of the Coordinating Council pursuant to this proviso for over 20 years and the funding should be provided for in permanent law. Section 13-1-1750 has been outdated from the time Commerce was created and the Coordinating Council became a division of Commerce in 1993. (See also Law Change 12.)	Presented and approved by agency's governing body: Coordinating Council approved recommended Law Changes 12 and 17 at its March, 5, 2020 meeting. Other entities potentially impacted: SC Department of Agriculture; Department of Employment & Workforce; SC Department of Parks & Tourism; State Board for Technical & Comprehensive Education; SC Ports Authority; SC Public Service Authority; SC Jobs Economic Development Authority; SC Department of Revenue; SC Department of Transportation; SC Research Authority <u>If the law is a regulation, where agency is in the process of finalizing it and providing it to the General Assembly:</u> Not applicable.
Current Law Wording		Proposed Revisions to Law Wording	
From the amount set aside in Section 12-28-2910, the council is authorized to use up to ten percent of such amount for actual operating expenses in support of administrative program costs and business recruitment and retention and up to \$60,000 to support the Geographic Information Systems (GIS) program, as approved by council. Any balance on June thirtieth of the prior fiscal year may be carried forward and expended for the same purposes in the current fiscal year.		SECTION 13-1-1750. Funding; technical advisory committees; data sources. Funds for technical, administrative, and clerical assistance and other expenses of the coordinating council must be provided by the member agencies. The coordinating council may establish technical advisory committees to assist in the development of a strategic plan for economic development. The coordinating council shall seek to utilize data available from the Department of Transportation, the University of South Carolina, Clemson University, and other state agencies and organizations and relevant to the economic growth and development of the State. <u>From the amount set aside in Section 12-28-2910, the council is authorized to use up to ten percent of such amount for actual operating expenses in support of administrative program costs and business recruitment and retention and up to \$60,000 to support the Geographic Information Systems (GIS) program, as approved by council. Any balance on June thirtieth of the prior fiscal year may be carried forward and expended for the same purposes in the current fiscal year.</u>	

Law Change #13

LAW CHANGE #13			
Law	Summary of Current Law(s) and Recommended Change(s)	Basis for Recommendation	Approval and Others Impacted
<p>SECTION 11-56-10. Short title. (Microenterprise Development Act)</p> <p>Editor's Note</p>	<p><u>Current Law:</u> Establishes a Clean Energy Manufacturing Market Development Advisory Commission.</p> <p><u>Recommendation:</u> Repeal/delete provision in Editor's Note.</p>	<p>The Clean Energy Industry Manufacturing Market Development Advisory Commission was dissolved automatically pursuant to the language in 2014 Act No. 171, Section 2(F) contemporaneous with submission of the Commission's final report on September 30, 2015, absent reauthorization by the General Assembly. Additionally, and also recognized in 2014 Act No. 171, Section 2(G), the Secretary of Commerce has authority pursuant to Section 13-1-40 to form advisory councils as necessary, including one related to clean energy.</p>	<p><u>Presented and approved by agency's governing body:</u> Review by Governor pending.</p> <p><u>Other entities potentially impacted:</u> None.</p> <p><u>If the law is a regulation, where agency is in the process of finalizing it and providing it to the General Assembly:</u> Not applicable.</p>
Current Law Wording			Proposed Revisions to Law Wording
<p>2014 Act No. 171, Section 2, provides as follows:</p> <p>"SECTION 2. (A) There is established a Clean Energy Industry Manufacturing Market Development Advisory Commission to assist in the development of clean energy technology, materials, and products manufactured in this State.</p> <p>"(B) The commission is composed of fourteen members. The Secretary of the South Carolina Department of Commerce, or the secretary's designee, and the Director of the State Energy Office, or the director's designee, shall serve on the commission and the Secretary of Commerce shall appoint one member representative from each of the following:</p> <p>"(1) advanced vehicle technology industry;</p> <p>"(2) alternative transportation fuels industry;</p> <p>"(3) battery manufacturing industry;</p> <p>"(4) biomass energy industry;</p> <p>"(5) energy efficiency industry;</p> <p>"(6) higher education research institution's incubation and business development department;</p> <p>"(7) hydroelectric industry;</p>			<p>Repeal/delete 2014 Act No. 171, Section 2 language in editor's note to Section 11-56-10.</p>

- "(8) hydrogen storage or fuel cell industry;
- "(9) solar manufacturing industry;
- "(10) S.C. Technical College System's clean energy workforce development department;
- "(11) utility industry; and
- "(12) wind components manufacturing industry.

"(C) Appointed members serve at the pleasure of their appointing authority and without compensation or expenses.

"(D) The commission must meet as soon as practicable after appointment and organize itself. The chairman must be designated by the Secretary of Commerce and the commission shall select its own vice chairman and adopt those procedures necessary for its operations. A majority of the members constitutes a quorum to do business. As necessary, the Secretary of Commerce may expend public funds and may solicit, receive, and expend private funds from any relevant sources and entities in order to carry out the commission's purposes. The Secretary of Commerce, on behalf of the commission, may utilize department staff or engage consultants as may be necessary and prudent to assist the commission in the performance of its duties and responsibilities; however, the Secretary of Commerce may not expend more than one hundred thousand dollars in the aggregate to engage consultants. Also, the Department of Commerce may seek the assistance of the staff of the State Energy Office, as necessary.

"(E) Not later than December 31, 2014, the commission shall provide to the Governor and the General Assembly an initial report which must include, to the extent possible, the following:

- "(1) a description and analysis of this State's existing clean energy manufacturing industry;
- "(2) an analysis of job development potential for clean energy manufacturing in this State, including the expected composition of the jobs as full or part time, and the potential wages for such jobs;
- "(3) an analysis of market potential in this State, in other states, or in foreign countries for technology, materials, and products manufactured by a clean energy industry from this State;
- "(4) recommendations for actions which may be taken to provide incentives for manufacturing or operation of clean energy technology, materials, and products from this State. These recommendations must contain an analysis of existing incentives, including, but not limited to, those incentives provided for in Sections 12-6-3377, 12-6-3588, 12-6-3600, and 12-6-3610, the effectiveness or lack thereof, and whether any incentives should be amended or repealed. If the commission recommends additional incentives, the commission must forward its recommendation to the Board of Economic Advisors to prepare a revenue impact statement;
- "(5) an analysis of incentives offered by neighboring and other states for the manufacturing or operation of clean energy technology, materials, and products;
- "(6) recommendations on categories of clean energy markets that should be developed in this State and benchmarks to increase clean energy manufacturing in this State; and
- "(7) recommendations for marketing and public education programs that should be implemented by economic development entities to provide information to the public and to business and industry on the benefits of investment in the clean energy manufacturing

industry in this State. Any such recommendations shall include a fiscal impact statement from the Office of State Budget.

