SUMMARY OF

PROVISO CHANGES

FOR FY 2010-11

AS RECOMMENDED BY

THE HOUSE WAYS AND

MEANS COMMITTEE

THE BELOW CONSTITUTED SUMMARY IS PREPARED BY THE STAFF OF THE SOUTH CAROLINA HOUSE OF REPRESENTATIVES WAYS AND MEANS COMMITTEE AND IS NOT THE EXPRESSION OF THE LEGISLATION'S SPONSOR(S) OR THE HOUSE OF REPRESENTATIVES WAYS AND MEANS COMMITTEE. IT IS STRICTLY FOR THE INTERNAL USE AND BENEFIT OF MEMBERS OF THE HOUSE OF REPRESENTATIVES AND IS NOT TO BE CONSTRUED BY A COURT OF LAW AS AN EXPRESSION OF LEGISLATIVE INTENT.

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SECTION 1 - H63-DEPARTMENT OF EDUCATION

1.3 **DELETE** (EFA Formula/Base Student Cost Inflation Factor) States General Assembly intent to fully implement the EFA including an inflation factor projected by the Division of Budget and Analyses to match the inflation wages of public school employees in the southeast; states the base student cost has been determined to be $2,034 in Part IA and $300 in Part III for a total of $2,334; states that the per pupil count for FY 09-10 is projected to be 691,816 and projects the average per pupil funding. Directs that for FY 09-10 the SC Public Charter School District shall receive and distribute state funds to the charter school as determined by the current year's base student cost, as funded by the General Assembly, plus an additional $700, multiplied by the weighted students enrolled in the charter school, which must be subject to adjustment for student attendance and state budget allocations.
WMC: DELETE proviso. Fiscal Impact: No Impact on the General Fund.

1.23 **DELETE** (Adult Education/Literacy) Requires the General Assembly to appropriate an amount equal to $175 per pupil for adult education and to adjust the amount annually by the same percentage as the base student cost inflation factor. Require overall State funding levels to meet the federal requirement of State maintenance of effort. Direct that $150,000 of adult education funds be used to provide for rural literacy development pilot projects. Direct that additionally, each county receive $50,000 for school districts to use for adult literacy service delivery to adult nonreaders and those reading at or below the 8th grade level.
WMC: DELETE proviso. *Conform to line item being moved from General Fund to EIA and consolidated with all other line item appropriations for adult and young adult education.* Fiscal Impact: OSB states no impact on the General Fund. Requested by Education Oversight Committee. See new proviso 1A.42.

1.27 **AMEND** (PSAT/PLAN Reimbursement) Directs that assessment appropriations be used to pay for administering PSAT or PLAN tests to 10th grade students to include the testing and report fees. Authorizes the department to carry forward prior year assessment funds to pay for state assessment activities not completed by the end of the fiscal year including scoring the spring statewide accountability assessment.
WMC: AMEND proviso to also allow administration of WorkKeys to be paid from assessment funds. Direct that the test selection for each student should be informed by the student's individual graduation plan cluster selection, guidance counselor advisement and parent/legal guardian consent. *Would expand the number of assessments and give school districts greater flexibility in determining the appropriate assessment for 10th grade students.* Fiscal Impact: The EOC indicates no impact on the General Fund. Requested by Education Oversight Committee. See 1A.26 for EIA companion proviso.

1.28 **AMEND** (Basic Skill Exam) Requires a person seeking candidacy in a n undergraduate teacher education program to take and pass the Basic Skill Exam pursuant to Sections 59-26-20 and 59-26-40 [TRAINING, CERTIFICATION AND EVALUATION OF PUBLIC EDUCATORS], and directs that if any section is failed, the exam or portion may be retaken. Requires all sections of the Basic Skill Exam to be passed before a person is formally admitted into any undergraduate teacher prep program. Directs that any person who has attained 1650 or better on the SAT or a comparable ACT score is exempted from this requirement.

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WMC: AMEND proviso to change "Basic Skill Examination" references to "teacher candidate basic skill examination." *Updates terminology.* Fiscal Impact: No impact on the General Fund. Requested by Department of Education.

1.32 **AMEND** (Buses, Parts, and/or Fuel) Authorizes the department to use other operating funds in the Bus Shops and Buses programs to purchase buses, fuel, parts or other school bus related items. Authorizes bus fuel, parts/supplies, maintenance, and bus purchase funds to be carried forward and used to support bus transportation services.
WMC: AMEND proviso to update fiscal year carry forward authority from "2009-10" to "2010-11." *Continue to allow carry forward funds to be used to support bus transportation services.* Fiscal Impact: No impact on the General Fund. Requested by Department of Education.

1.36 **DELETE** (Part-time Benefits) Directs that teachers working less than 30 hours, but not less than 15 hours a week, qualify for state health and dental insurance and directs the B&C Board to amend its 'Plan of Benefits' to conform to this provision. Directs employers to pay a pro rata share based on the hours worked by the teacher with the teacher paying the remaining costs, however, directs the employer's contribution be no less than half the normal cost.
WMC: DELETE proviso. Fiscal Impact: No impact on the General Fund.

1.42 **AMEND** (Proviso Allocations) Authorizes the department to reduce any allocation designated by proviso in Section 1 by up to 10%, but prohibits allocations for teacher salaries from being reduced.
WMC: AMEND proviso to direct that if the BEA officially declares an EIA revenue shortfall, the department may reduce any Section 1 allocation designated by proviso in accordance with the lower estimate as directed by the Office of State Budget. Direct that the reduction may not be greater than the total appropriation percentage of reduction of Section 1 appropriations. Direct that if the department holds back funds in excess of the total percentage reduction they must allocate those funds per the proviso. *Mirrors the EIA companion proviso 1A.22 amended last year.* Fiscal Impact: No impact on the General Fund. Requested by Department of Education.

1.43 **AMEND** (School Districts and Special Schools Flexibility) Provides guidelines and requirements for school districts and special schools to have the ability to transfer and expend funds among general fund revenues, EIA funds, Lottery funds, and Children's Education Endowment Fund for school facilities and fixed equipment assistance to ensure the delivery of academic and arts instruction. Prohibits school districts from transferring debt service or bonded indebtedness funds. Authorizes school districts and the department to purchase the most economical type of bus fuel.
WMC: AMEND proviso to change fiscal year references from "2009-10" to "2010-11." Specify that in addition to the assessments already suspended by this provision, Section 59-20-50(4)(a) [EFA: SALARY SCHEDULE] and state mandated assessments not required by No Child Left Behind and financial literacy must be suspended. Suspend textbook purchases except for replacement of instructional material currently on the state's adopted textbook list. Suspend printing of school and district report cards. Direct the district or school to email parents a link to the report cards if they maintain the email addresses in their student information system

database. Direct the district or school to notify the parents about the report cards through newsletters and other regular communication channels. Direct that if a parent requests a printed copy, it must be provided at no charge. Direct that for FY 2010-11, savings generated from suspending the state mandated assessments, new textbooks adoptions, and report card printing must be redirected to the EFA for teacher salary purposes. Fiscal Impact: OSB states that the department indicates no fiscal impact since savings from suspension of mandated assessments would be reallocated/transferred to EFA. Requested by Department of Education.

1.48 **AMEND** (National Board Certification Incentive) Provides guidelines for an annual $7,500 salary supplement to be paid to public school classroom teachers or classroom teachers who work with classroom teachers who are certified by the State Board of Education and by the National Board for Professional Teaching Standards for the length of the national certificate and to teachers employed at the special schools. Directs that up to 1,100 loan applications shall be processed annually. Authorizes funds collected from educators who are in default of the loan to be retained and carried forward for National Board purposes. Directs CERRA to develop guidelines and administer a loan program for teachers who are U.S. citizens or permanent resident aliens applying for National Board certification. Directs that teachers who begin the application process after 7/1/07 are eligible for full loan forgiveness if at the time the teacher applies to the National Board they are teaching in a school with a below average or unsatisfactory rating. Directs that forgiveness be at the rate of 33% for each year of full time teaching in the same school regardless of whether the school exceeds a below average or unsatisfactory rating during the forgiveness period or for each year teaching full time in another school with a below average or unsatisfactory rating.
WMC: AMEND proviso to direct that effective July 1, 2010, the state will not award loans to teachers seeking National Board certification and will not pay a $7,500 salary supplement to any teacher who receives such certification unless they received certification before July 1, 2010 or completed application for certification prior to July 1, 2010 and subsequently received the certification. Prohibit state funds from being paid to any teacher beyond the first ten years of receiving National Board certification except for individuals who have applied for or subsequently received their second ten year certification prior to July 1, 2010. Direct the department and the EOC to develop a pilot program to be administered by the department to determine the effectiveness of using the Salary Incentives for Teacher Excellence (SITE). Direct the department, during FY 2010-11, to establish program guidelines, conduct an application process which requires at least 2/3 of the school's teachers to endorse the application, and select schools to participate in the pilot. Direct the department to provide a report on SITE to the General Assembly, the State Board of Education, and the EOC by January 15, 201 and to include the names of schools participating in the pilot for the following fiscal year. Specify that the department retain funds collected from educators who are in default of National Board loans. Authorize that up to 10% of the funds collected may be used by the department to offset loan collection administrative costs and the remainder of the funds be used for National Board loan purposes. *Phases out National Board supplements after all existing commitments are made.* Fiscal Impact: OSB indicates that discontinuing the NBC loan application of $2,500 would reduce the overall need within the program by $2,750,000. The number of teachers eligible to receive the $7,500 salary supplement in FY 09-10 is 6,385 which is approximately 740 more than the prior fiscal year. If the same growth rate applies for FFY 10-11 the number of eligible teachers could reach 7,000. The impact of discontinuing the

salary supplement to any teacher beyond the first 10 years taking into consideration the exceptions identified within this proviso is unknown. Requested by Education Oversight Committee. See EIA companion proviso 1A.14.

1.50 **AMEND** (School District Furlough) Authorizes and provides guidelines for school districts to institute an employee furlough program, not to exceed 10 days, for district-level and school-level professional staff. Allows instructional personnel to be furloughed up to 5 non-instructional days if such furlough is not prohibited by an applicable employment contract and if district administrators are furloughed for twice the number of days. Directs that district administrators may only be furloughed on non-instructional days.
WMC: AMEND proviso to direct the department to define district administrators by using the Professional Certified Staff (PCS) System. Direct that individuals not coded in PCS be defined based on whether their function are outlined in position codes identified as administration. Direct that educators who would have received a year's experience credit if a furlough not been implemented, shall not have their experience credit negatively impacted because of a furlough implementation. Fiscal Impact: OSB states the department indicates no fiscal impact on the General Fund. The provision would have an impact on school districts due to cost avoidance of salary for any days furloughed.

1.55 **DELETE** (Educational Items) State that it is the intent to offer local school districts the same spending flexibility as provided in the prior fiscal year in order for resources to more closely follow the student.
WMC: DELETE proviso. *The proviso is duplicative of the flexibility language provided in proviso 1.43.* Fiscal Impact: No impact on the General Fund. Requested by Department of Education.

1.61 **AMEND** (Child Development Education Pilot Program) Establishes the South Carolina Child Development Pilot Program to provide four-year old kindergarten services to at-risk children in the 8 trial districts and if any funds remain, to expand the program to the remaining plaintiff districts in the Abbeville County School District and then to eligible children in school districts with a poverty index of 90% or greater. Directs that the program be available for the 2009-10 school year on a voluntary basis. Directs the EOC to conduct an evaluation of the pilot program and issue a report to the General Assembly by 1/1/10. Authorizes unexpended funds to be carried forward and remain in the program.
WMC: AMEND proviso to update school year references to "2010-11" and calendar year references to "2011." Delete the prohibition on using funds appropriated for this purpose to fund services to at risk 4 year olds who reside outside the trial or plaintiff districts during the pilot program implementation. Require the EOC report on evaluation of the pilot program January 15th of the current fiscal year rather than January 1, 2010. Authorize CDEPP providers to enroll pay-lunch children who score at or below the 25th national percentile on two of the three DIAL-3 subscales and if funds are available, to receive reimbursement, if by October 1st at least 75% of the total number of eligible CDEPP children in a district or county are projected to be enrolled in CDEPP, Head Start or ABC Child Care Program as determined by the department and the Office of First Steps. Amend the funded cost per child from "$4,093" to "$4,218" and delete the authorization that up to $2,500 may be provided annually to procure consumable and other materials in established classrooms. Delete the requirement that First

Steps include EOC fiscal and management questions in its triennial external evaluation. Delete the specification of what must be included in the 2010 evaluation and instead direct that the annual evaluation address the implementation, accountability and effectiveness of CDEPP. Fiscal Impact: OSB indicates this amendment would have a negligible impact on CDEPP expenditures. The funded cost per child increase from $4,093 to $4,218 ($125) will be largely offset by deletion of the annual $2,500 per classroom for consumables and materials. There are currently approximately 4,000 children being served by the program in about 249 classrooms.

1.68 **DELETE** (Physical Education Assessment Program) Directs the department to use physical education assessment program funds to review and revise the physical education assessment and associated professional development. Authorizes the department to field test the revised assessment in FY 09-10.
WMC: DELETE proviso. *The review and revision have been completed and field testing will take place during the 2009-10 school year. Deletion will allow the assessment to be implemented in the 2010-11 school year.* Fiscal Impact: No impact on the General Fund. Requested by Department of Education.

1.72 **AMEND** (Residential Treatment Facilities Student Enrollment and Funding) Directs that children who are South Carolina residents and are in licensed treatment facilities (RTFs) for children and adolescents as defined in Section 44-7-130 [STATE CERTIFICATION OF NEED AND HEALTH FACILITY LICENSURE ACT DEFINITIONS] shall be entitled to receive educational services from the school districts where the RTF is located ("facility school district"); that such facility school district shall be responsible for providing appropriate educational programs and services for these students, with and without disabilities; and provides guidelines and certain program and funding requirements.
WMC: AMEND proviso to specify that the RTF facility must maintain "comparable" adequate space for educational programs and services consistent with "all federal and state" least restrictive environment requirements. Direct that adequate space shall include appropriate electrical support and Internet accessibility. Direct that unless the parent or legal guardian seeks to continue the student's enrollment in the resident school district under a medical homebound instruction program and the district approves, if appropriate, then the facility school district shall enroll the student and assume full legal and financial responsibility for educational services. State that the facility district shall be justified in terminating the contract if they determine the educational program the RTF is offering does not meet the educational standards outlines in the contract. Direct the facility school district to notify the Department of Education's Office of General Counsel if they are unable to reach agreement with the resident school district regarding any reasonable costs differences which may arise; direct the department to facilitate a resolution of the dispute; and if they are not able to resolve the issue, to refer the case to the Administrative Law Court for a final decision. Direct that if an out of state child is placed in a RTF by an out-of-state school district or agency, the child's home state remains responsible for educational services. Allow the facility school district to choose to provide the educational program to the child and, upon choosing to do so, to contract with the appropriate entity for payment of educational services provided to the child. Direct that if a parent or guardian places a child in a RTF, the facility school district may choose to provide the educational program to the child, and upon doing so, must negotiate with the resident school district for services through medical homebound procedures. Direct that a facility school

district is responsible for compliance with all child find requirements under Section 504 of the Rehabilitation Act of 1973 and IDEA. Delete the requirement that assessment and accountability measures of students not physically attending a specific school be disaggregated and reported separately in the facility school districts' accountability calculations. Direct that students who reside in and receive their education on-site at a RTF shall have their performance reflected on a separate line on the facility school district's report card and must not be included in the overall performance ratings of the facility school district. Direct the Department of Education to examine the feasibility of issuing report cards for RTFs. State that for the 2010-11 school year, deficiencies related to the delivery of an educational program at a RTF shall not negatively impact the district's state accreditation rating. Direct the Department of Education, in collaboration with state placing agencies, RTFs, and facility and resident school districts to implement a system to follow the release of students from a RTF and re-enrollment in public, private, or special schools to ensure that these students are not recorded as dropouts. Direct the Department of Education to convene a task force to research and make recommendations to the State Superintendent of Education by December 1, 2010, regarding oversight of educational programs provided to students who reside in a RTF. Direct that recommendations may include, but are not be limited to, implementing a system of state oversight, state standards for an appropriate educational program, and requirements for collaboration between DHEC and the department regarding educational program requirements when new RTFs are licensed. Direct that the task force shall include, but not be limited to, representation of the following groups: state placing agencies, RTFs, facility and resident school districts, DHEC, and other interested entities. Direct that the report be made available to the General Assembly no later than January 1, 2011. *Clarifies that the facility school district retains educational and financial responsibility for students in RTFs unless the resident district undertakes to provide educational services and clarifies that the home state retains responsibility for out of state students.* Fiscal Impact: OSB indicates that the department reports there would be no impact on the General Fund.. Requested by Department of Education.

1.75 **DELETE** (Special Schools Flexibility) Authorizes special schools, for Fiscal Year 2010-11, to transfer funds among funding categories, including capital funds.
WMC: DELETE proviso. *Duplicative of flexibility language provided in proviso 1.43.* Fiscal Impact: No impact on the General Fund. Requested by Department of Education.

