

State House News: April 17th – 21st

April 21, 2017

Senate Begins Gas Tax Debate... To Be Continued

After procedural maneuvering to begin floor debate on the [gas tax proposal](#), the Senate endured three days of prolonged discussion on the House approved bill. On April 19, the Senate adopted the Senate Finance Committee's [amendments](#), which increases the total amount of the plan to roughly \$800 million for road maintenance and improvements.

Currently, the bill being considered by the Senate increases the total tax by 12 cents per-gallon over six years to generate \$200 million more than the approved House version. The House approved a total increase of 10 cents per-gallon over five years to raise \$600 million. The Senate Finance amendments also strip the House's additional Department of Transportation reforms from the bill, which committee leadership previously stated were removed from the bill in an effort to quickly move the bill to the floor.

Senators also considered a variety of other floor amendments, including income tax breaks, industrial property tax reductions, and an optional local penny tax referendum, but so far the body has declined to adopt any additional amendments.

On multiple occasions, Gov. **Henry McMaster** (R) has expressed his dislike of the gas tax proposal, stating that it should be a "[last resort](#)" for infrastructure maintenance and improvement funding. Gov. McMaster, who in February formally asked President Donald Trump for [\\$5 billion in federal funds](#) for infrastructure funding, also stated that he will [veto](#) the legislation if it makes it to his desk. This week, he called on Charleston Republicans to reach out and [urge their Senators to vote against the proposal](#).

On April 18, members of the House [called on the Senate and Gov. McMaster](#) to move the proposal forward. House Speaker **Jay Lucas** (R-Darlington) and Democratic Minority Leader Rep. **Todd Rutherford** (D-Richland) both said that funding for improvements to the state's roads is long overdue, criticizing the Senate's refusal to act on the legislation. After discussing the compounding cost of the legislature's inaction to the state's infrastructure maintenance needs, the numerous fatalities and property damage from the failing roads, and the importance of solid infrastructure for the state's economic development prospects, the House urged the Senate to give the proposal proper consideration, especially as only nine legislative days remain.

The state's 16.75 cent-a-gallon gas tax is the second lowest in the country and has not been raised in the last 30 years, nor indexed for inflation.

Before Senators left for the week on Thursday, Senate President *Pro Tempore* **Hugh Leatherman** (R-Florence) told Senators that he is glad they are taking up the roads bill. He said, "We absolutely have to deal with [this]. [I hope the Senate will rise to the occasion.](#)" He told Senators to anticipate spending the entirety of next week on the proposal, as well. Sen. Leatherman is also prepared to call for Friday and Saturday session next week if necessary for the Senate to come to agreement on the infrastructure funding proposal.

Budget Conference Upcoming

After the Senate returned the budget to the House on April 6, the House began preparing for the upcoming budget conference on [H. 3720](#) and [H. 3721](#). But after a week of debate on other issues, the House has yet to discuss the Senate amendments returned to them. Work on the budget plan is expected to begin late next week or the beginning of the following week.

The House's [bond proposal](#) for the state's capital improvement needs, which Gov. **Henry McMaster** (R) urged the legislature to [utilize for infrastructure funding instead](#) of capital improvement in early April, has yet to be approved by the House.

Governor Orders Agencies to Dump Regulations Deemed Bad for Business

On April 20 amid the continued gas tax debate, Gov. **Henry McMaster** (R) [announced an executive order](#) directing the state's agencies to identify and remove regulations that hurt businesses in the state.

Although no specific regulations were discussed, Gov. McMaster said, "We'd like to cut a lot of them. This administration's cabinet is dedicated to this."

Medical Marijuana Proposal Losing Steam

The [S.C. Compassionate Care Act](#) appears to have stalled for the year as the legislative days pass without committee action in either body. Despite increasing support in the House, the Medical, Military, Public and Municipal Affairs Committee has failed to move the legislation forward to the floor. Opposition from the state's law enforcement community and leadership has continued to have great impact on the proposal.

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