

Title: **Competitive test**
 Author:
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Competitive test

There is gas tax outrage over raising taxes on the right. And there is outrage over the specter of spending cuts on the left. This “same ol’ same ol’” response to Gov. Nikki Haley’s plan to trade a gas tax increase for an income tax cut has missed the big point. And it leaves most South Carolinians with little faith that we’ll ever overcome our challenges.

In any corner of our state you’ll find people united by a shared desire: They want the opportunity for a good job to provide themselves and their children with a better future.

How do we attract and grow these jobs? For a long time, we’ve relied on our status as a right-to-work state. But as more states like Michigan — home of the United Auto Workers — discover this secret, we’re losing that competitive advantage. In fact, South Carolina has fallen to 31st on the Rich States, Poor States Economic Competitiveness Index. (Our neighbors, North

Carolina and Georgia, are sixth and ninth respectively.)

So how do we stay in the game as a state and still fund

critical priorities like our crumbling roads? The single greatest thing we could do to ensure a bright outlook for South Carolina’s future is comprehensive tax reform.

Key would be eliminating the personal income tax and dramatically cutting the number of special-interest loopholes and exemptions in exchange for lowering rates across the board. Would this mean draconian cuts to education, public safety and more? Hardly. Jobs (and tax revenue) are flooding to states like Texas, Tennessee and Florida that have no personal income tax. That’s not a coincidence.

Let’s stop playing around the edges. Bold ideas and strategic, long-term thinking are the only things that will carry the day — the rest is just noise. It’s time for our leaders to convince us that they have a big-picture vision worthy to inspire us to work together for our shared future.

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Title: 'A turning point'
 Author: By JOSH LEDERMAN The Associated Press
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'A turning point'

The likely veto by President Obama of the Keystone bill will create a rough road for passing any legislation.

By JOSH LEDERMAN

The Associated Press

WASHINGTON — A looming veto by President Barack Obama of a Republican-championed bill foreshadows a key question for the White House: whether the president and Republicans can find areas to work together, even as Obama strikes down many of their top priorities.

Since Republicans won full control of Congress three months ago, Obama has issued a flurry of veto threats to Republican bills. Obama hasn't had to make good on those threats, but now a bill forcing approval of the Keystone XL pipeline is headed to his desk.

Although Obama's intentions to reject the Keystone bill are well known, the veto nevertheless marks a turning point in Obama's presidency, as he braces to fend off an onslaught of GOP attempts to reverse actions he has taken.

"This upcoming veto could serve to crystalize the situation on Capitol Hill," said Jim Manley, a former top adviser to Sen-

ate Democratic leader Harry Reid. "Either Republicans are going to have to figure out a way to compromise, or they're not going to be able to get anything done the next two years."

That's critical, Manley and other Democrats said, because Republicans eyeing the 2016 elections need to show they can govern successfully when in power.

The Keystone bill, passed by the House on Wednesday on a 270-152 vote, capped weeks of debate on an infrastructure project that Republicans declared their top priority after they took control of Congress. A group of 24 Republican governors wrote to Obama on Thursday urging him not to veto the bill.

Although it has been six years since the oil pipeline was proposed, Obama has said the U.S. is still determining whether it's in the national interest. He vowed to veto any attempts by lawmakers to usurp his authority to make the call.

Republicans, emboldened

after having passed a bill they never could get through a Democratic-run Senate, planned a triumphant signing ceremony at the Capitol today. Yet GOP leaders were expected to wait to send the bill to the White House until after lawmakers return from their recess later this month.

That way, when Obama vetoes the bill, Republicans will be on hand to blast the president for nixing a project they say will spur jobs and economic growth.

"The more public attention it gets, the better," said Sen. John Hoeven, R-N.D., a staunch Keystone supporter.

White House officials haven't yet decided whether Obama will veto the bill in private and announce it in a simple statement, or whether he'll do it publicly in grander fashion, a move that would show defiance against Republican attempts to undercut him. During his administration, President Bill Clinton took that approach when he vetoed a tax-cut bill in the Rose Garden,

serenaded by a brass band.

"For us, this is not filled with a lot of drama or anticipation because the president's views on this are well known," White House press secretary Josh Earnest said in an interview. "We're mostly interested in not letting these areas of disagreement become obstacles for working together with Congress on other issues" such as trade, tax reform and a war powers resolution.