"(F) The commission shall issue a final report by September 30, 2015. The final report must include all the items required by subsection (E) and any revisions to the initial report. Following the submission of its final report, and unless authorized by a further or subsequent enactment, the commission is dissolved. The General Assembly may extend the date by which the commission must provide its reports.

"(G) The dissolution of the commission must not be construed so as to restrict the Secretary of Commerce from appointing an advisory council pursuant to Section 13-1-40 on matters similar to the jurisdiction of the Clean Energy Industry Manufacturing Market Development Advisory Commission."

Law Change #14

LAW CHANGE #14			
Law	Summary of Current Law(s) and Recommended Change(s)	Basis for Recommendation	Approval and Others Impacted
<p>SECTION 24-1-290. Employment of inmates through prison industries program; development of marketing plan; certification by Department of Commerce as to unfair competitive wage disadvantage; publication of notice.</p>	<p><u>Current Law:</u> Requires Corrections and Commerce to develop and maintain a marketing plan for prison industries program. Requires Commerce to certify that prison industries contracts do not create an unfair competitive wage disadvantage to the local economy.</p> <p><u>Recommendation:</u> Modify to eliminate Commerce involvement with prison industries program.</p>	<p>Commerce has no role in recruiting or marketing the types of companies that perform the services that the prison industries program provides. Commerce also cannot make the certification required by statute because Commerce does not have the data needed to do so. Having Commerce involved potentially and unnecessarily creates liability exposure for Commerce. The prison industries program has value, but Corrections can provide public notice and take note of objections, if any, without Commerce's involvement.</p>	<p><u>Presented and approved by agency's governing body:</u> Review by Governor pending.</p> <p><u>Other entities potentially impacted:</u> SC Department of Corrections.</p> <p><u>If the law is a regulation, where agency is in the process of finalizing it and providing it to the General Assembly:</u> Not applicable.</p>
Current Law Wording		Proposed Revisions to Law Wording	
<p>(A) The Department of Corrections, in conjunction with the Department of Commerce, shall develop and maintain a marketing plan to attract private sector service businesses for the employment of inmates through the prison industries program.</p> <p>(B) Prior to entering into new contracts and renewals of existing contracts with private sector service entities that want to hire inmates through the prison industries program, the Department of Corrections must provide public notice of its intention to establish or continue a prison-based industry at a particular facility and receive certification by the Department of Commerce that an unfair competitive wage disadvantage to the local economy is not created by each new contract for prison labor.</p> <p>(1) The public notice required in this subsection must be forwarded to a newspaper of general circulation in the county where the prison-based industry is or will be located, with a request that it be published at least once a week for two</p>		<p>(A) The Department of Corrections, in conjunction with the Department of Commerce, shall develop and maintain a marketing plan to attract private sector service businesses for the employment of inmates through the prison industries program.</p> <p>(B) Prior to entering into new contracts and renewals of existing contracts with private sector service entities that want to hire inmates through the prison industries program, the Department of Corrections must provide public notice of its intention to establish or continue a prison-based industry at a particular facility and receive certification by the Department of Commerce that an unfair competitive wage disadvantage to the local economy is not created by each new contract for prison labor.</p> <p>(1) The public notice required in this subsection must be forwarded to a newspaper of general circulation in the county where the prison-based industry is or will be located, with a request that it be published at least once</p>	

consecutive weeks. The notice must include a description of the work to be performed, the intent to contract for inmate labor, and provide that objections to the proposed hiring of prison labor may be filed with the Department of Commerce within thirty days of the last date that the notice appears.

(a) The Department of Commerce must maintain a copy of any objections filed for a period of three years from the date that the objections were received.

(b) Advertising costs associated with the publication of notice must be borne by the entity seeking to contract for prison labor.

(2) The certification required by this subsection must be based upon objections to the establishment of a prison-industry program provided for in item (1).

(C) No contract may be negotiated or executed prior to forty days after the last date that the notice required by subsection (A) appears. New contracts and renewals of existing contracts between private sector entities and the Department of Corrections must be negotiated in accordance with procedures established jointly by the Department of Commerce and the Department of Corrections. The procedures must be drafted to ensure fairness and consistency in establishing contracts with private sector entities seeking to establish or continue prison-based operations whenever the wage to be paid is less than the federally established minimum wage.

(D) The marketing plan and the procedures for negotiating new contracts and contract renewals must be submitted to and approved by the Department of Administration prior to implementation. The Department of Corrections shall annually submit an audit report of the program to the Senate Corrections and Penology Committee and the House Medical, Military, Public and Municipal Affairs Committee. The provisions of the section may not be construed to apply to traditional prison industries as authorized in Section 24-3-320.

HISTORY: 2007 Act No. 68, Section 1, eff August 1, 2007.

a week for two consecutive weeks. The notice must include a description of the work to be performed, the intent to contract for inmate labor, and provide that objections to the proposed hiring of prison labor may be filed with the Department of Commerce within thirty days of the last date that the notice appears.

(a) The Department of ~~Commerce~~ Corrections must maintain a copy of any objections filed for a period of three years from the date that the objections were received.

(b) Advertising costs associated with the publication of notice must be borne by the entity seeking to contract for prison labor.

(2) The certification required by this subsection must be based upon objections to the establishment of a prison-industry program provided for in item (1).

(C) No contract may be negotiated or executed prior to forty days after the last date that the notice required by subsection (A) appears. New contracts and renewals of existing contracts between private sector entities and the Department of Corrections must be negotiated in accordance with procedures established ~~jointly~~ by the ~~Department of Commerce and the~~ Department of Corrections. The procedures must be drafted to ensure fairness and consistency in establishing contracts with private sector entities seeking to establish or continue prison-based operations whenever the wage to be paid is less than the federally established minimum wage.

