

Veldran, Katherine

From: Mottel, Haley
Sent: Wednesday, May 13, 2015 7:50 PM
To: Baker, Josh; Veldran, Katherine; Burns, James; Smith, Austin; Schimsa, Rebecca
Subject: Leg Update/Meeting Schedule
Attachments: 5.13.2015 Legis Policy Update.docx

Thursday, May 14

Senate: Session 11:00

- **9:00 am -- Gressette Room 308 -- Labor, Commerce and Industry Committee**
 - **Appointments:** Housing, Finance, and Development Authority, Board of Barber Examiners, Donate Life, Real Estate Commission
 - **Regulations:** Board of Pharmacy, Board of Nursing, State Fire Marshal
 - **No bills on the agenda**
- **9:00 am -- Gressette Room 207 -- Medical Affairs Subcommittee on Regulations**
 - **Regulations: DHEC -- INCLUDING:**
 - **Regulation 4538 -- DHEC: Certification of Need for Health Facilities and Services**
- **10:00 am -- Gressette Room 209 -- Judiciary Subcommittee**
 - **H.3154, Sandifer- S.C. Uniform Military and Overseas Voters Act**

House: Session 10:00

- **9:00 am -- Blatt Room 427 -- 3-M Subcommittee V, Social Services, Mental Health and Children's Affairs**
 - **S.474, O'Dell -- Patient's rights**
 - **S.341, Kimpson - Renal medullary carcinoma**
- **9:00 am -- Blatt Room 516 -- Judiciary Criminal Laws Subcommittee**
 - **S. 199, Grooms - Peanut's Law**
 - **H. 3863, Tallon - Bail Bondsmen**
 - **H. 3133, Rutherford - Sex Offenders**
- **9:00 am -- Blatt Room 515-A -- Judiciary Election Laws Subcommittee**
 - **H. 3862, Quinn - Confirmation of Retired Judges**
- **9:00 am -- Blatt Room 403 -- Labor, Commerce and Industry Committee**
 - **S.441, Hayes - Guaranteed Asset Protection Act**
 - **S.375, Hayes - Local Government Surplus Funds Deposits**
 - **S.301, Alexander -- SC Board of Accountancy**
 - **S.304, L. Martin -- Contracts to Buy Power**
 - **S.389, Lourie - Business Development Corporations**
 - **S. 277, Alexander -- State Telecom Equity in Funding Act**
 - **H.3217, Long - Developer of a common interest community**
- **9:00 am -- Blatt Room 521 -- Ways and Means Property Tax Subcommittee**
 - **S. 153, Shealy - Disabled Veteran Tax Exemption**
 - **S. 379, Courson- County Tax Officials**
- **9:30 am -- Blatt Room 511 -- Environmental and Natural Resources Subcommittee Regulations and Administrative Procedures Committee**
 - **Regulations:**
 - **Document 4552, Reg. 61-28, 61-38, 61-39, 61-40, 61-42, 61-46, regarding Horse & Kangaroo Meat; Fairs, Camp Meetings, and other Gatherings; Camps; Mobile/Manufactured Home Park; Sanitation of Schools; Nuisances**

- o Document 4546, Regs. 123-40, 123-51, and 123-52, regarding Wildlife Management Area Regs.; Turkey Hunting Rules and Seasons; and Either-Sex Days and Antlerless Deer Limits for Private Lands Game Zones
 - o No bills on the agenda
- Upon adjournment of the House -- Blatt Room 516 -- Judiciary Constitutional Laws Subcommittee
 - o H. 3949, J. Smith - Employment Discrimination
 - o H. 3177, Taylor - Convention of the States
 - o H. 3096, McCoy - Balanced Budget

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Mottel, Haley

From: Baker, Josh
Sent: Friday, December 05, 2014 2:39 PM
To: Veldran, Katherine; Mottel, Haley; Packard, Clark; Schimsa, Rebecca
Subject: Prefiles - categorical list

Good afternoon,

Here's a first run at the pre-files – a more complete list will be put on the share drive tonight.

Ethics/FOIA

S. 0001 – Larry Martin – 2015 Ethics Reform Act
S. 0011 – Larry Martin – Notice of Public Meetings
S.0014 – Rankin – Financial disclosure, lobbyist registration, campaign finance
S.0074 – Campsen – 2015 Ethics Reform Act
S.0137 – Cleary – Term Limits

Judicial Reform

S.0104 – Bright – 20 year ‘cool off’ before members of General Assembly may become judges
S.0111 – Bright – Appointment of judges by the Governor
S.0112 – Bright – Appointment of judges by the Governor

Domestic Violence/DSS

S. 0003 – Larry Martin – Criminal Domestic Violence
S. 0010 – Larry Martin – Autopsy public records
S. 0019 – Jackson – Dating violence
S.0054 – Campsen – Limits probation for violent offenders
S.0056 – Massey – Availability of restricted data collected by EMTs
S.0060 – Campsen – Child support obligations
S.0150 – Shealy – South Carolina Child Welfare Reform Act of 2015
S.0151 – Shealy – Custody determinations

Transportation

S. 0002 – Setzler – Interstate Lane Expansion Fund
S. 0023 – Grooms – Gas tax for LNG
S. 0027 – Grooms – Income/gas tax swap

Education

S.0024 – Grooms – Codification and expansion of school choice tax credits
S.0043 – Malloy – South Carolina College and University Board of Regents
S.0044 – Malloy – Year-round schooling
S.0045 – Malloy – District calendar approval
S.0046 – Malloy – Teacher performance bonuses
S.0049 – Malloy – 4K expansion
S.0050 – Malloy – 4K expansion
S.0051 – Malloy – Statewide wireless internet access for schools

Taxation and Spending Generally

S. 0005 – O’Dell – Increase Homestead Exemption to \$60,000
S.0026 – Grooms – South Carolina Fair Tax Act
S.0061 – Campson – Annual spending limitations

S.0062 – Campsen – Increasing fines and fees by separate act
S.0064 – Campsen – Long-term care premium tax credit
S.0155 – Shealy – Eliminates the income tax

Criminal Justice Generally

S. 0004 – Setzler – Jim’s Law – Private Security Arrest
S. 0007 – Jackson – Child Support for inmates
S.0017 – Jackson – Workforce opportunity act – disclosure of criminal history
S.0020 – Jackson – Expungement
S.0037 – Bryant – Immunity from prosecution
S.0047 – Malloy – Requires law enforcement body cameras
S.0048 – Malloy – Study committee on Racial Profiling
S.0052 – Campsen – Home invasion protection act
S.0053 – Campsen – Expand civil jurisdiction of Magistrates
S.0065 – Campsen – Revision of sentences
S.0067 – Campsen – Drug Courts

Military

S. 0006 – Hayes – Uniform Deployed Parents Custody and Visitation Act
S.0033 – Bryant – Retired military pay deductions
S.0042 – Bryant – Retired military pay deductions

Restructuring

S.0008 – Larry Martin – Ratify Adjutant General amendment
S.0059 – Campsen – Appoint Comptroller General
S.0063 – Campsen – Appoint Commissioner of Agriculture
S.0068 – Campsen – Constitutional Amendment to appoint Superintendent of Education
S.0069 – Campsen – Enabling legislation to appoint Superintendent of Education
S.0070 – Campsen – Appoint Secretary of State
S.0120 – Bright – Constitutional Amendment to appoint the Superintendent of Education

Abortion

S.0025 – Grooms – Pain Capable unborn Child Protection Act
S.0028 – Grooms – Pain Capable Unborn Child Protection Act
S.0034 – Bryant – Prohibits pharmaceutical abortions

Federal

S.0029 – Grooms – US Constitutional Convention
S.0030 – Grooms – US Balanced Budget Amendment
S.0031 – Grooms – US Defense of Marriage Amendment

Environment and Conservation

S.0057 – Campsen – Turkey
S.0058 – Campsen – Surface water withdrawal
S.0066 – Campsen – Killing animals in self defense

Other/Misc.

S. 0009 – Cleary – Ratify bingo amendment
S. 0013 – Rankin – Common Interest Community Education
S.0015 – Alexander – Installation of fire sprinklers
S.0016 – Gregory – Workers compensation applicability to longshoremen
S.0018 – Jackson – South Carolina Homeowner Protection Act
S.0021 – Grooms – Vision assistance relating to drivers licenses
S.0022 – Grooms – Establish or repeal laws by petition or referendum
S.0032 – Cleary – Petition and referendum for passing or repealing laws
S.0035 – Bryant – Investing PEB funds

S.0036 – Bryant – Second amendment protection
S.0038 – Bryant – Recovery of tenant debt
S.0039 – Bryant – Structures of local governments
S.0041 – Bryant – Regulation of municipal utilities
S.0055 – Campsen – Local government reapportionment

Resolutions

S.0040 – Bryant – Water management

Mottel, Haley

From: Matt Niehaus <mniehaus@hbaofsc.com>
Sent: Friday, November 20, 2015 2:16 PM
To: Mottel, Haley
Subject: Business License Fee Study
Attachments: SC system of business licensing reform book.pdf

Haley,

It was good to see you on Wednesday, and I hope you survived the Ways and Means meeting. I wanted to follow up on our conversation about business license fee reform. I have attached a copy of the study I mentioned during our conversation. This study accurately depicts the challenges face by small business when complying with the myriad of business license fee requirements in our state. Please feel free to share this info with the rest of your office. If you have any questions, please let me know.

Thank you

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REFORMING South Carolina's System of Business Licensing

Russell S. Sobel, Ph.D.

About the Author

Russell S. Sobel, Ph.D., is a native of Charleston, South Carolina. He earned a Bachelor's degree in business economics from Francis Marion College in 1990, and a Ph.D. in economics from Florida State University in 1994. Dr. Sobel has authored or co-authored over 150 books and articles, including *Principles of Economics*, a nationally best-selling college textbook. His research has been featured in the *New York Times*, *Wall Street Journal*, *Washington Post*, *U.S. News and World Report*, *Investor's Business Daily*, and *The Economist*. He has also appeared on CNBC, Fox News, CSPAN, NPR, and the CBS Evening News. Dr. Sobel serves on the editorial board for three academic journals and on the advisory board for four university centers. He has won numerous awards for both his teaching and his research, including the 2008 Sir Anthony Fisher Award for best state policy publication of the year. A professor of both economics and entrepreneurship, Dr. Sobel frequently conducts courses for groups around the country, including an economics course for U.S. congressional staff. He serves on the Regional Advisory Committee for the South Carolina Revenue and Fiscal Affairs Office, Board of Economic Advisors. His recent research focuses in the areas of state economic policy reform and entrepreneurship. Dr. Sobel is currently a Visiting Scholar in Entrepreneurship in the School of Business at The Citadel.

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REFORMING

South Carolina's System of Business Licensing

Introduction

South Carolina's current system of business licensing is in dire need of reform. Chief among the many problems addressed in this report are the unnecessary complexity of the current system and the cost burden of compliance (for both businesses and localities seeking to enforce it). The current system drains resources from small businesses, discourages competition that would benefit consumers, is overly selective, and is subject to political manipulation. The licensing system has strayed from its original purpose and essentially functions as a revenue source for local governments, which both harms the economy and is needlessly costly to administer and enforce.

Unfortunately, since local governments have no incentive to improve the system on their own, reforms can only achieve success if they are implemented across all jurisdictions simultaneously, by state-level legislation. South Carolina's state constitution recognizes that local governments are indeed political subdivisions created by the State.¹ Their power of taxation is derived from the State: "...the legislative branch of the government has the exclusive power of taxation, but may delegate it to towns for municipal purposes and may, therefore, restrict the towns in that respect."² There is historical precedent for the State regulating the local licensing system when the State placed caps on the level of municipal business license taxes out of concern that localities were levying unreasonably high tax levels.³

It is the State's constitutional responsibility to reorganize and repair this outdated and burdensome system of business licensing that local governments have no incentive to improve. This is precisely the step recently taken by the neighboring state government in North Carolina, as explained in this report.

One specific problem with the current system, the fact that the tax must be levied on gross income, must be solved by state-level legislation, as it is mandated by state statute: "Each municipality can levy a business license tax measured by gross income. SC Code Sec. 5-7-30 No other basis is authorized, except for certain businesses,"⁴ and "[t]he general statutory basis for levying a business license tax requires it to be measured by gross income. SC Code Sections 4-9-30(12) and 5-7-30."⁵

This report begins by examining why improving the system matters, the logic behind a well-functioning system of business licensing and taxation, and how South Carolina's current system departs from these principles. The report concludes by examining how South Carolina can reform its business license system and discussing the steps taken by regional and competitor states that have recently enacted reform.

¹ Municipal governments are creatures of statute and possess only the powers given to them by the State. S. C. Constitution Article VIII, §§ 7, 9.

² South Carolina Supreme Court, see Quirk, William J. "Nature of a Business License Tax." South Carolina Law Review, Vol. 32, 1981, page 482.

³ See the two examples given in Quirk, William J. "Nature of a Business License Tax." South Carolina Law Review, Vol. 32, 1981, footnote 68 and page 490.

⁴ Municipal Association of South Carolina, Business License Handbook, October 2013, page 1.

⁵ Municipal Association of South Carolina, Business License Handbook, October 2013, page 11.

Why It Matters

Despite South Carolina's abundant resources, educated workforce, growing population, and productive waterways, the state ranks poorly on measures of economic well-being. In terms of personal income per capita, South Carolina ranked 48th among the 50 U.S. states, making the Palmetto State the 3rd poorest state in the nation in 2013.⁶ With personal income per capita of \$35,453, the average South Carolinian's income is 79.6 percent of the U.S. average, and 89.2 percent of the average for states in the Southeast.

“If South Carolina wants to grow, prosper, and have more employment opportunities, the impact of policies on the environment for entrepreneurship must be critically examined.”

South Carolina not only has a relatively low level of per capita income, but the growth rate of income also lags behind other states. Between 2012 and 2013, for example, South Carolina's per capita personal income grew at 1.13%, the 46th worst growth rate in the country that year, and only 61.1 percent of the average growth for the country as a whole (and 72.4 percent of the average growth of states in the Southeast).⁷

South Carolina's labor force participation rate is the 6th lowest in the country, with only 58.8 percent of the working-age population actively engaged in the state's labor market.⁸ There are many South Carolinians who could, and would, generate income for themselves if it were easier to become an entrepreneur or if employment opportunities with a new business were expanded.

A large share of the differences in economic growth rates across geographic areas is explained simply by differing levels of entrepreneurial activity—that is, areas with more entrepreneurship have faster economic growth. Reynolds, Hay, and Camp (1999), for example, find that one-third of the difference in economic growth rates across areas is explained by differing levels of entrepreneurship, while Zacharakis, Bygrave, and Sheperd (2000) find that differing levels of entrepreneurial activity explain approximately one-half of the difference.⁹

Entrepreneurship is a primary driving force behind economic growth and prosperity. If South Carolina wants to grow, prosper, and have more employment opportunities, the impact of policies on the environment for entrepreneurship must be critically examined. As this report will illustrate, South Carolina's current system of business licensing is an obvious impediment to entrepreneurship.

The actions of entrepreneurs not only create wealth and jobs, but also create new goods and services that improve the well-being of consumers. During the past century alone, medical innovations have resulted in life expectancy increasing by approximately 30 years in the United States¹⁰, and those years are spent in more comfort because of entrepreneurs such as Willis Carrier, who invented modern air conditioning, and Italian immigrant Candido Jacuzzi, who developed the first hydrotherapy pump for bathtubs to help his son who suffered from juvenile rheumatoid arthritis.

6 U.S. Department of Commerce, Bureau of Economic Analysis, series SA1-3, Personal income summary

7 U.S. Department of Commerce, Bureau of Economic Analysis, series SA1-3, Personal income summary

8 U.S. Department of Labor, Bureau of Labor Statistics, state and local area labor force statistics

9 Reynolds, P. D.; Hay, M., and Camp, S. M. (1999) *Global Entrepreneurship Monitor*. Kansas City, Missouri: Kauffman Center for Entrepreneurial Leadership; and Zacharakis, A. L.; Bygrave, W. D., and Shepherd, D. A. (2000) *Global Entrepreneurship Monitor: National Entrepreneurship Assessment*. United States of America: Kansas City, Missouri: Kauffman Center for Entrepreneurial Leadership.

10 Life expectancy at birth was 78.7 in 2010 and 47.3 in 1900 [source: United States Centers for Disease Control and Prevention: National Vital Statistics Reports, Vol. 63, No. 7, November 6, 2014, Table 19].

Economists have long recognized the important role that entrepreneurs play in advancing society. Schumpeter (1942) described how entrepreneurs search for new combinations of resources, guided by the profit and loss system, and unleash a process of 'creative destruction' in which new goods and services replace old ones.¹¹ Kirzner (1997) argued that the entrepreneurial discovery process is vital to the effectiveness of markets.¹²

As Baumol (2004) demonstrates, most new innovations do not come from existing large companies, but rather from the entrepreneurial insights of new small businesses. Promoting entrepreneurship and economic growth means promoting the growth of new small businesses through policy reform that lowers the obstacles and barriers to opening and growing a small business.¹³

It is against this backdrop that this study examines the system of business licensing in South Carolina. The current system has significant negative impacts on both the creation and growth of new entrepreneurial businesses that can be eradicated with a few simple reforms.

Principles Underlying a Sound and Effective System of Business Licensing

From the standpoint of economic theory, a well-functioning system of business licensing would satisfy a clear list of criteria:

- A process that treats businesses fairly, similarly, and equally.
- A process that is reasonably straight-forward and economical so that businesses can comply with it, and government agencies can administer and enforce it.
- A process that promotes oversight of business and compliance with other laws, taxes, and reporting procedures.
- A process that creates a clear and rational link between the fees charged and the public services
- the license actually provides—that is, fees that are linked to the public services provided or consumed by business that are not already covered through other forms of business taxation.
- A process that promotes competition to improve quality and lower prices for South Carolina consumers.
- A process that does not seek to generate government revenue by unnecessarily draining businesses of the funds they would use to reinvest in order to grow.

Unfortunately, South Carolina's current system fails to meet all six of these important criteria. This report continues by addressing each of the above principles in greater detail along with suggestions for reform.

11 Schumpeter, Joseph A. 1942. *Capitalism, Socialism and Democracy*. New York: Harper.

12 Kirzner, Israel M. 1997. "Entrepreneurial Discovery and the Competitive Market Process: An Austrian Approach." *Journal of Economic Literature*, 35(1): 60-85.

13 Baumol, William J. "Education for Innovation: Entrepreneurial Breakthroughs vs. Corporate Incremental Improvements," NBER Working Paper 10576 (June 2004).

1. Treating Businesses Fairly, Similarly, and Equally

Standard public finance theory is clear that government taxes and fees should satisfy a principle known as 'horizontal equity'—a principle that says that equals should be treated equally. The principle extends far beyond business licensing and taxation. We should all be equal before the law. Regardless of our sex, race, or income, laws are laws and should be applied equally and fairly to everyone. Individuals should not be arbitrarily treated differently. There should be no discrimination. Even more troubling than random arbitrary differences is when the differences are a function of the political influence that individuals have. Quite simply, people with political connections should not get favors or breaks that are not given to everyone.

South Carolina's system of business licensing strays far from this basic principle. Each municipality requires businesses to pay a business license fee. However, the fee is not the same for all businesses, nor even calculated on the same basis. In the city of Charleston, for example there are seven 'rate classes' and dozens of specific rates and exemptions for selected industries. While food stores, auto dealers, and gasoline stations are under rate class 1, travel agencies, apparel stores, and eating and drinking establishments are in rate class 2. Although, eating and drinking establishments that are primarily nightclubs are instead in rate class 7. Rate class 3 includes concrete products, electrical equipment, and motor freight transportation; while rate class four includes tobacco, printing, and auto repair. Class 5 includes security and commodity brokers, passenger transportation and communication; while class 6 includes credit agencies, insurance agents, fishing and hunting, and social services. Finally, class 7 includes taxi licenses, billiard tables, and amusement machines.

