The Senate will be debating the budget this week on the Senate Floor

## House of Representatives

- *Speaker of the House is Murrell Smith (R Sumter)*
- Minority Leader is Todd Rutherford (D- Richland)
  Speaker Pro Tempore Tommy Pope (R York)
- 124 seats
- 2 year terms (most recent election November 8, 2022)

#### South Carolina Senate

- President of the Senate is Thomas Alexander (R Oconee)
- *Minority Leader is Brad Hutto (D Orangeburg)*
- 46 senators
- 4 year terms (next election November 5, 2024)

# 125th Session of the South Carolina General Assembly - 1st Regular Session (2023)

- Convenes on Tuesday, January 10, 2023 (second Tuesday in January)
- First year of a two-year session
- Legislation not enacted during the 2023 session will hold its place in the legislative process and carry over to the 2024 session
- Crossover deadline is Thursday, April 6<sup>th</sup> (last legislative day before April 10<sup>th</sup>) for legislation to pass from one chamber to the other; after this date a 2/3 vote of the receiving chamber is required to consider a bill
- Statutory Sine Die date Thursday, May 11, 2023 (second Thursday in May)
- Legislative Day: April 5, 2023

### Governor's Executive Budget

## Department of Labor, Licensing, and Regulation (LLR)

# House of Representatives Budget and House of Representatives Proviso Document

- \$3 million for the Volunteer Strategic Assistance and Fire Equipment (V-SAFE) program, which allows chartered volunteer fire departments and chartered combination departments to apply for grants to purchase equipment and training services; Funded by the House and Senate Finance with recurring dollars.
- \$850,000 recurring dollars to meet federal OSHA funding match requirement; Funded by the House and Senate Finance with recurring dollars.

# Senate Finance Committee added two projects to LLR's budget (nonrecurring)

- (a) River Falls Fire Department \$100,000
- (b) South Carolina State Association of Fire Chiefs \$95,000

#### **Return to Work**

**108.12 COVID-19 Return to Work Extension** - (Technical) This proviso exempts retired SCRS or PORS members who return to covered employment to participate in the state's public health preparedness and response to COVID-19 from the earnings limitation. This amendment updates the fiscal year reference. Governor's Executive Budget Included by the House and Senate Finance.

**108.16** (**Return to Work** – **12-month Waiting Period and Critical Needs for Law Enforcement**) For compensation earnings during the current fiscal year, the earnings limitation does not apply if a member of the Police Officer Retirement System has not been engaged to perform services for a participating employer in the system or any other system provided in this title <u>Title 9</u> for compensation in any capacity, whether as an employee, independent contractor, leased employee, joint employee, or other classification of worker, for a period of at least twelve consecutive months subsequent to retirement. The exemption provided under this provision does not apply unless the member first certifies to the system that he satisfies the requirements for the exemption. If a member inaccurately certifies that he satisfies the requirements for the exemption provided in this provision, the member is responsible for reimbursing the system for any benefits wrongly paid to the member.

For compensation earnings during the current fiscal year, the earnings limitation does not apply if compensation received by the retired member from the covered employer is for employment in a critical needs law enforcement or firefighter position as determined by the Law Enforcement Training Council. For this provision to apply, the Law Enforcement Training Council must review and approve, from the documentation provided by the covered employer, that no qualified, nonretired member is available for employment in the position, and that the member selected for employment meets the requirements of this provision. No later than January 1st of the current fiscal year, the Law Enforcement Training Council must submit a report to the Chairman of the Senate Finance Committee and the Chairman of the House Ways and Means Committee of the positions requested for inclusion in the earnings limitation exception under this provision. The earnings limitation exception in this provision only applies to those positions approved by action of the General Assembly for the fiscal year in response to the report submitted by the Law Enforcement Training Council. The Law Enforcement Training Council shall develop guidelines and curriculum for these officers to be recertified.

For compensation earnings during the current fiscal year, the earnings limitation does not apply if a member of the South Carolina Retirement System has not been engaged to perform services for a participating employer in the system or any other system provided in this title Title 9 for compensation in any capacity, whether as an employee, independent contractor, leased employee, joint employee, or other classification of worker, for a period of at least twelve consecutive months subsequent to retirement. The exemption provided under this provision does not apply unless the member first certifies to the system that he satisfies the requirements for the exemption. If a member inaccurately certifies that he satisfies the requirements for the exemption provided in this provision, the member is responsible for reimbursing the system for any benefits wrongly paid to the member. The House amended the original proviso to add critical need language which is underlined above. However, the Senate Finance Committee deleted the new language leaving the original 12 month waiting period proviso language.