Republicans too seemed eager not to let their Keystone poison opportunities to cut deals with the president in other areas. They pointed to a bill addressing suicide among veterans — it passed with broad bipartisan support and Obama signed it into law Thursday.

"Republicans are offering dozens of solutions to make a difference for American families and we always welcome the opportunity to work with the president on areas of common ground," said Cory Fritz, a spokesman for House Speaker John Boehner, R-Ohio.

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HALEY, MCCRORY TO OBAMA: DON'T VETO

The governors of North and South Carolina are among top Republicans imploring the president not to veto a bill to build the Keystone XL oil pipeline.

South Carolina Gov. Nikki Haley and North Carolina Gov. Pat McCrory on Thursday signed a letter asking President Barack Obama not to follow through on his threat to veto the measure.

The letter was signed by 24 Republican governors who say the pipeline would create thousands of jobs and strengthen the United States' relationship with Canada.

On Wednesday, the Republican-controlled Congress approved a bill to construct the Keystone XL oil pipeline.

Neither the House nor the Senate has enough votes to override a veto, the first of many skirmishes between the Democratic White House and Congress on energy and environmental policy.

Title: **Senate confirms Haley's DSS pick**

Author:

Size: 3.56 square inch

Rock Hill, SC Circulation: 34688



Senate confirms Haley's DSS pick

COLUMBIA Gov. Nikki Haley's pick to lead South Carolina's embattled Department of Social Services has been confirmed by state lawmakers.

The state Senate voted unanimously on Thursday to confirm Susan Alford as the agency's new director.

Haley picked Alford to fill the vacancy left when former director Lillian Koller resigned from the post last year.

ASSOCIATED PRESS

Title: **Spearman has good ideas on education funding**
 Author:
 Size: 33.17 square inch
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Our view

Spearman has good ideas on education funding

S.C. Education Superintendent Molly Spearman thinks the state should try to move consistently closer over the next five years to meeting the requirements for minimum per-student funding. This shouldn't be controversial because the state is legally obligated to fund the so-called "base student cost" each year.

Nonetheless, the state has routinely ignored that law since 2008, when the recession forced deep cuts across state government, refusing to raise the base or adjust it for inflation. For example, the 2010-2011 base student cost of \$1,630 per pupil was roughly the same as the 1995 level of funding with no adjustment for inflation.

Unfortunately, the reaction to Spearman's proposal to phase in increases in the base student cost were met by skepticism by some lawmakers. Rep. Kenny Bingham, R-Cayce, chairman of the House panel writing the K-12 budget, said he basically agrees with Spearman's approach, but, he said, "I don't want to give people false hope."

Funding, he said, will depend on the state's revenues. He added that it would be unrealistic to expect yearly increases based on a 38-year-old law.

We didn't realize that the Legislature was free to ignore laws because of their age. But Bingham seems to

suggest that the law can be jettisoned when convenient if lawmakers choose to address other priorities instead.

Spearman said during her campaign for superintendent that one of her top priorities would be restoring funding for the base student cost, and now she is trying to make good on that pledge. She said she has heard from school district officials, educators and others across the state that increasing base student cost is the best way to help districts.

Spearman also stresses that increasing funding per student costs could go a long way toward meeting the state Supreme Court's order to fix the system and even out disparities in the quality of education between poor and wealthy districts.

Increasing the base student cost to \$2,801 per student as the state law calls for in 2015-16 would cost \$599 million, according to state economic advisors. Spearman's proposed budget for next year seeks an additional \$94 million to increase per-student spending by \$100 to \$2,220 per student.

She admits that closing the gap would be impractical in one year, but said that phasing in higher funding over five years is realistic. That, we think, is a sensible approach.

But Spearman needs the

support of lawmakers such as Bingham. Legislators can't simply shrug their shoulders and say increasing the base student cost is impossible. It has to be a priority.

The Supreme Court did not provide the Legislature with a blueprint for improving educational opportunities for poor districts. It will be up to lawmakers, Gov. Nikki Haley, Spearman and education advocates statewide to come up with a workable plan to meet the mandate.

But Spearman's budget proposal appears to offer a good starting point, leaving five years to fully phase in the required funding. We would like to believe that, working together, Spearman and lawmakers could devise a plan that would not "raise false hopes" but, rather, would instill real hope that the state can make progress in improving the quality of education in the state.

