

**House Legislative Oversight Committee Meeting**  
**Wednesday, December 20, 2023**

Table of Contents

Agenda .....	2
Meeting Minutes .....	4
Executive Summary - Department on Aging .....	8
Executive Summary – Jobs-Economic Development Authority .....	14
Committee Contact Information .....	21

## Agenda



# South Carolina House of Representatives Legislative Oversight Committee

## **Chair Jeffrey E. “Jeff” Johnson**

William H. Bailey  
Gary S. Brewer, Jr.  
April Cromer  
Kambrell H. Garvin  
Leon Douglas “Doug” Gilliam  
Thomas Duval “Val” Guest, Jr.

Lewis Carter  
Research Director

Cathy A. Greer  
Administration Coordinator

## **First Vice-Chair Chris Wooten**

William M. “Bill” Hixon  
Joseph H. “Joe” Jefferson, Jr.  
Wendell Keith Jones  
Roger K. Kirby  
Josiah Magnuson  
John R. McCravy, III

Timothy A. “Tim” McGinnis  
Adam M. Morgan  
Travis A. Moore  
Russell L. Ott  
Marvin R. Pendarvis  
Marvin “Mark” Smith

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Counsel/Associate General Counsel for Litigation

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## **AGENDA**

**Wednesday, December 20, 2023**

**10:30am**

**Room 110 – Blatt Building**

- I. Approval of minutes**
- II. Discussion of the following:**
  - **Healthcare and Regulatory Subcommittee - Study of the Department on Aging**
  - **Economic Development, Transportation, and Natural Resources Subcommittee - Study of the Jobs Economic Development Authority (JEDA)**
- III. Discussion of committee administrative matters**
- IV. Adjournment**

## Meeting Minutes



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## MEETING MINUTES

Thursday, March 9, 2023  
Immediately Upon Adjournment  
Blatt Room 110

### Archived Video Available

- I. Pursuant to House Legislative Oversight Committee Rule 4.7, 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 public input meeting of the House Legislative Oversight Committee was called to order by 1<sup>st</sup> Vice Chair Chris Wooten. All members of the Committee were present for all or a portion of the meeting, except: Representative Guest, Representative John McCravy, Representative Jeff Johnson, Representative Josiah Magnuson, Representative Tim McGinnis, and Representative Adam Morgan.

### 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.
- II. Representative Joseph Jeffers makes a motion to approve the meeting minutes from the December 7, 2022, meeting. A roll call vote was held, and the motion passed.

<b>Rep. motion to approve the minutes from the February 28, 2023, meeting</b>	<b>Yea</b>	<b>Nay</b>	<b>Not Voting/Not Present</b>
Rep. Bailey	✓		
Rep. Brewer	✓		
Rep. Cromer	✓		
Rep. Garvin	✓		
Rep. Gilliam	✓		
Rep. Guest			Not Present
Rep. Hixon			Not Present
Rep. Jefferson	✓		
Rep. Johnson			Not Present
Rep. Jones	✓		
Rep. Kirby	✓		
Rep. Magnuson			Not Present
Rep. McCravy			Not Present
Rep. McGinnis			Not Present
Rep. Morgan			Not Present
Rep. Moore	✓		
Rep. Ott	✓		
Rep. Pendarvis	✓		
Rep. Smith	✓		
Rep. Wooten	✓		

## Public Input

- I. First Vice Chairman Wooten stated that the purpose of this meeting was to receive public testimony regarding the South Carolina Commission on Higher Education, South Carolina Tuition Grants Commission, South Carolina Forestry Commission, and South Carolina Workers' Compensation Commission.
- II. Agency executives from each of the agencies participating in the meeting provided comments regarding their agency's mission.
  - South Carolina Commission on Higher Education - Dr. Rusty Monhollon, President and Executive Director
  - South Carolina Higher Education Tuition Grants Commission – Katie Harrison,

Executive Director

- South Carolina Forestry Commission – Scott Phillips, State Forester
- South Carolina Workers’ Compensation Commission – T. Scott Beck, Chairman

III. Members of the public provided testimony about the South Carolina Higher Education Tuition Grants Commission and the South Carolina Forestry Commission. Constituent testimony and Committee minutes summarizing testimony are not the comments or expression of the House Legislative Oversight Committee, any of its Subcommittees, the House of Representatives, or any of these entities’ staff.

Before each person testifies, 1<sup>st</sup> Vice Chair Wooten administered an oath to the person. Below are the names of each person who testified. The testimony is grouped by agency.

