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Subject: Agency Announcement: DOR
Location: 1st Floor Lobby, Statehouse
When: 11/21/2016 11:00:00 AM - 11:30:00 AM

DATE: Monday, November 21, 2016

TIME: 11:00 AM

LOCATION: Statehouse, first floor lobby, Columbia, S.C.

PURPOSE: To announce Hartley Powell as the new Director of the Department of Revenue

SPEAKING ORDER/LINE-BY-LINE:

- Governor Haley
- Hartley Powell
- Director Rick Reames (?)

HARTLEY POWELL

Experience

- Hartley joined KPMG LLP in June 2000 as a senior manager in the State and Local Tax practice. In 2005, he was promoted to Tax Managing Director and the National Practice Leader of the Global Location and Expansion Services practice.
- In 2007, he became a principal of the Firm. Hartley has over 25 years of experience in economic development, industrial development, and state/local tax incentives in the public and private sectors.
- Prior to joining KPMG, he practiced business and corporate law. Subsequently he joined the South Carolina Department of Commerce, serving three years in Frankfurt, Germany as Director of South Carolina's European Office, advising European investors and businesses on the benefits of doing business in the US.
- Hartley returned from Europe in 1996 to serve as Chief of Staff of the South Carolina Department of Commerce.
- As a practicing lawyer, public servant, private advisor, and tax professional, Hartley has worked with communities, industry, private businesses and public entities on a variety of matters.

Principal

KPMG LLP (June 2001 – October 2016)

- Assisting international and domestic corporations on the legal aspects of doing business in the United States;
- Helping companies mitigate their start-up and operational costs on both a tax and non-tax basis,

- including incentive analysis and negotiation, strategic planning, and corporate site selection.
- Negotiating tax and business incentives, real estate and development agreements, and financing alternatives with state and local communities.
- Providing economic development services for a variety of public sector clients, reviewing their tax incentive policies and economic structures. Past clients include State of Georgia, State of North Carolina, State of Louisiana and various local economic development organizations.
- Steering committee of KPMG's Global Location and Expansion Services.
- Frequent lecturer at U.S. and global economic development/tax forums, Industrial Asset Management Council's conferences, and KPMG's Global International Corporate Tax summits. He has been the keynote speaker for the Louisiana Governor's Council, Georgia's Economic Development Board, and Expansion Magazine's consultant forum.
- Featured in the April 2008 issue of Business Facilities Magazine

Chief of Staff/Project Manager

South Carolina Department of Commerce (May 1988 – January 1998)

- Served as an international project manager in the Business Development Division of the SC Department of Commerce for approximately 5 years. Then transferred to Frankfurt, Germany and served three years as the Director of South Carolina's European Office. Returned from Europe to serve as Chief of Staff for Secretary of Commerce for last two years.

Education

University of South Carolina Law School

- Juris Doctorate, Law (1981 – 1983)

Erskine College

- Bachelor of Arts, Behavioral Sciences (1974 – 1978)

TALKING POINTS:

- Today, we are announcing a change in Team Haley, and that is always bittersweet because, while we are sad to see someone who has been so committed to the state move on, we're also excited for the future and for the person who we are adding to the team.
- Director Rick Reames, who has led the Department of Revenue since July 2014, has decided to take a position in the private sector.
- Under Director Reames:
 - Accomplishments:
 - Security
 - The agency has addressed security issues by training new employees with nationally recognized security training and all existing employees must be recertified each year;
 - Restructured the organization by bolstering the Chief Information Security Office and having the Chief Information Security Officer and internal Auditor report directly to the Agency head;
 - New software, hardware and monitoring technologies have been employed and security remains a top priority.
 - Increased Efficiency and Accountability

- Purchased an off-the-shelf product to serve as the main tax processing system – this purchase eliminated the costly in-house development of the system and saves the state between \$30-\$40 million over the next decade. This project is on-time and on-budget.
- Privatized the processing of paper tax returns, which is more efficient and accurate – while saving \$2 million over the next 10 years.
- Focused on Customer Service in key functions, including Property Tax Exemption and Certificates of Tax Compliance requests – decreasing processing and times from averages of 3-5 weeks to 3-5 days.
- Created the SCDOR Protective Services group to provide security to Agency facilities and personnel. This change creates more accountability, better service, and results in savings to the Agency.

- Tax Fraud Protection and Prevention

- Developed and implemented an anti-fraud initiative to combat the growing epidemic of tax refund fraud – stopping millions of dollars of waste and saving the taxpayer millions.

- But the successes that we've seen at DOR are the reasons we feel comfortable with handing the reins over to a new director.
- As we have asked all our agency directors to do, Director Reames has clearly demonstrated that his priorities include protecting the taxpayer and running the agency like a business – cutting duplicative bureaucratic processes and saving people of South Carolina money.
- We feel like the agency is now in a better place than it has been in a long time, and we couldn't be more excited about the man we've asked to come in and build on accomplishments of Director Reames and his team.
- Hartley Powell is coming to us from KPMG, which is one of the "Big Four" accounting firms in the world.
- Hartley joined KPMG as Principal in 2001 and has been there ever since, working with companies from all over the world understand the legal aspects of doing business in the United States and helping them navigate the complex process of negotiating tax and business incentives.
- He has made a living at one of the largest accounting firms in the world helping companies mitigate start-up and operational costs on both a tax and non-tax basis.
- That's what Team South Carolina is all about – making it as easy as possible for a person with an idea to come here and create a company. Because when you work to create an environment where companies of all kinds and of all sizes can succeed, you take care of the people who they will hire.
- Before Hartley went on to the private sector, he spent most of his career in public service at the South Carolina Department of Commerce.
- As the Director of the Department's European Office for five years and as Chief of Staff for two, he learned a long time ago what it means to be in the customer service business – helping people and companies find ways to improve, grow, and thrive.
- When you combine Hartley's experience with the tax code at KPMG and his career in public service at the Department of Commerce, we really do have someone taking over at DOR that we can all be proud of and be excited about.