In addition to this confusing system of classification, there are numerous exceptions and special rates for specific industries, including for radio telephone communications, railroad companies, night clubs, insurance companies, computer programming, and insurance.

Charleston is not alone. Similar mazes of rules exist for the other cities and counties that have business licenses, and these lists vary widely across the localities—resulting in an inconsistent system of fee formulas across the state that creates considerable confusion and administrative costs. Even the small town of Lincolnville has a lengthy 55-page business license ordinance document with which business owners must comply.¹⁴

This inconsistency is both defended by the localities and subject to their discretion under current law. Consider the following examples from the Municipal Association of South Carolina, Business License Handbook:

"Federal nor state law provides any guidelines for determining when a license tax is reasonable...If different rates are to be charged for different classifications, it necessarily follows that the city council must use its judgment and set the different rates to be collected. In deciding whether the tax is reasonable, it has been held that the reasonableness

“South Carolina’s system of business licensing strays far from this basic principle. Each municipality requires businesses to pay a business license fee. However, the fee is not the same for all businesses, nor even calculated on the same basis.”

¹⁴ See <http://www.charlestoncounty.org/departments/revenue-collections/files/LincolnvilleBL.pdf>

is largely within the discretion of the city council.” [Page 4]
“The legislative purpose of the license tax is simply to raise revenue for operation of the city or county. Uniformity between classes is not required. *Carter v. Linder*, 303 SC 119, 399 S.E.2d 423 (1991)... the court may require a showing of a rational basis for a wide disparity in rates between classes, overlooking the general rule that equal protection applies only within a classification and not between classes. The settled rules regarding the burden upon the taxpayer to prove unconstitutionality beyond a reasonable doubt...” [Page 13]

In some (perhaps most) cases these different rates of fees are determined by political connections, a problem that has plagued this system throughout its entire history and has drawn the attention of South Carolina courts.¹⁵ In most areas, fees depend on whether the business owner is a local voter.¹⁶ Obviously, imposing taxes on a person who cannot vote on your re-election is less politically costly than imposing taxes on someone who can vote against you. According to the Municipal Association of South Carolina, *Business License Handbook*: “[m]any license ordinances provide that rates for nonresident businesses are classified higher than for residents, usually double the resident rates. The Supreme Court has upheld a differential rate...as fully justified...” [Page 13]

In other areas local governments waive the fee, lower, or offset it using other means for a specific large, politically-connected business. Specific car dealers have obtained special treatment, and companies such as Boeing were able to entirely change the system in North Charleston to reduce their rate and cap their fee; a change which also then affected the rates charged to a few other businesses in the city. For example:

“For the second time this year, North Charleston plans to reduce the business tax paid by one of the city’s largest companies...a change to the business license rate schedule that will reduce the tax rate for Select Health of South Carolina...Two smaller companies with the same business classification, which the city did not identify, also will benefit from the change in the rate...”

“In July, North Charleston cut in half the top business license tax rate for those with gross earnings of \$250 million or more — Select Health is among the four North Charleston companies in that category — and created a new top tier tailored for Boeing Co. with a rate 99 percent lower than the current levy. Those changes to the business license fee structure were meant to cap Boeing’s business license fees at \$1 million yearly, as the company ramps up aircraft production. Select Health, Trident Regional Medical Center, and Daimler Vans Manufacturing benefited to a smaller extent due to the reduction in the rate for earnings above \$250 million.”¹⁷

Even local officials argued that the underlying problem that encouraged them to make special provisions for these companies is that the license fee tax is incorrectly and unfairly based on gross revenue:

15 As examples, see the cases involving special treatment for Standard Oil Company and Confederate Veterans in Quirk, William J., “Nature of a Business License Tax,” *South Carolina Law Review*, Vol. 32, 1981, pp. 471-499.

16 For example, *City of North Charleston, Ordinances*, Sec. 10-5-19 (Article II), reads: “Unless otherwise specifically provided, all minimum fees and rates shall be doubled for non-residents and itinerants having no fixed principal place of business within the city.”

17 From “Select Health in North Charleston May Get Tax Break,” by David Slade, *Post and Courier*, Nov. 4, 2013.

"According to Mayor Keith Summey, the reduction targeted for Select Health is needed because the business license fee is based on gross revenues...putting an unfair burden on the company...Some council members have questioned whether the change is fair to other businesses, or even legal. 'We've already done a business license reduction for four big entities,' Councilman Todd Olds said at the committee meeting in October. 'Now, one of them is coming back for another reduction.'"¹⁸

Treating politically-connected businesses differently than other businesses creates issues with fairness, and when the favors are granted to one business, others rush to secure their own personal rate reductions.

In other areas, delivery services such as UPS or FedEx do not have to pay the license fee to deliver due to deals with local officials, but a metro area furniture store would have to pay to deliver in the area.¹⁹ The issue is not really that these larger and politically-connected companies can get lower rates and caps on their payments—the issue is that other smaller businesses with less political pull cannot get equal treatment and assistance lowering their rates. Yes, the rates are too high and wrongly based on gross revenue, but this is a problem that needs to be fixed for everyone, not just those with the pull to get their local government officials to make special exemptions for them individually.

The current system is one in which localities can selectively apply rates, granting favors to some and punishing others.

The current system is one in which localities can selectively apply rates, granting favors to some and punishing others. This stands in stark contrast to the economic principle that laws and policies should be broad-based, and apply equally to all. The current system encourages favor seeking and lobbying, and is quite simply unfair to some businesses that are treated differently than others.

The fact that the fees differ so widely across types of businesses is not the only manner in which the current system seemingly violates principles of fair treatment. Business license fees, in virtually all cases, are levied as a fixed fee for obtaining a license plus an additional amount based on a percentage of the business's gross income (or revenue), which is mandated by state statute: "Each municipality can levy a business license tax measured by gross income. SC Code Sec. 5-7-30 No other basis is authorized, except for certain businesses,"²⁰ and "[t]he general statutory basis for levying a business license tax requires it to be measured by gross income. SC Code Sections 4-9-30(12) and 5-7-30."²¹ Because it is based on gross revenue, if a business sells \$100,000 in goods and services, it pays the same fee calculated as a percentage of this amount regardless of its costs of production. That is, a business with revenue of \$100,000 with costs of \$90,000 (and thus a \$10,000 profit) is charged the same fee as a similar business with revenue of \$100,000 with costs of \$20,000 (and thus a \$80,000 profit).

In essence, this means the license fee system is particularly burdensome for high-cost,

18 From "Select Health in North Charleston May Get Tax Break," by David Slade, Post and Courier, Nov. 4, 2013.

19 *In Pee Dee Chair Co. v. City of Camden*, the court held that for license purposes, a single delivery of merchandise within a municipality does not constitute doing business therein...Although a single delivery does not constitute doing business, the courts have held that repeated deliveries can be considered doing business." Municipal Association of South Carolina, *Business License Handbook*, October 2013, page 10. In practice, different areas enforce it differently; for example in the city of Goose Creek, a business would not need a business license if it was for a no-charge delivery in a personal vehicle; however, if a company truck does the delivering and charges a delivery fee, they would need a business license based on the delivery charges unless they use a common carrier like UPS, then they would not need a business license for the delivery charges.

20 Municipal Association of South Carolina, *Business License Handbook*, October 2013, page 1.

21 Municipal Association of South Carolina, *Business License Handbook*, October 2013, page 14.

low-margin businesses, particularly those with inventory costs, and for very small firms. An advertising agency who purchases \$1 million in advertising for a client, but who only made \$10,000 in profit on it; or a homebuilder who sells a \$300,000 home but only makes \$20,000 in profit are both charged a percentage based on the full amount of the revenue, not just the profit. Complicating the issue is the contested interpretation of defining what counts toward gross income, particularly in the case of real property transactions, resulting in legal challenges to the interpretation local governments use which differs from those used in the federal tax code.

Although the current gross income basis for the business license tax is mandated by state law, the underlying basis is less clear: "A business license tax ... is a method of requiring a business or occupation to

contribute its share in support of the government 'as it regards the profits or advantages of such occupations.' *State v. Hayne*, 4 SC 403 (1873). It is not a sales or income tax, although it is measured by gross income."²² The question should be whether the current gross income basis is indeed the best measure of the 'profits or advantages' of doing business. Gross income is clearly not a basis for determining the 'profits' part of this definition.

Because the fee is based on gross revenue, this puts South Carolina at a major disadvantage in recruiting and keeping new businesses that have higher costs and lower margins. Keep in mind that these 'costs' are also being taxed in several ways. Labor costs create wages that are taxed under the income tax; property is taxed under the system of local property taxation, and the income of the suppliers of the resources is taxed under other business income taxes such as the corporate income tax or personal income tax (in the case of LLC's or sole proprietorships).

The less obvious, but perhaps more important, issue here is that the current gross revenue basis for the license fee is equivalent to a turnover tax that pyramids by taxing the same exact item multiple times. For example, if the homebuilder mentioned above pays the \$280,000 in costs out to sub-contractors who do the work on the house, each of these subcontractors will have to pay a business license fee based on their total revenue as well. Consequently, not only is the builder essentially taxed on the \$300,000 sale price of the final house that includes the costs of construction, the sub-contractors are also taxed on the \$280,000 of their work. The pyramid scheme goes on, as when the subcontractors purchased their supplies from hardware stores, these stores are also taxed on their sales to the contractors. The process continues as the lumber company who harvests the trees must pay based on its revenue even though the hardware store had to pay when it sold the wood to the contractor. In essence, each time the good or service changes hands, it is essentially subject to additional taxation under the current system of business license fees based on gross income.

The pyramiding, 'turnover-tax' present in the current licensing system creates unfair distortions as companies who can vertically integrate—handling multiple steps within the same firm without the need for an explicit transaction—pay less in total fees than those who must out-source their resources from other firms. If a single person chops down a tree, cuts it into boards, assembles a chair, then sells it at the retail level, they will pay the license fee based on the chair sales revenue only once. Alternatively, if these activities are undertaken by four different business firms, the value of the chair will essentially be taxed four times in the process since each business will have revenue as the between-business transactions occur.

This issue has been a frequent argument in efforts to reform or dispute the tax in court.

“Because the fee is based on gross revenue, this puts South Carolina at a major disadvantage in recruiting and keeping new businesses that have higher costs and lower margins.”

²² Municipal Association of South Carolina, *Business License Handbook*, October 2013, page 1.

Despite the fact that obviously the value of the final consumer good has been used as the basis for a tax applied multiple times, and that this clearly meets the economic textbook definition of double taxation, localities are insistent that it is not a double tax in their view. Consider the following examples from the Municipal Association of South Carolina, Business License Handbook:

“Subcontractors are not exempt from a business license tax even though the general contractor may pay a tax on the full contract price of a project. A general contractor cannot deduct the amount paid to a subcontractor from the gross income upon which he computes his license tax. The contractor and subcontractor are two different people or entities engaged in two different business activities. Each is subject to a license tax based upon the gross income received. The tax is levied upon the privilege of doing business not on the income. Therefore, there is no double taxation, as is frequently argued.” [Page 26]

“Independent insurance agents sometimes argue that they should not pay a business license tax because the company pays a tax on the gross premiums. They contend this would be double taxation because their commissions are paid from gross premiums. This is a misconception... There is no double taxation. The taxes are levied on two different businesses. For example: manufacturers, wholesalers and retailers may be subject to license taxes on gross income from the sales of the same goods because each activity is a separate business. Neither the goods nor the sales transactions are the subjects of the tax.” [Page 31]

“Double taxation is a common objection raised by contractors and subcontractors. See the discussion in Part 3 for responses to this objection.” [Page 46]

Despite these statements, the charge of double taxation is a ‘common objection’ precisely because “a rose by any other name is still a rose.”

To reform South Carolina’s system of business licensing requires adopting a system that is more broadbased, with fewer exemptions and differentials—a system in which all businesses are treated fairly and equally. Applying the same rate structure or fee system to all businesses

“To reform South Carolina’s system of business licensing requires adopting a system that is more broadbased, with fewer exemptions and differentials—a system in which all businesses are treated fairly and equally.

would be the ideal goal of reform. This reformed system must also avoid unfairly and multiplicatively taxing gross income and be either a flat fee or based on net income—income minus costs. Any reform should strive to have fewer categories and exemptions while maintaining uniformity across the state. However, these reforms will have to come from the state legislative level: “[b]ecause flat or fixed fees are not based on gross income, they do not comply with the state law authorization and

would be discriminatory. However, it is generally accepted practice to charge a minimum base rate sufficient to cover administrative costs.”²³

²³ Municipal Association of South Carolina, Business License Handbook, October 2013, page 16

2. Ease of Compliance and Enforcement

The current system of business licensing requires many small businesses to have dozens of local business licenses—for no reason other than to collect local revenue. An air conditioning repairman, realtor, or electrician, who works in the Charleston metro area, for example, is required to have licenses in each and every county and municipality in which he does work. The Charleston metro area, while all within an easy drive for a local service provider, consists of many different smaller cities and municipalities and encompasses three counties. To serve all of the towns within a short drive from their office, a Charleston service provider would need to obtain 3 county business licenses and a minimum of 28 municipal business licenses.²⁴ In some cases, municipalities allow the county to renew and collect their licenses; however, this practice is limited and is far from solving the problem.²⁵ The different areas also have differing annual periods, some January to January, while others may be July to July.



Photo courtesy of Greg Mappus, owner of the Charleston area franchise of Mister Sparky.

Many new small businesses can only survive by selling over a larger geographic area as the product appeals only to a limited percentage of customers. Quite simply, a company specializing in a narrow area—something that might only apply to a few houses per square mile per year such as repairing fire damage—needs to serve a larger geographic area in order to survive. The father of economics, Adam Smith (1998, [1776]) argued that specialization and the division of labor are the primary drivers of economic wealth and prosperity.²⁶ A pet store specializing in only birds, for example, needs a larger metro area to serve to have enough customers than a pet store that carries a general line of assorted pets. As Adam Smith noted, this degree of specialization is limited by what he termed ‘the extent of the market’—or the size of the overall market within which a business can sell. A small specialized company may need to serve an entire metro area to be able to generate enough customers to survive.

Solving this problem is an issue of state statute, as is clear in the Municipal Association of South Carolina, Business License Handbook, page 9: “A license may be charged for the privilege of doing business within the city or county regardless of whether there is an established place of business therein, except for businesses given special treatment by statute. See Atty. Gen. Op. No. 1262, January 12, 1962; and *Crosswell & Co., Inc. v. Town of Bishopville*, 172 SC 26, 172 S.E. 698 (1933)... SC Code Sec. 5-7-30 contains no general prerequisite that there be a place of business in the taxing municipality.”

The current system of business licensing, with its maze of duplicative licenses, makes it more difficult and costly for small businesses to serve larger areas, specialize, and grow. Thus the cur-

²⁴ The counties of Charleston, Berkeley, and Dorchester and the municipalities of Awendaw, Bonneau, Charleston, Fdisto Beach, Folly Beach, Goose Creek, Hanahan, Harleyville, Hollywood, Isle Of Palms, James Island, Jamestown, Kiawah Island, Lincolnville, McClellanville, Meggett, Moncks Corner, Mount Pleasant, North Charleston, Ravenel, Reevesville, Ridgeville, Rockville, Saint George, Saint Stephen, Seabrook Island, Sullivan's Island, and Summerville.

²⁵ As examples, the towns of Rockville, Awendaw, McClellanville, and Lincolnville allow Charleston County to administer their licenses.

²⁶ Smith, Adam. 1998 [1776]. *An Inquiry into the Nature and Causes of the Wealth of Nations*. Washington: Regnery Publishing.

rent system stifles both the creation of specialized small businesses and the creation of wealth.

Most importantly, business owners must spend substantial time and effort to obtain and keep records to apply for the multitude of different geographic licenses. Local business owners estimate that they spend a minimum of 3 to 4 hours per year, per license, to simply comply with the procedures. While some municipalities have on-line systems, most do not, and this requires business owners to sometimes visit or repeatedly call to obtain the necessary forms for each area. Local business owners complain that smaller cities, like the city of Hollywood, for example, are particularly difficult places to renew as notices are not automatically mailed and forms are difficult to acquire, given the limited local government resources to help with the process.

Making matters worse, each business must try to keep track separately of the business activity it does in each municipality. While in theory this may sound easy, in some areas a house next to another may be in the city versus unincorporated county. Even the most advanced small business accounting systems provide reports mostly by zip code, which do not align with these boundaries. Local business owners report in many cases that they must simply guess at the percentages that are in the city versus unincorporated county for reporting purposes. To identify each property would take hours of effort for the business. But if a city were to audit the business, they would use city resources to do this for each recorded transaction and fine the business for not properly reporting the amounts.

“The current system of business licensing, with its maze of duplicative licenses, makes it more difficult and costly for small businesses to serve larger areas, specialize, and grow. Thus the current system stifles both the creation of specialized small businesses and the creation of wealth.

business has higher revenue than estimated, it may have local officials coming to penalize the business for underpayment.

For example, City of North Charleston, Ordinances, Sec. 10.5-19 (Article II), reads: “A license fee based on gross income shall be computed on the gross income for the preceding calendar or fiscal year, and on a twelve (12) month projected income based on the monthly average for a business in operation for less than one (1) year. The fee for a new business shall be computed on the estimated probable gross income stated in the license application for the balance of the license year and updated prior to renewing for the following year. No refund shall be made for a business that is discontinued or for over payments of prior year license fees.”

Several businesses reported having to fight localities in the legal system over whether the license applies or over specifics of the fee, including which deductions are allowed from gross revenue or gross income. A Charleston area real estate broker who wished to remain anonymous, said in an interview that he was forced to hire tax law experts to fight local officials’ interpretation of the specific rules. Complicating the issue, some local ordinances explicitly state the basis as ‘gross income’ while others state the basis as ‘gross receipts.’ Because not all municipal ordinances incorporate the same language, inconsistencies arise in how

Even if it were easier to identify which revenue was earned in which locality, the current system of licensing does not even rely on actual business revenue. For a new business, its first license would require it to try to estimate the revenue it will earn in each locality. For renewals, the amount is based on the prior year’s revenue in the area, but there is no system to rectify the differences annually to the true amounts. If a business does less revenue (or maybe even no revenue) in a year than estimated or in the prior year, there is no refund on the overpayment based on lower revenue. However, if the

business license fees are calculated and applied. For instance, the City of Goose Creek ordinance uses 'gross income,' while the Mount Pleasant ordinance refers only to 'gross receipts.'

Conflicts such as this have led to lawsuits over the interpretation. The City of Goose Creek is facing a lawsuit over a city employee's interpretation of gross income versus gross receipts in a case involving the purchase and resale of property.²⁷ An employee of the city of Goose Creek is trying

to levy the business license tax on the entire sale value of the property, that is—the gross revenue, which is substantially different from the taxable gross income—which is the difference between the sale price and the purchase price. In other words, if a business purchases a home for \$550,000 and resells it for a price of \$600,000, the gross revenue is \$600,000 but the gross income is \$50,000. Thus, a tax based on gross revenue is different amount than a tax based on gross income.

Fines for non-compliance are sharp and the burden of proof is on the business, even if the locality is wrong on the issue. The system is complex enough to confuse anyone, including local employees in charge of administering the system.

