

UPTOWN

Legislative priorities for municipalities

MASC will focus on three legislative priorities in 2004: early passage of H3530 (Telecommunications Business License Tax), reforming antiquated annexation laws and opposing a host of tax reform bills that will hurt local governments. The MASC board approved the 2004 legislative agenda in early December.

H3530 corrects the revenue shortfall caused by the Telecommunications Act of 1999. The act calls for a 0.75 percent business license tax on the telecommunications industry to go into effect January 1. This decrease from the traditional 3 percent franchise fee will cause a \$20 million shortfall for South Carolina municipalities, according to a recent study by the University of South Carolina. H3530 calls for a more reasonable tax of 1.25 percent.

South Carolina annexation laws are out of date and out of touch. With annexation laws on the books for more than 50 years, South Carolina has some of the most restrictive annexation laws in the country. The General Assembly has not updated the laws to keep up with the changes and needs of the state. MASC will ask for passage of enclave annexation legislation and to lower the threshold for the petition-ordinance annexation method.

The third area of legislative interest deals with the concept of tax reform. There are several pieces of legislation that have been introduced dealing with the elimination of some form of the property tax by increasing the sales tax and eliminating some exemptions on the state sales tax. A study conducted by the University of South Carolina

shows the state taxing system is balanced between the sales tax, the income tax and the property tax. Overreliance on any one of the three would create an imbalance that would be difficult to overcome during a downturn in the economy.

While MASC will focus on these legislative initiatives, it will continue to monitor and work on other bills affecting municipalities. The board identified several other areas of municipal interest, many of which are listed as follows.

Municipal Capital Project Sales Tax: H3903 allows a municipality to enact a 1-cent sales tax if voter-approved. The municipality can collect the tax for up to seven years for a specific dollar amount designated for specific projects. The tax gives

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What you don't know

“What you don't know may cost you your personal property!” This is what the Internal Revenue Service has told at least two South Carolina city councils in recent months. The IRS has worked with MASC for the past two years to educate municipal elected and appointed officials about their financial reporting responsibilities. The IRS held back from enforcing the regulation during this time. As was reported in previous *Uptown* newsletters and during numerous presentations by both IRS and MASC staff, the educational phase would eventually lead to the enforcement phase.

The enforcement phase is here!

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municipalities another revenue source for funding capital projects.

Workers' Compensation — Second Injury Fund: Funded by workers' compensation providers, the Second Injury Fund (SIF) reimburses employers for job-injury claims that result from a pre-existing condition. The Second Injury Fund was created after World War I to encourage employers to hire war veterans with war-related injuries. SIF has outlived its purpose and should be eliminated.

Textile Communities Revitalization: The proposed legislation offers tax and fee incentives to businesses that revitalize abandoned textile-related facilities for commercial/business use.

Wastewater Utilities: Awaiting Senate approval is a DHEC regulation that affects municipalities requiring annexation as a condition for waste-

water service. The new regulation says a municipal utility is considered inaccessible if the utility service contract requires the customer to be annexed when his property becomes contiguous to city limits. The regulation would allow DHEC to issue a septic tank permit and would cause a proliferation of septic tanks. The proposed regulation would also have a chilling effect on economic development and growth outside municipal boundaries because municipalities are less likely to invest public dollars to extend the utility system if there is no guarantee that customers will connect to it. If the Senate takes no action, the regulation will become effective automatically on March 1.

It is important for all municipal officials to become involved in advocating the municipal legislative agenda both in Columbia

and at home. To stay informed about the issues, sign up for MASC's legislative list-serve (<http://listsrv.masc.state.sc.us/mailman/listinfo/legis>), visit the legislative section of the MASC Web site (www.masc.sc) and read information provided through this newsletter and the weekly Legislative Alerts.

A complete listing of bills of municipal interest is located on MASC's Web site at www.masc.sc.

