

UPTOWN

National columnist will address *Hometown, SC* Legislative Action Day attendees

As the economic engines driving growth in our state, cities mean business. The 2008 *Hometown, SC* Legislative Action Day on February 20 will give meeting participants many opportunities to communicate this value to state legislators and discuss with them how cities provide the quality of life, services and amenities new and existing businesses and residents demand.

Neal Peirce, a nationally acclaimed journalist and lecturer on regional, urban and community development themes, will deliver the opening keynote address. His weekly column is syndicated by *The Washington Post* and appears in more than 50 newspapers nationally, including the *Charleston Post and Courier*.

Recently Peirce worked in South Carolina on a comprehensive analysis of growth in the Lowcountry region. His report examined topics ranging from regional cooperation to sprawl and housing to transportation (read the report at www.charleston.net/news/citistates/).

Peirce will focus on how civic forces and business can be mobilized to forge new directions for cities and towns of all sizes in the global economy. His address will set the stage for the discussion of legislative issues that affect the ability of cities and towns to provide the services and quality of life that are the magnets for successful businesses.

Following Peirce, the legislative agenda briefing will highlight how proposed



Neal Peirce

legislation supports or hampers our hometown efforts in South Carolina. From updating outdated annexation laws to pushing for comprehensive tax reform, the legislative agenda for South

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South Carolina cities and towns tackle annexation reform and spending caps

The 2008 legislative agenda for South Carolina's cities and towns was adopted by the Municipal Association board of directors on December 11 and sets in motion action by local elected officials and their key influencers to update the state's annexation laws and support comprehensive tax reform instead of the short-term fix of a local spending cap.

The Municipal Association's 2008 legislative agenda centers on three areas: promoting economic growth, enhancing a positive quality of life, and encouraging local accountability and fiscal responsibility.

"The Municipal Association and its member cities and towns have adopted a proactive legislative agenda focused

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Register
Online!

Rock Hill Mayor Doug Echols elected to NLC Board of Directors



Mayor Doug Echols

Members of the National League of Cities elected Rock Hill Mayor Doug Echols (the Municipal Association's past president) to its board at the Congress of Cities held in New

Orleans, LA, November 13-17. Board members help guide NLC in shaping priorities and directing its advocacy, research and membership activities.

"This is a wonderful opportunity for me to represent our city on the national level, and to share ideas with, and learn from outstanding community leaders from across the country," Echols said.

"The NLC mission is to strengthen and promote cities as centers of opportunity, leadership, and governance. We need to keep our eye on that mission in everything we do," said NLC President Cynthia McCollum, councilmember from Madison, Ala. "NLC's board and officers are committed to our goals and I look forward to working with them to ensure that our local elected officials are prepared to address the challenging issues facing our hometowns today."

The National League of Cities is the oldest and largest national organization representing municipal governments throughout the U.S. NLC serves as a resource and advocate for 19,000 U.S. cities serving 218 million people.

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Carolina cities and towns is focused on communicating the value strong cities and towns bring to the state's competitiveness.

Other sessions at *Hometown, SC* Legislative Action Day will spotlight successful collaborations between city leaders and their local business and education communities as both work toward to the goal of making South Carolina more competitive.

cities and towns continued from cover

on supporting local leaders making local decisions that are best for their residents," said Fred Cavanaugh, mayor of the City of Aiken and Municipal Association president, "Hometowns are the economic engines that drive the state's economic success and will for years to come. The Association supports legislation that gives flexibility and accountability to municipalities to support the state's competitiveness and prosperity," said Cavanaugh.

Two high profile issues on the Municipal Association's agenda are updating the state's outdated annexation laws and enacting comprehensive tax reform to ensure predictability in revenue streams and fairness to businesses and taxpayers.

"Both of these issues are at the core of building the state's competitiveness," says Rick Danner, mayor of the City of Greer and chairman of the legislative committee. "The annexation debate taking place in communities all over the state is a clear indication that the state's annexation laws are no longer relevant to today's growth patterns.

We need to take a comprehensive look at how these outdated laws are affecting South Carolina's ability to compete with our neighboring states."

Visit the Municipal Association's Web site (www.masc.sc) for registration information and to register online (see related story on page 11). Make hotel reservations by January 24 at the Columbia Marriott by calling 803.771.7000 or 1.800.627.7468 to receive MASC's room rate of \$132.