On an on-going basis, the license tax renewal process is cumbersome and uncertain. While a business serving a metro area may do one job in a smaller rural municipality in a given year, it is not always sure it will have business in that area in the coming year. If a business only services one home every three years in a small surrounding town this process is frustrating. If it chooses to renew, but gets no business in the area, there is no refund of the license tax, costing the business money for no reason. If it chooses not to renew in January, based on the expectation of no business in the area, but gets a job call in September, it can obtain a license at the time of the job in September but only with substantial fees and penalties due to its lateness in renewing for the year. After renewing with penalty in September, the license would then only be valid for the remaining three months of the year. Local businesses reported basically having to maintain and renew licenses in areas 'just in case' they get a call, even though they routinely end up doing no business in the area, all without any refund in the fee. In addition, businesses must have a current license in many areas just to bid on a job, even if they do no current work in the area and even if they are not selected for the final contract. The intent to do business is the basis, as is clear in the Charleston County business license ordinance: "[e]very person engaged or intending to engage in any calling, business, occupation or profession . . ."

In many cases, with overburdened local enforcement resources, it is easy for some businesses to evade the system. Unmarked pickup trucks doing work on a house may never be questioned while a truck with a company name on the side will often be inspected for compliance. Business owners who do try to comply properly reported being upset that their attempt to comply put them at a cost disadvantage relative to firms who try to evade the system.

Keep in mind that these local area service-type businesses who are subject to this overly burdensome and complex system are precisely the types of businesses that provide job and entrepreneurial opportunities for the lowest-skilled and unemployed citizens who need jobs most—the painter, lawn mower, or house cleaner. For a large, one-location major retailer with more stable revenue, while the fee may be large, the compliance is much easier than for a small business that performs services in a wider geographic area.

“Fines for non-compliance are sharp and the burden of proof is on the business, even if the locality is wrong on the issue. The system is complex enough to puzzle anyone, including local employees in charge of administering the system.”

²⁷ County of Berkeley, Court of Common Pleas, Case No. 2011-CP-08-2814, *Todd Olds v. City of Goose Creek*

This system is not only burdensome for small businesses, but also for local governments. Keep in mind that a business in theory could accomplish everything truly needed and pay all proper amounts of fees by simply having one license, paying one full amount, and with

“Even the book aimed at helping local governments understand the rules of the business license system, *The Municipal Association of South Carolina, Business License Handbook* (October 2013) is a 102 page document!

a record of sales by area submitted, the total tax could be split and redistributed across the localities just like is done under the local-option sales tax collection system. Instead, each business must be processed repeatedly by many small jurisdictions, with many duplicate forms and the workers necessary to compute payments, collect them, send out paper licenses, administer the system, and to enforce the system. The current system is unnecessarily costly for municipalities to administer and to enforce. Even a revenue-neutral re-

form that centralized the processing system could generate substantial cost savings (and additional local revenue to spend) across the entire state by eliminating the duplicative local administrative structures. A central administration could even be paid for with a surcharge on the revenue from the system and still result in more net revenue for localities due to their cost savings from administration and enforcement. The dozens of policemen and other enforcement officers involved in this process create an unnecessary drain on local government resources that could be better spent elsewhere to reduce crime and solve more pressing community problems. In the end, each municipality must duplicate the efforts and process already undertaken effectively by another municipality. While some municipalities allow their county to collect and issue their licenses, this practice is limited and comes far from solving the problem.

Even the book aimed at helping local governments understand the rules of the business license system, *The Municipal Association of South Carolina, Business License Handbook* (October 2013) is a 102 page document!

As an example, the City of North Charleston pays \$200,000 per year to Charleston County to help administer part of its business licensing system (including billing, renewals, inspections, auditing). Thus, its internal operations are only a small portion of what it would take to perform the entire operations for a stand-alone business licensing system. Even so, the city employs 3 people within its Finance Department whose primary job duties are to handle new business license applications, permit collections, contractor updates, and handle questions relative to the business licensing process, at an estimated cost of approximately \$300,000 per year to the city. In addition, the city has two compliance officers in the Building Inspection and Executive Department involved in specific inspections and renewals. Along with the cost of their operational support, this costs the city an estimated additional \$150,000 per year. So even in the case of a city that does partially contract its services to the county, the total cost of the system is \$450,000 internally plus the amount charged by the county, for a grand total of approximately \$650,000 in administrative and enforcement costs—which amount to 3 percent of the revenue collected by the tax, or \$16.89 per household in the city.²⁸

Using the data for North Charleston to extrapolate to the statewide costs is possible. One method would be to assume all localities spend the same percent of revenue, the other assuming all localities have the same cost per resident household. Because North Charleston has a

²⁸ Estimates provided to Todd Olds, North Charleston City Council Member by E. Warren Newton, Director of Administration & Finance, City of North Charleston, March 10, 2010.

few very large businesses, like Boeing, that contribute disproportionately to revenue, the cost as a percent of revenue basis likely understates the cost for other localities. However, the two techniques produce estimates of statewide administration and enforcement costs of \$9.4 million and \$30.7 million respectively. A reasonable approach would be to average these two numbers, thus giving an estimate of roughly \$20 million, or roughly 6.5% of license revenue collected.

Reforming South Carolina's system of business licensing requires adopting a system by state statute that is both easier for businesses to comply with and for governments to administer and enforce.²⁹ Having a system in which each business must apply for a single business license, enforced by a single jurisdiction (perhaps even a state-wide administrative department) but recognized by all municipalities would be the ideal goal of reform. If this system were integrated with the state income tax system, not only could proper accounting of the fees based on actual annual revenue or income be implemented, but local resources would be conserved, and substantial reductions in compliance costs for businesses would result.

3. Promoting Oversight and Compliance with Other Laws, Taxes, and Reporting Procedures

In theory, licensing laws have their primary justifications in terms of protecting consumers by ensuring the legitimacy of the provider, and making businesses pay revenue to the government that is in line with the public services the business consumes. The first of these is the subject of this section. This is made clear in the Municipal Association of South Carolina, *Business License Handbook*:

"Licensing of a trade may be referable to the police power of a local governing body when done to regulate avocations that disturb public order, health or morality. However, a business license ordinance enacted to raise revenue is an ordinance levying a tax. *State v. Columbia*, 6 S. C. 1 (1874)...A business license fee is an excise tax levied on the privilege of doing business, and the value of the privilege extended is measured by the business's gross receipts." [Page 1]
"Although business licenses primarily are used as a revenue source, they also may be used to regulate businesses. The business license ordinance may impose health requirements, bonds, regulation of operating hours, etc. Most business license ordinances require a statement that personal property taxes have been paid as a condition for the license. This requirement is considered appropriate under the power to regulate by license ordinance." [Page 4]

At the outset it is critical to understand that this is clearly a process that does not require the duplicative efforts of multiple municipalities, but rather a single clearinghouse for each business in the state. This could be accomplished alternatively by a single state agency or a system of localities each with responsibility for only a fraction of the businesses—the ones that primarily reside in their area. North Carolina's recent reform accomplishes this, albeit temporarily prior to the fees being eliminated entirely, as it currently requires a business to obtain a single license only in the area of its main physical location, even if it serves mul-

29 "SC Code Sec. 5-7-30 contains no general prerequisite that there be a place of business in the taxing municipality." *Municipal Association of South Carolina, Business License Handbook*, October 2013, page 9

multiple jurisdictions. A simple application of this, for example, is for each business to apply for a license only in the geographic area from which it files its state income taxes (i.e., based on its address for state tax purposes).

In practice, the current licensing is not a check for the legitimacy of the business, but is rather simply a system for revenue collection. Generally, at most, the process requires proof that property taxes have been paid. This same check on the payment of local property taxes for automobiles, in contrast, is done even though the registration process is a state registration.

South Carolina's separate occupational licensing system, along with the long-standing multitude of private and professional certification organizations, is what serves the purpose of ensuring legitimacy. A person would need to be a licensed electrician or board certified CPA, but this is a separate process from the business license process. The system of business licenses serves *solely* as a procedure for a business to pay revenue to county and municipal governments. The system has essentially turned into a new form of taxation, rather than a process of certification. Even in this new capacity, the system performs poorly with its high administrative and enforcement costs per dollar of revenue raised.

Given that the current system does nothing to protect consumers and simply functions as a revenue source and, in some cases, a check that property taxes are paid, the objective of reform should be simplification and lowering the administrative and enforcement costs of revenue collection. As previously mentioned, even the local option sales tax in South Carolina is collected centrally, but then re-distributed to local jurisdictions. Under reform, each business could pay one fee, whether just to one locality or even as part of its state income tax form. The process for fee administration and collection could be handled more effectively and efficiently, and this is a process that can and perhaps should be different from the process of actually distributing the fee revenue.

“The system has essentially turned into a new form of taxation, rather than a process of certification. Even in this new capacity the system performs poorly with its high administrative and enforcement costs per dollar of revenue raised.”

4. Reasonable Fees, Linked To the Public Services Provided Or Consumed By Business That Are Not Covered Through Other Forms Of Business Taxation

Returning to the other primary justification for licensing laws, an economic activity (such as a business) should have to contribute to government revenue in line with the public services it consumes or that is provided to it. This purpose is clear in state law: “A business license tax ... is a method of requiring a business or occupation to contribute its share in support of the government ‘as it regards the profits or advantages of such occupations.’ State v. Hayne, 4 SC 403 (1873).”²⁰

A new business requires local law enforcement, fire protection, water and sewer, etc. But the business license fee does not exist in isolation, and these fees are wildly inconsistent with the

²⁰ Municipal Association of South Carolina. Business License Handbook. October 2013, page 1

actual public services provided to the businesses. Businesses pay other taxes including property taxes on their land, equipment and machinery, and trucks; gasoline and other energy taxes on fuel consumption; income taxes on their profits; and sales taxes on their total sales; etc. In addition, the employees and suppliers pay income tax on their wages and profits (which are costs to the business included in gross income on which fees are based). These taxes already ensure that businesses, and residents alike, help pay for the public services they consume. Fundamentally, the business license fee system is not the place to cover all of these governmental service costs. The business license fee system should charge for the single service it does provide—the oversight of the legitimacy and legal accountability of a business located in the jurisdiction. In some areas, such as Kiawah Island and Seabrook, service provider's trucks, for example, must pay separate fees to have a sticker to enter the area, making it clear that there are many avenues other than the business license system through which businesses contribute their fair share to cover the costs of the government services they consume.

In economic theory, it is competition between local governments that helps to ensure governments charge reasonable taxes and fees in line with the public services provided. Just as competition between business firms reduces prices for consumers, competition between local governments reduces their ability to charge unreasonably high taxes or fees. If one locality in a metro area has taxes much higher than services provided, a business may move to another locality in the metro area to get a better combination of taxes and public services. While a single location retailer may be able to move between two localities in a metro area based on lower business license fees, for small businesses that have one location but serve a larger geographic area, this competitive process is not at work to help the system improve internally through inter-governmental competition. A service provider must pay to all local municipalities in proportion to their gross revenues earned in each area. So whether it locates in jurisdiction A or B, the total license revenue paid to the two jurisdictions is not affected by the choice of location of the business. It is instead based on the location of the work performed. This defeats and circumvents any notion of inter-governmental competition. Without competitive pressures, the inefficient municipal business license system is unlikely to improve without state-level legislative reforms imposed on the system, reforms that are in the best interest of all South Carolinians.

5. Promoting Competition to Improve Quality and Lower Prices for South Carolina Consumers

Competition among businesses is a powerful regulator that results in lower prices and better quality for South Carolina consumers. Bad restaurants are driven out of business by new and better restaurants, and places charging high prices are driven out of business by more efficient new rivals. Airfares to and from Charleston, for example, have fallen over recent years primarily because of increased competition as new airlines have started providing service.

Unfortunately, South Carolina's current business license system restricts competition among businesses. A high-quality, low-price painter that has only a Charleston business license cannot compete legally for a job in North Charleston. To compete in each jurisdiction, a license must be obtained. Therefore, particularly in smaller municipalities—where the total number of customers for a business would be small—competition is severely restricted as there are fewer competing producers from whom a consumer can purchase.

31 Maurizi, Alex. 1974. Occupational Licensing and the Public Interest. *The Journal of Political Economy* 82(2): 399-413.

32 Adams, Frank, John Jackson, and Robert Ekelund Jr. 2002. Occupational Licensing in a "Competitive" Labor Market: The Case of Cosmetology. *Journal of Labor Research* 23(2): 261-278.

"This is precisely the reason why the current system is so open to manipulation for political gain. A politically well-connected, but high profit business or industry that charges consumers high prices for lower quality service can try to manipulate and use the local government licensing process to keep out or limit the number of competitors—particularly if they can secure differential (lower) rates for local owners and higher rates for 'outsiders'—and keep in mind that these 'outsider' businesses may be located within a few miles of the jurisdiction's boundaries. This is not simply conjecture; the use of licensing laws to restrict competition is a long and widely studied area in the academic literature in economics [see, for example, Maurizi (1974)]."

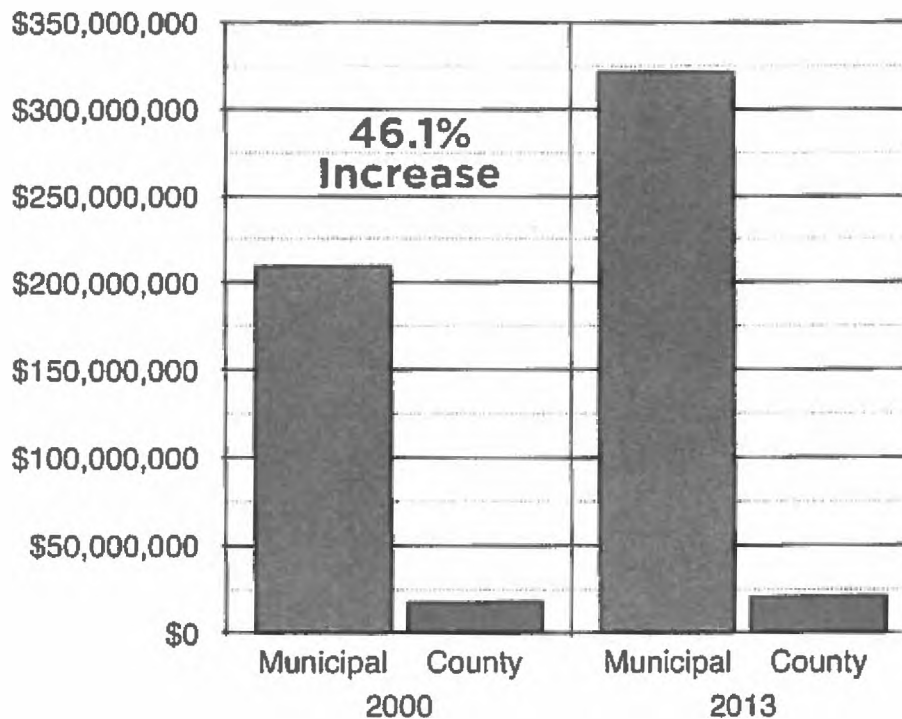
The higher prices for South Carolinians may be substantial. At the national level, for example, licensing laws for a single industry—cosmetology—is estimated to reduce competition enough to create losses for consumers approaching over \$1.7 billion [see Adams, Jackson, and Ekelund (2002)].²² In addition to the higher costs to South Carolina consumers from reduced competition, consumers are also the ones who end up bearing higher prices that businesses need to charge to pay, and comply with, these license fee taxes. Based on fiscal year 2013 revenue data (presented in the next section), business license fees per household in the average area amount to approximately \$500 annually, and this does not even include the additional costs businesses must incur to comply with the laws in terms of time spent on application paperwork and recordkeeping. As a result, the average household in the state not only pays more per year for what it consumes due to the license fees passed on to them through higher prices, but also pays more due to reduced competition causing prices to be even higher than just by the amount necessary to cover the costs of the system imposed on businesses. This problem is exacerbated if one recalls the pyramiding examples discussed earlier. Ultimately, the cost for a buyer purchasing a new home includes the costs (including these license fees) for the builder, all the subcontractors, and all of their raw material suppliers.

“The business license system has become simply a revenue source to fund local budget wish lists. It’s a tax that was never intended or envisioned to get to the current levels, and oversteps the statedelegated taxing authority given to municipalities by basing the fees on gross revenue without regard to costs, profit, or public services provided to the business.”

Perhaps ironically, the political opposition to reform may be quite different from the political support for creating the system in the first place. Long ago, when small mom-and-pop service providers did not want competition in their area, they would support a restrictive licensing system. However, today's small business is no longer that small and narrow. Modern small businesses that were interviewed see the current licensing system as limiting their ability to succeed and never discussed the fear of increased local competition. Mostly gone are the days of very small, localized entrepreneurs—one person with one truck serving a community. While small businesses may have supported a licensing system in the past—those days are long over as current small businesses want the opportunity to do their business without the cumbersome process imposed by the current system. As the system stands today, the compliance costs are a larger expense to small businesses than is the threat of increased competitive pressures. If any political constituency would fight meaningful and productive reform, it would likely be the local governments and the employees who have jobs due to the complexity of the

²² Data for 2000 were converted to 2013 constant dollars for comparability with the 2013 values using the Consumer Price Index (CPI) from the Bureau of Labor Statistics

Figure 1: The Growth of Business License Tax Revenue (inflation adjusted)



system. When governments are the only political constituency for an inefficient program, their obvious disconnect with the well-being of state citizens becomes obvious.

Government policy should protect consumers by ensuring competitive markets and competition. Ideal reform would embody these principles by ensuring that each business does have a license, but has the right to compete for customers throughout the state. On the flip side, South Carolinians should be able to purchase goods and services from whom they see fit—those businesses who provide quality at a low cost—regardless of whether those firms reside 1 mile away, 10 miles away, or 50-plus miles away.

6. Ensuring Businesses Have the Money Necessary to Grow – Why Revenue Can’t Be The Justification

The business license system has become simply a revenue source to fund local budget wish lists. It’s a tax that was never intended or envisioned to reach the current levels, and it oversteps the state-delegated taxing authority given to municipalities by basing the fees on gross revenue without regard to costs, profit, or public services provided to the business.

In fiscal year 2013, counties and municipalities in the state collected over \$300 million in business license fee revenue. To put this in perspective, the revenue amounts to roughly \$860 per business firm in the state, and approximately \$500 per household. It has become a major source of local revenue, not constrained by intergovernmental competition. One electrical contractor serving the Charleston area, with \$1.9 million in revenue, reports paying approximately \$6,000 per year in total license fees across all of the jurisdictions that it serves.

County and Municipal license fee taxes have grown substantially through time. Since

2000, even after adjusting for inflation, there has been a 46.1 percent increase in total business license tax revenues in the state, as is shown in Figure 1.³³ The percentage growth shown in Figure 1 has occurred about equally at both the county and municipality level. Again, the data shown in Figure 1 are corrected for the effects of inflation—these increases are increases in real tax burdens. South Carolinians are paying almost 50 percent more in business license taxes than just over a decade ago. Without legislative action and reform, this rapid growth in taxes will continue.

