

Greenville Chamber
Spartanburg Area Chamber
Anderson Area Chamber
Greater Greer Chamber
Greenwood Chamber
Laurens County Chamber
Cherokee County Chamber
Clemson Area Chamber
Greater Easley Chamber
Fountain Inn Chamber
Simpsonville Area Chamber
Oconee County Chamber

2019

Legislative Report

South Carolina General Assembly





MAJOR ISSUES REMAIN UNRESOLVED



Jason Zacher
Executive Director



Madison Hall Manager, Government Affairs

It was a quiet week in Lake Wobegon, as the old *Prairie Home Companion* monologue began. The same could be said in Columbia this year, where there was a lot of action and very little of substance for business accomplished.

There were high hopes for major achievements when the session started. There is a spirit of cooperation between the General Assembly and Governor McMaster that has been lacking since Mark Sanford brought the infamous piglets Pork and Barrel to the Statehouse lobby in 2004. Members of the General Assembly were optimistic and boasted about all of the big ideas and tough challenges that would be addressed.

Higher Teacher Pay. Education Reform. Pension Reform. The Future of Santee Cooper. Criminal Justice Reform. Tax Reform.

In the end, only higher teacher pay became law. The other issues fell by the wayside in a session that was marked by action that happened too late in the session or in some cases, action that never happened at all.

A number of other items did wind their way through: An expansion of powerful tax credits for exporters using the Port of Charleston and supporting the S.C. Research Authority passed. New requirements requiring DOT to help pay for local utility relocation during road projects were also among the little victories.

It was frustrating to see the one-sentence Angel Investor Tax Credit Extension fall victim to late-session political games, threatening future investments for our state's high-growth entrepreneurs. The constant, relentless pressure from real businesses — real neighbors and real constituents — does make a difference in Columbia. Thank you for everything you did to help these priorities become law in 2019.

Take a look at the votes in this guide and ask your legislators what they did to help ensure your priorities became law. Advocacy doesn't end on *sine die*; talking to your legislators during the off-session ensures momentum next January. With your assistance, we can ensure these issues get attention when they return, and we can ensure these issues will be election issues.

We hope you will continue your activism in 2020 so the Upstate will continue to be the best place to start or locate a business. Thank you for your continued support of your local, hometown chamber of commerce and the Upstate Chamber Coalition.

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Take a look at the votes in this guide and ask your legislators what they did to help ensure your priorities became law. Advocacy doesn't end on sine die... 99

H. 4000 (Proviso)



HIGHER TEACHER PAY **PASSED**

Our top legislative priority this session was raising teacher pay to the southeastern average. The General Assembly finalized this promise in the appropriations bill, which included \$159 million dollars towards raising teacher pay. That money raises the state minimum for first-year teachers to \$35,000 and gives all teachers at least a 4 percent raise, which gets our state's teacher pay to the Southeastern average.

\$40,000

New starting teacher salary for Greenville County teachers. The national average for starting teachers is \$38,617

994

Jobs created by the Angel Investor Act since 2013

ANGEL INVESTOR ACT STALLED

The Angel Investor Tax Credit, first passed in 2013, has been extremely effective in encouraging early-stage investments in high growth companies in our state. The tax credit expires at the end of 2019, and these bills extend the program for six more years. This legislation did not pass and will have to be re-written in 2020.

PORT TAX CREDIT PASSED

This nearly doubles the tax credit available to businesses who expand their use of the Port of Charleston or the Inland Port in Greer. The initial tax credit provides a credit to a taxpayer engaged in warehousing, freight, transloading, wholesaling or distribution that uses the port and increases its cargo volume by at least 5 percent in a calendar year.

50.5%

Percentage of goods at the Port of Charleston heading to or from the Upstate

"PROVISO"

Laws lasting for one year that are tacked onto the state budget.

NON-PROFIT REPORTING **DEFEATED**

This proviso, if it had been adopted, would have required non-profits that receive money from a public entity to file a litany of burdensome, duplicate

disclosures about salaries. This was proposed by Senator Tom Corbin (R-Greenville) and we plan to work with him during the off-session to find a way to address his concerns while protecting the privacy of non-profit organizatons.



