

Title: **Volvo incentives package could cost \$87M more**
 Author: By Seanna Adcox Associated Press
 Size: 31.77 square inch
 Georgetown, SC Circulation: 1



Volvo incentives package could cost \$87M more

By SEANNA ADCOX

Associated Press

COLUMBIA, S.C. (AP) — The incentives package that brought Volvo to South Carolina could cost taxpayers an additional \$87 million if the state pays for promised infrastructure improvements entirely the way Gov. Nikki Haley wants.

That's on top of the \$123 million the state would borrow to fund the site preparation and road improvements for the future plant in Berkeley County.

The House Ways and Means Committee advanced a supplemental budget bill on Monday that would put \$70 million of a newly available windfall toward the Volvo commitment, leaving \$53 million to borrow.

But Haley, who has repeatedly slammed legislators this year for their borrowing proposals, said Monday she expects the Joint Bond Review Committee — composed of 10 legislators — to approve borrowing all \$123 million, as the chambers'

leaders promised in April.

She says Volvo wants it funded that way.

"They did not want to go through the legislative process. They didn't want to be debated," she said.

But funding the full amount that way would exceed the state cap for that type of borrowing, requiring creative financing and interest-only payments for seven years. The debt service over 17 years of payments would total \$86.8 million, while the bulk of the principal would be paid over the last five years, according to documents submitted in advance of Wednesday's bond committee meeting.

The debt service for Volvo would nearly equal the interest the state expects to spend, through 2032, on all of the state's existing \$405 million of economic development debt,

the documents show.

House leaders say it makes sense to pay part of the tab upfront to avoid the expensive creative financing.

"We've got the cash. Let's go ahead and pay for it and borrow \$50 million," said House Ways and Means Chairman Brian White, R-Anderson.

On Monday, his committee members recalled getting thoroughly beat up by Haley for their proposal to borrow \$500 million for building projects statewide. Haley's criticism helped kill it as well as a smaller Senate proposal specifically for construction at colleges and National Guard armories.

Committee members also relished pointing out those proposals would have borrowed through normal financing, not added to debt service — as they replaced debt paid off — and approached no caps.

Haley said then her oppo-

sition was largely about the process, saying the proposals weren't thoroughly vetted. She also told legislators then she didn't need their help crafting an incentives package.

"That's not bad for a group that was unnecessary for the process," Rep. Mike Pitts, R-Laurens, said about the Ways and Means proposal.

A Volvo spokesman — asked whether Volvo cares how the state funds the promised infrastructure — said Tuesday only that the company "does not comment on state financial affairs." The \$123 million in infrastructure improvements, which includes a new interchange off Interstate 26, is part of more than \$200 million in state incentives pledged to Volvo Cars to secure its first North American plant.

In return, the company has promised to invest at least \$500 million and create at least 2,000 jobs.

Title: **Agendas required, new lawsays**

Author:

Size: 51.15 square inch

Myrtle Beach, SC Circulation: 61238



Agendas required, new law says

Your local pothole might not get fixed this year, but at least you can know when your city or county council will discuss the other issues that irk you.

Lawmakers left Columbia on Thursday under much criticism that 2015 was a do-nothing session. Top issues, including a plan to repair the state's crumbling roads, died in the state Senate.

But House members and senators did take a small step toward more transparency for public bodies across the state.

Lawmakers passed a bill that requires agendas be posted at least 24 hours before the meeting of a public body, including city and county council meetings.

That proposal, now headed to Gov. **Nikki Haley's** desk, also requires two-thirds of a public body agree before making any additions to an agenda, during a meeting, that would require a vote.

That stipulation will "set up some reasonable barriers to (public bodies) slipping something by the public," said **Bill Rogers** of the S.C. Press Association.

(Disclaimer: The Buzz is a member of the S.C. Press Association. The Buzz is also a fan of transparency.)

The agenda law is necessary because the S.C. Supreme Court ruled last year that public bodies do not have to publish agendas for regularly scheduled meetings.

The high court said a close

reading of the S.C. Freedom of Information Act showed it required public bodies only to publish the times and dates of those meetings. Since the law did not specifically say an agenda had to be published, none was required, the court ruled.

Most lawmakers thought that was "a foolish decision," said state Rep. **Bill Taylor**, R-Aiken.

"This is really a bill that allows the public to know what's going on so they can be there to talk about it and hear the debate," Rogers said.

"That's a foundation of doing the public's work at any level of government," said state Sen. **Larry Martin**, R-Pickens.

Tigerron Wells of the S.C. Municipal Association, which represents 270 incorporated town and cities, said that group advocated for the continued use of agendas — "important tools for order" — despite the Supreme Court ruling.

Wells said he was not aware of any public bodies that had abandoned the use of agendas.

Passage of the agenda bill also gives advocates of more government openness hope for movement on other Freedom of Information reforms, including a proposal to ensure the public has

access to information about the cause and manner of deaths, Rogers said.

Information on deaths had been available to the public, too. But the Supreme Court ruled autopsies were medical records, not public records.

Rogers also supports a House-passed bill to establish an office in the state Administrative Law Court to resolve Freedom of Information issues, cutting down on lengthy, costly lawsuits. That proposal also would cut the time that public agencies have to respond to information requests to 10 days from 15.

That proposal is before a Senate subcommittee, which can begin consideration again when legislators return to Columbia in January for their next regular session.

"The agenda bill was a step," Rogers said. "But there's a lot left to be done."

2016 in S.C.

► U.S. Sen. **Lindsey Graham**, R-Seneca, will be on CNN at 9 a.m. Sunday, discussing how he thinks he can win the presidency in 2016.

► Republican Gov. **Rick Perry** of Texas will be in Columbia at 10 a.m. Monday at the S.C. Military Museum on Bluff Road. Perry will honor Medal of Honor recipient **Michael Thornton** and retired U.S. Navy SEAL **Marcus Luttrell**. Later Monday, Perry will be in Mount Pleasant at 6 p.m.

