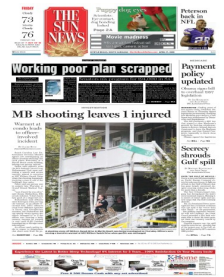


Title: **Working poor plan scrapped**
 Author: BYCASSIECOPE ccope@thestate.com
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STATE BUDGET

Working poor plan scrapped

Senators nix program for 194,000 in S.C.

By CASSIE COPE
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Senate budget writers scuttled a proposal Thursday to create a program that would have used federal and state dollars to pay for private health insurance for almost 200,000 South Carolinians.

But the proposal will re-emerge within two weeks as standalone legislation, said

state Sen. Joel Lourie, D-Richland. "These are our neighbors," said Lourie. "These are our friends. These are hardworking, taxpaying South Carolinians."

Lourie withdrew his amendment to create the program after it became clear senators did not support debating the proposal as part of the state budget.

Roughly 194,000 South Carolinians, most members of the working poor, could have been insured by the program. Most earn too much to be eligible for subsidized health insurance under the Affordable Care Act but do not make enough to buy their own coverage.

But other senators, includ-

ing powerful Senate leader and Senate Finance Committee chairman Hugh Leatherman, R-Florence, opposed the way Lourie suggested creating the program.

Leatherman said a far-reaching proposal of the magnitude that Lourie proposed should not be made law as part of the budget. Instead, the proposal should go through the

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normal vetting process used for standalone legislation, going from introduction to subcommittee to committee to the Senate floor.

Lourie said senators will file legislation that mirrors the budget amendment within the next two weeks.

Previous attempts to expand the federal-state Medicaid insurance program for the poor in South Carolina as part of the federal Affordable Care Act, also known as Obamacare, also have failed.

Republican Gov. Nikki Haley, who opposes expanding Medicaid, said earlier this week that she would fight Lourie's proposal as well.

But Leatherman said the threat of a veto by Haley did not carry as much weight after the

House approved a roads plan Wednesday that the Republican governor had threatened to veto. That plan passed the House 87-20, a large enough margin in the GOP-dominated House to survive a veto.

"I've never been afraid of a veto," Leatherman said after the meeting, adding the House vote sent a "tremendous message."

Lourie's proposal had bipartisan support.

Republican state Sens. Paul Campbell of Berkeley and Ray Cleary of Georgetown sponsored the proposal, along with Democratic state Sen. John Matthews of Orangeburg.

A half-dozen members of the 23-member Senate Finance Committee spoke out in favor of the proposal Thursday. Some cited studies saying expanding Medicaid would be a

multibillion-dollar boon to the state's economy, adding the state is willing to spend hundreds of millions to attract economic-development projects.

Opponents sat silent, in part because it was clear the proposal would not advance in the budget.

Lourie told the committee the proposal is "not about whether you are for or against Obamacare."

Instead, he said, the proposal would create a public-private partnership to close the healthcare coverage gap between the working poor and other South Carolinians.

Lourie said it is much less expensive for an insured South Carolinian to go to the doctor for preventive care than for an uninsured resident to go to the emergency room, leaving tax-

payers to pick up the tab.

Campbell, a retired business executive, said he is not for expanding Medicaid, but looks at the proposal from a business perspective. There has to be a more cost-effective way to pay for health care for poor South Carolinians than the current system, he added.

The proposal would have followed a framework being used in GOP-controlled Arkansas.

In South Carolina now, adults who are not disabled and earn \$15,000 or less are ineligible for Medicaid, with a few exceptions. Parents of young children are eligible for Medicaid if their income is about \$7,000 or less, and pregnant women are eligible if their income is about \$23,000 or less.

Twenty-eight states and the District of Columbia have ex-

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panded their Medicaid programs in some form since the passage of the Affordable Care Act.

The U.S. Supreme Court is set to rule this summer on whether the operation of the federal insurance marketplace, part of the Affordable Care Act, is illegal in many states.



