



# GENERAL APPROPRIATIONS ACT AS PREPARED BY WAYS & MEANS

Fiscal Year 2011/2012

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# Revenue



- BEA General Fund Revenue Forecast:
  - \$5.914 billion
- Non-recurring Revenue Sources
  - \$71 million – FY 2009/10 year end balance
  - \$68.8 million – Projected FY 10/11 year end balance
  - \$157.3 million – Total increased cigarette tax allocated (all of year 1 & part of year 2)
  - \$10 million – Tobacco deallocation
  - \$12.4 million – Transfers from agencies



# State-wide Allocations

- General Reserve Fund – \$17.1 million
  - Fully funded at 3.5%
- Employee Health Insurance Program – \$66.8 million to maintain benefits
  - Shares increased cost of the plan with both employer and employee (5.2% increase each)
- Local Government Fund – (\$20 million)
  - LGF decreased by an additional 10%, proposed funding level \$182.62 million



# Education Subcommittee

1. Added an additional \$101.4 million to the EFA
  - Increases the Base Student Cost to \$1,788 – an estimated increase of \$171 per student
2. Increased funding for Charter Schools - \$25 million
3. Provided funding for all of the state's Special Schools so they can operate at near capacity.
4. Eliminated all general funds for ETV. ETV will continue operation, but their funding will be based on a more market-oriented approach.



# Higher Education Subcommittee

- Colleges and Universities were subject to targeted reductions.
  - The reductions ranged from 5% to 8% of General Funds.
  - The reductions were based on the following criteria:
    1. Percentage General Funds represent of their total budget.
    2. Percentage of enrollment that is from South Carolina.
    3. Six year graduation rate.
- Other Subcommittee Notes
  - The Tech Board received an additional \$14 million for the CATT Program – \$13M of which is in the CRF.
  - Between General Funds and the Lottery Scholarships are fully funded.
  - The Arts Commission and the State Museum are combined with PRT by proviso.



# Health Care Subcommittee

1. Fully funded DHHS's budget per the agency's budget request and annualizes the current deficit.
  - All proviso changes requested by the agency were adopted.
  - The proposed budget assumes an 8% program growth rate.
2. The Department of Disability and Special Needs received an additional \$35 million in recurring General Fund appropriations to maintain agency operations.
3. DSS is fully funded per their budget request.
4. DHEC is granted flexibility to use smoking cessation funds to continue core agency services.



# Econ Development Subcommittee

- The Department of Commerce received \$10 million to fund the Deal Closing Fund.
- The South Carolina Forestry Commission did not receive a General Fund Reduction.
  - The agency received CRF funds for the purchase of equipment.
- \$750 thousand was transferred from the Budget and Control Board to the Conservation Bank.



# Law Enforcement Subcommittee

- The Department of Corrections is fully funded per the agency's budget request with recurring General Funds.
- The Judicial system did not receive a funding reduction and received \$5 million in CRF allocations for Electronic Filing.
- PPP received \$1.5 million for Day Reporting Center Implementation.
- PPP and Corrections were merged by proviso (also done in H.3267)





# Trans/Reg Subcommittee

- LLR is to use \$1.4 million in agency carry forward funds to implement the Illegal Immigration Act.
- DMV transferred \$7 million to fund core functions of state government.
- The Department of Consumer Affairs is merged with the Secretary of State via proviso.
- DOT can develop a plan to attract more advertising dollars and to investigate the potential of Interstate Service Plazas.



# Legislative/Exec. Subcommittee

- Funded the SCEIS program by continuing to allow the B&CB to support this system from funds available to the agency.
- Provided the Retirement Investment Commission increased authorization to allow the agency to hire personnel needed to manage the investment portfolio.
- Increased lobbyist fees from \$100 to \$200 – 1/2 of the increase is directed to Ethics Commission and 1/2 to the General Fund.
- Transferred the Aeronautics Commission to DOT.