1.76 **ADD** (High School Driver Education) **WMC:** ADD new proviso to suspend, for FY 10-11, the requirement that high schools offer driver education, but allow schools to continue to offer the course if they so choose. Direct the department to survey school districts and collect information on the cost of the program, the number of participants, and recommendations regarding continuing the program. Direct the department to submit a report by January 1, 2011, to the Chairmen of the Senate Finance Committee and the House Ways and Means Committee outlining the findings of the survey and the recommended changes to the course. Direct the department to work with DMV in collecting and reporting driver education input. *Allows school districts the option on whether or not to continue to provide the program given the cost of car rental, insurance, simulators, gas, etc.* Fiscal Impact: No impact on the General Fund. Requested by Department of Education.

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1.77 **ADD** (Background Checks for Substitute Teachers) **WMC:** ADD new proviso to require each substitute teacher hired by a local board of trustees to undergo a name based South Carolina criminal records search conducted by the local school district using records maintained by SLED. Require district school boards of trustees to adopt a written policy outlining this requirement and how the background check information will impact hiring decisions. Require that the policy include, at a minimum, hiring recommendations in relation to felony convictions and pertinent "just cause" examples cited in Section 59-25-160 [REVOCATION OR SUSPENSION OF CERTIFICATE; "JUST CAUSE" DEFINED]. Require that the policy stipulate whether the district or the applicant assumes the cost of the criminal record search. Direct that SLED, working with the department, provide training to appropriate school district personnel regarding appropriate use of information provided in background checks. Direct the department to adopt a model policy. *Since there is currently no statutory requirement for background checks for substitute teachers, requiring the checks will increase the level of safety schools can provide to students.* Fiscal Impact: OSB states that the Department of Education indicates no impact on the General Fund. The department assumes required training may be done in virtual mode and material provided online. SLED indicates the provision would have a minimal impact on the General fund which can be absorbed by the agency at their current level of funding. SLED would collect $25 per background check which would impact their other funds revenue and expenditures. OSB states there would be a fiscal impact on school districts if they are directed by policy to assume the cost of paying the criminal background check fee. Requested by Department of Education.

1.78 **ADD** (Program Reports) **WMC:** ADD new proviso to suspend, for FY 2010-11, all programmatic reports required by the General Assembly, however require the department to continue to provide the Accountability Report or other reports required for annual budget preparation. Direct the department, by December 1, 2010, to develop a template outlining a triennial reporting cycle for all required program reports and submit the template to the Senate Finance and House Ways and Means Committees. Require the template to outline which of the required reports will be provided in each of the three years. Direct the department to continue to collect all required information during Fiscal Year 2010-11. *Allows the department to concentrate their efforts on delivery of services to school districts rather than creation of programmatic reports.* Fiscal Impact: No impact on the General Fund. Requested by Department of Education.

1.79 **ADD** (SDE: Consolidated Funds Allocation) **WMC:** ADD new proviso to direct that in the current fiscal year, funds consolidated from the Middle School Initiative, Credits for High School Diploma, and Principal Salary Supplement programs will be allocated to school districts based solely on each district's weighted pupil units. Fiscal Impact: No impact on the General Fund.

1.80 **ADD** (Index of Taxpaying Ability) **WMC:** ADD new proviso to suspend, for the current fiscal year, the provisions of Section 59-20-20(3) [EDUCATION FINANCE ACT OF 1977; DEFINITIONS] for purposes calculating the Index of Taxpaying Ability. Direct that for the current fiscal year, the index as calculated by the Department of Revenue for 2009 shall apply. Fiscal Impact: OSB states that the department reports this provision would have no impact on the General Fund.

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1.81 **ADD** (Single Gender Charter Schools) **WMC:** ADD new proviso to allow a person or nonprofit corporate entity to seek to form a single gender charter school. Fiscal Impact: No impact on the General Fund.

1.82 **ADD** (Charter School Funding) **WMC:** ADD new proviso to direct the SC Public Charter School District to receive and distribute state funds to the charter school as determined by the current year's base student cost as funded by the General Assembly, plus an additional $700, multiplied by the weighted students enrolled in the charter school. Direct that these funds must be subject to adjustment for student attendance and state budget allocations. Fiscal Impact: OSB indicates since this language is currently contained in proviso 1.3 of the FY 09-10 Appropriation Act there would be no additional fiscal impact. Any amount needed to satisfy the $700 per weighted pupil unit requirement at the charter schools would come from funds that would otherwise be distributed to the school districts.

1.83 **ADD** (AED Study) **WMC:** ADD new proviso to authorize the department to coordinate a study to determine if all public and private high school instructional and administrative staff should have training on the proper use of an automated external defibrillators. Direct the department to report their findings to the Chairmen of the Senate Finance and House Ways and Means Committees by January 31, 2011. Fiscal Impact: No impact on the General Fund.

SECTION 1A - H63 - DEPARTMENT OF EDUCATION-EIA

1A.6 **AMEND** (Teacher Salaries/SE Average) Projects the Southeastern average teacher salary to be $48,172 for FY 09-10. States that the statewide minimum teacher salary schedule used in FY 08-09 will continue to be used in FY 09-10. Specifies what positions are to receive Teacher Salary Supplements.
WMC: AMEND proviso to change "$48,172" to "$48,725" and change "Fiscal Year "2009-10" to "2010-11" pertaining to using the same statewide minimum teacher salary schedule used in FY 08-09. Fiscal Impact: OSB states the department indicates no impact on the General Fund since the FY 08-09 statewide minimum salary schedule shall continue to be used.

1A.9 **DELETE** (Principal Salary Supplements) Requires funds appropriated in for principals salary supplements and associated employer contributions to be distributed to school districts based on average daily membership. Requires each school district to distribute the funds as salary supplements in addition to existing compensation equally among principals and assistant principals.
WMC: DELETE proviso. *In an effort to consolidate line item appropriations and give districts greater flexibility, the line item associated with this proviso will be eliminated from the EIA and an equivalent amount of funds will be transferred to the EFA. To make the transfer revenue neutral, an equal amount of general fund monies for public education will be moved into the EIA.* Fiscal Impact: No impact on the General Fund. Requested by Education Oversight Committee.

1A.13 **AMEND** (Arts in Education) Requires Arts Curricula funds be used to support arts education curriculum in the visual and performing arts which incorporates strengths from the Arts in

Education Pilot sites. Requires the funds be distributed under a competitive grants program, but requires up to 33% of the grant fund be made available as "Aid to Other Agencies" to facilitate funding professional development art institutes as approved by the department for arts teachers and appropriate classroom teachers. Authorizes these funds to be retained, carried forward, and expended according to the proposed award.
WMC: AMEND proviso to allow Arts Curricula funds to be used to support "innovative practices" in arts education curriculum;. "instruction and assessment" in visual and performing arts; and include "dance, music, theatre, and visual arts." Require the funds to also be used to support the advancement of implementation of visual and performing arts academic standards. Specify that the funds are to be distributed to "schools and school districts" under a competitive grants program. Specify that "administrators' are included in the 33% distributed to Aid to Other Agencies. *To reflect the intent of the proviso and update grant program procedures.* Fiscal Impact: No impact on the General Fund.

1A.14 **AMEND** (National Board Certification Incentive) Provides guidelines for an annual $7,500 salary supplement to be paid to public school classroom teachers or classroom teachers who work with classroom teachers who are certified by the State Board of Education and by the National Board for Professional Teaching Standards for the length of the national certificate and to teachers employed at the special schools. Directs that up to 1,100 loan applications shall be processed annually. Authorizes funds collected from educators who are in default of the loan to be retained and carried forward for National Board purposes. Directs CERRA to develop guidelines and administer a loan program for teachers who are U.S. citizens or permanent resident aliens applying for National Board certification. Directs that teachers who begin the application process after 7/1/07 are eligible for full loan forgiveness if at the time the teacher applies to the National Board they are teaching in a school with a below average or unsatisfactory rating. Directs that forgiveness be at the rate of 33% for each year of full time teaching in the same school regardless of whether the school exceeds a below average or unsatisfactory rating during the forgiveness period or for each year teaching full time in another school with a below average or unsatisfactory rating.
WMC: AMEND proviso to direct that effective July 1, 2010, the state will not award loans to teachers seeking National Board certification and will not pay a $7,500 salary supplement to any teacher who receives such certification unless they received certification before July 1, 2010 or completed application for certification prior to July 1, 2010 and subsequently received the certification. Prohibit state funds from being paid to any teacher beyond the first ten years of receiving National Board certification except for individuals who have applied for or subsequently received their second ten year certification prior to July 1, 2010. Direct the department and the EOC to develop a pilot program to be administered by the department to determine the effectiveness of using the Salary Incentives for Teacher Excellence (SITE). Direct the department, during FY 2010-11, to establish program guidelines, conduct an application process which requires at least 2/3 of the school's teachers to endorse the application, and select schools to participate in the pilot. Direct the department to provide a report on SITE to the General Assembly, the State Board of Education, and the EOC by January 15, 201 and to include the names of schools participating in the pilot for the following fiscal year. Specify that the department retain funds collected from educators who are in default of National Board loans. Authorize that up to 10% of the funds collected may be used by the department to offset loan collection administrative costs and the remainder of the funds

be used for National Board loan purposes. *Phases out National Board supplements after all existing commitments are made.* Fiscal Impact: OSB indicates that discontinuing the NBC loan application of $2,500 would reduce the overall need within the program by $2,750,000. The number of teachers eligible to receive the $7,500 salary supplement in FY 09-10 is 6,385 which is approximately 740 more than the prior fiscal year. If the same growth rate applies for FFY 10-11 the number of eligible teachers could reach 7,000. The impact of discontinuing the salary supplement to any teacher beyond the first 10 years taking into consideration the exceptions identified within this proviso is unknown. Requested by Education Oversight Committee. See general education companion proviso 1.48.

1A.17 **AMEND** (Teacher Supplies) Authorizes all certified public school or special school classroom teachers, certified media specialists and certified guidance counselors employed by a school district or charter school as of November 30 of the current fiscal year, to receive a reimbursement of $275 to offset the expenses they have incurred for teaching supplies and materials. Provides for the management of receipts. Requires the department to withhold Act 135 funds from any district while they are in non-compliance with this provision. Directs that funds not disbursed to teachers must be returned to the department.
WMC: AMEND proviso to direct that the reimbursement for teacher supplies shall be "up to" $275. *The department has not requested additional funds to maintain the $275 reimbursement which may need to be reduced due to budget reductions.* Fiscal Impact: No impact on the General Fund. Reimbursement will be based funding on the line. Requested by Department of Education.

1A.26 **AMEND** (PSAT/PLAN Reimbursement) Directs that assessment appropriations be used to pay for administering PSAT or PLAN tests to 10th grade students to include the testing and report fees. Authorizes the department to carry forward prior year assessment funds to pay for state assessment activities not completed by the end of the fiscal year including scoring the spring statewide accountability assessment.
WMC: AMEND proviso to also allow administration of WorkKeys to be paid from assessment funds. Direct that the test selection for each student should be informed by the student's individual graduation plan cluster selection, guidance counselor advisement and parent/legal guardian consent. *Would expand the number of assessments and give school districts greater flexibility in determining the appropriate assessment for 10th grade students.* Fiscal Impact: The EOC indicates no impact on the General Fund. Requested by Education Oversight Committee. See 1.27 for general education companion proviso.

1A.27 **DELETE** (Excellence in Middle School Initiative) Require Excellence in Middle Schools Initiative funds to be used to continue to fund the number of guidance counselors, school safety officers and/or school nurses in middle/junior high schools. Direct that funding be allocated proportionately based on the number of middle/junior high schools in each district.
WMC: DELETE proviso. *In an effort to consolidate line item appropriations and give districts greater flexibility, the line item associated with this proviso will be eliminated from the EIA and an equivalent amount of funds will be transferred to the EFA. To make the transfer revenue neutral, an equal amount of general fund monies for public education will be moved into the EIA.* Fiscal Impact: No impact on the General Fund. Requested by Education Oversight Committee.

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SUMMARY OF PROVISO CHANGES FOR FY 2010-11 AS RECOMMENDED BY THE HOUSE WAYS AND MEANS COMMITTEE

1A.28 **AMEND** (Early Childhood Review) Directs the department to use up to $300,000 of EIA Four-Year Old Early Childhood funds to institute a plan for reviewing, on a district basis, school and district early childhood assets based on certain information. Directs the department to use reports that analyze program assets and provide guidance to local schools on effective use of the reports to enhance quality gaps. Requires children to be tracked from early childhood programs to 5th grade and beyond to study the relationships of strong early childhood programs and increased PACT performance, decreased drop-out scores and special education program referrals, and increased graduation rates. Prohibits the review from being used as part of the EAA Report Card for the current fiscal year.
WMC: AMEND proviso to direct the department to also use the $300,000 to provide monitoring and oversight of the program. Delete the requirement that the plan review schools and districts early childhood assets based on 4K entry DIAL 3 scores, and S.C. Readiness Assessment Reports and instead direct that the plan track 4K students through 5th grade, examine components that have contributed to student academic success, and on a district basis, review professional development needs based on successful program components. Delete specific criteria to study and instead direct the department to use all pertinent information to implement statewide professional development to guide efforts aimed at increasing the success of all children. Delete the prohibition on using this review as part of the EAA Report Card for the current fiscal year. *Changes the focus from a review and report to allow the agency to assist districts with effective professional development planning and implementation.* Fiscal Impact: No impact on the General Fund. Requested by Department of Education.

1A.29 **DELETE** (Credits High School Diploma Distribution) Direct that Raise Academic Standards-Credits High School Diploma funds be distributed to school districts based on the 135 day count of ADM.
WMC: DELETE proviso. *In an effort to consolidate line item appropriations and give districts greater flexibility, the line item associated with this proviso will be eliminated from the EIA and an equivalent amount of funds will be transferred to the EFA. To make the transfer revenue neutral, an equal amount of general fund monies for public education will be moved into the EIA.* Fiscal Impact: No impact on the General Fund. Requested by Education Oversight Committee.

1A.34 **AMEND** (One-Year Suspension of EIA Programs) Temporarily suspends the following EIA programs for FY 09-10 and allocates the funds appropriated to them to teacher salaries and fringe benefits; National Board Certification Incentive salary supplements; teacher supplies; Science PLUS; and Teaching Fellows Program administered by CERRA to hold the funding level to maintain fellowships for existing cohorts of participants in the program: competitive teacher grants, Palmetto Gold and Silver program and external review teams. Directs that schools will still be recognized as Palmetto Gold and Silver recipients in 2009-10, but will not receive funding for such recognition.
WMC: AMEND proviso to update the fiscal year reference from "2009-10" to "2010-11." Delete reference to competitive teacher grants and external review teams. Change "will" to "may" regarding the ability of schools to continue to recognize Palmetto Gold and Silver recipients. Fiscal Impact: No impact on the General Fund. Requested by Department of Education.

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SUMMARY OF PROVISO CHANGES FOR FY 2010-11 AS RECOMMENDED BY THE HOUSE WAYS AND MEANS COMMITTEE

1A.35 **AMEND** (4K Targeting) Directs that EIA funds allocated for 4-year-old kindergarten be used to provide services to age-eligible children that qualify for free or reduced-price lunch or Medicaid or documented developmental delays. Directs that if more students seek to enroll than there is space available for, students shall be prioritized, at the time of acceptance, on the basis of family income expressed as a percentage of the federal poverty guidelines, with the lowest incomes given highest priority. Directs that if space permits, students with documented developmental delays may also be deemed eligible to enroll.
WMC: AMEND proviso to delete the requirement that funds be used to provide services to children with documented developmental delays and instead direct that children with developmental delays documented through state approved screening assessments or children with medically documented disabilities who do not already qualify for special need services should also be considered for enrollment. Specify that if more students seek to enroll than there is space available "districts" shall prioritize the students based on the students educational needs rather than on family income. Direct that students with the greatest educational needs be given the highest enrollment priority. *Clarifies how student priority should be determined.* Fiscal Impact: No impact on the General Fund. Requested by Department of Education.

1A.36 **AMEND** (Reading) Requires the department to allocate a minimum of 25% of funds appropriated for reading to school districts based on the number of weighted pupil units in each school district in proportion to the statewide weighted pupil units using the 135 day count of the prior school year. Requires districts to spend the funds on teaching teachers how to teach reading at all levels and across all content areas. Directs the department to retain the remaining funds to implement a comprehensive plan to improve reading, including the use of Reading Recovery and other reading initiatives and to increase the number of students scoring at met and exemplary levels on state assessments.
WMC: AMEND proviso to delete the previous requirement and instead direct the department, schools, and districts to use reading/literacy funds to ensure that resources are used to improve reading/literacy student achievement. Direct that 50% of the funds are to be allocated to school districts based on the number of weighted pupil units in each district in proportion to the statewide weighted pupil units using the 135 day count of the prior school year. These funds shall be used as follows: 50% of the funds are to be directed toward acquiring reading proficiency using strategies that include, but are not limited to, phonemic awareness, phonics, fluency, vocabulary, and comprehension to ensure that all students acquire reading/literacy skills by the end of the 3rd grade; 40% of the funds are to be directed toward classroom instruction and intervention to focus on struggling readers and writers in grades 4-8; and 10% of the funds should be directed toward acceleration to provide additional opportunities for deepening and refinement of literacy skills. Direct that the remaining 50% of the funds are to be allocated to the department to provide districts with research-based strategies and professional development and to work directly with schools and districts to assist with implementing research-based strategies. Require the department and school districts to use the most cost effective method to provide professional services and when able, to use ETV to provide such services. Direct the department to provide for an evaluation to review first year implementation activities and to establish measurements for monitoring impact on student achievement. Fiscal Impact: No impact on the General Fund.

