

From: Priester, Nicole <NicolePriester@gov.sc.gov>
Required: Packard, Clark <ClarkPackard@gov.sc.gov>
Godfrey, Rob <RobGodfrey@gov.sc.gov>
Adams, Chaney <ChaneyAdams@gov.sc.gov>
Symmes, Brian <BrianSymmes@gov.sc.gov>
Pippin, Zach <ZachPippin@gov.sc.gov>
Webb, Beth <BethWebb@gov.sc.gov>
Subject: The Rotary Club of Summerville
Location: Holiday Inn Express, 120 Holiday Dr, Summerville, S.C.
When: 4/1/2015 1:00:00 PM - 2:00:00 PM

APPROVED BY: NH on 3/5. Sen. Paul Campbell

EVENT: The Rotary Club of Summerville

DATE: Wednesday, April 1, 2015

TIME: 1:00-2:00 PM

LOCATION: Holiday Inn Express, 120 Holiday Dr, Summerville, S.C.

LOCATION SET-UP: microphone and podium

ON-SITE LOCATION CONTACT:

Sam Bento
(843) 875-3300

SCHEDULING CONTACT:

Bob Quinn
Managing Director
+1-843-884-4131 (office)
+1-843-327-4753 (mobile)
QuinnR@battelle.org

Note: Ashton contact Bob when 5 minutes out.

PRIMARY STAFF: Ashton Lee

ADVANCE STAFF: Zach Pippin

PURPOSE: Governor Haley will address the Summerville Rotary Club.

PRESS: Yes.

PUBLIC: Yes.

INVITED BY: N/A

INTRODUCED BY: Bob Quinn

LENGTH OF SPEAKING: 12-15 minutes with 5-8 minutes of Q&A

SPEAKING ORDER/LINE-BY-LINE:

1:00 PM Rotary meeting is called to order

| | |
|--------------|---|
| 1:00-1:30 PM | Guests are introduced, Rotary business is discussed, announcements are made, etc. |
| 1:30 PM | Speaker is introduced |
| 1:55 PM | Presentation and questions completed |
| 1:55-2:00 PM | Meeting is adjourned |

HEAD TABLE:

1. Bill Collins: Mayor of Summerville
2. Roland Fulcher: Club President and local orthodontist
3. Jon Presley: Club President-Elect and local NBSC branch manager
4. Jaime Moore: Rotary Deputy District Governor and Owner of Carolina Classic Clothing
5. Rita Berry: Club Programs Co-Chair and President/CEO of Greater Summerville/Dorchester County Chamber of Commerce
6. Bob Quinn: Club Programs Co-Chair and Managing Director of Battelle Memorial Institute
7. Governor Haley
8. Ashton Lee
9. Beth Webb

Note: Because the town of Summerville is located in Dorchester, Berkeley, and Charleston Counties, all three legislative delegations with appropriate votes are listed below.

SUGGESTED TALKING POINTS

1. Intro – it's a great day in South Carolina
 - a. Our economy is among the fastest growing in the nation.
 - b. More people working in SC than ever before.
 - c. Tens of thousands of new jobs announced. (just recently, in Charleston, where Mercedes announced it is investing \$500 million and creating 1,300 new jobs)
 - d. Thousands from welfare-to-work (Approximately 30,000 recipients of TANF and/or SNAP found a job between Feb. 2011 and Jan. 2015)
 - e. Biggest education reform in decades.

1. So things are going well – we're the envy of the nation – but we still have much more to do.
 - a. Workforce – those jobs don't mean anything if it's not our people getting them.
 - i. Get creative in how we train people.
 1. We've already started: opportunity centers in prisons (Manning), welfare-to-work successes.
 - ii. Who are we talking about?
 1. Single mom
 2. Liberal Arts student.
 3. Father of four.
 - iii. What do we propose doing for them? SUCCEED South Carolina.
 1. Opportunity Centers – culture change.