**Come to Hometown
Legislative Action Day at
the Adam's Mark Hotel in
Columbia on February 18 to
discuss with your legislators
how these legislative issues
will affect your municipality.**

News Briefs



■ In November, the S.C. Municipal Personnel Association elected its 2004 board: President — Verlinda Jones, City of North Myrtle Beach; First Vice President — Perry Register, City of Sumter; Second Vice President — JoAn Roland, City of Cayce; Member At-Large — John Atkinson, City of Charleston.

■ In November, the S.C. Association of Stormwater Managers elected its 2004 board: President — Hillary Repik, Town of Mount Pleasant; Vice President — Rocky Archer, Richland County; Secretary-Treasurer — Chris Costner, City of Rock Hill; Member At-Large — Joe Barron, The Fletcher Group.

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The IRS has threatened to put liens on the private property of the mayor and council of at least two South Carolina towns for failure to remit payroll withholdings in a timely manner. This procedure is commonly used by the IRS to force compliance with federal withholding law.

Municipal elected officials have the ultimate responsibility for complying with state and federal laws. It does not matter which form of government a town has adopted, the responsibility for compliance rests with the elected council.

SC Code Section 5-7-160 states, "All powers of the municipality are vested in the council, except as otherwise provided by law, and the council shall provide for the exercise thereof and for the performance of all duties and obligations imposed on the municipality by law."

The "otherwise provided by law" clause does not mean compliance is only the mayor's responsibility. There is nothing in the law under any form of government to relieve the council from its financial oversight responsibilities.

As a municipal official, it is your responsibility to know and understand the laws governing municipalities. How do you learn what you are supposed to do? Attend training offered by the Municipal Elected Officials Institute of Government (MEOIG) and other MASC affiliates throughout the year. MEOIG will offer training sessions at the Adam's Mark Hotel on February 17, the day prior to Hometown Legislative Action Day. Learn what you need to do to comply with state and federal laws and how to properly handle your municipal responsibilities.

All grown up: South Carolina cities want the keys to the car

by Dr. Blease Graham, Professor of Political Science, University of South Carolina

Dillon's Rule, a foundational stone of American municipal law, maintains that a political subdivision of a state is connected to the state as a child is connected to a parent. Derived from a ruling by Judge John F. Dillon of Iowa in 1868 and endorsed in many courts subsequently, local governments are held legally dependent on the state, not only for their creation and being, but also for permission to exercise their judgment independently.

But, lo and behold, yesterday's child is today's adult. South Carolina local governments have grown up. State government will always be the original authority, but today's local units need the keys to the car and parental trust that they can operate independently and responsibly.

Increased local self-government is needed to meet the challenges of new circumstances that require timely action and close-to-home judgment. Local units vary widely, and local citizens typically aspire to solve their unique problems in their own way. Rather than living in a cookie-cutter world defined from afar, decentralized local governments are able to pursue individual initiatives, try changes that will become models to others and respond with flexibility and speed. With the pace of events, there is often no time for central, state legislative processes to work. And sometimes, state legislators do not want to be involved in or take the heat for local problems. Delay or inaction mean missed opportunities or worsening local conditions through which everybody loses.

When Home Rule was granted in South Carolina in the 1970s, public officials hailed it as the most



important local government legislation in the state's history. It was thought by many that the leaders closest to local problems would then have the ability and authority to do something about these problems. The South Carolina General Assembly and the state Supreme Court have increasingly thawed Dillon's Rule through constitutional and legislative reforms giving more authority to local government.

But local government Home Rule in South Carolina is still incomplete. The General Assembly passed the Local Government Act of 1975 to implement parts of the new constitutional provisions (Article VIII) for local governments. Local officials were not satisfied with the act because it did not provide municipalities the authority to decide what could and could not be taxed. In 1993, a state Supreme Court case, *Williams v. Town of Hilton Head*, interpreted the 1975 act to broaden the fiscal autonomy of municipalities. Unfortunately, state legislators took issue and responded with the Fiscal Authority Act of 1997 to restrict municipal revenue authority only to items formally permitted by the state.

