

MEMORANDUM FOR THE RECORD

DATE: April 10, 2017
Room 417, 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, Les Boles, Jake Scoggins, Mary Katherine Gable, Justin Heineman, Karen Rhinehart, Lisa Jolliff, Byron Kirby. *Guests* - Michael Moore, John Barfield (Comptroller General's Office), David Seigler, Kevin Ethridge (Executive Budget Office), Daniel Boan (WMC), Tim Derrick, Meredith Cleland (Dept. of Revenue).

Press:

1. Chairman Grimball welcomed everyone to the meeting.
2. The Members approved the meeting minutes for February 15, 2017. Mr. Gower motioned, Mr. Clyborne seconded. (See Attached)
3. A resolution honoring former *Ex Officio* Board Member Rick Reames was presented to the Members for their consideration. They approved the resolution with Mr. Clyborne motioning and Mr. Gower seconding. This resolution will be framed and given to Mr. Reames. (See Attached)
4. Frank Rainwater and Robert Martin presented a review of revenues and economic conditions. (See Attached)
 - ~Chairman Grimball asked Mr. Martin if it was permissible for anyone in the room to ask questions during the presentation to which Mr. Martin replied that it was.
 - ~Mr. Gower asked what would be considered full unemployment in South Carolina. Mr. Martin replied that it would be 5%.
 - ~Mr. Clyborne asked if the labor participation rate was up or down to which Mr. Martin answered that it had improved and was 63%.
 - ~Mr. Gower asked if truck sales included SUV's. Mr. Martin replied that they were included as it is measured by weight.
 - ~Chairman Grimball asked if Nonstore Retail Sales (internet sales) would be taxed. Mr. Powell responded that Amazon was given a reprieve from remitting sales taxes until January 2016. The Department of Revenue is seeing more companies voluntarily collecting and remitting sales taxes. Mr. Powell added that the collection of sales taxes depends on whether or not a company has nexus, a physical presence, in the State. Any significant changes to the collection of internet sales taxes would have to come from changes in tax law by the United States Congress.
 - ~Mr. Powell mentioned that the number of Individual Income Tax refunds this year would be close to the amount collected last year.
 - ~The Chairman asked if the Working Group Members had any comments - they did not.
 - ~Mr. Rainwater and Mr. Martin felt there was no need to change the estimate at this time. Mr. Clyborne agreed and motioned to accept the estimate; Mr. Gower agreed and seconded the motion. All voted aye and the estimate was adopted.
5. Other Items that were discussed: N/A

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

~The meeting adjourned at 2:43pm. Mr. Gower motioned, Mr. Clyborne seconded. All voted aye.

The next scheduled meeting is Thursday, May 18, 2017.

Attachments: Agenda, Meeting Materials

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

These minutes were approved on 6/20/17.

Karen Rhinehart
Karen Rhinehart