

House Ways and Means and Senate Finance Committees

Tax Relief

[Governor's FY19-20 Executive Budget](#) places an immediate and full retirement income tax exemption for military veterans and first responders, including retired state and federal law enforcement, firefighters and peace officers, representing \$20,742,570 in relief the first year. Not included in House Ways and Means version of the Appropriations bill. Not placed in the Ways and Means Budget.

[S.173](#) by Hembree provides tax deductions for military and first responders.

[S461](#) by Sen(s) Sheheen and Gambrell increases the deduction for certain firefighters, law enforcement officials and members of the State Guard from \$3,000 - \$6,000.

[Governor's FY19-20 Executive Budget](#) states that surpluses in state government revenues do not mean we have to spend it all; a surplus means prioritizing the most critical needs in state government and returning whatever we can back to the taxpayers. This year, the State of South Carolina had \$988,890,280 in surplus revenue. After putting dollars toward needed priorities, \$200 million remains in this budget. The Department of Revenue will issue a rebate to all residents of South Carolina who filed an SC1040 – 2018 Individual Income Tax Return on or before October 15, 2019. The amount of the rebate for each individual taxpayer, regardless of filing status, will be based on the number of residents that filed a 2018 Individual Income Tax Return. The Department of Revenue will issue all rebates no later than December 15, 2019, on a basis proportional to the amount paid.

[H.4000 - Proviso 118.15 \(Tax Rebate\)](#) provides a one time tax rebate of up to \$50 of excess FY2018-19 unbigoted general revenue as certified by the BEA becomes available due to increased income tax collection resulting from the October 24, 2018 Mega Millions lottery ticket redemption. Directs that those funds combined with funds appropriated for a taxpayer rebate must be used to provide the one-time rebate. **Both the House and Senate adopted the proviso.**

[H.4000 - Proviso 62.23](#) located in the Budget Bill directs that of the funds appropriated, one half shall go to Law Enforcement Assistance Program (SCLEAP) and the other half to SC Firefighter Assistance Support Team (FAST) to purchase insurance policies to pay out of pocket expenses for law enforcement, firefighters, emergency medical service personnel when receiving treatment for PTSD. Funds may also be used to provide prevention and response initiatives to and for law enforcement, firefighters, and emergency medical service personnel. The program was created by the General Assembly in FY16-17 with nonrecurring funding of \$500,000. We are seeking \$500,000 in the FY19-20 Budget. **Proviso was adopted; however, no funding was provided by the House. The Senate funded \$500,000 for the PTSD programs.**

[S.326](#) is a Joint Resolution authored by Senator Massey that authorizes SLED to distribute \$250,000 to the SC State Firefighters Association to provide PTSD insurance and programs. **S.326 was signed by the Governor.**

[H.4000 - Proviso 93.14 \(Pal800 Radio Funds Request\)](#)

First responders (state and local law enforcement, fire services, emergency medical services, etc) need your help in supporting passage and increased funding of proviso 93.14 located in the Department of Administration's Section of the Budget bill. The proviso was placed in the budget years ago and the funding has been eroded over time. Cuts to this line item over the years have had a direct negative impact on the ability for many agencies to continue to use the statewide interoperable radio system Palmetto800. The safety of our citizens must be all governments' first priority. Current funding for the statewide radio proviso is \$1.2 million. In FY07-08 it was \$5 million which represented a match of \$1 dollar for every \$3 dollars spent for interoperability by state and local responders. Today, the match is approximately 5 cents on the dollar spent. State and local agencies are turning off their radios because of the lack of funding. The radio is

a lifeline for many of our smaller communities. Law enforcement and the fire service are requesting an additional \$7.8 million to bring us back to the \$1 dollar match for every \$3 spent. **Proviso was adopted; however, no additional funding was appropriated by the House or Senate. The current level of funding is \$1.2 million.**

Return to Work

By proviso passed in FY18-19 budget - retirees returning to work to be an SRO are not subject to a salary cap if they retired prior to December 31, 2017. [H.4000 - Proviso 108.16 \(Return to Covered Employment\)](#) The House adopted this proviso which allows a member of SCRS and PORS to return to work without a salary cap if the member has not been engaged to perform services for an employer participating in SCRS or PORS for compensation for a period of at least 12 consecutive months after retirement. **The Senate did not adopt the proviso; however, is working on H.3620 in a special Senate Finance Retirement Subcommittee which provides the return to work provision.**

