

From: Stokes-Murray, Lynn <LStokes-Murray@MCNAIR.NET>
To: Danny VaratDannyVarat@scstatehouse.gov
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Subject: SC National Guard Convention Briefing
Attachments: Armory Condition for TAG 1.pdf
4928_001.pdf

Memo

TO: The Honorable Kevin Bryant
Lt. Governor for South Carolina

Danny Varat, Chief of Staff

FR: Lynn Stokes Murray
McNair Law Firm

RE: South Carolina National Guard Issues and Convention Information

DT: March 9, 2017

Thank you so much for agreeing to participate in the 2017 SC National Guard Association Convention. The event is to be held at the Marriott at 170 Lockwood Boulevard in Charleston S.C. The President's reception will be held from 5:30 – 6:45 in the Emerald One Ballroom. The Military Banquet will follow and the Governor will speak between 7:00 and 7:20 p.m We have organized it such that he will be able to depart after his remarks prior to the serving of dinner. I will be there and if you have any questions or concerns, feel free to call me on my cell at 803-513-7847. I have put together some information regarding the Adjutant General's Legislative Priorities as well as the Association's priorities for the Governor to review. Again, if you all have any additional requests for information, please do not hesitate to call me.

PENSION

Effective January 1, 2006, the South Carolina Public Employee Benefit Authority (PEBA) assumed administration of the South Carolina National Guard Retirement System (SCNG Plan), a defined benefit pension plan established to provide supplemental benefits to National Guard members who served in South Carolina. While the SCNG Plan was previously closed to new entrants as of July 1, 1993, legislation reopened the system effective January 1, 2007 to any new entrants since June 30, 1994. As a National Guard member, you are considered a federal employee; therefore, the benefit the state provides through the SCNG Plan is intended only to supplement the retirement benefit received from the federal government. Depending on a members years of service in the National Guard, the member receives between \$50 to \$100 per month. The House Ways and Means Committee has appropriated \$145,859.00 for the 2017-18 budget cycle. The Pension Reform legislation which has been adopted in both the House and Senate and await conference committee, does not change any issues as related to the SCNG Plan.

The South Carolina General Assembly adopted legislation in 2016 that provides for the structured implementation of exemption from taxes Military Retiree Pay. We are in the second fiscal year of implementing this program, which allows up to \$17,500 to be exempt from State taxes. This legislation was crucial for the BRAC Commission Guidelines in becoming a desirable state to retain military bases.

DEFERRED MAINTENANCE OF SC ARMORIES

Deferred maintenance- The SC National Guard has requested a total of \$35 million dollars for deferred maintenance

on armory buildings. The request states that buildings require maintenance due to “repair status, size, and changing force structure requirements”. The 2016-2017 Armory Renovations Project proposes Facility Envelope Repairs, Facility Interior Repairs and Pavements to the Greenwood Readiness Center, the Greenville Readiness Center, the Lancaster Readiness Center, and the Florence Readiness Center facilities. The proposed cost of each set of renovations to each facility is roughly 1.25 million and the state share is 100% of the proposed costs. Additionally, the SCNG request 5.75 million in non-recurring funds to renovate the Union Readiness Center (1.2 million), the Laurens Readiness Center (1.2 million), the Clemson Readiness Center (\$950,000.00), the Sumter Readiness Center (1.2 million), and the Hartsville Readiness Center (1.2 million). The state share of proposed costs is also 100% of these suggested renovations. Federal funding is unavailable for to match because of the Budget Control Act/ Sequestration. (Note that the dollar amount associated with each “Readiness Center” renovations are educated estimates and not actual dollar amounts. Each renovation must be designed by an engineer, then a “true cost estimate” can be published. Also of importance, SCNG states that all estimates are +/- 25% of “true cost estimate” We have attached a list of the projects that would be completed with the appropriation of these funds to Armory Deferred Maintenance. The House Ways and Means subcommittee has recommended that \$35 Million dollars be included in a bond bill to address these facility needs.