2019 VOTING RECORD SENATE

		H. 3595 Industry Partnership Fund	S. 185 Angel Investor	S. 439 Port Cargo Tax Credit	S. 7 Tort Claims Act	S. 455 Military Spouse Licensing	S. 401 Utilities and Highway Construction	H. 4287 Santee Cooper	H. 4000 Appropriations (Teacher Pay)	S. 281 Emotional Support Animals
COALITION F	POSITION	YES	YES	YES	NO	YES	YES	YES	YES	YES
	D.W. II. II.	\/E0	\/=0	VEO	VEO	V/E0	VEO	VEO	VEO	VEO
Alexander, Thomas	R-Walhalla	YES	YES	YES	YES	YES	YES	YES	YES	YES
Allen, Karl	D-Greenville	YES	YES	YES	YES	YES	YES	YES	YES	X
Cash, Richard	R-Powdersville	YES	NO	YES	YES	YES	YES	YES	NO	YES
Corbin, Tom	R-Travelers Rest	YES	YES	YES	NO	YES	YES	YES	NO	YES
Gambrell, Mike	R-Honea Path	YES	YES	Α	Α	YES	Α	Α	Α	YES
Loftis, Dwight 1	R-Greenville	1	1	YES	YES	1	1	YES	YES	YES
Martin, Shane	R-Pauline	YES	YES	NO	YES	YES	YES	YES	YES	YES
Nicholson, Floyd	D-Greenwood	YES	YES	YES	YES	YES	YES	YES	YES	YES
Peeler, Harvey	R-Gaffney	YES	YES	YES	YES	YES	YES	YES	YES	YES
Reese, Glenn	D-Spartanburg	YES	YES	YES	YES	YES	YES	YES	YES	YES
Rice, Rex	R-Pickens	YES	YES	YES	YES	YES	YES	YES	NO	YES
Talley, Scott	R-Spartanburg	YES	YES	YES	YES	YES	YES	YES	YES	YES
Turner, Ross	R-Greenville	Α	YES	YES	YES	YES	YES	YES	YES	YES
Verdin, Danny	R-Laurens	YES	YES	YES	YES	YES	YES	YES	YES	YES

¹ Senator Loftis filled the vacant Senate seat held previously by Congressman Timmons. He was not present for votes before March 26th.

X Did not vote

A Excused Absence

2019 LEGISLATIVE ACTION

H. 4000 — Appropriations Bill (Teacher Pay Legislation)

(House Vote #703; Senate Vote #42) — See Page 3

H. 3595 — Industry Partnership Fund

(House Vote #44; Senate Vote #118)

This legislation increases the maximum annual tax credit to \$250,000 for a single taxpayer, not to exceed an aggregate credit of \$9 million for all taxpayers, phased in over a three-year schedule. Originally created in 2006, the Industry Partnership Fund Tax Credit provides a critical source of funding for the South Carolina Research Authority which is a nonprofit corporation established by the state that serves as an academic backbone focused on stimulating our innovation economy.

H. 3576 – SC WINS (Industry Needs Scholarship)

(House Vote #37; No Senate Vote)

The South Carolina Industry Needs Scholarship will be available to students of two-year public technical colleges who receive a Lottery Tuition Assistance Program Scholarship studying in a critical workforce program area. The bill also provides a \$300 stipend for textbooks for students receiving the scholarship, and the scholarship cannot exceed \$2,500 per year.

S. 455 — Armed Service Licensing Act

(House Vote #577; Senate Vote #87)

This legislation expedites the issuance of professional and occupational licenses to military spouses transferred to South

Carolina if the spouse holds a professional or occupational license issued by another state that has similar requirements.

H. 3998 — Workforce and Senior Affordable Housing Act

(House Vote #514; No Senate Vote)

This bill creates a tax credit for qualified low-income housing projects by allowing a taxpayer eligible for a federal low-income housing tax credit to claim a low-income state tax credit. This bill increases the availability of workforce and affordable housing for the teachers, firefighters, police and service workers that drive our economy.