Currently there are several bills have been filed allowing retirees to return to work without a salary cap ([S.256](#) (educators and PORS members), [H.3184](#) (educators only), [H.3185](#) (PORS members only), and [H.3191](#) (SROs only). The bill that has moved is [H3620](#) which was amended and passed out of Ways and Means favorably. The amendment addressed two issues. The amendment creates a new exception to the service retirement earnings limitation imposed upon the receipt of benefits by certain retired members of SCRS and PORS. Under the proposed exception, the SCRS and PORS return-to-work cap would not apply if the retired member has not been engaged to perform services for a participating employer in SCRS or PORS 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 after retirement. The amendment requires contributions if a participating employer engages a current or former member to perform services for the employer, regardless of how the employer classifies the engagement. **H.3620 was passed by the House of Representatives and sent to the Senate where it was referred to the Senate Finance Committee. The Senate Finance Subcommittee for Retirement met on Thursday, May 2, 2019 and passed the bill out favorably with amendment. The amendment provides that a retired member of SCRS or PORS is exempt from the \$10K earning limitation if a participating employer has not engaged the retiree in any capacity for at least 24 months after retirement. This represents an increase from 12 consecutive months to 24 consecutive months.**

Urban Search and Rescue (US&R)

[Governor's FY19-20 Executive Budget](#) places \$1 million for the Office of State Fire Marshal – Emergency Response Task Force – Urban Search and Rescue SC Task Force I (US&R SC-TF1) initiative. These funds will be used to purchase equipment and supplies from current state-approved contractors. Emergency Response Task Force responds to natural and man-made disasters by providing search and rescue, medical support, damage assessment and assistance in the coordination of relief. SC-TF1 is a search and rescue team that provides a coordinated response to disasters, particularly in urban environments. Emphasizing location and extraction of victims trapped in largely populated areas, the SC-TF1 is capable of responding to state and national disasters, including floods, hurricanes, earthquakes, widespread tornadoes and man-made technology and terrorist events. In order to succeed in its stated mission, SC-TF1 should have needed equipment and supplies that are ready for deployment at a moment's notice. The Emergency Response Task Force Division recently completed a comprehensive inventory of all of its equipment. Through this inventory process, it has identified equipment that needs replacement or updating, as well as equipment that is missing to better fulfill the capabilities of the task force. This equipment includes swift water and flood rescue equipment, medical equipment, wide area search and rescue equipment and equipment that will support the incident support team functions of the task force. If this equipment or supplies are not funded, SC-TF1's ability to respond during an emergency situation could be diminished resulting in harm to the public. **No funding was provided for US&R by the House; however, the Senate funded the USAR program \$850,000.**

[Governor's FY19-20 Executive Budget](#) places 1 FTE for an Incident Support Team manager. One (1.00) FTE is for the State Fire Marshal's Office to serve as an Incident Support Team Manager for the Emergency Response Task Force Division. This position will lead the command and control operations to manage the operational, logistical, informational, planning and safety issues associated with complex incidents requiring firefighting and search and rescue resources. This position would manage the response of in-state and out-of-state resources to state emergencies. **FTE was adopted in the House and the Senate versions.**

Volunteer Firefighters Health Care

[H.4000 - Proviso 108.1](#) as amended in the House Ways and Means Proviso Subcommittee includes volunteer firefighters and their dependents to purchase healthcare coverage through the state (PEBA). The volunteer would be required to cover all premium costs determined by PEBA. **The proviso was adopted by the House. The Senate did not adopt the proviso due to various concerns raised by PEBA to include a \$10 million net loss to the Health Insurance Plan which would result in raised rates for participating employers, employees and retirees.**

LABOR, COMMERCE AND INDUSTRY COMMITTEES

Omnibus Fire Bill

[S.3178](#) by Ridgeway and [S.481](#) by Alexander are both Omnibus Fire bills whereby changes to sections of law dealing with the State Fire Marshal's Office and the duties and responsibilities of the office. **S.481 passed out favorable and is on the Senate floor for debate. Senator Jackson requests debate on the bill.**