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SUMMARY OF PROVISO CHANGES FOR FY 2010-11 AS RECOMMENDED BY THE HOUSE WAYS AND MEANS COMMITTEE

1A.37 **AMEND** (Artistically and Academically High-Achieving Students) Directs how EIA funds appropriated for high achieving students must be allocated to districts. Requires that at least 85% of funds appropriated for each of these students be spent for instruction and instructional support for students who generated the funds. Authorizes up to $500,000 of the funds to be retained by the department for teacher endorsement activities. Directs that 12% of the funds be set-aside to serve artistically gifted and talented students in grades 3-12. Suspends, for the 09-10 school year, endorsement criteria established by the State Board of Education for teachers assigned to teach gifted and talented and advanced placement classes.
WMC: AMEND proviso to change "2009-10" to "current" school year. Fiscal Impact: No impact on the General Fund.

1A.38 **AMEND** (Students at Risk of School Failure) Directs how EIA funds appropriated for students at academic risk of school failure shall be allocated to school districts for FY 09-10. Requires that at least 85% of funds allocated for these students be spent on instruction and instructional support for students who generated the funds. Defines students at academic risk. Requires public charter schools, the Palmetto Unified School District, and DJJ to also receive a proportionate per pupil allocation based on the number of students at academic risk served.
WMC: AMEND proviso to change Fiscal Year "2009-10" to "2010-11". Fiscal Impact: No impact on the General Fund.

1A.41 **AMEND** (Statewide Student Information System) Authorizes the department, contingent on availability of FY 08-09 year end EIA cash balance to use up to $5,000,000 for costs related to the statewide student information system conversion, implementation, support, maintenance, and training activities for state, school district, and school users essential for sustaining accountability and transparency.
WMC: AMEND proviso to change Fiscal Year "2008-09" to "2009-10" and"2009-10" to "2010-11". Fiscal Impact: No impact on the General Fund.

1A.42 **ADD** (Adult Education) **WMC:** ADD new proviso to direct that a minimum of 30% of adult education funds must be allocated to school districts to serve adult education students between the ages of 17 and 21 who are enrolled in programs leading to a state high school diploma, GED, or career readiness certificate (WorkKeys). Direct that the remaining funds be allocated to districts based on a formula which includes target populations without a high school credential and the following information from the previous school year: program enrollment, total hours of attendance, and performance factors such as number of high school credentials and career readiness certificates awarded. Require that overall levels of state funding meet the federal requirement of state maintenance of effort. *Consolidation of line item appropriations for adult and young education continue the EOC's recommendation that funds be streamlined and consolidated to give school districts greater flexibility over instructional programs.* Fiscal Impact: No impact on the General Fund. Requested by Education Oversight Committee.

1A.43 **ADD** (Clemson Agriculture Education Teachers) **WMC:** ADD new proviso to direct the department to transfer to Clemson PSA, the funds appropriated in XI.F3 for Clemson Agriculture Education Teachers. Direct that these funds are to be used to fund summer employment for those teachers and to cover state-mandated salary increases on the portion of

the agriculture teachers' salaries attributable to summer employment. Fiscal Impact: No impact on the General Fund. No impact on the General Fund. *Moved from proviso 89.39.*

SECTION 2 - H66 -LOTTERY EXPENDITURE ACCOUNT

2.5 **DELETE** (FY 09-10 Lottery Funding) Directs expenditure of lottery funds for Fiscal Year 09-10.
WMC: DELETE proviso. Fiscal Impact: No impact on the General Fund.

2.6 **ADD** (FY 10-11 Lottery Funding) **WMC:** ADD new proviso to direct expenditure of lottery funds as certified by the BEA for FY 10-11. Direct that lottery funds must be used to supplement and not supplant existing education funds. Direct the B&C Board to prepare lottery expenditure account detail to reflect lottery appropriations. Direct that all lottery revenue, including interest earnings, be carried forward and used to support specified appropriations. Direct FY 10-11 lottery appropriations as follows: $47,000,000 to CHE for Tuition Assistance Two-Year Institutions; $85,356,682 to CHE for LIFE Scholarships; $7,823,474 to CHE for HOPE Scholarships; $30,277,240 to CHE for Palmetto Fellows Scholarships; $11,631,566 to CHE for Need-Based Grants; $7,766,604 to Tuition Grants Commission for Tuition Grants; $1,700,000 to CHE for the National Guard Tuition Repayment Program; $2,500,000 to SC State University; $3,852,636 for Technology for Public 4-Year Universities, 2-Year Institutions, and State Technical Colleges; $41,891,798 to Dept. of Education for K-5 Reading, Math, Science & Social Studies programs; $2,000,000 to Dept. of Education for Grades 6-8 Reading, Math, Science, & Social Studies programs; and $4,700,000 to CHE for Higher Education Excellence Enhancement Program. Direct that FY 10-11 Tuition Assistance funds must be distributed to technical colleges & two-year institutions as provided in Section 59-150-360. Direct that $250,000 of the funds appropriated to SC State be used for the BRIDGE program. Suspend, for the current fiscal year, the provisions of Section 2-75-30 regarding the aggregate amount of funding provided for the Centers of Excellence Matching Endowment. Authorize CHE to temporarily transfer funds between line items to ensure timely receipt of scholarships and tuition assistance. State the goal of the General Assembly to fund the Tuition Assistance program at a level to support at least $996 per student per term for full-time students. Direct that net lottery proceeds and investment earnings in excess of certified net lottery proceeds and investment earnings are appropriated and must be used to ensure that LIFE, Palmetto Fellows, and HOPE scholarships are fully funded for FY 10-11. Direct that if lottery revenue for FY 10-11 is less than the amounts appropriated, the appropriations in this provision are reduced on a pro rata basis except that LIFE, HOPE, and Palmetto Fellows Scholarships shall not be reduced. Authorize CHE to use up to $260,000 of LIFE, HOPE, and Palmetto Fellow Scholarship funds to provide the necessary level of program support the award process. Direct that $8,400,000 of certified unclaimed prize money is appropriated as follows: $5,722,729 to the Department of Education for K-5 Reading, Math, Science & Social Studies programs and $2,677,271 for Technology for Public 4-Year Universities, 2-Year Institutions, and State Technical Colleges. Direct that allocations designated in Section 59-150-230(I) [UNCLAIMED PRIZES] are suspended for the current fiscal year. Direct that of any unclaimed prize funds in excess of the amount certified by the BEA the first $2,000,000 be directed to the State Library for Aid to County Libraries; the next $200,000 be directed to the School for the Deaf and the Blind for Technology Replacement; the next $4,000,000 be directed to the State

Board for Tec and Comp Ed for the Allied Health Initiative; the next $5,470,093 be directed for Technology for Public 4-Year Universities, 2-Year Institutions, and State Technical Colleges; and the next $1,000,000 be directed to CHE for the Critical Needs Nursing Initiative Fund - Simulation Technology and Equipment. Direct that additional revenue in excess of the amount certified by the BEA for unclaimed prizes be distributed to CHE for Need-Based Grants. Authorize the B&C Board to distribute lottery funds on a monthly basis during the final quarter of the fiscal year. Fiscal Impact: $254,900,000 of lottery funds as certified by the BEA.

SECTION 3 - H71 - WIL LOU GRAY OPPORTUNITY SCHOOL

3.2 **AMEND** (WLG: GED Test) Authorizes students who are 16 years old, who attend Wil Lou Gray Opportunity School, and who are cannot remain enrolled due to needing to be immediately employed or enrolled in post secondary education to take the GED Test. Requires the student to be pretested using the official GED Practice Test and score a minimum of 220 before taking the GED.
WMC: AMEND proviso to change "220" to "2200." Fiscal Impact: No impact on the General Fund.

SECTION 4 - H75 - SCHOOL FOR THE DEAF AND THE BLIND

4.11 **AMEND** (Sale of Property) Authorizes the school, after receiving B&C Board approval to sell property, to retain revenues associated with the sale of property titled to or used by the school. Directs that these funds be spent on capital improvements approved by JBRC and the B&C Board. Authorizes the school, for FY 09-10, to use revenue retained from the sale of donated property for educational and other operating purposes.
WMC: AMEND proviso to change "2009-10" to "2010-11." Fiscal Impact: No impact on the General Fund.

4.14 **DELETE** (Operating Expenses) Allows unexpended funds appropriated in FY 2007-08 by proviso 73.12 to be carried forward into the current fiscal year and used for educational and other operating expenses.
WMC: DELETE proviso. Fiscal Impact: No impact on the General Fund.

SECTION 5 - L12 - JOHN DE LA HOWE SCHOOL

5.3 **DELETE** (Operating Expenses) Allows unexpended funds appropriated in FY 2007-08 by proviso 73.12 to be carried forward into the current fiscal year and used for other operating expenses.
WMC: DELETE proviso. Fiscal Impact: No impact on the General Fund.

SECTION 6 - H03 - COMMISSION ON HIGHER EDUCATION

6.21 **AMEND** (Tuition Age) Suspends, for FY 09-10, the tuition free age limit for children of certain war veterans who may be admitted to any state-supported institution of higher learning or post high school technical education institution for eligible children who successfully appeal the Division of Veteran's Affairs on the grounds of a serious extenuating health condition.

WMC: AMEND proviso to change "2009-10" to "2010-11." Fiscal Impact: No impact on the General Fund.

6.23 **DELETE** (University Center of Greenville Funding Plan) Directs the Board of the University Center of Greenville to develop a plan by September 1st to address the University Center's annual operational funding needs. Directs that the plan be implemented to address FY 09-10 funding needs. Allows the plan to include a fee per credit hour assessed to institutions with students enrolled in the University Center. Directs that revenue collected from this source not exceed $1,100,000 for the current fiscal year.
WMC: DELETE proviso. Fiscal Impact: No impact on the General Fund.

6.24 **AMEND** (Religious Activities) Directs that for FY 09-10, state supported higher education institutions that receive Federal Stimulus Stabilization funds must continue to support, operate, and maintain existing religious programs, instruction, and facilities used for religious activities.
WMC: AMEND proviso to change "2009-2010" to "2010-11." Fiscal Impact: No impact on the General Fund.

SECTION 15 - H45 - UNIVERSITY OF SOUTH CAROLINA

15.1 **AMEND** (Palmetto Poison ~~Control~~ Center) Directs USC to spend at least $150,000 on the Palmetto Poison Control Center.
WMC: AMEND proviso to delete previous authority and instead prohibit Palmetto Poison Center funding from being used for any other purposes. *There is already a specific line item for the center that is more than the amount mentioned in the proviso.* Fiscal Impact: No impact on the General Fund. Requested by University of South Carolina, Columbia Campus.

15.3 **DELETE** (School Improvement Council) Directs that $100,000 of USC, Columbia Campus funds be used for the School Improvement Council
WMC: DELETE proviso. Fiscal Impact: No impact on the General Fund.

15.4 **DELETE** (Beaufort Campus - Penn Center) Prohibits Penn Center Project special funds from being used for any other purpose.
WMC: DELETE proviso. *Funding was deleted by the General Assembly in FY 08-09. Program no longer exists.* Fiscal Impact: No impact on the General Fund. Requested by University of South Carolina, Beaufort Campus.

15.5 **DELETE** (Spartanburg Campus - Permanent Improvement Project) Renames the "New Library/Technology/Information Center $5,000,000" capital improvement project listed in the Capital Improvement Bond subsection (A)(3)(j) of Act 1 of 2001 to read "Health Education Complex/Academic and Student Services $5,000,000."
WMC: DELETE proviso. Fiscal Impact: No impact on the General Fund.

SECTION 17 - H54 - MEDICAL UNIVERSITY OF SOUTH CAROLINA

17.3 **AMEND** (Preterm Birth Prevention) Directs MUSC, for FY 09-10, to implement a preterm prevention case management program using a disease management coordination network for

the Medicaid fee for service population in the Low Country Perinatal Region. Directs that the purpose of the program is to reduce premature births, neonatal morbidity and mortality, and the attendant costs for neonatal intensive care. Requires the Department of Health and Human Services to provide administrative funding to MUSC for the cost of the program.
WMC: AMEND proviso to change "2009-10" to "2010-11." Fiscal Impact: No impact on the General Fund.

SECTION 18 - H59 - STATE BOARD FOR TECHNICAL & COMPREHENSIVE EDUCATION

18.4 **DELETE** (Chester Technology Center) Authorizes York Technical College to supplement the current Chester Technology Center project budget from local or other college institutional funds in an amount sufficient to complete the project based the current projected cost of $8,500,000. Directs that completion must be conducted in a manner that meets the college's instructional needs and schedule. Directs that to the extent additional state funds are provided, they may be used to reimburse the local or college institutional funds.
WMC: DELETE proviso. Fiscal Impact: No impact on the General Fund.

18.6 **DELETE** (Financial and Human Resource Functions Consolidation Plan) Directs the State Board for Technical and Comprehensive Education to develop a plan to consolidate financial and human resources functions, where possible, between like technical college institutions. Requires the plan, including an estimate of the cost savings, be submitted to the Chairmen of the Senate Finance and House Ways and Means Committees by December 31, 2009.
WMC: DELETE proviso. Fiscal Impact: No impact on the General Fund.

SECTION 19 - H67-EDUCATIONAL TELEVISION COMMISSION

19.3 **AMEND** (SC Educational Broadband Service Commission/Broadband License) Requires the B&C Board to pay up to an aggregate amount not to exceed $750,000 from all years combined of expenses incurred by the Broadband Service Commission. Authorizes the B&C Board to recover the cost of actual expenses incurred in supporting the commission from any contract resulting from commission activities. Authorizes the board to carry forward the maximum amount of unspent general funds required to support the commission and its activities. Directs that unexpended funds be transferred for capitol complex use.
WMC: AMEND proviso to specify that the B&C Board's obligation to pay commission expenses and expenses in completion of the commission's work is limited to an aggregate amount not to exceed $750,000 for all years combined. Specify that the board is allowed to recover its actual expenses incurred pursuant to directives of this provision, including, but not limited to, administration of the contract. Delete the requirement that unexpended funds be transferred for capitol complex use. *To support work of the Broadband Service Commission through completion of its work.* Fiscal Impact: The board states that $289,239 had been expended as of 9/17/09. No funds are appropriated for this purpose. The Executive Director of the B&C Board has discretion to use any agency funds for this purpose. Requested by Budget and Control Board.

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SUMMARY OF PROVISO CHANGES FOR FY 2010-11 AS RECOMMENDED BY THE HOUSE WAYS AND MEANS COMMITTEE

SECTION 21 - J02-DEPARTMENT OF HEALTH AND HUMAN SERVICES

21.15 **AMEND** (Prescription Reimbursement Payment Methodology) Directs that the prescription dispensing fee is at least $4.05 per prescription filled. Directs that reimbursements must be the lowest of the federal upper limit of payment or South Carolina maximum allowable cost for the drug, if any, less 10% plus the current dispensing fee; the average wholesale price less 10%; or the provider's usual and customary charge to the general public for the product. Authorizes the department to adjust the dispensing fee to offset any negative change in the federal reimbursement methodology. Requires the department to submit a report on any changes in the federal methodology and the impact on the state prescription reimbursement payment by January 31, of the current fiscal year.

WMC: AMEND proviso to change "average wholesale price (AWP) less 10%" to "Wholesale Acquisition Cost (WAC) plus 12.5%." Require the department, within 30 days of this proviso being enacted, to submit a state plan amendment to the Centers for Medicare and Medicaid Services (CMS) requesting approval for this reimbursement rate and to submit a copy of the CMS State Plan Amendment to the Chairmen of the Ways and Means and Senate Finance Committees. Direct that if during the CMS review process or if the state plan amendment is denied, prescription reimbursements must be the lowest of: the federal upper limit of payment or SC maximum allowable cost (MAC) for the drug, if any, less 10% plus the current dispending fee; the Average Wholesale Price minus 10%, or the providers usual and customary charge. Fiscal Impact: No impact to the General Fund. The fiscal impact on the funds available to the department cannot be determined until the state plan amendment has been submitted and approved.

21.25 **AMEND** (State Children's Health Insurance Program) Directs the department to establish a separate, stand-alone plan under the authority of the State Children's Health Insurance Program (SCHIP) to expand eligibility for children up to 200% of the prevailing federal poverty level. Directs that all other Medicaid eligibility criteria shall apply and that for these purposes a "child" is considered to be under 19 years of age. Directs that the plan operate as a combination program complementing existing Medicaid and Medicaid SCHIP expansion programs. Directs that program implementation is contingent on availability of Federal funding. Authorizes the department to limit the number of enrollees, close enrollment, or establish a waiting list as necessary in order to not exceed available state appropriations. Prohibits any premium or cost sharing requirement and states that enrollment will begin no sooner than October 1, 2007.