"Local governments, like businesses, need a stable, reliable and predictable source of revenue to provide the services that taxpayers demand," says Kevin Johnson, mayor of the City of Manning and the Association's third vice president. "We are fooling ourselves if we think capping local government spending will solve the tax issues in our state. We need to take a comprehensive approach to tax reform, not another band-aid solution like spending caps."

The agenda also focuses on recommendations from the Broadband Commission reviewing statewide wireless broadband, a statewide smoking ban that allows municipalities to enforce local bans, and proactive changes to local methods of fire suppression. As well, the agenda includes supporting legislators' efforts to reform police pursuit laws in the state and following illegal immigration legislation at the federal and state levels.

Keep up with daily activity regarding the Municipal Association legislative agenda through the tracking system accessed at www.masc.sc.

Ethical Hacking ... oxymoron or smart management decision?

By Claire Spilde, Intern

A top, high-clearance federal official helps write a computer program then systematically probes it to discover weaknesses. He finds glaring problems and brings them to the attention of his superiors, who promptly tell him to drop it. Undeterred, the official moves higher up the chain of command, interrupting a meeting of the Joint Chiefs of Staff to prove his point. Furious with his insolence, his employers fire and publicly humiliate him. Determined to prove he was right, the official exploits the program's weaknesses, which are still being ignored, and crumbles the nation's transportation, communication, financial and security interests. All true, movie fans saw it in "Live Free or Die Hard." While the movie highlighted an extreme example, the official's initial probing is increasingly being recognized as an integral part of ensuring computer security.

It's called ethical hacking. When most people hear the term ethical hacking a confused look glazes over their faces, their heads cock to the side, and a puzzled "huh?" is the first thing out of their mouths. In the information technology realm, ethical hacking is better known as a penetration or security audit and review. A penetration audit simply shows the system is indeed able to be hacked. It is usually used to justify the need for a more detailed security audit to detect hackers.

Non-ethical hackers (or dark hackers) have many motivations, including playing jokes, gaining profit or just being out to prove they are that good and no system is immune. They can enter a system, cause enormous damage and, if they really are that good, never alert anyone to their presence.

Municipalities are especially vulnerable because of the enormous temptation

they pose. If hackers successfully penetrate a municipality's security, they could get personnel information including Social Security numbers and business financial information collected for business licensing purposes.

On the more ominous side, the hacker could access the municipality's utility control system and cause water pumps to fail or contaminate a city's water supply. The hacker could disrupt a city's fire and police departments by interfering with 911 calls and accessing classified police information.

To test their computers' security, organizations will hire a third party to intentionally hack their systems. The entire process is extremely regulated, with detailed contracts explicitly hammering out what the hacker is to test, how the system will be tested and any limitations the customer wishes to impose. Because most of what ethical hackers do is considered illegal under other circumstances, the contract is especially important to protect them against later prosecution. After a job, ethical hackers generally destroy all information gathered in the course of their tests.

Ethical hacking is designed to see if any information can be taken and if the information technology staff is aware of an unauthorized user. To be effective, only a very small number of people should know the test is taking place. Normal, everyday security is what ethical hackers want to evaluate, so as to best simulate a real attack. When employees are alerted ahead of time to the proposed hacking, extra precautions may be taken and skew the test results.



The municipality may be safe from the ethical hacker, but this faux-readiness ultimately helps no one and gets in the way of discovering real problems.

Ethical hackers themselves must be extremely trustworthy because of the information they encounter and the access they gain. IBM is one company that only employs ethical hackers who have not been dark hackers first. Other companies are not as selective; they permit people who have hacked for personal gain in the past to work for them on the right side of the law. The level of comfort organizations have with the situation and people doing the work is of paramount importance.

Operating at any time of day (or night), ethical hackers use the same tricks employed by a normal hacker to gain access. These tricks, however, are never revealed to the client to safeguard from someone else using the report as a blueprint to hack the system. Instead the ethical hackers will provide a report including what they were able to hack and suggestions on how to improve security. This report is provided as part of a security audit not a penetration review.

While ethical hacking can be very useful, it is not without disadvantages. Ethical hackers can mask a true hack if

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February is “Cities Mean Business” month

As part of the *Hometown, SC* initiative to raise hometown voices to a new level of influence, February’s celebration of “Cities Mean Business” month is intended to encourage new and stronger collaboration between local elected leaders and their local business community.

The “Cities Mean Business” ideas and templates are for cities and towns of all sizes. Leading up to *Hometown, SC* Legislative Action Day, local officials can use these turn-key resources to draw attention to their commitment to the state’s economic competitiveness and economic success. Also check out the Municipal Association’s Road Show Tool Kit. It’s full of information on how to advocate to elected officials, business leaders and members of the media on behalf of your hometown.