(D) The marketing plan and the procedures for negotiating new contracts and contract renewals must be submitted to and approved by the Department of Administration prior to implementation. The Department of Corrections shall annually submit an audit report of the program to the Senate Corrections and Penology Committee and the House Medical, Military, Public and Municipal Affairs Committee. The provisions of the section may not be construed to apply to traditional prison industries as authorized in Section 24-3-320.

Law Change #15

LAW CHANGE #15			
Law	Summary of Current Law(s) and Recommended Change(s)	Basis for Recommendation	Approval and Others Impacted
<p>SECTION 31-1-30. General duties of Secretary of Commerce with respect to housing.</p> <p>SECTION 31-1-110. Incorporation of limited dividend housing corporations.</p> <p>SECTION 31-1-120. Purposes of limited dividend housing corporations.</p> <p>SECTION 31-1-140. Declaration required in articles.</p> <p>SECTION 31-1-150. Income debentures.</p> <p>SECTION 31-1-160. Consideration for issuance of stocks, bonds, and income debentures.</p> <p>SECTION 31-1-170. Limited return on stock.</p> <p>SECTION 31-1-180. Limitations on actions by companies.</p> <p>SECTION 31-1-190. Conveyances, leases, or subleases in violation of Section 31-1-180 shall be void.</p> <p>SECTION 31-1-200. Regulation of limited dividend housing companies.</p> <p>SECTION 31-1-210. Investigation of limited dividend housing companies.</p> <p>SECTION 31-1-220. Fees.</p> <p>SECTION 31-1-230. Provisions of general corporation law applicable.</p> <p>SECTION 31-3-20. Definitions.</p> <p>SECTION 31-3-340. Commissioners.</p> <p>SECTION 31-3-370. Removal of commissioners.</p> <p>SECTION 31-3-390. Territorial jurisdiction.</p> <p>SECTION 31-3-750. Territorial jurisdiction.</p>	<p><u>Current Law:</u> Section 31-1-40 establishes duties of Secretary of Commerce with regard to housing.</p> <p>Sections 31-1-110 thru 31-1-230 establishes statutory framework for limited dividend housing corporations.</p> <p>Sections 31-3-20, 31-3-340, 31-3-370, 31-3-390, and 31-3-750 require local housing commissioner appointments and removals to be filed in the office of the Secretary of Commerce and give the Secretary discretion to extend territorial jurisdiction of local housing authorities.</p> <p><u>Recommendation:</u> Concept recommendation. Repeal/remove participation of Secretary of Commerce in housing-related matters and either move statutory duties and authorization to the SC State Housing Finance and Development Authority ("SC Housing") or repeal to the extent obsolete. (See Law Change 8.)</p>	<p>Many of these statutory provisions are likely obsolete or more appropriately should be handled by SC Housing, which came into existence in 1971, well after enactment of these provisions. The statutes have not been amended for decades. Regardless of the ultimate disposition of these statutes, the Secretary of Commerce should not have oversight over housing related matters. (See Law Change 8.)</p> <p>SC Housing and the SC State Library have provided information and background to Commerce, which is included in the Proposed Revisions to Law Wording below. Commerce takes no position on the disposition of these statutes other than that any housing-related responsibilities do not appropriately reside with the Secretary of Commerce.</p>	<p><u>Presented and approved by agency's governing body:</u> Review by Governor pending.</p> <p><u>Other entities potentially impacted:</u> South Carolina State Housing Finance and Development Authority (SC Housing)</p> <p><u>If the law is a regulation, where agency is in the process of finalizing it and providing it to the General Assembly:</u> Not applicable.</p>

Current Law Wording	Proposed Revisions to Law Wording
<p>SECTION 31-1-30. General duties of Secretary of Commerce with respect to housing.</p> <p>The Secretary of Commerce, hereafter in this chapter sometimes called the director, may:</p> <p>(1) study housing conditions and needs throughout the State to determine in what areas congested and unsanitary housing conditions constitute a menace to the health, safety, morals, welfare and reasonable comfort of the citizens of the State;</p> <p>(2) prepare programs for correcting such conditions;</p> <p>(3) collect and distribute information relating to housing;</p> <p>(4) investigate all matters affecting the cost of construction or production of dwellings;</p> <p>(5) study means of lowering rents of dwellings by securing economy in the construction and arrangement of buildings;</p> <p>(6) recommend and approve the areas within which or adjacent to which the construction of housing projects by limited dividend housing companies may be undertaken; and</p> <p>(7) cooperate with local housing officials and planning commissions or similar bodies in cities and other localities in the development of projects they at any time may have under consideration.</p> <p>HISTORY: 1962 Code Section 36-3; 1952 Code Section 36-3; 1942 Code Section 5271-10; 1933 (38) 176; 1945 (44) 156; 1954 (48) 1745; 1993 Act No. 181, Section 1994 Act No. 361, Section 8.</p>	<p><u>SC HOUSING PROVIDED BACKGROUND</u></p> <ul style="list-style-type: none"> • Section 31-13-300 permits SC Housing to make determinations concerning availability of decent, safe and sanitary housing. • Section 31-13-180 permits SC Housing to provide technical, consultative and project assistance services, which furthers the ability to make determinations of housing needs as well as creating programs that address such needs. • SC Housing does not have the authority to “investigate all matters affecting the cost of construction or production of dwellings”. • SC Housing is limited to programs that support its beneficiary class (moderate to low income), which limits its statutory powers.

SECTION 31-1-110. Incorporation of limited dividend housing corporations.

Any number of natural persons, not less than three, a majority of whom are citizens of the United States, may become a limited dividend housing corporation by subscribing, acknowledging and filing in the office of the Secretary of State articles of incorporation, hereinafter called "articles," setting forth the information required by Chapter 7 of Title 33; except as herein modified or changed.

HISTORY: 1962 Code Section 36-11; 1952 Code Section 36-11; 1942 Code Section 5271-18; 1933 (38) 176.

SECTION 31-1-120. Purposes of limited dividend housing corporations.

The purposes for which a limited dividend housing corporation is to be formed shall be as follows: To acquire, construct, maintain and operate housing projects when authorized by and subject to the supervision of the director.

