



# The Republican Caucus

COMMUNICATIONS OFFICE

Phone: (803) 734-3139 • Fax: (803) 734-9953 • www.schousegop.com • e-mail: info@schousegop.com

Kenneth A. Bingham  
*Majority Leader*

Bruce W. Bannister  
*Assistant Majority Leader*

Charles M. Cannon  
*Executive Director*

Jason C. Zacher  
*Communications Director*

January 26, 2010  
**FOR IMMEDIATE RELEASE**

For More Information  
Majority Leader Kenny Bingham  
(803) 734-3139

## Majority Leader Hopes ESC Audit Will Prompt Quicker Reform

COLUMBIA, S.C. – House Majority Leader Kenny Bingham said Tuesday he hopes a scathing audit of the Employment Security Commission will spark efforts to reform the agency.

“The findings of this audit provide facts that go far beyond the assumptions and allegations of mismanagement that my investigative committee was working with,” Rep. Bingham said. “While I’m still digesting the bulk of this lengthy indictment of the ESC, I hope this provides even more fuel to get a sweeping reform of this agency passed as soon as possible.”

The audit, released today, showed that the commission did not do enough to warn the General Assembly that the unemployment system was running out of money and that the agency did not properly investigate mismanagement – among many other findings.

The audit found that the ESC did not warn lawmakers as it watched the Unemployment Trust Fund plummet from an \$835 million surplus in 2000 to a near \$800 million deficit today.

Rep. Bingham chaired a committee last fall that began investigating the ESC. During the first week of session, the House approved several systemic changes that arose from those hearings, including restricting state payments to employees fired for gross misconduct or drug use and restricting claims by employers who cost the system more than they contribute. The audit found that S.C. workers fired for misconduct collected \$171 million over three years – equating to 10 percent of the jobless benefits paid during that three years.

Joining Rep. Bingham on the committee that is still studying the issue are Republican Reps. Jim Merrill of Charleston, Annette Young of Summerville, Mike Pitts of Laurens, and Rex Rice of Easley.

“Unfortunately we have found so many problems with the ESC that each new finding is no longer surprising,” said Rep. Young. “This report gives me, and all of my colleagues, new urgency toward the reforms that must be made this year. We need to make these reforms so the ESC can move beyond a check-writing agency and start really helping South Carolinians find jobs.”

While the ESC is charged with helping South Carolinians find jobs, the audit found that only 40 percent of the jobs available in our state are listed with the agency.

The House Republican Caucus listed ESC reform near the top of its legislative agenda for 2010 – even before today’s audit was released.