### **South Carolina Higher Education Tuition Grants Commission**

- Scott Cochran – Chair of Tuition Grants Commission and president of Spartanburg Methodist College
- L. Jeffrey Perez, Ph.D. – President/CEO South Carolina Independent Colleges and Universities

### **South Carolina Forestry Commission**

- Cam Crawford, President and CEO of Forestry Association of SC
- Ronnie Summers, CEO of Palmetto AgriBusiness Council
- Jason Pope, Fire Chief of Fairfield County Fire Service
- TJ Lyell, SC Tree Farm Committee

### **Adjournment**

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





# EXECUTIVE SUMMARY

AUGUST 2023

## Department on Aging





# South Carolina House of Representatives Legislative Oversight Committee

## EXECUTIVE SUMMARY

### FINDINGS

The Subcommittee has **five findings**. The Subcommittee has recommendations to address some, but not all, of these findings. However, the Subcommittee makes the findings to note information that a member of the public, or General Assembly, may seek to know or on which they may desire to act.

#### LEADERSHIP

1. Since 2005, the Department on Aging has had 10 directors, of which seven had tenures of one year or less.

#### PLANNING AND SERVICE AREAS

2. The 10 regional planning and service areas were established in 1969 through executive order. The state's 46 counties were placed into contiguous regions based on demographics, socioeconomic, social congruence, governance structures, and other interests. The configuration of these regions has not been officially reassessed since 1991.

#### FAMILY CAREGIVERS

3. The state has over 770,000 family caregivers who provide 737 million hours of "free" services to their chronically ill, disabled, or frail elderly family members.

#### DIRECT CARE WORKFORCE

4. The shortage of direct care workers is negatively affecting the availability of services seniors receive in the home and institutional setting.

#### ALZHEIMER'S DISEASE CRISIS

5. The South Carolina Department on Aging's Alzheimer's Resource Coordination Center Advisory Council has designated Alzheimer's disease as a crisis at the state level.

# RECOMMENDATIONS

The Committee has **24 recommendations** that continue, curtail, and/or eliminate agency programs, and include areas for potential improvement. The Committee recognizes these recommendations will not satisfy everyone nor address every issue or potential area of improvement at the agency.

## ACCOUNTABILITY

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1. Implement a quarterly meeting with the Area Agencies on Aging and the provider network for the purposes of communication, training, planning, and dissemination of information.
2. Implement and provide mandatory strategic planning training, for all AAA senior executives, annually and assess director knowledge of strategic planning theory and processes prior to each four-year area plan submission.

## COLLABORATION

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3. Collaborate with appropriate state and local government agencies, to promote participation in the U.S. Census Bureau's decennial United States census and the American Community Survey, to improve the accuracy of the population count and enhance the state's ability to receive accurate funding from the Administration for Community Living, which uses census data to calculate funding allotments for senior services under the purview of the Department on Aging.
4. Collaborate with appropriate state agencies (e.g., South Carolina State Housing Finance and Development Authority (SC Housing), Department of Social Services, etc.), local and municipal governments, associated counterparts (e.g., South Carolina Association of Counties, Municipal Association of South Carolina, etc.), and other pertinent stakeholders, to develop a strategic plan for senior home modification. The plan should include an assessment of senior home modification need by county, projected costs associated with the modifications, identification of revenue sources to support modifications (e.g., grants, state and federal funds, etc.), evaluation of available contractors, and a timetable for implementation of the plan. The report must be submitted to the Committee within one year of the Committee's issuance of the study and added as an addendum to the State Plan on Aging 2021-2025.
5. Engage the Department of Administration's Division of State Human Resources for assistance developing and implementing online eLearning and training modules, to evaluate internal staff and AAA staff knowledge and understanding of agency policies, procedures, programs, and initiatives.
6. Partner with the state's workforce development agencies to address limited provider capacity, with the intent to increase the availability of services AAAs can provide seniors in rural and underserved areas of the state.
7. Study and produce a report detailing the direct care workforce shortage and its impact on the state's senior population. The report should include current direct care workforce data, current and future workforce challenges, and provide recommendations to address the identified challenges. This report should be submitted to the Committee within one year of the Committee's issuance of the study.
8. Engage the Division of Procurement Services for support reviewing the agency's enabling statutes to determine if regulations specific to the South Carolina Consolidated Procurement

Code have been implemented and are practiced according to state law at the Area Agencies on Aging. A report of findings should be submitted to the Committee six months after publication of the Committee's report.