HISTORY: 1962 Code Section 36-12; 1952 Code Section 36-12; 1942 Code Section 5271-18; 1933 (38) 176; 1993 Act No. 181, Section 491.

SECTION 31-1-130. Par value shares.

The shares of which the capital of a limited dividend housing corporation shall consist shall have a par value.

HISTORY: 1962 Code Section 36-13; 1952 Code Section 36-13; 1942 Code Section 5271-18; 1933 (38) 176.

SECTION 31-1-140. Declaration required in articles.

The articles of a limited dividend housing corporation shall contain a declaration (a) that the corporation has been organized to serve a public purpose and that it shall remain at all times subject to the supervision and control of the director or of other appropriate state authority, (b) that all real estate acquired by it and all structures erected by it shall be deemed to be acquired for the purpose of promoting the

SC HOUSING PROVIDED BACKGROUND

- SC Housing has never come across a “limited dividend housing corporation” and speculates that this article may be obsolete.

STATE LIBRARY PROVIDED BACKGROUND

- Limited dividend housing corporations first appear in London in the 1840’s, and were a method of providing affordable housing using private investment. They were used throughout Europe and spread to the United States. New York passed the first [Limited Dividend Housing Companies Act in 1926](#). Several other states, including South Carolina, followed with similar laws in the early 1930’s. In some states, they are still used today.
- Regarding the housing mandates - previous versions of the SC Code include:
- HISTORY: 1962 Code Section 36-3; 1952 Code Section 36-3; 1942 Code Section 5271-10; 1933 (38) 176; 1945 (44) 156; 1954 (48) 1745; 1993 Act No. 181, Section 1994 Act No. 361, Section 8.
- 1933 (38) 176 – this refers to SC Act 143 of 1933 (page 176, Vol. 38), which enacted the State Housing Law and established a State Board of Housing. Among other duties, the State Board of Housing regulated limited dividend housing corporations. There is no mention in the Act of any relationship to the Department of Commerce or previous versions of the department.
- 1942 Code Section 5271-10 – this section codified SC Act 143.

public health and safety and subject to the provisions of the State Housing Law and (c) that the stockholders of the corporation shall be deemed, when they subscribe to and receive the stock thereof, to have agreed that they shall at no time receive or accept from the company, in repayment of their investment in its stock, any sums in excess of the par value of the stock, together with cumulative dividends at the rate of six percent per annum and that any surplus in excess of such amount if the company shall be dissolved, shall revert to the State.

HISTORY: 1962 Code Section 36-14; 1952 Code Section 36-14; 1942 Code Section 5271-18; 1933 (38) 176; 1993 Act No. 181, Section 492.

SECTION 31-1-150. Income debentures.

The articles of a limited dividend housing corporation may authorize the issuance of income debenture certificates bearing no greater interest than six percent per annum. After the incorporation of a limited dividend housing corporation, the directors thereof may, with the consent of two thirds of the holders of any preferred stock that may be issued and outstanding, offer to the stockholders of the company the privilege of exchanging their preferred and common stock in such quantities and at such times as may be approved by the director for such income debenture certificates, whose value shall not exceed the par value of the stock exchanged therefor.

HISTORY: 1962 Code Section 36-15; 1952 Code Section 36-15; 1942 Code Section 5271-21; 1933 (38) 176; 1993 Act No. 181, Section 493

SECTION 31-1-160. Consideration for issuance of stocks, bonds, and income debentures.

No limited dividend housing company incorporated under this chapter shall issue stock, bonds or income debentures, except for money, services or property actually received for the use and lawful purposes of the corporation. No stock, bonds or income debentures shall be issued for property or services except upon a valuation approved by the director and such valuation shall be used in computing actual or estimated cost.

- 1945 (44) 156 – This refers to SC Act 122 of 1945 (page 156, Vol. 44), which established the Department of Research, Planning, and Development (the Research, Planning, and Development Act of 1945), a predecessor of today’s Department of Commerce. In Section 10 of the Act, the State Board of Housing was abolished and its duties and powers transferred to the new Department of Research, Planning, and Development.

COMMERCE PROVIDED BACKGROUND

- Duties of the former State Board of Housing were assumed by the Director of the Division of State Development as part of 1993 State Restructuring in Section 13-1-350.
- Commerce recommends that the Secretary of Commerce be removed from any responsibility for housing-related matters. (See Law Change 8.)

The director may permit stock or income debentures to be issued for working capital to be used in connection with such project to any amount not exceeding three percent of the estimated total cost or three percent of the actual cost, if actual cost should exceed estimated cost, of a project.

HISTORY: 1962 Code Section 36-16; 1952 Code Section 36-16; 1942 Code Section 5271-20; 1933 (38) 176; 1993 Act No. 181, Section 494.

SECTION 31-1-170. Limited return on stock.

No stockholder in any corporation formed hereunder shall receive any dividend in any one year in excess of six per cent per annum except that when in any preceding year dividends in the amount prescribed in the articles of incorporation shall not have been paid on the stock the stockholders may be paid such deficiency without interest out of any surplus earned in any succeeding year.

HISTORY: 1962 Code Section 36-17; 1952 Code Section 36-17; 1942 Code Section 5271-19; 1933 (38) 176.

SECTION 31-1-180. Limitations on actions by companies.