At a more local level, Tables 1 and 2 give the average annual business license revenues for South Carolina counties (Table 1) and municipalities (Table 2) for fiscal years 2009 through 2013. These data are not the totals over the four years, but the average amount per year during that period. This data is from the South Carolina Revenue and Fiscal Affairs Office's Local Government Finance Report as of December 10, 2014. The data show both the average annual revenue collections, as well as revenue per household in the area. Obviously, larger cities will have more revenue, and computing the amount per local household allows a better understanding of the true relative tax burden that is paid by local households when they purchase goods and services in their area.³⁴

Table 1: County Government Business License Revenue

County	Average Annual Revenue FY 2009-13	
	Total	Per Household
Barnwell	\$664,489	\$74.93
Beaufort	\$1,422,633	\$22.26
Charleston	\$2,803,441	\$20.35
Darlington	\$480	\$0.02
Dorchester	\$647,658	\$12.00
Horry	\$4,067,542	\$38.33
Jasper	\$349,798	\$35.77
Lancaster	\$616	\$0.02
Marion	\$105,002	\$8.12
Orangeburg	\$206	\$0.01
Richland	\$6,098,094	\$40.31
Sumter	\$716,721	\$16.99
Williamsburg	\$5,070	\$0.38
County Total	\$16,881,750	
County Average	\$1,298,596	\$32.85

Data sources: S.C. Revenue and Fiscal Affairs Office, Local Government Finance Report; and U.S. Census Bureau population and household data.

³³ Data for 2000 were converted to 2013 constant dollars for comparability with the 2013 values using the Consumer Price Index (CPI) from the Bureau of Labor Statistics.

³⁴ To arrive at house hold level averages, actual county and municipal level populations were obtained from the 2010 U.S. Census, and converted to the number of households using the average number of persons per household in South Carolina (this household persons average is for the 2009-2013 period from the U.S. Census Bureau of 2.55).

Table 2: Municipal Government Business License Revenue

Municipality	Average Annual Revenue FY 2009-13		Municipality	Average Annual Revenue FY 2009-13	
	Total	Per Household		Total	Per Household
Abbeville	\$1,190,690	\$580.88	Cayce	\$2,473,042	\$502.49
Aiken	\$5,564,584	\$478.48	Central	\$295,515	\$145.50
Allendale	\$126,654	\$93.42	Central Pacolet	\$2,059	\$24.31
Anderson	\$3,975,508	\$383.82	Chapin	\$397,555	\$698.67
Andrews	\$127,412	\$113.60	Charleston	\$25,282,247	\$533.66
Arcadia Lakes	\$14,011	\$41.40	Cheraw	\$643,844	\$280.94
Atlantic Beach	\$74,210	\$563.20	Chesnee	\$73,777	\$216.49
Awendaw	\$24,146	\$47.55	Chester	\$145,704	\$66.28
Aynor	\$108,769	\$491.77	Chesterfield	\$229,278	\$399.36
Bamberg	\$279,756	\$197.89	Clemson	\$1,189,981	\$217.41
Barnwell	\$852,502	\$457.56	Clinton	\$678,869	\$203.52
Batesburg-Leesville	\$703,693	\$334.40	Clio	\$12,774	\$44.93
Beaufort	\$3,571,860	\$729.07	Clover	\$685,025	\$340.84
Belton	\$471,597	\$289.15	Columbia	\$20,301,382	\$397.18
Bennettsville	\$703,401	\$197.56	Conway	\$3,699,894	\$542.41
Bethune	\$36,066	\$275.36	Cope	\$3,753	\$124.27
Bishopville	\$409,206	\$300.80	Cordova	\$20,458	\$308.69
Blacksburg	\$263,639	\$363.20	Cottageville	\$12,692	\$42.25
Blackville	\$93,745	\$99.31	Coward	\$36,858	\$124.32
Blenheim	\$11,678	\$193.36	Cowpens	\$281,276	\$331.45
Bluffton	\$2,169,166	\$424.61	Cross Hill	\$709	\$3.59
Blythewood	\$419,135	\$516.08	Darlington	\$869,169	\$352.53
Bonneau	\$49,882	\$260.65	Denmark	\$218,684	\$158.06
Bowman	\$95,469	\$252.01	Dillon	\$799,411	\$298.77
Branchville	\$84,851	\$211.71	Donalds	\$60	\$0.44
Brunson	\$1,898	\$8.77	Due West	\$204,256	\$418.02
Calhoun Falls	\$262,113	\$334.53	Duncan	\$156,953	\$125.58
Camden	\$1,522,496	\$566.27	Easley	\$2,450,370	\$311.64
Cameron	\$27,063	\$163.53	Eastover	\$6,462	\$20.22
Campobello	\$92,583	\$468.43	Edgefield	\$222,833	\$119.58
Carlisle	\$12,810	\$75.09	Edisto Beach	\$265,888	\$1633.77

Table 2: Municipal Government Business License Revenue (continued)

Average Annual Revenue FY 2009-13			Average Annual Revenue FY 2009-13		
Municipality	Total	Per Household	Municipality	Total	Per Household
Ehrhardt	\$25,365	\$118.03	Heath Springs	\$73,849	\$237.47
Elgin	\$86,268	\$167.42	Hemingway	\$196,437	\$1,093.70
Elko	\$868	\$11.47	Hickory Grove	\$17,689	\$102.05
Elloree	\$17,986	\$65.43	Hilton Head Island	\$7,276,289	\$497.89
Estill	\$95,898	\$119.99	Hodges	\$39,519	\$650.15
Eutawville	\$27,898	\$226.56	Holly Hill	\$289,710	\$580.33
Fairfax	\$149,439	\$189.49	Hollywood	\$74,562	\$40.25
Florence	\$7,093,262	\$486.69	Honea Path	\$312,328	\$223.40
Folly Beach	\$468,896	\$455.85	Inman	\$434,264	\$472.23
Forest Acres	\$1,131,460	\$277.21	Irmo	\$1,555,704	\$354.90
Fort Lawn	\$47,912	\$136.51	Isle Of Palms	\$1,791,945	\$1,103.20
Fort Mill	\$2,033,571	\$450.65	Jackson	\$50,977	\$76.20
Fountain Inn	\$395,759	\$131.56	James Island	\$140,022	\$31.86
Furman	\$2,533	\$27.25	Jamestown	\$13,969	\$494.73
Gaffney	\$2,017,665	\$409.70	Jefferson	\$59,102	\$200.41
Gaston	\$105,061	\$162.96	Jenksville	\$5,224	\$289.61
Georgetown	\$2,373,902	\$660.78	Johnsonville	\$145,073	\$249.62
Gilbert	\$2,516	\$11.33	Johnston	\$162,365	\$175.21
Goose Creek	\$4,787,739	\$335.63	Jonesville	\$81,070	\$227.67
Govan	\$514	\$20.16	Kershaw	\$201,455	\$283.66
Gray Court	\$83,129	\$266.30	Klawah Island	\$1,618,350	\$2,531.78
Great Falls	\$30,268	\$39.00	Kingsree	\$575,249	\$441.17
Gresleyville	\$17,981	\$106.63	Lake City	\$783,424	\$299.02
Greenville	\$21,157,921	\$909.29	Lake View	\$45,870	\$144.58
Greenwood	\$2,907,005	\$318.01	Lamar	\$85,910	\$221.28
Greer	\$3,992,933	\$395.89	Lancaster	\$1,668,459	\$497.20
Hampton	\$620,375	\$564.58	Landrum	\$71,058	\$76.04
Hanahan	\$1,108,460	\$156.37	Latta	\$144,649	\$266.90
Hardeeville	\$850,144	\$715.94	Laurens	\$1,012,467	\$282.53
Harleyville	\$97,779	\$366.67	Lexington	\$3,542,627	\$502.43
Hartsville	\$1,420,059	\$465.62	Liberty	\$345,353	\$269.64

Table 2: Municipal Government Business License Revenue (continued)

Municipality	Average Annual Revenue FY 2009-13		Municipality	Average Annual Revenue FY 2009-13	
	Total	Per Household		Total	Per Household
Lincolnvilla	\$2,940	\$6.57	North	\$18,938	\$62.88
Little Mountain	\$1,843	\$16.09	North Augusta	\$2,679,091	\$319.16
Livingston	\$2,109	\$39.55	North Charleston	\$23,352,943	\$606.85
Lodge	\$121	\$2.57	North Myrtle Beach	\$4,717,753	\$867.05
Loris	\$592,953	\$629.49	Norway	\$6,008	\$45.59
Lowrys	\$7,921	\$100.99	Olanta	\$22,746	\$102.84
Luray	\$2,604	\$52.29	Olar	\$1,500	\$14.88
Lyman	\$289,994	\$227.60	Orangeburg	\$2,737,078	\$500.58
Lynchburg	\$22,722	\$155.34	Pacolet	\$153,521	\$174.92
Manning	\$748,270	\$463.92	Pageland	\$261,635	\$242.43
Marion	\$1,020,369	\$376.00	Pamplico	\$102,434	\$212.71
Mauldin	\$2,816,891	\$309.63	Parksville	\$4,191	\$91.35
Mayesville	\$37,701	\$131.51	Patrick	\$672	\$4.88
McBee	\$69,737	\$204.40	Pawleys Island	\$493,896	\$12,227.52
McClellanville	\$67,267	\$341.70	Paxville	\$4,685	\$62.88
McColl	\$48,142	\$56.57	Peak	\$2,539	\$101.18
McConnells	\$15,505	\$155.05	Pellon	\$78,257	\$291.32
McCormick	\$163,514	\$149.82	Pelzer	\$78,044	\$2,236.09
Meggett	\$108,946	\$225.31	Pendleton	\$188,273	\$159.02
Moncks Corner	\$1,278,055	\$408.55	Perry	\$10,468	\$114.08
Monetta	\$9,932	\$109.64	Pickens	\$564,732	\$460.53
Mount Croghan	\$14,102	\$184.42	Pine Ridge	\$124,195	\$152.92
Mount Pleasant	\$11,798,086	\$441.96	Pinewood	\$36,964	\$175.20
Mullins	\$498,198	\$272.56	Plum Branch	\$52	\$1.62
Myrtle Beach	\$17,766,596	\$1,664.21	Pomaria	\$22,026	\$313.77
Neeses	\$17,114	\$117.00	Port Royal	\$810,798	\$192.29
New Ellenton	\$49,879	\$61.89	Prosperity	\$103,157	\$222.55
Newberry	\$1,284,283	\$318.17	Quinby	\$24,512	\$67.43
Nichols	\$33,225	\$230.85	Ravenel	\$77,996	\$80.59
Ninety Six	\$169,287	\$211.71	Reevesville	\$20,562	\$266.16
Norris	\$31,747	\$99.57	Reidville	\$6,415	\$27.17

Table 2: Municipal Government Business License Revenue (continued)

Municipality	Average Annual Revenue FY 2009-13		Municipality	Average Annual Revenue FY 2009-13	
	Total	Per Household		Total	Per Household
Richburg	\$33,839	\$313.78	Sullivan's Island	\$742,670	\$1,053.87
Ridge Spring	\$58,519	\$201.93	Summerton	\$55,933	\$143.06
Ridgeland	\$604,986	\$381.39	Summerville	\$6,121,537	\$360.61
Ridgeville	\$48,971	\$62.97	Summit	\$22,896	\$145.23
Ridgeway	\$89,742	\$719.63	Sumter	\$5,036,489	\$316.39
Rock Hill	\$7,295,621	\$279.49	Surfside Beach	\$1,671,277	\$1,106.66
Rockville	\$10,090	\$192.02	Swansea	\$104,042	\$319.26
Rowesville	\$3,015	\$25.29	Sycamore	\$2,964	\$42.22
Saint George	\$261,172	\$318.20	Tatum	\$63	\$2.14
Saint Matthews	\$97,087	\$122.86	Tega Cay	\$652,908	\$214.39
Saint Stephen	\$167,896	\$251.99	Timmonsville	\$187,771	\$202.89
Salem	\$30,959	\$537.04	Travelers Rest	\$283,290	\$156.43
Salley	\$34,685	\$218.93	Trenton	\$50,160	\$652.60
Saluda	\$332,984	\$238.11	Troy	\$4,890	\$134.09
Santee	\$189,520	\$503.94	Turbeville	\$41,092	\$125.94
Scranton	\$69,092	\$204.63	Ulmer	\$2,686	\$79.64
Seabrook Island	\$468,242	\$695.00	Union	\$1,041,637	\$317.12
Seneca	\$1,833,527	\$573.96	Vance	\$7,914	\$118.71
Sharon	\$36,074	\$185.09	Varnville	\$78,405	\$92.56
Silverstreet	\$123	\$1.94	Wagener	\$27,198	\$86.80
Simpsonville	\$2,490,184	\$344.12	Walhalla	\$328,466	\$197.22
Six Mile	\$66,683	\$251.91	Walterboro	\$1,778,805	\$838.90
Smoaks	\$9,749	\$197.29	Ware Shoals	\$156,835	\$184.04
Smyrna	\$2,469	\$139.92	Waterloo	\$14,669	\$235.26
Snelling	\$188,140	\$1,750.94	Wellford	\$211,490	\$226.50
Society Hill	\$3,825	\$17.32	West Columbia	\$2,204,243	\$364.04
South Congaree	\$195,048	\$215.50	West Pelzer	\$62,444	\$183.24
Spartanburg	\$9,080,948	\$624.80	West Union	\$35,251	\$291.85
Springdale	\$307,014	\$296.55	Westminster	\$95,613	\$99.80
Springfield	\$7,823	\$38.14	Whitmire	\$115,177	\$203.39
Stuckey	\$14,233	\$148.14	Williams	\$161	\$3.51

Table 2: Municipal Government Business License Revenue (continued)

Municipality	Average Annual Revenue FY 2009-13	
	Total	Per Household
Williamston	\$152,309	\$98.38
Williston	\$165,897	\$134.81
Winnaboro	\$426,952	\$308.16
Woodford	\$197	\$2.72
Woodruff	\$406,759	\$253.48
Yemassee	\$87,475	\$218.05
York	\$588,305	\$193.55
Municipal Total	\$283,622,754	
Municipal Average	\$1,112,246	\$462.36

Data sources: S.C. Revenue and Fiscal Affairs Office, Local Government Finance Report; and U.S. Census Bureau population and household data

The data presented in Table 1 show that 13 of the 46 county-level governments in South Carolina reported having business license tax revenue during one or more of these 5 fiscal years. On average, annually, these counties collected almost \$16.9 million in business license revenue, or an average of \$32.85 per household within their boundaries. Because a business must both have a city and a county license, these fees are in addition to the fees paid at the city/municipality level. Equivalent data for the cities and municipalities in South Carolina are presented in Table 2. During this period 255 of the 270 municipalities in the state reported having positive revenue in at least one year. On average, annually, these municipalities collected just over \$283.6 million in fee revenue, or an average of \$462.36 per household within their boundaries. Again, these fees are in addition to the fees paid at the county level.

Thus, a typical household in the City of Columbia bears higher costs for the goods and services they buy equal to the sum of the amounts for the City of Columbia (\$397.18) and the County of Richland (\$40.31) for a total of \$437.49. Similarly, the City of Charleston (\$533.66) combined with the County of Charleston (\$20.35) amounts to \$554.01. Across all jurisdictions the average combined amount is \$495.21.

One can also see the large variation across jurisdictions. The jurisdictions with the highest per-household fee revenue are the smaller residential beach towns, with ten municipalities exceeding \$1,000 per household.

The 'hidden' cost of all government revenue is that while it does fund certain government activities, these come at the expense of the activities that could have been undertaken with these resources had they been left in the hands of the person or entity paying them. When state government takes \$100 of my income in taxes, we get \$100 in state government services, but I no longer have the \$100 to spend on goods and services for myself. Thus, the system of government revenue doesn't create—it replaces—substituting government provided goods and services for those that I would have chosen to purchase for myself.

For a business, each dollar paid in fees is one less dollar they may use to invest in growing their business—purchasing inventory, supplies, new machinery, trucks, opening a new location, hiring another employee, and so forth. This represents money that businesses no longer can use to invest and grow. This reduced growth means fewer new jobs created, fewer new locations, and fewer customers served—all translating into reduced income and wealth in the state. Recall that the system is particularly burdensome precisely on the smallest new businesses that wish to serve a metro area.

“ For a business, each dollar paid in fees is one less dollar they may use to invest in growing their business—purchasing inventory, supplies, new machinery, trucks, opening a new location, hiring another employee, and so forth.

A quick comparison of the census-defined metropolitan statistical areas (MSA's) for Charleston and Columbia can help to illustrate the degree to which these tax differentials translate into higher costs of living, and a lower standard of living, for residents. In 2012 the MSA's had almost an identical number of business establishments, with Charleston MSA at 16,694 and the Columbia MSA at 16,642. In addition, small businesses in both areas that travel have to deal with about the same number of total county and municipal licenses, 30 in the Columbia MSA and 29 in the Charleston MSA. The big difference however, is that the total business license tax revenue is twice as high in the Charleston MSA (\$83.44 million versus \$42.47 million), meaning the same number of businesses pay twice as much in local taxes, even though they pay the same state and federal taxes.

The result of this higher level of business license fee taxes is a burden on local consumers. According to the Bankrate Cost of Living Calculator [available at <http://www.bankrate.com/calculators/savings/moving-cost-of-living-calculator.aspx>], the cost of living is 9.9% higher in the Charleston MSA. Of the 58 items they compare (from the cost of Sugar and Shampoo to Washer Repairs and Dry Cleaning Services), 70 percent of these items are more expensive in Charleston. Most importantly, when one views the items most subject to the problems created by the overly complex licensing system, the cost differential grows. For example, while the cost of a haircut, a business having to deal with only one municipal license (and one county), averages only slightly (1.2%) higher in Charleston (\$14.50 versus \$14.33), the cost of a washer repair, a business that travels and must deal with the multitude of permits, is substantially more (15.8%) in the Charleston MSA (\$86.48 versus \$74.66). Cases in which the taxes pyramid the worst by taxing multiple times show large differentials as well, such as in homebuilding, where the average new home price is 29 percent higher in the Charleston MSA.

The opponents of reforms that would cap the maximum fee, such as the system recently adopted in North Carolina, generally cite only one basis for their objections—lower local government revenue. But revenue alone cannot, and should not, be the single justification for levying a tax or fee. If it were, we could justify taxing people based on the number of hairs on their head, or the number of buttons on their shirts; or tax businesses based on the number of letters in the company name. Regardless of the revenue it would generate, these are not legitimate ways to charge citizens for public services provided. The revenue raised should be collected in a simple, fair, and efficient manner that is linked to the public services consumed. As addressed earlier, these are mainly already covered under other taxes, and bear little resemblance to the patchwork of license fee structures across the state.

Reforms in Other States

In 2014, the state legislature in North Carolina undertook substantial reform of its system of business licensing.³⁵ HB 1050 repealed the business privilege license tax in the state as of July 1, 2015. In the meantime, municipalities are only allowed to levy business license tax if the business is physically within their boundaries. The action, which came as a recommendation of the Revenue Laws Study Committee was passed as part of a larger omnibus tax reform bill that significantly improves North Carolina's overall tax system.

The justifications for the reforms enacted in North Carolina were the same issues currently present in South Carolina's system. Consider the following quotes from the discussion of the justification for reform in North Carolina:³⁶

"...[fees] vary significantly across localities, creating considerable confusion and administrative costs... What's more, municipalities have free reign to charge multiple privilege taxes simultaneously, or grant exceptions to certain trades...Another bewildering aspect of these taxes hinges upon the broad definition of what it means to be 'doing business' in a locality, which does not necessarily require that a business or franchise be physically located within a city's borders"

"...originally instituted on the simple basis that it would allow the state government to identify every business that participates in the state's economy, was never meant to become a steady source of revenue for municipal governments...these 'license' privilege taxes –a name which is slightly misleading, as these are usually not contingent upon meeting any additional certification standards. North Carolina's patchwork... violates the principle of neutrality that is essential for sound tax policy. The tax also fails the test of transparency, as it is largely hidden in the form of higher prices for goods and services for consumers."