► **Jeb Bush** will visit South Carolina June 18 at the Charleston Maritime Center. Bush formally will announce that he is running for president in Miami on June 15.

The last day on social media

On the last day of the regular session, lawmakers were vocal about the (lack of) progress made this year. A few of The Buzz's favorite posts from Thursday:

@KlughGregory: "Want to see government move at the speed of business? Watch the Senate for the next 50 minutes."

— State Sen. **Greg Gregory**, R-Lancaster, on the always-frantic last hour of the session

@toddatwater: "What a wreck. The Senate hasn't passed roads, ethics, etc. So what are they discussing? National Doughnut Day. U can't make this up."

— State Rep. **Todd Atwater**, R-Lexington

The Buzz is a look back at the week's political activity, compiled by reporters at The (Columbia) State.

Title: **State auditors made sexual comments in emails, nonprofit's head says**
 Author: BY JAMIE SELF jself@thestate.com
 Size: 67.89 square inch
 Myrtle Beach, SC Circulation: 61238



State auditors made sexual comments in emails, nonprofit's head says

Agency says
comments
'careless and
unprofessional'

By JAMIE SELF
jself@thestate.com

COLUMBIA | The leader of the controversial nonprofit that dominates the state's private school-choice program says state tax auditors made sexual comments about her in emails, joking about how a staffer wanted to see her again.

A S.C. Department of Revenue spokeswoman called the emails "careless and unprofessional" but would not say whether the employees involved were disciplined.

The Revenue Department, which reports directly to Gov. Nikki Haley, "is in the customer service business," said Haley press secretary Chaney Adams, adding the agency is "taking the appropriate steps to ensure something like this doesn't happen again."

The Revenue Department employees involved in the email exchange were auditing Olga Lisinska; her Mount Pleasant nonprofit, Palmetto Kids First Scholarship Program; and Jeff Davis, Lisinska's husband.

In the Nov. 13 emails, Revenue Department employee Ricky Taylor, a \$96,360-a-year program manager, asked three employees who he supervises how they should deliver an audit notice to Lisinska and Palmetto Kids First.

In the exchange that followed, two of the employees re-

ferred to the third Revenue Department employee on the email messages, saying he would like to see Lisinska again. The State is withholding that employee's name because he did not take part in the email exchange.

In response to her supervisor Taylor, Revenue staffer Tamara Wiggins said, "We usually hand deliver them (audit notices) to an office but PFK (Palmetto Kids First) doesn't have one, they work from home. Maybe we can have Ms. Lisinska come in or send it certified ...?"

Taylor then responded, "I bet (the third Revenue staffer copied on the emails) wants to meet with her again."

"Ha-ha ... sure he does," responded Wiggins, who is paid in the \$42,000-to-\$46,000-a-year range.

Revenue staffer Marshall Smith, who makes \$65,191 a year, then replied: "May I suggest we send a copy to their mailing address via certified mail, return receipt requested AND ask Olga Lisinska to come to the office so (the unnamed Revenue staffer), ahem, I mean, one of you can serve the summons on her?"

Lisinska said the emails cast into doubt whether she or Palmetto Kids will be treated fairly

by the state's tax agency. She also said she feels uncomfortable going to the tax agency to discuss her audits.

The emails "sexually objectified" his wife, said Davis.

"I don't want to run into Ricky Taylor," Lisinska said. "What else was said behind closed doors? That is a big unknown."

"The department takes these accusations very seriously, and we have taken action to address this situation swiftly and appropriately," Revenue Department spokeswoman Ashley Thomas said. "We expect all our public servants to conduct themselves in a professional manner and hold them accountable for such."

Thomas said the "make-up" of the Revenue team that will finish the audits of Lisinska, her husband and Palmetto Kids First has been changed. But she would not say how, citing personnel matters.

Revenue director Rick Reames, who declined to comment directly, has ordered an "independent review of the audit" by a private, outside firm "to ensure the accuracy and integrity of the results are not compromised," Thomas said.

Efforts to reach the individual Revenue staffers in the email exchange were unsuc-

cessful. But Thomas said the employees know about The State's inquiry into the emails.

Revenue supervisor Taylor is out of his office for an undisclosed period of time, according to a message on his agency's phone and email.

A history of conflict

Lisinska and Davis obtained the Revenue emails through a public records request. The agency confirmed their accuracy.

Lisinska and Davis say they have been targeted politically by the state since they launched their nonprofit, which raises money to help pay for children with disabilities to attend private school. The ongoing audits — of Palmetto Kids First and the couple — are examples of how they are being mistreated, they say.

For example, in November and December emails, a state auditor asked if Revenue should close the personal income-tax audits of Lisinska and Davis, saying no hidden income had been found. Taylor, the supervisor, said to wait until the agency received additional information.

The Revenue Department said keeping related audits open is common. "When a principal and an organization are

Title: **State auditors made sexual comments in emails, nonprofit's head says**
 Author: BY JAMIE SELF jself@thestate.com
 Size: 67.89 square inch
 Myrtle Beach, SC Circulation: 61238

under review, it is standard audit practice to not close one before the other," spokeswoman Thomas said.

The agency also said Davis' financial and professional history compelled it to conduct the audit.

After he filed for bankruptcy, Davis was sued over a failed investment deal. That suit accused Davis of failing to inform investors that they were liable for a \$5 million loan. The Revenue review also came after The State reported some private-school parents said they were

being pressured to make donations to Palmetto Kids First.

Palmetto Kids First has been the most active nonprofit in the state's private-school grant program, raising nearly \$12 million to make tuition grants to about 1,300 children.

Taxpayers who donate to the nonprofits can claim a tax credit to reduce the state taxes that they owe by up to 60 percent. The state has offered up to \$8 million in credits in each of the last two fiscal years.