Materials are available to download (in Word, PDF and HTML) from www.masc.sc. Visit the site often to

“Cities Mean Business” materials include:

Top 25 ideas and events

Sample press release

Sample proclamation

Sample letter to the editor

Sample editorial

Sample speech

Resource card for reporters

Color ads that can be co-branded with your city logo

Color brochures that can be co-branded with your city logo

DVD presentation for PEG channels or presentations

download additional “Cities Mean Business” month materials as new resources will be added frequently.

All hometowns across South Carolina are encouraged to do something to show their commitment to supporting the state’s competitiveness and celebrating businesses in their community. Our goal is 100 percent participation from every city and town in the state.

Let the Association staff know what your city or town has planned to celebrate “Cities Mean Business” month. Your efforts will be showcased at *Hometown, SC* Legislative Action Day on February 20. Contact Casey Fields at cfields@masc.sc or 803.933.1256.

Several associations affiliated with the Municipal Association elect their 2008 boards of directors

Municipal Technology Association of SC

President	Alexias Anderson, Clemson
Vice President	Tony Westmoreland, Columbia
Secretary/Treasurer	Sophia James, Ridgeville
Member-at-Large	Sandy Cottingham, Florence
Member-at-Large	Lisa Holzberger, Myrtle Beach
Member-at-Large	Daniel Byrd, Greenwood

SC Municipal Human Resources Association

President	Michelle Clyburn, Spartanburg
First Vice President	Josalynn Smith, Columbia
Second Vice President	Kenny Cook, Aiken
Member-at-Large	Cynthia Brown, Summerville

SC Municipal Attorneys Association

President	Richard Pearce, Aiken
Vice President	Ken Gaines, Columbia
Secretary-Treasurer	Hugh Rogers, Pelion

SC Association of Stormwater Managers

President	Scottie Ferguson, Pickens County
Vice President	Tom Garigen, Horry County
Secretary/Treasurer	Neil Desai, Charleston County
Member-at-Large	Joseph Fersner, Woolpert, Inc.

How will you show your support in February?

Business means different things to different people. Those along the coast think of the beach, rental properties and tourists. Some may see manufacturing facilities or acres of farmland, while others envision their downtowns as magnets for new business. Just like cities and towns, businesses also come in all shapes and sizes. But in South Carolina hometowns from the Piedmont to the Midlands to the coast, “Cities Mean Business.”

The Municipal Association’s “Cities Mean Business” month will kick off in February culminating with the *Hometown, SC* Legislative Action Day on February 20. Throughout the month of February, cities and towns will be acknowledging and celebrating the collaboration between their own hometown and local business community.

“By the time we meet with our legislators in Columbia on February 20, our plan is that they will have been invited to participate in a hometown ‘Cities Mean Business’ event, read about it in the newspaper, seen an ad or heard from a local elected official – all intended to reinforce the value of strong cities and towns to the state’s competitiveness,” explained Reba Campbell, director of advocacy and communications.

Mayor Carol Burdette of Pendleton (population 3,000) plans to personally visit businesses in her Upstate hometown to show her appreciation to them for choosing Pendleton as a place to do business.

In January, Belton (population 4,400) will host a breakfast for businesses that are either in the city or provide jobs for city residents. “We don’t have a heavy agenda,” said David Watson, Belton city administrator. “It’s just a time to meet and greet and get reacquainted with one another.” Local officials see this as the first of what will become an annual

event. “We feel the ‘Cities Mean Business’ campaign’ has a lot of potential for us,” concluded Watson.

Barnwell (population 5,000) also will host a breakfast in January and February with plans of making it a monthly occurrence. “We’ll start with industry leaders, and then we’ll invite other local businesses,” said Lynn Cox, director of tourism and community development. “Eventually we hope to do a night event for the general public. We are creating a PowerPoint presentation to explain what the city is doing, where it is going and how they can help.”

Manning (population 4,000) will celebrate its downtown businesses and its acceptance to the Main Street South Carolina program with a ribbon cutting ceremony in early February. “The timing of the announcement of Manning as the newest member of the Main Street South Carolina program is perfect during ‘Cities Mean Business’ month to highlight the important relationship between the city and its downtown businesses,” said Beppie LeGrand, Main Street SC manager.

