

**PROVISO SUBCOMMITTEE  
ECONOMIC DEVELOPMENT AND NATURAL RESOURCES  
RECOMMENDATIONS FOR FY 2016-17  
TO THE HOUSE WAYS AND MEANS COMMITTEE**

**SECTION 50 - P320 - DEPARTMENT OF COMMERCE**

**50.13 AMEND** (Regional Economic Development Organizations) Directs the department to use the \$5,000,000 appropriated for Regional Economic Development Organizations to provide funds to the designated organizations and counties and provides a mechanism by which the funds should be distributed. Requires a 1:1 private fund match and requires the receiving organization to certify that the private funds match are new dollars specifically designated for this purpose. Directs the organizations provide an annual expenditure report and outcome measures to the Chairmen of the Senate Finance and House Ways and Means Committees and the Secretary of Commerce by November 1<sup>st</sup>. Directs that unexpended, unallocated, or undistributed prior year funds must first be made available to the organizations and any remainder be transferred to the Rural Infrastructure Fund. Direct that the funds be distributed pro rata if more than one alliance applies for the same funds.

**PROVISO SUBCOMMITTEE RECOMMENDATION:** AMEND proviso to update fiscal year reference to 2016-17. Requested by Department of Commerce.

**50.13.** (CMRC: Regional Economic Development Organizations) The Department of Commerce shall utilize \$5,000,000 appropriated in Fiscal Year ~~2015-16~~ 2016-17 for Regional Economic Development Organizations to provide funds to the following economic development organizations and must be disbursed as follows:

- |  |                 |
|--|-----------------|
| (1) Upstate Alliance                         | \$ 750,000;     |
| (2) Central SC Economic Development Alliance | \$ 750,000;     |
| (3) North Eastern Strategic Alliance (NESA)  | \$ 745,000;     |
| (4) Charleston Regional Development Alliance | \$ 660,000;     |
| (5) I-77 Alliance                            | \$ 600,000;     |
| (6) Economic Development Partnership         | \$ 450,000;     |
| (7) Southern Carolina Alliance               | \$ 460,000; and |
| (8) The LINK Economic Alliance               | \$ 385,000.     |

Each dollar of state funds must be matched with one dollar of private funds. The organization receiving state funds must certify that the private funds are new dollars specifically designated for the purpose of matching state funds and have not been previously allocated or designated for economic development. No funds appropriated in this proviso may be used for routine operating costs of the organization as defined by the Department of Commerce.

The remaining \$200,000 shall be provided to counties as follows, provided they meet the requirements established above:

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|----------------------|-----------------|
| (1) Beaufort County  | \$ 140,000; and |
| (2) Lancaster County | \$ 60,000.      |

Upon receipt of the request for the funds and certification of the matching funds, the Department of Commerce shall disburse the funds to the requesting organization.

Funds recipients shall provide an annual report by November first, to the Chairmen of the Senate Finance Committee and the House Ways and Means Committee and the Secretary of Commerce on the expenditure of the funds and on the outcome measures.

Any unexpended, unallocated, or undistributed funds appropriated in prior fiscal years for Regional Economic Development Organizations shall first be made available to Regional Economic Development Organizations and any remainder shall be transferred to the Rural Infrastructure Fund at the Department of Commerce. If more than one alliance applies for the same funds, the funds will be distributed pro-rata.

**50.gf ADD** (Grant Funds Carry Forward) **PROVISO SUBCOMMITTEE RECOMMENDATION:** ADD new proviso to authorize the department to carry forward Innovation, Research/Applied Research Centers, SCOPE, and LocateSC grant funds and to use those funds for the same

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purpose. *Carry Forward authority is needed because grants typically can cross fiscal years.*  
Requested by Department of Commerce.

*50.gf. (CMRC: Grant Funds Carry Forward) The Department of Commerce may carry forward any unexpended balance on June thirtieth of the prior fiscal year of grant funds appropriated and/or authorized for Innovation, Research/Applied Research Centers, SCOPE, and LocateSC and expend such funds in the current fiscal year for the same purpose.*

**SECTION 109 - R440 - DEPARTMENT OF REVENUE**

**109.11 DELETE** (Governmental Debt Offset Program) Authorizes DOR to contract with technology entities to establish a debt offset program to allow non-tax payments to be used to offset governmental debt. Authorizes DOR to retain sufficient revenue from the proceeds received from the program to offset its administrative costs and to pay for the contractual costs to establish and operate the program and directs that remaining revenue received be deposited into the general fund.

**PROVISO SUBCOMMITTEE RECOMMENDATION:** DELETE proviso. Requested by Department of Revenue.

~~109.11. (DOR: Governmental Debt Offset Program) The Department of Revenue is authorized to contract with technology entities to provide the necessary capabilities to establish a debt offset program to allow non tax payments to be used to offset governmental debt. Out of the proceeds received, the department shall retain its administrative costs and shall pay for the contractual costs to establish and operate the program. Remaining revenue shall be deposited into the General Fund of the State.~~

**109.12 DELETE** (Carry Forward - Identity Theft and Protection Services) Authorizes DOR to carry forward funds appropriated for Identity and Credit Protection Services and to use the funds for the same purpose.

**PROVISO SUBCOMMITTEE RECOMMENDATION:** DELETE proviso. *Funds have been expended.* Requested by Department of Revenue.

~~109.12. (DOR: Carry Forward - Identity Theft and Protection Services) The funds appropriated in Act 298 of 2014, Section 1, Item (2) R44 Department of Revenue Identity and Credit Protection Services shall be carried from the prior fiscal year into the current fiscal year and used for the same purpose.~~

**109.13 DELETE** (Angel Investors) Directs DOR to establish a schedule for investors pursuing credits provided for in Chapter 44 of Title 11 [HIGH GROWTH SMALL BUSINESS JOB CREATION ACT] that include the submission of applications until July 31, 2015 or the date the credit cap is reached as determined by DOR, whichever is earlier.

**PROVISO SUBCOMMITTEE RECOMMENDATION:** DELETE proviso. Requested by Department of Revenue.

~~109.13. (DOR: Angel Investors) The Department of Revenue shall use funds authorized by this act to establish a schedule for investors pursuing credits provided for in Chapter 44, Title 11, of the 1976 Code, that includes the ability to submit applications until July 31, 2015, or the date the credit cap is reached as determined by the department, whichever is earlier.~~