The nonprofits can be lucrative. State law allows the non-

profits to set aside 5 percent of the donations that they collect for management fees, or about \$600,000 for the first two years of operation by Palmetto Kids First.

But state law bars the nonprofits from attempting to entice donors by promising them that their children will receive scholarships in return for their donations.

In court documents, the Revenue Department said its review of Palmetto Kids First was driven by complaints the nonprofit was offering quid-pro-

quo arrangements to donors — donate and, in return, receive a tuition grant and tax credit.

Lisinska and Davis have denied that accusation, saying only 3 percent of Palmetto Kids First's donors received tuition grants for their children.

Supporters also have defended the nonprofit, saying they never were promised anything in return for donating.

Palmetto Kids First sued the Revenue Department after it asked the nonprofit for the names of parents whose children received scholarships.

Title: **Socastee shop now selling legal herbal remedy made from marijuana plant**

Author:

Size: 19.37 square inch

Myrtle Beach, SC Circulation: 61238



Socastee shop now selling legal herbal remedy made from marijuana plant

An herbal remedy made from the marijuana plant is now being sold legally in South Carolina.

Gov. Nikki Haley signed the bill legalizing cannabidiol or CBD oil last June.

Palmetto Harmony, a South Carolina-made CBD product, is now for sale without a prescription at three locations in the state, including Natural Health Pharmacy in Socastee.

Advocates say the oil shows amazing results for treating things like chronic pain, glaucoma and epileptic seizures.

"We've had a little girl that had 200 seizures a day. She's down to two, which are like twitches now," said Erika Erhenford, co-owner of Natural Health Pharmacy.

The oil contains small amounts of THC, the active ingredient in marijuana, but it won't cause anyone to get high.

The oil contains small amounts of THC, the

active ingredient in marijuana, but it won't cause anyone to get high.

"The CBD or cannibidiol part of the plant is exactly what has always been the medicinal property of it," said Melody Isles, who owns the store with Erhenford.

Isles says there are many misconceptions about CBD oil, which she says was banned for many years for political reasons.

She says she doesn't want South Carolina to turn into another Colorado, which has legalized recreational marijuana use.

"I wouldn't like to see the law change that they have the shops that you can go in there and buy the weed," said Isles.

Palmetto Harmony was created by a group of parents of sick children who couldn't find the right oil they wanted, so they made their own.

— Joel Allen, with our Grand Strand News Alliance Partner WPDE

Title: **S.C. budget package in limbo**
 Author: BY SEANNA ADCOX The Associated Press
 Size: 82.92 square inch
 Myrtle Beach, SC Circulation: 61238



S.C. budget package in limbo

Session ends with many questions

BY SEANNA ADCOX

The Associated Press

COLUMBIA | While the South Carolina Legislature's regular session is officially over, the work is far from done.

Legislators' primary task when they return for a special session June

16 will be passing a budget for the fiscal year that starts just two weeks later.

BUDGET

From Page 1C

taking up the roads bill.

Another issue that's been called a top priority since 2012 – ethics reform – died early. The House passed a series of ethics-related bills. But the Senate killed the effort in a rare, straight-up floor vote Feb. 11 against its single measure.

On Thursday, Rep. Rick Quinn, R-Cayce, was among those faulting a “dysfunctional” Senate for what he called “one of the more frustrating sessions I've been involved in.”

“I thought we would have at least gotten a bill back on infrastructure, even if it was totally different,” said House Majority Leader Bruce Bannister, R-Greenville. “Now, we don't have a budget. We don't have a capital reserve funding bill. ... The Senate seems to have four flat tires.”

Legislators' work in the special session is limited to the state's budget package and bills that have passed both chambers with differences a six-member committee will attempt to work out:

► **Budget** | A committee will meet next week in hopes of hav-

er.

Legislators of both parties call this session a disappointment, as the issue that topped nearly all of their to-do lists – fixing South Carolina's roads and bridges – has again been punted to next year. Though the bill that raises money for the nation's fourth-larg-

est roads system never got a vote in the Senate, it still dominated debate, as Sen. Tom Davis, R-Beaufort, spent the session's final weeks filibustering a component of the Senate's budget package to prevent the Senate from

See **BUDGET** | Page 2C

ing a compromise on the main budget bill, which spends \$7 billion in state taxes, before the special session starts. The “capital reserve” bill for one-time spending usually moves in tandem with the budget. But Davis' filibuster blocked its passage in the Senate. Davis said Thursday his filibuster of revenue bills is over, allowing the Senate to pass the bill that allocates about \$100 million of revenue above original projections on one-time projects. The House will take up a supplemental bill that spends about \$300 million in additional revenue that state economic advisers certified May 29. Some of that will go to roadwork. The question is how much.

► **Uber rides** | The Senate's approval Wednesday kept alive a bill that allows Uber to continue operating in South Carolina past June 30. In January, the

Public Service Commission issued a cease-and-desist order stopping the app-based ride-sharing service. But it reversed course two weeks later following criticism from lawmakers and granted a temporary license, with the expectation that legislation would pass this ses-

sion. The House passed its version in March.

► **Abortion ban** | A compromise on a bill that bans abortion past 19 weeks could be difficult. The fight is over exceptions. The House provided exceptions only to save the mother's life or prevent severe injury to her. The Senate added cases of rape, incest and severe fetal anomalies, which are generally detectable around the 20th week. The bill only affects abortions in hospitals, as the state's three abortion clinics don't perform the procedure past 13 weeks. Opponents of the measure argue they involve wanted pregnancies that go horribly wrong and politicians should play no role in that decision.