Rock Hill (population 50,000) will use utility bill stuffers to get its message out. Mayor Doug Echols also plans to continue his ongoing dialogue with the group of 50 key influencers he has met with over the past 18 months by involving them in the “Cities Mean Business” outreach.

With a goal of having 100 percent participation, the Municipal Association has developed a resource toolkit with ideas cities and towns of all sizes can use to recognize the month. “Each hometown, no matter how big or how small, can find some way to participate,” said Campbell.

“One easy way for the city to show its commitment to the business community is to use the sample proclamation in

the packet,” suggested Campbell. “Invite local business leaders and your legislative delegation to the council meeting when it is adopted. Also, use the council meeting to recognize local businesses that have reached a milestone, such as 25 years in business.”

Local civic clubs are another opportunity to show “Cities Mean Business.” Ask to be the speaker for February and talk about the impact city services have on economic development.

The Association also will help localize brochures and advertisements that are being used on a statewide level. “All we need is a logo, and we can co-brand our ‘Cities Mean Business’ brochure and ads to use locally,” said Campbell. “We also have placemats with city services on them. It is a game to see how many city services the person can identify. It’s great to use with school groups or civic groups”

Allison Harvey, administrator for the Town of Clover (population 4,000), recently sent the placemats to her daughter’s first-grade class when it was studying communities. “We also get about four school group tours each year,” said Harvey. “They visit town hall, the fire department, police department, etc. I usually meet with the entire group before they break into groups for the tours. I will ... have copies available when they tour town hall.”

Need help thinking of ways your hometown can participate in the “Cities Mean Business” campaign? Call Casey Fields at 803.933.1256 or e-mail cfields@masc.sc.

Hometown voices needed

How can municipal officials in SC hometowns have a voice in what happens at the State House? There are several ways, but local officials have a unique opportunity to let legislators know precisely how legislation will fiscally impact their hometowns.

In response to the outcry against unfunded mandates, the legislature established the Fiscal Impact Statement requirement in 1991. The law requires the Office of State Budget to prepare a fiscal impact statement if a bill affects local government expenditures. If a bill affects local government revenues, the Office of Economic Research prepares the statement.

These state offices give local governments the opportunity to have a voice in the fiscal impact statement process. They formed the Financial Impact Statement

Team and rely on information provided by local officials serving on the team.

The team is composed of officials from a rotating group of municipalities and counties. Typically, team members are asked to read the bill and give their interpretation on how the bill will fiscally impact their cities.

“The challenge is we need to get more municipalities involved on the Financial Impact Statement Team,” said Melissa Carter, the Municipal Association’s research analyst. “Municipalities can have a tremendous amount of power in the legislative process, but it must be exercised. The legislators cannot hear us until we use the voice they gave us.”

“Information provided in these statements is very important as we lobby on behalf of municipal governments,”

said Reba Campbell, director of advocacy and communications. “We need your help to ensure the statements accurately reflect the bills’ economic impact on local governments.”

The Association will begin posting the statements on the legislative portion of its Web site. “One of our goals this year is to make the information gathered on the Fiscal Impact Statements more accessible to our members,” Campbell said.

To volunteer to be a member of the Fiscal Impact Statement Team, contact Melissa Carter at mcarter@masc.sc or 803.933.1251.

Frequently asked personnel questions

Q: What kind of retention schedule is there for personnel files for interns?

A: According to the SC Department of Archives and History, nothing distinguishes intern files from regular personnel files so treat them the same and use the five-year schedule.

Q: What policies or procedures should be in place to cover employees using a company credit card?

A: The town card should be used exclusively for town purchases. Do not permit employees to make any personal purchases with it. Require actual receipts for all purchases because monthly credit card statements do not have itemizations.

Q: When an employee is on his six-month probationary period, can he be fired if his work is unsatisfactory? Can the employee collect unemployment?

A: All municipal employees without a contract are “at will” employees and can be dismissed at any time. The employee could collect unemployment if he has met the state qualifications for unemployment.

“The City as Employer” will be covered during Session A of the Municipal Elected Officials Institute of Government on February 19. For more information, visit www.masc.sc/education/meo.htm.

Top 10 reasons to be a local elected official in 2008

1. You have to be able to add two and two together (and the answer must always be four).

One of the most important tasks local officials must undertake is to develop and implement a budget that accurately reflects both the needs of their communities and their ability to financially support those needs. Unlike the federal government where there seems to be no worries over deficits, local governments must have a balanced budget – including a solid rainy day fund to ensure strong bond ratings. Sounds like a lot of Wall Street speak? Yes, but to be an elected official, you have to know all the financial buzz words and, yes, know what they mean, too!