#### **Income Tax Relief**

The Governor and the General Assembly revised individual income tax provisions to lower the individual income tax rate from 7 percent bracket to 6.5 percent in tax year 2022. Further, depending upon General Fund revenue growth, the 6.5 percent rate would be reduced by an additional 0.1 percent per year beginning in tax year 2023 until the rate is lowered to 6 percent. The Governor is asking the General Assembly to lower the individual income tax rate from 6.5 to 6.4. Governor's Executive Budget Funded by the House and Senate Finance Committee.

<u>109.16 Active First Responder Tax Credit - The Executive Budget recommends adding this new proviso</u> creating a \$2,000 income tax credit for tax year 2023 to active sworn law enforcement officers, firefighters and

<u>emergency medical technicians. Governor's Executive Budget</u> This new proviso was included in the Governor's Executive Budget; however, not included by the House or Senate Finance.

109.17 Tax Exemption for Police Officer and FireFighter Retirement Income - This proviso authorizes retirement income received by a qualified first responder through the Police Officers Retirement System (PORS) is exempt from individual income tax for tax year 2023. Governor's Executive Budget This new proviso was in the Governor's Executive Budget; however, not included by the House or Senate Finance.

### Advocacy

The Governor funded a position in the Executive Budget for the Fallen First Responders program. A total of \$116,162 recurring dollars was funded to establish the program, which provides support services to the families of fallen first responders, and \$72,600 non-recurring dollars for program equipment. However, this position was not included by the House or Senate Finance.

# House Bills of Interest

<u>H 3033</u> Similar (S 0432, H 3175) (Assault and Battery of Certain Public Servants) -By Pope, Wooten, Carter, West and Lawson. Provides enhanced penalty for when a person injures a federal, state or local law enforcement officer, corrections officer, firefighter or EMS worker in the discharge of or because of their duty will be charged with Assault and Battery. Referred to <u>Judiciary</u>

<u>H 3179</u> (Chief Jerry Williams Dedication) By Pope and Ligon. Requests the Department of Labor, Licensing and Regulation to Dedicate the Statue and Plaza of the SC Fallen Firefighter Memorial Garden, located on the grounds of the SC Fire Academy. The resolution has been passed by both the House of Representatives and the Senate.

<u>H 3216</u> (Opioid Overdose Prevention) By Oremus and Kilmartin. Provides that every first responder station and dispatch office in the State shall maintain in their inventory an adequate supply of unexpired opioid antidote medication at all times. Referred to <u>Medical</u>, <u>Military and Municipal Affairs</u>.

<u>H 3272</u> (Workers' Compensation) By Pope, Gilliam, Wooten, McCravy, Lawson and Pace. Provides first responders (a law enforcement officer or firefighter employed by state or local government. A volunteer law enforcement officer or firefighter engaged by state or local government) medically diagnosed with Post-traumatic stress disorder arising from a significant traumatic experience or situation in the course of scope of employment, the first responder has an incapacity to work as determined by the treating physician and the first responder is participating in and receiving clinical care through SCLEAP or SC FAST programs may be eligible to submit a workers' compensation claim. Referred to <u>Labor, Commerce and Industry.</u>

<u>H 3273</u> (Insurance premiums) By Pope, Gilliam, Wooten, McCravy, Lawson and Chapman. Prohibits insurers from considering the work-related driving record of a first responder (a law enforcement officer or firefighter employed by state or local government. A volunteer law enforcement officer or firefighter engaged by state or local government) in determining the premium rate for the first responder's personal automobile insurance policy. Referred to <u>Labor</u>, <u>Commerce and Industry</u>.

<u>H 3345</u> (Statewide telecommunications system) By Johnson. Adds 911 dispatcher to definition of first responder (emergency medical services provider, a law enforcement officer, or a fire department worker directly engaged in examining, treating, or directing persons during an emergency, or a 911 professional which includes call takers and dispatchers) and redefines "firefighter" to "a fire department worker directly engaged in examining, treating, or directing persons during an emergency". Referred to <u>Ways and Means.</u>

<u>H 3394</u> (South Carolina Hands Free Act) By Taylor, West and Chapman. Creates the offense of distracted driving and provides penalties. This section does not apply to first responders while performing official duties. Referred to <u>Judiciary</u>.

