



2013-2014 Legislative Session BUSINESS ADVOCACY RETURN ON INVESTMENT

Because of the direct advocacy efforts of the Upstate Chamber Coalition at the State House and through strong business alliances with other industry trade associations from across SC, Upstate businesses will benefit from more than \$1.4 billion in legislative changes designed to make businesses more competitive and profitable over the 2013-2014 legislative session.

✓ Abandoned Buildings Revitalization	\$3.75 million
✓ Department of Commerce Closing Fund	\$16 million (2013) \$37 million (2014)
✓ DEW Integrity Bill	\$647 million
✓ Defeat of ACA Nullification Act	Unlimited
✓ Identity Theft Protection	\$20.7 million
✓ Transportation and Infrastructure Funding	\$591 million
✓ Angel Investment Act	\$5 million
✓ SC Ports Authority Tax Credit	\$4 million
✓ Stone/Brewery Bill	Unlimited
✓ Education Funding 2013/2014 Total	\$98.5 million
○ <i>First Steps Reauthorization</i>	\$6.5 million
○ <i>Reading Coaches in Schools</i>	\$29 million
○ <i>Technical Colleges STEM Education</i>	\$2 million
○ <i>readySC</i>	\$5.4 million
○ <i>Digital Instruction and Teacher Training</i>	\$11 million
○ <i>Manufacturing Skills Certificate Program</i>	\$3.75 million
○ <i>4 Year-Old Kindergarten Expansion</i>	\$26 million (2013) \$18.6 million (2014)

Total Return on Investment

\$1.4 + billion

Anderson Area Chamber of Commerce * Cherokee County Chamber of Commerce * Clemson Area Chamber of Commerce * Greater Easley Chamber of Commerce * Greater Greer Chamber of Commerce * Greenville Chamber of Commerce * Greenwood Chamber of Commerce * Laurens County Chamber of Commerce * Simpsonville Area Chamber of Commerce * Spartanburg Area Chamber of Commerce * Walhalla Chamber of Commerce * Westminster Chamber of Commerce



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- ✓ **Abandoned Buildings Revitalization** – H. 3093 established provisions allowing a taxpayer making qualifying investments in the rehabilitation of an abandoned building to receive income tax credits or credits against property tax liability in an amount comprising up to 25 % of rehabilitation costs (\$3.75 million of tax credits per year available per year through 2019).
- ✓ **Department of Commerce Closing Fund** – This money is used to recruit companies to bring new investment and new jobs to SC. Budget provisions provided \$16 million (2013) and \$37 million (2014) to the SC Department of Commerce Closing Fund.
- ✓ **Department of Employment and Workforce (DEW) Integrity Bill** – According to the SC Chamber of Commerce, this legislation saves employers nearly \$650 million annually. H. 3751 enforces several federal mandates, including penalties for employers who fail to adequately respond to DEW's request for information on unemployment insurance claims where there is a dispute on benefit payments. Had the legislation not passed before October 2013, SC employers would have been penalized with higher taxes due to the elimination of the entire FUTA credit.
- ✓ **Defeat of ACA Nullification Act** – [H.3101](#), the so-called Affordable Care Act (ACA) Nullification bill, or "anti-commandeering" bill, intended to make implementation of the ACA in South Carolina next to impossible. Members of the business community, including the SC Chamber of Commerce and SC Hospital Association, pushed back, believing it would have increased hardships on businesses that provide health insurance for employees and created uncertainty around healthcare regulations.
- ✓ **Identity Theft Protection** – A budget proviso in 2013 provided \$10 million to continue credit monitoring service, \$10.7 million for security upgrades and tax deductions of \$300 for individuals and \$1,000 for joint filers who buy their own consumer protection and identity theft resolution services.
- ✓ **Transportation and Infrastructure Funding** – Transportation and infrastructure funding is the number one priority for the business community. H. 3360 established a revised procedure for transferring roads to and from the state highway system. The bill was amended to include \$41.4 million in House-approved provisions for redirecting automobile sales tax revenues to serve as a dedicated funding source for the state's infrastructure needs as well as a provision included in budget legislation to allow for the use of \$50 million in annual recurring funds for the issuance of \$500 million in bonds for highway and bridge construction and repair. As a result, several major interstate improvement projects along I-85 in the Upstate are now under consideration to receive funding.
- ✓ **Angel Investment Act** – H. 3505 established provisions for state nonrefundable income tax credits to encourage those who act as "angel investors" by providing early stage capital for emerging high growth enterprises in such areas as manufacturing, processing, warehousing, wholesaling, software development, and information technology services (\$5 million of tax credits per year available through 2019).
- ✓ **SC Ports Authority Tax Credit** – Approximately two-thirds of all the manufacturing jobs in the Upstate are with companies that ship products to other countries and rely heavily on our port for doing business. H. 3557 expanded the port tax credit to include third party logistics providers and incentivized the development of warehousing and distribution centers meeting volume and employment requirements.
- ✓ **Brewery/Stone Bill** – The brewery bill (H. 3512), a compromise between brewers and wholesalers, made major changes to 2013's "pint law." The legislation allows a brewery to sell an unlimited amount of beer on site in conjunction with restaurant service but does not change the state's three-tier system that requires producers to sell their beer through wholesalers. Legislators and economic developers hope this bill will help attract large brewery operations to South Carolina.
- ✓ **Education Funding** – Education was a major beneficiary of money in the 2013-2014 legislative session, particularly in 2014, when Governor Haley pushed for education funding in her budget. The final version of the 2014 budget also included money for STEM Education at Technical Colleges and readySC. The Read to Succeed bill, S. 516, also passed, helping ensure that all children read at an adequate level at the end of third grade. Any students not reading at the third grade level will be required to spend a remedial year with rigorous reading training. The new law offers summer reading camps to children, additional reading instruction for teachers, and included an expansion of 4K.