Similarly, Alabama's Business License Reform Act of 2006 was enacted in an attempt to make the local patchwork system more uniform through their state. HB 754 reads:³⁷

"...to provide a statewide uniform system for the issuance and calculation of the cost of municipal business licenses; to promulgate a common business license application form for use by all municipalities; to provide a uniform definition of "gross receipts" and "delivery license;" to provide for a uniform system for the municipal business license audit process and the taxpayer's appeal of municipal business license assessments and for the filing of claims for and payment of refunds; to provide uniform statutes of limitation for assessments and refunds that substantially conform with their counterparts for municipal sales and use taxes; to allow municipalities to lawfully exchange tax information related to business license taxpayers; and to provide delayed effective dates and transition rules."

35 See "North Carolina Builds on Tax Reform, Repealing Burdensome Local Privilege Taxes," by Liz Emanuel, June 5, 2014 [<http://taxfoundation.org/blog/north-carolina-builds-tax-reform-repealing-burdensome-local-privilegetaxes/>], "NC Retail Merchants Applaud Reform Of The Business License Tax," May 29, 2014 [<http://mediapartnersinc.com/news/nc-retail-merchants-applaud-reform-of-the-business-license-tax/>] and "McCrory Signs NC Bill Settling Business Tax Repeal," May 30, 2014 [http://www.independantribune.com/news/mccrory-signs-nc-bill-settling-business-tax-repeal/article_b638c60a-e804-11e3-8f7c-001a4bc6878.html].

36 Both of these quotes are from "North Carolina Builds on Tax Reform, Repealing Burdensome Local Privilege Taxes," by Liz Emanuel, June 5, 2014 [<http://taxfoundation.org/blog/north-carolina-builds-tax-reform-repealing-burdensome-local-privilege-taxes/>]

37 Quoted from HB754 available at: <http://www.alexia.org/HB754/final.pdf>

South Carolina is not alone in having issues with its system of business licensing—other states have recognized the same issues as well—and they are acting to adopt state-level reforms to address the issues. South Carolina is quickly falling behind North Carolina in measures of growth and prosperity, precisely because North Carolina has undertaken significant policy reforms to improve their system of taxation and business licensing.

Conclusion

Reforms to South Carolina's system of business licensing have a real potential to promote entrepreneurship and increase prosperity in the state. Several simple reforms could do much good to help promote small business activity in the state, as well as significantly lower the system's administrative and enforcement costs that detract from the net revenue it generates. These reforms must be done at the state legislative level, as most of the rules governing the complex system are a creature of state statutory law.

The current system is cumbersome and complex, and the burden of it falls on the State's small businesses and consumers. The basic functions the system serves could be maintained through the establishment of a unified, state-wide, business licensing system. The license could be administered and enforced either centrally by the State, or by the locality from which the business files its state income taxes.³⁸ This one license would be recognized by all counties and municipalities within the State. A uniform system with only one or very few rate structures and classes should be adopted.

While it would be desirable to lower the fees so that businesses would be able to have lower costs and invest more in their own growth

“Several simple reforms could do much good to help promote small business activity in the state, as well as significantly lower the system's administrative and enforcement costs that detract from the net revenue it generates.

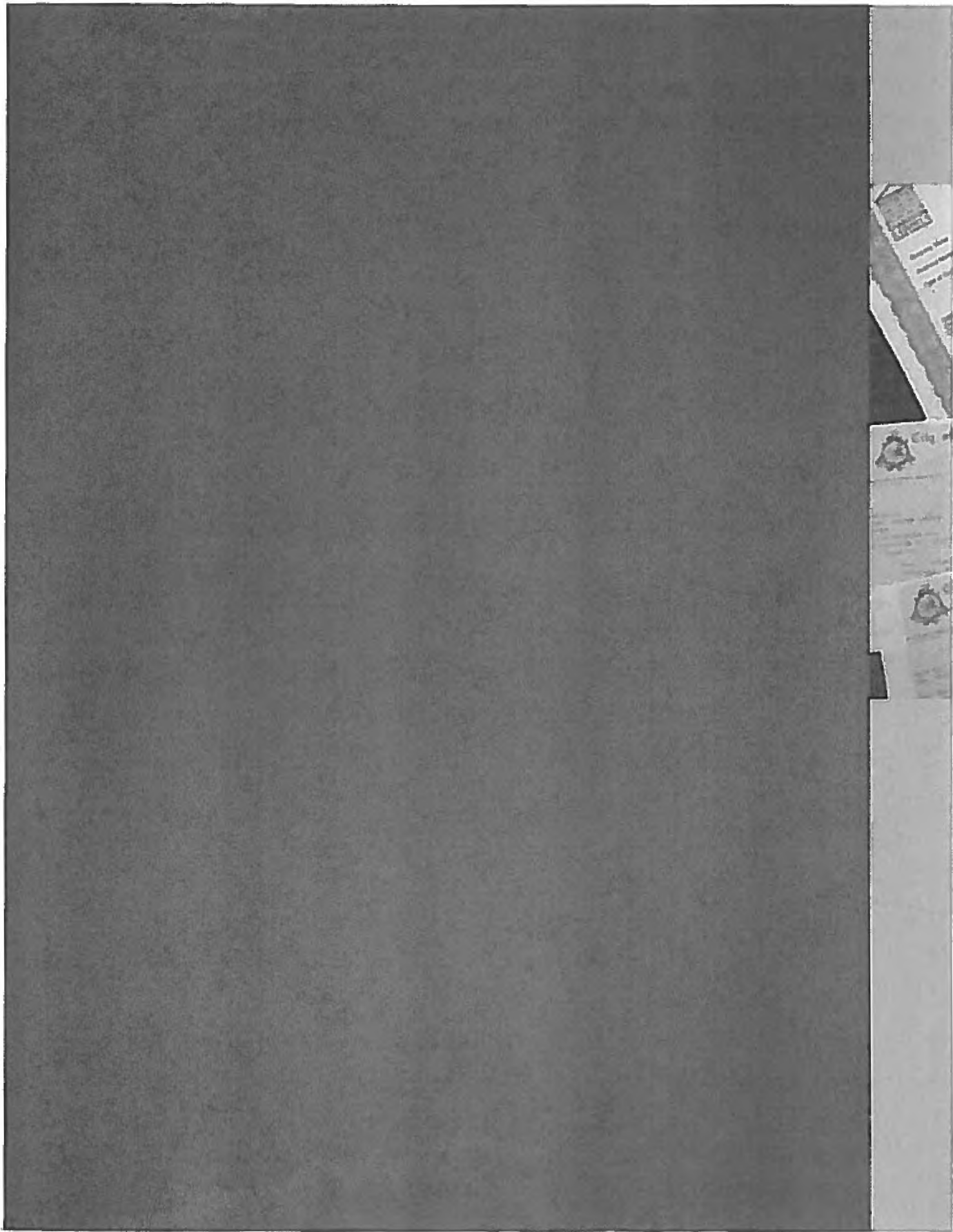
(by adopting a cap as the South Carolina legislature has done in the past), even a revenue-neutral reform could fix many of the current compliance issues. If businesses were required to report revenue by jurisdiction (as they do now), a centralized single fee could be collected and the revenue distributed among the localities as is currently done with the local-option sales tax. If the process were incorporated as part of an annual state income tax form, the business license payments could even more accurately reflect the true business revenue generated

in each area, through a system similar to the income tax, in which withholding is rectified with actual tax due based on final incomes at the end of the year.

The cost savings for local government budgets from lower administrative and enforcement costs would be substantial. This could not only allow them to re-direct these resources toward other important local government functions, but in theory could allow even lower fee rates that could generate the same net revenue.

South Carolina's patchwork system of business licensing has become outdated, overly complex, repurposed, and subject to manipulation and interpretation. Many potential reforms could be adopted with widespread support from all citizen groups involved in the process. Given the current state of the economy, now is the time for the South Carolina legislature to pursue reforms to the Palmetto State's system of business licensing in order to promote economic growth and provide a more prosperous future for all South Carolinians.

³⁸ A state license tax however, may be held unconstitutional based on the precedent in the 1930 case of *Martin v. Chief Game Warden*, see Quirk, William J. "Nature of a Business License Tax." *South Carolina Law Review*, Vol. 32, 1981, page 483, however this proposal is different from a state-wide license because the revenue is returned to the localities.



Mottel, Haley

From: Nick Kremydas <nick@screaltors.org>
Sent: Monday, November 30, 2015 2:54 PM
To: Mottel, Haley
Cc: Sarah Patterson; Lindsay Jackson; Shelby Herbkersman
Subject: Re: Contact Info
Attachments: RRFapp6.pdf

Thank you, attached is a copy of our flood relief application. I'll see if there's anything else we need to send when I return to the office tomorrow.

Thanks!

--
Nick E. Kremydas, Esq., RCE | Chief Executive Officer
SC REALTORS® | Cell: 803 [REDACTED]

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On Mon, Nov 30, 2015 at 11:02 AM, Mottel, Haley <HaleyMottel@gov.sc.gov> wrote:

Nick,

It was great speaking with you. Please let me know if you need anything. I look forward to receiving any additional information as discussed. Hope you have a great day!

Thank you,

Haley

Haley Mottel

Legislative Liaison

Office of Governor Nikki R. Haley

Office: (803) 734-0082

Cell: (803) 240-1512

HaleyMottel@gov.sc.gov



REALTORS® RELIEF FOUNDATION
Application for Disaster Relief Assistance



Type of Assistance

The REALTORS® Relief Foundation, has set up a fund for persons who have suffered losses due to the recent flooding in South Carolina. This application is for South Carolina residents who have suffered property damage to their primary residence as a result of the severe flooding event that took place on October 2015. Assistance is available to qualified applicants for one of the following options: 1) Monthly mortgage expense for the primary residence or; 2) Cost of temporary shelter due to displacement from the primary residence resulting from the October 2015 floods. Relief assistance is limited to a maximum of \$1,000 per applicant and one grant per residence. **Deadline for application submission is December 31, 2015.**

Eligibility

Recipient must be a full-time South Carolina resident and U.S. citizen or legally admitted for residence in the United States. You must include proof of residency (e.g., driver's license or other governmental documentation evidencing residency) with this application.

Confidentiality

All information provided on the form will remain confidential and will be available only to those who need to confirm eligibility for assistance and to those who process the assistance to be provided. This includes providing a copy of this application to the applicant's lender or landlord, if requested. It will not be shared with other parties for any other purpose.

Disbursement of Funds

In order to provide for a reasonable and equitable distribution of funds, assistance will be provided on a first come, first served basis. All grants are contingent upon the availability of funds. The REALTORS® Relief Foundation reserves the right to accept or reject any application and, for good and sufficient reasons, to cancel any grant that it has made. The Foundation also reserves the right to change the application criteria at any time. Grants will be jointly payable to applicant and mortgage lender/landlord.

Please complete ALL information to be considered for assistance:

Full Name: _____ Email Address: _____

Street Address of Damaged Property: _____

Unit # _____ City: _____ State: _____ Zip: _____

Mobile Phone # _____ Other Phone # _____ Estimated annual income: \$ _____

Please check the following.

<u>TYPE of DWELLING</u>	<u>OWN or RENT</u>	<u>PRIMARY RESIDENCE?</u>
Single family home <input type="checkbox"/>	Own <input type="checkbox"/>	Yes <input type="checkbox"/>
Condo/Townhome <input type="checkbox"/>	Rent <input type="checkbox"/>	No <input type="checkbox"/>
Other: (Specify) _____ <input type="checkbox"/>		

Total Estimated Loss: \$ _____ Estimated Uninsurable Loss: \$ _____

(PLEASE ATTACH INSURANCE ESTIMATE IF AVAILABLE)

HAVE YOU BEEN DISPLACED FROM YOUR PRIMARY RESIDENCE?

YES ☐
NO ☐

TYPE OF REQUEST:

MORTGAGE ☐
HOUSING ASSISTANCE ☐

If Yes, Estimated Length of Displacement: _____

Please fill out the applicable box below:

Name of Lender/Mortgage Servicer: _____

Website Address: _____ Telephone # _____

Mortgage Loan Account # _____ Monthly Payment: _____

REQUIRED: Please include a copy of your last mortgage statement, including payment amount and balance owed.

Name of Landlord/Shelter Provider: _____

Telephone # of Landlord or Shelter Provider: _____ Monthly Payment: _____

REQUIRED: Please include a copy of your rental agreement or proof of temporary housing costs (receipts)

YOU MUST SUBMIT THE FOLLOWING DOCUMENTS TO SHOW PROOF OF DAMAGE TO YOUR PRIMARY RESIDENCE. PLEASE CHECK TO INDICATE YOU ARE ATTACHING THE FOLLOWING:

- ☐ Copy of last mortgage statement or rental agreement or proof of temporary housing costs (receipts)
- ☐ Copy of South Carolina Driver's License
- ☐ Pictures of damages
- ☐ Copies of written claims, settlement proceeds, or claim status reports (if applicable)
- ☐ Copies of repair estimates from contractors (if applicable)
- ☐ Other (describe) _____

Please provide a brief description of the damages that you have incurred:

**Please detail any financial assistance you have received from other sources by including 1.) The name of the provider
2.) Description of assistance and 3.) The total amount received.**

Declaration of Application

By signing this application, I verify that all information presented is true and correct to the best of my knowledge. I understand that the REALTORS® Relief Foundation may request additional information before approving this request. (Unsigned and/or incomplete applications will not be accepted.)

☐ **I HAVE COMPLETED THE APPLICATION AND ATTACHED ALL SUPPLEMENTAL MATERIALS AS REQUIRED.**

Applicant Signature: _____ **Date:** _____

Applicant Printed Name: _____

Address to which check should be mailed if approved:

Full Name: _____

Street Address: _____

City: _____ **State:** _____ **Zip:** _____

Mail or Email completed application to:

South Carolina Association of REALTORS®
Attn: REALTORS® Relief Foundation
3780 Fernandina Road Columbia, SC 29210
Email: relief@screaltors.org or Fax to: 803-798-6650

For Inquiries: 803-772-5206 | Website: www.screaltors.org/relief

FOR SOUTH CAROLINA ASSOCIATION OF REALTORS® USE ONLY

We have reviewed the attached South Carolina Flood Disaster Relief funding application and recommend to the REALTORS® Relief Foundation that it be considered for funding.

Recommended Amount: _____

Special Notes: _____ Signature of CEO: _____

FOR REALTORS® RELIEF FOUNDATION USE ONLY

Date Received: _____ Amount Approved/Processed: _____

Reviewed By: _____

Special Notes: _____

Mottel, Haley

From: Priester, Nicole
Sent: Tuesday, November 10, 2015 4:14 PM
To: Nick Kremydas
Cc: Mottel, Haley
Subject: RE: Leadership Meeting

Nick,

I am very sorry for the confusion. I now have your group on the Governor's schedule for Thursday, December 3rd at 3:00 PM.

Thank you so much!
Nicole

From: Nick Kremydas [mailto:nick@screaltors.org]
Sent: Monday, October 26, 2015 9:51 PM
To: Priester, Nicole
Subject: Re: Leadership Meeting

Yes, thank you. I'm glad to know that I'm not the only one working late all the time. :)

I appreciate the quick response.

Nick E. Kremydas, Esq., RCE | Chief Executive Officer
SC REALTORS® | Cell: 803 [REDACTED]

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On Mon, Oct 26, 2015 at 9:49 PM, Priester, Nicole <NicolePriester@gov.sc.gov> wrote:

We can do the 20th at 11:00 AM. Does that work?

From: Nick Kremydas [mailto:nick@screaltors.org]
Sent: Monday, October 26, 2015 9:48 PM

To: Prieste, Nicole
Subject: Re: Leadership Meeting

No worries at all.

We're in San Diego that week for national REALTOR meetings and can't make the 13th.

How about the 18th, 19th or 20th?

Thanks,

Nick E. Kremydas, Esq., RCE | Chief Executive Officer

SC REALTORS® | Cell: 803. [REDACTED]

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On Mon, Oct 26, 2015 at 8:59 PM, Prieste, Nicole <NicolePriester@gov.sc.gov> wrote:

Nick,

Thank you for reaching out about this. I apologize for my delayed response, but I was out of the office today assisting at a disaster relief center. If we could reschedule the meeting this Thursday, that would be wonderful. The recovery and relief efforts are still in full swing this week. Can we possible reschedule for Friday, November 13th at 2:00 PM in the Governor's Office?

Thank you for your flexibility and understanding.

Nicole

From: Nick Kremydas [mailto:nick@screaltors.org]
Sent: Monday, October 26, 2015 10:59 AM

To: Priester, Nicole
Subject: Re: Leadership Meeting

Nicole,

I was checking to see if our meeting with Gov. Haley is still good for this week. Let me know if we need to reschedule due to her flood relief efforts.

Thanks,

Nick E. Kremydas, Esq., RCE | Chief Executive Officer

SC REALTORS® | Cell: 803-██████████

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On Fri, Sep 4, 2015 at 10:27 AM, Nick Kremydas <nick@screaltors.org> wrote:

We would like to discuss the upcoming legislative session, specifically tax reform (property).

Attendees:

Fritzi Barbour, President

David Kent, President Elect

David Phillips, Treasurer

Laura Derrick, Secretary

Randy Harrison, Past President

Nick Kremydas

Our 3 new lobbyists (Sara Patterson, Lindsay Jackson, Shelby Herbkersman)

Let me know if you need anything else.

Nick E. Kremydas, Esq., RCE | Chief Executive Officer

SC REALTORS® | Cell: 803. [REDACTED]

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On Wed, Sep 2, 2015 at 11:24 AM, Priester, Nicole <NicolePriester@gov.sc.gov> wrote:

Nick,

In regards to the October 29th meeting at 2:00 PM, can you send me a little background on what you would like to discuss with the Governor? Also, can you please send a list of attendees for that meeting?

Thanks,

Nicole

From: Nick Kremydas [<mailto:nick@screaltors.org>]
Sent: Tuesday, July 21, 2015 2:35 PM

To: Priester, Nicole
Subject: Re: Leadership Meeting

Yes, thank you! I'll send a list of names as we get closer to the date.

Nick E. Kremydas, Esq., RCE | Chief Executive Officer

SC REALTORS® | Cell: 803. [REDACTED]

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On Tue, Jul 21, 2015 at 2:30 PM, Priester, Nicole <NicolePriester@gov.sc.gov> wrote:

What about October 29th at 2:00 PM?

From: Nick Kremydas [<mailto:nick@screaltors.org>]
Sent: Tuesday, July 21, 2015 11:28 AM
To: Priester, Nicole
Subject: Re: Leadership Meeting

Would any other day that week work? I'm scheduled to speak to the Georgetown Rotary club on the 27th.

Nick E. Kremydas, Esq., RCE | Chief Executive Officer

SC REALTORS® | Cell: 803. [REDACTED]

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On Mon, Jul 20, 2015 at 11:17 AM, Priester, Nicole <NicolePriester@gov.sc.gov> wrote:

Nick,

I hope you are doing well. Thanks for your email last week. Governor Haley is available to meet on Tuesday, October 27th at 2:00 PM in the Governor's Office. Will this date and time work? Do you mind sending me a list of attendees a few days prior to the meeting?

Thanks,
Nicole

Nicole Priester

Scheduler | Office of Governor Nikki Haley

NicolePriester@gov.sc.gov

From: Nick Kremydas [mailto:nick@screaltors.org]
Sent: Monday, July 13, 2015 9:12 AM
To: Priester, Nicole
Subject: RE: Leadership Meeting

Nicole,

I hope this email finds you well!