Local government officials and leaders contend today that their hands are tied when it comes to their ability

to be accountable for important local decisions. They are caught somewhere between childhood and adult independence. They have all the demands of maturity and are totally responsible for spending. At the same time, they are confined to a "false youth" by being able only to engage in revenue-raising with specific state permission.

The time has come for local governments to be able to govern more comprehensively "at home." It's time to bring Home Rule to spending and revenue issues, placing the fiscal responsibilities of local government on locally elected officials. It's time to give local government the keys to the car and the license to drive.

Come to Hometown Legislative Action Day on February 18 to learn more about the history of Home Rule and how to reintroduce the concept of Home Rule to state legislators.

News Briefs

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■ In December, the S.C. Municipal Attorneys Association elected its 2004 board: President — Thomas Ellenburg, City of Myrtle Beach; Vice President — H. Spencer King, City of Spartanburg; Secretary-Treasurer — Danny Crowe, Municipal Association of S.C.

■ Henry Fishburn Jr., a Charleston councilmember, recently received a Silver Certificate of Achievement from the National League of Cities' Leadership Training Institute for completing a minimum of 36 credits in the training program. A Bronze Certificate was awarded to Mayor Wanda Stringfellow of Chester for achieving a minimum of 16 credits.

Law enforcement accreditation

Promoting professionalism, pride and performance

Law enforcement accreditation has been around for nearly 25 years, but outside of law enforcement circles, little is known about the process and the value it brings to the agency and the community it serves.

Two of the most recent municipal agencies to acquire state accreditation are the City of Simpsonville Police Department and the City of Orangeburg Public Safety Department. While Simpsonville went through the state accreditation process, Orangeburg achieved national accreditation. Orangeburg has applied and qualified for state accreditation recognition, too.

South Carolina Law Enforcement Accreditation

Accredited Municipalities

Aiken Department of Public Safety*
Bishopville Police Department
Charleston Police Department*
Clemson Police Department
Columbia Police Department*
Greenville Police Department*
Greenwood Police Department*
Greer Police Department*
Isle of Palms Police Department*
Lexington Police Department
Mount Pleasant Police Department*
Newberry Police Department
North Augusta Department of
Public Safety
Orangeburg Department of Public
Safety*
Simpsonville Police Department
Spartanburg Public Safety
Department*
Sumter Police Department*
Union Public Safety Department

(*denotes CALEA accreditation)

“The accreditation offers a program through which law enforcement agencies can evaluate, strengthen, improve and maintain their effectiveness. It has assisted Chief Charles Reese in accountability of his command and supervisory staff. The police department now has a higher level of confidence and that, in turn, leads to better service,” says Lieutenant Colleen O’Neil of the Professional Standards Division of Simpsonville.

Mayor Dennis Waldrop of Simpsonville agrees. “The accreditation of our police department has clearly demonstrated to our community the dedication our officers and leaders have to professionalism.”

In 1979, four major law enforcement associations established an independent accrediting authority known as the Commission on Accreditation for Law Enforcement Agencies Inc. (CALEA). The membership of these associations is composed of approximately 80 percent of law enforcement personnel in this country: the International Association of Chiefs of Police (IACP), the National Organization of Black Law Enforcement Executives (NOBLE), the National Sheriffs Association (NSA) and the Police Executive Research Forum (PERF).