No limited dividend housing company incorporated under this chapter shall:

- (1) acquire any real property or interest therein unless it shall first have obtained from the Secretary of Commerce a certificate that such acquisition is necessary or convenient for the public purpose defined in Section 31-1-140;
- (2) sell, transfer, assign or lease any real property without first having obtained the consent of the Secretary of Commerce, except that leases conforming to the regulations and rules of the Department of Commerce and for actual occupancy by the lessees may be made without the consent of the Secretary of Commerce;
- (3) pay interest returns on its mortgage indebtedness and its income debenture certificates at a higher rate than six percent per annum;

(4) issue its stock, debentures and bonds covering any project undertaken by it in an amount greater in the aggregate than the total actual final cost of such project, including the lands, improvements, charges for financing and supervision approved by the Secretary of Commerce and interest and other carrying charges during construction and an allowance for working capital to be approved by the Secretary of Commerce but not exceeding three percent of the estimated cost or of the total actual final cost if the final cost of the project shall be greater than the estimated cost;

(5) mortgage any real property without first having obtained the consent of the Secretary of Commerce;

(6) issue any securities or evidences of indebtedness without first having obtained the approval of the Secretary of Commerce and the approval of the Director of the Department of Insurance, or his designee;

(7) use any building erected or acquired by it for other than housing purposes, except that when permitted by law the story of the building above the cellar or basement and the space below such story may be used for stores, commercial, cooperative or community purposes and when permitted by law the roof may be used for cooperative or community purposes;

(8) charge or accept any rental fee or other charge for housing accommodations in any building constructed, acquired, operated or managed by it in excess of the prices prescribed by the Secretary of Commerce;

(9) enter into contracts for the construction of housing projects or for the payments of salaries to officers or employees except subject to the inspection and revision of the Secretary of Commerce and under such regulations as the Department of Commerce from time to time may prescribe;

(10) voluntarily dissolve without first having obtained the consent of the Secretary of Commerce; or

(11) make any guaranty without the approval of the Secretary of Commerce.

HISTORY: 1962 Code Section 36-18; 1952 Code Section 36-18; 1942 Code Section 5271-22; 1933 (38) 176; 1993 Act No. 181, Section 495; 1993 Act No. 181, Section 496; 1994 Act No. 361, Section 9.

SECTION 31-1-190. Conveyances, leases, or subleases in violation of Section 31-1-180 shall be void.

Any conveyance, encumbrance, lease or sublease made in violation of the provisions of Section 31-1-180 and any transfer or assignment thereof shall be void.

HISTORY: 1962 Code Section 36-19; 1952 Code Section 36-19; 1942 Code Section 5271-22; 1933 (38) 176

SECTION 31-1-200. Regulation of limited dividend housing companies.

In pursuance of its power to supervise and regulate the operations of limited dividend housing companies incorporated under this chapter the Secretary of Commerce may:

(1) order any such corporation to make, at its expense, such repairs and improvements as will preserve or promote the health and safety of the occupants of buildings and structures owned or operated by such corporations;

(2) order all such corporations to do such acts as may be necessary to comply with the provisions of the law, the rules and regulations adopted by the Department of Commerce or the terms of any project approved by the Secretary of Commerce or to refrain from doing any acts in violation thereof;

(3) examine all such corporations and keep informed as to their general condition, their capitalization and the manner in which their property is constructed, leased, operated or managed;

(4) either through its members or agents duly authorized by it, enter in or upon and

inspect the property, equipment, buildings, plants, offices, apparatus and devices of any such corporation, examine all books, contracts, records, documents and papers of any such corporation and by subpoena duces tecum compel the production thereof;

(5) in its discretion prescribe uniform methods and forms of keeping accounts, records and books to be observed by such corporations and prescribe by order accounts in which particular outlays and receipts shall be entered, charged or credited;

(6) require every such corporation to file with the Secretary of Commerce an annual report setting forth such information as the Secretary of Commerce may require, verified by the oath of the president and general manager or receiver, if any, thereof or by the person required to file such report, such report to be in the form, cover the period and be filed at the time prescribed by the Secretary of Commerce;

(7) require specific answers to questions upon which the Secretary of Commerce may desire information and require such corporation to file periodic reports in the form covering the period and at the time prescribed by the Secretary of Commerce; and

(8) from time to time make, amend and repeal rules and regulations for carrying into effect the provisions of this chapter.

HISTORY: 1962 Code Section 36-20; 1952 Code Section 36-20; 1942 Code Section 5271-12; 1933 (38) 176; 1993 Act No. 181, Section 497; 1994 Act No. 361, Section 9.

SECTION 31-1-210. Investigation of limited dividend housing companies.

The director may investigate the affairs of limited dividend housing companies incorporated under this chapter and the dealings, transactions or relationships of such companies with other persons. Any of the investigations provided for in this chapter may be conducted by the director or by a committee to be appointed by the director. Each member of the committee may administer oaths, take affidavits and make personal inspections of all places to which their duties relate. The committee

may subpoena and require the attendance of witnesses and the production of books and papers relating to the investigations and inquiries authorized in this chapter, examine them in relation to any matter it has power to investigate and issue commissions for the examination of witnesses who are out of the State or unable to attend before the committee or excused from attendance.

HISTORY: 1962 Code Section 36-21; 1952 Code Section 36-21; 1942 Code Section 5271-9; 1933 (38) 176; 1993 Act No. 181, Section 498.

SECTION 31-1-220. Fees.

The Secretary of Commerce may charge and collect from a limited dividend housing corporation, incorporated under this chapter, reasonable fees in accordance with the rates to be established by the rules of the Department of Commerce:

(1) for the examination of plans and specifications and the supervision of construction, an amount not to exceed one half of one percent of the cost of the project;

(2) for the holding of a public hearing upon application of a housing corporation, an amount sufficient to meet the reasonable cost of advertising the notice thereof and of the transcript of testimony taken thereat; and

(3) for any examination or investigation made upon application of a housing corporation and for any act done by the Department of Commerce, or any of its employees, in performance of their duties under this chapter, an amount reasonably calculated to meet the expenses of the department incurred in connection therewith. In no event shall any part of the expenses of the department incurred under the provisions of this chapter ever be paid out of the State Treasurer. The Secretary of Commerce may authorize a housing corporation to include such fees as part of the cost of a project or as part of the charges specified in Section 31-1-620 pursuant to rules to be established by the Department of Commerce.

HISTORY: 1962 Code Section 36-22; 1952 Code Section 36-22; 1942 Code Section 5271-29; 1933 (38) 176; 1993 Act No. 181, Section 499; 1994 Act No. 361, Section 9.

SECTION 31-1-230. Provisions of general corporation law applicable.

The provisions of the general corporation law shall apply to limited dividend housing corporations, except when such provisions are in conflict with the provisions of this chapter.

HISTORY: 1962 Code Section 36-23; 1952 Code Section 36-23; 1942 Code Section 5271-18; 1933 (38) 176.

SECTION 31-3-10. Short title.

This chapter and Chapter 11 may be known as the "Housing Authorities Law."

