

Legislative Report
117th Session
First Half of 2007-2008 Session
Municipal Association of South Carolina

Hometown, SC ... Supporting the State's Competitiveness

The first half of the 117th session of the General Assembly brought a number of changes in the approach of the Municipal Association to monitor and track legislation and advocate on behalf of South Carolina cities and towns. This change gave local elected officials more opportunities to raise their hometown voices to a new level of influence and affect positive change at the state level by starting at the local level.

First, MASC combined the advocacy and communications departments to create a strong team of professionals working together on external messages and legislation. After hiring several new employees in this department, the number of staff at the State House increased along with the ability to monitor, watch and work important legislation for cities and towns.

Second, MASC initiated a new legislative tracking system to maintain a comprehensive up-to-the-minute database of legislation that affects cities and towns. The weekly legislative report connects directly to the tracking system for quick access to each week's activity along with a link to provide immediate feedback on bills to MASC staff. Visit www.masc.sc to access the site and get all the details of the legislation highlighted in this year-end report. Instructions on using the tracking system can be found in the back of this report.

Third, we changed our approach in presenting our legislative agenda to reflect our message that cities are critical partners in the statewide competitiveness effort. This approaches in helping develop new coalitions and partnerships to join our effort to illustrate cities and towns are the economic engines that drive the state's economy. The agenda is organized based on three legislative principles: promoting economic growth, enhancing a positive quality of life and encouraging fiscal responsibility and accountability.

This report outlines legislation from this session in three ways:

- Legislative principles/Issue area (by topic)
- Bills enacted into law (by bill number)
- All bills tracked (by bill number)

Visit MASC's legislative tracking system at www.masc.sc for additional details about tracked legislation.

Legislative Principles and Corresponding Legislation

South Carolina hometowns, represented by the Municipal Association of South Carolina, bring value to our state as an important building block in supporting economic competitiveness and prosperity. South Carolina hometowns support a legislative agenda focused on promoting economic growth, enhancing a positive quality of life, and encouraging accountability and fiscal responsibility.

Promoting economic growth

South Carolina hometowns are the core of economic growth and prosperity for our state. Cities and towns work in partnership with business and industry to provide the necessary infrastructure to assist in their growth and support their competitiveness. The success of our state's economic development efforts is dependent on the strength of our cities and towns to provide the quality services and amenities taxpayers and businesses demand. South Carolina hometowns support legislation that encourages economic growth by making our state competitive within the global economy.

Enclave Annexation (S201)

Community Unification Act - Authorizes a municipality to annex an area by ordinance if the area is completely surrounded by the municipality. The municipality must give at least 20 days notice before the first reading of the ordinance to annex. The governing body may not use this method to annex property that contains more than 50 acres, contains more than 25 registered electors and has been completely surrounded by the municipality for less than three years.

- Latest action: 1.9.07 – Senate Referred to the Judiciary committee

Workers' Compensation Reform (S332, R163)

Limits the disability award to 10 percent greater than the medical impairment rating unless the commissioner finds extraordinary circumstances and to presume 50 percent or more loss of use of the back is total and permanent disability. Also provides that an employee seeking treatment is considered to have given consent for release of medical records and to provide communication options. Includes requirement to account for third-party reimbursements in experience modification and brings the dissolution of the Second Injury Fund (SIF) beginning July 1, 2008 with an anticipated *shut down* in 2013.

The William C. Mescher Local Housing Trust Fund Enabling Act (H3509, R36, A19)

Allows local governments to create and operate a local housing trust fund or regional housing authority trust fund. Governor Sanford vetoed this bill, but both the House and Senate voted to override the veto.

Wireless Communication (H3569, R136)

Creates the SC Wireless Technology and Communications Commission to study and develop a statewide wireless broadband network. MASC worked with committee members to ensure municipal interests have a voting role on the Commission.

Priority Investment Act (S266, R52, A31)

Amends the 1994 Comprehensive Planning Act and encourages governments to talk with each other about planning and zoning as well as key infrastructure, such as roads and water and sewer lines. It

also requires cities and counties to notify neighboring governments formally about their plans and allow them to comment. There is no penalty if governments don't share the information with others.