2. Pay it forward – state loans for training that end in a JOB, not a certificate.
3. Small business involvement – companies working with tech schools to develop programs that train workers to fill specific business needs.

a. Education

- i. Last year we had the biggest shift in education focus in a generation.
 1. We invested in reading – reading coaches in every classroom, no more social promotion.
 2. We invested in technology – internet in the schools, one-to-one devices so all our kids have the tools to learn.
 3. We invested in teachers – professional development.
 4. And we addressed the elephant in the room – it costs more to educate kids in poverty.
- i. But we must get creative in our investments every year –
 1. This year we have proposed doubling down on the reading coaches and the technology.

a. Ethics

- i. You've heard me talk about this for years, so I won't spend much time on it. I will say it looks like we're making real progress in the House, but we also have some real problems in the Senate.
- i. When it comes to ethics, there are three things that are hugely important to me:
 1. Income disclosures for legislators.
 2. Independent investigations – no more fox guarding the henhouse.
 3. Removal of conflict of interest – lawyer legislators disclosing money they make when they sue the state.
- i. I mentioned a minute ago the problems we have in the Senate – and it's really just one problem, but it's a huge one: certain Senators do not want independent oversight of what they are doing.
 1. They've been fighting this for more than three years, and we've heard every excuse in the book. They've said things are working just fine as they are. They've even said having independent, non-elected, *citizens* involved in their process is unconstitutional.
 2. My question is, simply, why? Why are they fighting so hard to protect the status quo? What, at the end of the day, are they hiding? It's a question you should be asking them too.

a. Taxes/Roads

i. Outline the current situation:

1. Competitiveness argument – we're doing great but NC and Georgia are gaining on us.
2. Roads – we all know we need more money for roads. It's a safety issue for our people, and it's an economic issue for our businesses.
3. Structure of the DOT – right now it doesn't work, it's regional and political and it has to change.

i. Our solution

1. Income tax cut. Cut the income tax for every taxpayer, from 7 percent to 5 percent, or by 30 percent.
 - a. Highest in the Southeast, this will take us back under NC and Georgia and be huge for our families and our businesses.
 - b. This amounts to a tax cut of \$8.5 billion over ten years, and \$1.7 billion a year by year ten. It is the largest tax cut in SC history, and is supported by Sen. DeMint and a host of others because it is hugely important for our state's future.
 - c. What this tax cut means is an average of \$689 dollars a year back in the pockets of taxpayers – about two weeks take home pay for someone making \$30,000 per year.
1. Gas tax increase. The largest single investment in our infrastructure in SC history. BUT – no more than 10 cents, has to stay below Georgia's to keep us competitive.
 - a. This will generate enough revenue so that we can both fix the roads we have – and importantly, maintain them in an appropriate state going forward, forever.
1. Restructuring – get rid of the legislatively-elected commission.
 - a. Our priorities are clear – with a DOT accountable to your governor, we're going to focus on the roads our people rely on to get to work, the roads our businesses need to move their goods, and the roads our visitors need to enjoy our state from the mountains to the sea.
 - b. No more commissioners fighting over roads money for their districts and their contractors. Instead we'll have a Department of Transportation that fights for the entire state; a department with one boss and one goal – rebuilding our highways.

a. House Budget/Debt

i. Where we've come from

1. The South Carolina I know has taken pride in fighting to be low-tax and low-debt, hanging on to our credit rating through long-range planning and fighting to prioritize budgets. This is the South Carolina that endured billion-dollar budget cuts, tightened its belt, focused on fixing the economy, and has added over 60,000 jobs since the start of this administration as a result.

1. UNEMPLOYMENT INSURANCE RESERVES: when the Employment Security Commission melted down and the great recession hit, South Carolina had to borrow 1 billion dollars from the federal government in 2008 to cover our unemployment benefits. This meant higher UI taxes for businesses just when they needed it the least.

- a. So what did we do? We passed unemployment reform, we focused on paying off debt, and now we're going to focus on our employers. On Monday, we made an additional \$75 million early payment, bringing the total repaid to over \$850 million, which has saved taxpayers between \$13-\$15 million. All of this means we will pay this loan off this summer – well ahead of schedule.

