**A** **BILL**

TO AMEND SECTION 1‑30‑25, AS AMENDED, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO THE DEPARTMENTS OF THE EXECUTIVE BRANCH OF STATE GOVERNMENT, SO AS TO TRANSFER, EFFECTIVE JULY 1, 2011, THE STATE ENERGY OFFICE FROM THE STATE BUDGET AND CONTROL BOARD TO THE SOUTH CAROLINA DEPARTMENT OF COMMERCE; TO AMEND ARTICLE 4, CHAPTER 52, TITLE 48, RELATING TO THE ESTABLISHMENT AND FUNCTIONS OF THE STATE ENERGY OFFICE, SO AS TO CONFORM THAT ARTICLE TO THE TRANSFER OF THE STATE ENERGY OFFICE TO THE SOUTH CAROLINA DEPARTMENT OF COMMERCE AND TO PROVIDE TRANSITION PROVISIONS.

Be it enacted by the General Assembly of the State of South Carolina:

SECTION 1. Section 1‑30‑25 of the 1976 Code, as last amended by Act 359 of 2008, is further amended to read:

“Section 1‑30‑25. 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:

(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; and

(F) State Energy Office as established pursuant to Section 48‑52‑410.”

SECTION 2. Article 4, Chapter 52, Title 48 of the 1976 Code is amended to read:

“Article 4

State Energy Office of the South Carolina

Department of Commerce

Section 48‑52‑410. There is established the State Energy Office within and under the administration of the ~~State Budget and Control Board~~ South Carolina Department of Commerce which shall serve as the principal energy planning entity for the State. Its primary purpose is to develop and implement a well‑balanced energy strategy and to increase the efficiency of use of all energy sources throughout South Carolina through the implementation of the Plan for State Energy Policy. The State Energy Office must not function as a regulatory body.

Section 48‑52‑420. In carrying out the purposes of the Plan for State Energy Policy, the State Energy Office shall:

(1) provide, in cooperation and conjunction with the Governor’s Office, informational and technical assistance programs to assist with residential, commercial, governmental, industrial, and transportation conservation and efficiency and to encourage the use of renewable indigenous energy resources;

(2) promote, in conjunction with the South Carolina Energy Research and Development Center and the Governor’s Office, continued and expanded energy research and development programs geared toward the energy needs of the State;

(3) evaluate and certify energy conservation products in cooperation with the South Carolina Energy Research and Development Center;

(4) in cooperation with the Governor’s Office and other appropriate entities, examine and consider the desirability and feasibility of mechanisms for tax incentives, low‑interest loans, and other financing means for cost‑effective energy consideration and efficiency and use of renewable and indigenous energy resources, and advocate their implementation when deemed appropriate;

(5) work with the Public Service Commission and other groups to promote appropriate financial incentives for electric and gas utilities to maximize the use of cost‑effective demand‑side options in meeting future energy needs;

(6) promote the adoption and use of energy efficient building codes and certification procedures for builders, heating and cooling specialists, and building inspectors;

(7) promote energy efficiency in manufactured housing;

(8) promote the use of less‑polluting transportation fuels, public transportation and other transportation alternatives, higher mileage and less‑polluting vehicles, and work with state and local entities through policy development, planning, and advocacy to encourage reduction in the need for vehicle travel;

(9) ensure that state government agencies establish comprehensive energy efficiency plans and become models for energy efficiency in South Carolina, and assist the Department of Education in achieving energy efficiency in public schools;

(10) collect currently published and publicly available energy data and provide energy information clearinghouse functions in conjunction with the Governor’s Office, and conduct long‑range energy planning;

(11) assist the Governor’s Office and the General Assembly in assessing the public economic and environmental interest on issues related to energy production, transportation, and use and provide information on the public interest in appropriate forums.

(12) ensure that any future energy strategy that promotes carbon‑free, nongreenhouse gas emitting sources includes nuclear energy, renewable energy resources, and energy conservation and efficiency.

Section 48‑52‑425. No public school district may be required to expend more than one hundred dollars a year to comply with the provisions of this chapter.