Lourie

Title: **As industry gains, SC wages still rank low**
 Author: By Rudolph Bell Staff Writer dbell@greenvillenews.com
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As industry gains, SC wages still rank low

Assembly line pay is higher in 30 states

By Rudolph Bell

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Gov. Nikki Haley and state Commerce Secretary Bobby Hitt speak regularly about how South Carolina's manufacturing sector has thrived since they took office, and they did it again this week during a manufacturing conference in Greenville.

In separate speeches at the TD Convention Center, Haley and Hitt reminded their audiences of major jobs announcements in manufacturing since the start of 2011, such as the Continental Tire plant in Sumter County, the Giti tire

plant in Chester County, the Daimler van plant expansion in North Charleston and the \$1 billion carbon fiber plant that Toray Industries is building in Spartanburg County.

South Carolina, Hitt told the audience, has recruited 28,000 manufacturing jobs over the past four years, more than Georgia or North Carolina, and become the top state for exporting tires and passenger vehicles.

"South Carolina is leading the manu-

facturing renaissance," he declared.

Neither he nor Haley, however, brought up the subject of wages for South Carolina's assembly line workers. In that metric, the state doesn't compare so favorably.

According to the Bureau of Labor Statistics, the average hourly wage for manufacturing production workers in South Carolina was \$18.76 in January, or just under \$40,000 a year.

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Wages were higher in 30 other states, including Alabama, Virginia, Louisiana and Texas.

Colorado enjoyed the best pay, with assembly line workers making an average of \$26.15 an hour, or more than \$54,000 a year, according to the BLS.

South Carolina fares better in other measures of manufacturing.

For example, its total number of factory jobs rose 12.7 percent between 2010 and 2015, to more than 231,000, a bigger percentage increase than in 39 other states, according to the BLS.

BLS data also show that South Carolina was tied with North Carolina

in having the nation's least-unionized work force in 2014, with just 3.2 percent of workers in both states represented by unions.

Erin McKee, state president of the AFL-CIO, the umbrella organization for organized labor, said she sees a connection between South Carolina's low unionization rate and its relatively low assembly line wages.

"Unions are the ones who fight for working people to get better wages and benefits and safety conditions," she said.

Haley, McKee said, tells companies she's trying to recruit that South Carolina's wage levels are below the national av-

erage.

So it's no surprise that manufacturers that come to South Carolina pay workers less than manufacturers do in other states, McKee said.

"Who's looking out for the workers? She's looking out for big business," McKee said.

"What I see here is a race to the bottom. The South, not just South Carolina but Southern states in general, don't have the union density to fight for better wages and conditions. Up north, they're having to compete with us down here. And that's not a race to the top. It's a race to the bottom."

Hitt, however, said a lot of South Carolina's factories are new, or relatively new, so their work-

ers have yet to reach higher pay grades and that brings down the state's average assembly line wage.

"Workers grow in skill, and as they grow in skill, they get paid more," Hitt told reporters at the manufacturing conference, which was presented by SC Biz News, a publisher of business news, and Dixon Hughes Goodman, an accounting firm.

Hitt said South Carolina's unemployment rate has dropped four percent since Haley took office and he became commerce secretary, from 10.6 percent to 6.6 percent.

"Those are a lot of new jobs and those are a lot of people starting at a base

wage and working their way up," he said.

Plus, Hitt said, the cost of living in South Carolina is lower than that of many other states.

"Someone who lives on, say, \$40,000 a year in South Carolina is probably going to enjoy a more comfortable lifestyle than someone making \$40,000 in New England," he said.

Still, Hitt said he'd like to see a bigger middle class in South Carolina.

"I don't think people have as good of jobs as they would like," he said.

"My job is to recruit as many companies here as we can that offer a good, middle-class wage, and that's what we're doing."

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“The South, not just South Carolina but Southern states in general, don’t have the union density to fight for better wages and conditions.”

ERIN MCKEE,
STATE PRESIDENT OF THE
AFL-CIO



MYKAL MCELLOWNEY/STAFF

Grading is underway for a \$1 billion carbon fiber plant that Toray Industries is building in Spartanburg County, one of several new manufacturing plants in the state.