I'm trying to schedule a leadership meeting with Gov. Haley. My officers annually meet with the Governor, and the leadership of the House and Senate and wanted to see if you could help arrange that--anytime between now and November would work, no rush.

Thanks!

Nick E. Kremydas, Esq., RCE | Chief Executive Officer

SC REALTORS® | Cell: 803 [REDACTED]

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Webb, Beth

From: Kevin Crutchfield <kevin@cascosigns.com>
Sent: Wednesday, February 25, 2015 8:21 AM
To: 'Roger Lowe'
Cc: 'Rhonda Jackson'; 'Georgia Lewis'; Webb, Beth
Subject: RE: Required Licenses for sign installation in South Carolina

Good Afternoon Mr. Lowe,

I hope all is great with you. Thank you for your reply. I understand your mission and I have to say it aligns with our mission within our industry as well. Just to clarify, we do not install Billboards, our business in commercial signs for advertising and identification purposes. I am confident that there is sufficient definition within your building code regulations that could be interpreted to apply to our field of expertise. What I do not understand is that I cannot find one sign company on your list of licensed contractors in the state of SC. They may exist, but I spent well over two hours searching and could not find one.

I do not take issue the state of SC wants to implement the need for licenses and some type of certification for our industry. It does seem reasonable that we would be notified of the new requirement and given a grace period for our implementation. I sit on the board for the Southern States Sign Association and have many industry friends in SC. I have discussed this topic with several of my associates I know personally in your state that manufacture and install signs and do not have any of the licenses you mention below. How is it possible that SC has this requirement, but none of the major players in our industry in your state are aware of it. It simply because up to this point, it has not been a requirement across the state of SC.

I do not recall exactly, but it has been over five years ago, that I contacted the state of SC regarding the requirements for an electrical license to connect signs in your state and I was told, that as long as the electrical portion of the scope of work was less than \$5000, then a license was not required. I regret that I cannot recall specifically with whom I spoke to.

Our industry just needs to be equally regulated in your state. Sign manufacturers and installers do not need to know how to build a building or wire a power plant to perform the scope of work safely. There should be regulation, but the regulation should fit the application.

I will plan to attend the April 16th meeting and look forward to the opportunity to work with your state on this topic.

Beth Webb, Commerce Liaison and Special Projects with the Governor Haley's office is copied on this email and I am hopeful she can attend as well. I am hopeful Beth can offer direction and assistance with this resolution.

I have projects pending in SC right now that are being held up by this conflict of applying the building code to the sign industry. If at all possible, I would appreciate some latitude to complete them, fulfilling all obligations of required inspections until this can be resolved. I look forward to your favorable reply.

Thank you for your time and consideration.

Cabarrus Regional Chamber of Commerce "2013 Small Business of the Year"

Casco has a 136' 23.5 ton Crane in our installation fleet. Call us for your next crane rental, high rise service or install.

Need an Awning, Casco has the SOLUTION! Give us a call for a free quote!

Casco Signs has added Digital Printing and Graphics to our list of products and services. Promotional Graphics, Window Graphics, Custom Wall Paper, Enlarged Canvas Prints, Low Cost Printed Banners, Vehicle Graphics are all just a phone call away! Let us know how we can help you succeed in your business.

Have a Great Day!

Kindest Regards,

Kevin Crutchfield
President/CFO

casco signs
I N C O R P O R A T E D



704- [REDACTED]
www.cascosigns.com

From: Roger Lowe [mailto:roger.lowe@llr.sc.gov]
Sent: Friday, February 20, 2015 1:41 PM
To: Kevin Crutchfield
Cc: Rhonda Jackson; Georgia Lewis
Subject: RE: Required Licenses for sign installation in South Carolina

Mr. Crutchfield,

The mission of LLR is to promote the health, safety and economic well-being of the public through regulation, licensing, enforcement, training and education. The issue of the required license(s) to install billboards has come up quite frequently in the past few years and it has been the position of the Contractor's Licensing Board that if grading, excavation, forming and re-enforcement of the concrete base and/or footings fall within with the statute describing concrete work under SC Code of Laws Section 40-11-410(4)(b), then that portion of the work would require a General Contractor's license with the subclassification of Concrete(CT). That statute reads as follows:

"Concrete" which includes all work in connection with concrete forming and placing; assembling of forms, molds, slipforms and pans; centering, trenching, excavating, backfill, and grading in connection with concrete construction; construction of sidewalks, driveways, curbs, medians, and barrier walls; and installing of embedded items essential to or comprising an integral part of concrete or concrete construction including reinforcing elements and accessories including, but not limited to, concrete chimneys, floors, piers, and foundations when using concrete rebar and other materials common to the concrete industry. This subclassification does not include the General Contractor-Highway- Bridge license subclassification or the construction of streets, roads, parking lots, and highways.

In addition, if the erection of the display, billboard, signage, etc. includes any of the following work described in SC Code of Laws Section 40-11-410(4)(j)and(k), then a General Contractor's license with the subclassification Structural Framing(SF) would also be required. Those sections reads:

(j) "Structural Framing" which includes the installation, repair, or alteration of metal or composite structural members for buildings or structures, including riveting, welding, and rigging. This subclassification also includes work under the subclassification of Structural Shapes.

(k) "Structural Shapes" which includes the installation, repair, or alteration of metal or composite shapes, tubing, pipes and bars, including minor field fabrication as may be necessary.

As for the licensing required to perform the electrical portion of the project, if the electrical work fits into any of the elements of SC Code of Laws Section 40-11-410(S)(d) which reads:

(d) "Electrical" which includes the installation, alteration, or repair of wiring-related electrical material and equipment used in the generating, transmitting, or utilization of electrical energy less than six hundred volts, including all overhead electrical wiring on public rights-of-way for signs and street decorations and all underground electrical distribution systems of less than six hundred volts serving private properties. This subclassification also includes, but is not limited to, installing, altering, and repairing, panels, controls, conductors, conduits, cables, devices, plates, electric ceilings, control wiring; and electric heating, lighting fixtures, lamps, general outside lighting, underground and overhead feeder distribution systems for services, and related components or work necessary to provide a complete electrical system and installing window or through-the-wall air conditioning units not to exceed three HP or three tons where no piping is necessary. Under this subclassification, general outside lighting is limited solely to within property lines and not on public easements or rights-of-way. A contract that contains electrical work above fifty volts must be performed by a contractor licensed under this subclassification or a licensed public electrical utility contractor. This license subclassification includes installing, altering, and repairing all lighting on private property, athletic fields, stadiums, parking lots, and the design, installation, and servicing of fire alarm systems.

then a Mechanical Contractor's license with an Electrical(EL) subclassification would be required.

To perform a "ground up" installation of a concrete/steel/lighted advertising structure, the contractor would require a General Contractor license with the subclassifications CT and SF and a Mechanical License with an EL subclassification.

The requirements for obtaining the appropriate license may be found here:

<http://www.llr.sc.gov/POL/Contractors/index.asp?file=licensure.htm>

Please note that this issue will be discussed at the SC Contractor's Licensing Board at its next meeting which will be held on April 16, 2015 at 10:00AM at the LLR address below. If you would like further information or would like input, please plan to attend.

Thank you,



Roger K. Lowe, MCP CBO

Administrator

SC Building Codes Council

SC Contractors' Licensing Board

SC Manufactured Housing Board

SC Boiler Safety Program

110 Centerview Drive ♦ Columbia, SC 29211 ♦ roger.lowe@llr.sc.gov ♦ 803.896.4688 ♦ 803.896.4618 FAX

From: Kevin Crutchfield [mailto:kevin@cascosigns.com]

Sent: Monday, February 16, 2015 4:31 PM

To: Roger Lowe

Subject: Required Licenses for sign installation in South Carolina

Good Afternoon Mr. Lowe,

I hope all is well with you today. I am writing to ask for your assistance with regard to the subject. We have been installing signs in the South Carolina Region for more than 15 years. We have recently been ask to provide a South Carolina contractor's license to pull permits to install signs in one city in your state. I have reviewed the state building regulations and do not find anywhere that a license is required to install signs in South Carolina. So I am trying to further research and see where the requirement is coming from. I have also checked with several larger Sign manufacturing and Installation companies resident in SC and none of them are SC Licensed Contractors. I recently participated in a discussion with a representative of Governor Nikki Haley that pertained to South Carolinas mission to draw business to the state so I have also Ask Governor Haley's office to assist our research to find the correct and legal response to this request. In all other southeastern states that we do business in, only Florida has a sign hanger specific license requirement. In North Carolina, we have a specialty electrical license program that allows a licensee to connect a sign to existing power if the connection is within 6 feet of the sign. I realize none of this information pertains to South Carolina requirements, but up until now there has not been a requirement that I am aware of. Recently, the state of Georgia made an attempt to restrict sign companies from performing electrical work on electric signs and related electrical components, but later rescinded the decision due to the numerous companies, employees and consumers that would be adversely affected by the restrictions. There was also a conflict in that a licensed electrician is not UL trained and certified to install a UL listed sign assembly as are the manufactures of these sign products. Further it would seem unreasonable that a person or entity be required to be licensed as a general contractor and be familiar with the building codes and restrictions to build a house or better yet a commercial building, just to install a sign on such.

I would appreciate your help in determining a resolution to this issue that has been approached from many different viewpoints through various inspection and permitting entities in South Carolina. It is my hope that a statement on this subject from the state level would be applicable across the state regulated licensing and permitting entities.

Thank you very much for your time and consideration of this request. I look forward to hearing from you.

Cabarrus Regional Chamber of Commerce "2013 Small Business of the Year"

Casco has a 136' 23.5 ton Crane in our installation fleet. Call us for your next crane rental, high rise service or install.

Need an Awning, Casco has the SOLUTION! Give us a call for a free quote!

Casco Signs has added Digital Printing and Graphics to our list of products and services. Promotional Graphics, Window Graphics, Custom Wall Paper, Enlarged Canvas Prints, Low Cost Printed Banners, Vehicle Graphics are all just a phone call away! Let us know how we can help you succeed in your business.

Have a Great Day!

Kindest Regards,

Kevin Crutchfield
President/CFO

cascosigns
i n c o r p o r a t e d



wcb

704-



www.cascosigns.com

Haltiwanger, Katherine

From: Haltiwanger, Katherine
Sent: Tuesday, November 10, 2015 6:56 PM
To: 'Mneihaus@hbaofsc.com'
Cc: Swati Patel (swatipatel@gov.sc.gov)
Subject: FW: HBASC Builder Journal
Attachments: Gov Haley Letter.pdf

Matt,

I will certainly take a look at the requested letter. What is your deadline and do you have the attachment in a Word document?

Thanks,

Katherine Haltiwanger
Deputy Chief of Staff-Operations
Governor Nikki R. Haley
1205 Pendleton Street
Columbia, SC 29201
direct: 803.734.5150
fax: 803.734.5167

From: Matt Niehaus [<mailto:mniehaus@hbaofsc.com>]
Sent: Tuesday, November 10, 2015 11:43 AM
To: Patel, Swati
Subject: HBASC Builder Journal

Swati,

I hope you are doing well. I wanted to reach out to you on a request we make each fall. Our trade magazine, *The HBASC Builder Journal*, is sent to all of our members as well as each member of the General Assembly. In the final issue of the year, we have included the attached letter from Governor Haley. It is a fairly standard letter, but I would like to get approval from your office before we publish anything. Please feel free to make changes to the letter you feel are necessary. If you have any questions, please let me know.

Thank you

Matt Niehaus
Director of Government Affairs
Home Builders Association of South Carolina
625 Taylor Street, Suite A
Columbia, SC 29201
(803) [REDACTED]
Fax (803) 254-5762
mniehaus@hbaofsc.com



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State of South Carolina Office of the Governor

NIKKI R. HALEY
GOVERNOR

1205 PENDLETON STREET
COLUMBIA 29201

Dear Readers,

On behalf of the State of South Carolina, I welcome you to take a closer look at the Palmetto State and see what our homebuilders have to offer. From the mountains to the beaches and the rich culture and Southern hospitality found in between, South Carolina is a great place to live, to work, and to play.

As the daughter of Indian immigrants, I am a native of Bamberg, South Carolina – a small town like so many others in our state, which gives roots to families who want to build their own American Dream. My parents built a company out of the living room of our home, and for us, South Carolina has been the place to pursue the opportunity and promise for a better life.

As Governor, I am proud that South Carolina is rapidly becoming the new “it” state for economic development and manufacturing. We build planes, we build cars, we build tires, and we certainly build homes. Proving that location is, indeed, everything, our homebuilders know that nothing can top the breathtaking scenery of our state’s natural landscape to be the backdrop for the places we call home.

The homes highlighted in this magazine have been recognized as Pinnacle Awards by the Home Builders Association of South Carolina, awards created to honor those in the industry who have achieved the highest standard of quality craftsmanship and customer satisfaction. I congratulate them for their success and for giving the Palmetto State one more source of proud to celebrate. God bless.

My very best,

Nikki R. Haley

Haltiwanger, Katherine

From: Matt Niehaus <mniehaus@hbaofsc.com>
Sent: Monday, November 25, 2013 2:52 PM
To: Haltiwanger, Katherine
Subject: RE: Flags flown over the Statehouse

Katherine,
Thank you for the information. I will give Lynn a call.

Thanks

Matt Niehaus
Director of Government Affairs
Home Builders Association of South Carolina
1419 Pendleton Street
Columbia, SC 29201
(803) [REDACTED]
Fax (803) 254-5762
mniehaus@hbaofsc.com



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From: Haltiwanger, Katherine [<mailto:KatherineHaltiwanger@gov.sc.gov>]
Sent: Monday, November 25, 2013 1:23 PM
To: Matt Niehaus
Subject: Flags flown over the Statehouse

Matt,

Ted Pitts asked that I relay our contact to you for flags flown over the Statehouse.

Lynn Arnold, General Services
(803) 734-3337
larnold@gs.sc.gov

Let me know if you need anything else.

Thanks,

Katherine Haltiwanger
Deputy Chief of Staff-Operations
Governor Nikki R. Haley
1205 Pendleton Street
Columbia, SC 29201
direct: 803.734.5150
fax: 803.734.5167

Haltiwanger, Katherine

From: Pitts, Ted
Sent: Monday, November 25, 2013 1:28 PM
To: Haltiwanger, Katherine
Subject: RE: State Flag

Thanks.

From: Haltiwanger, Katherine
Sent: Monday, November 25, 2013 1:23 PM
To: Pitts, Ted
Subject: RE: State Flag

Done

From: Pitts, Ted
Sent: Monday, November 25, 2013 9:15 AM
To: Haltiwanger, Katherine
Subject: FW: State Flag

From: Matt Niehaus [<mailto:mniehaus@hbaofsc.com>]
Sent: Friday, November 22, 2013 12:14 PM
To: Pitts, Ted
Subject: State Flag

Ted,

My boss, Mark Nix, said that I should contact you about procuring a state flag flown over the Statehouse. Any assistance you could provide would be greatly appreciated. If you need any additional information from me, please do not hesitate to ask.

Thank you

Matt Niehaus
Director of Government Affairs
Home Builders Association of South Carolina
1419 Pendleton Street
Columbia, SC 29201
(803) [REDACTED]
Fax (803) 254-5762
mniehaus@hbaofsc.com



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Haltiwanger, Katherine

From: Mark Nix <mnix@hbaofsc.com>
Sent: Friday, April 05, 2013 11:05 AM
To: Haltiwanger, Katherine
Subject: RE: Michael Haley's Statement

Thanks!

From: Haltiwanger, Katherine [<mailto:KatherineHaltiwanger@gov.sc.gov>]
Sent: Friday, April 05, 2013 9:09 AM
To: Mark Nix
Subject: Michael Haley's Statement

Mark,

Here is the statement from Michael Haley for your Bird Supper. Hope this works, and please let me know if you need anything else.

I'm reaching out from Afghanistan to join with the HBA in recognizing and thanking those of you who have served our country with honor and pride. I encourage everyone to dig deep into their pockets to support the Honor Flight and Homes for Our Troops. I'm sorry I can't be with you tonight but hope you have a wonderful evening.

-First Gentleman Michael Haley

Thanks,

Katherine Haltiwanger
Deputy Chief of Staff-Operations
Governor Nikki R. Haley
1205 Pendleton Street
Columbia, SC 29201
direct: 803.734.5150
fax: 803.734.5167

Haltiwanger, Katherine

From: Mark Nix <mnix@hbaofsc.com>
Sent: Thursday, April 04, 2013 11:35 AM
To: Haltiwanger, Katherine
Subject: FW: Bird Super 2013



.....

**Thank you for your membership in the HBA.
You Make a difference!**

The HBA is taking the opportunity to recognize and thank those members of the General Assembly and our HBA Members who have served in the Armed Forces at this years 43rd Annual Bird Supper on April 9, 2013 at Seawells (Rosewood Drive across from the S.C. State Fairgrounds in Columbia). Tickets are \$35 and are available with your local association.

We will also be holding a "Heroes Auction." at the Bird Supper. Proceeds will benefit "Homes For Our Troops, "Honor Flight" and the HBASC Legal Action Fund. Auction Items include:

- **Private Duck Hunt in Rimini, SC plus Overnight Accommodations
Donated by Lou Tocci, Ferguson Enterprises**
- **Redfish and Seatrout Charter from Charleston, SC
Donated by Lou Tocci, Ferguson Enterprises**
- **Pheasant Hunt for 2 at a Private Club on Lake Greenwood
Donated by Johnny Uldrick**
- **Quail Hunt for 2 in Kershaw County
Donated by Skip Norris**
- **Private Duck Hunt in Lee County
Donated by Andy White**
- **Half-Day 30 Bird Quail Hunt in Georgetown, SC
Donated by SCE&G**

As well as much more...

If you are not wearing a Gold Hammer now is the time to become a S.C. Builders PAC contributor. We will hold our annual Hammer and Trowel Reception at 5:30 pm. The reception is by invitation only for past Hammer and Trowel Award winners and those who are a Silver Hammer, or higher, PAC contributor. It is never to late to be a member of the PAC!

Thank you for your membership in the HBA!

Bird Supper Day Agenda

4:00 p.m. - Board of Directors Meeting

**5:30 p.m. - SC Builders PAC Reception Honoring Hammer & Trowel Award
Winners**

Invitation Only - SC Builders PAC \$250 + Contributors

6:30 p.m. The Bird Supper

* All events take place at Seawells



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HBA of SC 1419 Pendleton Street Columbia SC 29201

Haltiwanger, Katherine

From: LeMoine, Leigh
Sent: Tuesday, March 26, 2013 4:48 PM
To: Stirling, Bryan; Godfrey, Rob
Cc: Haltiwanger, Katherine
Subject: Re: Congratulatory Letter

KH - please see the request below.

Thanks,
Leigh

From: Stirling, Bryan
Sent: Tuesday, March 26, 2013 04:45 PM
To: LeMoine, Leigh; Godfrey, Rob
Subject: FW: Congratulatory Letter

What is the process for this letter request? It's a pretty fast turnaround also.

From: Cashion Drolet [<mailto:cashion@screaltors.org>]
Sent: Tuesday, March 26, 2013 1:54 PM
To: Stirling, Bryan
Subject: Congratulatory Letter

Bryan,
Thanks for calling me back. We would appreciate a letter from the Governor that Nick can read at the retirement party for Terry Ketchem on Thursday evening. Terry is retiring after serving 26 years as Association Executive of the Charleston Trident Association of REALTORS. We are hoping to recognize her devotion to improving quality of life in the Charleston area and her dedication to serving the REALTOR membership.

I know that this is tight given the timing and the Governor's busy schedule, and we deeply appreciate your attention to this matter.