1. RAINY-DAY FUND: We did the same for our rainy day fund. When the recession hit, we were unprepared, and it showed. The people of South Carolina rightly voted to change our constitution in 2010, increasing our reserves from 3% of the General Fund to 5%. Under the budget I released last month and we're debating now, we will have twice the amount General Reserves than we did when I took office.

1. Now, when you look at these changes you see that hard times have forced better decisions and that there has been a real impact on our debt and reserves – all in the right direction. This wasn't just me – this was everyone – the voters, the General Assembly, and the Governor.

i. Where we are now

1. Just recently, the House tried to add an additional \$500 million in debt onto the state credit card.

1. That means that while we proposed a budget that cut our annual spending on state debt by over \$40 million dollars, the House not only didn't support that cut, but added \$40 to \$50 million more *every year*. This committee chose a path that would have South Carolina's taxpayers take on at least \$80 more million in debt payments than they would otherwise have to next year.

1. Not only was this debt a surprise to me, it was a surprise to many of the members of the House as well.

1. So we got loud and the House clearly heard our voices when we said, “No new debt!” and we were successful!
1. But we must remain vigilant! The Senate could very well try to add a debt package into their version of the budget.
1. And if they do, we will have to raise our voices again.

LEGISLATIVE INFORMATION

Dorchester County

| SENATE | Cleary's Vote in Finance | Floor Vote for Rankin* 2/11 | Committee Vote for Rankin * 3/10 | Sup o Edu (S.53) 2013 | Pay Raise | Notes |
|----------------|--------------------------|-----------------------------|----------------------------------|-----------------------|-----------|--|
| Sean Bennett | <i>Not on Finance</i> | No | No | Yes | No | Summerville Rotary is Bennett's Rotary |
| Paul Campbell | Yes | EA | <i>Not on Judiciary</i> | Yes | No | |
| Marlon Kimpson | <i>Not on Finance</i> | Yes | No | N/A | Yes | |
| John Matthews | Yes | Yes | <i>Not on Judiciary</i> | Present | Yes | |
| Paul Thurmond | <i>Not on Finance</i> | No | No | Yes | No | |

| HOUSE | Workforce - Budget | Sup of Edu (H.3041) | Roads Bills | Pay Raise | Notes |
|------------------|--------------------|---------------------|-------------|-----------|--|
| Jenny Horne | NV | NV | Both | NV | |
| Joseph Jefferson | Yes | No | Simrill | Yes | |
| Patsy Knight | NV | No | Simrill | Yes | |
| Chris Murphy | NV | EA | Both | NV | Murphy and his wife are former members of Summerville Rotary |
| David Mack | NV | No | Neither | Yes | |
| Mary Tinkler | No | No | Simrill | N/A | |
| Seth Whipper | NV | No | Simrill | Yes | |

Berkeley County

| SENATE | Cleary's Vote in Finance | Floor Vote for Rankin* 2/11 | Committee Vote for Rankin * 3/10 | Sup o Edu (S.53) 2013 | Pay Raise | Notes |
|--------|--------------------------|-----------------------------|----------------------------------|-----------------------|-----------|-------|
|--------|--------------------------|-----------------------------|----------------------------------|-----------------------|-----------|-------|

| | | | | | | |
|---------------|-----------------------|-----|-------------------------|---------|-----|--|
| Sean Bennett | <i>Not on Finance</i> | No | No | Yes | No | |
| Paul Campbell | Yes | EA | <i>Not on Judiciary</i> | Yes | No | |
| Larry Grooms | No | No | <i>Not on Judiciary</i> | Yes | No | |
| John Matthews | Yes | Yes | <i>Not on Judiciary</i> | Present | Yes | |
| Ronnie Sabb | <i>Not on Finance</i> | Yes | Yes | N/A | N/A | |

| HOUSE | Workforce - Budget | Sup of Edu (H.3041) | Roads Bills | Pay Raise | Notes |
|------------------|--------------------|---------------------|-------------|-----------|----------------|
| Bill Crosby | No | EA | Neither | Yes | |
| Joe Daning | NV | Yes | Simrill | Yes | |
| Joseph Jefferson | Yes | No | Simrill | Yes | |
| James Merrill | No | Yes | Simrill | Yes | |
| Samuel Rivers | Yes | Yes | Gov | NV | Always helpful |
| Eddie Southard | NV | Yes | Neither | Yes | |