H. 3210/S. 185 — Angel Investor

(House Vote #483; Senate Vote #154) — See Page 3

S. 439 — Port Cargo Tax Credit

(House Vote #623; Senate Vote #172) — See Page 3

S. 7 — Tort Claims Act

(No House Vote; Senate Vote #173)

This bill increases the liability limits for governmental entities under the South Carolina Torts Claims Act to \$500,000 for a single person and \$1 million total for a single occurrence, regardless of the number of agencies involved. The governmental caps in the statute are also applied to non-profit organizations, so we strongly opposed the higher caps that were initially proposed due to the negative impact on non-profits.

2019 VOTING RECORD HOUSE OF REPRESENTATIVES



		H. 3595 Industry Partnership Fund	H. 3576 SC WINS	H. 3210 Angel Investor Extension	H. 3998 Affordable Housing	H. 3596 Property Tax Roll-back Provisions	S. 439 Port Cargo Tax Credit	S. 455 Military Spouse Licensing	S. 281 Emotional Support Animals	S. 401 Utilities and Highway Construction	H. 4287 Santee Cooper	H. 3984 Pension Contribution Rates	H. 4000 Appropriations (Teacher Pay)	
COALITION P	OSITION	YES	YES	YES	YES	YES	YES	YES	YES	YES	YES	YES	YES	
Allison, Rita	R-Lyman	YES	YES	YES	YES	YES	YES	X	YES	YES	YES	YES	YES	
Bannister, Bruce	R-Greenville	X	YES	YES	YES	YES	YES	YES	YES	YES	YES	YES	YES	
Burns, Mike	R-Travelers Rest	YES	YES	YES	X	YES	YES	YES	YES	YES	YES	YES	YES	
Chumley, Bill	R-Woodruff	YES	YES	YES	NO	X	YES	YES	YES	YES	YES	YES	YES	
Clary, Gary	R-Clemson	YES	YES	YES	YES	YES	YES	YES	YES	YES	YES	YES	YES	
Collins, Neal	R-Easley	YES	YES	YES	YES	YES	YES	YES	YES	YES	YES	NO	YES	
Cox, Bobby	R-Greenville	YES	X	X	X	X	YES	YES	X	YES	YES	X	YES	
Cox, West	R-Powdersville	Α	YES	YES	YES	YES	YES	YES	YES	YES	YES	NO	YES	
Dillard, Chandra	D-Greenville	YES	YES	YES	YES	YES	YES	YES	YES	YES	YES	YES	YES	
Elliott, Jason	R-Greenville	YES	YES	YES	YES	YES	YES	YES	YES	YES	YES	YES	YES	
Forrester, Mike	R-Spartanburg	YES	YES	YES	YES	YES	YES	YES	YES	A	YES	NO	YES	
Gagnon, Craig	R-Abbeville	YES	YES	YES	YES	YES	YES	YES	YES	YES	YES	NO	YES	
Gilliam, Doug	R-Union	YES	YES	YES	NO	YES	YES	YES	YES	YES	YES	NO	YES	
Hill, Jonathon	R-Anderson	NO	A	NO	X	X	NO	YES	YES	YES	YES	NO	NO	
Hiott, David	R-Pickens	YES	YES	YES	NO	YES	YES	YES	YES	YES	YES	NO	YES	
Hyde, Max	R-Spartanburg	YES 2	YES 2	YES	YES	YES 2	YES	YES	YES	A YES	YES	YES	YES	
Jones, Stewart ²	R-Laurens			1	1	1	X 1	YES 1	YES 1	YES 1	YES 1	NO 1	NO 1	
Loftis, Dwight ¹	R-Greenville	YES	YES											
Long, Steven	R-Boiling Springs	YES	YES	YES	NO	YES	YES X	YES YES	YES YES	YES YES	YES YES	YES YES	NO NO	
Magnuson, Josiah	R-Landrum	NO YES	YES	NO YES	NO YES	YES	X	YES	YES	YES	YES	X	YES	
McCravy, John Morgan, Adam	R-Greenwood R-Greenville	YES	YES	YES	X	X	YES	YES	YES	YES	YES	YES	YES	
Moss, Dennis	R-Gaffney	YES	YES	YES	A	A	YES	YES	YES	YES	YES	X	YES	
Moss, Steve	R-Blacksburg	A	YES	YES	NO	YES	YES	YES	YES	YES	YES	NO	YES	
Henderson Myers, Rosalyn	D-Spartanburg	YES	YES	YES	YES	YES	YES	YES	YES	YES	YES	YES	YES	
Parks. Anne	D-Spartanburg D-Greenwood	YES	YES	YES	YES	YES	X	YES	YES	X	YES	YES	YES	
Robinson, Leola	D-Greenville	X	YES	YES	YES	X	YES	X	YES	YES	X	X	YES	
Sandifer, Bill	R-Seneca	YES	YES	YES	YES	X	YES	X	YES	YES	A	NO	Α	
Smith, Garry	R-Simpsonville	YES	YES	YES	NO	YES	YES	YES	YES	YES	YES	YES	YES	
Stringer, Tommy	R-Greer	YES	YES	YES	NO	X	Α	Α	Α	YES	YES	Α	YES	
Tallon, Eddie	R-Spartanburg	YES	YES	Х	NO	YES	YES	YES	YES	YES	YES	YES	YES	
Thayer, Anne	R-Anderson	YES	YES	YES	YES	YES	YES	YES	YES	YES	YES	NO	YES	
Trantham, Ashley	R-Greenville	NO	YES	YES	NO	YES	YES	YES	X	YES	YES	X	NO	
West, Jay	R-Belton	YES	YES	X	YES	YES	X	YES	YES	YES	YES	NO	YES	
White, Brian	R-Anderson	X	Α	X	NO	YES	YES	YES	YES	X	YES	NO	YES	
Whitmire, Bill	R-Walhalla	YES	YES	YES	YES	YES	YES	YES	YES	YES	YES	NO	YES	
Willis, Mark	R-Fountain Inn	YES	Α	YES	YES	YES	YES	YES	YES	YES	YES	YES	YES	