A few of the bills that made it to Gov. Nikki Haley's desk:

► **Domestic violence**: Perhaps the session's biggest success came Thursday, when Haley signed into law a bill aimed at stemming South Carolina's persistently high rates of domestic violence. The new law increases penalties and gives prosecutors more options for punishment. Charges will now be based on a combination of the severity of the abuse, the

number of offenses and circumstances surrounding the crime – for example, if it was committed in front of a child. The law also bans some batterers from having guns. However, no guns will be confiscated.

► **Body cameras** | Legislators gave final approval Thursday to a bill providing law enforcement agencies guidelines on police body cameras. Haley says she will sign it. The issue became a top priority in April, after a bystander's video showed a North Charleston police officer fatally shooting an unarmed driver as he ran away. But the law does not mandate the cameras' use. Instead, it directs the Law Enforcement Training Council to issue model guidelines and sign off on local agencies' policies.

► **South Carolina State** | Last month, the Legislature passed a bill firing all trustees of financially troubled South Carolina State University and replacing them with a temporary fix-it board, which has already met twice. Lawmakers hope the newly appointed trustees can lead the state's only public historically black college back to fiscal solvency.

Title: **S.C.budgetpackageinlimbo**
Author: BY SEANNA ADCOX The Associated Press
Size: 82.92 square inch
Myrtle Beach, SC Circulation: 61238



By JEFFREY COLLINS *Associated Press file photo*

South Carolina Gov. Nikki Haley signs the state's new domestic violence bill into law on Thursday, June 4 in Columbia. The new law increases penalties for domestic violence and has a gun ban for batterers.

Title: **Plenty of blame to go around in failure to fix state roads**
 Author: BY JAMIE SELF jself@thestate.com
 Size: 93.0 square inch
 Myrtle Beach, SC Circulation: 61238



Plenty of blame to go around in failure to fix state roads

By JAMIE SELF
jself@thestate.com

COLUMBIA | Who is to blame for the failure of a long-term roads fix to pass the S.C. Legislature this year?

The better question, according to legislators, is: Who is not to blame?

Gov. Nikki Haley. The Senate Finance Committee. Sen. Tom Davis, R-Beaufort. The Senate. Legislators unwilling to prioritize state spending.

The road repair issue will return next year.

But filling potholes will be more political in 2016, when every one of the General Assembly's 170 seats is up for election and election year politics could make coming up with a roads plan even more difficult.

See **ROADS** | Page **10A**

ROADS

From Page 10A

with the House roads plan, the only proposal that passed a chamber this year, being ignored.

"(W)e squandered a tremendous opportunity to make an impact on the No. 1 issue of South Carolinians," Lucas said.

Senate in pieces

The first roads plan to emerge from the state Senate also helped derail the roads debate, some Republican senators say.

That plan, which came out of the Senate Finance Committee, proposed a 12-cent-a-gallon increase in the state's gas tax, the third lowest in the nation. But the plan did not include any off-setting tax relief or reform the state's Transportation Department.

Sen. Larry Grooms, R-Berkeley, chairman of the Senate Transportation Committee, called that plan – backed by Senate President Pro Tempore Hugh Leatherman, R-Florence, a group of moderate Republicans and Democratic state senators – a "straight-up tax increase," adding it had no

chance of surviving Haley's veto.

If the Senate passed the gas tax increase only, Grooms said, "We will have adopted no policy, but we will have played the politics and made some constituencies happy."

State Sen. Vincent Sheheen, D-Kershaw, said he supported the Senate Finance proposal because it focused on raising new money for roads.

"It didn't focus on extraneous things like income tax cuts for the wealthy," he said. "It focused on roads."

Introducing Tom Davis

Most Republican senators, the majority in the politically fractured Senate, wanted to add income tax relief and Transportation Department reforms to the Senate Finance Committee's gas tax hike.

But they never had a chance.

For three weeks, state Sen. Tom Davis, R-Beaufort, filibustered a state spending bill, demanding that senators not raise taxes but agree to spend more of the state's existing revenues on roads.

In previous years, extra state

revenues have been spent – in many cases, wasted – on special-interest projects, said Davis. If lawmakers just would agree to use that extra money on roads, there would be no need to raise taxes, he said.

Davis' filibuster blocked the Senate roads bill from coming up for debate. And the fractious Senate – divided into Democrats and some moderate Republicans who oppose an income tax cut, mainstream Republicans who wanted a tax cut, and conservative Republicans who opposed any tax hike – refused to end his talk fest.

Davis said his filibuster shifted the roads issue from a debate over a gas tax increase to the state's use of its surplus revenues, more than \$300 million this year.

"Now, that money will go for roads repairs," he said. "Leadership's hands were forced in this matter."

Short fix for now

Lawmakers return to Columbia June 16 for three days to finish their work on the state budget that takes effect July 1.

That budget will include some new money for roads.

A proposal that House members will take up would send \$150 million in one-time surplus money to counties to pay for repairs on state roads.

That's something, but it does little for the state's longtime road funding needs – that elusive sum somewhere between an added \$400 million and \$1.5 billion a year.

Business leaders want more money spent on roads.

"The business community has never been as united on an issue as it is today on the need for increased funding for our state's crumbling infrastructure," said S.C. Chamber of Commerce chairman Mikee Johnson, chief executive of Cox Industries. "We cannot afford to wait another year."

Some lawmakers and roads advocates say a roads bill will be harder to pass in 2016, when all legislators will be facing reelection. But the pressure on lawmakers to act only will increase.

"Folks are just fed up from driving on dangerous roads," said Bill Ross with the Alliance to Fix Our Roads.

The roads bill likely will be the first issue on the Senate's

Title: **Plenty of blame to go around in failure to fix state roads**
 Author: BY JAMIE SELF jself@thestate.com
 Size: 93.0 square inch
 Myrtle Beach, SC Circulation: 61238

calendar when lawmakers return to Columbia in January.

But lawmakers can expect heat from advocacy groups with vastly different ideas on roads and taxes.

