

A legislative update from the Municipal Association of SC

2015 session 121st General Assembly



Legislative Report 2015 session of the 121st General Assembly

Prepared by the Municipal Association of South Carolina

The first half of the 2015-2016 regular session of the 121st General Assembly was gaveled to close on Thursday, June 4, at 5 p.m. However, legislators returned to Columbia in June to handle conference reports and the state budget. At the session in June, legislators voted to reconvene in July to consider legislation to remove the Confederate flag from the State House grounds.

Municipal Association 2015 Advocacy Initiatives

Using an all-inclusive process involving hundreds of municipal officials, the Municipal Association identified challenges facing cities and towns around the state. Through five advocacy initiatives approved by both the Municipal Association legislative committee and the board of directors, these challenges were addressed through a comprehensive approach that included changes to state law, training, research and collaboration with key stakeholders.

Clear blight

Cities and towns need additional tools to clear blight to ensure the safety of residents and visitors and to spur economic development opportunities for business owners.

Legislative initiative – Committees in both the House and Senate heard testimony about the Dilapidated Buildings Act but neither reported it out to the full body.

Training – At the 2015 Hometown Legislative Action Day, "Code Enforcement on a Budget" was offered as a concurrent session along with a session on improving permitting and licensing procedures.

Research and collaboration – The Association partnered with the Building Officials Association of South Carolina and the Palmetto Property Maintenance Officers Association to develop training sessions and opportunities for collaboration on legislative issues. In addition, the Municipal Association conducted research regarding neighboring states' processes to address code enforcement issues.

Open government

Meeting agendas are essential tools for the orderly, efficient and effective handling of the public's business.

Legislative initiative – The General Assembly passed S11 which requires public bodies to have an agenda for regularly scheduled meetings and outlines the procedures for adding items to an agenda after the meeting begins. Staff met with legislators to introduce a bill to address this issue in the early days of the 2015 session. The Association also met with the SC Press Association about the issue

and gathered input from municipal officials during the 10 Regional Advocacy Meetings last fall.

Training – The Association launched the online version of the Municipal Elected Officials Institute of Government's Freedom of Information class. In addition, training sessions on conducting effective meetings and proper rules of procedure were offered at the 2014 Annual Meeting, through technical assistance calls and through training offered by the Association of South Carolina Mayors.

Fund services

Cities and towns need dependable and consistent revenue sources to support the efficient and effective delivery of municipal services.

Legislative initiative – The Local Government Fund allocation remained the same as in the previous year. Legislation to change the formula for determining LGF allocations passed the House but did not see any action in the Senate.

Research – During the Senate Finance Committee's budget debate, the Association advocated successfully for the inclusion of a proviso to allow the use of victims assistance funds for body-worn cameras. However, the proviso was removed during the budget debate on the Senate floor. The Association also advocated for increased flexibility to provide funding for public defenders, road repairs and other municipal services. As well, the Association staff provided legislators with relevant data supporting cities' funding needs throughout the state budgetary process and debate on the Local Government Fund formula.

Increase efficiency

Saving taxpayer dollars by providing effective and efficient services to residents and businesses is every municipality's goal.

Training – The number of cities and towns accepting the Association-sponsored standardized business license application grew to more than 70. The Association provided "best practices" training about streamlining permitting and licensing procedures at multiple events around the state including Hometown Legislative Action Day and sessions offered by the SC Business Licensing Officials Association.

Fix roads

Repairing and maintaining existing roads and infrastructure is about more than fixing potholes. It's about encouraging and supporting statewide economic development with infrastructure that can accommodate new industry and support existing industry. It's also about developing a stable revenue source to consistently fund these infrastructure improvements.

Legislative initiative – The Association worked with House leaders and staff to offer alternatives to the distribution process for the "C" Fund and County Transportation Committee system in H3579, the House-passed road funding bill that stalled in the Senate.

Training – The Association published blog posts and *Uptown* articles about the "C" Fund program.

Research – The Association reviewed road funding systems in neighboring states, particularly the system used in North Carolina. The Association also provided valuable information about local road funding systems to members of the General Assembly during the numerous road funding debates that took place during the 2015 session.

Bills Passed by the General Assembly in 2015

The Municipal Association tracked more than 360 bills during the 2015 legislative session. For a complete list of passed bills which impact cities and towns, visit www.masc.sc (keyword: legislative tracking). Several of the passed bills from the 2015 session are highlighted here.

Body cameras for law enforcement

S47 requires law enforcement agencies to deploy body camera systems if funding is made available.

The bill establishes state grant funding available to law enforcement agencies for body cameras and requires the Law Enforcement Training Council to study and develop guidelines for the use of body cameras within 180 days of the effective date of the law, June 10. Within 270 days of the effective date, law enforcement agencies will submit their proposed guidelines to the Training Council, based upon the Training Council's guidance, for approval. Within 360 days of the effective date, the Training Council will submit a report to the General Assembly on the status of the guidelines' rollout. After the Law Enforcement Training Council finalizes the policy guidelines, all state and local law enforcement agencies must submit a body camera policy, regardless of whether they ultimately purchase cameras.