K-12 EDUCATION and SC COLLEGE ASSISTANCE PROGRAM (CAP)

Military Transition Program for Students – The Military Transition Program for Students is a program designed to enhance the support for educational quality for children of servicemen and women in South Carolina. The program is based on a successful pilot program that was conducted by the SC Military Task Force Base, There are several plans to extend the pilot program and “Plan A” is listed below:

Plan A:

1. MCEC would place Military Student Transition Consultants (MSTCs) in the Richland, Beaufort, Sumter and Charleston school systems.
2. The four high density military presence school systems (Richland, Sumter, Beaufort and Charleston) would each receive annual grants of \$75,000 from which they would choose (as Beaufort and Sumter did in the Pilot) a mix of MCEC educator, student peer group and parent trainings which meets their needs.
3. MCEC would conduct 13 SPARC trainings in the first year, 13 Supporting Veterans Children Through Transitions (SVCTT) trainings second year, through the SCDE network of Regional Career Specialists. This ensures the trainings reach and impact every part of the state, reflecting the reality there are military and veteran connected children in every school system, every school building and virtually every classroom in the state.
4. Additional funding of \$45,000 would bring MCEC research expertise to bear on Military Student Identifier data and provide SPARC on-line trainings (200 seats) for educators unable to attend the Institute trainings.

Total Estimated Cost: \$1,050,000 Million per year for two years (This would put SC at the TOP of the leaderboard among states)

Plan B: Eliminate MSTCs, retain all other elements. Estimated cost: \$580,000 per year

A “Plan B” has also been designed in case of fiscal restraints for FY 17-18. That plan is listed below:

Charleston and Richland grants: \$100,000

Beaufort and Sumter grants: \$ 74,000

7 SPARC trainings @\$18K each: \$126,000

Total: \$300,000

Plan B is what has been requested to the House Ways and Means Committee and the House of Representatives.

CAP PROGRAM

The South Carolina National Guard College Assistance Program (SCNG CAP) established in 2007, offers financial assistance to members of the South Carolina Army and Air National Guard by providing incentives for enlisting or remaining for a specified time in either the South Carolina Army or Air National Guard. SCNG CAP is administered by the Commission on Higher Education along with the South Carolina National Guard. SCNG CAP recipients may receive up to a maximum of four thousand five hundred dollars (\$4,500) for the Army national Guard and up to a maximum of nine thousand dollars (\$9,000) for the Air National Guard per academic year. The cumulative total of all College

Assistance Program benefits received may not exceed eighteen thousand dollars (\$18,000) These SCNBG CAO benefits will cover the cost of attendance as defined by Title IV regulation; however, the benefit maximum per award year may be reduced, if in combination with other financial aid, the cumulative total of all aid received would exceed the cost of attendance. A SCNG CAP recipient shall not qualify for College Assistance Program benefits for more than one hundred third (130) attempted semester hours or related quarter hours from the time of initial eligibility into the SCNG CAP. Monies for this program are appropriated through the SC Lottery Proceeds. This fiscal year, \$4.5 million dollars has been appropriated to this program.

REAL ID

REAL ID- Real ID is a law that concerns the SC Department of Motor Vehicle issuance of SCDL (South Carolina Drivers Licenses). REAL ID was passed after 9/11 in an attempt to streamline the information needed by each state to obtain a valid driver's license. The law has been in effect since 2005, however lawmakers in SC passed a law prohibiting South Carolina from complying with the federal mandate, stating that it was a "federal over-reach". By not complying with the law, South Carolinians would be required in 2018 to have an alternate form of identification (passport, military ID, form of federal identification) in order to gain access to military bases, all federal facilities, and to board domestic and foreign-bound flights. Kevin Schwedo, Director of the SCDMV, has stated that it would take considerable time and effort to reissue all South Carolinians a new, federally valid SCDL and that this task could not be completed by the federally proposed implementation date. Governor Henry McMaster is requesting an extension to come into compliance with the mandate. The House has passed legislation H. 3721 to address these concerns and the bill was taken up this week by a Senate Transportation subcommittee. Monies to address the cost of the implementation of this program must be appropriated in the 2017-18 budget. An approximate estimate of those costs is about \$14.0 million dollars.

OTHER ISSUES

I have also included as an attachment a portion of General Livingston's budget presentation that was given to the House Ways and Means Committee and the Senate Finance Committee. It outlines several of our requests for funding this year which include our Youth Challenge Program, Jobs Challenge Program, Armory Maintenance, Behavioral Health initiatives and Veterans Advocacy Programs. In addition, there is data included that discusses our deployments and highlights from our service in 2016.

Please let me know if we can provide you all with any additional information.

Lynn Stokes-Murray
Consultant
lstokes-murray@mcnair.net

McNair Law Firm, P.A.
Columbia Office 1221 Main Street | Suite 1800 | Columbia, SC 29201
803 799 9800 Main | 803 753 3219 Fax
Mailing Post Office Box 11390 | Columbia, SC 29211
[VCard](#) | [Bio URL](#) | [Website](#)

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