WMC: AMEND proviso to delete reference to enrollment beginning no sooner than October 1, 2007. Direct that enrollment shall be closed to new participants effective July, 1, 2010. Fiscal Impact: No impact on the General Fund.

21.27 **AMEND** (Upper Payment Limit for Non-State Owned Public Nursing Facilities) Directs the department to prepare and submit a state plan amendment to the Center for Medicare and Medicaid Services by August 1, 2009, to provide Medicaid supplemental payments to non-state owned public nursing facilities who qualify as Essential Public Safety Net providers. Directs that a report on the plan amendment be provided to the House Ways and Means and Senate Finance Committees by August 1st.

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SUMMARY OF PROVISO CHANGES FOR FY 2010-11 AS RECOMMENDED BY THE HOUSE WAYS AND MEANS COMMITTEE

WMC: AMEND proviso to change "August 1, 2009" to "August 12, 2010." Fiscal Impact: No impact on the General Fund.

21.31 **AMEND** (Offset Budget Reduction) Directs that if the B&C Board or General Assembly assesses a base budget reduction, the department is authorized to use funds carried forward from Program II.A.3.Z. Case Services/Public Assistance as well as funds appropriated in FY 09-10 for that purpose that are in excess of program requirements in order to offset FY 09-10 base budget reductions. Requires the department to enroll any child who qualifies into the program during FY 09-10.
WMC: AMEND proviso to change fiscal year references from FY "2009-10" to FY "2010-11." Delete the requirement that the department enroll any child who qualifies into the program during FY 09-10. Fiscal Impact: No impact on the General Fund.

21.40 **AMEND** (Community Health Plans) Directs the department to oversee all community health plans approved to operate as a pilot program for the purpose of providing health care. Directs that only plans that receive approval from the department and the Chairmen of the Senate Finance and Ways and Means Committees prior to January 1, 2009 be authorized to operate as an approved community health plan under this provision. Directs that an approved community health plan acting in accordance with these provisions shall not be considered as providing insurance or an unauthorized insurer. Requires the department to submit a report by 1/1/10, to specific Senate and House committee chairmen. Directs that the report include legislative recommendations, an overview and listing of approved community health plans, and individual reports prepared by each approved community health plan that provides an analysis of the financial status of the program, data on the enrollees and participating health care providers, a description of services used, and other information as requested by the department or committees.
WMC: AMEND proviso to change January 1, "2010" to "2011." Fiscal Impact: No impact on the General Fund.

21.42 **ADD** (Personal Emergency Response System) **WMC:** ADD new proviso to authorize the department to consider using Personal Emergency Response Systems (PERS) units with additional functionality to include the use of a two button system that is UL or ETL certified. Fiscal Impact: No impact on the General Fund.

21.43 **ADD** (GAPS) **WMC:** ADD new proviso to suspend, for FY 2010-11, the requirements of Sections 44-6-610-660 [GAP ASSISTANCE PHARMACY PROGRAM FOR SENIORS ACT]. Fiscal Impact: No impact on the General Fund. The department indicates the suspension should generate a savings of $2,915,469 of funds available to the agency.

SECTION 22 - J04 - DEPARTMENT OF HEALTH AND ENVIRONMENTAL CONTROL

22.5 **AMEND** (Cancer/Hemophilia) Prohibits $780,573 appropriated for prevention, detection, and surveillance of cancer and cancer treatment services and $1,698,571 appropriated for the hemophilia assistance program from being transferred to other programs within the agency. Provides the manner in which mandated budget reductions may be taken from this item.

WMC: AMEND proviso to change "$780,573" to "$686,216" and "$1,698,571" to "$1,493,245." *Conform to recent budget reductions.* Fiscal Impact: No impact on the General Fund. Requested by Department of Health and Environmental Control.

22.9 **AMEND** (Emergency Medical Services) Provides for the allocation of Emergency Medical Services funds to counties to improve and upgrade the EMS system throughout the state. Prohibits $1,831,963 appropriated for Emergency Medical Services from being transferred to any other program. Authorizes unexpended funds to be carried forward. Provides the manner in which mandated budget reductions may be taken from this item.
WMC: AMEND proviso to change "$1,831,963" to "$1,610,512." *Conform to recent budget reductions.* Fiscal Impact: No impact on the General Fund. Requested by Department of Health and Environmental Control.

22.10 **AMEND** (Rape Violence Prevention Contract) Directs that $586,346 of Rape Violence Prevention funds be used to support rape crisis centers programmatic efforts by distributing these funds based on DHEC Rape Violence Prevention Program service standards and each center's accomplishment of a pre-approved annual action plan.
WMC: AMEND proviso to change "$586,346" to "$513,481." *Conform to recent budget reductions.* Fiscal Impact: No impact on the General Fund. Requested by Department of Health and Environmental Control.

22.12 **AMEND** (Sickle Cell Programs) Directs that $1,089,311 is appropriated for Sickle Cell program services and directs that 67% of the funds be divided equitably between existing Community Based Sickle Cell Programs in Spartanburg, Columbia, Orangeburg, and Charleston; and 33% of the funds be used for the Community Based Sickle Cell Program at DHEC. Directs that the funds be used for prevention and educational programs, testing, counseling and newborn screening. Provides the manner in which mandated budget reductions may be taken from this item. Prohibits these funds from being transferred for any other purpose.
WMC: AMEND proviso to change "$1,089,311" to "$957,633." *Conform to recent budget reductions.* Fiscal Impact: No impact on the General Fund. Requested by Department of Health and Environmental Control.

22.13 **AMEND** (Genetic Services) Directs that $148,954 under the Independent Living program is to be used to provide appropriate genetic services to medically needy and underserved persons. Directs that the funds be divided equally among the three Regional Genetic Centers of South Carolina, composed of units from MUSC, USC School of Medicine, and the Greenwood Genetic Center.
WMC: AMEND proviso to change "$148,954" to "$130,948." *Conform to recent budget reductions.* Fiscal Impact: No impact on the General Fund. Requested by Department of Health and Environmental Control.

22.35 **AMEND** (South Carolina State Trauma Care Fund) Directs that $3,353,952 of State Trauma Care Fund monies be used to increase the reimbursement rates for trauma hospitals, for trauma specialists' professional fee, for increasing the capability of EMS trauma care providers from

counties with a high rate of traumatic injury deaths to care for injury patients, and to support the trauma system. Provides the percentage methodology to be used to disburse the funds.
WMC: AMEND proviso to change "$3,353,952" to "$2,948,519." *Conform to recent budget reductions.* Fiscal Impact: No impact on the General Fund. Requested by Department of Health and Environmental Control.

22.38 **AMEND** (Pharmacist Permits) Suspends DHEC from provisions relating to requirements that all department facilities that distribute or dispense prescription drugs must be permitted by the Board of Pharmacy and that each pharmacy have a pharmacist in charge. Requires each DHEC Health Region to have a permit to distribute or dispense prescription drugs. Allows a department pharmacist to serve as the pharmacist-in-charge without being physically present in the pharmacy and allows the department to designate that one pharmacist-in-charge to serve more than one health region. Directs that only pharmacists, nurses, or physicians may dispense and provide prescription drugs/products/vaccines for Family Planning, tuberculosis, sexually transmitted diseases, immunizations, hemophilia, or HIV/AIDS at department facilities. Directs that other medications could be dispensed as necessary in the event of a public health emergency or if the strategic national stockpile is activated.
WMC: AMEND proviso to change the authorization for the department to designate that one pharmacist-in-charge may serve more than one "health region" to more than one "department facility." Delete the specific conditions for which medication may be dispensed and instead direct that medications may be dispensed for conditions or diseases that DHEC treats, monitors, or investigates. Fiscal Impact: No impact on the General Fund. Requested by Department of Health and Environmental Control.

22.43 **ADD** (Certificate of Need) **WMC:** ADD new proviso to direct that a Certificate of Need awarded by the department is valid for one year. Authorize the department to grant two extensions of up to nine months each if there is evidence that substantial progress has been made. Authorize the DHEC board to grant further extension of up to nine months each only if it determines that substantial progress has been made. *Increases the time for CON implementation from six months to one year and increases extensions from six to nine months. Staffing has been reduced due to budget reductions and this increased time frame will help with workloads.* Fiscal Impact: The department states this will potentially allow the deferral of hiring additional staff to review CONs in order to meet mandated deadlines, since staff currently devoted to processing extension requests may be redirected to CON application review. Requested by: Department of Health and Environmental Control.

22.44 **ADD** (Metabolic Screening) **WMC:** ADD new proviso to authorize the department to suspend any blood sample storage activity as outlined in Section 44-37-30 (D) and (E) [NEONATAL TESTING OF CHILDREN: STORAGE AND AVAILABILITY OF BLOOD SAMPLES FOR FUTURE TESTS] if there is not adequate state funds to support the storage requirements. Direct that in that event, after testing the samples may be destroyed in a scientifically appropriate manner. Require the department to notify providers of the suspension within 30 days of its effective date. *Provides the department more flexibility in managing mandated requirements in view of recent budget reductions.* Fiscal Impact: The department states administrative expenses of blood sample storage would be reduced. Requested by Department of Health and Environmental Control.

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22.45 **ADD** (Flexibility) **WMC:** ADD new proviso to authorize DHEC, in order to provide maximum flexibility to absorb general fund reductions mandated in this act as compared to the prior fiscal year general fund appropriations, to spend no more than 25% of each agency earmarked, restricted, trust, or other agency account except for federal funds, to maintain critical programs previously funded with general fund appropriations. Require prior Office of State Budget approval to implement spending authorization for these purposes and require the authorization be reported to the Governor, Senate Finance and Ways and Means Committees. Fiscal Impact: No impact on the General Fund.

22.46 **ADD** (Beach Renourishment Carry Forward) **WMC:** ADD new proviso to authorize DHEC to use $2,500,000 of the funds carried forward from beach renourishment to fund coastal renourishment, navigation, and public access improvement projects. Authorize DHEC to use the remaining carry forward balance to reduce the impact of budget reductions. Fiscal Impact: No impact on the General Fund.

SECTION 23 - J12 - DEPARTMENT OF MENTAL HEALTH

23.8 **AMEND** (Alzheimer's Funding) Requires the department to use $1,000,000 of Community Mental Health Centers funding to contract to provide Alzheimers respite care and diagnostic services to those who qualify as determined by the Alzheimer's Disease and Related Disorders Association and to maximize federal matching dollars. Requires the association to annually submit by September 30th an annual financial statement and outcomes measures attained for the fiscal year just ended to the Governor, Senate Finance & Ways and Means Committees. Prohibits these funds from being expended or transferred during the current fiscal year until the required reports have been received by the specified entities. Directs that when instructed by the B&C Board or the General Assembly to reduce funds by a certain percentage, the department may not reduce the funds transferred to the Alzheimer's Disease and Related Disorders Association greater than such stipulated percentage.
WMC: AMEND proviso to change "$1,000,000" to "$911,620." *Conform to recent budget reductions.* Fiscal Impact: No impact on the General Fund.

23.10 **DELETE** (Colleton County VA Home) Directs that any under budget surplus from construction of the Colleton County VA Home be first used to satisfy DMH's loan and any monies due to the federal government. Direct that any remaining funds be refunded to Colleton County in the appropriate proportion which reflects Colleton County's cost share contribution.
WMC: DELETE proviso. *The project is closed.* Fiscal Impact: No impact on the General Fund. Requested by Department of Mental Health.

23.11 **DELETE** (Children's Facility Construction) Directs that if an award is not made from bids received during FY 2005-06 to provide services at the Hall Institute, the department must begin proceedings to construct a new child and adolescent facility with funds that have been retained for that purpose in order to provide placement for the children and adolescents that must be moved from the Bull Street campus.
WMC: DELETE proviso. *The project has changes scope and the proviso is no longer applicable. JBRC has allowed for renovations to the Hall Institute in lieu of constructing a*

new child and adolescent facility. Fiscal Impact: No impact on the General Fund. Requested by Department of Mental Health.

23.14 **DELETE** (Borrowing Authorization to Relocate Child and Adolescent Facility) Authorizes the department, subject the JBRC review and B&C Board approval, to borrow up to $24,000,000 to construct and equip a new child and adolescent facility to provide placement for children and adolescents that must be moved from the Bull Street Campus. Authorizes the State Treasurer to negotiate financing terms and conditions, which may include one or more bank loans, revenue bonds, intergovernmental loans, or other financing arrangements and directs that the indebtedness must be repaid from proceeds of the sale of the Bull Street property.
WMC: DELETE proviso. *The project has changes scope and the proviso is no longer applicable. JBRC has allowed for renovations to the Hall Institute in lieu of constructing a new child and adolescent facility.* Fiscal Impact: No impact on the General Fund. Requested by Department of Mental Health.

23.18 **ADD** (Meals in Emergency Operations) **WMC:** ADD new proviso to authorize the department to provide the cost of meals to state employees who are not permitted to leave their stations when they are required to work during actual emergencies and emergency simulation exercises. *Allows the agency to provide meals to employees during disaster relief efforts.* Fiscal Impact: No impact on the General Fund. Requested by Department of Mental Health.

SECTION 25 - J20 - DEPARTMENT OF ALCOHOL & OTHER DRUG ABUSE SERVICES

25.3 **AMEND** (Eligibility for Treatment Services) Directs that any South Carolina resident, upon payment of all applicable fees, is eligible to take part in treatment programs offered by the department during FY 09-10.
WMC: AMEND proviso to change fiscal year from "2009-10" to "2010-11." Fiscal Impact: No impact on the General Fund.

SECTION 26 - L04 - DEPARTMENT OF SOCIAL SERVICES

26.7 **AMEND** (Fee Schedule) Authorized DSS to charge fees and accept donations, grants, and bequests for social services provided under their direct responsibility on the basis of a fee schedule approved by the B&C Board. Directs the department to use the fees to further develop and administer the program efforts. Establishes the fee schedule for the current fiscal year.
WMC: AMEND proviso to add a $50 fee for the Responsible Father Registry Search. *Act 41 of 2009 enacted the Responsible Father Registry. The $50 fee is in line with various other Putative Father Registries around the country.* Fiscal Impact: No impact on the General Fund. OSB states that the department estimates $50,000 will be generated annually from the Responsible Father Registry Search. Requested by Department of Social Services.

26.24 **AMEND** (Day Care Facilities Supervision Ratios) Prohibits the department from implementing Regulations 114-504(B) and (C) [DAY CARE FACILITIES SUPERVISION STAFF:CHILD RATIOS FOR LICENSED CENTERS] during the Fiscal Year 2009-10.

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WMC: AMEND proviso to update fiscal year "2009-10" to 2010-11." Fiscal Impact: No impact on the General Fund.

SECTION 29 - H87 - STATE LIBRARY

29.6 **ADD** (Donations) **WMC:** ADD new proviso to authorize the State Library to accept donations and to use these funds for administration, operation, and programs. Authorize unexpended funds to be carried forward. *Enable the agency to accept donations to enhance operations.* Fiscal Impact: No impact on the General Fund. Requested by State Library.

SECTION 31 - H95-STATE MUSEUM

31.9 **DELETE** (Rent Payment Suspension) Directs that the State Museum is not required to pay rent or maintenance expenses, including all utilities, operations, maintenance and repairs, to General Services in FY 09-10 for the Columbia Mills Building.
WMC: DELETE proviso. Fiscal Impact: No impact on the General Fund.

31.10 **DELETE** (Transfer to General Fund) Directs the State Museum to transfer $1,800,000 to the General Fund.
WMC: DELETE proviso. Fiscal Impact: No impact on the General Fund since this was a one-time transfer.

31.11 **ADD** (Remittance to General Services) **WMC:** ADD new proviso to direct the State Museum to remit at least $1,800,000 to the B&C Board, Division of General Services as compensation for expenses associated with its lease of the Columbia Mills Building. Fiscal Impact: No impact on the General Fund.

SECTION 32 - L32-HOUSING FINANCE AND DEVELOPMENT AUTHORITY

32.1 **AMEND** (Federal Rental Assistance Administrative Fee Carry Forward) Directs that all federal rental assistance administrative fees be carried forward and used in administering the federal programs under contract with the authority. Prohibits state funds from being used to administer these programs.
WMC: AMEND proviso to delete the prohibition on using state funds to administer the federal programs. *No state funds are appropriated to the agency.* Fiscal Impact: No impact on the General Fund. Requested by Housing Finance and Development Authority.

32.4 **ADD** (Allocation of Indirect Cost Recoveries) **WMC:** ADD new proviso to direct the authority to deposit indirect cost recoveries for the authority's portion of the FY 2010-11 Statewide Central Services Cost Allocation Plan (SWCAP) into the general fund and to retain recoveries in excess of the amount deposited in the general fund. Fiscal Impact: No impact on the General Fund. The authority estimates that approximately $52,000 of indirect costs will be deposited into the General Fund, while retaining approximately $247,000 of recovered funds to supplement in the funding of the authority's programs.