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Haley bashes roads vote on Facebook, threatens to veto legislation

Governor criticizes 'sticking it to taxpayers' in measure

By Tim Smith

Staff Writer

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COLUMBIA — Gov. Nikki Haley on Thursday took to Facebook to bash House lawmakers for their passage of a road-funding bill Wednesday night and threatened to veto it.

"Yesterday they raised taxes for a roads plan, without a larger tax decrease, in a year where we have over \$400 million in additional revenue," she posted. "I will veto it. We didn't get to the position of being one of the fastest growing economies by sticking it to the taxpayers."



Gov. Nikki Haley

Haley then posted the votes of House members on the bill and

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proposed raising the state's gas tax by 10 cents per gallon if lawmakers also reduce the state's income tax rate from 7 percent to 5 percent over 10 years. She also has asked for lawmakers to scrap the system in which lawmakers select highway commissioners. The House plan would allow the governor to appoint all the commissioners.

In a post Wednesday evening, Haley said she was "stunned" at what the House did.

Dozens of followers posted their own views of the issue on the governor's Facebook page.

"We know they will not use the money for roads," posted Colt Lewis. "Thank you for being a great gov-

ernor."

William Steward suggested that to get money for roads Haley "clean the books" of those on "perpetual welfare" or food stamps and able to work.

Michele Toth Holt asked others to call the offices of lawmakers who voted for the bill and demand an explanation.

"We have RINOS (Republicans in Name Only) in our midst who are no better than liberal Democrats in spending and tax increase requests," she posted.

Julie Fowler Webster posted, "We are taxed to death already!!"

But Jacob Lebar posted that he didn't care if taxes were raised. "Just fix the roads in a timely manner

asked people to share it with friends.

The House approved the legislation 87-20 Wednesday evening and gave final approval to it Thursday.

The bill, the product of a House infrastructure committee and the House Ways and Means Committee, would effectively raise the price of gas by 10 cents per gallon, raise the cap on the sales price of vehicles from \$300 to \$500 and offer taxpayers an income tax cut averaging \$48 a year.

"Today, a vast majority of House membership courageously took the next necessary step to put our state on a path towards road repair," House Speaker Jay Lucas said Wednesday night. "The eco-

nomie value at stake is far greater than the price of politics. As our roads plan advances through the legislative process, I am confident the House will continue to work with Governor Nikki Haley and Senate leadership to ensure we meet our state's needs and repair our crumbling road and bridge system."

Haley had threatened before the House vote to veto any roads bill that did not include significant tax relief. An \$800 million Senate roads plan includes no tax relief but has not been debated on the floor.

The Republican governor in January

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and on budget," he said.

Gary Howell posted that while no one likes tax increases, "we need to find a balance in the system." He said the state's roads are in disrepair and overcrowded and the state is overdue at addressing the situation.

"We are 10 years late starting," he posted. "Let's get the move on governor, senators and representatives! We need you to work together and meet the needs of this state! Stop the political posturing!"

Justin Kyle Crolley asked the governor how she could criticize a tax increase when she is pushing for a 10-cent increase in her plan. The governor has said she would only go along with a tax increase if

there was a significant tax decrease.

Andrew Johnston called Haley's criticism "disingenuous" because of her own roads plan.

"We don't need a 10-cent a gallon tax increase," he posted, "but if we have to have one, the House version is more fair."

Paula Kinziger posted that she felt the state already has the money to fix its roads.

"Not our fault they blew the money on their pet projects," she posted. "Stop stealing our hard-earned money. How about cutting non-government functions along with wasteful spending down there. We're taxed enough already!"

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The focus now moves to the Senate, which is awaiting the House bill before debating the issue. The House bill was assigned Thursday to the Senate Finance Committee, which has already passed its own road-funding bill.

Ted Pitts, president and CEO of the South Carolina Chamber of Commerce, and a former aide to Haley, praised the House vote.

"We applaud the House for leading on dedicating sustainable and recurring resources to maintain and improve our infrastructure," he said. "Now, the Senate must take action and debate and pass funding for infrastructure."