Joint Authority Water and Sewer Systems Act (H3711, R74, A59)

Changes the Joint Municipal Water Systems Act to the Joint Authority Water and Sewer Systems Act. Provides that a joint system may enter into a contract to sell water or provide sewer service. This bill protects cities and towns that offer water and sewer services from these federally-protected districts.

Enhancing positive quality of life

Businesses repeatedly point to "quality of life" as one of the determining factors in making a decision where to locate. South Carolina's hometowns are the primary source of the valuable elements that create a positive quality of life supporting tourism, public safety, recreation, the arts and cultural activities. South Carolina's cities and towns support legislative efforts to provide residents and businesses with cost-effective and efficient programs and services that support a positive quality of life.

Criminal Gangs (S141, R109)

Provides for a civil cause of action against a criminal gang or criminal gang member by a person threatened by criminal gang or criminal gang member. Provides for protection of an informant's identity.

Eminent Domain (S155, R26, A15)

Ratifies an amendment to the constitution that prohibits the taking of private property through eminent domain for any purpose including economic development, unless the condemnation is for public use. Grants exception for removing blight.

Statewide Smoking Ban (S103)

Allows bars to apply to the Department of Revenue for a smoking permit. Restaurants are not allowed to apply for the smoking permits; they would be smoke-free under this legislation. This legislation also preempts all existing municipal smoke-free ordinances.

- Latest action: 3.13.07 - Senate adopted - 5.29.07 House Judiciary committee removed the preemption clause but did not adopt the bill as amended.

Reimbursement for Police Training (H3326)

Allows departments to recover cost of training an officer who leaves for another department within two years after officer has completed training.

- Latest action: 5.29.07 - The House Judiciary committee gave this bill a favorable report.

Traffic Education Program Act (H3572)

Provides that each solicitor has the authority to establish a program for people who commit traffic-related offenses punishable by fine or loss of points. Authorizes solicitors to contract for services with the appropriate municipality or county and provides procedures for operating a traffic diversion program and requirements for people desiring to enter a program.

- Latest action: 6.6.07 - Senate read the second time.

Bicycle Traffic Safety (H3006)

Outlines traffic regulations related to bicyclists.

- Latest Action: 5.29.07 - The House Education and Public Works committee gave this bill a favorable report.

Encouraging local accountability and fiscal responsibility

Strong cities are necessary to support the economic development and growth of the entire area.

Local municipal leadership must have the ability to provide resources in a manner that best supports each community's local needs. Research indicates residents want local control over the laws and regulations that affect the growth and development of their hometowns. With responsibility comes accountability. South Carolina hometowns support local fiscal accountability and management of resources that are critical to supporting well-run cities.

GASB 45 –OPEB (S463)

Amends the state constitution to allow the state to invest funds from the Post-Employment Benefits Trust Fund in equity securities and be subject to the same limitations as funds in the other various state-operated retirement systems.

- Latest action: 5.8.07 - Senate passed - 5.09.07 House referred to Ways and Means committee.

Local Spending Caps (H3615)

Imposes limit on annual spending increases for operating purposes for political subdivisions.

Spending may increase by consumer price index of the previous calendar year plus the percentage of increase in the previous year's population in the municipality.

- Latest action: 5.24.07 - House Ways and Means Economic Development, Capital Improvement and Other Taxes subcommittee.

Millage Cap Bill (S367, R89, A57)

Clarifies the method of distribution to the school districts from the Homestead Exemption Fund.

Provides that a negative population growth or negative CPI should be counted as zero and not decrease the millage cap.

Tax Increment Financing (H3830)

Requires a study paid for by the municipality and prepared by a firm with a national reputation or by a college with experience in development plans that states but for the use of the TIF the redevelopment plan will not work.

- Latest action: Latest action: 4.25.07 - passed the House - referred to the Senate Finance committee.

Public Official Recusal Bill (H3226, R12, A10)

Clears up a very strict interpretation of state law by the Ethics Commission. Under the opinion, many professionals would have been forced to resign from their positions on municipal councils as well as boards and commissions of those councils. This bill allows members of those councils and board recusal rights, currently in South Carolina statute.

Business License Tax (H4102)

Changes the application of the business license tax from gross income to net income and excludes home-based businesses from the county and municipal business license tax.

- Latest Action: 5.16.07 - House referred to Ways and Means committee.

Municipal Powers (H4253)

Authorizes a municipality to waive fines and penalties assessed for a violation of municipal ordinances and regulations.