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SECTION 37 - P24 - DEPARTMENT OF NATURAL RESOURCES

37.5 **AMEND** (Proportionate Funding) Directs that a proportionate share of funds, at $15,000 per district, be allocated to each of the State's 46 Soil and Water Conservation Districts for general assistance to the district's programs. Directs that available funds above the $15,000 will be apportioned by DNR based on local needs and priorities as determined by the board. Directs that during the fiscal year, district funding may only be reduced in an amount not to exceed the percentage of each agency budget reduction. Directs that no districts shall receive these funds unless the county or counties within the district have appropriated at least $300 to the district for the same purposes.
WMC: AMEND proviso to change "$15,000" to "$13,674." *Reflects the budget reductions the agency has taken during FY 09-10.* Fiscal Impact: No impact on the General Fund. OSB states the original appropriation for this line totaled $690,000 which equated to $15,000 per district. After applying FY 09-10 mid-year reductions to the FY 10-11 base appropriation the line now has a total of $629,018 before any potential additional legislative adjustments. This figure equates to $13,674 per district. Requested by Department of Natural Resources.

SECTION 39 - P28 - DEPARTMENT OF PARKS, RECREATION AND TOURISM

39.10 **AMEND** (Gift Shops) Directs that effective July 1, 2009, the Governor's Mansion Gift Shop located in the basement of the Caldwell-Boylston House shall close. Authorizes PRT to close the State House Gift Shop on weekends at their discretion.
WMC: AMEND proviso to delete the reference to the Governor's Mansion Gift Shop located in the Caldwell Boylston House. *The gift shop has been closed.* Fiscal Impact: No impact on the General Fund. Requested by Department of Parks, Recreation and Tourism.

39.12 **ADD** (Destination Specific Tourism Transfer) **WMC:** ADD new proviso to direct the Department of Revenue, for FY 2010-11, to transfer to PRT the Motion Picture Incentive Rebate set-aside funds carried forward from the prior fiscal year . Direct that these funds be used for the Destination Specific Tourism Program and authorize the funds to be carried forward and used for the same purpose. Fiscal Impact: No impact on the General Fund.

SECTION 40 - P32 - DEPARTMENT OF COMMERCE

40.3 **AMEND** (Coordinating Council Funds) Authorizes the council, from funds set-aside by Section 12-28-2910 [SOUTH CAROLINA COORDINATING COUNCIL FOR ECONOMIC DEVELOPMENT; ESTABLISHING PROJECT PRIORITIES; DISPOSITION OF PAYMENTS], to spend funds unobligated or uncommitted as of July 1 of the current fiscal year only as necessary for location or expansion of an industry or business facility in the state. Defines eligible expenditures and site preparation. Requires the Coordinating Council annually prepare a detailed report and which shall be submitted to the General Assembly by March 15th that itemizes expenditures for the preceding calendar year and includes the specific information. Directs that the General Assembly shall not appropriate funds or direct the council to extend loans or grants. Directs that the council shall not extend loans or grants from the amounts set aside by Section 12-28-2910 for any other purpose. Authorizes the council, in order to provide maximum flexibility to encourage new jobs creation and capital investments, to transfer to the Closing Fund up to

$7,000,000 of economic development funds at its disposal provided the transfer is approved by a majority vote of the Coordinating Council members in a public meeting. Authorizes any unexpended balance to be carried forward and expended by the department for the same purpose.
WMC: AMEND proviso to delete specific reference to $7,000,000. Fiscal Impact: No impact on the General Fund. The Coordinating Council can transfer any amount to the Closing Fund it deems appropriate.

40.10 **DELETE** (Reimbursement of Expenditures) Directs that ICAR project reimbursements of expenditures in prior fiscal years shall be retained for repayment of funds previously used for the ICAR project.
WMC: DELETE proviso. *The proviso was established for a particular project and is no longer needed.* Fiscal Impact: No impact on the General Fund. Requested by Department of Commerce.

40.11 **DELETE** (Job Development Credits) Allows any company that was approved for Job Development Credits in January 2005 to have the option of using the prior year's county classification for purposes of obtaining the Job Development Credits.
WMC: DELETE proviso. *The proviso timeliness has expired and is no longer needed.* Fiscal Impact: No impact on the General Fund. Requested by Department of Commerce.

40.17 **DELETE** (Public Railways) Directs the Division of Public Railways to create a statewide rail plan on or before March 31, 2009 that is in compliance with applicable federal laws, rules, and regulations. Directs the division to consult with and seek input from DOT, State Ports Authority, B&C Board Aeronautics Division, PRT, PSC, ORS, and DHEC throughout the planning process. Directs the division to seek advice and input from the Councils of Governments, CSX, Norfolk Southern, Amtrack, short-line railroads, and any other associations that may be affected by developing the statewide rail plan. Directs the Department of Commerce to make $100,000 of their funds available for the creation of the statewide rail plan.
WMC: DELETE proviso. *The statewide rail plan has been created.* Fiscal Impact: No impact on the General Fund. Requested by Department of Commerce.

40.19 **DELETE** (Repayment of Energy Loan) Directs that $1,929,000 of Department of Commerce appropriated, authorized, or carried forward funds be used to repay the State Energy Office energy loan that was made to the Donaldson Center Industrial Air Park.
WMC: DELETE proviso. *Loan was repaid in FY 2009.* Fiscal Impact: No impact on the General Fund. Requested by Department of Commerce and B&C Board.

40.20 **DELETE** (Water Litigation) Requires the department to transfer $500,000 from the State Rural Infrastructure program to the Attorney General's Office for water litigation.
WMC: DELETE proviso. *Deletion will ensure that more funds are available for recruiting jobs and investments to the state.* Fiscal Impact: No impact to the General Fund. $500,000 of State Rural Infrastructure Program funds will be available for their intended purpose. Requested by Department of Commerce.

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40.21 **DELETE** (Port Credit) Directs that $450,000 of general fund revenue set-aside by Section 12-6-3375 [TAX CREDIT FOR PORT CARGO VOLUME INCREASE; APPLICATION TO COUNCIL; DEFINITIONS] and managed by the Department of Commerce, be allocated to any entity whose port cargo volume increased over its base year and who did not receive an allocation from the Coordinating Council in 2008.
WMC: DELETE proviso. *The proviso was established for 2008 only and is no longer needed.* Fiscal Impact: No impact on the General Fund. The $450,000 will be used by the department for its intended purpose. Requested by Department of Commerce.

40.22 **DELETE** (Aeronautics Assets and Funds) Prohibits the Department of Commerce, in accordance with Section 13-1-1010 [COMMISSION CREATED; PURPOSE; PURCHASE AND SALE OF AERONAUTICS ASSETS], from selling or transferring any Division of Aeronautics assets including, but not limited to leasehold improvements and all rights inuring to the benefit of the division under real estate leases in effect as of 1/1/09, and the ability to sublease same, without Aeronautics Commission and Secretary of Commerce approval. Prohibits the Division of Aeronautics from being relocated from the SC Division of Aeronautics Building at the Columbia Metropolitan Airport without approval by the Aeronautics Commission and the Secretary of Commerce. Requires Aeronautics Commission and Secretary of Commerce approval for funds appropriated to or authorized for the Division of Aeronautics to be transferred to or expended for any other program. Directs that if state funds are reduced, Division of Aeronautics general funds may not be reduced greater than the percentage stipulated by the B&C Board or General Assembly for the agency as a whole.
WMC: DELETE proviso. *The Aeronautics Commission has been transferred to the B&C Board.* Fiscal Impact: No impact on the General Fund. Requested by Department of Commerce and Division of Aeronautics.

40.23 **DELETE** (Civil Air Patrol Transfer) Directs the department to transfer $50,000 of the funds appropriated to or authorized for the department to the Adjutant General's Office for the Civil Air Patrol.
WMC: DELETE proviso. *Deletion will ensure that more funds are available for recruiting jobs and investments to the state.* Fiscal Impact: No impact to the General Fund. $50,000 of agency funds will be available for job recruitment and investment purposes. Requested by Department of Commerce.

SECTION 44 - B04 - JUDICIAL DEPARTMENT

44.17 **DELETE** (Marshal of the Supreme Court) Directs the Office of State Budget, if the provisions of proviso 49A.5 apply July 1, 2009, to transfer all funds and FTE's authorized in Part IA, Section 44.V.D. for operation of the Marshal of the Supreme Court back to the appropriations categories of the agencies they were drawn from.
WMC: DELETE proviso. *Creation of the Capitol Police Force was not enacted into law.* Fiscal Impact: No impact on the General Fund. Requested by Judicial Department.

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SECTION 45 - E20 - ATTORNEY GENERAL'S OFFICE

45.6 **AMEND** (Auction Rate Securities Settlement/Water Rights) Authorizes the Attorney General to use $2,200,000 of Auction Rate Securities Settlement funds to pay expenses and fees associated with the South Carolina vs. North Carolina water lawsuit (U.S. Supreme Court Original Jurisdiction Case Number 138). Directs that the $2.2 million shall not include the $750,000 currently allocated for securities enforcement expenses. Authorizes a portion of the $2.2 million be used to reimburse Water Litigation expenses incurred in the prior fiscal year.
WMC: AMEND proviso to delete the authorization to use up to $2.2 million of Auction Rate Securities Settlement funds to pay for expenses and fees associated with the water lawsuit, and instead authorize funds received from the settlement to be retained and expended in FY 09-10 and FY 10-11 for the same purpose. Authorize these funds to be carried forward from and used for the same purpose. Direct that once the SC vs. NC water lawsuit has been satisfied, any remaining Auction Rate Securities Settlement funds be deposited into the general fund. Direct that this provision takes effect on the earlier of July 1, 2010, or the date on which water settlement revenue in Fiscal Year 2009-10 exceeded $2,200,000. Fiscal Impact: Litigation expenses through FY 09 = $1,683,187. Amendment will allow the Attorney General to use +$851,000 from FY 10-11 and +$434,000 in FY 10-11. Requested by Attorney General's Office.

SECTION 46 - E21 - PROSECUTION COORDINATION COMMISSION

46.6 **AMEND** (Solicitors Victim/Witness Assistance Programs) Directs that Solicitors Victim/Witness Assistance Programs funds be apportioned among the circuits on a per capita basis based on the 2000 census. Directs that payments be made as soon after the beginning of each quarter as practical.
WMC: AMEND proviso to specify that the funds are to be apportioned by this method "When funds are available." Fiscal Impact: No impact on the General Fund.

46.7 **DELETE** (Criminal Domestic Violence Prosecution) Directs that $2,200,000 of Criminal Domestic Violence (CDV) Prosecution funds be apportioned equally among the circuits with any remaining balance apportioned on a per capita basis based on the 2000 Census. Directs that the funds may only be used for criminal domestic violence prosecution in magistrate and circuit courts. Directs that payment be made as soon after the beginning of each quarter as practical. Requires each Solicitor to designate at least one individual prosecutor per county for this purpose and allows a Solicitor and the Attorney General to partner to accomplish these provisions. Requires the commission to retain CDV prosecution information and data and provide information to the General Assembly in an annual report within 60 days after the end of the fiscal year on charges prosecuted by assistant solicitors who are compensated with these funds. Requires that the report include an accounting of the expenditures of the funds, statistics regarding location, number and type of criminal domestic violence charges, number of cases prosecuted, and disposition of the cases, unless the information is privileged by law.
WMC: DELETE proviso. *Dedicated funding for this item was eliminated in the budget. See new proviso 46.vc.* Fiscal Impact: No impact on the General Fund. Requested by Prosecution Coordination Commission.

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46.8 **DELETE** (DUI Prosecution) Directs that funds appropriated for Driving Under the Influence Prosecution be apportioned equally among the circuits and directs that these funds may only be used for prosecuting DUI in magistrate and circuit courts. Directs that payment be made as soon after the beginning of each quarter as practical. Requires the commission to retain information and data on DUI prosecutions and provide an annual report to the General Assembly no later than 60 days after the end of the fiscal year on charges prosecuted by assistant solicitors who are compensated with these funds. Requires that the report, at a minimum include an accounting of expenditure of the funds, information and statistics regarding the location, number and type of DUI charges, number of cases prosecuted, and disposition of the cases.
WMC: DELETE proviso. *Dedicated funding for this item was eliminated in the budget. See new proviso 46.vc.* Fiscal Impact: No impact on the General Fund. Requested by Prosecution Coordination Commission.

46.9 **ADD** (Violent Crime, CDV, DUI Prosecution) **WMC:** ADD new proviso to require the commission to retain violent crime, CDV and DUI prosecution information and data and provide information to the General Assembly in an annual report within 60 days after the end of the fiscal year on charges prosecuted by assistant solicitors. Require that the report include, unless privileged by law, information and statistics regarding location, number and type of violent crime, CDV, and DUI charges, number of cases prosecuted, and disposition of the cases. Fiscal Impact: No impact on the General Fund. Requested by Prosecution Coordination Commission.

SECTION 47 - E23 - COMMISSION ON INDIGENT DEFENSE

47.5 **AMEND** (Civil Court Appointments) Directs the expenditure of Civil Court Appointments funds to reimburse court appointed private attorneys for Civil Court Appointments including Termination of Parental Rights, Abuse and Neglect, Probate Court Commitments, Sexually Violent Predator Act, and Post Conviction Relief. Prohibits Civil Court Appointments funds from being transferred or used for any other purpose. Directs that Civil Court Appointments funds also be used to reimburse private attorney's appointed by the Family Court to serve as guardians ad litem, where volunteer appointments cannot be made. Establishes a reimbursement rate based of $50 per hour or on the basis of a set (flat) fee, directs that the set fee payment method and amount be determined by the Commission on Indigent Defense, and limits reimbursement to $2,000 per case. Provides guidelines for reimbursement to exceed these limits. Directs the court to authorize defendant's attorneys to obtain investigative, expert, or other services if such services are found to be reasonable and necessary and to order the Office of Indigent Defense to pay such fees and expenses, not to exceed $500, as the court considers appropriate. Provides guidelines for payment to exceed these limits. Requires indigent defense vouchers to be reviewed and paid pursuant to procedures and policies established by the commission and directs the commission to provide a copy of the procedures and policies to the Senate Finance and House Ways and Means Committees. Authorizes a portion of Civil Court Appointment funds to be used by the commission to retain, on a contractual basis, the services of attorneys qualified to handle civil court appointments and directs that their services be reimbursed in accordance with applicable provisos and statutes.

SUMMARY OF PROVISO CHANGES FOR FY 2010-11 AS RECOMMENDED BY THE HOUSE WAYS AND MEANS COMMITTEE

WMC: AMEND proviso to direct that reimbursement of fees that are in excess of the established rate are to be certified by the court in a written order with specific findings "prior to the fees being incurred." Fiscal Impact: No impact on the General Fund. Requested by Commission on Indigent Defense.

47.11 **AMEND** (Defense of Indigents Civil Action Application Fee) Requires a person to whom counsel has been provided in a termination of parental rights (TPR), abuse and neglect, or any other civil court action to execute an affidavit that they are financially unable to employ council and include in the affidavit all of the person's assets. Authorizes the court, if the person has some assets, but not enough to employ council, to order a person to pay those assets or portion of them to the Commission on Indigent Defense. Requires a $40 application fee from every person who executes such affidavit and to apply for a waiver. Directs the clerk of court or other appropriate official to collect the application fee and remit the proceeds to the Public Defender Application Fund on a monthly basis. Requires the monies be deposited in an interest bearing account separate from the general fund and be used only to provide indigent defense services. Directs the Commission on Indigent Defense administer the monies. Requires that a record be maintained by the clerk of court or other appropriate official of all persons who apply for representation and the disposition of the application and to provide this information as well as the amount of funds collected or waived to the commission on a monthly basis. Directs a juvenile's parents or legal guardian to execute the affidavit based on their financial status and be responsible for paying any fee and to be informed of this requirement in writing. States that this provision shall not restrict or hinder a court from appointing counsel in emergency proceedings or where existing statutes do not provide sufficient time to complete the application process. Directs that appointment of counsel creates a claim against the assets and estate of the person provided counsel or the parents or legal guardians of a juvenile in an amount equal to the costs of representation as determined by a voucher submitted by the appointed counsel and approved by the court, less that amount that the person pays to the appointed counsel. Directs that such claim be filed with the clerk of court in the county where the person is assigned counsel. Directs that filing a claim shall not constitute a lien against real or personal property unless, at the court's discretion, part or all of such claim is reduced to judgment by appropriate court order, after serving the person with at least 30 days' notice that judgment will be entered. Directs that when a claim is reduced to judgment, it has the same effect as judgments, except as modified by this provision.
WMC: AMEND proviso to require a person "requesting appointment of counsel" rather than "to whom counsel has been provided" in a termination of parental rights, abuse and neglect, or other civil court action to execute an affidavit that they are financially unable to employ counsel "before counsel may be appointed." Fiscal Impact: No impact on the General Fund. Requested by Commission on Indigent Defense.

47.12 **DELETE** (Family Court Attorney Appointment Study Group) Directs the Commission on Indigent Defense and DSS to jointly study the issue of appointing private attorneys in termination of parental rights and abuse and neglect cases. Directs the agencies to develop proposals to significantly reduce or eliminate members of the private bar from being appointed. Directs that proposals be presented to the Chairmen of the Senate Finance and House Ways and Means Committees by October 1, 2009.

