

A legislative update from the Municipal Association of SC

2021 Session 124th General Assembly



Legislative Report 2021 session of the 124th General Assembly

The first year of the 2021 – 2022 regular session of the 124th General Assembly was gaveled to a close May 13, 2021. However, legislators returned to Columbia several times in June to debate and adopt the state budget. The House and Senate passed a sine die, or adjournment, resolution to return to Columbia later in 2021 to handle specific legislation.

Bills passed by the General Assembly in 2021

From abandoned buildings revitalization to municipal parking, the General Assembly passed several bills that directly affect cities and towns and the ways local leaders govern and make decisions. The Municipal Association tracked more than 300 bills during the 2021 legislative session. For a complete list of passed bills impacting cities and towns, visit www.masc.sc (keyword: legislative tracking). Several of the passed bills from the 2021 session are highlighted here.

Abandoned buildings tax credit extension

Act 21/S271 extends the benefits of the Abandoned Buildings Revitalization Act until December 2025. The law also includes language that adds "roads and railroad rights of way" as intervening connectors in the Textiles Communities Revitalization Act. This law includes two of the Municipal Association's Advocacy Initiatives that were adopted by cities and towns.

Architect stamp

Act 54/S500 revises an exemption from regulation by the Board of Architectural Examiners for plans and specifications for certain detached single-family or two-family dwellings. The bill also exempts townhomes from the architectural review requirement and changes the references from the "International Code Series" to the "SC Residential Code."

South Carolina COVID-19 Liability Safe Harbor Act

S147 provides liability protection for a limited time period for health care providers and businesses that follow public health guidance in response to the coronavirus public health emergency. The bill does not apply to remedies offered under workers' compensation law.

Municipal parking

Act 89/S40 clarifies that alteration of parking facilities on state highways must receive prior approval from the SC Department of Transportation through an encroachment permit. It also requires beach communities to offer free public beach parking, allows them to offer paid public beach parking and allows the SC Department of Transportation to restrict parking only if circumstances necessitate restrictions. The bill allows beach community parking fees to be used for maintenance of parking facilities; beach access, maintenance and renourishment; traffic and parking enforcement; first responders; as well as sanitation and litter control.

Billboards

Act 34/S667 provides options and parameters to adjust or relocate outdoor advertising signs to restore visibility.

Bills still active for the 2022 session of the General Assembly

Many of the more than 300 bills that the Association tracked during the 2021 session did not pass. Because this is the first of a two-year session, any bill that did not pass is still active for the 2022 legislative session beginning in January. Find all the bills the Association tracked for cities and towns during the 2021 session online at www.masc.sc (keyword: legislative tracking). Several of the most important pending bills are listed below.

Business Licensing

H4387 exempts rental property from the business license tax if it is rented by a business owned by the same owner or owners. This bill was introduced on the last day of the session and will be debated when legislators return in January.

Vaping Preemption

H3681 prohibits political subdivisions from enacting ordinances that pertain to the ingredients, flavors or licensing of cigarettes, e-cigarettes, e-liquid, vapor, tobacco products or alternative nicotine products. The bill as originally written sought to preempt local governments from regulating tobacco-related businesses through zoning or business licensing. However, an amendment was adopted in the House Judiciary Committee that preserves ordinances regulating tobacco-related businesses passed prior to December 31, 2020. Another amendment was adopted in committee that affirms that cities and towns may continue to apply zoning and business license requirements on tobacco and vaping businesses. This bill was passed by the House and passed by the Senate Medical Affairs Committee. It's currently on the Senate contested calendar with five senators opposing the bill.

Building codes

H4060 makes the effective date of new residential building codes no earlier than five years, but no later than six years, from adoption of the last updates. The bill also makes the effective date for commercial building codes no earlier than two years, but no later than three years, after adoption. This bill was passed by the House of Representatives and sent to the Senate where it was referred to the Senate Labor, Commerce and Industry Committee.

Tort Reform

S82 increases the limits on liability from a loss to one person arising from a single occurrence to \$500,000 and the total limits from a loss arising out of a single occurrence to \$1 million. This bill was passed by the Senate and remains in the House Ways and Means Committee.

Zero Millage

S710 allows municipalities without an operating millage on January 1, 2021, to impose an operating millage. This bill was introduced in the Senate and referred to the Senate Finance Committee for consideration.

Law enforcement reform

H3050 as introduced required noncertified law enforcement officers to be accompanied by a certified law enforcement officer when operating in the line of duty. The bill was amended in the House Judiciary Committee to include several components from H3791, the Police and Communities Together Act, or PACT Act. These components include language related to failure to intervene, chokeholds, minimum standards for local agencies and compliance. House members also added language from H3866, the Ethical Policing Transparency and Accountability Act, that adds a "commitment to ethical policing" form to the list of documents that law enforcement agencies must submit to the Criminal Justice Academy. This bill was passed by the House and sent to the Senate where it was referred to the Senate Judiciary Committee.

