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COMMITTEE AMENDMENT ADOPTED AND AMENDED

September 15, 2020

**H. 3210**

Introduced by Reps. Loftis, Clyburn, Collins, Burns, Clary, W. Cox, Morgan, Hyde, Stringer, Elliott, B. Cox, Gagnon, Caskey, Bannister, Willis, Sottile, Stavrinakis, Daning, Blackwell, Taylor, Forrester, Fry, West, Finlay, Simrill, V.S. Moss, Bryant, Bales, D.C. Moss, Erickson, Herbkersman and Whitmire

S. Printed 9/15/20--S.

Read the first time April 10, 2019.

**A** **BILL**

TO AMEND ACT 80 OF 2013, RELATING TO THE HIGH GROWTH SMALL BUSINESS JOB CREATION ACT, SO AS TO REAUTHORIZE THE ACT FOR AN ADDITIONAL SIX YEARS.

Amend Title To Conform

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

PART I

Expenditure Authorizations and Reimbursement

SECTION 1. The State of South Carolina received funds from the federal “Coronavirus Aid, Relief, and Economic Security Act” (hereinafter referred to as the CARES Act). A portion of those funds have been reimbursed for authorized expenditures pursuant to Act 142 of 2020. The source of revenue authorized for expenditure and reimbursement in SECTION 3 is the remaining portion of the CARES Act funds that remain on deposit in the Coronavirus Relief Fund established and maintained by the Executive Budget Office pursuant to Act 135 of 2020.

SECTION 2. (A) The expenditure authorizations contained in SECTION 3(A), (C), and (G) are supplemental to the expenditure authorizations for the same purposes as contained in Act 142 of 2020. The remaining expenditure authorizations contained in SECTION 3 may be reimbursed by the Executive Budget Office from the Coronavirus Relief Fund.

(B) State agencies, institutions of higher learning, including technical colleges, counties, municipalities, special purpose districts, and hospitals shall maximize the use of federal funds made available in this Act wherever possible within the allowable uses. If any reimbursement to any recipient, or subrecipient, resulting from an authorization contained herein is disallowed by federal law, then the recipient or subrecipient shall promptly return the funds disbursed to the Executive Budget Office for deposit in the Coronavirus Relief Fund.

(C) To maximize the benefit of all funds received by the State, all state agencies, institutions of higher learning, including technical colleges, counties, municipalities, special purpose districts, and hospitals are directed to coordinate expenditure reimbursements through, and in consultation with, the Department of Administration and the grant manager. State agencies, and institutions of higher learning, including technical colleges, shall submit to the Executive Budget Office a detailed budget plan for any funding received that is related to COVID-19, regardless of the source. Counties, municipalities, special purpose districts, hospitals, and independent colleges and universities shall submit to the Executive Budget Office information sufficient to identify other COVID-19 related funding that they are receiving, regardless of the source, and provide a detailed accounting of how the funding is being used.

SECTION 3. State agencies are authorized to expend federal funds in the Coronavirus Relief Fund if the expenditure is in compliance with the CARES Act. The Executive Budget Office is authorized to reimburse from the Coronavirus Relief Fund, up to the amounts listed below in each category, expenditures compliant with the CARES Act by the following sectors: state agencies, institutions of higher learning, counties, municipalities, special purpose districts, public and private hospitals, non-profit and minority businesses.

(A) Department of Health and Environmental Control

Statewide Testing and Monitoring…….….…...$ 73,022,613

(B) Medical University of South Carolina

Statewide Testing………………………. $ 20,150,000

(C) Department of Employment and Workforce

Unemployment Trust Fund…………… .$420,000,000

(E) Department of Administration

Nonprofit (501(c)(3)) Relief Program… $ 20,000,000

(F) Department of Administration

Minority Business Relief Program…………$ 20,000,000

(G) Department of Administration

State, Local Government, Independent College and

University Expenditures…$115,000,000

PART II

Directives to Receiving Entities

SECTION 4. The Department of Education is authorized to utilize unexpended authorizations contained Section 3(B) of Act 142 of 2020 for the costs associated with the following:

(1) School safety measures taken in response to COVID-19, including, but not limited to, purchasing masks, gloves, wipes, hand sanitizer, face shields, cleaning solution, Plexiglas, and other cleaning equipment and supplies.

(2) Additional expenses incurred by Virtual SC in response to COVID-19.

(3) Hire or contract for school nurse services for those schools that do not have a full-time school nurse.

(4) Tutoring, supplemental services, and support services to include services for unengaged students, interventionists, and after school learning extensions that prioritize face-to-face instruction focused on students with identified reading or math difficulties and students with IEPs to address deficits resulting from COVID-19.

(5) Technology purchases of devices and connectivity equipment to support online learning resulting from COVID-19.

It is the intent of the General Assembly that reimbursements for item (1) - school safety measures - be the Department’s first priority for reimbursement.