<u>H 3413</u> (Law Enforcement/Fire Rescue) By Wooten and Pope. Provides that the millage rate limitation may be suspended by local governments and the millage rate may be increased to purchase equipment to improve law enforcement, fire rescue, minimum salaries for state and local law enforcement officers and other purposes. Referred to <u>Ways and Means.</u>

<u>H 3421</u> (Income Tax Exemption) By Lawson, McCravy, Chapman and Taylor. South Carolina gross income does not include wages earned by a first responder (emergency medical services provider, a law enforcement officer or employee of the United States, a state, political subdivision of a state, or the District of Columbia, who is authorized to enforce laws, a fire department worker or a 911 dispatcher directly engaged in examining, treating, or directing persons during an emergency) while performing the duties of a first responder. Referred to Ways and Means.

<u>H 3425</u> (Return to Work) By Pope, Thayer, Gilliam, S. Jones, Wooten, B. Newton, McCravy, Lawson, Leber and Atkinson. Allows PORS members to return to work without an earnings limitation if they work in a critical need area or they wait a 12 month period upon retirement before returning to work for a covered employer. Referred to <u>Ways and Means</u>.

<u>H 3463</u> (Firefighter Training and Employment) By Long and Magnuson. Provides procedures through which a fire department that assumes the cost of training a firefighter may be reimbursed for these costs by other fire departments that subsequently hire the firefighter. Referred to <u>Ways and Means</u>.

#### H 3486 Similar(S 423, H 3226)

(South Carolina Compassionate Care Act) By Herbkersman, Carter, Taylor, Kilmartin and Henegan. Authorizes use of cannabis for certain debilitating health issues. Traumatic events experienced by firefighters are included. Referred to Medical, Military and Public and Municipal Affairs.

<u>H 3521</u> (Emergency Scene Management) By Long, Lawson, Burns and Chumley. Revises the Definition to Emergency scene management and emergency services personnel definitions to include tow truck operators. <u>Referred to Education and Public Works.</u>

<u>H 3523</u> (Fallen First Responders Survivor Advocate position created) By McCravy. Creates a position within the Department of Administration to be an ombudsman for fallen law enforcement and first responders families in dealing with health insurance, benefits, etc. Referred to <u>Judiciary</u>.

<u>H.3605</u> (LLR Procedures) By Sandifer and GM Smith. Requires the Director to send information regarding investigations to the Licensee; establish information conferences; amend section relating to disciplinary action proceedings, allow a licensee to request certification of an investigation from the director and amends statute relating to prior criminal convictions of applicants to prohibit the denial of a license based solely on or in part on a prior criminal conviction. Referred to <u>Labor</u>, <u>Commerce and Industry</u>. The subcommittee passed H3605 out favorably. The bill passed the House and was sent to the Senate where it was referred to Senate <u>Labor</u>, <u>Commerce and Industry</u>. H.3605 passed out of the Professions & Occupations Subcommittee of the Senate <u>Labor</u>, Commerce and Industry Committee on February 22nd and subsequently passed out favorably as amended (added apprentice program) from the full committee on Thursday, February 23. The bill is currently on the Senate Calendar.

<u>H 3607</u> (Building Codes) By Sandifer. This bill provides time frames for the South Carolina Building Codes Council's review, modification, and adoption process, establishing an effective date of no earlier than five years

but no later than six years from the date of the previously adopted residential building codes and an effective date of no earlier than two years but no later than three years from the date of the previously adopted commercial building codes. The council may begin these processes sooner so long as notification requirements and other criteria are met. Provisions are made for the Council to modify, deny, or amend the code committee's report of recommendations with at least a two-thirds vote. All codes and reference standards referred to in the International Residential Code remain in effect with the adopted version of the IRC. Referred to <u>Labor</u>. Commerce and Industry.