Sincerely,
Cashion

Cashion Drolet
Sr. VP of Government Affairs
South Carolina REALTORS®

www.screaltors.com
o 803-772-5206 m 803-
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sent with it are confidential. If you have received this email in error, please notify the sender and then delete it immediately.

Haltiwanger, Katherine

From: Teppara, Dino <DTeppara@ed.sc.gov>
Sent: Wednesday, July 09, 2014 12:26 PM
To: 'Grant Gillespie'; Haltiwanger, Katherine
Cc: Roger Lowe
Subject: RE: LLR contact

Thank you all for the very prompt response!!!

Roger, I will copy you on an email introduction with the Lexington School Dist. One Superintendent and her staff.

Regards,
Dino

From: Grant Gillespie [<mailto:Grant.Gillespie@llr.sc.gov>]
Sent: Monday, July 07, 2014 11:47 AM
To: Haltiwanger, Katherine; Teppara, Dino
Cc: Roger Lowe
Subject: RE: LLR contact

Dino:

Hope all is well.

Roger Lowe would be your best person to chat with. He is administrator for the Building Code Council and should be able to point you in the right direction. He is copied on this email and his direct line is 896-4306.

Thanks for the help Roger.

Grant Gillespie
Director of Business and Government Affairs
SC Department of Labor, Licensing & Regulation,
110 Centerview Drive; Columbia, SC 29210
Office: 803.896.4440
Cell: 803. [REDACTED]
Fax: 803.896.4393
Email: gillespieg@llr.sc.gov
Website: www.llr.state.sc.us

From: Haltiwanger, Katherine [<mailto:KatherineHaltiwanger@gov.sc.gov>]
Sent: Monday, July 07, 2014 9:57 AM
To: Teppara, Dino
Cc: Grant Gillespie
Subject: RE: LLR contact

Looping in Grant Gillespie at LLR...he can point you in the right direction.

Thanks,

Katherine

From: Teppara, Dino [<mailto:DTeppara@ed.sc.gov>]
Sent: Wednesday, July 02, 2014 9:45 AM
To: Haltiwanger, Katherine
Subject: LLR contact

Katherine, is there a POC at LLR you can introduce me to who deals with building codes? Lexington Sch. Dist. 1 has some issues with moving portables and would like to speak with someone.

Thanks!
Dino

Dino Teppara, Esquire
Director – Legislative and Public Affairs
S.C. Department of Education
1029 Senate Street, #1004
Columbia, SC 29201
Twitter: @EducationSC, @DinoTeppara
<http://ed.sc.gov>

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Haltiwanger, Katherine

From: Haltiwanger, Katherine
Sent: Monday, June 16, 2014 12:57 PM
To: Holly Gillespie Pisarik
Subject: Fwd: State Fire Marshal position
Attachments: Gary Mocarski resume.doc; ATT00001.htm; llr cover.docx; ATT00002.htm

Sent from my iPhone

Begin forwarded message:

From: Gary Mocarski <inspmocarski@migcfd.org>
Date: June 16, 2014 at 12:34:48 PM EDT
To: "katherinehaltiwanger@gov.sc.gov" <katherinehaltiwanger@gov.sc.gov>
Subject: State Fire Marshal position

Ms. Haltiwanger,
Thank-you for responding to my query. Please find attached a copy of my resume in Word format to forward to LLR. I have also attached a cover letter with contact information.

Yours in Fire Safety.
Gary Mocarski

Gary J. Mocarski
131 Colonial Circle
Garden City, SC 29576

Objective: South Carolina State Fire Marshal.

Work Experience: 1996 - present.

Fire Inspector, Murrells Inlet - Garden City Fire District, Murrells Inlet, SC. Report to Fire Chief. Responsible for ensuring that all buildings in the fire district that fall under fire department jurisdiction comply with applicable fire and building codes from initial design through construction and continued occupancy. Duties include reviewing new construction design documents to ensure compliance with current codes and standards; inspecting structures under construction to verify that what is installed is consistent with approved design documents and meets applicable codes and standards; witnessing acceptance tests of fire detection, alarm, and suppression systems and components to ensure operability and code compliance; inspecting newly-completed buildings to ensure that fire and life safety systems are all complete and operable so that such buildings may be occupied; overseeing a routine fire inspection program of all public occupancies under department jurisdiction to ensure that they remain fire-safe; and maintaining records of all inspections. Other duties include responding to and assisting in the mitigation of fires and other emergencies occurring in the fire district and coordinating public fire education programs in local schools, health care institutions, and businesses to maintain a high degree of fire awareness among our citizens.

Other Pertinent Work Experience

Director of Religious Education in a large church community. Duties include curriculum selection, staff selection and development, budget preparation and oversight, and occasional direct instruction in the classroom.

Fire Protection Engineer for an operations contractor at a federal nuclear weapons facility. Duties include developing fire protection programs for new and existing facilities; writing specifications for fire detection, alarm, and suppression systems and developing life-safety arrangements for new facilities; and authoring engineering analyses documenting the level of equivalency to Department of Energy Orders and applicable codes and standards. Also track departmental project support budgets.

Fire Protection Consultant (self-employed). Duties include inspecting client properties and reporting findings to clients, insurers, and/or regulators; flow-testing water systems; authoring fire and emergency plans; assisting clients in developing corrective actions in response to regulatory findings; and providing classroom instruction on fire safety and other topics to client employees.

Loss Prevention Coordinator (position originally titled Fire Marshal) at a two-unit nuclear power station. Duties include maintaining full compliance with and updating as needed a comprehensive Fire Protection Program; authoring fire protection engineering analyses of physical plant and procedural modifications; overseeing fire system testing and maintenance; preparing and working within a departmental budget; training and equipping fire department personnel; and interfacing with such regulatory agencies as insurance companies, the Nuclear Regulatory Commission, and other nuclear industry groups.

Education

BA Arts and Humanities, Gannon University, Erie, PA (1979)
Business courses, J. Sargeant Reynolds Community College, Richmond, VA
Engineering courses, Germanna Community College, Locust Grove, VA

Additional Courses/Seminars

Fire Protection for the Operations Phase (General Physics Corporation, Columbia, MD)
Fire Protection Engineering for Department of Energy Facilities (FM Global, Norwood, MA)
NFPA 101, Life Safety Code Seminar (National Fire Protection Association, Quincy, MA)
Documentation of hundreds of hours of continuing education in fire protection available on request.

Certifications

Certified Fire Marshal, State of South Carolina
Fire Inspector I, International Code Council
Fire Inspector II, International Code Council
Fire Plans Examiner, International Code Council
Certified Fire Code Official, International Code Council
Interior Structural Firefighter, State of South Carolina

Professional Memberships, Honors

Member (currently President), Grand Strand Fire Inspectors Association
Member (Past President) South Carolina Fire Marshals Association
Past Chairman, Joint Council of South Carolina Fire Service Associations.
Member, South Carolina Fire Sprinkler Coalition
Chairman, Code Study Group of the SC Firefighters Association and SC Fire Marshals Association
Past Member, Culpeper (VA) Town Council
1991 Outstanding Young Citizen, Culpeper (VA) Jaycees
2002 Career Firefighter of the Year, Murrells Inlet – Garden City Fire District
2014 Silver Beaver Award Recipient, Coastal Carolina Council, Boy Scouts of America

Other Affiliations

Former member, volunteer firefighter, Horry County (SC) Fire-Rescue
Former member, volunteer firefighter, Aiken (SC) Department of Public Safety
Life Member, volunteer Emergency Medical Technician, Culpeper County (VA) Volunteer Rescue Squad
Former member, volunteer firefighter, Culpeper County (VA) Volunteer Fire Department
Former EMT Lay Instructor, Virginia Division of Emergency Medical Services
Former member, Savannah River Branch of the Carolinas Chapter (now Savannah River Chapter), Society of Fire Protection Engineers

131 Colonial Circle
Garden City, SC 29576
June 16, 2014

Ms. Holly Pisarik
Director, SC Department of Labor, Licensing, and Regulation
Columbia, SC 29201

Dear Ms. Pisarik,

Position of State Fire Marshal

Ever since the announcement that State Fire Marshal Shane Ray would be stepping down, numerous people across the state have encouraged me to seek that position. With almost forty years of experience in the fire service, most of it here in South Carolina, it is felt that I possess the necessary qualifications and experience for the job. Thus I offer my name for your consideration for the position of State Fire Marshal.

A copy of my résumé is enclosed.

I may be contacted at (843) [REDACTED] anytime, or via email at inspmocarski@migcfd.org, and look forward to hearing from your office. Many thanks for giving this your due consideration.

Yours in Fire Safety,

Original Signed by Gary J. Mocarski

Gary J. Mocarski
Certified Fire Marshal
Certified Fire Code Official

Haltiwanger, Katherine

From: Haltiwanger, Katherine
Sent: Thursday, November 12, 2015 4:53 PM
To: 'Stephanie Collier'
Cc: Taylor, Richele
Subject: RE: October/November Public Servant Appreciation Lunch

Thanks for letting me know.

From: Stephanie Collier [<mailto:Stephanie.Collier@llr.sc.gov>]
Sent: Thursday, November 12, 2015 4:30 PM
To: Haltiwanger, Katherine
Cc: Taylor, Richele
Subject: FW: October/November Public Servant Appreciation Lunch

Katherine,

Connie Huffstetler, our November Public Servant Award recipient, just informed me that she will not be able to attend the appreciation lunch on the 16th.

I apologize for the late notice.

Stephanie

Stephanie Collier
Executive Assistant
Office of the Director
South Carolina Department of Labor, Licensing and Regulation
110 Centerview Drive
Columbia, SC 29210
(803) 896-4390
Email: stephanie.collier@llr.sc.gov
website: www.llronline.com



It's a Great Day in South Carolina!

From: Stephanie Collier
Sent: Tuesday, November 10, 2015 3:05 PM
To: 'Haltiwanger, Katherine'
Subject: October/November Public Servant Appreciation Lunch

Katherine,

The LLR employees attending the lunch will be:

For October:

Robert "Bert" Polk, State Fire Marshal

For November:

Connie Huffstetler, Program Assistant, Office of Board Services

Thank you.

Stephanie Collier

Executive Assistant

Office of the Director

South Carolina Department of Labor, Licensing and Regulation

110 Centerview Drive

Columbia, SC 29210

(803) 896-4390

Email: stephanie.collier@llr.sc.gov

website: www.llronline.com



It's a Great Day in South Carolina!

Haltiwanger, Katherine

From: Haltiwanger, Katherine
Sent: Tuesday, September 29, 2015 12:14 PM
To: Piper, Cynthia
Subject: RE: Firefighter Line of Duty Death

Let's go ahead and post

From: Piper, Cynthia
Sent: Tuesday, September 29, 2015 12:13 PM
To: Haltiwanger, Katherine
Subject: RE: Firefighter Line of Duty Death

I am planning to post this afternoon, is that ok with you or do you think we should wait until tomorrow?

Cynthia

From: Bert Polk [<mailto:Bert.Polk@lfr.sc.gov>]
Sent: Monday, September 28, 2015 5:16 PM
To: Haltiwanger, Katherine
Cc: Piper, Cynthia
Subject: RE: Firefighter Line of Duty Death

Yes, it is correct.

Thank you,

Robert Polk

Deputy Director/State Fire Marshal



From: Haltiwanger, Katherine [<mailto:KatherineHaltiwanger@gov.sc.gov>]
Sent: Monday, September 28, 2015 5:03 PM
To: Bert Polk
Cc: Piper, Cynthia
Subject: Re: Firefighter Line of Duty Death

Please confirm that the below information is correct. Thank you!

Governor Nikki Haley requests that the flags be flown at half-staff on Thursday, October 1, 2015, in memory of Firefighter/EMT Stuart Gregory Hardy of the Burton Fire District.

Sent from my iPhone

On Sep 28, 2015, at 1:35 PM, Bert Polk <Bert.Polk@lfr.sc.gov> wrote:

Yes, Thursday 10/1 at 11am. As a reminder we are requesting a State Flag as the military will be presenting a US flag.

Firefighter/EMT Stuart Gregory Hardy, Burton Fire District

Visitation: Wednesday 5-8 Copeland Funeral Home Beaufort

Services:

Thursday 11:00 am @ Praise Assembly of God in Beaufort SC

Internment at National Cemetery in Beaufort with Military and Fire Service Honors.

Thank you for your assistance,

Robert Polk

Deputy Director/State Fire Marshal
<image001.png>

From: Haltiwanger, Katherine [<mailto:KatherineHaltiwanger@gov.sc.gov>]
Sent: Monday, September 28, 2015 12:27 PM
To: Bert Polk
Cc: Casserly, James; Piper, Cynthia
Subject: RE: Firefighter Line of Duty Death

Thank you for letting me know. I am sorry to hear about this. I will let the Governor know as well. We will start the process for lowering the flags on Thursday and getting one for you to present. Is the funeral still planned for Thursday?

-Katherine

From: Bert Polk
Sent: Friday, September 25, 2015 10:57 AM
To: 'Priester, Nicole'
Subject: RE: Firefighter Line of Duty Death

Thanks for your response. I forwarded the message to you based on Katherine's "Out of Office" reply. I will reach out to her on Monday.

Robert Polk

Deputy Director/State Fire Marshal
<image001.png>

From: Bert Polk
Sent: Friday, September 25, 2015 10:35 AM
To: 'KatherineHaltiwanger@gov.sc.gov'
Subject: Firefighter Line of Duty Death

Katherine,

I wanted to make you aware of a LODD that occurred Thursday, September 24, 2015. Firefighter/EMT Stuart Gregory Hardy of the Burton Fire District succumbed to a medical condition that occurred while operating an emergency incident on September 13, 2015. Final arrangements are pending.

<http://www.legacy.com/obituaries/islandpacket/obituary.aspx?n=stuart-g-hardy&pid=175926862>

Two questions I was hoping you could help me with

1. Could we request the Governor to direct flag at state facilities to half staff on the day of services? (TENTATIVELY set for Thursday Oct 1st 2015).
2. Could we request a South Carolina state flag be flown over the statehouse in his memory. The flag will be presented to his widow at the services.

Thank you for your assistance,

Robert Polk

Deputy Director/State Fire Marshal
<image001.png>

Lee, Ashton

From: Lee, Ashton
Sent: Monday, March 09, 2015 9:46 AM
To: Nicole Priester (nicolepriester@gov.sc.gov)
Subject: FW: Intro

From: Nick Kremydas [mailto:nick@screaltors.org]
Sent: Monday, March 09, 2015 9:44 AM
To: Walls, Courtney
Subject: Fwd: Intro

Can you help with this? Thanks!

Nick E. Kremydas, Esq., RCE | Chief Executive Officer
SC REALTORS® | Cell: 803-██████████

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----- Forwarded message -----

From: Nick Kremydas <nick@screaltors.org>
Date: Mon, Mar 9, 2015 at 9:32 AM
Subject: Intro
To: Tim Pearson <tim.pearson@gov.sc.gov>, Tim Pearson ██████████@gmail.com>

Tim,

I hope this email finds you well. I need a good intro to introduce the Gov. at our event in a few weeks.

Do you have something you can send me? Short and sweet but complimentary on her jobs records and pro-business appointments at LLR and DHEC?

Also need a good hi-res photo, the Gov. at work, not just a headshot.

Thanks!

Nick E. Kremydas, Esq., RCE | Chief Executive Officer

Lee, Ashton

From: Earl McLeod <earl@columbiabuilders.com>
Sent: Saturday, October 11, 2014 7:50 AM
To: Lee, Ashton
Cc: Tim Pearson (tim@nikkihaley.com); John Covert [REDACTED]@gmail.com
Subject: Construction Workforce Training

In a conversation with HBA President John Covert at the HBA Clay shoot in Camden on August 27th the Governor offered to assist us in our efforts related to construction workforce training. Someone was to follow up with John in this regard.

Please give me a call next week as this is a very important issue to the construction industry in South Carolina.

We greatly appreciate the Governor's assistance in this regard.

Earl McLeod

Earl McLeod
HBA of Greater Columbia
Office 803 256-6238
Mobile 803 [REDACTED]
www.columbiabuilders.com

Lee, Ashton

From: Priester, Nicole
Sent: Wednesday, August 27, 2014 11:58 AM
To: Lynn Hawley
Cc: Rebecca Best; Lee, Ashton
Subject: RE: Gov. Haley

Lynn,

Last question- will there be reserved seating for tonight's event? I know Earl said it is very casual, but I just wanted to check.

Thanks,
Nicole

Nicole Priester
Scheduler | Office of Governor Nikki Haley
(803) 734-5151
NicolePriester@gov.sc.gov

From: Lynn Hawley [<mailto:lynn@columbiabuilders.com>]
Sent: Tuesday, August 26, 2014 4:45 PM
To: Priester, Nicole
Cc: Rebecca Best
Subject: RE: Gov. Haley

Event Registrations: Kershaw County Steak-Out

Billing Company	Billing First Name	Billing Last Name
Burke Engineering, LLC	Jesse	Burke
C & C Builders of Columbia, Inc.	Cecil	Brazell
City of Camden	Tony	Scully
Clark's Termite & Pest Control	Brandon	Jeffcoat
Coldwell Banker United, REALTORS	James	Derrick
Covert Homes, LLC	Bailey	Covert
Covert Homes, LLC	John	Covert
Creative Tile	Scott	Heron
ERA Wilder Realty	Ken	Queen
Governor of South Carolina	Nikki	Haley
Grow Financial Federal Credit Union	Ed	Maag
HBA of South Carolina	Matt	Niehaus
Kershaw County Council	Jimmy	Jones
Kershaw County Council	C.R.	Miles, Jr.
Kershaw County Council	Sammie	Tucker
Kershaw County Sheriff	James	Matthews
Lucas Insulation	Charles	Lucas
Midlands Technical College	Alan	Clayton
N.W. White & Company	Steve	Styron

NORITZ America
Orion Construction Co., Inc.
Regions Insurance
Russell & Jeffcoat Real Estate
S. C. Senate
StrucSure Home Warranty/Sinclair Sales
Synergy Homes
The Mungo Company Inc./Mungo Homes
Triangle Brick

Earl
Frank
Bennett
Sidney
J. Thomas
Charles
James
Thom
Andrew

McLeod
Mitchell
Griffin
Isler
McElveen
Sinclair
Graves
Chumney
McLeod

(No other public officials have RSVP'd)

From: Priester, Nicole [<mailto:NicolePriester@gov.sc.gov>]
Sent: Tuesday, August 26, 2014 4:41 PM
To: Lynn Hawley
Cc: Earl McLeod
Subject: RE: Gov. Haley

Lynn,

Do you have an updated list of attendees for the event tomorrow night?

Nicole Priester
Scheduler | Office of Governor Nikki Haley
(803) 734-5151
NicolePriester@gov.sc.gov

From: Lynn Hawley [<mailto:lynn@columbiabuilders.com>]
Sent: Thursday, August 21, 2014 3:32 PM
To: Priester, Nicole
Cc: Earl McLeod
Subject: RE: Gov. Haley

Yes, Earl will introduce and hand off a microphone.

The revised agenda is attached and I'll send you an updated RSVP list the day of, but yes, the RSVP list sent earlier is the most current roster. If it helps, I've attached my cheat sheet of those invited officials.

From: Priester, Nicole [<mailto:NicolePriester@gov.sc.gov>]
Sent: Thursday, August 21, 2014 3:23 PM
To: Lynn Hawley
Subject: RE: Gov. Haley

Thanks, Lynn.

What time will the program begin?
Also- do you have a list of the confirmed public officials?
Will Earl introduce the public officials?