In summary

Superintendent offers a sensible approach to increasing per-student funding over five years.

» Online

Your view

What do you think about this editorial? Come to our website and tell us.

heraldonline.com/submit-letter

Title: **Giti Tirebringssignsofhope**
 Author: By DonWorthington dworthington@heraldonline.com
 Size: 110.51 square inch
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Giti Tire brings signs of hope

GROUNDBREAKING AT CHESTER COUNTY PLANT SIGNALS BETTER DAYS AHEAD

By DON WORTHINGTON
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RICHBURG The official groundbreaking at Giti Tire's first U.S. manufacturing plant was the latest sign of hope for many Chester County residents.

The county, which had suffered for years from high unemployment, was a self-described bridesmaid for many major economic development projects. But on Thursday, with officials from the Singapore-based company gathering with state officials and local residents, some spoke of better days ahead.

Iris Dickerson, owner of a hauling company that's located about two miles from the Giti site, said Thursday's event showed Chester County was working hard to get back to where it once was. "We want to have a booming town, where the spirit is alive and people are anticipating paychecks they have earned rather than assistance," she said.

Maggie James, a member of the Chester County school board, said Thursday's event was full of prom-

ise for the area's students.

A group of students attended the event to celebrate a partnership between Giti and the Chester

County school system. Giti will sponsor the Giti Tire Math and Science Award. Teams from each school, elementary through high school, will be given a problem to solve. They will present their

SEE **GITI**, PAGE 3A

» Online

Watch video from the plant's groundbreaking at **heraldonline.com**.

GITI

CONTINUED FROM PAGE 1A

solutions at an annual competition.

Enki Tan, the company's executive chairman, said he hopes the award helps inspire tomorrow's innovators in science, math and engineering.

James said the school district "is on top" of the skills Giti will need at its new Richburg plant.

Tan and other Giti officials joined and state and local government representatives at the groundbreaking. There were so many "official" people attending that four different ground-breaking photos were taken.

The company hopes the \$560 million plant, which will employ up to 1,700 workers, will be open in 2017. Timelines, hiring schedules and potential wages will be released later, company officials said.

After all the photos were taken Thursday, two excavators began a slow trek to where the digging will start. Awaiting

them was more than 3 million tons of dirt that must be moved to prepare the 250-acre site.

Thursday, most importantly, was about breaking bread and – in what has already become a tradition for Giti and Chester County – eating cake.

After the groundbreaking, Giti officials, local officials, and, most importantly, area business leaders gathered at the Gateway Conference Center for lunch. Giti officials were sent to all the tables to meet area residents.

The lunch format was by design. Bringing Giti Tire to Chester County took a community effort, county officials have said, and Thursday was about building friendships.

"This is a family company," Gov. Nikki Haley said. "No. 1, most important to them was they wanted a community they would see as family and a community that would see them as family."

Haley pledged her support for the

project, noting "families don't back off; (Giti) we have your back."

"We are your partner and we will help you complete the plant ahead of schedule."

At the conclusion of Thursday's luncheon, a cake baked by Jessie Cook of Cake Couture was displayed.

Cook made a cake when Giti announced in June that it was coming to Chester County. That cake featured the shape of a tire and a map of the world with Giti's logo.

Thursday's cake featured a map of Chester County, including major roadways. A miniature shovel was placed in the right corner of the cake. When the shovel was pulled, a Giti tire sign and logo rose from the center of the cake, signaling that Giti is about to rise from the ground.

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Title: **Giti Tirebringssignsofhope**
Author: By DonWorthington dworthington@heraldonline.com
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DON WORTHINGTON - dworthington@heraldonline.com

A cake baked by Jessie Cook of Cake Couture featured a map of Chester County. A miniature shovel was placed in the right corner of the cake. When the shovel was pulled, a Giti Tire sign and logo rose from the center of the cake.