- <u>H. 3822</u> –(First Responders Protection Act) Reps. M. M. Smith and others. This bill enacts the "First Responders Protection Act" which would require an employer to pay certain injured employees on the same basis as before the injury occurred. Referred to <u>Labor</u>, <u>Commerce and Industry</u>.
- <u>H. 3832</u> (Exemption of Sales Tax) Reps. M. M. Smith and others. This bill relates to sales tax exemptions regarding certain firefighter personal protection equipment and also relates to certain firefighting vehicles. Referred to <u>Ways and Means.</u>
- <u>H.3928</u> (Similar to S 542) ("Sara Weaver Act") Rep. Lowe. This bill includes emergency medical technicians in provisions for paying tribute to fallen law enforcement officers and firefighters under which the Governor orders all flags on state buildings to be flown at half-mast on the day of burial or other service for those who have died in the line of duty. The legislation revises the Preretirement Death Benefit Program under the South Carolina Retirement System and the Police Officers Retirement System to make provisions for a death benefit for emergency medical technicians killed in the line of duty. The legislation makes provisions for a first responder retirement income deduction. The legislation revises provisions relating to general exemption from taxes to provide that a qualified surviving spouse also means certain surviving spouses of emergency medical technicians. The legislation expands eligibility for waived tuition at state-supported colleges or universities and vocational or technical schools to include the children of emergency medical technicians who become totally disabled or are killed in the line of duty. Referred to <u>Ways and Means.</u>

<u>H.4294</u> Rural Counties Authorized To Suspend Millage Limitations To Support Fire Protection Districts Rep. Connell. This bill provides authority for a rural county to exceed its millage limitation to support fire services. Any increased revenue resulting from the suspension of the millage limitation first must be used on a dollar-fordollar basis to reduce fees or other similar charges that support fire protection. Referred to <u>Ways and Means.</u>

## Senate Bills of Interest

- <u>S 4 (Local Government Planning)</u> By Jackson. Allows builders to hire a certified third-party inspector to perform the duties of the local inspector of buildings as they relate to that builder. Referred to <u>Judiciary</u>.
- <u>S 27</u> (Paid Family Leave) By Jackson and Shealy. Increases paid parental leave for state employees from six weeks to 12 weeks. Referred to <u>Judiciary</u>.
- <u>S 81</u> (Workers' Compensation- PTSD) By Malloy. Provides that a limitation on stress, mental injuries, and mental illness for workers' compensation does not apply to a first responder (fire and law enforcement) diagnosed with post-traumatic stress disorder. Referred to <u>Judiciary</u>. A subcommittee meeting on S 81 was held on Tuesday, April 4, 2023 and the bill was not reported out. A similar bill S251 which was also on the agenda was reported out favorably.
- <u>S 82</u> (Workers' Compensation- PTSD coverage for First Responders) By Malloy. Provides that a limitation on stress, mental injuries, and mental illness for workers' compensation does not apply to a first responder (fire, law enforcement, emts and paramedics) diagnosed with post-traumatic stress disorder. Referred to <u>Judiciary</u>. A

subcommittee meeting on S 81 was held on Tuesday, April 4, 2023 and the bill was not reported out. A similar bill S251 which was also on the agenda was reported out favorably.

