

State House News: January 10th – 14th

January 14, 2022

2022 Legislative Session Begins

The second regular session of the 124th General Assembly <u>reconvened on Tuesday</u>, with <u>members focused</u> on the state budget, allocating ARPA funding, certificate of need, Congressional redistricting, and continued fallout from Covid-19 over the next few weeks. The legislative session runs through the second Thursday in May, with the General Assembly expected to adjourn Sine Die on Thursday, May 12th.

Certificate of Need takes Center Stage in Senate

Members of the Senate wasted no time in advancing debate on the state's certificate of need program, <u>setting S. 290</u> for special order on Tuesday and debating the legislation the majority of the day on Wednesday. A growing number of <u>Senators are pushing for full repeal of the program</u>, arguing that health care providers should not have to request a certificate of need to build new facilities, expand beds or services, or purchase equipment. Members of the "free market movement" hosted a press conference on Wednesday, with some doctors and Senators arguing that elimination of the CON process would lead to more competition and increased access to care. Other entities are pushing for reform over repeal, with an amendment crafted by the South Carolina Hospital Association that included reducing the timeline for legal challenges and increasing the threshold for equipment purchases failing by a 31-9 vote, with opponents of the amendment arguing it didn't go far enough.

The Senate adjourned Thursday without taking any <u>additional action on the legislation</u>, however, Senate Majority Leader Shane Massey reported to the body that a group of Senators has plans to meet over the weekend in hopes of coming up with compromise language. The Senate is expected to finish the certificate of need debate next week.

Congressional Redistricting Plan Moves Forward

A House Judiciary Redistricting Subcommittee and full House Judiciary Committee met on Monday, <u>giving approval to</u> <u>their version of the state's Congressional redistricting plan</u> before session convened on Tuesday. The House spent the majority of their day on Wednesday debating the plan, with <u>critics of the plan arguing</u> that it doesn't leave the state with any competitive districts and cements a 6-1 Republican majority within the state's Congressional delegation.

The House plan moved forward on a 74-35 party line vote and now heads to the Senate for consideration. A Senate subcommittee met Thursday to hear testimony on their two versions of the districts and it is expected that the Senate plan will move to the floor for debate in the next week. Lawmakers passed updated House and Senate districts when they reconvened in December and should have Congressional redistricting finalized in the next two weeks.

The Budget Process Begins

Governor Henry McMaster released his <u>Executive Budget</u> on Monday, outlining his priorities for the 2022-23 state budget and the state's share of the American Rescue Plan funding. <u>McMaster's priorities for the state budget include</u>: \$500M for the state's rainy-day fund; \$183M for deferred maintenance at the state's higher education institutions; \$120M for K-12 education reform; \$177M for a personal income tax cut; \$20M for the state's nursing shortage; and \$20M for education savings accounts. Priorities for the state's ARPA funding include: \$500M for water and sewer infrastructure; \$400M for broadband expansion; and \$100M for a new DHEC laboratory. A Senate Finance ARPA Subcommittee met Tuesday afternoon, beginning discussions on their priorities for the state's allocation of ARPA funding, highlighting their desire to also invest in rural water and sewer infrastructure and broadband expansion, similar to what Governor McMaster proposed in his Executive Budget.

The House Ways and Means Committee released their <u>budget schedule</u> last week, with budget subcommittee meetings beginning this week. The full Ways and Means Committee plans to debate the budget February 22-24, while the full House currently plans to take up the budget March 14-17. House Ways and Means Budget Subcommittees will continue to hear budget requests from agencies and other parties over the coming weeks.

2022 Elections

2022 marks an election year for members of the SC House of Representatives and all of the state's Constitutional Officers. Filing for elections opens March 16th and closes on March 30th. Representatives Sandy McGarry (R-Lancaster) and Garry Smith (R-Greenville) have already announced that they will not run for reelection. Representative Mandy Kimmons (R-Dorchester) <u>announced that she was resigning</u> from her seat on December 21, and Representative Tommy Stringer (R-Greenville) resigned for health reasons effective January 9th, setting up a special election in both of these districts before the general election later this year.

To date, Superintendent of Education Molly Spearman is the only Constitutional Officer who has announced she is not running for reelection.

Please contact a member of the McGuireWoods Consulting team if you would like more detailed information. <u>Gov. Jim Hodges</u>, President <u>Billy Boan</u>, Senior Vice President and Director <u>Michael Anzelmo</u>, Senior Advisor <u>Amber Barnes</u>, Senior Vice President <u>Susan Bowling</u>, Senior Vice President <u>Sara Brown</u>, Assistant Vice President <u>Brian Flynn</u>, Senior Vice President <u>Robin Parsons</u>, Assistant Vice President <u>Graham Tew</u>, Senior Vice President <u>McGUIREWOODS</u>

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