Earlier this year, for instance, a S.C.-based arm of Americans for Prosperity, tied to the billionaire political activist Koch brothers, robo-called

some South Carolinians urging them to tell their legislators that voters oppose a gas tax increase. Reforming the way the state prioritizes its road projects should be the top priority, not a tax hike, the group says.

The group "misled a lot of folks into believing that all we were interested in doing was growing government so we

could create bicycle trails and light rail and bridges to nowhere," said state Sen. Larry Martin, R-Pickens.

Other advocacy groups will be pushing lawmakers to come up with a compromise that involves higher gas taxes, Transportation Department reform and some offsetting tax cut.

With elections right around the corner in November 2016,

lawmakers would be "well served," said the S.C. Chamber's Pitts to pass a bill that provides long-term funding for roads, reforms the Transportation Department and "makes our state's tax structure more competitive."

Pitts said lawmakers should think hard about their answers to the question: "What did you do for our infrastructure?"

Road to nowhere

How the effort to repair S.C. roads and bridges – the top legislative priority issue this year – fell apart

Sept. 16: A House committee, formed by new House Speaker **Jay Lucas**, R-Darlington, meets for the first time to come up with a road funding plan. Chaired by state Rep. **Gary Simrill**, R-York, the panel works on a plan that does not include a gas tax increase, which Gov. **Nikki Haley** had said she would veto. Simrill later says he tried to get input from the governor's office on what she would accept, but received little guidance.

Jan. 21: Haley unveils her roads funding plan during her State of the State address, surprisingly offering to support a 10-cent-a-gallon gas-tax increase but only if lawmakers agree to cut the state's top income tax rate to 5 percent from 7 percent and reform the Transportation Department, giving the governor control of the agency. Legislators never vote on Haley's proposal, which would have cut state revenues by far more than it raised for roads.

March 24: A House panel OKs a roads proposal, increasing the state's gas tax by 10 cents a gallon and the state's cap on its vehicle sales tax to \$500 from \$300. The same day, Haley signaled her opposition, sending letters to House and Senate leaders, saying the House and Senate roads proposals amounted to "a massive tax increase" on South Carolinians.

March 26: The House's budget-writing committee passes a roads plan, adding an income tax cut saving the average taxpayer \$48 a year.

April 15: The full House passes its roads proposal with enough votes to override a promised veto by Haley.

April 28: A divided Senate Finance Committee votes 15-8 to replace the House road-repair plan with its own proposal. The Senate plan would raise more money for roads – roughly \$800 million a year versus \$427 million. It also proposed increasing the gas tax more – by 12 cents a gallon and hiking other fees. That plan does not include an income tax cut or Transportation Department reform.

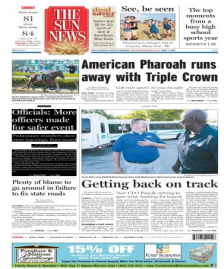
May 7: A group of Senate Republicans introduces a fourth major road repair plan, less than a month before lawmakers are scheduled to go home. The plan keeps the Senate Finance Committee's tax hikes but also cuts income taxes by \$700 million and gives control of the Transportation Department to the governor.

May 20: State Sen. Tom Davis, R-Beaufort, begins a three-week filibuster on how the state should spend \$85 million from a savings account. Davis' filibuster effectively blocks senators from debating the roads bill for the rest of the session. Davis says using savings account money and money from state surpluses this year – roughly \$322 million – and in the future would eliminate the need for a gas tax hike.

June 4: The 2015 General Assembly adjourns its regular session without a long-term plan to fix the state's roads. A surplus spending plan proposes spending \$150 million in onetime money on state roads. That plan still needs the approval of the House and Senate when lawmakers return for a three-day special session on June 16.

— Cassie Cope, ccope@thestate.com

Title: **Officials: More officers made for safer event**
 Author: BYTONYAROOT troot@thesunnews.com
 Size: 91.91 square inch
 Myrtle Beach, SC Circulation: 61238



BIKEFEST

Officials: More officers made for safer event

Preliminary numbers show more warnings, fines issued

By TONYA ROOT

troot@thesunnews.com

More police officers on the streets, which were restricted with sidewalk barriers and one-way traffic along part of Ocean Boulevard, led to a safer Memorial Day weekend, officials said.

Final figures for arrests, warnings and fines, as well as any issues or changes authorities encountered during the event, won't be available until probably August, Horry County spokeswoman Lisa Bourcier said.

BIKEFEST

From Page 1A

"The statistics are hard to interpret; you may see some things up and some things down but we doubled police," Bourcier said. "It's hard to dissect the numbers and what they truly mean. I think having the additional officers on the streets definitely helped."

The increase in police officers and other changes, including a traffic loop, were implemented in response to last year's Bikefest where three people were fatally shot and seven people were hurt during eight separate shootings along Ocean Boulevard.

Gov. Nikki Haley called for the end of Bikefest last year after the incidents, but then when Atlantic Beach Town officials refused to cancel their event, she worked with local agencies to beef up policing and plans for it.

"We wanted to welcome tourists, but let them know they need to abide by our laws," Gov. Nikki Haley said last week during a stop in Conway. "It worked beautifully; we saw a huge reduction in crime than we had seen last year. We've seen a lot of difference in terms of mentality and how people talk to each other. There was a respect this past weekend that we didn't have before. Now we are going to continue to work hard to make sure that improves every year."

Atlantic Beach has a small police department with three officers and figures from their activities have not been released by town officials.

Haley pledged continued support to Myrtle Beach with officers and resources and said the barriers and one-way traffic on Ocean Boulevard would remain mainstays of the event.

"Those things worked," Haley said.

But preliminary figures showed more warnings were issued and more fines were collected during the event by Horry County police, while Myrtle Beach and North Myrtle Beach authorities showed a decrease in most of their figures compared to last year.

See **BIKEFEST** | Page 15A

ley said.