¹ Rep. Loftis left the House in April to fill the Senate seat held previously by Congressman Timmons. He was not present for votes after March 26th.

H. 3984 — Pension Contribution Rates

(House Vote #644; No Senate Vote)

Our state's \$24 billion unfunded pension liability is a fiscal crisis that decreases our competitiveness. Though not a comprehensive piece of legislation to combat this issue, H. 3984 revises provisions for employer and employee contribution rates under the South Carolina Retirement System and the Police Officers Retirement System to provide that an employer, up to certain limits, may elect to pay all or a portion of required employee contributions during a fiscal year.

H. 4287 — Santee Cooper

(House Vote #707; Senate Vote #447)

The Coalition supports the sale of the state-owned utility, Santee Cooper. While this legislation does not finalize the sell, it puts the state on the right track by calling for the South Carolina Department of Administration to conduct a competitive bidding process for the sale of some or all of Santee Cooper and to receive management proposals that do not involve a sale. The department will present its full evaluation of each bid and its recommendation for a proposed purchaser for Santee

A Excused Absence

X Did not vote

² Rep. Jones was elected to fill the unexpired term of Rep. Mike Pitts he was not present for votes before April 23rd.



2019 RECORD GOVERNOR MCMASTER

S. 401	Highway Construction	SIGNED
S. 439	Port Tax Credit	SIGNED
H. 4287	Santee Cooper	SIGNED
H. 3595	Industry Partnership Fund	SIGNED
S. 281	Guide Dogs	SIGNED
H. 4000	State Budget (Teacher Pay)	SIGNED



Governor Henry McMaster worked hard this session with legislative leaders to advance a number of major priorities of interest to the business community. This year, he did not veto any of our legislation for the first time since he took over as governor in early 2017.

2019 LEGISLATIVE ACTION (CONT'D)

Cooper to the Chairman of the Senate Finance Committee and the Chairman of the House Ways and Means Committee.

S. 401 — Highway Utility Construction

(House Vote #577; Senate Vote #87)

This bill addresses transportation and improvement project costs – it provides that an entity undertaking a transportation improvement project shall bear the costs related to relocating water and sewer lines within the Department of Transportation's right-of-way. The bill provides additional requirements for utilities to be eligible for relocation payments.