9. In coordination with the South Carolina Advisory Council on Aging, and other senior

services stakeholders, complete a study to determine the efficacy of developing a 501(c)(3) nonprofit organization whose purpose is to create an endowment to support and sustain the Eldercare Trust. The report should be submitted to the Committee within one year of the Committee's issuance of the study.

## EFFECTIVENESS

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10. Conduct a study to determine if the existing planning and service area model promotes the most efficient distribution of programs and services for the state's senior population. The report should include analysis of demographic trends, socioeconomics, county contiguity, availability of healthcare resources, transportation accessibility, and available

provider services. The study should note support for the existing model or provide recommended amendments to the model for consideration. The report must be submitted to the Committee within one year of the Committee's issuance of the study and added as an addendum to the State Plan on Aging 2021-2025.

## EFFICIENCY

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11. In coordination with the Department of Administration's Division of State Human Resources, evaluate the merits of consolidating the agency's volunteer recruitment responsibilities under the Human Resources division. This division would assume responsibility for developing a volunteer recruitment strategy for the Vulnerable Adult Guardian ad Litem program, Long-Term Care Ombudsman Program, and State Health Insurance Program. Provide a written report of the evaluation to the Committee within six months of the Committee's issuance of the study report.
12. Evaluate the value of developing a marketing and communications division responsible for building the agency's brand recognition; establishing relationships with senior centric

non-profit organizations; healthcare systems, physician practices, pharmacies, other related healthcare professionals; and peripheral organizations that provide resources for distribution to customers within the agency's core demographic constituency.

13. Request a formal written response from each AAA regarding the efficacy of requiring Information and Referral/Assistance (I&R/A) certification for all AAA staff.
14. Conduct an annual survey of AAAs, and their associated governing bodies, to gauge satisfaction with the Department on Aging and to solicit input regarding opportunities for improvement.

## TRANSPARENCY

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15. Request the Office of the State Inspector General conduct an employee satisfaction survey. Agency leadership must report survey findings to the Committee and include an action plan to address identified opportunities for improvement. The survey must be conducted within one year of approval of the study report, and the results provided to the committee. Subsequent employee satisfaction surveys should be conducted every two years.
16. Implement objective performance metrics and targets to evaluate all internal agency programming and services.
17. Conduct a study of AAA service delivery waiting lists. The study should include the following: factors driving the waiting list population, the average time seniors remain on waiting list before receiving services, the number of seniors who voluntarily removed themselves from waiting lists or died before receiving services, and solutions to reduce or mitigate factors contributing to waiting lists. Submit a report to the Committee within one year of approval of the Committee's study.

## MODERNIZATION OF LAWS

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18. The Committee recommends the General Assembly consider adding the Director of Veterans' Affairs to the Long-term Care Council as a voting member and removing obsolete agency name references and references to the Lieutenant Governor by amending S.C. Code Section 43-21-130, as proposed by the Department on Aging.
19. The Committee recommends the General Assembly consider adding language align state law with federal regulations, specific to reporting of resident-identifying information without the resident's consent, which precludes mandated reporting of suspected abuse, by amending S.C. Code Section 43-35-25, as proposed by the Department on Aging.
20. The Committee recommends the General Assembly consider adding language to increase the Geriatric Physician Loan Forgiveness Program award amount by amending S.C. Code Section 43-21-200, as proposed by the Department on Aging, and amended by the Committee.
21. The Committee recommends the General Assembly consider updating the agency name in S.C. Code Section 43-35-310(A)(2)(b), as proposed by the Department on Aging.
22. The Committee recommends the General Assembly consider updating the agency name in S.C. Code Section 40-25-40(C), as proposed by the Department on Aging.
23. The Committee recommends the General Assembly consider removing the Department on Aging, from S.C. Code Section 51-3-60, and adding approved forms of identification accepted by state park administrators, for free access of certain state park facilities, by aged, blind, or disabled; and disabled veterans, as proposed by the Department on Aging.
24. The Committee recommends the General Assembly consider amending S.C. Code Section 44-36-330, to add a representative from the House Ways and Means Committee and Senate Finance Committee to the Alzheimer's Disease and Related Disorders Resource Coordination Center advisory council.