SECTION 5. (A) There is established through the SC CARES Grant Management Program a nonprofit entity reimbursement grant program with the funds authorized in Section 3(E). The program shall award grants to qualifying nonprofit entities to reimburse the qualifying nonprofit entity for some, or all, of the costs associated with qualifying expenditures incurred, or expected to be incurred, by the qualifying nonprofit entity between March 1, 2020 and December 1, 2020. A qualifying nonprofit entity may receive a grant in an amount between two thousand five hundred dollars and fifty thousand dollars. Nonprofit entities must apply for grants no later than November 1, 2020.

(B)(1) Applications for grants shall be made to the panel established in item (2). An applicant shall provide the panel with information concerning the applicant’s expenditures for which the applicant seeks a grant. Grants shall be awarded for qualifying expenditures in amounts determined by the panel. Priority shall be given to applications for expenditures related to (1) food assistance, including prepared meals; (2) rent or mortgage assistance; (3) utilities assistance; (4) mental health counseling; (5) health care services and access to health care supplies; and (6) criminal domestic violence and children’s advocacy services.

(2)(a) Applications for grants shall be evaluated and awarded by a panel consisting of:

(i) the Director of the Department of Social Services, or his designee;

(ii) the Director of the Department of Mental Health, or his designee;

(iii) the Director of the Department of Consumer Affairs, or his designee;

(iv) the Director of the Department of Health and Human Services, or his designee;

(v) the Director of the Department of Alcohol and Other Drug Abuse Services, or his designee; and

(vi) the Secretary of State, or his designee.

(b) The panel shall meet as often as is necessary to fulfill its obligations as provided herein. The panel may utilize remote technology for meetings or other activities as necessary. The Department of Administration shall assist with the coordination of the panel’s meetings.

(c) The panel shall develop an application and establish criteria for the evaluation of applications that is consistent with the requirements contained herein, including the priorities identified in item (B)(1). During its evaluation of applications, the panel shall give consideration to the geographic distribution of services provided by the qualifying expenditures so that grants are awarded on a statewide basis.

(d) The Department of Administration shall provide staff support for the panel. The Department of Administration, in conjunction with SC CARES Grant Management Program, shall confirm that all reimbursement requests in the grant applications comply with federal CARES Act requirements.

(C) For the purposes of the nonprofit entity reimbursement grant program established herein:

(1) ‘qualifying nonprofit entity’ means a 501(c)(3) that has been operating in South Carolina for at least six months prior to the Governor’s initial COVID-19 state of emergency declaration on March 13, 2020; and

(2) ‘qualifying expenditure’ means an expenditure of funds related to services provided to people in response to the COVID-19 public health emergency. The definition of qualifying expenditure does not include any expenditure that qualified the nonprofit entity to receive federal emergency relief funds, including the Paycheck Protection Program, if the nonprofit entity has, or will, receive the federal emergency relief funds.

SECTION 6. (A) There is established through the SC CARES Grant Management Program a minority business enterprise reimbursement grant program with the funds authorized in Section 3(F). The program shall award grants to qualifying minority business enterprises to reimburse the enterprise for some, or all, of the costs associated with qualifying expenditures incurred, or expected to be incurred, by the qualifying minority business enterprise between March 1, 2020 and December 1, 2020. A qualifying minority business enterprise may receive a grant in an amount between two thousand five hundred dollars and fifty thousand dollars. Minority business enterprises must apply for grants no later than November 1, 2020.

(B) Applications for grants shall be made to the SC CARES Grant Management Program. An applicant shall provide the SC CARES Grant Management Program with information concerning the applicant’s expenditures for which the applicant seeks a grant. The grant manager shall evaluate grant applications to confirm that all reimbursement requests in the grant applications comply with federal CARES Act requirements.

(C) Funding priority shall be given to a minority business enterprise as certified in item (D)(1) that is also economically and socially disadvantaged as defined by the Small Business Administration. This funding priority shall be determined by the Commission for Minority Affairs and forwarded to the SC Cares Grant Management Program. The SC CARES Grant Management Program shall award grants consistent with the requirements of this Section and in order of the funding priority established by the Commission on Minority Affairs. Should the total amount awarded to applicants assigned priorities exceed the amount authorized in Section 3(F), then amounts shall be awarded to priority applicants in order of the date the application was received.

(D) For the purposes of the minority business enterprise reimbursement grant program:

(1) ‘minority business enterprise’ means an enterprise certified by the South Carolina Division of Small and Minority Business Contracting and Certification Office that has been operating in South Carolina for at least six months prior to the Governor’s initial COVID-19 state of emergency declaration on March 13, 2020; and

(2) ‘qualifying expenditure’ means costs associated with business interruptions resulting from the COVID-19 public health emergency and any expenses deemed necessary and incurred as a result of the COVID-19 health emergency. The definition of qualifying expenditure does not include any expenditure that qualified the minority business enterprise to receive federal emergency relief funds, including the Paycheck Protection Program, if the minority business enterprise has, or will, receive the federal emergency relief funds.