S. 281 — Guide Dogs / Service Animals

(House Vote #688; Senate Vote #186)

The proliferation of "emotional support animals" has stretched the boundaries of where these untrained animals are allowed — when compared to certified and trained service animals. This bill allows public places accommodating emotional support animals/service animals to establish rules and regulations to ensure a safe environment.

H. 3596 — Assessment Ratios

(House Vote #516: No Senate Vote)

This bill reduces rollback taxes on agricultural real estate converted to commercial or residential use by changing the property and assessment ratios limit to two years, reducing it from the previous five year limit.

BILLS LOSE, BUSINESS WINS

Business Advocacy is sometimes as much about stopping anti-business legislation as it is supporting our agenda. Here are a few bills that we took direct action to block.

H. 3352 — Workers' Compensation

This Workers Compensation bill would un-do a century of workers comp precedent. This legislation — filed by a legislator who does workers' comp plaintiff's cases — would make "clincher" clauses illegal. This would require these cases to be litigated, which is good news for attorneys, but bad news for the company and the injured worker, who would spend years waiting for basic compensation for medical bills accumulated by on-the-job injuries.

Budget — Non-profit disclosure — See Page 3

H. 3401 — Right To Work Repeal

This is an annual attempt to repeal the right to work laws that are a major reason for our continued success in attracting business to our state. The misleading title "freedom of contract act" only highlights the attempts being made to undermine the right of a worker to not join a union.

Several Bills — Minimum Wage Expansion

As with the Right to Work Repeal, this is an ongoing attempt that we are generally able to keep in committee.

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2020 UNFINISHED BUSINESS



H. 3210/S. 185 — Angel Investor — See Page 3 Last Action: Filed in House

H. 3404 - DACA Licensing

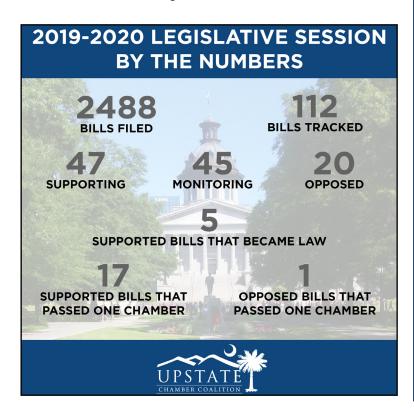
Last Action: In House Judiciary Committee

This bill allows DACA recipients to receive occupational or professional licensing. Currently there are nearly 2,800 young adults living in the Upstate under the DACA program and we support legislation allowing them to receive state licenses to work. DACA residents are allowed to live and work in the United States by federal law, but are unable to receive state occupational licenses. After months of work with Rep. Neal Collins (R-Easley), this bill unexpectedly recieved a hearing late in the session and was passed out of a House Judiciary Subcommittee — a major victory unto itself in 2019.

S. 167 — Pension Reform

Last Action: In Senate Finance

The public pension system has a \$23-\$40 billion unfunded liability, depending on which estimates you believe. The Coalition supports closing the system to new employees and moving people to a defined contribution program (similar to a private-sector 401(k)). This bill, filed by Sen. Sean Bennett (R-Dorchester) achieves both of these goals. This legislation is needed to stop the pension system from hemorrhaging money, which is putting a significant strain on the budgets of state and local government. Small businesses are picking up the tab for two decades of mismanagement.



TAX REFORM



One of the major issues that never received serious floor debate was tax reform. These bills were filed late in the session and had no chance of passing in 2019 — despite years of study by committees in both the House and the Senate. Here's a run-down of the major pieces of legislation and where they stand.

H. 4334 – Income Tax Reform

Last Action: In House Ways & Means Committee UCC Position: Monitor

Beginning in 2021, this imposes a flat income tax rate of 4.85 percent, phasing down to a rate of 4.5 percent over five years. This legislation also changes the individual income tax base from federal taxable income to federal adjusted gross income.

H. 4532 - Sales Tax Reform

Last Action: In House Ways & Means Committee UCC Position: Monitor

This bill reduces the sales tax rate from 6 percent to 4 percent, and removes sales tax exemptions on a number of items. The list of services to be taxed includes, but is not limited to:

- Most residential construction subcontractors.
- mortgage and securities brokers,
- property management,
- legal, medical, and accounting services,
- tax preparation,
- architectural and engineering services, and
- automotive repair, among many others.