South Carolina  
House of Representatives  
Legislative Oversight Committee

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## JOBS ECONOMIC DEVELOPMENT AUTHORITY

# Internal Changes, Findings, and Recommendations





# INTERNAL CHANGES

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## Regulations

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1. In accordance with S.C. Code Ann. § 1-23-120(J), JEDA has reviewed and updated its regulations. JEDA eliminated all outdated regulations and added its current fee schedule to the regulations.

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## Human Resources

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2. Due to the doubling of conduit bond issuances since 2017 and the increased requirements of the SSBCI program, on November 7, 2022, JEDA hired a fulltime CPA.



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## Purpose

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1. Despite being in existence for four decades, JEDA's function and purpose are not well known by the public at large.

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## Function

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2. Under IRS rules, JEDA is the state's "constituted authority" authorized to issue private activity bonds on behalf of borrowing entities at favorable tax-exempt interest rates.

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## Programs

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3. JEDA administers three main programs: (a) the Industrial Revenue Bond Program; (b) the Taxable Bond Program; and (3) the State Small Business Credit Initiative.

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## Milestones

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4. Since its inception in 1983, JEDA has issued 620 bonds for a total of \$14.5 billion.

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## Nonprofit Affordable Housing

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5. During the last three years, JEDA has issued bonds for 27 affordable housing complexes for over \$741 million.

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## Efficient and Effective Bond Issuance

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6. JEDA's streamlined bond issuing process is cheaper and faster than other bond issuers.

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## Public Funds

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7. JEDA's bond issuance activity does not place public funds at risk.



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## Budget

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8. Because JEDA is a self-funded, quasi-public agency that operates at no cost to taxpayers, JEDA is not included in the state budget.

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## Transparency

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9. The State is accountable for JEDA for purposes of financial transparency; therefore, JEDA is statutorily required to prepare and submit a myriad of annual financial reports.

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## Legal Status

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10. JEDA is an agency of the state, but its employees are not state employees.

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## Board Composition

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11. Currently, two vacancies exist on JEDA's Board of Directors, and of the remaining eight directors, four are serving as holdover directors.

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## Duality of Roles

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12. JEDA's Executive Director is also the Executive Director of InvestSC and receives a salary from both JEDA and InvestSC.

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## Nonprofit Corporation

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13. JEDA has created two nonprofit corporations, neither of which are corporate subsidiaries of JEDA.

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## Venture Capital Investment

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14. The Venture Capital Investment Act authorizes designated investor groups to borrow funds from lenders and invest those funds using state tax credits as collateral.

# RECOMMENDATIONS

## Modernization of Laws

1. The Committee recommends the General Assembly consider striking S.C. Code Ann. § 41-43-180 (2021) as proposed by JEDA.
2. The Committee recommends the General Assembly consider striking S.C. Code Ann. § 41-43-200 (2021) as proposed by JEDA.
3. The Committee recommends the General Assembly consider amending S.C. Code Ann. § 41-43-40 (2021) to update the parties who serve ex officio on JEDA's Board of Directors by adding the Secretary of the South Carolina Department of Commerce and removing the Chairman of the State Development Board.
4. The Committee recommends the General Assembly consider amending S.C. Code Ann. § 41-43-70 (2021) to remove functions and duties JEDA no longer performs.
5. The Committee recommends the General Assembly consider striking S.C. Code Ann. § 41-43-170 (2021) as recommended by JEDA, which authorizes JEDA to create guaranty funds that may be used to guarantee or insure or purchase insurance for loans.
6. The Committee recommends the General Assembly consider amending S.C. Code Ann. §§ 11-35-10 et seq. (2011 & Supp. 2022) striking those parts of the Venture Capital Investment Act that allow designated investor groups to borrow funds from lenders and invest those funds using state tax credits as collateral.
7. The Committee recommends the General Assembly consider amending S.C. Code Ann. § 41-43-280 (2021) to strike reference to section 2-57-60, which has been repealed.
8. The Committee recommends the General Assembly consider amending S.C. Code Ann. § 2-7-65 by striking reference to the Budget and Control Board and the Joint Legislative Appropriations Review Committee, agencies that no longer exist, and inserting reference to the Executive Budget Office.
9. The Committee recommends that the General Assembly consider adopting a statute prohibiting the executive director of JEDA from serving in any administrative or paid role on a nonprofit created by JEDA.

## Committee Contact Information

## 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:	<a href="https://www.scstatehouse.gov/CommitteeInfo/HouseLegislativeOversightCommittee.php">https://www.scstatehouse.gov/CommitteeInfo/HouseLegislativeOversightCommittee.php</a>
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