This year, there were two shooting incidents during Memorial Day weekend, including one where a man was hurt, but there were no homicides. One arrest was made in the shooting, while police continue to look for the suspect in the second incident where gunshots were fired during a robbery attempt, authorities said.

However, police did investigate four fatal crashes involving motorcycle and moped riders along the Grand Strand this year, less than the seven deaths in five crashes last year.

There also were 66 motorcycle crashes during Bikefest in Horry County this year, Bourcier said.

Before last year's deadly turn of events, there had not been a homicide during the weekend in Myrtle Beach for five years.

In 2014, Jamie Williams, 28,

of Ladson, and Devonte Dantzler, 21, of Summerville, died on the scene of one of the shootings. Sandy Gaddis Barnwell, 22, of Summerville, was pronounced dead later at Grand Strand Medical Center. A fourth person, Keith Williams of Lincolnton, was injured during the fatal shootings. Six others were injured by gunfire that weekend.

There were two murders in 2006, and one murder each in 2007 and 2008, according to Myrtle Beach police figures. The May 25, 2008, murder gained more attention than others because it involved a Coastal Carolina University student being killed during a dispute with three local teens about a parking space at a home in the city.

That year was also when Myrtle Beach City Council officials sought and later implemented a helmet law and stric-

Title: **Officials: More officers made for safer event**
 Author: BYTONYAROOT troot@thesunnews.com
 Size: 91.91 square inch
 Myrtle Beach, SC Circulation: 61238

ter noise ordinances to get rid of bikers who often take over the area for up to three weeks during May.

State Supreme Court officials later overturned the helmet law, but many bikers, often in town for the Harley-Davidson Spring Rally, avoided the city limits during their travels.

This year, statistics for the Harley spring rally were not available from Myrtle Beach officials, but figures from North Myrtle Beach showed no major increases or decreases in arrests, warnings and tickets issued.

However, Horry County figures for that rally, from May 10-16, showed that fewer fines were collected as compared to last year. This year, officials collected \$48,791.50 in fines compared to \$81,444.50 last year.

County officers issued 162 warnings this year, made 27 arrests and issued 153 courtesy tickets this year, while last year they issued 171 warnings and

made 271 cases, which was calculated differently last year, Lt. Raul Denis said. The number of arrests and tickets issued last year were not available.

As for other crimes during Bikefest, officials said more police increased the number of warnings, arrests and tickets issued with fines collected, Bourcier said.

In Myrtle Beach this year, there were six armed robberies, one less than last year and less than when compared to previous years when the numbers peaked in 2007 with 18 robberies reported; there were 15 in 2008 and seven recorded in 2011, according to figures.

Myrtle Beach police also saw a slight increase in stolen motorcycles and vehicles with 18 and 23 reported respectively this year, compared to 10 and 21, respectively, last year, according to their statistical report. Officers also recovered 44 stolen motorcycles this year as compared to 18 recovered last

year.

Horry County and North Myrtle Beach authorities recorded their figures for arrests, warnings and fines a bit differently.

In Horry County, officials tallied eight days' worth of figures from May 18 to May 25 and noted they issued 322 warnings, made 240 arrests and collected \$68,428 worth of fines.

They recorded five days' worth of figures in 2014 from May 21-25, and issued 143 warnings, 204 arrests and collected \$36,443 in fines.

During the five-day period in 2013, Horry County officers issued 58 warnings, made 115 arrests and collected \$16,218 in fines, according to figures released by Lt. Raul Denis.

In North Myrtle Beach, statistics were lower, but their crowd is different, said Pat Dowling, city spokesman.

"As has always been the case with Bikefest, we saw many of the same repeat visitors in North Myrtle Beach, and Bike-

fest participants at our end of the beach tend to be older and have been coming to the event for many years," Dowling said.

In North Myrtle Beach, statistics from May 21-25 showed that officers made 47 arrests, issued 176 tickets and 178 warnings. For the same period last year, they made 105 arrests, issued 489 tickets and 227 warnings.

"According to our public safety officials, North Myrtle Beach saw a 30 to 40 percent increase in Harley week attendance, and a 30 to 40 percent decrease in Atlantic Beach Bikefest attendance. Not sure as to the motivation behind either event," said Pat Dowling, North Myrtle Beach spokesman. "Generally, both events were policed fairly and respectfully, and participants in both events generally responded in kind."

► Contact **TONYA ROOT** at 444-1723 or on Twitter @tonyaroot.

Title: **Officials:More officersmade forsaferevent**
 Author: BYTONYAROOT troot@thesunnews.com
 Size: 91.91 square inch
 Myrtle Beach, SC Circulation: 61238

Memorial Day weekend figures

HORRY COUNTY POLICE

Dates	Warnings	Arrests	Amount in Fines
May 18-25, 2015	322	240	\$68,428
May 21-25, 2014	143	204	\$36,443
May 23-27, 2013	85	89	\$20,225
May 24-28, 2012	124	239	\$44,578

MYRTLE BEACH POLICE

Month	Cited or arrested	Charges filed	Calls for police
May 2015	809	1,049	4,106
May 2014	1,104	1,464	4,045
May 2013	864	1,141	4,010
May 2012	983	1,191	3,711

NORTH MYRTLE BEACH POLICE

Dates	Arrests	Tickets	Warnings	Calls for service
May 21-25, 2015	47	176	178	1,043
May 22-26, 2014	105	489	227	1,1437
May 23-27, 2013	70	411	260	1,436
May 24-28, 2012	39	291	165	1,259

Title: **HowHaleysoldlegislatorsasubprimeloan**

Author:

Size: 74.86 square inch

Columbia, SC Circulation: 128564



How Haley sold legislators a subprime loan

AS THE Legislature slogged toward Thursday's mandatory adjournment of the session that wasn't — worthwhile, worth writing about today, whatever — Gov. Nikki Haley sat stone-faced on the front row of a Senate committee meeting room Wednesday morning while legislators lectured her on her irresponsible money management and her refusal to work with them and her utter disregard, again, for the limits on gubernatorial power.