For a full list, go to www.upstatechamber.org.

H. 4431 - Business License Fee Reform

Last Action: In House Labor, Commerce, and Industry UCC Position: Oppose

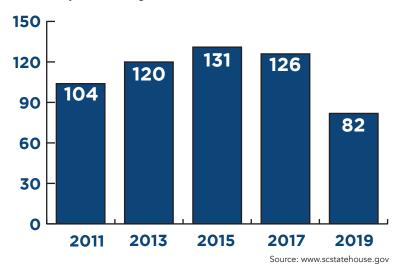
The UCC's long-standing position has been in favor of streamlining the business licenses fee process, however, we oppose efforts to negatively impact municipal revenue since cities do not have full taxing authority. As written, this bill changes the basis from gross revenue to net profit, which would require drastic cuts to municipal revenues or require an extreme increase in license fee rates. We oppose this legislation as written.



2020 UNFINISHED BUSINESS

What Was Accomplished?

Not only did 2019 lack significant legislation, there was also a significant drop in the number of Acts signed into law in 2019. The shortened session was blamed, but that did not statistically play a major factor in 2017 and 2018. We'll concede that some would say the General Assembly not passing laws isn't necessarily a bad thing...



H. 3758 — Joint and Several Reforms Last Action: In House Judiciary Committee.

This legislation plays a critical role in protecting the competitiveness and pro-business climate across the state. This legislation is in direct response to the state Supreme Court's ruling in *Smith v. Tiffany*. In that case, the Court concluded that in a case involving multiple parties, state law prevents the court from considering a defendant if the plaintiff chooses not to name that defendant in a suit. Meaning: If a plaintiff has signed a settlement agreement with that non-party, then that party cannot be included in the verdict. This allows the injured party to sue who he or she chooses, usually the defendant with the "deepest pockets", not the one most responsible for his or her injuries.

This is a significant change to our state's legal climate and is a major issue we will work on for the next several years.

H. 3576 — SC WINS — See Page 4
Last Action: Passed House. In Senate Finance Committee.

S. 455 — Armed Service Licensing Act — See Page 4 Last Action: Passed the Senate. In House Ways & Means.

H. 3998 — Workforce Affordable Housing Act — See Page 4 Last Action: Passed the House. In Senate Finance Committee.

H. 3984 — Pension Contribution Rates — See Page 5
Last Action: Passed the House. In Senate Finance Committee.

H. 3596 — Assessment Ratios — See Page 6
Last Action: Passed the House. In Senate Finance Committee.

S. 171/H. 3833 — Municipal Capital Projects Sales Tax Last Action: In Senate Finance/House Ways & Means.

Provides that if a fee is imposed in a municipality that is imposing the sales and use tax, then at least 20 percent of the revenues must be used to provide a property tax credit. The Coalition supports this legislation because it will give cities the same power currently given to counties and give cities the opportunity to raise money for critical infrastructure projects. We oppose stipulations that cities MUST use the proceeds for tax relief and believe that it should be left up to each city's elected leaders. We have been asked to testify on this legislation.

S. 69/H. 3065 — Magistrates Court Jurisdiction Last Action: In Senate Finance/House Ways & Means.

Increases Magistrates Court civil jurisdiction from \$7,500 to \$15,000. We have supported similar legislation in previous years, though we oppose efforts to raise the cap above \$15,000. Magistrates Court is not typically business-friendly, so we believe additional increases above \$15,000 will increase legal fees as businesses will opt to try cases in circuit court.

S. 298 — Higher Education Opportunity Act Last Action: On Senate Floor.

Draconian cuts to public higher education have significantly shifted the cost burden onto the shoulders of our generation's next workforce and their families. This legislation ensures increased opportunities for our students to earn the degrees our employers demand. This bill addresses the underfunding of South Carolina's public colleges and universities by:

- Freezing tuition for in-state students for one year.
- Slowing tuition growth for our state's students in future years by reinvesting more than \$125 million back into public colleges.
- Rewarding colleges for enrolling more in-state students by distributing the additional funding based on in-state student enrollment.
- Modernizing the state's scholarship offerings by ensuring the sustainability of current merit-based scholarship programs (Palmetto Fellows, LIFE and HOPE).
- Establishing reliable funding dedicated entirely to repairing our public colleges' aging and crumbling campus facilities, infrastructure and equipment.