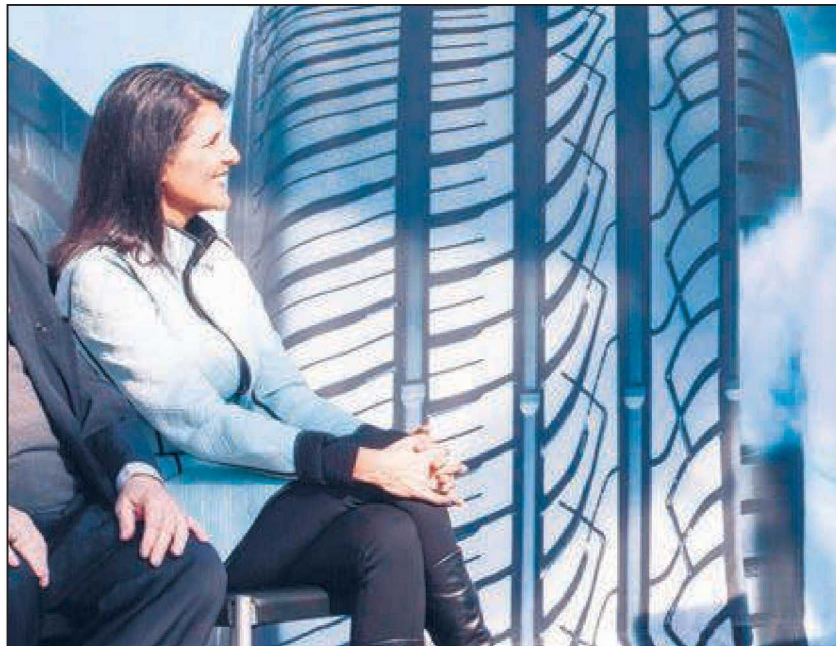
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TRACY KIMBALL

Gov. Nikki Haley and Enki Tan, Giti Tire's executive chairman, join other state and local officials during Thursday's groundbreaking for Giti's plant near Richburg in Chester County. The \$560 million plant, which will employ up to 1,700 workers, is scheduled to open in 2017.

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TRACY KIMBALL

Gov. Nikki Haley sits in front of an image of a tire during Thursday's ground-breaking for Giti's plant. Haley pledged her support for the project.

Title: **Though top priority for Haley, ethics reform bill dies in Senate**
 Author: By Seanna Adcox Associated Press
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Though top priority for Haley, ethics reform bill dies in Senate

By Seanna Adcox

Associated Press

COLUMBIA — The Senate on Wednesday rejected a bill aimed at strengthening South Carolina's ethics laws, dealing a blow to legislation Gov. Nikki Haley says is her top priority.

The proposal failed on a vote of 19-24 after weeks of debate, including six hours Wednesday.

Senate Judiciary Chairman Larry Martin said the defeat could mean ethics reform is done.

"I'm embarrassed and taken aback," said Martin, R-Pickens.

He voted against his own bill after the Senate approved an amendment changing how investigations into legislators would be handled. Currently, legislative ethics committees oversee their own members' campaign filings, while the State Ethics Commission is responsible for all other filings from state and locally elected officials.

Haley, who devoted much of last month's inauguration speech to urging legislators to pass ethics reform, has said any reform package must include independent investigations. Haley's personal experience with the House Ethics Committee in 2012, when she was cleared of allegations she lobbied for employers while a House member, prompted lawmakers of both parties to call ethics reform a top priority. But legislators have been unable since to agree on what to do.

Martin's bill would have put a restructured State Ethics Commission in charge of investigations into legislators. But many senators have balked at that idea. They insist that problems with legislators overseeing their own have been in the House, not the Senate.

A compromise amendment by Senate Ethics Chairman Luke Rankin — approved 25-20 earlier Wednesday — instead created a nine-member investigative ethics committee for legislators, separate from the State Ethics Commission, that would have included four legislators. The governor and attorney general would have appointed the rest.

"It was independent enough, and transparent," said Rankin, R-Conway. The only difference from Martin's proposal, he said, is that it didn't lump responsibility of legislators with statewide, city and county officials to a state commission that can't handle their current workload.

But Martin said that's worse than changing nothing because it creates a mirage of reform.

"It placed ourselves in a special, privileged class we created for ourselves," he said. "I can't defend that, and I won't."

The bill was defeated after Haley posted on Facebook the names of senators who voted for Rankin's amendment, calling it a "slap in the face to every citizen," and pledged to veto any bill without "true independent investigations."