2. You can never have a bad hair day.

Now that most council sessions are televised and the Internet has become the great sounding board for issues, you must be on your toes and ready to roll at a moment's notice. Public hearings, media interviews and community meetings help involve the public in the workings of government. When you go out the door in the morning, the next person you'll see will be a constituent – including your next-door neighbor!

3. Everyone knows what you buy at the grocery.

Accessibility is critical to good governing. Most of your constituents don't see the difference between cornering you in your office or in the produce aisle. Leadership is not just about giving speeches at the rotary club, it's about listening. So you had better put away the junk food and stick with yogurt and healthy pretzels.

4. Everyone (almost) knows your name.

Many people don't know the name of the vice president of the United States; few can name even one of their state senators, but just about everyone in

your city knows who you are. A good bunch of them also think they know what you stand for and how you vote, even if they couldn't pick you out of a crowd! Although it's good to be recognized and have your work acknowledged, sometimes it's nice to be a bit anonymous. Unfortunately, anonymity is not one of the perks to this job!

5. Someone is always awake at midnight.

Those elected officials brave enough to have their home phone listed (and most do), know that someone is always ready to call you to discuss anything – the land use proposal for that empty field down the street, Johnny's homework, even the noise the neighborhood cat is making in the middle of the night. Local government is a 24 – 7 operation, and being a local official is just about the same thing.

6. You have an intimate knowledge of your sewer systems.

Making sure the sewer pipes run freely, the snow is plowed on time, and the traffic light down at the corner is working are critical responsibilities of local government and as an elected official, you need to know how they work, or better yet, who is in charge of fixing them! Local government is all about service – trash pickup, libraries that are open and have the latest books and technology, keeping the streets safe – are all the mainstays of daily life. Knowing the systems to get the power back on during a cold winter's night can make a difference in someone's life – and it's usually your job to ensure it happens.

7. You get to ride on the back of a fire truck on the 4th of July.

Being the face of your community can be fun. Participating in parades, ceremonies, school events and other community gatherings are every-day occurrences, regardless of whether it's

raining cats and dogs or it's a sunny afternoon. As every local elected official knows, the job requirements don't change for bad weather or tough situations. Despite everything else that might be happening in your life, when duty calls, you must answer – rain or shine.

8. School kids want to be you – but maybe just for a day.

As the recognized leader of your community, it's no secret that kids and adults alike look to you for guidance and support. But with great respect comes great responsibility. Your words and actions not only reflect your beliefs and values, they reflect the perceived point of view for an entire community. Let's face it...it's not easy having the expectations of your neighbors and friends, not to mention the citizens you may not even know, on your shoulders.

9. Someone will always disagree with you about something.

That's the great thing about America and our form of government – everyone gets a chance to speak their mind, even if they are wrong! Since it's closest to the people, local government is the most open form of government – where everyone can have their say. It's also the best place to forge consensus over tough issues and to work toward building strong communities.

10. You are able to create small miracles.

Local officials can truly make a difference in people's lives. They can bring communities together around a shared vision; bring a program that helps needy people back to life; marshal resources to support their local school or boys and girls clubs. True leaders know when to use their influence to benefit the entire community – not for their own satisfaction, but for the people they represent.

January: Time to get started preparing budgets

By Howard Duvall, Executive Director

Many of you are just half-way through your budget year but it is already time to start working on next year's budget. Adopting the budget is one of the most important functions of the city council. It establishes the priorities for the programs and services of the municipality. That is why you need to take the budget process seriously.

The budget process should start with agreement on who is responsible for preparing the budget. For those under the council form of government, a council decision is required to delegate the responsibility for preparing the budget. Under the mayor-council form of government, the mayor is responsible. Under the council-manager, the city manager prepares the budget.

Once the responsibility for budget preparation is established, the budget preparer should consult council to determine the funding priorities for the next fiscal year. This can be accomplished in a council retreat where a facilitator is brought in to help the council agree on plans for the next year or in less formal workshop sessions. Whatever method used, the council should give direction to those responsible for preparing the budget.

A budget calendar for the budget cycle helps keep the staff and council working toward adopting the budget in a timely manner. Article X, Section 7(b), S.C. Constitution requires each municipality to adopt an annual balanced budget. A budget calendar helps the council meet this constitutional requirement.