Nicole Priester
Scheduler | Office of Governor Nikki Haley
(803) 734-5151

NicolePriester@gov.sc.gov

From: Lynn Hawley [<mailto:lynn@columbiabuilders.com>]
Sent: Thursday, August 21, 2014 3:16 PM
To: Priester, Nicole
Subject: FW: Gov. Haley

From: Lynn Hawley
Sent: Thursday, August 21, 2014 11:01 AM
To: 'NicolePriester@gov.sc.gov'
Cc: 'rbest@columbiabuilders.com'; Earl McLeod
Subject: FW: Gov. Haley

See below:

From: Priester, Nicole [<mailto:NicolePriester@gov.sc.gov>]
Sent: Thursday, August 21, 2014 9:57 AM
To: Lynn Hawley
Subject: Gov. Haley

Lynn,

I hope you are doing well. I have a few questions about next Wednesday night. When you get a chance, will you please respond to the below:

Is there an agenda or line-by-line you can share with me? We will get an agenda to you ASAP
Can you please provide me with an onsite contact for the governor's security detail to contact?

Joe Cantey, 803-

██████████ 2362 Tickle Hill Rd Camden, SC 29020

How many people do you anticipate will attend? Planning for 60 - 75

Do you have a list of notable attendees confirmed to attend? Attached list, although not everyone RSVP until the last minute, so I can send you a revised the day of if you like

Thanks! I look forward to working with you to plan Governor Haley's attendance. We are thrilled she is able to come!

Nicole

Nicole Priester
Scheduler | Office of Governor Nikki Haley
(803) 734-5151
NicolePriester@gov.sc.gov

Schimsa, Rebecca

From: Lesia Kudelka <lesia.kudelka@llr.sc.gov>
Sent: Thursday, August 07, 2014 2:18 PM
To: Schimsa, Rebecca
Cc: Holly Beeson; Dottie Buchanan
Subject: FW: Gov.'s Office - constituent (Robert Graham)

Hi Rebecca: See below in response to your email to me yesterday.

Have a great afternoon.

From: Roger Lowe
Sent: Thursday, August 07, 2014 1:37 PM
To: Lesia Kudelka
Subject: RE: Gov.'s Office - constituent (Robert Graham)

Ok Lesia,

Just had a nice conversation with Mr. Graham, he understands the code situation as I outlined in my previous email. He is willing to fill out a complaint form regarding the code issues that he feels were violated by Horry County and I am supplying him with the documents necessary to accomplish this.

I further explained that LLR does not get involved with the ethical issues he raised and he understands and will look to the Ethics Commission for assistance in that regard.

He extends his thanks to the Governor for acting on his letter and states that she has revived his faith in state government.

He has my contact information and will follow-up should he need further assistance.

Roger

From: Lesia Kudelka
Sent: Thursday, August 07, 2014 1:05 PM
To: Roger Lowe
Subject: RE: Gov.'s Office - constituent (Robert Graham)

Awesome. Just provide me a summary of your call to him for our log and so I can let the Governor's Office know. Thanks.

From: Roger Lowe
Sent: Thursday, August 07, 2014 12:45 PM
To: Lesia Kudelka
Subject: RE: Gov.'s Office - constituent (Robert Graham)

Be glad to!

From: Lesia Kudelka
Sent: Thursday, August 07, 2014 11:33 AM
To: Roger Lowe; Bert Polk

Cc: Holly Beeson; Susan Duncan; Dottie Buchanan
Subject: RE: Gov.'s Office - constituent (Robert Graham)

Roger: On second thought, it might be good if you give him a call first. If he is not satisfied after talking with you, I will follow up with a letter. Do you mind calling him?

From: Roger Lowe
Sent: Thursday, August 07, 2014 11:19 AM
To: Lesia Kudelka; Bert Polk
Cc: Holly Beeson; Susan Duncan; Dottie Buchanan
Subject: RE: Gov.'s Office - constituent (Robert Graham)

Lesia,

Please see my attached response. I have also provided Gigi a copy for her review.



Roger K. Lowe, MCP CBO

Administrator
SC Building Codes Council
SC Contractors' Licensing Board
SC Manufactured Housing Board

110 Centerview Drive ♦ Columbia, SC 29211 ♦ roger.lowe@llr.sc.gov ♦ 803.896.4688 ♦ 803.896.4618 FAX

From: Lesia Kudelka
Sent: Thursday, August 07, 2014 9:53 AM
To: Roger Lowe; Bert Polk
Cc: Holly Beeson; Susan Duncan; Dottie Buchanan
Subject: FW: Gov.'s Office - constituent (Robert Graham)

Roger and Bert: Take a look at the email below and the attached complaint. Please give me your thoughts on how to respond.

From: Schimsa, Rebecca [<mailto:RebeccaSchimsa@gov.sc.gov>]
Sent: Wednesday, August 06, 2014 4:38 PM
To: Lesia Kudelka
Subject: Gov.'s Office - constituent (Robert Graham)

Lesia,

See attached letter to the Governor from a constituent regarding concerns about building code compliance in Horry County. Please review – I think a contact from LLR or one of the regulatory entities may be best suited to offer assistance on the Governor's behalf. If you would like to discuss, please feel free to give me a call.

Thank you for your help,

Rebecca

Rebecca S. Schimsa
Deputy Legal Counsel
Office of Governor Nikki R. Haley
O: 803-734-6068 | C: 803-429-4561

Schimsa, Rebecca

From: Schimsa, Rebecca
Sent: Wednesday, January 04, 2012 10:15 AM
To: [REDACTED]@gmail.com
Subject: FW: State Housing Rally on January 12

Rebecca Schimsa
Office of Governor Nikki Haley
Asst. to Chief of Staff Tim Pearson
O (803)734-5068 | C: (803)429-4561

From: Pitts, Ted
Sent: Wednesday, January 04, 2012 9:27 AM
To: Julian Barton
Cc: Schimsa, Rebecca
Subject: RE: State Housing Rally on January 12

Julian,

I forwarded your email to Rebecca Schimsa.

Ted

From: Julian Barton [<mailto:jbarton@hbaofsc.com>]
Sent: Tuesday, January 03, 2012 5:53 PM
To: Pitts, Ted
Cc: Godfrey, Rob
Subject: State Housing Rally on January 12

Ted & Rob,

It was a cold walk this afternoon, but it paid off when I got to catch both of you at the same time. You both looked refreshed and ready for 2012!

As you are aware, on January 12, 2012 the Home Builders Association and its housing partners (realtors, home owners, municipal assn, Urban League, etc.) will be holding a housing rally at the SC Statehouse at 1 - 1:45 p.m. to promote the value of home ownership. The focus will be on the value of home ownership for families, the industry, and the country. We are expecting close to 400 attendees. We are also expecting several Presidential Candidates to speak at the rally. The focus is to get out a positive message on the value of home ownership. We are not going to be pushing any specific legislative proposals, just awareness of the issue.

We regret that the Governor can't join us, but understand we need all the new jobs we can get, so we are looking forward to yet another economic development announcement from the Governor. Keep them coming!

Thank you for volunteering the Governor's assistance on the Housing Rally. We have three requests:

1. We would like the Governor to provide a quote on the value of housing in South Carolina and tape a small video clip on Wednesday afternoon in her office on January 11 at her convenience. The film crew will be available all afternoon on January 11. Rob just let me know what you need. I attached a copy of the brochure for your review.

2. We would appreciate if Tim would reach out to the Romney campaign and encourage them to participate in the Housing Rally. We would like to have all the fore runners in the primary race in attendance for brief comments. Great free exposure for the candidates one week before the SC primary. We have not been successful in getting our information to the key Romney campaign staff so far.
3. Consider having the Governor sign the petition (attached), if she is willing. It focuses on getting the feds to address repressive regulatory issues that will bring common sense back to the marketplace and get our nation back on the road to recovery.

Please let me know when you have something definite on these requests. The state local, state and national HBA stand by to help in any way we can.

Also, please thank the Governor for her willingness to assist us on this important event. She has been a long-time supporter of our homebuilding industry

Keep up the good work and let us know how we can help.

Thanks,

Julian

Julian Barton, CAE
Director of Government Affairs
Home Builders Association of SC
(803) [REDACTED]

With So Much At Stake...

Why is Homeownership

Under Attack?

Today, policymakers are threatening to eliminate our nation's long-standing commitment to homeownership. Tax, legislative and regulatory schemes would freeze out buyers by scaling back or eliminating the mortgage interest deduction and making mortgages unaffordable and difficult to obtain.

If this happens, millions of first-time home buyers and middle-class households would be left out in the cold.

We need your help.

Tell your elected officials to:

- **Protect the mortgage interest deduction.** Don't change the rules on the one tax break that has been most important in creating a stable middle class in America.
- **Make sure credit-worthy consumers and small businesses can get mortgages and loans.**
- **Help resolve the foreclosure crisis.**



Take Action Today!

Without the help of Americans everywhere, unjust policies that threaten the fabric of our society will take effect. We need your help.

- Go to www.rallyforhomeownership.com
- Sign our petition
- Send a letter to our elected leaders
- Tell a friend



Economic Recovery Starts at Home



*It Puts Families in Homes and
Americans in Jobs*

Homeownership Protects:

America's Dreams

Americans value homeownership and want the federal government to provide tax incentives to promote homeownership.

We oppose eliminating the mortgage interest deduction and view saving for a 20 percent downpayment as the most significant barrier to homeownership.

Public opinion polls show that 81 percent of adults agree that buying a home is the best long-term investment. (Pew Research Center Study, March 2011)

CONSIDER THESE FACTS

- 89 percent of recent voters said that homeownership is an important part of the American dream.
- 73 percent of all respondents -- both owners and renters -- believe the federal government should provide tax incentives to promote homeownership.
- 95 percent of the home owners surveyed said they are happy with their decision to own a home.
- 73 percent of the respondents who don't own a home said that becoming a home owner is one of their goals.

(National Association of Home Builders, May 2011)

America's Jobs

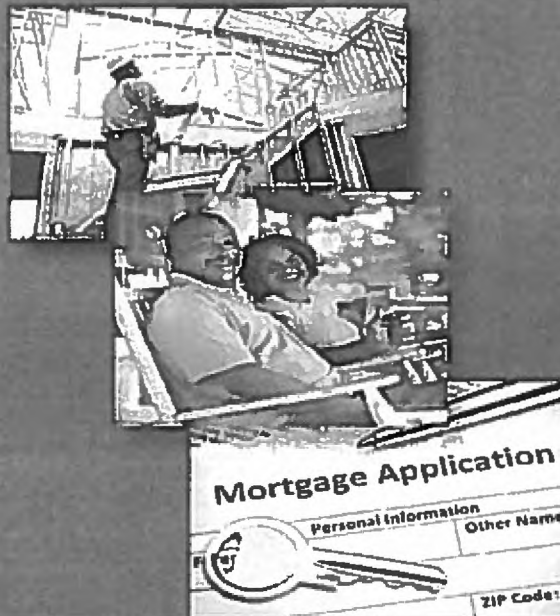
Our homes are "Made in America"

More than 1.4 million jobs in residential construction have been lost since employment peaked at 3.45 million in April of 2006 according to the Bureau of Labor Statistics. To date, less than two percent of those jobs have been restored.

Most of the products used to build or remodel a home are made right here in America.

Home construction and remodeling creates jobs far beyond the job site. About half of the jobs created by building a new home are in construction itself.

The rest are in housing-related industries that produce building materials and services to both home builders and home buyers, including insurance and finance.



America's Economy

Building 100 average single-family homes generates:

- 305 jobs
- \$23.1 million in wage and business income
- \$8.9 million in taxes and revenue for state, local and federal governments



Housing accounts for about 15 percent of our nation's gross domestic product -- this includes new construction, remodeling and related products and services.



Homeownership Works for America

www.rallyforhomeownership.com

Petition to Lawmakers

For generations of Americans, owning your home has meant owning your future...a future where your families thrive and your dreams are within reach. Homeownership is the foundation of our economy.

Today, policies threaten to eliminate our nation's long-standing commitment to homeownership such as tax, legislative and regulatory schemes that would freeze out buyers by scaling back or eliminating the mortgage interest deduction and making mortgages and small business loans unaffordable and difficult to obtain.

Americans need our help in preserving and protecting homeownership. Therefore, we resolve to enact policies that:

- > Protect the mortgage interest deduction. Don't change the rules on the one tax break that has been most important in creating a stable middle class in America.
- > Make sure credit-worthy consumers and small businesses can get mortgages and loans.
- > Help resolve the foreclosure crisis.

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Priester, Nicole

From: Sara Brown <sbrown@screaltors.org>
Sent: Tuesday, December 01, 2015 3:29 PM
To: Priester, Nicole
Subject: Re: Speaking Request for Gov. Haley

That's perfect.

Thanks!

Sara Brown
Political Coordinator
South Carolina REALTORS®
3780 Fernandina Road
Columbia, SC 29210
direct: [803-807-2130](tel:803-807-2130)
office: [803-772-5206](tel:803-772-5206)

On Tue, Dec 1, 2015 at 3:27 PM, Priester, Nicole <NicolePriester@gov.sc.gov> wrote:

Hey Sara,

I apologize I did not get back to you yesterday! Governor Haley would be happy to attend and speak at the annual Realtor® Rally on the Statehouse grounds on Tuesday, March 15, 2016. Would 11:00 AM work for the Governor to give remarks?

Thanks!

Nicki

Nicole Priester

Scheduler | Office of Governor Nikki Haley

[\(803\) 734-5151](tel:803-734-5151)

NicolePriester@gov.sc.gov

From: Sara Brown [<mailto:sbrown@screaltors.org>]
Sent: Monday, November 30, 2015 9:10 AM

To: Priester, Nicole
Subject: Speaking Request for Gov. Haley

Hi Nicki,

On behalf of the SC Realtors®, I would like to invite Governor Haley to speak at our annual Realtor® Rally on the State House grounds on Tuesday, March 15, 2016. Would she be available to speak anytime between 10am and 11:45am?

Please let me know if this date is available and I will follow up with an official invitation in a few weeks. Thanks for your help!

Thanks,

Sara

Sara Brown

Political Coordinator
South Carolina REALTORS®

3780 Fernandina Road

Columbia, SC 29210
direct: 803-807-2130

office: 803-772-5206

Priester, Nicole

From: Nick Kremydas <nick@screaltors.org>
Sent: Tuesday, November 10, 2015 4:21 PM
To: Priester, Nicole
Cc: Mottel, Haley
Subject: Re: Leadership Meeting

Thanks!

Nick E. Kremydas, Esq., RCE | Chief Executive Officer
SC REALTORS® Cell: 803-██████████

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On Tue, Nov 10, 2015 at 4:13 PM, Priester, Nicole <NicolePriester@gov.sc.gov> wrote:

Nick,

I am very sorry for the confusion. I now have your group on the Governor's schedule for Thursday, December 3rd at 3:00 PM.

Thank you so much!

Nicole

From: Nick Kremydas [mailto:nick@screaltors.org]
Sent: Monday, October 26, 2015 9:51 PM

To: Priester, Nicole
Subject: Re: Leadership Meeting

Yes, thank you. I'm glad to know that I'm not the only one working late all the time. :)

I appreciate the quick response.

Nick E. Kremydas, Esq., RCE | Chief Executive Officer

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On Mon, Oct 26, 2015 at 9:49 PM, Priester, Nicole <NicolePriester@gov.sc.gov> wrote:

We can do the 20th at 11:00 AM. Does that work?

From: Nick Kremydas [<mailto:nick@screaltors.org>]

Sent: Monday, October 26, 2015 9:48 PM

To: Priester, Nicole

Subject: Re: Leadership Meeting

No worries at all.

We're in San Diego that week for national REALTOR meetings and can't make the 13th.

How about the 18th, 19th or 20th?

Thanks,

Nick E. Kremydas, Esq., RCE | Chief Executive Officer

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On Mon, Oct 26, 2015 at 8:59 PM, Priester, Nicole <NicolePriester@go.gov.sc.gov> wrote:

Nick,

Thank you for reaching out about this. I apologize for my delayed response, but I was out of the office today assisting at a disaster relief center. If we could reschedule the meeting this Thursday, that would be wonderful. The recovery and relief efforts are still in full swing this week. Can we possibly reschedule for Friday, November 13th at 2:00 PM in the Governor's Office?

Thank you for your flexibility and understanding.

Nicole

From: Nick Kremydas [mailto:nick@screaltors.org]

Sent: Monday, October 26, 2015 10:59 AM

To: Priester, Nicole

Subject: Re: Leadership Meeting

Nicole,

I was checking to see if our meeting with Gov. Haley is still good for this week. Let me know if we need to reschedule due to her flood relief efforts.

Thanks,

Nick E. Kremydas, Esq., RCE | Chief Executive Officer

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On Fri, Sep 4, 2015 at 10:27 AM, Nick Kremydas <nick@scrcaltors.org> wrote:

We would like to discuss the upcoming legislative session, specifically tax reform (property).

Attendees:

Fritzi Barbour, President

David Kent, President Elect

David Phillips, Treasurer

Laura Derrick, Secretary

Randy Harrison, Past President

Nick Kremydas

Our 3 new lobbyists (Sara Patterson, Lindsay Jackson, Shelby Herbkersman)

Let me know if you need anything else.

Nick E. Kremydas, Esq., RCE | Chief Executive Officer

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On Wed, Sep 2, 2015 at 11:24 AM, Priester, Nicole <NicolePriester@gov.sc.gov> wrote:

Nick,

In regards to the October 29th meeting at 2:00 PM, can you send me a little background on what you would like to discuss with the Governor? Also, can you please send a list of attendees for that meeting?

Thanks,

Nicole

From: Nick Kremydas [<mailto:nick@screaltors.org>]
Sent: Tuesday, July 21, 2015 2:35 PM

To: Priester, Nicole
Subject: Re: Leadership Meeting

Yes, thank you! I'll send a list of names as we get closer to the date.

Nick E. Kremydas, Esq., RCE | Chief Executive Officer

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On Tue, Jul 21, 2015 at 2:30 PM, Priester, Nicole <NicolePriester@gov.sc.gov> wrote:

What about October 29th at 2:00 PM?

From: Nick Kremydas [mailto:nick@screaltors.org]
Sent: Tuesday, July 21, 2015 11:28 AM
To: Priester, Nicole
Subject: Re: Leadership Meeting

Would any other day that week work? I'm scheduled to speak to the Georgetown Rotary club on the 27th.

Nick E. Kremydas, Esq., RCE | [Chief Executive Officer](#)

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sent with it are a commitment to the highest ethical standards and a promise of the highest quality of service.
immediately

On Mon, Jul 20, 2015 at 11:17 AM, Priester, Nicole <NicolePriester@gov.sc.gov> wrote:

Nick,

I hope you are doing well. Thanks for your email last week. Governor Haley is available to meet on Tuesday, October 27th at 2:00 PM in the Governor's Office. Will this date and time work? Do you mind sending me a list of attendees a few days prior to the meeting?

Thanks,
Nicole

Nicole Priester

Scheduler | Office of Governor Nikki Haley

NicolePriester@gov.sc.gov

From: Nick Kremydas [<mailto:nick@screaltors.org>]
Sent: Monday, July 13, 2015 9:12 AM
To: Priester, Nicole
Subject: RE: Leadership Meeting

Nicole,

I hope this email finds you well!

I'm trying to schedule a leadership meeting with Gov. Haley. My officers annually meet with the Governor, and the leadership of the House and Senate and wanted to see if you could help arrange that--anytime between now and November would work, no rush.

Thanks!

Nick E. Kremydas, Esq., RCE | Chief Executive Officer

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