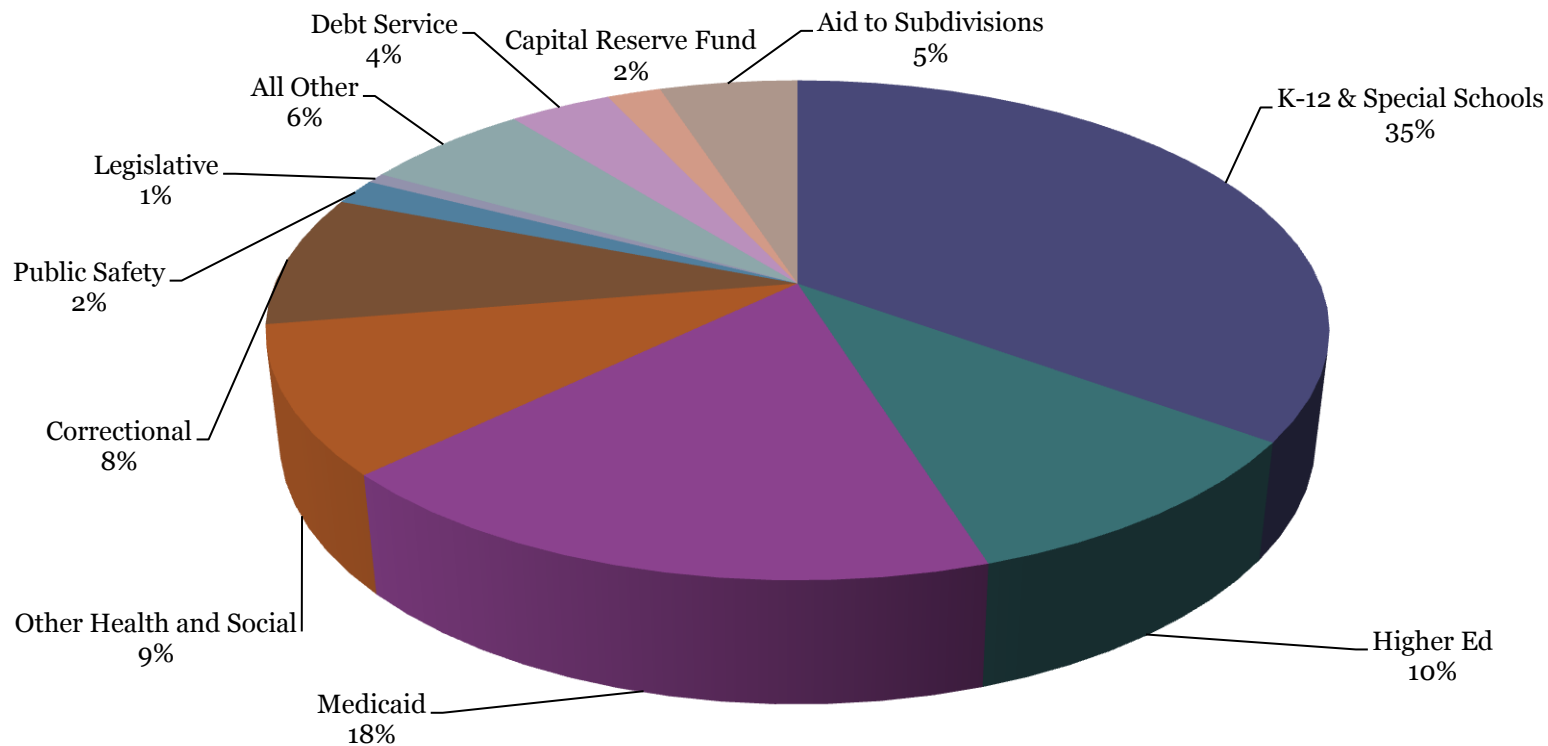
# Capital Reserve Fund (\$110.8M)

- The FY 2010/11 Capital Reserve Fund is allocated in H.3701.
- The CRF is appropriated each year in the base appropriations and is equal to 2% of the prior year's General Fund revenue.
- The CRF can only be spent on one-time, non-recurring items.
- To allocate the CRF, a 2/3<sup>rds</sup> vote is required.
- Some of the items funded in the CRF are:
  - \$10M Closing Fund
  - \$13M Tech Board – CATT
  - \$2M Veterans Nursing Homes
  - \$5.5M PRT – Tourism Promotion
  - \$5M Corrections – Cell Phone Interdiction
  - \$5M Judicial Department
  - \$3M Forestry Commission
  - \$38M Higher Education – Deferred Maintenance/Life and Safety Projects