SECTION 7. The funds authorized for the Department of Health and Environmental Control pursuant to Section 3(A) must be utilized in the manner prescribed for the Statewide Testing Plan established in Section 7 of Act 142 of 2020.

SECTION 8. The funds authorized for the Medical University of South Carolina pursuant to Section 3(B) for statewide testing shall be utilized to continue the Medical University’s COVID-19 at-risk testing initiative.

SECTION 9. (A)(1) State agencies, public institutions of higher learning, counties, municipalities, and special purpose districts are authorized to apply for reimbursement of expenditures necessary for the response to the COVID-19 public health emergency incurred, or expected to be incurred, between July 1, 2020 and December 30, 2020.

(2) Independent colleges and universities that are member institutions of the South Carolina Independent Colleges and Universities non-profit corporation are authorized to apply for reimbursement of expenditures that were necessary for the response to the COVID-19 public health emergency incurred, or expected to be incurred, between March 1, 2020 and December 30, 2020. Bob Jones University and Clinton College is also authorized to apply for reimbursement of expenditures that were necessary for the response to the COVID-19 public health emergency that were incurred, or expected to be incurred, between March 1, 2020 and December 30, 2020.

(3) All applications for reimbursement shall be submitted to the SC CARES Grant Management Program on or before November 15, 2020.

(B) If the Executive Budget Office determines that the amount of eligible expenditures through December 30, 2020 exceeds the authorizations provided for in Act 142 of 2020 and Section 3(G) of this act, then the Executive Budget Office is authorized to prioritize the remaining reimbursements for expenses incurred as a result of COVID-19 in the following order:

(1) institutions of higher learning, including member institutions of the South Carolina Independent Colleges and Universities non-profit corporation and Bob Jones University and Clinton College, for expenses related to providing virtual and in-person educational services for students enrolled for the fall 2020 semester;

(2) state agencies;

(3) county governments;

(4) municipal governments; and

(5) special purpose districts.

SECTION 10. Excess funds authorized in Section 9 of Act 142 of 2020 for the Hospital Relief Fund shall be used for the reimbursement of eligible hospital expenditures incurred on or before September 30, 2020. No hospital shall be reimbursed for expenses that were already reimbursed from the fund or which were eligible for reimbursement from any other fund source. The Executive Budget Office shall distribute the balance of the Hospital Relief Fund to hospitals based upon their respective shares of their unreimbursed and validated expenditures incurred due to the COVID-19 public health emergency.

SECTION 11. To ensure that the State of South Carolina maximizes the use of federal funds authorized through the Coronavirus Relief Fund, the Director of the Executive Budget Office is authorized to reallocate any unused authorization in a particular enumerated item in this act and in Act 142 of 2020 to any enumerated item for which approved reimbursements exceed the authorization. This reallocation may not be implemented prior to December 1, 2020. Should this condition be met in multiple authorizations, the Director shall reallocate any unused authorization according to the following prioritization:

(1) Department of Employment and Workforce - Unemployment Trust Fund;

(2) Department of Health and Environmental Control - Statewide Testing and Monitoring;

(3) Medical University of South Carolina - Statewide Testing;

(4) State Department of Education - Uses Authorized in SECTION 4 of this Act;

(5) Department of Administration - State, Local Government, Independent Colleges and University Expenditures;

(6) Department of Administration - Minority Business Relief Program;

(7) Department of Administration - Nonprofit (501(c)(3)) Relief Program;

(8) Department of Administration - Executive Budget Office Hospital Relief Program;

(9) Adjutant General - Emergency Management Division Personal Protective Equipment Stockpile and Supply Chain; and

(10) Office of Regulatory Staff - Broadband Mapping and Planning, Infrastructure, and Mobile Hotspots.

PART III

Miscellaneous Provisions

SECTION 12. If any section, subsection, paragraph, subparagraph, sentence, clause, phrase, or word of this act is for any reason held to be unconstitutional or invalid, such holding shall not affect the constitutionality or validity of the remaining portions of this act, the General Assembly hereby declaring that it would have passed this act, and each and every section, subsection, paragraph, subparagraph, sentence, clause, phrase, and word thereof, irrespective of the fact that any one or more other sections, subsections, paragraphs, subparagraphs, sentences, clauses, phrases, or words hereof may be declared to be unconstitutional, invalid, or otherwise ineffective.

SECTION 13. Section 108 of Part IB of Act 91 of 2019, relating to the Public Employee Benefit Authority, which was extended pursuant to Act 135 of 2020, is amended by adding an appropriately numbered new proviso to read:

*(PEBA: COVID-19 Return to Work Extension) For Fiscal Year 2020-21, the earnings limitation imposed pursuant to Section 9-1-1790 and Section 9-11-90 of the 1976 Code does not apply to retired members of the South Carolina Retirement System or the Police Officers Retirement System who return to covered employment to participate in the state’s public health preparedness and response to the COVID-19 virus.*

SECTION 14. The provisions of this act take effect upon approval of the Governor.

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