(Workers Compensation - PTSD, Cancer Presumption)

[H.3106](#), S.51 This bill revises workers compensation provisions so as to provide a definition of a first responder and to modify the requirements of such an employee seeking workers compensation for personal injury caused by stress, mental injury, or mental illness, and to add mental illness to related conditions that may be compensable if resulting from a significant traumatic experience. The legislation revises the presumption that certain diseases sustained by a firefighter are occupational diseases for the purposes of workers compensation, so as to provide certain additional medical conditions also must be presumed to be occupational diseases for the purposes of workers compensation. The legislation removes a minimum age requirement for the applicability of this provisions and eliminates a requirement that eligibility for this presumption be conditioned upon the medical condition having developed while the firefighter was actively engaged in firefighting or within twenty four hours from the last date he engaged in firefighting. The legislation provides that a firefighter with ten years of service who sustains an impairment or injury caused by cancer is entitled to a rebuttable presumption that this impairment or injury arose from and in the course of his employment as a firefighter. This presumption is conditioned upon certain medical examinations and reporting requirements. A person is considered to have passed the requisite physical examination if the fire department fails to require or obtain this examination upon his entry of service.

Ad Hoc Committee on Fire Services

[S.753 \(V-SAFE Grant Program\)](#) was introduced April 10, 2019 by Senator Gambrell and referred to Senate Banking and Insurance. This bill requires that all funds collected to date and henceforth be used to fund the V-SAFE program pursuant to Section 23-9-25. The legislation is designed to ensure that total funds collected under Section 38-7-20 (B)(2) be directed to the V-SAFE program.

Building Codes

Building Codes Regulations were reported out favorably from LCI subcommittee.

[S.796 \(Building Codes: Code Cycle increase from 3 to 6 years\)](#): **a bill has been introduced.** Background: February 19, 2019: A meeting with Sen(s) Leatherman and Alexander was held on Tuesday, February 19, 2019 to discuss legislation regarding implementing a SC building code, increasing the code cycle, etc. Senator Leatherman encouraged the stakeholders to reach a compromise. As a result, stakeholders met with LCI staff and aided in reaching draft language which addressed increasing the building codes cycle from 3 to 6 years.

EDUCATION COMMITTEES

School Safety - Fire Drills

[S.239](#) by Fanning. This bill amends Section 59-63-910 whereby all public schools and Charter Schools shall conduct one fire drill, one active shooter/intruder drill and one severe weather/earthquake drill per semester. Current law states that schools must conduct drills at least twice a year which allows schools the option, if they deem it necessary, to conduct more than one of each per semester.

JUDICIARY COMMITTEES

Criminal History Background Checks

[S.274](#) by Senn. This bill amends Section 23-3-130 by authorizing SLED to provide free criminal history background checks to the legal representatives of a state law enforcement agency. **Request: Add that the State Fire Marshal receive free background checks when using the check for public safety purposes.**

Explosive Control Act - Sentencing Reform

[H.3322](#) by Pitts, Rutherford, et.al, - Among other statutory changes removing mandatory minimums, the bill amends the Explosive Control Act to remove the mandatory minimums. For example, the one year mandatory minimum relating to obstruction is removed from Section [16-23-740](#), the one year mandatory minimum for first offense and the five year mandatory minimum for second offense regarding providing false information to law enforcement were both removed in Section [16-23-750](#). The mandatory prison time was removed regarding mandatory installation of Fire Alarm boxes in Schools and Hospitals. **H.3968 passed out of House Judiciary favorably. The bill is on the House Contested Calendar.**

Assaulting a law enforcement officer, first responder or corrections officer ABHAN

[H.3078](#) adds that assault and battery of a high and aggravated nature occurs when a person injures a federal, state, or local law enforcement officer or corrections officer, a firefighter or an emergency medical services worker in the discharge of or because of their official duties.

[S.499](#) ([S.319](#), [H.3847](#)) adds that assault and battery of a high and aggravated nature occurs when a person injures a health care professional which includes but not limited to a firefighter and an emergency medical services worker in the discharge of or because of their official duties. **[H.3847](#) is being discussed in House Judiciary. SKA is requesting that first responders be added to the bill.**