Charleston County

| SENATE | Cleary's Vote in Finance | Floor Vote for Rankin* 2/11 | Committee Vote for Rankin * 3/10 | Sup o Edu (S.53) 2013 | Pay Raise | Notes |
|-------------------|--------------------------|-----------------------------|----------------------------------|-----------------------|-----------|-------|
| Sean Bennett | <i>Not on Finance</i> | No | No | Yes | No | |
| Paul Campbell | Yes | EA | <i>Not on Judiciary</i> | Yes | No | |
| Chip Campsen | <i>Not on Finance</i> | No | No | Yes | No | |
| Ray Cleary | Yes | No | <i>Not on Judiciary</i> | Yes | Yes | |
| Larry Grooms | No | No | <i>Not on Judiciary</i> | Yes | No | |
| Marlon Kimpson | <i>Not on Finance</i> | Yes | No | N/A | Yes | |
| Clementa Pinckney | Yes | No | <i>Not on Judiciary</i> | No | Yes | |
| Paul Thurmond | <i>Not on Finance</i> | No | No | Yes | No | |

| HOUSE | Workforce - Budget | Sup of Edu (H.3041) | Roads Bills | Pay Raise | Notes |
|------------------|--------------------|---------------------|-------------|-----------|-------|
| Robert Brown | NV | NV | Simrill | Yes | |
| Bill Crosby | No | EA | Neither | Yes | |
| Wendell Gilliard | NV | No | Neither | Yes | |

| | | | | | |
|-------------------|-----|-----|---------|-----|----------------|
| Stephen Goldfinch | No | Yes | Gov | Yes | |
| Jenny Horne | NV | NV | Both | NV | |
| Chip Limehouse | No | Yes | Simrill | NV | |
| David Mack | NV | No | Neither | Yes | |
| Peter McCoy | NV | Yes | Both | NV | |
| James Merrill | No | Yes | Simrill | Yes | |
| Samuel Rivers | Yes | Yes | Gov | NV | Always helpful |
| Mike Sottile | No | Yes | Simrill | Yes | |
| Leon Stavrinakis | No | Yes | Neither | NV | |
| Mary Tinkler | No | No | Simrill | N/A | |
| Seth Whipper | NV | No | Simrill | Yes | |

ECONOMIC DEVELOPMENT INFORMATION

Dorchester County

1,528 jobs; \$134 million capital investment announced

| Announced Date | Company Name | Objective | Product or Service | Announced Investment | Announced Jobs |
|----------------|--|-----------|---|----------------------|----------------|
| 2015-03-25 | WABCO Compressor Manufacturing Company | Expansion | Compressors | \$17,000,000 | 50 |
| 2014-11-20 | Zapp Precision Wire, Inc. | Expansion | stainless steel bar production line | \$30,000,000 | 20 |
| 2014-08-26 | Innovative Machining Technology, Inc. | New | Machining & Fabrication for the Power Industry | \$7,800,000 | 45 |
| 2014-07-30 | SpecCon, LLC d. b.a SpecChem, LLC | New | construction chemicals | \$5,500,000 | 50 |
| 2014-07-18 | Sportsman Boats Manufacturing, Inc. | Expansion | Personal watercraft | \$3,500,000 | 150 |
| 2014-06-25 | Coastal Logistics Group, Inc. (CLG) | New | third party logistics group | \$1,200,000 | 60 |
| 2014-06-19 | iQor US Inc. | Expansion | Call Center | \$391,500 | 320 |
| 2014-05-21 | Comact Equipment US, Inc. | Expansion | Wood processing equipment | \$1,800,000 | 60 |
| 2014-05-13 | Scout Boats, Inc. | Expansion | Boat Manufacturing | \$2,500,000 | 300 |
| 2013-10-28 | American Tactical Imports, Inc. | New | Warehousing and distribution of firearms and gear | \$2,700,000 | 117 |
| 2013-07-17 | Comact Equipment US, Inc. | New | heavy equipment for forest/timber industry | \$3,000,000 | 40 |

