

South Carolina Farm Bureau State Legislative Weekly Update March 18, 2022



This week at the State House:

DHEC Reform Passes Senate – and Thank You! SC Grain & Cotton Guaranty Fund Headed to the House House Budget Delivered to the Senate Statewide Candidate Filings Begin Speaker of the House to Retire

What a week! There was a lot of activity this week at the State House. The restructuring of DHEC was debated in the Senate, SC Grain and Cotton Producers Guaranty Fund moves to the House, a \$13.9 billion spending plan was adopted in record time, candidate filing begins and the top House leader retires.

See below for details:

DHEC Reform Bill Garners Debate, Then Quick Passage

S. 2, the long-discussed legislation introduced by Senate Finance Committee **Chair Harvey Peeler** (Senate District 14 - Cherokee, Spartanburg, Union and York) and others, splitting the large agency into two separate health and environmental state entities, received priority debate in the Senate this week, with several attempted amendments.

The most important to SCFB was an attempt by **Sen. Chip Campsen** (District 43 - Beaufort, Charleston and Colleton) to prohibit all of the state's water oversight and planning functions from being transferred to the newly created SC Department of Environmental Services and instead remaining within the SC Department of Natural Resources. SCFB has consistently opposed this idea as we maintain the inefficiency and duplication of efforts by having water regulation and control in multiple agencies with different missions is ineffective. A single, environmentally-focused agency is best for all users and related stakeholders.

Thanks to our GR team and SCFB members' vital grassroots response to our Call To Action, Sen. Campsen subsequently withdrew his amendment and the bill passed unanimously with the newly reformed environmental arm of DHEC maintaining authority of our water resources. S. 2 now heads through the House committee process for discussion. SCFB's GR team will continue to advocate for the bill's passage as currently drafted.

Thank you for your quick response to help protect one of our top priorities!

SC Grain and Cotton Producers Guaranty Fund Passes Senate

S.1117 rolled out of the Senate with a unanimous 43-0 vote Thursday. Senate Ag Subcommittee **Chairman Scott Talley** explained the bill to the members of the Senate prior to the vote. The language adds cotton to the state's agricultural commodities list to provide self-assessment insurance against potentially unforeseen disasters. It also creates the South Carolina Agricultural Commodities Advisory Commission to assist the Department of Agriculture with the duties and administration of the fund. The bill now heads to the House Ag Committee for discussion.

House Passes Annual Budget Bill in One Day

In the quickest debate on record, the House adopted their version of this year's budget bill and sent the plan to the Senate to continue the process. This year the Legislature has an additional \$4.6 billion to spend and the House plan sets aside \$600 million of that to begin a phase-in income tax cut. Teacher salaries, funding for road improvement and infrastructure, as well as continuing tuition freezes at the 4-year state universities were some top priorities. The Senate has already begun their version of the plan and the most contentious negotiations are expected to come as both bodies attempt to combine their respective statewide tax reduction and rebate plans into one.

Relatedly, **Chairman Harvey Peeler's** separate tax reduction bill labeled the "**Comprehensive Tax Cut Act of 2022**" passed the Senate this week. The bill now heads to the House for consideration. The legislation lowers the highest tax bracket to 5.7%, establishes the ability to deduct all military income as well as appropriate \$1B from the Contingency Reserve Fund to the Taxpayer Rebate Fund that would provide tax rebates to all taxpayers.

2022 Local and Statewide Campaigns Begin in Earnest

Wednesday, March 16th marked the official beginning of campaign season! The candidate filing period is open until March 30th. All candidates seeking office in the 2022 General Election must file during this two-week period. The state and U.S. Senate are not up for election until 2024.

In addition to shake-ups in House leadership, several other representatives have formally announced their retirement from public office thus far:

Bruce Bryant (R) – York
Joe Daning (R) - Berkeley
Sandy McGarry (R) – Lancaster
Jonathon Hill (R) – Anderson
Chip Huggins (R) – Lexington
Leola Robinson (D) – Greenville
Garry Smith (R) - Greenville

Some House members admit to still being undecided on their plans due to recent redistricting changes.

Speaker of the House Jay Lucas Announces Retirement

In a surprise to many this week, Speaker of the House **Jay Lucas** (House District 65 - Chesterfield, Darlington, Kershaw and Lancaster) announced he is retiring after twenty four years of service in the House of Representatives. Speaker Lucas emotionally addressed the House this week at the conclusion of the budget debate stating that he wanted them to be the first to know of his decision. This infrequent change in leadership will begin a domino effect of shifts in power. We will continue to monitor these consequential developments.

Introductions

H.5134, introduced by **Rep. Ryan McCabe** (District 96 – Lexington) and others, creates a property tax exemption for certain buildings located on farm property, specifically “all farm buildings and agricultural structures owned by a producer in the state used to house livestock, poultry, crops, farm equipment, or farm supplies.” The bill was referred to the House Ways & Means Committee.

H. 5096, introduced by **Rep. Russell Ott** (District 93 - Calhoun, Lexington and Orangeburg) includes livestock trailers in the current list of items capped at a \$300 sales or lease tax maximum. The bill was referred to the House Ways & Means Committee.

SC Farm Bureau staff will continue to advocate for agriculture and monitor these developing initiatives while providing timely updates too our members.