The calendar gives each department a timeline for budget requests and requires an estimate of the revenue available to the municipality. The budget preparer compares the requested expenditures to the estimated revenue then drafts a balanced budget to present to council.

A draft budget presented to council is not the end of the process. It is the beginning of council deliberations and public hearings that will result in a budget ordinance passed by council before the beginning of the next fiscal year. There must be sufficient time built into the budget calendar to allow council to understand the proposed budget, gather information from department heads and react to public comments.



So now is the time! Make your plans today to adopt a budget calendar. This is too important a responsibility of the council to delay until the last minute.

Important legal requirements

Annual balanced budget:

Article X, Section 7(b), S.C. Constitution

Annual audit required:

Section 5-7-240

Ordinance required for budget:

Section 5-7-260

Budget adoption procedures:

Section 6-1-80

Millage rate limitation:

Section 6-1-320

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they both were trying to get into the system at the same time. An ethical hacker's work can also disrupt normal functions of the system, interfering with people's ability to use a Web site or making some services unavailable. The organization also risks upsetting its employees, as some may view the intentional hacking as a breach of trust.

No municipality or business is immune from hacking. The Municipal Association has worked with VC3, its strategic technology partner, over the

last seven years to provide ethical hacking services. "Twice a year, a VC3 staff member attempts to hack into our system to test our network security," said Miriam Hair, deputy director. "We have to ensure the sensitive information we have on our network, including information from our finance, collection and risk management departments, is not vulnerable to a hacker."

Precautionary measures are certainly safer than dealing with a situation after the fact. "I've never had anyone

come back to me and say 'Well, that was a waste of money,'" Brant Hale, senior security specialist at VC3, said.

Chad Todd of Training Concepts spoke about ethical hacking at the November meeting of the Municipal Technology Association of SC. For a copy of his presentation, visit www.masc.sc/affiliates/mtasc/description.htm.

Predatory lending

Some cities considering limits on payday lending institutions

Just a decade ago, fewer than 300 payday lenders operated in South Carolina. Today, more than 1,000 are scattered throughout the state. Some cities are taking steps to limit the growth of the industry in their backyards.

Payday loans are short-term, unsecured loans that borrowers agree to repay out of their next paycheck. Those in the industry say these loans fill a need for consumers who require extra funds in the event of an emergency.

Opponents, however, say the industry traps consumers in a cycle of debt, with interest rates that can reach more than 300 percent.

With the neighboring states of North Carolina and Georgia cracking down on payday lenders, South Carolina has become a hotbed for the industry. That has led some state and city leaders to take action to rein in the businesses.

This summer, the City of Rock Hill passed zoning ordinances to curb the growth of payday lenders within the city.

At its December meeting, the SC Municipal Attorneys Association discussed the legal basis by which cities can pass zoning laws to control the proliferation of payday lenders.

Payday lenders are a recent phenomenon, and there is little case law interpreting the issue, according to Rock Hill attorney Chaplin Spencer.

"Municipalities do have explicit zoning and police powers to protect the health, safety and welfare of its residents," Spencer said. However, Rock Hill did not attempt to ban payday lending.

Instead, the City placed "reasonable restrictions" on the spacing between payday lenders – 1,000 feet between existing payday lenders and new ones coming in – to prevent a concentration of the businesses in one area, and required a 300-foot distance between the businesses and schools, churches and neighborhoods, Spencer said.

State legislators also have been seeking restrictions on the industry. Some lawmakers have thrown their support



behind a bill creating a database to track lending in South Carolina. Currently, the state has no information on how many loans are taken out by each customer in South Carolina. Research from other states shows a large number of borrowers took out multiple loans in a single year, and also that some borrowers regularly have at least one loan at any given time.

The proposed legislation would require a lending agent to verify a customer's loan status through the database before administering a new loan. If the customer had any outstanding loans, or had exceeded annual loan limits, he would not be approved for a new loan.

Currently, the law caps payday loans at \$300, but lenders allow customers to take out separate \$300 loans. There is no state law that limits the number of loans a customer can take out at one time. The legislation would call for consumers to receive only one loan at a time, and five annually, but would raise the loan cap to \$400. The bill would mandate a seven-day break between the time a loan is paid in full and a new loan is written. It also would require the lender to offer a payment plan option.

The bill, introduced last year, was opposed by industry lobbyists and stalled in a legislative committee.

In September, former U.S. Attorney Pete Strom, along with 13 other law firms, filed several class action lawsuits against payday lenders.

According to Strom, a unique provision of South Carolina law prohibits companies from issuing "unconscionable loans," meaning the company knew,

or should have known, the customer was financially unable to repay the loan.