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SUMMARY OF PROVISO CHANGES FOR FY 2010-11 AS RECOMMENDED BY THE HOUSE WAYS AND MEANS COMMITTEE

WMC: DELETE proviso. *Report submitted.* Fiscal Impact: No impact on the General Fund. Requested by Commission on Indigent Defense.

SECTION 49 - K05 - DEPARTMENT OF PUBLIC SAFETY

49.6 **DELETE** (Hunley Security) Directs DPS to assign two law enforcement officers to provide security services for the H.L. Hunley at the Warren Lasch Laboratory in Charleston using the funds appropriated to the department.
WMC: DELETE proviso. *Funds are no longer being received for this purpose and DPS is no longer being requested to provide a security detail.* Fiscal Impact: No impact on the General Fund. Requested by Department of Public Safety.

49.8 **ADD** (Retention of DMV Cash Transfer) **WMC:** ADD new proviso to authorize DPS to retain, expend, and carry forward funds transmitted by DMV without any specific restrictions for the use of these funds pursuant to proviso 90.20 (SR: DMV Cash Transfer) of Act 23 of 2009. Fiscal Impact: No impact on the General Fund. The department anticipates carrying forward $2,000,000.

SECTION 49A - K09-CAPITOL POLICE FORCE

49A.1 **DELETE** (Dispositions if Agency Not Established) Provides directives in the event legislation enacting the Capitol Police Force is not adopted by the General Assembly and in effect as of July 1, 2009.
WMC: DELETE proviso. Fiscal Impact: No impact on the General Fund.

SECTION 52 - N08 - DEPARTMENT OF PROBATION, PAROLE AND PARDON SERVICES

52.2 **AMEND** (Interstate Compact Application Fee) Authorizes the department to charge offenders applying for transfers out of state under the Interstate Compact Act, an application fee not to exceed $100 and to retain and carry forward these funds to offset the cost of the Interstate Compact Act.
WMC: AMEND proviso to also charge the application fee to offenders who transfer into the state. *Allows the department to recover costs associated with offenders transferring into the state.* Fiscal Impact: OSB states that the department indicated no impact on the General Fund. The department stated that the total number of cases accepted by this state between 1/1/09 and 1/1/10 was 1,373. Had this provision been in place it would have generated $137,300 in revenue for the department during that time period. Requested by Department Probation, Parole and Pardon Services.

SECTION 53 - N12 - DEPARTMENT OF JUVENILE JUSTICE

53.15 **ADD** (Emergency Authority to Transfer PIP Funds) **WMC:** ADD new proviso to authorize DJJ to transfer up to $1,500,000 of its Permanent Improvement Project (PIP) funds, excluding Capital Improvement Bond funds, to its operating and personal service accounts, if those funds are unobligated or not committed for active permanent improvement projects. Authorize DJJ to use these funds in FY 2010-11 as necessary order to maintain constitutional conditions in its

institutional facilities and residential programs. *Use of these funds could alleviate the need to close facilities in the event future budget reductions occur.* Fiscal Impact: OSB states no impact on the General Fund. $1,500,000 of PIP funds previously allocated to DJJ would be used for operating and personal services. Total remaining balances for 19 projects as of 1/8/10 in appropriated state funds = $1,684,477. Requested by Department of Juvenile Justice.

53.16 **ADD** (DJJ: Emergency Release for Community Evaluation) **WMC:** ADD new proviso to authorize DJJ to allow any child adjudicated delinquent for a status offense, for a misdemeanor offense other than Assault and Battery of a High and Aggravated Nature, or Assault with Intent to Kill, or for violation of probation/contempt for any offense and who is temporarily committed to DJJ custody for a residential evaluation, to reside in his home or home community while the evaluation of the child is being conducted, unless the committing judge determines that the child presents an unreasonable flight or security risk. *DJJ currently does not have the authority to conduct a community evaluation resulting in the child being housed in a DJJ facility for evaluation prior to sentencing for up to 45 days.* Fiscal Impact: The department states they would generate approximately $400 additional federal "Medicaid" funds per evaluation since community evaluations are "Medicaid" eligible and evaluations in DJJ evaluation centers are not. Requested by Department of Juvenile Justice.

53.17 **ADD** (Earned Compliance Credit) **WMC:** ADD new proviso to authorize DJJ to grant probationers and parolees under their supervision a reduction of their probationary or parole term of up to ten days for each month they are compliant with the terms and conditions of their probation or parole order. State that this authorization is granted in order to avoid unconstitutional levels of overcrowding and prevent other unconstitutional conditions from occurring in residential programs operated for the DJJ, and in order to reduce probation and parole officers caseloads so they can better focus their attention and limited resources on offenders who pose a greater threat to public safety. *Currently children committed to DJJ can earn compliance credit, but children under probation or parole do not have that opportunity.* Fiscal Impact: No impact on the General Fund.

53.18 **ADD** (DJJ: Early Release Authorization) **WMC:** ADD new proviso to direct that the number of children housed in residential placements (those committed to the custody of DJJ or those under DJJ supervision) may not exceed the number of beds available to the department to house them. Authorize and empower DJJ, if appropriation reductions necessitate that they close any additional facility, program, or housing unit they operate, or be unable to fund additional residential programs operated for their benefit, to release sufficient numbers of children committed to their custody or supervision who are in residential placements so that the number of children in these residential placements does not exceed the number of available housing units/beds. Direct that only children committed to the custody of DJJ or under DJJ supervision for a status offense, a misdemeanor offense or for violation of probation/contempt of a status offense or misdemeanor offense may be released. Prohibit children committed or under supervision for Assault and Battery of a High and Aggravated Nature and Assault with Intent to Kill from early release. Prohibit a child adjudicated delinquent for a violent crime as defined in Section 16-1-60 [FELONIES AND MISDEMEANORS; ACCESSORIES: VIOLENT CRIMES DEFINED], a felony offense as defined in Section 16-1-90 [FELONIES AND MISDEMEANORS; ACCESSORIES: CRIMES CLASSIFIED AS FELONIES], or a sexual offense from being released pursuant to this provision.

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SUMMARY OF PROVISO CHANGES FOR FY 2010-11 AS RECOMMENDED BY THE HOUSE WAYS AND MEANS COMMITTEE

SECTION 55 - L46 - COMMISSION FOR MINORITY AFFAIRS

55.5 **DELETE** (Student Achievement and Vision Education) Directs the Commission for Minority Affairs to study and document family and community structures that contribute to or by their absence, exacerbate poor student achievement and socioeconomic deprivation. Directs the commission to identify all funding to programs and services that support family well being. Directs the commission to develop an assessment tool to survey appropriate agencies regarding services, associated cost, and other relevant information in order to identify and document gaps and duplication of services. Requires specific agencies to provide information to the commission as well as other agencies the commission deems appropriate. Directs the commission to compile a report that identifies strengths, weaknesses, and gaps in program support activities that should be addressed to increase positive outcomes to help close the achievement gap, provide community supports that strengthen families, and address inequities confronting minorities. Directs that the report make recommendations on the reallocation of funds, restructuring of agencies and services, and need for new programs or incentives for public-private partnerships. Directs that the report be issued by the first Tuesday of February, 2010 to the Governor, President Pro Tempore of the Senate, Chairman of the Senate Finance Committee, Chairman of the Senate Education Committee, Speaker of the House of Representatives, Chairman of the House Ways and Means Committee, Chairman of the House Education and Public Works Committee, Chairman of the Legislative Black Caucus and State Superintendent of Education.
WMC: DELETE proviso. Fiscal Impact: No impact on the General Fund.

SECTION 56 - R04 - PUBLIC SERVICE COMMISSION

56.1 **DELETE** (Real-Time Closed Captioning - Major Media Markets) Authorizes and directs the Public Service Commission to spend up to $810,000 from the Dual Party Relay Fund to continue real-time closed captioning of locally produced news services for the 4 television stations currently providing the service. States that the purpose of the voluntary program is to allow deaf and hard-of-hearing citizens to have real-time access to news and weather information. Directs that these funds can only be used for expenditures directly related to real-time closed captioning and that this provision remains in effect through June 30, 2010 or until a contract for real-time closed captioning is awarded, whichever comes first.
WMC: DELETE proviso. *A contract has been awarded.* Fiscal Impact: No impact on the General Fund. Requested by Public Service Commission.

SECTION 65 - R36 - DEPARTMENT OF LABOR, LICENSING AND REGULATION

65.3 **AMEND** (POLA - ~~110%~~ *10%*, Other Funds) Requires the Professional and Occupational Offices to annually remit to the general fund an amount equal to 10% of their expenditures. Requires the Contractor's Licensing Board to remit to the general fund all revenues above their expenditures and directs that their 10% is included in that amount. Requires the department to also transfer $5,300,000 from Subfund 3135 to the general fund. Allows the department to transfer funds from any other earmarked or restricted "special revenue fund" and lifts any restrictions on the use of those funds for the fiscal year. States the General Assembly's intent to assist the department to reduce and eventually eliminate this general fund obligation.

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SUMMARY OF PROVISO CHANGES FOR FY 2010-11 AS RECOMMENDED BY THE HOUSE WAYS AND MEANS COMMITTEE

WMC: AMEND proviso to delete the requirement that $5,300,000 be transferred from Subfund 3135 to the general fund. *The transfer of the $5.3 million was for FY 10-11.* Fiscal Impact: No impact on the general fund since this was a non-recurring one-time transfer. Requested by Department of Labor, Licensing and Regulation.

65.8 **AMEND** (Immigration Bill Funding) Directs that notwithstanding any other provision of this act, the department must retain $750,000 of the funds carried forward in Subfund 3135 to fund the department's Illegal Immigration Reform Act responsibilities prior to transferring Subfund 3135 funds for any other purpose.
WMC: AMEND proviso to change "$750,000" to "$2,000,000." Fiscal Impact: No impact on the General Fund. Other funds carried forward from the prior fiscal year will be used.

65.10 **DELETE** (Transfer to General Fund) Directs the department to transfer $4,362,265 to the General Fund from funds carried forward in Subfund 3135. Authorizes the department to transfer an equal amount of funds from any "special revenue funds" earmarked or restricted account if they so choose and directs that restrictions concerning use of those funds is lifted for the specified fiscal year.
WMC: DELETE proviso. *The transfer was specifically for FY 09-10.* Fiscal Impact: No impact on the General Fund since this was a non-recurring one-time transfer. Requested by Department of Labor, Licensing and Regulation.

65.11 **ADD** (Illegal Immigration Hotline) **WMC:** ADD new proviso to transfer responsibility for establishing and maintaining a 24 hour toll free telephone number and electronic website to receive, record, collect, and report allegations of federal or South Carolina immigration laws violations by or against any non-US citizen or immigrant from the Commission on Minority Affairs to the Department of Labor, Licensing, and Regulation. Direct that violations include, but are not limited to, E-Verify or other federal work authorization program violations, violations of Chapter 83 of Title 40 [REGISTRATION OF IMMIGRATION ASSISTANCE SERVICES], or any regulations that govern operation of immigration assistance services, false or fraudulent statements made or documents filed in relation to an immigration matter, as defined by Section 40-83-20 [REGISTRATION OF IMMIGRATION ASSISTANCE SERVICES-DEFINITIONS], violation of human trafficking laws, as defined in Section 16-3-930 [TRAFFICKING IN PERSONS FOR FORCED LABOR OR SERVICES; PENALTY; EXCEPTIONS], landlord tenant law violations, or violations of any law pertaining to the provision or receipt of public assistance benefits or public services. Direct the LLR executive director, or a designee, to establish and maintain a centralized tracking database that consists of all information received through the 24 hour toll free telephone number and electronic website, and to report all alleged violations to the appropriate law enforcement, administrative, executive, or regulatory agency or political subdivision that has law enforcement or regulatory control over the subject matter, including, but not limited to the US Bureau of Immigration and Customs Enforcement, consistent with 8 USC Section 1373. Fiscal Impact: No impact on the General Fund.

65.12 **ADD** (South Carolina Emergency Response Task Force/State Urban Search and Rescue Program) **WMC:** ADD new proviso to require the department, prior to transferring any of the funds carried forward in Subfund 3135 for any other purpose, and after fulfilling the requirements of proviso 65.8 [IMMIGRATION BILL FUNDING], to retain $650,000 of the funds

carried forward in Subfund 3135 generated from Revenue Object Code 1801 and use these funds to fund, maintain, and operate the South Carolina Emergency Response Task Force/State Urban Search and Rescue Program for FY 2010-11. Fiscal Impact: No impact on the General Fund.

SECTION 68D - U30 - DIVISION OF AERONAUTICS

68D.1 **ADD** (Reimbursement for Services Carry Forward) **WMC:** ADD new proviso to authorize the Division of Aeronautics to retain and expend reimbursements resulting from charges to other governmental agencies for service and supplies and to use the funds for operating purposes and authorize up to a $300,000 reserve be carried forward for replacement of time limit aircraft components. *Original proviso moved from Budget and Control Board proviso 80A.43.* Fiscal Impact: No impact on the General Fund. Requested by Division of Aeronautics.

68D.2 **ADD** (Office Space Rental) **WMC:** ADD new proviso to authorize revenue received from rental of Division of Aeronautics office space to be retained and expended to cover building operation costs. *Original proviso moved from Budget and Control Board proviso 80A.44.* Fiscal Impact: No impact on the General Fund. Requested by Division of Aeronautics.

68D.3 **ADD** (Funding Sequence) **WMC:** ADD new proviso to direct that all General Aviation Airports will receive funding prior to the four air carrier airports as these qualify for special funding under the DOT/FAA appropriations based on enplanements the state. Allow the policy to be waived to provide matching state funds for critical FAA safety or capacity projects at air carrier airports. *Original proviso moved from Budget and Control Board proviso 80A.45.* Fiscal Impact: No impact on the General Fund. Requested by Division of Aeronautics.

68D.4 **ADD** (Hangar/Parking Facilities) **WMC:** ADD new proviso to direct the Division of Aeronautics to provide hangar/parking facilities for government owned and/or operated aircraft on a first come basis. Direct that funds be retained for hangar and parking facility maintenance. Direct that the Hangar Fee Schedule be determined by the division and not exceed local average market rates. Direct that personnel from the agencies owning and/or operating aircraft will be responsible for ground movement of their aircraft. *Original proviso moved from Budget and Control Board proviso 80A.46.* Fiscal Impact: No impact on the General Fund. Requested by Division of Aeronautics.

68D.5 **ADD** (Airport Development) **WMC:** ADD new proviso to direct that any line item appropriation for airports shall be disbursed for eligible airport development items as approved by the Aeronautics Commission. *Original proviso moved from Budget and Control Board proviso 80A.47.* Fiscal Impact: No impact on the General Fund. Requested by Division of Aeronautics.

68D.6 **ADD** (Grant Funds Carry Forward) **WMC:** ADD new proviso to authorize any unexpended Matching National Grant Funds balance to be carried forward from the prior fiscal year into the current fiscal year and be used for matching committed and/or unanticipated grant funds.

Original proviso moved from Budget and Control Board proviso 80A.49. Fiscal Impact: No impact on the General Fund. Requested by Division of Aeronautics.

68D.7 **ADD** (Carry Forward Sale of Aircraft Proceeds) **WMC:** ADD new proviso to authorize the department to carry forward proceeds from the sale of aircraft to be used for replacement aircraft, for required FAA upgrades to existing aircraft, and for other Division purposes. *Original proviso moved from Budget and Control Board proviso 80A.50 and amended.* Fiscal Impact: No impact on the General Fund. Requested by Division of Aeronautics.

68D.8 **ADD** (Aviation Grants) **WMC:** ADD new proviso to direct Aviation Grants funds appropriated in this bill or any bill supplemental to this bill to be credited to the State Aviation Fund and be used (1) to allow maximization of grant funds available through the FAA for capital improvement projects; (2) for general aviation airports maintenance projects; and (3) for aviation education related programs. Direct that sponsors of publicly owned airports for public use are eligible to receive grants, but require the airport to have a current development plan the meets National Plan of Integrated Airports Systems planning requirements. Direct the B&C Board Executive Director to promulgate regulations establishing the grants program. Direct that enabling airport sponsors to meet basic FAA safety guidelines for obstruction clearance must be a major factor in establishing priority guidelines and authorizes the B&C Board Executive Director to have the discretion to establish a program to grant Aviation Fund monies for this purpose at the rate of 80% from the fund to 20% from the local airport sponsor, or any ratio with a smaller contribution from the fund. Require an expenditure report be submitted to the Senate Finance and House Ways and Means Committees. Authorize unexpended funds to be carried forward and spent for like purposes. *Original proviso moved from Budget and Control Board proviso 80A.51 and amended.* Fiscal Impact: No impact on the General Fund. Requested by Division of Aeronautics.

68D.9 **ADD** (Grant Match Funds) **WMC:** ADD new proviso to authorize funds appropriated to the Division of Aeronautics for FAA grant matching to be used to match state and local aviation airports projects whether or not FAA funding has been received. Require Aeronautics Commission approval prior to the funds being awarded. *Original proviso moved from Budget and Control Board proviso 80A.52.* Fiscal Impact: No impact on the General Fund. Requested by Division of Aeronautics.