Section 48‑52‑430. The State Energy Office annually shall submit to the Governor and the Public Utility Review Committee, the House Labor, Commerce and Industry Committee, and the Senate Agriculture and Natural Resources Committee a state energy action plan that includes, but is not limited to:

(a) activities by the State Energy Office to carry out the Plan for State Energy Policy;

(b) recommendations for long‑term quantitative and qualitative energy goals for the residential, commercial, industrial, transportation, governmental, and utility sectors, and measures of progress for these goals;

(c) identification of obstacles to efficiency for which legislative, regulatory, or other governmental remedies are appropriate.

Section 48‑52‑435. In order to avoid duplicative studies, funds shall not be expended by state agencies for studies investigating alternative energy usage or conservation measures without prior approval of the State Energy Office and the Joint Legislative Committee on Energy.

Section 48‑52‑440. (A) There is established the Energy Advisory Committee, whose members are appointed by the ~~State Budget and Control Board~~ Secretary of Commerce, except as provided in item (14) of this section. Members shall serve at the pleasure of the ~~State Budget and Control Board~~ secretary except that those appointed pursuant to item (14) shall serve for a term coterminous with that of their appointing authority. The committee is composed as follows:

(1) two representatives of investor‑owned electricity companies;

(2) two representatives of electric cooperatives;

(3) one representative of the South Carolina Public Service Authority, who shall serve ex officio;

(4) one representative of municipally‑owned electric utilities;

(5) one representative of publicly‑owned natural gas companies;

(6) one representative of investor‑owned gas companies;

(7) one representative of oil suppliers or dealers;

(8) one representative of propane suppliers or dealers;

(9) one representative of nonprofit public transportation providers;

(10) two representatives of industrial consumers;

(11) two representatives of commercial consumers;

(12) two representatives of individual consumers; one must be the Executive Director of the Office of Regulatory Staff or his designee, who shall serve ex officio;

(13) two representatives of environmental groups; and

(14) one at‑large member appointed by the Governor.

The ~~Budget and Control Board~~ secretary shall ~~elect~~ select one of the committee members to serve as chairman. The members of the Energy Advisory Committee are not eligible for per diem payments or for reimbursement for lodging or meals. The functions of the Energy Advisory Committee are advisory to the State Energy Office. The committee shall meet at least annually and at the call of the chair or at the request of at least six members to receive information on the activities of the State Energy Office and the formulation and implementation of the state energy action plan. It may comment and advise on the activities and the plan as considered appropriate by members of the committee. The State Energy Office may seek advice and guidance from the committee as considered appropriate by the director of the office. Members shall adopt rules governing meeting attendance and abide by these rules.

(B) Members of the Energy Advisory Committee serving on July 1, 2011, shall continue to serve until their successors are appointed and qualify.

Section 48‑52‑450. Where possible, the State Energy Office shall encourage consolidating other offices or programs in state government related to energy, energy efficiency, and energy reliability.

Section 48‑52‑460. The establishment of the State Energy Office within the ~~State Budget and Control Board~~ South Carolina Department of Commerce, as provided for in this part, must be evaluated if restructuring or reorganizing of state government takes place so as to identify and provide for the proper placement of the office upon restructuring or reorganizing.

Section 48‑52‑470. Funding for the State Energy Office, as created in this part, must be derived from existing financial resources available to the State and may be derived from oil overcharge funds. Personnel for the State Energy Office must be derived from the consolidation of existing state government personnel slots with no new FTE’s.”

SECTION 3. On July 1, 2011, all assets and liabilities, personal property, leases, contracts, agreements, classified and unclassified personnel, appropriations, accounts, and FTE’s of the State Energy Office as a component of the State Budget and Control Board are transferred to the South Carolina Department of Commerce as the successor in interest of the State Budget and Control Board. Transferred employees shall become employees of the Department of Commerce with the same compensation, classification, and grade level, as applicable. Leases, contracts, procedures, and regulations entered into, prescribed, or promulgated by the State Energy Office as a component of the State Budget and Control Board are continued and considered to have been entered into, prescribed, or promulgated by the State Energy Office as a component of the South Carolina Department of Commerce.

SECTION 4. This act takes effect July 1, 2011.

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