HISTORY: 1962 Code Section 36-101; 1952 Code Section 36-101; 1942 Code Section 5271-31; 1934 (38) 1368.

SECTION 31-3-20. Definitions.

The following terms, wherever used or referred to in this chapter and Chapter 11 shall have the following respective meanings, unless in any case a different meaning clearly appears from the context:

- (1) The term "director" shall mean the Secretary of Commerce;
- (2) "Authority" or "housing authority" shall mean a corporate body organized in accordance with the provisions of this chapter and Chapter 11 for the purpose, with the powers and subject to the restrictions hereinafter set forth;
- (3) "Mayor" shall mean the chief executive of the municipality, whether the official designation of his office be mayor, city manager or some other title;
- (4) "Municipality" shall mean any city, town or other municipality in the State;
- (5) "City" shall mean any incorporated municipality in the State and "the city" shall mean the particular city or town for which a particular housing authority is created;

(6) "Council" shall mean the chief legislative body of the municipality;

(7) "Commissioner" shall mean one of the members of an authority appointed in accordance with the provisions of this article;

(8) "Government" shall include the State and Federal governments and any subdivision, agency or instrumentality, corporate or otherwise of either of them;

(9) The "State" shall mean the State of South Carolina;

(10) "Project" shall include all lands, buildings and improvements acquired, owned, leased, managed or operated by a housing authority and all buildings and improvements constructed, reconstructed or repaired by a housing authority, designed to provide housing accommodations or stores, offices and community facilities appurtenant thereto, whether or not acquired or constructed at one time and the term may also be applied to the planning of buildings and improvements, the acquisition of property, the demolition of existing structures, the clearing of land, the construction, reconstruction and repair of improvements and all other work in connection therewith;

(11) "Community facilities" shall include lands, buildings and equipment for recreation or social assembly, for educational, health or welfare activities and other necessary utilities primarily for the use and benefit of the occupants of housing accommodations to be constructed and operated hereunder;

(12) The term "bonds" shall include bonds, notes, debentures or other written evidences of indebtedness carrying either the general credit of the authority or payable solely out of pledged revenues;

(13) The term "mortgage" shall include mortgages, deeds of trusts or other instruments creating a lien or security interest;

(14) The term "real property" shall include lands, lands under water, structures and any and all easements, franchises and incorporeal hereditaments and every estate

and right therein, legal and equitable, including terms for years and liens by way of judgment, mortgage or otherwise;

(15) "Persons of low income" means those individuals who are members of households whose gross income falls below seventy-five percent of the "median gross income" of all households in South Carolina as determined on the basis of the latest available statistics furnished to the Authority by the Revenue and Fiscal Affairs Office. Gross income means income derived from any source whatsoever. An allowance for each member of the family equal to an amount for personal exemptions as defined by the South Carolina Income Tax Law, Section 12-7-310, must be deducted from gross income in order to qualify a person or family as a member of the "beneficiary class"; and

(16) "Obligee of the authority" or "obligee" shall include any bondholder, trustee for any bondholders, lessor demising to an authority property used in connection with a project, any assignee of such lessor's interest or any part thereof or the Federal Government when it is a party to any contract with an authority.

(17) "Persons of moderate to low income" means those individuals who are members of households whose gross income falls between seventy-five percent and one hundred fifty percent of the "median gross income" of all households in South Carolina as determined on the basis of the latest available statistics furnished to the Authority by the Revenue and Fiscal Affairs Office. Gross income means income derived from any source whatsoever. An allowance for each member of the family equal to an amount for personal exemptions as defined by the South Carolina Income Tax Law, Section 12-7-310, must be deducted from gross income in order to qualify a person or family as a member of the "beneficiary class".

HISTORY: 1962 Code Section 36-102; 1952 Code Section 36-102; 1942 Code Sections 5271-31, 5271-32; 1934 (38) 1368; 1937 (40) 431; 1942 (42) 1742; 1945 (44) 156; 1954 (48) 1745; 1969 (56) 200; 1970 (56) 2288, 2402; 1986 Act No. 369, Sections 2, 3; 1993 Act No. 181, Section 503; 1994 Act No. 361, Section 8.

Code Commissioner's Note

At the direction of the Code Commissioner, references in this section to the offices of the former State Budget and Control Board, Office of the Governor, or other agencies, were changed to reflect the transfer of them to the Department of Administration or other entities, pursuant to the directive of the South Carolina Restructuring Act, 2014 Act No. 121, Section 5(D)(1).

Pursuant to the directive to the Code Commissioner in 2018 Act No. 246, Section 10, "Revenue and Fiscal Affairs Office" was substituted for all references to "Office of Research and Statistics of the Revenue and Fiscal Affairs Office".

Editor's Note

Section 12-7-310, referred to in items (15) and (17) of this section, which provided for exemptions from the State Income Tax, was repealed by 1985 Act No. 101, Section 22, effective May 21, 1985, for tax years after December 31, 1984.

SECTION 31-3-340. Commissioners.

When the council of a municipality adopts a resolution as provided in this chapter, the council shall appoint not less than five nor more than seven persons as commissioners of the authority created for the municipality. At least one of the commissioners appointed shall be a person who is directly assisted by the public housing authority. However, there shall be no requirement to appoint such a person if the authority (1) operates less than three hundred public housing units, (2) provides reasonable notice to the resident advisory board, if applicable, of the opportunity for at least one person who is directly assisted by the authority to serve as a commissioner, and (3) within a reasonable time after receipt of the notice by the resident advisory board, has not been notified of the intention of any such person to serve. The mayor shall appoint the person directly assisted by the authority unless the authority's rules require that the person be elected by other persons who are directly assisted by the authority.

The commissioners, other than the commissioner who is directly assisted by the authority, shall serve for terms of one, two, three, four, and five years, respectively, from the date of their appointment, but thereafter commissioners, other than the

commissioner who is directly assisted by the authority, shall be appointed as aforesaid for a term of office of five years except that all vacancies shall be filled for the unexpired term. The commissioner who is directly assisted by the authority must remain as an assisted resident in order to continue service on the board of commissioners.