68D.10 **ADD** (Transfer of MUSC Aircraft) **WMC:** ADD new proviso to transfer the title and ownership of MUSC's Beechcraft King Air 90C model to the Aeronautics Commission for official use by the state. State the intent of the General Assembly that the Aeronautics Commission provide funding to MUSC to cover the value of the aircraft as soon as funds are available. Fiscal Impact: No impact on the General Fund.

SECTION 69 - Y14 - STATE PORTS AUTHORITY

69.1 **AMEND** (Charleston Cooper River Bridge Project) Directs the State Ports Authority to pay the State Transportation Infrastructure Bank $1,000,000 before 6/30/10 from other general fund or operating fund surplus and any funds appropriated to the authority in prior fiscal years that are unspent as of 7/1/09, to continue the Charleston Cooper River Bridge Project.

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WMC: AMEND proviso to change "2009" to "2010" and "2010" to "2011." *Meets the obligations of the State Ports Authority and the State Infrastructure Bank's financial agreement.* Fiscal Impact: No impact on the General Fund. The funds used to pay the Transportation Infrastructure Bank are operating funds of the Ports Authority, none of which are state appropriated funds. Generates $1,000,000 for the State Transportation Infrastructure Bank. Per the Ports Authority, the commitment of the agency is to provide $1,000,000 per year for 25 years, until 2027.

SECTION 70 - A99 - LEGISLATIVE DEPARTMENT

70.22 **AMEND** (Code of Law Reimbursement) Authorizes Legislative Council to require public sector recipients, except for the General Assembly and courts of record in the unified judicial system, to reimburse the council for its cost of acquiring codes of law, supplements, or replacement volumes distributed to them.
WMC: AMEND proviso to delete the exception for courts of record in the unified judicial system. *Due to budget reductions, there are not sufficient funds to provide these items free of charge to the courts.* Fiscal Impact: OSB states that the agency indicated that $35,000 in revenue would be generated for the agency with a corresponding impact on the specified courts within the Judicial Department. Requested by Legislative Council.

70.24 **AMEND** (Joint Strategic Technology Committee) Creates a Joint Strategic Technology Committee and provides for membership of the committee. Directs that the purpose of the committee is to review the Statewide Strategic Information Technology Plan prepared by the B&C Board and the Agency Directors Technology Advisory Committee and make recommendations to the Senate Finance and House Ways and Means Committees by January 29, 2010 and to also recommend priorities for state government enterprise information technology projects and resource requirements beginning in the FY 09-10 budget cycle. Directs the joint committee to conduct a comprehensive review of all statutes that relate to management and use of information technology by state government; to review IT policies; and to determine methods to foster collaboration among state government users of IT and between state government and the private sector through creation of advisory committees. Directs the joint committee to recommend statutory changes to successfully implement the Statewide Strategic Information Technology Plan and management and use of IT by state government. Directs the B&C Board and all state agencies to cooperate with and provide assistance to the joint committee as requested. Directs the B&C Board Executive Director to appoint an Agency Directors Technology Advisory Committee and to determine the composition of the committee representing a cross section of state government agencies. Directs the advisory committee to provide input and advice on the Statewide Strategic Information Technology Plan and to assist and advise the Joint Strategic Technology Committee as requested.
WMC: AMEND proviso to specify that the joint committee is to make recommendations "as needed" and change "2010" to "of the current fiscal year." *Allows the joint committee to make recommendations as needed.* Fiscal Impact: No impact on the General Fund. Requested by Budget and Control Board.

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SECTION 71 - C05 - ADMINISTRATIVE LAW COURT

71.3 **AMEND** (Fee Increase) Prohibits the Administrative Law Court, for FY 09-10, from charging or increasing filing fees beyond the amounts charged on January 1, 2009.
WMC: AMEND proviso to change "Fiscal Year 2009-2010" to "the current fiscal year." Fiscal Impact: No impact on the General Fund.

SECTION 72 - D21 - GOVERNOR'S OFFICE

72.17 **AMEND** (OEPP - Guardian Ad Litem Program) Directs that both the Guardian ad Litem program and the funds must be administered separately from other programs within the Division of Children's Services and must be spent exclusively for the Guardian ad Litem program. Directs the Department of Revenue to reduce the rate of interest paid on eligible refunds by two percentage points and requires that the resulting revenue be used exclusively for Guardian ad Litem program operations. Authorizes the Guardian ad Litem program to carry forward their funds for their operations.
WMC: AMEND proviso to direct that the funds resulting from the reduction of the rate of interest paid on eligible refunds be deposited in the State Treasury in a fund separate and distinct known as the South Carolina Guardian ad Litem Trust Fund. Direct that unexpended funds from this revenue be carried forward to succeeding fiscal years and that earnings on the fund be credited to it. *Make Guardian ad Litem funding more stable by allowing it to keep the interest from the 2%.* Fiscal Impact: OSB indicated a modest increase in Other funds available to support expenditures resulting from retaining interest earnings, however the BEA would address any impact on the General Fund. Requested by Governor's Office, OEPP, Guardian ad Litem program.

72.21 **AMEND** (Mansion and Grounds Maintenance and Complex Facilities) Requires the Governor's Office to use at least $241,569 of operating funds to reimburse the B&C Board, Division of General Services for expenses incurred associated with operation and maintenance of the Mansion Complex facilities and grounds. Directs that revenue collected from Mansion Complex facilities and grounds rental must be credited to and maintained in an account within the Governor's Office. Directs that any balance remaining to the credit of the B&C Board in Subfund 3540, Mansion Complex Rentals at the end of FY 07-08 must be transferred to the Governor's Office.
WMC: AMEND proviso to delete reference to the transfer of any remaining balance in Subfund 3540. *The funds have been transferred.* Fiscal Impact: No impact on the General Fund. Requested by Budget and Control Board.

72.23 **DELETE** (OEPP - Victim and Witness Assessment/Surcharge Study) Directs the State Office of Victim Assistance (SOVA) to impanel a committee of service requirement providers to conduct a study and provide a review of the five prior years of collections, distributions, and percentage allocations of assessments and surcharges for local funding of victim and witness services as provided in Sections 14-1-206(D) [ADDITIONAL ASSESSMENT, GENERAL SESSIONS OR FAMILY COURT; REMITTANCE; DISPOSITION; ANNUAL AUDITS], 14-1-207(D) [ADDITIONAL ASSESSMENT, MAGISTRATE'S COURT; REMITTANCE; DISPOSITION; ANNUAL AUDITS], 14-1-208(D) [ADDITIONAL ASSESSMENT, MUNICIPAL COURT; REMITTANCE; DISPOSITION; ANNUAL AUDITS], and 14-1-211(B)

[GENERAL SESSIONS COURT SURCHARGE; FUNDS RETENTION FOR CRIME VICTIM SERVICES; UNUSED FUNDS; REPORTS, AUDITS]. Directs that a report on the review findings be submitted to the Senate Finance and Ways and Means Committees by December 31, 2009.
WMC: DELETE proviso. Fiscal Impact: No impact on the General Fund.

SECTION 78 - E24 - ADJUTANT GENERAL'S OFFICE

78.12 **AMEND** (Citadel-S.C. National Guard Readiness Center) Directs the Adjutant General's Office, during FY 09-10, to repay to the General Fund $1,250,000 of the $2,500,000 appropriated for the Citadel-S.C. National Guard Readiness Center in proviso 73.12 of the FY 07-08 Appropriation Act.
WMC: AMEND proviso to update Fiscal Year "2009-10" to "2010-11." Direct that if the entire $2.5 million has been repaid no further payment is required. Fiscal Impact: No impact on the General Fund if the entire $2.5 million has been repaid, otherwise $1.25 million is directed to be deposited into the General Fund.

78.14 **ADD** (Emergency Commodities) **WMC:** ADD new proviso to authorize EMD to rotate and replace water and Meals Ready to Eat (MREs) emergency commodities that are housed in the state's Logistic Center through providing these commodities to neighboring states, counties, municipalities and other state agencies. Authorize EMD to accept compensation for the commodities, not to exceed replacement costs, and to use the revenues solely for the replacement of state emergency commodities. *State emergency commodities are transferred and sold through Surplus Property. This would allow these items to be rotated and replenished before expiration rather than surplused.* Fiscal Impact: No Impact on the General Fund. Requested by Adjutant General's Office.

SECTION 79 - E28-ELECTION COMMISSION

79.1 **DELETE** (County Registration Board and County Election Commission Compensation) Directs that $1,500 for each County Registration Board Member & County Election Commissioner, not to exceed $12,500 per county, be disbursed to the County Treasurer. Directs that any funds not used for compensation of these members be returned to the State Treasurer. Exempts these funds from mandated budget reductions and excludes these funds from the agency's base budget in calculating any across the board agency base reduction mandated by the B&C Board or the General Assembly.
WMC: DELETE proviso. Fiscal Impact: $449,000 will no longer be disbursed to county board members and election commissioners.

SECTION 80A - F03 - BUDGET AND CONTROL BOARD

80A.7 **AMEND** (BCB: Vacant Positions) Authorizes the B&C Board to delete any permanent position in an agency that has been vacant for more than 12 months, but authorizes the board to suspend this requirement for FY 09-10.
WMC: AMEND proviso to change Fiscal Year "2009-10" to "2010-11." Fiscal Impact: No impact on the General Fund.

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SUMMARY OF PROVISO CHANGES FOR FY 2010-11 AS RECOMMENDED BY THE HOUSE WAYS AND MEANS COMMITTEE

80A.17 **DELETE** (MoneyPlus) Directs the board to develop an aggressive outreach program to enroll employees in the "MoneyPlus" flexible benefits program to help offset medical expenses in order to lessen the effect of any potential increase in employee rates for the State Health Plan. Directs the board, upon request, to report to the Chairmen of the Senate Finance and Ways and Means Committees on the number of new enrollees to the program and the estimated savings to employees resulting from this effort. Directs the board to develop an aggressive outreach program to educate State Health Plan members in programs that compliment the state health programs, & employee & plan costs with alternative revenue or funding sources. Authorizes the board to use State Health Plan funds to match alternative revenue or funding sources.
WMC: DELETE proviso. *The outreach program has been initiated and included as an on-going part of the State Health Plan.* Fiscal Impact: No impact on the General Fund. Requested by Budget and Control Board.

80A.18 **AMEND** (Military Service) Allows permanent full-time state employees, notwithstanding Section 8-11-610 [MANNER IN WHICH ANNUAL LEAVE SHALL BE COMPUTED], to use up to 45 days of accumulated annual leave and up to 90 days accumulated sick leave in a calendar year as if it were annual leave if they serve on active duty as a result of "Operation Enduring Freedom" or "Operation Noble Eagle," or in a unit federalized for duty in connection with potential or actual hostilities in Iraq.
WMC: AMEND proviso to delete references to serving in specific conflicts and instead direct that the specified leave may be used if the President of the United States declares an emergency and the employee serves. *Keeps proviso current as combat zones and areas of hostilities change.* Fiscal Impact: No impact on the General Fund. Agencies would absorb potential costs. Requested by Budget and Control Board.

80A.20 **AMEND** (Lawsuit Funding) Directs the Executive Director to pay from the Insurance Reserve Fund, the State's costs incurred in the current fiscal year associated with defending the Abbeville school funding and the prisoner mental health litigation. Requires the appropriate House and Senate officials to monthly certify the defense costs incurred and directs the Executive Director to pay the provider of the services the amount certified when the certification is received. Forgives the loans obtained by the Senate and House through interagency loan agreements on January 10, 2002 and November 20, 2003 to fund the State's defense of the Abbeville school district funding litigation.
WMC: AMEND proviso to delete reference to the forgiveness of the loans made to the Senate and House. *Language no longer needed since the forgiveness has taken effect.* Fiscal Impact: No impact on the General Fund. Requested by Budget and Control Board.

80A.26 **DELETE** (Confederate Relic Room) Directs the Office of State Budget to change references to the SC Confederate Relic Room and Museum found in the Act to the SC Confederate Relic Room and Military Museum and directs the Code Commissioner to change the same references in the next printing of the Code of Laws or code supplement.
WMC: DELETE proviso. *Accomplished.* Fiscal Impact: No impact on the General Fund. Requested by Budget and Control Board.

80A.35 **AMEND** (Sale of Surplus Real Property) Provides for the disposition of proceeds derived from the sale of surplus real property and provides for exemptions.

WMC: AMEND proviso to delete the authorization for the Forestry Commission to retain the net proceeds from the sale of a tract of land containing a total of ten acres or less in Horry County. *The tract of land has been sold and the commission received the net proceeds from the sale of the property.* Fiscal Impact: None. Requested by Budget and Control Board.
AMEND FURTHER to authorize the Department of Natural Resources to retain the net proceeds from the sale of existing offices originally purchased with a federal grant or with restricted revenue from hunting and fishing license sales for the improvement, consolidation, and/or establishment of regional offices and related facilities and require they report to the Senate Finance and House Ways and Means Committees on the status of property sold and provide a detailed accounting on expenditures resulting from the sale. Fiscal Impact: OSB states no impact on the General Fund. Requested by Department of Natural Resources.

80A.36 **DELETE** (Legislative Custodial Support Services) Directs that persons employed in Legislative Custodial Support positions are exempt from the provisions of Title 8, Chapter 17, Article 5 [STATE EMPLOYEE GRIEVANCE PROCEDURE ACT].
WMC: DELETE proviso. *Exemption has no application as positions do not exist.* Fiscal Impact: No impact on the General Fund. Requested by Budget and Control Board.

80A.39 **DELETE** (Southern States Energy Board) Directs the B&C Board to use State Energy Office funds to pay the Southern States Energy board membership dues.
WMC: DELETE proviso. *The Energy Office does not have a funding source that may be used for this purpose except possibly the escrow/trust account for any operating shortfall at Barnwell. Uses of the office's other funds are restricted by federal law or regulation and federal court orders.* Fiscal Impact: Annual dues are approximately $31,000 to $32,000. Requested by Budget and Control Board.

80A.40 **DELETE** (PORS Employer Contribution Rate Increase) Suspends, for FY 09-10, the increase in the employer contribution rate for employers that participate in the S.C. Police Officers Retirement System provided for in Section 9-11-310(F) [COST-OF-LIVING ADJUSTMENT TO BE BASED ON CONSUMER PRICE INDEX] as added by Act 311 of 2008.
WMC: DELETE proviso. *Suspension was for one year and increased contributions are necessary for actuarial soundness of PORS. Additional delay of funding increase would violate Constitutional mandate for an actuarially sound system.* Fiscal Impact: The agency indicates 1.896 million less in employer contributions paid by state agencies and school districts, with $1.558 million of that amount in general fund dollars. Permanent statute provided for up to ½% increase effective July 1, 2009. Implementation of increase on July 1, 2009 in accordance with permanent law would have required a .45% increase. Delay of one year in accordance with proviso to July 1, 2010 requires an employer contribution increase of .48%. Figures above are based upon .48% increase. Requested by Budget and Control Board.

80A.41 **AMEND** (Health Plan Tobacco User Differential) Allows the B&C Board to differentiate between tobacco users and nonusers regarding rates charged to enrollees in state health plans by imposing a surcharge on enrollee rates based on tobacco use.
WMC: AMEND proviso to delete reference to "beginning July 1, 2009." Direct that the tobacco use surcharge may not exceed $40 a month per subscriber or $60 a month per subscriber and dependant(s). Fiscal Impact: No impact on the General Fund.

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SUMMARY OF PROVISO CHANGES FOR FY 2010-11 AS RECOMMENDED BY THE HOUSE WAYS AND MEANS COMMITTEE

80A.42 **DELETE** (Morris Island Lighthouse) Directs the B&C Board to transfer any funds remaining or refunded by the federal government, after the Section 103 Morris Island Lighthouse restoration project is completed, to Save the Lighthouse, Inc. and directs that the funds be used for additional restoration or maintenance of the lighthouse.
WMC: DELETE proviso. *Transfer has occurred.* Fiscal Impact: No impact on the General Fund. Requested by Budget and Control Board.

80A.43 **DELETE/MOVE** (Aeronautics - Reimbursement for Services Carry Forward) Authorizes the Division of Aeronautics to retain and expend reimbursements resulting from charges to other governmental agencies for service and supplies and to use the funds for operating purposes and authorizes up to a $300,000 reserve be carried forward for replacement of time limit aircraft components.
WMC: DELETE proviso. *Moved to Division of Aeronautics Section, proviso 68D.1.* Fiscal Impact: No impact on the General Fund. Requested by Budget and Control Board.

80A.44 **DELETE/MOVE** (Aeronautics - Office Space Rental) Authorizes revenue received from rental of Division of Aeronautics office space to be retained and expended to cover building operation costs.
WMC: DELETE proviso. *Moved to Division of Aeronautics Section, proviso 68D.2.* Fiscal Impact: No impact on the General Fund. Requested by Budget and Control Board.