- Latest Action: 6.7.07 - House referred to Medical, Military, Public and Municipal Affairs committee.

Bills Enacted Into Law (by bill number)

Primary Elections (S99, R108)

Provides for presidential preference primaries by the State Election Commission and establishes the requirements for the primaries. Exempts municipalities and presidential preference primaries from the mandatory date of the second Tuesday in June of each general election year for primaries.

Assessments on Campers (S139, R86, A66)

Adds trailers used for camping and recreational travel that are pulled by a motor vehicle to the definition of motor homes. This effectively changes the assessment ratio on these trailers from 10.5 percent to 6.0 percent, reduces the amount of revenue collected on these trailers by \$2.6 million in FY 2007-08 and shifts this amount among and within the other classes of property.

Criminal Gangs (S141, R109)

Provides for a civil cause of action against a criminal gang or criminal gang member by a person threatened by criminal gang or criminal gang member. Provides for protection of an informant's identity.

Law Enforcement Officer Transfer (S146, R5, A3)

Allows the temporary transfer of a municipal or court law enforcement officer to work on criminal investigations that involve multiple jurisdictions. Allows an officer to work in another jurisdiction without being accompanied by an officer from that jurisdiction.

Property Tax Constitutional Amendment (S153, R25, A12)

Ratifies an amendment to the constitution that establishes a value cap of 15 percent over five years on the assessment of real property.

Eminent Domain Constitutional Amendment (S155, R26, A15)

Ratifies an amendment to the constitution that prohibits the taking of private property through eminent domain for any purpose including economic development, unless the condemnation is for public use. Grants exception for removing blight.

Hydrogen Infrastructure Development Fund (S243, R111)

Establishes the South Carolina Hydrogen Infrastructure Development Fund.

Priority Investment Act (S266, R52, A31)

Amends the 1994 Comprehensive Planning Act and encourages governments to talk with each other about planning and zoning as well as key infrastructure, such as roads and water and sewer lines. It also requires cities and counties to notify neighboring governments formally about their plans and allow them to comment. There is no penalty if governments don't share the information with others.

Joint Municipal Electric Power and Energy Act (S312, R54, A32)

Deletes the requirement that the acquisition of a project be by purchase from an electric supplier generally serving the area in which members are located.

Workers' Compensation Reform (S332, R163)

Limits the disability award to 10 percent greater than the medical impairment rating unless the

commissioner finds extraordinary circumstances and presumes 50 percent or more loss of use of the back is total and permanent disability. Provides that an employee seeking treatment is considered to have given consent for release of medical records and to provide communication options. Includes requirement to account for third-party reimbursements in experience modification.

Unemployment Benefits for Military Spouses (S334, R88, A67)

Provides that leaving an employer because of the transfer of a spouse from one military assignment to another does not disqualify a person from receiving benefits.

Sunshine Sunday and Open Government Week Resolution (S358)

Recognizes the role played by the Freedom of Information Act in open government and to express appreciation to the SC Press Association for its role in promoting open government. Declares March 11, 2007, as Sunshine Sunday and March 11-17, 2007 as Open Government Week in SC.

Millage Cap Bill (S367, R89, A57)

Clarifies the method of distribution to the school districts from the Homestead Exemption Fund. Provides that a negative population growth or negative CPI should be counted as zero and not decrease the millage cap.

Base Load Review Act (S431, R28, A16)

Provides parameters to determine which supplier may serve premises that consist of multiple buildings, structures or facilities. Recognizes the authority of the commission to act when it finds that an electric supplier is not providing adequate and dependable service. Defines situations where service by electric utilities, distribution electric cooperatives and consolidated political subdivisions must seek commission approval before construction of facilities.

Jessica Horton Campus Crime Act (S459, R91, A53)

Requires that campus police officers work with local law enforcement agencies on the investigation of a death or rape resulting from an incident occurring on the campus of an institution of higher learning.

Hometown, SC Day Resolution (S466)

Declares Wednesday, February 28, 2007, Hometown, SC Day to recognize and honor the value of South Carolina cities and towns to the state's economic prosperity.

Open Government Week Resolution (S496)

Declares March 11, 2007, as Sunshine Sunday and March 11-17, 2007, as Open Government Week in South Carolina.