Water charges

H3195 prohibits a municipality from charging water customers who live outside of the corporate limits more than it charges municipal residents. This bill was introduced in the House and referred to the House Labor, Commerce and Industry Committee.

Workers' compensation

S94 is a bill that excludes certain limitations on workers' compensation for a first responder diagnosed with post-traumatic stress disorder. The bill was amended to define PTSD diagnosis standards and the specific circumstances that constitute a "significate traumatic experience or situation." The Senate Judiciary Committee passed this bill and it remains on the Senate contested calendar.

A similar workers' compensation bill was introduced in the House. H3939 exempts injuries sustained by law enforcement in the line of duty from limitations on workers' compensation claims for injury caused by stress, mental injury or mental illness. The bill was amended to further define first responder and significant traumatic experience. The amendment also includes first responders who have been diagnosed with six of the listed disorders as defined by the Diagnostic and Statistical Manual of Mental Disorders. This bill was passed by the House and sent to the Senate where it was referred to the Senate Judiciary Committee.

Tree ordinances

H3989 prohibits a political subdivision from adopting or enforcing an ordinance or resolution that restricts the removal of trees on private property. The House Judiciary Special Laws subcommittee held a brief hearing on the bill receiving mostly testimony against the bill. The bill was given a favorable report by the subcommittee and sent to the full House Judiciary Committee for review in January 2022.

Enclave Annexation

H3198, the Local Government Efficiency Act, authorizes a municipal council to annex an area by ordinance if the area is no larger than 25 acres and is completely surrounded by the municipality for at least five years. The bill was introduced and referred to the House Judiciary Committee.

South Carolina Home Attainability Act

S528 mandates review period deadlines and caps taxes and fees local jurisdictions may charge on housing construction. This bill was introduced in the Senate and received one Senate Judiciary subcommittee hearing where it was carried over for further study and amendments.

Stay in the loop with the Association

The Municipal Association of SC has several ways for local elected officials to stay in the loop with action in the General Assembly.

- Read general background information on legislative topics in the monthly *Uptown* publication and get more detailed information in the *City Connect* blog.
- The Association's legislative tracking system allows for detailed searching of specific bills and daily legislative activity. *From the Dome to Your Home* is emailed out every Friday during the legislative session to recap the week's legislative action with details on bills and action needed from local elected officials.
- Every Monday during the legislative session, the *City Quick Connect* podcast brings listeners the prior week's legislative action coupled with interviews and discussions with the legislative team.
- Follow the Association and the Association's legislative team on Twitter for real-time notification of legislative happenings and Association news and resources.

The state budget

House and Senate members returned to Columbia on June 21 to adopt the budget conference report and June 29 to vote on Gov. Henry McMaster's 15 vetoes. The budget includes additional money in the Local Government Fund and provisos that address municipal audits.

The final budget includes these items:

- \$17.9 million to provide for the Local Government Fund base amount.
- \$10 million for a Rural County Stabilization Fund.
- \$3.7 million for the supplemental insurance policy for South Carolina firefighters diagnosed with cancer, which complies with Act 168, passed by the General Assembly in 2020.
- \$500,000 in recurring funds for post-traumatic stress disorder treatment services for first responders. This is an item that has been included in the budget since 2016, but it was funded with nonrecurring money. The budget allocates \$250,000 to the SC Law Enforcement Assistance Program for police officers, and \$250,000 is allocated to the SC First Responders Assistance and Support Team for firefighters.
- A 1% credit for employers' retirement system contributions to offset the annual increase.

Some provisos that made it into the final version of the budget have an impact on cities and towns:

- Proviso 105.6 directs the SC State Auditor to issue a statewide contract for auditing services for cities and towns to conduct annual audits, and directs the State Auditor to convene a working group of stakeholders to develop appropriate audit requirements for cities and towns.
- Proviso 98.9 compels the SC State Treasurer to release to cities and towns two years' worth of the Local Government Funds that are being withheld from them as a result of having not completed annual audits.

Hold the date for Regional Advocacy Meetings

Municipal officials will have 10 opportunities to attend a Regional Advocacy Meeting around the state this fall. These meetings give local leaders a chance to learn about what happened in the 2021 legislative session and what issues are still in play for the 2022 session. The meetings will also cover federal funding issues.

Each meeting begins at 11 a.m. and concludes by 1 p.m. with lunch. There is no charge for the meetings, but registration is required for an accurate head count for lunch and handouts. To register, visit www.masc.sc (keyword: RAM). For more information, contact Casey Fields at cfields@masc.sc or 803.933.1256.

September 8 The Edition at the Hartsville Museum, Hartsville September 9 Rock Hill Operations Center, Rock Hill September 14 Manning City Fire Department, Manning September 16 Rollins Edwards Community Center, Summerville September 21 C.C. Woodson Recreation Center, Spartanburg September 23 Walterboro Wildlife Center, Walterboro October 5 The Arts Center of Greenwood, Greenwood October 12 Lessie B. Price Aiken Senior and Youth Center, Aiken October 14 Cayce City Hall, Cayce October 26 Georgetown Police Department, Georgetown



Legislative Session by the Numbers

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