EDUCATION REFORM



H. 3759/S. 419 — Education Reform

Last Action: Passed House. In Senate Education Committee.

There were high hopes for education reform when the session began. We thank House Speaker Jay Lucas (R-Hartsville) for putting forth an ambitious, if imperfect, bill that would have made great strides in "changing everything" in education, as Governor McMaster touted in his inaugural speech.

Despite the support of the Governor, the Lt. Governor, the state Superintendent of Schools, the House Speaker, and the Senate Education Committee Chairman, it didn't pass in 2019. As is too common today in politics, a sustained campaign of erroneous, mistaken, or just plain misinformation doomed many of the truly transformational proposals. The bill passed the House, and a Senate committee continued to tinker with the bill as time ran out.

The Coalition is neutral on the bill as it has been amended.

Both versions of the bill establish a statewide workforce goal that by 2030, at least 60% of all working South Carolinians will have a post-secondary degree or recognized industry credentials. Highlights from the various versions of the legislation:

Focus on Students and Teachers

- Creates a Student and Teacher Bill of Rights. (Deleted by Senate)
- Requires high schools and career centers to teach at least one high-skill, high-demand pathway
- Establishes a duty-free time of 30 minutes daily for teachers

Education and Workforce Pipeline

 Establishes a 10-member committee, or Zero to Twenty Committee, within the governor's office to monitor the education and workforce pipeline (Deleted by Senate)

Teacher Recruitment and Retention

- Minimum starting salary of \$35,000 (Passed in H. 4000)
- Offers free college tuition for children of highly effective teachers who work for at least four years in unsatisfactory schools (Deleted by Senate)

Technical College Access

- Prohibits higher education from offering remedial coursework in Math and English (Deleted by Senate)
- Lottery Tuition Assistance for industry credentials
- Establishes common admission standards
- Expanded Dual Enrollment (Deleted by Senate)

<u>District Consolidation</u>

Requires school districts within a county to consolidate

if K-12 population is less than 1,000 students (Senate Passed S. 203)

There were several other provisions deleted from the bill at various stages that we believe were needed to transform teacher recruitment and pay:

- A provision to study whether teachers should be paid on "pay bands" rather than steps for experience. (For example: Should a student graduating college with a degree in physics or computer science be paid the same as a teacher that doesn't teach in a special-needs area.)
- Allowing more than one school in a district to be deregulated so they can try new educational ideas.
- Allowing high-performing schools to have up to 10 percent of their teachers be noncertified. This was removed by the House, but re-instituted in the Senate version.
- Ethics requirements for school board.
- Tax credits for businesses that hire teachers as summer employees. Similar programs have been successful in the Upstate.

To access explanations of deleted provisions by the Senate, please visit <u>www.scstatehouse.gov</u>.



2019 LEGISLATIVE AGENDA

The Upstate business community must do what we can to shape the direction of our community and the policies we need to extend our economic prosperity in this age of political uncertainty. The Upstate Chamber Coalition will make it easier to do business in our region so our investors may grow and create jobs. We will keep that focus whether we are debating trade deals with distant countries, working on reforming our burdensome tax system, or working for more efficient transit to move our neighbors.

EDUCATION AND WORKFORCE

With the local unemployment rate at 3 percent, more than ten thousand jobs are unfilled in the Upstate during any given month. We must invest in education – from kindergarten to college – and look at innovative ways to expand our workforce.

- **Teacher Pay:** The Upstate Chamber Coalition urges the General Assembly to increase teacher pay above the Southeastern average.
- **Freedom for Education Schools:** The Commission on Higher Education needs to give our state's four-year universities the flexibility to innovate teacher education to meet the demands of the teacher shortage.
- **Technical College Pay:** As we lean on our technical colleges to keep up with our workforce demands, the General Assembly needs to fund increased salaries for technical college professors and instructors.
- Workforce Housing: We support the passage of legislation that allows new, market-based avenues so local builders and developers can build critical housing for our workforce.
- **Professional Licensing:** The General Assembly needs to immediately give the 2,800 young adults legally living in the Upstate under the DACA program the right to receive state licenses to work.