Frankly, she got off pretty easy for someone who was insisting that legislators stop trying to pay for part of the \$200 million incentive package she promised to Volvo with money the state already has, and instead let her borrow \$123 million, at budget-busting interest rates.



Cindi Ross
Scoppe

Associate
Editor

You might want to read that again, to make sure you got it, because it is brain-busting crazy.

"This is the worst kind of credit card debt I've ever seen," Senate President Pro Tem Hugh Leatherman said of the bond package, which allows the state to pay only interest for seven years, and then eventually make a huge principal payment.

That's called a balloon payment, it was the specialty of the subprime lenders that triggered the housing crisis that plunged our nation into the worst economic downturn since the Great Depression, and this one will add \$86 million in interest to the \$123 million principal.

The governor had announced that she didn't need any help from the Legislature to land Volvo, and now that she was fight-

ing the Legislature's attempt to provide the cash to bail her out of her subprime promise, Rep. Chip Limehouse told her: "You do need the General Assembly to bring industry to South Carolina ... because we control the purse strings." Which he and the other nine members of the Joint Bond Review Committee were at that very moment doing, by deciding whether to let her proceed with the loan.

Message: I don't care

When House Ways and Means Chairman Bryan White suggested that the governor write a letter asking legislators to use newly certified surplus funds to help pay for the incentive package so the state wouldn't have to throw away all that money in interest — as his committee voted two days earlier to do — she was clearly uninterested.

"I think I did more than a letter," she announced, and I perked up, anxious to learn of this peace offering that I somehow had overlooked. And she continued: "I did a press conference."

Excuse me?

That's tone deaf and slap-the-Legislature-in-the-face arrogant even by Mark Sanford standards.

Assume you want legislators to do something that's important to you. Would you hold a news conference to give them marching orders and threaten unpleasant consequences if they don't obey you? Or send them a

letter saying, I would appreciate it if you would do this? Flies and honey and vinegar, you know.

The governor wasn't simply refusing to ask for the Legislature's help. As she reminded the committee, she had said at the press conference she would allow the Legislature to use unexpected revenue to cut taxes, to

fix roads or to pay down debt. By refusing now to ask legislators to use the money to pay down debt — or to avoid incurring debt — she was saying she has no preference among her three options. She was saying that she's perfectly happy throwing away \$86 million on interest, if that means she can get a tax cut.

But why *should* she ask legislators for help? In the end, they gave her permission to go forward with her subprime loan.

Sen. Leatherman told me the next day that as upset as he was with the bond terms, and the governor's attempts to hide the details from lawmakers, he wasn't willing to take the minuscule chance that Volvo would pull out if lawmakers didn't authorize the borrowing on Wednesday, as the company might have been promised. That, by the way, is a pretty good summary of how the Legislature approaches economic incentive packages.

Keep Legislature out

South Carolina has the best credit rating possible, but Gov. Haley had to resort to a subprime loan because she was determined not to ask the Legislature for the money. That meant she had to use a borrowing method that the state has nearly maxed out, and the only way keep the payments under the

mandatory maximum was through the balloon-payment plan.

Commerce Secretary Bobby Hitt told legislators that he had to rely on the nearly maxed-out funding method that he controlled because, during the secret negotiations, Volvo insisted on having a commitment immediately. That's believable, and not inappropriate. What's inappropriate is what didn't happen once the deal was announced. The governor didn't go to the

Title: **HowHaleysoldlegislatorsasubprimeloan**
 Author:
 Size: 74.86 square inch
 Columbia, SC Circulation: 128564

Legislature and ask for a more responsible way to come up with the money. Which of course it would have provided.

Gov. Haley said, and Mr. Hitt repeated, that besides wanting an answer *now*, Volvo insisted on keeping the Legislature out of the deal.

Frankly, it seems difficult to believe that Volvo would care how the governor got the money, once the state had legally obligated itself to spend it. Unless the company had been told that the Legislature is hostile to economic incentives. Perhaps by a governor who didn't want to condescend to asking the Legislature for anything. Perhaps because if she asks for something from the Legislature, the Legislature might feel like it could ask something of her. You know, the sort of give-and-take that is essential to politics. Or any human endeavor.

Wrong answer

Wherever the idea came from that the Legislature was to be avoided, where I come from, "keep the Legislature out of the deal" is code for "keep it hush-hush." That's sort of weird, since there wasn't anything that needed to be kept hush-hush until the governor decided she needed to keep it hush-hush, and came up with the subprime-loan plan.

I don't blame a company for making such a demand, just like I wouldn't blame it for asking the state to build its entire plant, and pick up its payroll for a year. Volvo has no obligation to the public.

The governor, on the other hand, does have an obligation to the public. If a governor is asked to keep the Legislature out of a deal that involves giving away \$123 million in taxpayer funds, the correct response is not "Sure!" The correct response is to explain that that's not how we do things in this state: We don't commit taxpayer money in secret, and we don't shut out the

branch of government that makes the spending decisions. And we certainly don't resort to subprime borrowing in order to keep the Legislature out.

The correct response is to assure the company that there won't be any trouble getting the Legislature to go along with the deal, because, while Nikki Haley has spent a good bit of her political career opposing economic incentives, this Legislature always, always supports them. No matter how much they cost. No matter how irresponsibly they are put together.

If any future economic recruits need proof of that, they need only look to the unanimous committee vote on Wednesday to approve the most irresponsible financing plan state leaders have signed off on since Reconstruction.