The benefits of accreditation, whether national or state, are numerous. Accreditation not only makes a statement that the highest standards of law enforcement are being met, but it also demonstrates agency responsiveness to community needs. Specific benefits include:

- Controlled liability insurance costs
- Defense against lawsuits and citizen complaints
- Greater accountability within the agency
- Support from governmental officials
- Increased community confidence, respect and advocacy
- Access to the latest methods developed by law enforcement experts

- Precise written manual of policies and procedures
- Better-managed department
- Higher morale among personnel

After a self-assessment, a qualified assessor conducts an on-site assessment to determine if the participating agency has complied with all applicable standards. The standards describe what agencies should be doing to achieve the highest professional practices in the following areas:

- Roles, responsibilities and relationships with other agencies
- Organization, management and administration
- Law enforcement operations, operational support and traffic law enforcement
- Prisoner and court-related services
- Auxiliary and technical services

South Carolina ranks among the highest nationally (on a per capita basis) for having more CALEA-accredited agencies than most other states. In South Carolina, 23 agencies have achieved CALEA accreditation, and 13 of these are municipal agencies.

While attaining national (and international) accreditation status through CALEA is a desired goal, the expense and number of requirements prevent many smaller law enforcement agencies from achieving the designation. Several states have set up their own accreditation programs, not to compete with the national program, but to provide an alternative. The South Carolina Law Enforcement Accreditation Inc. (SCLEA) was created in April 1999 with the accreditation goals of helping law enforcement agencies strengthen crime prevention and control capabilities, formalize essential management procedures, establish fair and nondiscriminatory personnel practices,

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S.C. Business Licensing Officials offers a Master Business Licensing designation

Thirty-nine business licensing officials received the newly established Master Business Licensing (MBL) designation through the S.C. Business Licensing Officials Association (SCBLOA). Designed to raise the level of professionalism in the field of business licensing, the accreditation program offers two designation levels. The Accreditation in Business Licensing (ABL) designation recognizes core competency in the field of business licensing as demonstrated by completing a three-year training academy and passing the ABL exam. The Master Business Licensing (MBL) designation requires officials obtain their ABL and accumulate 50 experience points.

Jennifer Althoff, MBL — Goose Creek
Melissa Babson, MBL — North Myrtle Beach
George Boniface, MBL — Charleston County
Jeffrey Bowman, MBL — Greenville
Bobbie Brooks, MBL — York
Shirley Brown, MBL — Hartsville
Freda Burdette, MBL — Anderson
Elizabeth Cochran, MBL — Charleston County
Karl Cooler, MBL — Hartsville
Al Cothran, MBL — Aiken
Jodie Dudash, MBL — Greenville
Olin Gambrell, CMFA, MBL — Edgefield
Benny Genwright, MBL — Dillon



New MBL designees at the 2003 Annual Meeting of the S.C. Business Licensing Officials in October. (Note: Not all designees are present.)

Nannette Guest, MBL — Columbia
Carol Ann Hall, MBL — Seneca
Reba Hunt, MBL — Beaufort County
Carrie Johnson, MBL — Orangeburg
Brenda Kyzer, MBL — Municipal Association of S.C.
Darrell Lameo, MBL — Kiawah Island
Steven Landrith, MBL — Greenville
Janet LaSchuma, MBL — Columbia
Jane Malloy, MBL — Union
Jerri Martin, MBL — Central
Elbert Matthews, MBL — Charleston County
Mary McDowell, MBL — Myrtle Beach
Britt Miller, MBL — Charleston County
Kenneth Mullinax, MBL — Anderson

Jane North, MBL — Columbia
Jan Owens-Holland, MBL — Greenville
Rhonda Patterson, MBL — Hilton Head Island
Deborah Paulson, MBL — Hanahan
Hazel Pearson, MBL — Winnsboro
Denise Porter, MBL — Charleston County
Mary Richardson, MBL — Greenville
Cynthia Rollins, MBL — North Charleston
Pamela Sansbury, MBL — Hartsville
John Sharpe, MBL — Cayce
Cynthia Thompson, MBL — Columbia
Melinda Turner, MBL — Mount Pleasant

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improve service delivery, solidify interagency cooperation and coordination, and boost citizen and staff confidence in the agency. Eighteen municipalities have earned state accreditation through SCLEA.

The costs associated with state accreditation are nominal; a \$50

application fee covers all materials, forms, contracts and administrative costs. In addition to the application fee, agencies are also responsible for their self-assessment and on-site costs. National accreditation can cost \$4,000 to \$16,000, depending on the size of the department.