- S 108 (Line of Duty Death Benefit) By Davis. Requires an employer who participates in the Preretirement Death Program to pay the beneficiary of a law enforcement officer who is killed in the line of duty a lump sum payment of \$75,000. The payment is increased to \$150,000 if the officer is killed in the line of duty and the death is a result of an unlawful and intentional act of another person, or the officer is killed while responding to an emergency or other similar incident. The bill was amended on the floor of the Senate to add first responders which is defined as an emergency medical services provider or volunteer provider, a law enforcement officer or volunteer officer who meets the requirements of Section 23-23-10(E)(1) of the Code of Laws and who is certified by the South Carolina Law Enforcement Training Council, a fire department worker or volunteer worker, a coroner, or a deputy coroner directly engaged in examining, treating, or directing persons during an emergency. Payment of benefits will be paid from the State Accident fund. S 108 passed the Senate and was sent to the House of Representatives where it was referred to the Ways and Means Committee.
- <u>S 122</u> (Income Tax Deduction) By Hembree. Allows a South Carolina income tax deduction of all military retirement or first responder retirement income. Referred to Senate Finance.
- <u>S 154</u> (South Carolina Street Gang and Criminal Enterprise Prevention and Anti-Racketeering Act) By Young and Senn. Arson and other fire related offenses are included as Racketeering Activity. Referred to Judiciary.
- <u>S 157</u> (South Carolina Hands-free Act) By Young. Creates the offense of distracted driving and provides penalties. This section does not apply to first responders while performing official duties. Referred to <u>Transportation</u>.
- <u>S 165</u> (Apprentice Program) By Climer. Provides that Professional Boards and Commissions may not solely deny a license application based on an applicant's prior criminal conviction unless the conviction is for a crime that directly relates to the duties and responsibilities for the specific occupation or professional license being sought. This bill also provides for licensure by Boards and Commissions for applicants who complete certain apprenticeship programs. Referred to <u>Labor</u>, <u>Commerce and Industry</u>. <u>S 165</u> was reported out of LCI favorably and is on the Senate Calendar. Contested by Senator Climer.
- <u>S 203</u> (School Drills) By Fanning. Provides that each semester that all public schools, including charter schools whose instruction is not primarily delivered on line, shall conduct one fire drill, one active shooter/intruder drill and one severe weather/earthquake drill. Referred to <u>Education</u>. The bill was heard by the Full Senate Education Committee Wednesday, February 22, 2023 and passed out favorably as amended (two fire drills per semester for K-5 with the first drill required to be conducted within the first 15 days of the semester).S 203 was passed by the Senate and sent to the House where it was referred to House <u>Education and Public Works</u>.
- <u>S 205</u> (Jerry Nealy Bridge) By Fanning. Requests that the Department of Transportation name the bridge along Wateree Road in Fairfield County where it crosses the Wateree Creek be named "Jerry Nealy Bridge" and erect appropriate markers at the location. Referred to Transportation.
- <u>S 251</u> (First Responders' Workers' Compensation Coverage for PTSD) By M. Johnson, Adams and Gustafson. Provides that first responders medically diagnosed with Post-traumatic stress disorder arising from a significant traumatic experience or situation in the course of scope of employment, the first responder has an incapacity to work as determined by the treating physician and the first responder is participating in and receiving clinical care through SCLEAP or SC FAST programs may be eligible to make a workers' compensation claim. Referred to <u>Judiciary</u>. A subcommittee meeting on S 251 was held Tuesday, April 4, 2023 where the bill was reported out favorably.

<u>S 375</u> (Emergency Scene Management) By Grooms, Verdin and Senn. Provides that a driver shall ensure that his vehicle is kept under control when approaching or passing a motor vehicle stopped on or near the right of way of a street or highway; to provide that a person driving a vehicle approaching a stationary vehicle displaying flashing hazard lights shall slow down, yield the right of way, and maintain a safe speed if changing lanes is unsafe; and to provide penalties. This bill was passed by the Senate and sent to the House where it was referred to House Judiciary.

<u>S 420</u> (Return to Work) By Rice. Changes the amount for SCRS and PORS members from \$10,000 not to exceed the lower of the retirement earnings test as set by the Social Security Administration, the amount for 2020 was \$18,240. After the determination of the retirement earnings test exempt amounts is issued by the Social Security Administration for the applicable calendar year, PEBA shall notify individuals subject to the earnings limitation imposed. Referred to Senate <u>Finance</u>.

<u>S 423</u> (South Carolina Compassionate Care Act) By Herbkersman, Carter, Taylor, Kilmartin and Henegan. Authorizes use of cannabis for certain debilitating health issues. Traumatic events experienced by firefighters are included. Referred to Senate Medical Affairs. This bill was polled out of Committee and is on the <u>Senate Calendar</u>. Contested by Senators Garrett, Hembree and Lofits.

S. 547 Similar (H 3928) (First Responder Benefits) -- Senators Reichenbach, Gambrell, Williams and Verdin. This bill includes emergency medical technicians in provisions for paying tribute to fallen law enforcement officers and firefighters under which the Governor orders all flags on state buildings to be flown at half-mast on the day of burial or other service for those who have died in the line of duty. The legislation revises the Preretirement Death Benefit Program under the South Carolina Retirement System and the Police Officers Retirement System to make provisions for a death benefit for emergency medical technicians, firefighters and law enforcement killed in the line duty. The legislation makes provisions for a first responder retirement income deduction. The legislation revises provisions relating to general exemption from taxes to provide that a qualified surviving spouse also means certain surviving spouses of emergency medical technicians. The legislation expands eligibility for waived tuition at state-supported colleges or universities and vocational or technical schools to include the children of emergency medical technicians who become totally disabled or are killed in the line of duty. Finance.