*Ms. Scoppe can be reached
 at cscoppe@thestate.com
 or at (803) 771-8571.*

Title: **Volvo investment should encourage struggling communities**

Author:

Size: 27.43 square inch

Columbia, SC Circulation: 128564



Volvo investment should encourage struggling communities

The Volvo announcement is a great victory for our state. Gov. Nikki Haley, Commerce Secretary Bobby Hitt and his staff, along with the Santee Cooper and Berkeley County teams, are to be commended for their hard work in winning this commitment from a world-class manufacturer.

Winning such projects takes not only hard work and coordinated teamwork but relationships that are fostered over time and a reputation as a state that provides the foundation for success. South Carolina has that reputation, for good reason.

Before any company invests millions of dollars in a plant and equipment, we have to demonstrate the availability of ideal property and excellent infrastructure, as well as a high-quality, skilled workforce. We are fortunate to have a workforce with a solid work ethic and the willingness to learn new trades. Volvo chose us because it all works in South Carolina, and now there is much to celebrate.



Cuda

Charleston may get the headlines, but the real winner is the rural Berkeley County and neighboring counties in the I-95 region that is known as the "Corridor of Shame." In an area dominated by high poverty and unemployment, the Volvo decision is monumental.

The \$500 million plant is expected to eventually employ up to 4,000 people. An economic analysis by the College of Charleston's Frank Hefner projects that, operating with 2,000 employees in the first phase, the plant would contribute \$4.8 billion in economic output on an annual basis. It also would support more than 8,000 total jobs in the region and contribute more than \$72 million in state and local taxes.

The happiest days will occur thousands of times over when each new employee is hired in these high-paying jobs. Individuals will feel a sense of pride as their new job boosts their self-worth, which in turn helps stabilize families and strengthen our communities.

This sense of opportunity will motivate generations to come, as youth see a future locally instead of having to leave home. This is the case with all of the economic development announcements that create more jobs in our state.

In a larger sense, the Volvo announcement should provide encouragement and serve to empower other communities to know that they can also be in a "corridor that is now in the game."

DAVID CUDAS
President
S.C. Economic Developers Association
Columbia

Title: **Gas prices in Myrtle Beach area don't make sense; time to regulate oil**
 Author: BY CHARLES J. STOKES
 Size: 50.53 square inch
 Myrtle Beach, SC Circulation: 61238



ECONOMY

Gas prices in Myrtle Beach area don't make sense; time to regulate oil

BY CHARLES J. STOKES

We are all being subjected to the seesaw world of gasoline prices; however, there are some interesting points to ponder.

If you are listening to the news, you are reading or hearing that the economy is taking a real hit because oil prices are so low. It is supposed to be negatively affecting global financial market systems.

As users of gasoline in the United States, we know about the frequent raise and drop in crude oil and how it affects our wallet – usually at a very inopportune time. We read the news about countries such as Syria, Iraq and Iran, not to mention the many Islamic wars going on around the world, which all are drawn into the equation used to define the cost of crude oil and how it relates to our neighborhood service station.

We watch as the price of our gasoline at the pump fluctuates dramatically higher than lower on a daily basis, and if you are like me, you get a bit annoyed when the price goes up between 10 cents and 20 cents a gallon overnight then takes three to four weeks to drop by a penny or two.

It is also interesting that when the price of gasoline goes a bit lower, it is for a very short period of time before it rises again, hence the seesaw effect.

I can't help but wonder why

the service stations are not regulated in such a way that the consumer is protected from this price gouging – and it is gouging. When a service station charges a given rate per gallon, supposedly based upon the price they pay for that particular delivery, it is price gouging when they raise the price per gallon 5 cents to 20 cents for gasoline that has already been in the tanks well before their next delivery.

In the Myrtle Beach – Conway area, gasoline prices are anything but regulated. Gasoline prices can be as much as 10 cents to 15 cents higher or lower, depending upon the area. We all know that it is more expensive for gasoline closer to major highways, such as the interstate system.

Why?

It's simply because there is very little regulation by the government. The oil companies decry that they are losing millions of dollars when the price of gasoline drops even a few cents. What they are failing to tell you is that those millions "lost" due to those few pennies is strictly profit.

Do the math.

When you look at quarterly profits of the oil companies, and that is *after* all operational payouts, including fines, which are calculated in the billions, a

few million dollars less in profits is miniscule.

Oh yes, they also forgot to mention the taxpayer money oil companies get as subsidies from the government. Yep, they still get them in the name of research and political donation restitution.

The political donations are not all illegal, but they do swell the profits of the oil companies, which more than make up any small profit loss due to reduced gasoline prices.

The oil companies, along with top government officials, also decry that lower oil prices is harming economic growth. On the other hand, one only has to calculate the harm rising oil prices actually does to the economy.

Every operation and business in the United States depends upon oil. Every manufacturer has a stake in oil.

Every time the cost of oil rises, the domino effect begins. The cost of fuel to transport goods, the manufacturing operations of making the millions of plastic products, as well as nearly every product manufactured, public transportation, especially the airlines, processing of foods (those berries in your muffin batter are not true fruit; they are a by-product of petroleum), all increase

dramatically.

As each cost of the thousands of operations increase, the cost goes up to the consumer because, by law, all businesses are permitted to pass any and all increases to the consumer.

After you do the math, you will find that those dime increases in gasoline and fuel may lead to a very tiny percentage loss to the oil companies, less than 1 percent, while the consumer's loss is closer to 20 percent to 40 percent. The oil company sells oil; the consumer has to buy everything to live.

Believe me when I tell you that the oil companies know that and really do not give it a second thought. They just want all of your money – period. Don't forget, South Carolina Gov. Nikki Haley has approved the gasoline tax increase after vehemently saying she would veto *any* proposed raise in the gasoline tax, but that is another story.

What can consumers do about it? If history is any kind of a barometer, I am afraid not much. What about using our own vast shale oil and natural gas deposits to lower the price of gasoline here in the United States instead of exporting it to other countries? What a concept.

The writer lives in Conway.