| | | | | | |
|------------|-------------------------------------|-----------|---|--------------|-----|
| 2013-07-02 | Sportsman Boats Manufacturing, Inc. | Expansion | Boats | \$2,350,000 | 50 |
| 2012-12-20 | Aero Precision Products, LLC. | Expansion | Parts for Aerospace Industry | \$2,500,000 | 15 |
| 2012-11-19 | Advanced Inventory Solutions, Inc. | New | Inventory Auditing Services for Retail Business | \$250,000 | 35 |
| 2012-06-19 | Lollicup USA, Inc. | New | Distribution for Food and Drink Products | | 40 |
| 2011-12-21 | Sportsman Boats Manufacturing, Inc. | New | Boats | \$2,000,000 | 30 |
| 2011-07-25 | Coastal Corrugated, Inc. | Expansion | Corrugated Boxes | \$1,500,000 | 26 |
| 2011-05-05 | Southeast Renewable Energy | New | Biomass fuel | \$50,000,000 | 20 |
| 2011-02-09 | Showa Denko Carbon, Inc. | Expansion | Carbon & Graphite Manufacturing | | 100 |

Between January 2011 and February 2015, the unemployment rate in Dorchester County has decreased by 2.2 percentage points from 8.2 percent to 6 percent. There are now 3,492 more people employed in the county and 1,375 fewer people unemployed.

Berkeley County

2,419 jobs announced; \$739.9 million capital investment announced

| Announced Date | Company Name | Objective | Product or Service | Announced Investment | Announced Jobs |
|----------------|---------------------------------------|-----------|--|----------------------|----------------|
| 2014-12-10 | Mankiewicz Coatings LLC | Expansion | Coatings | \$15,000,000 | 15 |
| 2014-10-29 | Intertex Transloading Services, Inc. | New | Distributor of synthetic rubber, carbon black and rubber chemicals | \$3,200,000 | 10 |
| 2014-07-02 | Union Underwear (Fruit of the Loom) | Expansion | Apparel | | 49 |
| 2014-06-24 | JBE, Inc. - Hanahan | New | Auto & Aero Manufacturing | | 20 |
| 2013-12-16 | Benefitfocus.com, Inc. - Charleston | Expansion | Headquarters, software development | | 1200 |
| 2013-01-18 | Google | Expansion | Data Center | \$600,000,000 | |
| 2012-12-21 | SPARC LLC | Expansion | Software Development | \$11,000,000 | 310 |
| 2012-12-11 | Benefitfocus.com, Inc. - Charleston | Expansion | Cloud-Based Health Benefit Provider | | 300 |
| 2012-10-11 | McGill Environmental Systems | New | Composting | | 25 |
| 2012-03-21 | Nexans High Voltage USA | New | Cables | \$85,000,000 | 200 |
| 2011-12-08 | Cargo Composites | New | Composite Containers | \$700,000 | 40 |
| 2011-06-29 | Viva Recycling of South Carolina, LLC | New | Rubber Products | \$25,000,000 | 150 |

| | | | | |
|------------|-----------------|-----|-----------|-----|
| New Breed | | | | |
| 2011-03-14 | Logistics, Inc. | New | Logistics | 100 |

Between January 2011 and February 2015, the unemployment rate in Berkeley County has decreased by 2.7 percentage points from 9 percent to 6.3 percent. There are now 8,751 more people employed in the county and 1,872 fewer people unemployed.