# Appropriations by Major Category

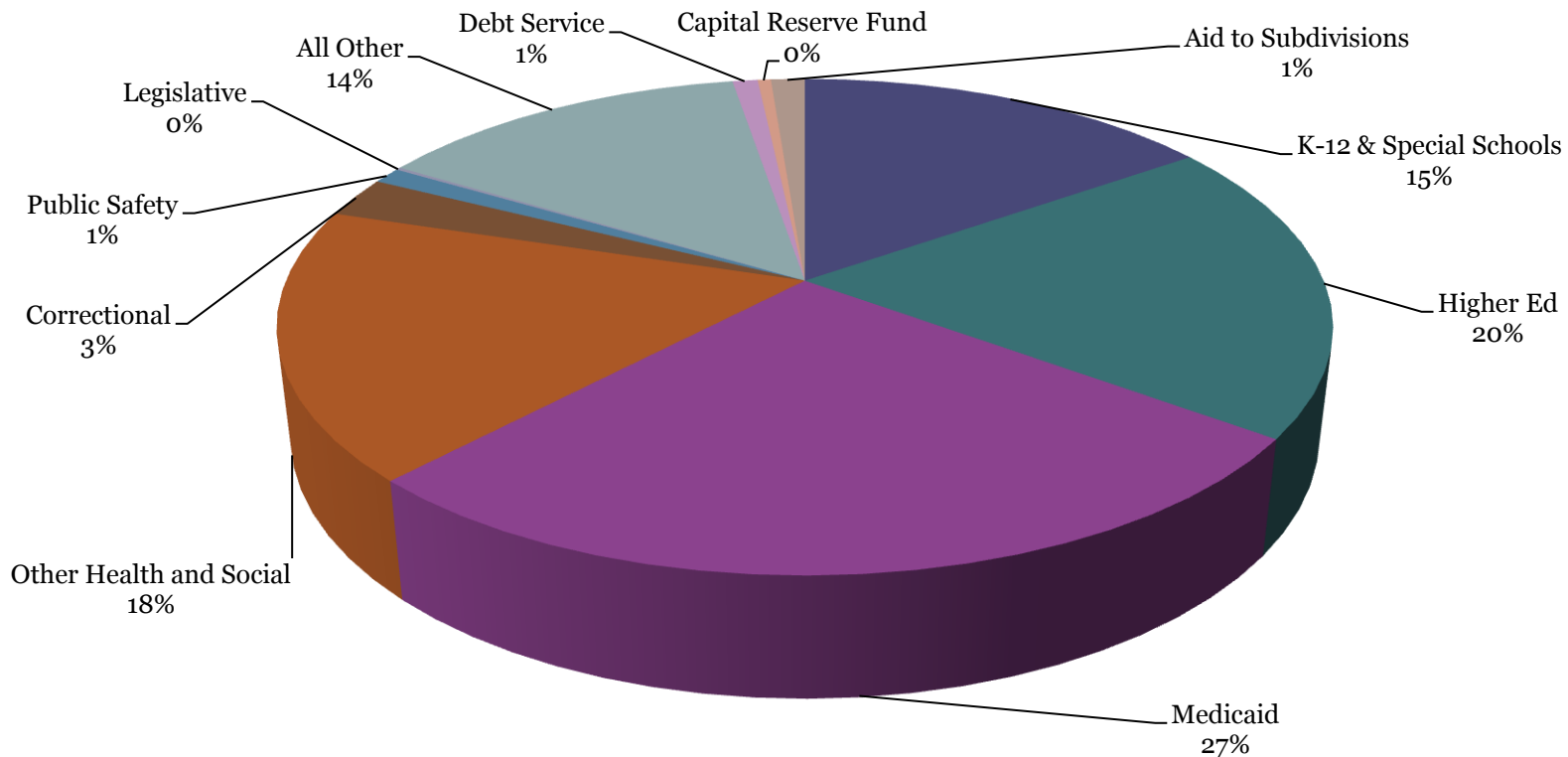
## General Funds





# Appropriations by Major Category

## Total Funds



# Questions...

## Budget Subchairs:

- DAN COOPER - CHAIRMAN
- ROLAND SMITH – TRANS/REG
- CHIP LIMEHOUSE – HIGHER ED
- MIKE PITTS – LAW ENFORCEMENT
- BRIAN WHITE – HEALTH CARE
- KENNY BINGHAM – K-12
- JIMMY MERRILL – LEG/EXEC
- TRACY EDGE – ECON DEV
- MURRELL SMITH - PROVISIO