For more information on the South Carolina Law Enforcement Accreditation process, contact Debra Covington at S.C. Law Enforcement Accreditation Inc., PO Box 21428, Columbia, SC 29221, or call 803.772.1101.

Look to the unexpected to build your community

Building your community takes more than just the “usual suspects,” contends Beppie LeGrand, Community Builders program associate. “When searching for partners, you must look beyond the obvious, like economic developers and bankers,” she says. Local governments are becoming more and more aware that it takes everyone in a community to create a vision and see it through.

Collaborating with citizens such as folk artists or musicians brings an interesting and creative mix of information, ideas and resources to the table. Kim Clayton, artist and owner of Black Water Gallery in Conway, recognizes the value of community partnerships. Clayton spoke during the recent Community Builders Conference in Newberry.

“Being a part of a small community such as Conway has made me value relationship building. My gallery would not be the success it is without the support of the Conway Main Street Program, local government leaders and the many locals who frequent my shop,” Clayton says.

Clayton has created a piece of artwork representing what community building means to her. The piece now resides in the offices of the Downtown

Orangeburg Revitalization Association. She will create a similar piece for the Lexington Economic Development Association.

One way local governments can recruit the unexpected contributor and get more community involvement is by holding public meetings to receive candid input from citizens. Community Builders regularly conducts public input sessions across the state and country. A recent charrette in Clinton attracted students from the local high school and Presbyterian College. The students had a completely different — but valid — perspective on community building, and they represented an untapped resource in the community.

More than developing a list of problems and issues, public meeting participants also identify ways to solve problems. As a result, citizens feel their input is important and that they are part of the solution. Public input sessions can stimulate ideas and mobilize community groups with action plans.

Another way to identify new community-building partners is to look locally when purchasing products or services. Investing in the local economy is an important role for local government. Contracting with local companies



During the Community Builders Annual Meeting, artist Kim Clayton created a piece of artwork representing what community building means to her.

for everything from road construction to catering services can help a struggling business stay afloat. Not only will this help build the local economy, but it will also give local businesses an opportunity to contribute to the community-building process.

Building a community takes individuals from all walks of life, no matter what role they play in a community. By venturing out and collaborating with the expected and the unexpected, there is an opportunity to bring unique and untapped resources to the table.



Classifieds

■ The City of Chester is seeking applicants for the position of city administrator. Submit resumé to City of Chester, Attn: Human Resources Department, 100 West End Street, Chester, SC 29706 or e-mail croof@infoave.net.

■ The City of Chester is seeking applicants for the position of police chief.

Submit application or resumé to City of Chester, Attn: Human Resources Department, 100 West End Street, Chester, SC 29706 or e-mail croof@infoave.net.

■ The City of Hanahan is seeking applicants for the position of recreation director. Send resumé to Dennis Pieper, 1255 Yeamans Hall Road, Hanahan, SC 29406. For more information, call 843.554.4221.

■ The City of North Myrtle Beach Department of Planning and Development is seeking applicants for the position of

planner. Submit letter of interest with resumé and salary requirements to Personnel Division, City of North Myrtle Beach, 1018 2nd Avenue South, North Myrtle Beach, SC 29582. For more information, call 843.280.5586 or e-mail Personnel@nmb.us.

■ The City of Westminster Police Department is seeking applicants for the position of lieutenant. For more information or to apply, contact the Westminster Police Department, PO Box 399, Westminster, SC 29693, call 864.647.3222 or e-mail wpdchief401@aol.com.

2003 Achievement Award Winner

Economic Development Category: City of Orangeburg

By working together, the City of Orangeburg and Orangeburg County successfully brought new jobs to the community by making economic development a top priority

Orangeburg County and the City of Orangeburg had the dubious honor of being named one of South Carolina's least-developed regions. Local leaders agreed that economic development and job creation needed to be top priorities; however, there was a lack of readily available industrial property within City limits. Not being dissuaded, the City joined with the County to develop a "build it and they will come" Class A industrial park to stimulate development for the benefit of the entire community.