Data generated from body cameras will not be considered public records, but will have to be disclosed under the SC Rules of Civil or Criminal Procedures and the data could be disclosed to other law enforcement-related agencies. Additionally, certain parties who are related to the recording, or a party that is subject to a civil or criminal action where

the recording may be relevant, may receive body camera data through the discovery process.

Uber

H3525 regulates transportation network companies. The bill puts primary responsibility for regulation of the transportation network companies and their drivers on the Office of Regulatory Staff, while allowing municipalities to continue regulating matters not addressed in the legislation. The Office of Regulatory Staff will also collect from these companies/drivers and remit to municipalities a local assessment fee equal to one percent of the gross trip fare collected.

A transportation network company must allow inspection of its records by the Office of Regulatory Staff if requested by a municipality, and must also engage, at its own expense, a South Carolina CPA with governmental accounting qualifications to perform an audit when requested by the Municipal Association. Both audits would determine if the transportation network company appropriately remitted the local assessment fee and correctly distributed the funds to cities and towns. The bill allows the Office of Regulatory Staff to retain one percent of the local assessment fee to administer the tax distribution.

Requiring and amending agendas for public bodies

S11 requires agendas for all meetings of public bodies. The bill requires a 2/3 vote to add any action item to the agenda of a regular meeting of a public body. Also, the bill requires an additional finding of emergency or exigent, urgent or time-sensitive circumstances, if there has not been and will not be an opportunity for public comment or if the added item is the final action. For more information on implementing this new law, visit www.masc.sc (keyword: amending agenda).

Abandoned buildings tax credit

H3725 adds certain tax credits for rehabilitating state-owned buildings, adds a \$1 million cap on the historic rehabilitation credit, decreases from five years to three years the period to take the tax credits for the rehabilitation of historic and abandoned buildings, and adds a definition of state-owned buildings.

Surplus public funds

S375 allows a local governing body to deposit in a qualifying banking institution all or a portion of surplus public funds in its control or possession collateralized by the FDIC to allow the bank to act as the custodian to move funds into other banks also collateralized by the FDIC.

Other Important Bills in 2015

These bills did not pass during the 2015 legislative session, but still will be active for the 2016 legislative session that convenes in January. For a full list of bills tracked by the Municipal Association, visit www.masc.sc (keyword: legislative tracking).

Business License Reform Act

H3490 changes how business license taxes are calculated and caps the tax for each business at \$100. The Association, Rep. Rick Quinn (the bill's sponsor) and other stakeholder organizations plan to continue meeting and researching this issue during the summer and fall. Other bills to change the way municipalities and counties collect business license taxes were introduced but none received any action during the 2015 session.

Freedom of Information Act

H3191 creates the Office of Freedom of Information Act Review within the Administrative Law Court and reduces the time in which a public body has to respond to requests from 15 days to ten days. This bill was passed by the House of Representatives, but stalled in a Senate Judiciary subcommittee.

Municipal incorporation

H3714 requires cities and towns whose population drops below 300 to show that they are maintaining municipal services at an adequate level to maintain a certificate of incorporation. This bill and its companion Senate bill (S163) did not receive any action this session.

Local Government Fund calculation

H3374 sets a benchmark for the yearly increase in the Local Government Fund. The benchmark is the same as the percentage increase projected in the general fund not to exceed five percent. This bill was passed by the House in March but remained in the Senate Finance Committee when the Legislature adjourned for the year.

Mopeds

H3440 requires a moped to be registered, insured and not operated on a public road with a speed limit greater than 35 miles per hour. The bill also requires mopeds to travel only in the right lane, except when they are making a left turn. H3440 was on the House contested calendar when the House adjourned for the year.

Workers' Compensation

S429 (H3699) modifies the requirements of workers' compensation to include mental illness. The bill was amended in committee to limit the workers' compensation expansion to first responders directly involved in an incident in the course of their employment when that incident results in medically diagnosed PTSD. The session ended with S429 on the Senate contested calendar because of a minority report placed on the bill in full committee. There was no action taken on H3699.

Regional Advocacy Meetings 2015

Join us for the 2015 Regional Advocacy Meetings to discuss enacted legislation and upcoming priorities. To register, visit www.masc.sc (keyword: regional advocacy).

August 19 Columbia - Municipal Association of South Carolina

August 20 Rock Hill - Rock Hill Operations Center

August 31 Conway - Conway Recreation Center

September 3 Hartsville - Lawton Park

September 9 North Augusta - North Augusta City Hall

September 10 Greenwood - Arts Center

September 14 Manning - Manning City Hall

September 16 Port Royal - The Shed–Port Royal

September 23 North Charleston - Wescott Park

September 24 Mauldin - Mauldin Cultural Center

Municipal Association Legislative Tracking System

The Municipal Association of SC's legislative tracking system allows for detailed searching and tracking of daily legislative activity. Whether you are interested in just a general overview of weekly activity or the specific language and history of a bill, searching is easy.

The Association's tracking system is accessed through the Association's website and *From the Dome to Your Home*, the Association's weekly legislative report emailed every Friday morning during the legislative session. Association staff tracks the bills by keyword, bill number and monitoring level. Tracking system users can search for bills introduced in a specific time frame and by topic. The tracking system also includes lists of legislators' contact information and district numbers, committee assignments and Association staff contacts for specific bills. Local officials can provide direct feedback to the Association's advocacy staff using the "comment" button on each bill page.



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