"We believe loans issued in cases where the monthly payments on all debt exceeds 55 percent of the borrower's gross income are illegal under state law," Strom said in a press release. "Payday lenders routinely issue unconscionable loans in South Carolina, often with tragic consequences."

Risk management program offers fire service equipment grants

South Carolina Municipal Insurance Trust members can apply for a grant to purchase personal protective equipment such as turnout gear, air packs and personal alert safety system devices for their firefighters.

The SCMIT Fire Service Equipment Cost Sharing Program is open to all SCMIT members. It is structured similarly to SCMIT's Body Armor Cost Sharing Program for law enforcement agencies. Member departments may apply for reimbursement of up to 50 percent of the equipment cost, not to exceed \$1,250 per member per year.

The SCMIT Board of Trustees allocated \$30,000 for the fire service equipment grant for 2008. The funds will be available on a first-come, first-served basis.

For applications and program information, visit www.masc.sc/scomitfireservicegrant.aspx. Contact Amy Lindler with questions at 803.933.1271 or alindler@masc.sc.

The South Carolina Municipal Insurance Trust is a self-insured workers' compensation program sponsored by the Municipal Association of South Carolina.



Human resources staff receives scholarships

Pamela Bedenbaugh, human resource specialist for the Orangeburg Department of Public Utilities, and Dinin Lopez, training and employee relations manager for the City of Charleston, received \$500 scholarships from the SC Municipal Human Resources Association during its Annual Meeting in December.

Bedenbaugh and Lopez can use their scholarships to attend any training to enhance their development as municipal human resources professionals. Bedenbaugh plans to use her scholarship to attend a Professional in Human Resources certification course offered through the SC Technical College System. Lopez will continue her effort to gain certification in managing workplace conflicts.

Scholarship candidates must be members of the SC Municipal Human Resources Association and devote at least 51 percent of their job functions to human resources.

For more information about SCMHR, visit www.masc.sc/affiliates/mpa/description.htm or contact Marisa Cebulski at 803.933.1240 or mcebulski@masc.sc.

The South Carolina Municipal Human Resources Association is an affiliate of the Municipal Association of South Carolina.

Ethics commission offers electronic filing

The SC State Ethics Commission launched its electronic filing system to enable officials to file their Campaign Disclosure and Statement of Economic Interest forms online (<https://ssl.sc.gov/EthicsRegistration/Login/Login.aspx>). After registering, elected officials can file their annual Statement of Economic Interests forms. Candidates may begin using the reporting system immediately for the January 2008 quarterly disclosure. For questions, contact Cathy Hazelwood at the State Ethics Commission at 803.253.4192 or cathy@ethics.sc.gov.

Hazelwood will discuss the required forms during Session B of the Municipal Elected Officials Institute of Government scheduled February 19. Officials must attend Session A before they can register for Session B. For more information, visit www.masc.sc/education/meo.htm.

Association reaches milestone by offering online registration

The Municipal Association marked a milestone January 1: it began accepting online registrations for the *Hometown, SC* Legislative Action Day. “Allowing our members to register online has been a long-term goal for us,” said Howard Duvall, executive director. “We now have the technology in place, we’ve been collecting unique identification numbers from our members for several years and we are ready to open our virtual doors for business.”

Individuals will use their unique identification number (birth month/day and last four digits of the person’s Social Security number) to log-on to the registration area. If the user previously has provided the Association with the number, he or she can go directly to the registration screen. If not, they have to create a user profile first.

“Online registration should streamline the registration process by eliminating the need to process checks and mail registration forms,” Duvall said. The Association will accept Visa and MasterCard only.

Compared to similar systems, the Association’s online registration offers two unique features. Users can in the same transaction register themselves and others from their organization. For example, a clerk may process registrations for herself, councilmembers and other staff members from her municipality. If the user is not already in the Association’s database, the clerk may add a registrant.

The second feature was developed specifically with municipal officials in mind. Because local governments cannot legally cover guest expenses, users can purchase multiple registration items and apply the payment to more than one credit card. For example, a mayor can register for the Annual Meeting and select meal tickets for himself and his

guest. During the check-out process, he can charge his registration to the city’s credit card and his guest’s items to a personal card.

After completing the check-out process, the system will send two e-mails. The person entering the registration — identified by the new system as the “registrar” — will receive a transaction record with the credit card(s) authorization code and reference confirmation numbers. The registrants will receive an e-mail confirming the registration but containing no financial information (if e-mail addresses are on file at the Association).