Title: **SCE&G unveils renewable plan, draws criticism**
 Author: By Roddie Burris and Sammy Fretwell The State
 Size: 17.05 square inch
 Greenville, SC Circulation: 113473



SCE&G unveils renewable plan, draws criticism

**By Roddie Burris
and Sammy Fretwell**
 The State

SCE&G has unveiled a renewable-energy generation plan that gives consumers three optional programs for accessing solar power under South Carolina's new solar-energy law.

But right out of the box, at least one West Coast solar group issued a warning Tuesday, saying the utility-proposed generation plan would tax consumers who convert to solar power usage, remove solar consumers' ability to directly use the on-site solar energy they produce and open the door for SCE&G to raise solar-power rates.

Utility generation plans are required under the state's Distributed Energy Resource Act, signed into law last year by Gov. Nikki Haley.

The law has been hailed as a major step forward for renewable-ener-

gy usage that critics say had been shunned in the state by electricity-generating utilities as contrary to their interests until the past couple of years.

Both Duke Energy Carolinas and S.C. Electric & Gas, the state's major utilities, now have put out renewable-generation plans in keeping with the S.C. law. San Francisco-based The Alliance for Solar Choice so far has not criticized the Duke proposal to the extent they have the SCE&G plan.

The proposed SCE&G generation plan separately addresses solar access at the individual, community and utility levels. It gives individual users incentive rates for installation of solar panels. Larger groups, such as municipalities, schools and churches, get incentivized production credits for buying into a solar farm. And it sets up an undisclosed number of utility-scale, 45-megawatt solar stations.

Title: **Haley's proposed tax swap won't help everyone**

Author:

Size: 15.65 square inch

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Haley's proposed tax swap won't help everyone

Gov. Nikki Haley has a very ambitious plan for our state. She wants to raise the gas 10 cents over a three-year period. Then she wants to take a decade to lower the income tax rate from 7 percent to 5 percent.

I like how she says that in year 10 it will save Carolinians \$1.4 billion dollars. That comes out to about \$291 per person. But, if you factor out the 37 percent of us who do not pay income taxes, those too young or too old to have to do so, it does go up to \$788 per working person. Roughly \$66 a month. Wow, wish I was still working so I could save my share of that money. If the population increases at the rate it is now though, those figures will change.

Now, in order to use all that extra money to repair roads and our infrastructure, we will have

to first rework the entire Department of Transportation. Good luck with that, the "good old boy" way of doing politics in this state will be hard to overcome.

Next, she says that once started, the tax decrease will never be stopped. Then why take 10 years to do it? Why not do it over three years like the gas tax increase. Does she really think that governors who follow her will be willing to not remove that decrease from the books.

And lastly, does anyone remember that "penny for the children" sales tax increase a little over 30 years ago? All that money was supposed to be spent on education and make S.C. schools so much better. How did that work out? Now, she says that all the money from the gas tax increase will be used just to make repairs that our roads need so much. Can we actually believe that?

Sammy Lewis
Mauldin

Title: **Haley, McCrory and others make Keystone plea**
Author: Associated Press
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Haley, McCrory and others make Keystone plea

Associated Press

COLUMBIA — The governors of North and South Carolina are among top Republicans imploring the president not to veto a bill to build the Keystone XL oil pipeline.

South Carolina Gov. Nikki Haley and North Carolina Gov. Pat McCrory on Thursday signed a letter asking President Barack Obama not follow through on his threat to veto the measure.

The letter was signed by 24 Republican governors who say the pipeline would create thousands of jobs and strengthen the United States' relationship with Canada.

Title: **2 road-funding bills introduced in House**

Author:

Size: 10.69 square inch

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S.C. POLITICS

2 road-funding bills introduced in House

Two bills to get more money to S.C. roads have been introduced in the state House.

One bill is the idea of a special House panel that would lower the state's gas tax and levy a 6 percent tax on wholesale fuel sales, certain to be passed on to drivers. That bill was written by Rock Hill Republican Rep. **Gary Simrill** and has 64 sponsors, including House Speaker **Jay Lucas**, R-Darlington.

The second bill is Gov. **Nikki Haley's** proposal to raise the gas tax by 10 cents a gallon. That bill was introduced by Greenville Republican Rep. **Tommy Stringer** and has 36 sponsors, including Majority Leader **Bruce Bannister**, R-Greenville.

Haley says she can support that tax increase only if lawmakers lower the state's personal income tax rate by 2 percentage points.

Both bills would raise about \$400 million a year.

— *The Associated Press*