

MEMORANDUM FOR THE RECORD

DATE: June 20, 2017
Room 335, Dennis Building
2:00pm

SUBJECT: Minutes of Board of Economic Advisors Meeting

ATTENDEES: *Board Members* –Edward Grimball-Chairman, Howell Clyborne, Emerson Gower, Hartley Powell, *Executive Director*, Frank Rainwater; *Staff* – Robert Martin, Jake Scoggins, Mary Katherine Gable, Justin Heineman, Karen Rhinehart, Lisa Jolliff, Gordon Shuford. *Guests* – David Seigler, Kevin Ethridge (Executive Budget Office), Daniel Boan, AJ Newton (WMC), Lisa Catalanotto, Grant Gibson (SFC), Erin Brown, Laura Dorn, Kevin Kibler (Treasurer's Office), Ben Johnson (Dept. of Commerce), Melanie Barton (Education Oversight Committee), Meredith Cleland (Dept. of Revenue).

Press:

1. Chairman Grimball welcomed everyone to the meeting.
2. The Members approved the meeting minutes for April 10, 2017. Mr. Clyborne motioned, Mr. Gower seconded. (See Attached)
3. Frank Rainwater and Robert Martin presented a review of revenues and economic conditions. (See Attached)
~Chairman Grimball asked why South Carolina is below other states in unemployment. Mr. Martin replied that a resurgence in manufacturing has helped.
~Chairman Grimball asked if the slowing credit card use was due to outstanding debt. Mr. Martin replied that it was and also that people are paying off credit card debt.
~Mr. Gower asked if the credit card debt that is growing is from retail or on-line purchases to which Mr. Martin replied it is both.
~Chairman Grimball asked Mr. Martin if car sales included leases. Mr. Martin replied that sales do include car leases.
~Chairman Grimball asked Hartley Powell what the Department of Revenue (DOR) is doing to expand collections on internet sales as he is frustrated that South Carolina cannot benefit from sales tax on internet sales. Mr. Powell replied that DOR is moving to a more aggressive posture concerning this. Since Amazon is selling products for other companies, at the moment, South Carolina would need to collect sales tax from that original company not from Amazon. Mr. Rainwater stated that if the third party companies are in South Carolina the sales tax can be collected.
~Regarding corporation income tax revenue collections, Mr. Powell commented that two major corporation refunds caused problems in this area.
4. Other Items that were discussed: N/A

There were no other questions or comments from the Members or Working Group.


~The meeting adjourned at 2:50pm. Mr. Clyborne motioned, Mr. Gower seconded. All voted aye.

The next scheduled meeting is Thursday, August 24, 2017.

Attachments: Agenda, Meeting Materials

Public Notice of this meeting was posted at <http://www.rfa.sc.gov/calendar>

These minutes were approved on 8/24/17.



Karen Rhinehart