Welcome Christie Penzol Help MASC Home

1 → 2 → 3 → 4
Log In Register Pay Confirmation

Register 2008 Hometown, SC Legislative Action Day

- Confirm registrant badge information and enter guest badge information, if attending.
- Select the appropriate registration fee(s) and tracks/sessions, if offered.
- Click "Check out."

Registrant: Christie Penzol

registrant badge		guest badge	
first name as it appears on badge: Christie	guest first name as it appears on badge:	last name: (ex. Abbeville)	city:
organization name: Municipal Assn of SC		state:	
title: Staff Assoc for Comm			

tracks	price	description	
<input type="checkbox"/> Registration Fee	\$85.00	Wednesday, February 20; includes luncheon ticket, reception and all meeting materials	
<input type="checkbox"/> Registration Fee with Guest	\$85.00	Wednesday, February 20; includes luncheon ticket (registrant only), reception (registrant and guest) and all meeting materials	

sessions/tickets	quantity	ticket price	description	comments
<input type="checkbox"/> Municipal Elected Officials Institute Session A	0	\$55.00	Tuesday, February 19, 8:00 - 12:00 noon	available
<input type="checkbox"/> Municipal Elected Officials Institute Session B	0	\$55.00	Tuesday, February 19, 12:00 - 12:00 noon	available - offered only to those who have previously attended Session A

To kick-off the system, the Association will offer online registration for the *Hometown, SC* Legislative Action Day and affiliate annual meetings starting with March’s SC Utility Billing Association’s annual meeting.

News Briefs



■ The Municipal Association announced several personnel changes. Casey Fields was promoted to manager of municipal advocacy. She has been with the Association since October 2006 and will be responsible for developing strategy for legislative communications and media relations. Donna Weathersbee has filled the operations manager position. She brings more than 11 years of human resources experience to the Association. Ashley Stimpson joined the staff as administrative assistant for Risk Management Services.

■ Judy Edwards, town clerk for the Town of Batesburg-Leesville and Mary Lou Johnson, clerk/director of town affairs for the Town of Summerton, were awarded the designation of Certified Municipal Clerk from the International Institute of Municipal Clerks for achieving its high educational, experience and service requirements.

■ The Town of Sullivan’s Island was recognized as South Carolina’s best of the best in the small wastewater treatment system category (Category #1 less than 1,000 taps) by the SC Rural Water Association.

■ Nine of the Municipal Association’s affiliate associations sent membership renewal forms in early January. If you have not received a form or would like to join one of the groups for the first time, visit the affiliates’ Web page at www.masc.sc/affiliates/listing.htm.



Educational Opportunities

SC Municipal Finance Officers, Clerks and Treasurers Association

■ **January 23-25**, will hold its Spring Meeting and the International Institute of Municipal Clerks Region III Meeting at the Hyatt Regency in Greenville. Topics include ordinance and resolution preparation, cash management, GASB 45 and grants.

Hometown Connection

■ **January 29**, municipal officials from Aiken, Anderson, Calhoun, Cherokee, Chester, Fairfield, Greenville, Lancaster, Lexington, Oconee, Orangeburg, Pickens, Richland, Spartanburg and York counties visit with their state legislators. Officials will meet at MASC's office at 1411 Gervais Street in Columbia at 10:30 a.m.

The SC Association of Municipal Power Systems

■ **February 7**, will hold its member luncheon at Seawell's in Columbia.

SC Municipal Elected Officials Institute of Government

■ **February 19**, will hold Sessions A and B at the Marriott in Columbia. Officials must attend Session A before they can register for Session B. Session A topics include conducting public meetings, planning, zoning and personnel. Session B topics include annexation, business licensing, liability and finance.

Hometown, SC Legislative Action Day

■ **February 20**, will be held at the Marriott in Columbia. (See related story on page cover.)

SC Association of Stormwater Managers

■ **March 4**, will hold its first quarterly meeting at the Columbia Conference Center in Columbia.

Municipal Clerks and Treasurers Institute

■ **March 4-7**, will hold its spring training session at the Radisson Hotel in Columbia.

SC Utility Billing Association

■ **March 12-14**, will hold its Annual Meeting at the Embassy Suites in Myrtle Beach.

SC Municipal Elected Officials Institute of Government

■ **March 20**, will hold the "Basic Budgeting for Municipal Officials" core course via satellite to the 10 regional councils of governments.

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.



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