PENSION CRISIS

Our state's \$24 billion unfunded public pension liability is a fiscal crisis that will dramatically increase costs for the business community and decrease our competitiveness.

- The General Assembly needs to finish reforming the system by closing the state pension system to new employees and switching to a defined contribution plan.
- Government subdivisions should be allowed to leave the system so they may pay more competitive salaries.
- Any changes must preserve the promises made to those currently in the system.

INFRASTRUCTURE

We scored a major victory in 2017 with the passage of the comprehensive infrastructure funding legislation. While we continue the implementation of that road funding plan, we need to turn our attention to the other critical facets of infrastructure that power our economy.

- Mass Transit: Transit is not a social service, it is an economic development and business retention imperative. If our state is going to attract headquarter companies, and compete with larger metropolitan areas, it is critical that the General Assembly begin increasing state support for mass transit in our metro areas.
- Commercial Aviation: The General Assembly needs to dedicate a stream of funding — such as the tax on rental cars — to our commercial airports so they can expand passenger and cargo service and boost our economy.

TAXES AND REGULATION

The Upstate Chamber Coalition will work at the state and local levels to cut red tape for small business, make our region more economically competitive, and lower the barriers to entry for local entrepreneurs.

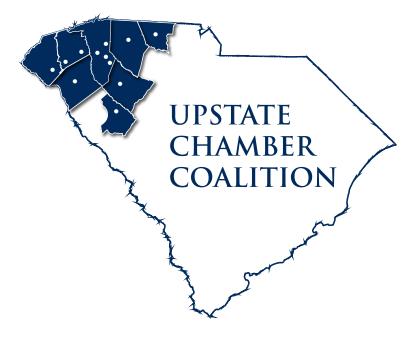
- Tax Reform: We have long supported efforts at comprehensive tax reform in South Carolina. The Upstate Chamber Coalition supports efforts to make our state tax code more fair, equitable, and competitive for business.
- Angel Investor Tax Credit Expansion: The General Assembly needs to immediately reauthorize the successful Angel Investor Tax Credit program that encourages South Carolinians to fund our own high-impact start-up companies.
- Regulatory Reform: New regulations should require a public economic impact - not simply a state fiscal impact. Regulations above a certain economic impact should have public disclosure and a waiting period before being approved by the General Assembly.
- Overturn "Plaintiff Chooses": The General Assembly needs to re-institute the "joint and several" protections in court cases involving multiple parties. We should ensure that businesses with a small impact on an injury do not shoulder 100% of the financial burden because they have deep pockets.

ENERGY

The Upstate Chamber Coalition supports the orderly sale of Santee Cooper – or consider other solutions – to protect wholesale, retail, and industrial ratepayers, as well as provide continuous economic development support across the state.

ABOUT THE COALITION





UCC Member Chamber Presidents/CEOs

Carlos Phillips, Greenville Chamber
Allen Smith, Spartanburg Area Chamber of Commerce
Pam Christopher, Anderson Area Chamber of Commerce
David Merhib, Greater Greer Chamber of Commerce
Angelle LaBorde, Greenwood Area Chamber of Commerce
Amanda Munyan, Laurens County Chamber of Commerce
Jonna Turner, Cherokee County Chamber of Commerce
Susan Cohen, Clemson Area Chamber of Commerce
Cindy Hopkins, Greater Easley Chamber of Commerce
Whitney Ferguson, Fountain Inn Chamber of Commerce
Allison McGarity, Simpsonville Area Chamber of Commerce
Vanessa Penton, Oconee County Chamber of Commerce

The Upstate Chamber Coalition formed in 2009 to provide a unified voice on regional, state, and federal policy issues for the Upstate business community. We now have a strong coalition of 12 local chambers of commerce from across eight counties. Our member Chambers have more than 8,000 business members that employ more than 350,000 people.

We extend a special THANK YOU to our 2019 Business Advocacy Partners, who provide strong support for the Coalition's work.





















Upstate Chamber Coalition

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