Charleston County

5,755 jobs and \$1.77 billion capital investment announced

| Announced Date | Company Name | Objective | Product or Service | Announced Investment | Announced Jobs |
|----------------|--|-----------|---|----------------------|----------------|
| 2015-03-06 | Daimler Vans Manufacturing, LLC | Expansion | Vans | \$500,000,000 | 1300 |
| 2015-02-24 | Money Penny | New | Call center | \$760,000 | 400 |
| 2014-12-11 | Hubner Manufacturing Corporation | Expansion | Folding Bellows & Passageways for Public Transportation | \$8,600,000 | 50 |
| 2014-10-23 | NCO Financial Systems, Inc. | Expansion | Fax sorting business | | 200 |
| 2014-09-09 | Torqtek Design & Manufacturing, LLC | Expansion | Manufactures timing gears | \$12,000,000 | 50 |
| 2014-07-10 | Senior Aerospace AMT | New | Mid Cage for Boeing 787 | | 60 |
| 2014-06-17 | New World Pharmaceuticals | New | specialty pharmaceutical company | \$21,000,000 | 38 |
| 2014-05-28 | Pacific Rim Aerospace Corporation | New | Aerospace engineering | | 100 |
| 2014-05-05 | Aeterna Zentaris Inc. | New | Clinical stage biopharmaceutical company | \$1,000,000 | 60 |
| 2014-02-25 | Kaman Corporation | New | titanium machining | | |
| 2013-12-17 | Molina Healthcare, Inc. | New | Claims Processing Facility | | 150 |
| 2013-10-10 | MeadWestvaco Specialty Chemicals Corporation | Expansion | Specialty Chemicals | \$9,300,000 | |
| 2013-09-12 | Daimler Vans Manufacturing, LLC | Expansion | Automotive Assembly | \$4,600,000 | 60 |
| 2013-07-08 | Albert Weber - Weber Automotive Corp. - Charleston | New | Manufactures Crankshafts for Automotive Industry | \$51,000,000 | 84 |
| 2013-05-23 | Mediterranean Shipping Co. (USA) Inc. | Expansion | Freight Transportation & arrangement | \$1,700,000 | 30 |
| 2013-05-16 | SKF Group | Expansion | Ball and Roller Bearings | \$3,000,000 | 25 |

| | | | | | |
|------------|---|-----------|---|-----------------|------|
| 2013-04-09 | The Boeing Company - South Carolina Delivery Center | Expansion | Airplanes | \$1,000,000,000 | 2000 |
| 2012-12-19 | Millard Refrigerated Services, Inc. | New | Cold Storage Warehousing | \$42,000,000 | 87 |
| 2012-12-06 | NCO Financial Systems, Inc. | Expansion | Call Center | | 75 |
| 2012-10-11 | Shimano American Corp. | Expansion | Distribution of Bicycle Components and Fishing Tackle Equipment | | |
| 2012-08-15 | Morgan Olson, LLC | New | Truck and Van Body | \$1,000,000 | 119 |
| 2012-06-18 | Cummins Inc. - North Charleston | Expansion | Turbochargers for Medium-Heavy Duty Diesel Engine | \$19,500,000 | 76 |
| 2011-12-20 | TWL Precision | Expansion | Auto parts | \$5,000,000 | 35 |
| 2011-11-17 | Streit USA Armoring, LLC | Expansion | Armored cars | \$5,800,000 | 50 |
| 2011-11-16 | Cummins Inc. - North Charleston | Expansion | Diesel Engines | \$24,000,000 | 31 |
| 2011-10-24 | PMW Technologies, Inc. d/b/a PeopleMatter | Expansion | Software company | \$18,800,000 | 265 |
| 2011-09-14 | TIGHITCO, Inc. (Intertech Group) | New | Aerospace parts | \$30,000,000 | 350 |
| 2011-03-08 | InterWrap, Inc. | New | Roofing material & backing | \$10,500,000 | 60 |

Between January 2011 and February 2015, the unemployment rate in Charleston County has decreased by 2.9 percentage points from 8.4 percent to 5.5 percent. There are now 21,867 more people employed in the county and 4,104 fewer people unemployed.