



2022 Legislative Tracking

Legislative Wins

S.1087 / H.4480 – Income Tax Reform

Last: S 1087 Passed Senate 39-0 / H. 4480 Passed House

Position: Support

Summary: *The Senate bill reduces the state income tax from 7%-5.7% for FY2023 and provides all South Carolina residents with a tax rebate (on a tiered scale). The bill also includes a property tax reduction for industrial property, essentially bringing the manufacturing property tax from 10.5% to 6%. The House bill is more modest, sponsored by House leadership and championed by Governor McMaster. It reduces the state income tax from 7%-6.5% for Fiscal Year 2023, and then reduces the personal income tax rate by about .1% over the next four years, bringing the income tax rate to 6% in Fiscal Year 2027. The plan includes the ability to pause the reduction if state revenue does not meet the projected goal.*

H.3126 – Vaccine Mandates

Last: Passed House. Amended in Senate. Returned to House.

Position: Oppose

Summary: *This bill prohibits businesses from being able to enforce a vaccine mandate if they choose to enact one. We scored a victory by severely weakening this assault on at-will employment. The full Senate removed a hefty surcharge on unemployment insurance taxes, equal to ten times the state's highest rate (roughly \$7,500 per employee per year), as well as the 9-month look-back period for applicability of unemployment benefits. However, an employer's unemployment tax rate will still be impacted by terminating an employee for a business policy and sets a bad precedent for state government interference in business operations and at-will employment. The Upstate Chamber Coalition opposes any legislation on a federal or state level that interferes with a business owner's ability to manage their operations and personnel.*



H. 4408 / S. 952 – ARPA Funding Recommendations

Last: Passed Each Body. Referred to Ways and Means and Senate Finance committees.

Position: Support

Summary: *These bills outline the allocation of nearly \$1 billion in funds from the federal government as part of the American Rescue Plan Funding. Both proposals allocate the funding towards transformative infrastructure projects, including water and sewer projects, broadband projects, and DOT project acceleration.*

H. 3590 – Hiring Qualified Teachers

Last: In Conference Committee

Position: Support

Summary: *This bill allows a percentage of teacher vacancies to be filled by non-certified teachers if a school has vacant positions five days before the beginning of a school year. The bill requires those non-certified teachers to enroll in a certification program. The original House bill allowed up to 25% of vacancies to be filled by non-certified teachers. The Senate amendment reduced that allowance to 10% of vacancies. The bill provides an opportunity for non-traditional teachers to enter the teaching pool as second careers, helps to fill a critical workforce need and allows for real-life experience to be brought into the classroom.*

H.3348 – Returning Citizens Tax Credit

Last: Passed the House. In Senate Finance Committee.

Position: Support

Support: *This bill mirrors a federal tax credit and would provide a tax incentive for a business to hire a veteran or a formerly incarcerated individual into a registered apprenticeship program. The tax credit is tiered, with a \$3,000 credit in year one, \$2,500 credit in year two, and \$1,000 in year three, as long as the employee remains employed by the company.*



S.1120 / H.5075 – Affordable Housing Tax Credits

Last: H. 5075 passed the House. S. 1120 passed the Senate.

Position: Support

Summary: *This bill revisits the 2020 Workforce and Senior Affordable Housing Act that created a state tax credit to be used in conjunction with a federal tax credit. Unexpected demand caused more than \$50 million on tax credits to be claimed in 2021 (the original estimate was \$16 million over 10 years). While the need is high, the approval of these credits has been paused while the state evaluates the best way to balance need with fiscal sustainability. The House Bill creates a cap of \$25 million annually, while the Senate Bill has a cap of \$15 million.*

S.295 – Occupational Licensing / Removing Workforce Barriers

Last: Passed Senate 44-0. Sent to House.

Position: Support

Summary: *This legislation would change existing policy by prohibiting a candidate from being disqualified for a license or an apprenticeship simply because of a prior felony conviction if they meet the other qualifications for the license or apprenticeship. The felony conviction **must not** be directly related to the license that an individual is applying for – i.e. an individual with a theft conviction cannot apply for a license to be a locksmith.*

H.3243 – Immigrant Licensure

Last: Passed House. Blocked on Senate Floor.

Position: Support

Summary: *This legislation extends access to professional licenses for Dreamers and other “undocumented” immigrants who came to the United States as a minor and have already been granted legal working status in the United States. There are at least 8,000 dreamers in our state. These individuals cannot apply for certain professional licenses and are banned from being a part of the workforce pool in critical need areas, including nursing.*

H.3620 – Penalty Enhancements for Hate Crimes

Last: Passed House. Blocked on Senate Floor.

Position: Support

Summary: *This legislation creates additional penalties for hate crimes in South Carolina. Protections are extended to people in six federally protected classes, plus LGBTQ protections. Additional hate crime penalties for stalking, harassment and property crimes were removed from the bill last year. South Carolina remains just one of two states without hate crimes legislation.*



H.3623 – Drug Weights

Last: Passed House. In Senate Judiciary.

Position: **Support**

Summary: *This bill would adjust the statute in South Carolina relating to felony and misdemeanor categories for drug weight presumptions, bringing us closer in line with our neighboring states. The change in weight categorization would change the number of felony convictions and help alleviate the number of individuals incarcerated and re-entering the workforce with a felony conviction. This ultimately helps to grow our workforce pool and address the ongoing shortages.*

S.984 – Service Fees

Last: Passed Senate.

Position: **Support**

Support: *This bill would revert legislative intent of a statute regarding county-imposed user fees and service fees to an earlier statute. The legislation would allow counties to impose fees for users to be used towards road maintenance projects etc. correcting action as a result of a state supreme court ruling against fees imposed by Greenville County.*

H.4805 – Franchise Fees

Last: Passed House

Position: **Support**

Summary: *This legislation would address the imposition of license taxes on corporations, changing the law so that the fee does not apply to any portion of the first fifty million dollars of certain capital stock and paid-in or capital surplus. South Carolina is one of only fifteen states that mandate these fees, putting us at a competitive disadvantage with our neighboring states in the Southeast who either do not have the fee, or have capped their fees*

H.3106 – State Pension/Employee Contribution Rates

Last: Passed House

Position: **Support**

Summary: *This legislation addresses employer and employee contribution rates under the South Carolina Pension system. With this change, employers could elect to pay all or a portion of the mandatory employee contribution, increasing competitiveness by growing the employee's take home pay.*



Opposed Legislation that Did Not Meet Crossover Deadline

H.3938 – Inclusionary Zoning

Last: Died on House Floor

Position: **Oppose**

This bill would allow local government to adopt inclusionary zoning to, in theory, increase the availability of affordable housing. While we fully support affordable and workforce housing, numerous studies have shown that the usage of inclusionary zoning has a negative impact on development and the availability of affordable housing.

Agenda Items not Addressed This Session

Tort Reform/Joint and Several Liability

Systemic Pension Reform

Childcare Accessibility & Affordability

Tourism Advertising Funding Increase