Building Code Adoption Procedures (S504, R92, A54)

Provides that the procedure for modifying an existing code is the same as adopting a code. Establishes the procedure for modifying an emergency building code.

Eminent Domain Study Committee (S661)

Extends the deadline of report due by the Eminent Domain Study Committee to January 31, 2008.

Grants for fire departments (H3045, R124)

Requires the General Assembly to appropriate funds annually for grants that must be awarded to certain volunteer and combination fire departments to protect local communities and regional response areas from incidents of fire, hazardous materials and terrorism. It also provides that grants must be administered by the SC Firefighters Association in conjunction with a peer review panel.

Special Purpose District financing construction of sewer lateral collection lines (H3115, A30)

Allows special purpose districts which only provide sewage collection to use any method of financing for the construction of sewer lateral lines notwithstanding other provisions of law.

ATM Safety Act (H3199, A72)

Creates the ATM Safety Act and adds ATM offenses to the list of serious offenses.

Public Official Recusal Bill (H3226, R12, A10)

Clears up a very strict interpretation of state law by the Ethics Commission. Under the opinion, many professionals would have been forced to resign from their positions on municipal councils as well as boards and commissions of those councils. This bill allows members of those councils and board recusal rights, currently in South Carolina statute.

Property taxes on watercrafts and outboard motors (H3233)

Requires all personal property taxes on a watercraft and outboard motor to be current prior to a transfer of title.

Inspection of individual waste treatment and disposal systems (H3373, R160)

Provides that if a permit is issued by the Department of Health and Environmental Control to install an individual waste treatment and disposal system, the department is only required to conduct random final inspections on 3 percent of the installed system.

Video services included in state-issued franchise (H3396, A8)

Includes video services regarding cable services and makes the provisions of the state-issued certificate of franchise authority applicable to video services provided through wireless facilities.

Appointing Reserve Police Officers (H3428, A44)

Allows state law enforcement agencies to appoint reserve officers in same manner as county and municipal agencies.

Abandoned Manufactured Home Removal Act (H3456, A45)

Establishes a procedure for the demolition and disposal of abandoned manufactured homes.

Public Waters Nuisance Abatement Act (H3466, A33)

Permits the Department of Natural Resources to remove or require removal of certain structures from public waters under specific conditions. Provides authority to municipalities and counties to declare these structures nuisances and require removal.

Regulating fire sprinkler contractors (H3481)

Provides that Title 40 Chapter 10 of the Fire Sprinkler Systems Act, relating to fire sprinkler contractors and individuals who are licensed to repair fire sprinklers, does not apply to people who are employed by public institutions to repair, alter, maintain or inspect fire sprinkler systems.

The William C. Mescher Local Housing Trust Fund Enabling Act (H3509, R36, A19)

Allows local governments to create and operate a local housing trust fund or regional housing authority trust fund. Governor Sanford vetoed this bill but both House and Senate members voted to override the veto.

Agritourism (H3568, A76)

Provides for additional Agritourism uses of agricultural land so that the agriculture use classification isn't affected. The Agritourism business must not be the primary use of the land, but supplemental to the agricultural business.

Wireless Communication (H3569, R136)

Creates the SC Wireless Technology and Communications Commission to study and develop a statewide wireless broadband network. MASC worked with committee members to ensure municipal interests have a voting role on the Commission.

State Budget (H3620, R175)

Includes operating costs for state agencies as well as funding and a proviso for the competitive grants program to be administered through local governments. A temporary suspension of blue laws is included in the budget along with funding for census preparation, education and training.

Alcohol Excise Tax (H3659, A36)

Requires that state agencies or local entities that do not receive at least the same amount of revenue from the excise tax as they did from the mini-bottle tax in 2004-2005 must be paid the difference from the general fund within 30 days after the close of each quarter in a calendar year.

Joint Authority Water and Sewer Systems Act (H3711, R74, A59)

Changes the Joint Municipal Water Systems Act to the Joint Authority Water and Sewer Systems Act. Provides that a joint system may enter into a contract to sell water or provide sewer service. This bill protects cities and towns that offer water and sewer services from these federally-protected districts.

Summerton may mow beyond 30 feet from pavement (H3890, A48)

Allows the Town of Summerton to mow beyond 30 feet from pavement at the interchange of I-95 and S14-102 in Clarendon County.