No commissioner who is also a person directly assisted by the public housing authority shall be qualified to vote on matters affecting his official conduct or matters affecting his own individual tenancy, as distinguished from matters affecting tenants in general. No more than one-third of the members of any housing authority commission shall be tenants of the authority or recipients of housing assistance through any program operated by the authority. No commissioner of an authority may be an officer or employee of the municipality for which the authority is created. A commissioner shall hold office until his successor has been appointed and has qualified. A certificate of the appointment or reappointment of any commissioner must be filed in the office of the clerk of the circuit court of the county in which the municipality is located, in the office of the Secretary of State, and in the office of the Secretary of Commerce, and the certificate is conclusive evidence of the due and proper appointment of the commissioner.

HISTORY: 1962 Code Section 36-114; 1952 Code Section 36-114; 1942 Code Section 5271-34; 1934 (38) 1368; 1937 (40) 431; 1938 (40) 1909; 1993 Act No. 181, Section 504; 1994 Act No. 360, Section 1; 1994 Act No. 361, Section 8; 1999 Act No. 50, Section 1.

SECTION 31-3-370. Removal of commissioners.

(A) For inefficiency, neglect of duty, or misconduct in office a commissioner of an authority may be removed by the council, but a commissioner may be removed only after he has been given a copy of the charges at least ten days before the hearing on it and had an opportunity to be heard in person or by counsel. In the event of the removal of any commissioner, a record of the proceedings, together with the charges and findings on it, must be filed in the office of the clerk of the circuit court of the county in which the municipality is located, in the office of the Secretary of State, and in the office of the Secretary of Commerce.

COMMERCE PROVIDED BACKGROUND

- Commerce acknowledges receipt and maintains a file of certificates of appointments.

- Commerce acknowledges receipt and maintains a file of records of proceedings related to removal of commissioners, if and when any are received.

(B) The commissioner who is directly assisted by the authority must remain as an assisted resident in order to continue service on the board of commissioners. In the event that the commissioner who is directly assisted by the authority vacates the public housing unit or is evicted from the public housing unit, the mayor must automatically remove the commissioner from the board of commissioners with no opportunity to be heard or to contest the removal.

HISTORY: 1962 Code Section 36-118; 1952 Code Section 36-118; 1942 Code Section 5271-34; 1934 (38) 1368; 1937 (40) 431; 1938 (40) 1909; 1993 Act No. 181, Section 505; 1994 Act No. 360, Section 2; 1994 Act No. 361, Section 8; 1999 Act No. 50, Section 2.

SECTION 31-3-390. Territorial jurisdiction.

The territorial jurisdiction of each authority, except as otherwise specially provided, shall be coterminous with the boundaries of the city creating the authority unless this territory is extended by the director. The director may extend the territorial jurisdiction of any housing authority over territory contiguous to that of the housing authority if such extension does not conflict with any other housing authority.

HISTORY: 1962 Code Section 36-120; 1952 Code Section 36-120; 1942 Code Section 5271-37; 1934 (38) 1368; 1993 Act No. 181, Section 506.

SECTION 31-3-750. Territorial jurisdiction.

The territorial jurisdiction of a housing authority of a county shall be coterminous with the boundaries of the county in which such authority is situated but shall not include that portion of the county within the territorial jurisdiction of any housing authority of a city. But notwithstanding the provisions of this section the director may extend the territorial jurisdiction of a housing authority of a city over territory contiguous thereto, including territory included within the territorial jurisdiction of the housing authority of a county, and such extension of the territorial jurisdiction of a housing authority of a city and limitation of the territorial jurisdiction of the housing authority of the county affected thereby shall not be deemed to conflict with the housing authority of the county within the meaning of Section 31-3-390

- The Secretary of Commerce has never sought to extend the territorial jurisdiction of a municipal housing authority.

- The Secretary of Commerce has never sought to extend the territorial jurisdiction of a municipal housing authority.

unless a housing project shall have been constructed or acquired or the director shall determine that such a project is about to be constructed or acquired by the housing authority of such county within the territory proposed to be included within the territorial jurisdiction of the housing authority of the city.

HISTORY: 1962 Code Section 36-185; 1952 Code Section 36-185; 1942 Code Section 5271-54; 1934 (38) 1368; 1935 (39) 500; 1937 (40) 267; 1993 Act No. 181, Section 507.

Law Change #19

LAW CHANGE #19			
Law	Summary of Current Law(s) and Recommended Change(s)	Basis for Recommendation	Approval and Others Impacted
SECTION 11-37-200. Water Resources Coordinating Council established.	<p><u>Current Law:</u> Establishes Water Resources Coordinating Council and makes Secretary of Commerce a member.</p> <p><u>Recommendation:</u> Repeal.</p>	Water Resources Coordinating Council is defunct. See Rural Infrastructure Authority Law Change #4.	<p><u>Presented and approved by agency's governing body:</u> Review by Governor pending.</p> <p><u>Other entities potentially impacted:</u> None.</p> <p><u>If the law is a regulation, where agency is in the process of finalizing it and providing it to the General Assembly:</u> Not applicable.</p>
Current Law Wording			Proposed Revisions to Law Wording
<p>SECTION 11-37-200. Water Resources Coordinating Council established.</p> <p>(A) There is established by this section the Water Resources Coordinating Council which shall establish the priorities for all sewer, wastewater treatment, and water supply facility projects addressed in this chapter, except as otherwise established by Section 48-6-40. The council shall consist of a representative of the Governor, the Director of the Department of Health and Environmental Control, the Director of the South Carolina Department of Natural Resources, the Director of the Rural Infrastructure Authority, the Secretary of Commerce, the Chairman of the Jobs Economic Development Authority, and the Chairman of the Joint Bond Review Committee. These representatives may designate a person to serve in their place on the council, and the Governor shall appoint the chairman from among the membership of the council for a one-year term. The council shall establish criteria for the review of applications for projects. Not less often than annually, the council shall determine its priorities for projects. The council after evaluating applications shall notify the authority of the priority projects. The South Carolina Jobs Economic Development Authority shall provide the staff to receive, research, investigate, and process applications for projects made to the coordinating council and assist in the formulating of priorities. Upon notification by the council, the authority shall proceed under the provisions of this chapter. The authority may consider applications for projects based upon the existence of a documented emergency consistent with regulations that may be promulgated by the authority. In determining which local governments are to receive grants, the local governments shall provide not less than a fifty percent match for any project. The authority may provide financing for the local matching funds on terms and conditions determined by the authority.</p>			Repeal entire statute.