The Orangeburg City/County Industrial Park sits on a 443-acre site at a prime interstate interchange located approximately 8 miles outside the City's limits. Even though the City receives no direct tax dollars from the park, it provided \$4.7 million in infrastructure costs, knowing it would benefit down the road from utility revenues and additional jobs. Amenities such as utilities (electric, water, sewer and gas), curb and gutter, fiber optics and landscaping complement the Class A industrial park. Three companies are located in the park, two of which are Fortune 500 companies; the other is a biotech company that contracts with local farmers.

The City and County have equal ownership of the industrial park. After its completion, the management transferred to a seven-member commission. The commission is composed of two members of City Council, two from the County Council, the Department of Utilities manager, the County administrator and one at-large Orangeburg County Development Commission appointee.



Above: The completed industrial park houses two Fortune 500 companies and a biotech company.

Right: The Orangeburg City/County Industrial Park sits on a 443-acre site at a prime interstate interchange located approximately 8 miles outside the City's limits.



The industrial park has enabled the commission to attract and retain high-wage industrial jobs with all the associated benefits to the community.

For more information about this project, contact John Yow at 803.533.6000.

MASC recognizes and encourages innovations and excellence in local government through its Achievement Awards.

Started in 1987, the program provides local government officials and employees the opportunity to receive deserved recognition for superior and innovative efforts in local government. The program also provides a forum for sharing the best public service ideas in South Carolina. For more information, visit MASC's Web site at www.masc.sc or call Christie Zeller at 803.933.1215.



Educational Opportunities

Hometown Connection

■ **January 27**, municipal officials from Anderson, Cherokee, Chester, Fairfield, Greenville, Lancaster, Oconee, Pickens, Spartanburg and York counties visit with their state legislators. Officials should meet at MASC's office at 1411 Gervais Street in Columbia at 10:30 a.m.

S.C. Municipal Finance Officers, Clerks and Treasurers Association

■ **January 28-30**, will host the International Institute of Municipal Clerks Region III Meeting at Kingston Plantation in Myrtle Beach.

Municipal Elected Officials Institute of Government

■ **February 17**, will hold Sessions A & B at the Adam's Mark Hotel in Columbia. Session A is open to any S.C. municipal elected official. Only

elected officials who have attended Session A can register for Session B.

MASC

■ **February 18**, will hold Hometown Legislative Action Day at the Adam's Mark Hotel in Columbia. See related stories on pages 1 and 3.

S.C. Utility Billing Association

■ **March 10-12**, will hold its Annual Meeting at the Embassy Suites Hotel in North Charleston.

Hometown Connection

■ **March 30**, municipal officials from Aiken, Allendale, Bamberg, Barnwell, Calhoun, Lexington, Orangeburg and Richland counties visit with their state legislators. Officials should meet at MASC's office at 1411 Gervais Street in Columbia at 10:30 a.m.

S.C. Association of Municipal Power Systems

■ **April 14**, will hold its Legislative Event at Seawell's in Columbia.

Hometown Connection

■ **April 27**, municipal officials from Abbeville, Chesterfield, Clarendon, Darlington, Edgefield, Greenwood, Kershaw, Laurens, Lee, Marlboro, McCormick, Newberry, Saluda, Sumter and Union counties visit with their state legislators. Officials should meet at MASC's office at 1411 Gervais Street in Columbia at 10:30 a.m.

For more information about these meetings or other MASC meetings not listed, please call 803.799.9574, or visit our Web site at www.masc.sc.



1411 Gervais Street ■ P.O. Box 12109
Columbia, South Carolina 29211
Tel: 803.799.9574 ■ Fax: 803.933.1299
www.masc.sc

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President: Councilmember Lillian B. Flemming
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