Law Change #20

LAW CHANGE #20			
Law	Summary of Current Law(s) and Recommended Change(s)	Basis for Recommendation	Approval and Others Impacted
<p>SECTION 38-75-470. Appointment of advisory committee; duties; membership.</p>	<p><u>Current Law:</u> Establishes membership of Advisory Committee to the Director and the South Carolina Building Codes Council, Loss Mitigation Grant Program, and South Carolina Comprehensive Hurricane Damage Mitigation Program, including a representative of Commerce.</p> <p><u>Recommendation:</u> Delete requirement that committee have a Commerce representative.</p>	<p>Commerce's membership on this committee likely originated from obsolete Commerce duties related to housing. Commerce designates a construction company executive to serve as Commerce's designee.</p>	<p><u>Presented and approved by agency's governing body:</u> Review by Governor pending.</p> <p><u>Other entities potentially impacted:</u> SC Department of Insurance Labor Licensing and Regulation SC Building Codes Council</p> <p><u>If the law is a regulation, where agency is in the process of finalizing it and providing it to the General Assembly:</u> Not applicable.</p>
Current Law Wording		Proposed Revisions to Law Wording	
<p>(A) The Director of Insurance shall appoint an advisory committee to the director to study issues associated with the development of strategies for reducing loss of life and to address the mitigation of property losses due to hurricane, earthquake, flood, and fire. The advisory committee also shall consider the associated costs to individual property owners. The advisory committee is composed of:</p> <p>(1) the director or his designee;</p> <p>(2) the Chairman of the Building Codes Council or his designee;</p> <p>(3) a representative from Clemson University involved with wind engineering;</p>		<p>(A) The Director of Insurance shall appoint an advisory committee to the director to study issues associated with the development of strategies for reducing loss of life and to address the mitigation of property losses due to hurricane, earthquake, flood, and fire. The advisory committee also shall consider the associated costs to individual property owners. The advisory committee is composed of:</p> <p>(1) the director or his designee;</p> <p>(2) the Chairman of the Building Codes Council or his designee;</p> <p>(3) a representative from Clemson University involved with wind engineering;</p> <p>(4) a representative from an academic institution involved with the study of</p>	

(4) a representative from an academic institution involved with the study of earthquakes;

(5) a representative from an insurer writing property insurance in South Carolina;

(6) a representative from the Department of Commerce;

(7) a representative from the South Carolina's Municipal Association;

(8) a representative from the South Carolina Association of Counties;

(9) a representative from the Homebuilders Association;

(10) a representative from the Manufactured Housing Institute of South Carolina;

(11) a representative from the State Fire Marshal's office;

(12) a representative from the South Carolina Emergency Management Division;

(13) a representative from the State Flood Mitigation Program;

(14) two at-large members appointed by the director;

(15) two at-large members appointed by the Governor;

(16) a general contractor;

(17) a representative from the South Carolina Association of Realtors; and

(18) a structural engineer.

earthquakes;

(5) a representative from an insurer writing property insurance in South Carolina;

~~(6) a representative from the Department of Commerce;~~

(7) a representative from the South Carolina's Municipal Association;

(8) a representative from the South Carolina Association of Counties;

(9) a representative from the Homebuilders Association;

(10) a representative from the Manufactured Housing Institute of South Carolina;

(11) a representative from the State Fire Marshal's office;

(12) a representative from the South Carolina Emergency Management Division;

(13) a representative from the State Flood Mitigation Program;

(14) two at-large members appointed by the director;

(15) two at-large members appointed by the Governor;

(16) a general contractor;

(17) a representative from the South Carolina Association of Realtors; and

(18) a structural engineer.

(B) Members shall serve for terms of two years and shall receive no per diem, mileage, or subsistence. Vacancies must be filled in the same manner as the original appointment.

(C) Within thirty days after its appointment, the advisory committee shall meet at the call of the Director of Insurance. The advisory committee shall elect from its members a chairman and a secretary and shall adopt rules not inconsistent with this chapter. Meetings may be called by the chairman on his own initiative and must be called at the request of three or more members of the advisory committee. All members must be notified by the chairman of the time and place of the meeting at least seven days in advance of the meeting. All meetings must be open to the public. At least two-thirds vote of those members in attendance at the meeting shall constitute an official decision of the advisory committee. Implementation of this program and continued existence of this program is subject to the availability of funding through legislative appropriations or alternative funding sources.

HISTORY: 1997 Act No. 123, Section 5; 2000 Act No. 312, Section 20; 2002 Act No. 190, Section 6, eff March 12, 2002; 2007 Act No. 78, Section 11, eff June 11, 2007, applicable to taxable years beginning after December 31, 2006; 2017 Act No. 28 (S.315), Section 1, eff May 10, 2017.

Effect of Amendment

2017 Act No. 28, Section 1, in (A), deleted "and the South Carolina Building Codes Council" following "to the director", substituted "to address the mitigation of" for "mitigating", inserted "flood," after "earthquake,", and substituted "associated costs" for "costs associated with these strategies".

COMMITTEE CONTACT INFORMATION AND UPCOMING MEETINGS

Legislative Oversight Committee



South Carolina House of Representatives

Committee Mission

Determine if agency laws and programs are being implemented and carried out in accordance with the intent of the General Assembly and whether they should be continued, curtailed or eliminated. Inform the public about state agencies.

Website: <https://www.scstatehouse.gov/CommitteeInfo/HouseLegislativeOversightCommittee.php>

Phone Number: 803-212-6810

Email Address: HCommLegOv@schouse.gov

Location: Blatt Building, Room 228

UPCOMING MEETINGS

**Economic Development,
Transportation, and
Natural Resources
Subcommittee**

TBD

END NOTES

¹ Visual Summary Figure 2 is compiled from information in the Department of Commerce study materials available online under “Citizens’ Interest,” under “House Legislative Oversight Committee Postings and Reports,” and then under “Commerce, Department of”

<http://www.scstatehouse.gov/CommitteeInfo/HouseLegislativeOversightCommittee/AgencyPHPFiles/Commerce.php> (accessed February 25, 2021).