80A.45 **DELETE/MOVE** (Aeronautics - Funding Sequence) Directs that all General Aviation Airports will receive funding prior to the four air carrier airports as these qualify for special funding under the DOT/FAA appropriations based on enplanements the state. Allows the policy to be waived to provide matching state funds for critical FAA safety or capacity projects at air carrier airports.
WMC: DELETE proviso. *Moved to Division of Aeronautics Section, proviso 68D.3.* Fiscal Impact: No impact on the General Fund. Requested by Budget and Control Board.

80A.46 **DELETE/MOVE** (Aeronautics - Hangar/Parking Facilities) Directs the Division of Aeronautics to provide hangar/parking facilities for government owned and/or operated aircraft on a first come basis. Directs that funds be retained for hangar and parking facility maintenance. Directs that the Hangar Fee Schedule be determined by the division and not exceed local average market rates. Directs that personnel from the agencies owning and/or operating aircraft will be responsible for ground movement of their aircraft.
WMC: DELETE proviso. *Moved to Division of Aeronautics Section, proviso 68D.4.* Fiscal Impact: No impact on the General Fund. Requested by Budget and Control Board.

80A.47 **DELETE/MOVE** (Aeronautics - Airport Development) Directs that any line item appropriation for airports shall be disbursed for eligible airport development items as approved by the division.
WMC: DELETE proviso. *Moved to Division of Aeronautics Section, proviso 68D.5.* Fiscal Impact: No impact on the General Fund. Requested by Budget and Control Board.

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SUMMARY OF PROVISO CHANGES FOR FY 2010-11 AS RECOMMENDED BY THE HOUSE WAYS AND MEANS COMMITTEE

80A.48 **DELETE** (Aeronautics - Clothing Allowance) Authorizes the Division of Aeronautics to provide pilots with an annual clothing allowance (on a pro rata basis) not to exceed $400 per pilot for required clothing used in the performance of their primary duty.
WMC: DELETE proviso. *This proviso was not moved to Division of Aeronautics Section, but was eliminated.* Fiscal Impact: No impact on the General Fund. Requested by Budget and Control Board.

80A.49 **DELETE/MOVE** (Grant Funds Carry Forward) Authorizes any unexpended Matching National Grant Funds balance to be carried forward from the prior fiscal year into the current fiscal year and be used for matching committed and/or unanticipated grant funds.
WMC: DELETE proviso. *Moved to Division of Aeronautics Section, proviso 68D.6.* Fiscal Impact: No impact on the General Fund. Requested by Budget and Control Board.

80A.50 **DELETE/MOVE** (Carry Forward Sale of Aircraft Proceeds) Authorizes the department to carry forward proceeds from the sale of aircraft to be used for replacement aircraft and for required FAA upgrades to existing aircraft.
WMC: DELETE proviso. *Moved to Division of Aeronautics Section, proviso 68D.7.* Fiscal Impact: No impact on the General Fund. Requested by Budget and Control Board.

80A.51 **DELETE/MOVE** (Aviation Grants) Directs Aviation Grants funds appropriated in this bill or any bill supplemental to this bill to be credited to the State Aviation Fund and be used (1) to allow maximization of grant funds available through the FAA for capital improvement projects; excluding administration or operational projects; (2) for general aviation airports maintenance projects; and (3) for aviation education related programs. Directs that sponsors of publicly owned airports for public use are eligible to receive grants, but require the airport to have a current development plan the meets National Plan of Integrated Airports Systems planning requirements. Directs the B&C Board Executive Director to promulgate regulations establishing the grants program. Directs that enabling airport sponsors to meet basic FAA safety guidelines for obstruction clearance must be a major factor in establishing priority guidelines and authorizes the B&C Board Executive Director to have the discretion to establish a program to grant Aviation Fund monies for this purpose at the rate of 80% from the fund to 20% from the local airport sponsor, or any ratio with a smaller contribution from the fund. Requires an expenditure report be submitted to the Senate Finance and House Ways and Means Committees. Authorize unexpended funds to be carried forward and spent for like purposes.
WMC: DELETE proviso. *Moved to Division of Aeronautics Section, proviso 68D.8.* Fiscal Impact: No impact on the General Fund. Requested by Budget and Control Board.

80A.52 **DELETE/MOVE** (Aeronautics Grant Match Funds) Authorizes funds appropriated to the Division of Aeronautics for FAA grant matching to be used to match state and local aviation airports projects whether or not FAA funding has been received. Requires Aeronautics Commission approval prior to the funds being awarded.
WMC: DELETE proviso. *Moved to Division of Aeronautics Section, proviso 68D.9.* Fiscal Impact: No impact on the General Fund. Requested by Budget and Control Board.

80A.53 **DELETE** (Human Resource Programming) Directs that for FY 09-10 the following provisions are authorized in order to properly encode Human Resource regulations and

guidelines for the South Carolina Enterprise Informational System (SCEIS). (A) Directs that state and political subdivisions officers and employees who accrue annual or sick leave, and who wish to be an organ donor, are entitled to leaves of absence without loss of pay, time, leave, or efficiency rating for one or more periods not exceeding an aggregate of 30 regularly scheduled workdays in a calendar year for the purpose of organ donation. (B) Suspends Section 8-11-120 [REPORT OF JOB VACANCIES] for FY 09-10 and require an Executive branch state agency's appointing authority to post a notice of a job vacancy with the B&C Board Office of Human Resources and the Employment Security Commission at least 5 working days before filling the vacancy. (C) Authorizes state agencies that process their payroll through the Comptroller General to withhold or deduct any portion of a state employee's wages when required to do so by state or federal law or when an overpayment of wages has occurred due to a miscalculation or other bona fide error. Requires the employee to receive advance written notice of the deduction, reason for, and actual dollar amount or percentage of wages to be deducted prior to the deduction being made. (D) Directs that positions established under Section 8-11-196 [HIRING OF EMPLOYEES TO FILL TEMPORARY GRANT POSITIONS] must be limited to and not exist beyond the duration of the time-limited project, grant, or a subsequent renewal. Allows the agency to use other funds to continue employment between the expiration of one grant or time-limited project and the subsequent renewal of the same or similar grant or time-limited project. Requires temporary grant or time-limited project employees to be terminated and their positions to cease to exist when the grant, time-limited project, or subsequent renewal ends. Exempts temporary grant or time-limited project employees from the provisions of Sections 8-17-310 - 8-17-380 [STATE EMPLOYEE GRIEVANCE PROCEDURE]. Requires agencies to terminate all temporary grant or time-limited project positions when funding is terminated or is insufficient. (E) Authorizes the B&C Board, Office of Human Resources to amend or modify human resource policies, regulations and processes in order to implement and transition to SCEIS and to publish any changes or modifications in the State Register and on the official Office of Human Resources website prior to the changes or modifications taking effect.
WMC: DELETE proviso. *Provision was codified by Act 29 of 2009.* Fiscal Impact: No impact on the General Fund. Requested by Budget and Control Board.

80A.54 **ADD** (December Holidays) **WMC:** ADD new proviso to direct that employees shall observe the Saturday, December 25, 2010 and Sunday, December 26, 2010 holidays on Monday, December 27, 2010 and Tuesday, December 28, 2010, respectively. *Provides authority of observance of legal holidays on alternate days that are not expressly authorized by existing statute.* Fiscal Impact: No impact on the General Fund. Requested by Budget and Control Board.

80A.55 **ADD** (State Health Plan Obesity Treatment Pilot Program) **WMC:** ADD new proviso to direct the board, when they establish the 2011 State Health Plan Benefits, to establish a one year pilot program, for 2011 only, to provide treatment and management of obesity and related conditions through various methods including, but not limited to, bariatric surgery as a treatment option. Require the Plan to develop program eligibility criteria for the patient and the facility to include, but not be limited to, bariatric surgical guidelines and criteria of the American Association of Clinical Endocrinologists (AACE), The Obesity Society (TOS), and American Society for Metabolic & Bariatric Surgery (ASMBS) Guidelines for Clinical Practice for the Perioperative Nutritional, Metabolic, and Nonsurgical Support of the Bariatric Surgery

Patient. Direct that patient participation criteria must also include that a person may be eligible for the program's bariatric surgery if he participates in the State Health Plan as either a subscriber or spouse and is not Medicare eligible; and (a) has a body mass index greater than 40; or has a body mass index greater than 35 and with a co-morbidity such as diabetes, hypertension, gastro esophageal reflux disease, sleep apnea, or asthma; (b) has participated in the State Health Plan the preceding 2 years; (c) has documented at least two failed attempts at sustained weight loss using programmatic methods as approved by the Plan with his primary practitioner; and (d) has presented a pre-operative psychological evaluation indicating they are a satisfactory candidate for surgery. Direct that a medical center or hospital may be eligible to deliver bariatric surgery in the program if (a) it is a nationally designated ASMBS Center of Excellence for Bariatric Surgery, an American College of Surgeons (ACS) Bariatric Surgery Center Network member, or a Blue Distinction Center for Bariatric Surgery; (b) has critical post-surgical patient support in place including, but not limited to, a nutritionist or dietician for patient access; individual and group support meetings; development of personalized weight loss goals and management and support for lifelong life style changes; and a physical activity component; and (c) imposes an initial surgical fee that must include 18 months follow-up care for the patient that includes, but is not limited to, clinical complications, all band adjustments, use of COE support staff, use of nutritionists, and access to group meetings. Direct the pilot program is limited to 100 patients from different regions in the state. Require the State Health Plan shall annually report detailed information on the program's trends including, but not limited to, pre-surgical medical and prescription costs, including those associated with obesity and its co-morbidities, and postsurgical medical and prescription costs, including those related to complications from the surgery. Require a patient to serve as his own control by comparing health care costs in the preceding two years to his health care costs following surgery. Direct that surgeries performed under this program those determined most medically appropriate for participating patients. Fiscal Impact: No impact on the General Fund.

SECTION 80C - F30-BUDGET AND CONTROL BOARD, EMPLOYEE BENEFITS

80C.2 **AMEND** (Funding Abortions Prohibited) Prohibits funds appropriated to the State Health Insurance Plan for employer contributions from being used to reimburse abortion expenses except in cases of rape, incest or where the life of the mother is in jeopardy. Prohibits the State Health Plan from offering coverage for abortion services.
WMC: AMEND proviso to delete the exception for cases of rape, incest, or where the life of the mother is in jeopardy. Fiscal Impact: No impact on the General Fund.

SECTION 82 - R52 - STATE ETHICS COMMISSION

82.1 **ADD** (Electronic Filing) **WMC:** ADD new proviso to authorize the Ethics Commission to require all statements and forms filed with the commission to be filed using the electronic filing system developed pursuant to Section 8-13-365. Require all funds saved be used to offset the cost of administering and enforcing the Ethics Act. Authorize unexpended funds to be carried forward. *Mandated electronic filing for all filers brings the commission into full compliance with Section 8-13-3665 and provides immediate online access for the public and media.* Fiscal Impact: No impact on the General Fund. The commission states that during FY 08-09 four

temporary employees were employed at a cost of approximately $75,000. Mandatory electronic filing would reduce that cost to zero. Requested by Ethics Commission.

SECTION 84 - V04 - DEBT SERVICE

84.1 **AMEND** (Excess Debt Service Funds Carry Forward) Authorizes excess Debt Service funds to be carried forward from FY 08-09 and be spent for debt service purposes in FY 09-10.
WMC: AMEND proviso to change fiscal year references from "2008-09" to "2009-10" and "2009-10" to "2010-11." Fiscal Impact: An estimated $1,600,000 will be carried forward into FY 10-11.

SECTION 85 - X12 - AID TO SUBDIVISIONS, COMPTROLLER GENERAL

86.2 **AMEND** (Local Government Flexibility) Directs that for FY 09-10, counties may transfer funds among appropriated state revenues as needed to ensure delivery of services.
WMC: AMEND proviso to change fiscal year reference from "2009-10" to "2010-11." Fiscal Impact: No impact on the General Fund.

86.3 **AMEND** (Quarterly Distributions) Directs that for FY 09-10, the quarterly distribution for Aid to Subdivisions-Local Government Fund entities be as follows: 1st quarter is to equal the amount of the last quarterly distribution for FY 08-09 and the next three quarters shall be reduced in equal amounts with the four distributions totaling the 09-10 appropriation from the Local Government Fund.
WMC: AMEND proviso to change fiscal year references from "2009-2010" to "2010-11" and "2008-2009" to "2009-10." Fiscal Impact: No impact on the General Fund.

86.7 **AMEND** (LGF) Suspends Sections 6-27-30 [FUNDING OF LOCAL GOVERNMENT FUND FROM GENERAL FUND REVENUES] and 6-27-50 [RESTRICTIONS ON AMENDMENT OR REPEAL OF CHAPTER] for the current fiscal year.
WMC: AMEND proviso to change fiscal year reference from "2009-10" to "2010-11."

SECTION 89 - X90-GENERAL PROVISIONS

89.2 **AMEND** (Appropriations From Funds) Directs that funds appropriated from the General Fund, EIA Fund, Highways and Public Transportation Fund and other applicable funds are to meet the ordinary expenses of the State for FY 2009-10.
WMC: AMEND proviso to change fiscal year reference from "2009-10" to "2010-11." Fiscal Impact: No impact on the General Fund.

89.3 **AMEND** (Fiscal Year Definitions) Defines current and prior fiscal year time frames.
WMC: AMEND proviso to update fiscal year references from "2009" to "2010;" "2010" to "2011;" and "2008" to "2009." Fiscal Impact: No impact on the General Fund.

89.16 **AMEND** (Personal Service Reconciliation, FTEs) Requires the Budget and Control Board to monitor FTEs.

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SUMMARY OF PROVISO CHANGES FOR FY 2010-11 AS RECOMMENDED BY THE HOUSE WAYS AND MEANS COMMITTEE

WMC: AMEND proviso change AMEND proviso to change fiscal year reference from "2009-10" to "2010-11." Fiscal Impact: No impact on the General Fund.

89.25 **AMEND** (Information Technology - Report of Requested Increases) Authorizes and directs the B&C Board to identify all requested information technology increases for agencies, institutions, or departments, except for colleges, universities, and technical institutions. Direct that the requests be compiled in one report and evaluated. Direct that the evaluation be forwarded to the Governor and Chairmen of the Senate Finance and House Ways and Means Committees.
WMC: AMEND proviso to delete the requirement that the requests be evaluated and forwarded. Instead direct that an evaluation be provided upon request of the Governor, or Chairman of the Senate Finance Committee, or Chairman of the House Ways and Means Committee, or a respective subcommittee chairman. *Allows agency resources to focus on evaluations that are of interest to the specified parties.* Fiscal Impact: No impact on the General Fund. Requested by Budget and Control Board.

89.39 **DELETE** (PSA Agriculture Teachers Summer Employment) Directs the Department of Education to transfer to Clemson PSA the funds appropriated in Part IA, Section XI.F3, Other State Agencies and Entities, Teacher Pay to pay state mandated salary increases for summer employment of agriculture teachers.
WMC: DELETE proviso. Fiscal Impact: No impact on the General Fund. *See proviso 1A.43.*

89.45 **DELETE** (Forego Salary Increase) Allows higher education institutions, including PSA agencies, employees, staff and/or faculty to request to voluntarily forego the FY 2005-06 general or merit salary increase and to have the funds remain in the base budget of their institution. Prohibits an employee, staff, or faculty from foregoing this increase if they would then earn below the minimum of his pay band.
WMC: DELETE proviso. *Technical. Proviso was specifically for FY 05-06.* Fiscal Impact: No impact on the General Fund.

89.53 **DELETE** (Best Management Practices) Directs that agencies who are appropriated funds in this act must report on their website by September 1st each year, a self assessment of the agency's use of 13 specific best management practices during the prior fiscal year and to use a format similar to the Department of Transportation's best management practices report. Encourages agencies to partner with other agencies for a peer review process. Requires agencies to publicly rate itself as in compliance, in progress, or in non-compliance for each of the best practices. Exempts higher education institutions from this requirement.
WMC: DELETE proviso. *A more thorough and informative report of agencies' self assessment and activities is already reported in the annual Accountability Report.* Fiscal Impact: No impact on the General Fund. Requested by Budget and Control Board.

89.66 **DELETE** (Morris Island Lighthouse Transfer) Directs the B&C Board to transfer any funds remaining or refunded by the federal government, after the Section 103 Morris Island Lighthouse restoration project is completed, to Save the Lighthouse, Inc. and directs that the funds be used for additional restoration or maintenance of the lighthouse.

SUMMARY OF PROVISO CHANGES FOR FY 2010-11 AS RECOMMENDED BY THE HOUSE WAYS AND MEANS COMMITTEE

WMC: DELETE proviso. *Section 103 agreement has been executed and completed as directed.* Fiscal Impact: No impact on the General Fund. Requested by Budget and Control Board.

89.78 **AMEND** (LightRail) Authorizes and directs the three research universities, Clemson, MUSC, and USC-Columbia to plan, procure, administer, oversee, and manage all functions associated with the S.C. LightRail [HIGH SPEED INTERNET] and directs that they are exempt from the oversight and project management regulations of the B&C Board, Division of State Information Technology. Directs that S.C. LightRail is an academic network for the use of the state's 3 research universities for the exchange of information directly related to their mission and must not carry commercial or K-12 traffic originated in S.C. Directs that for FY 09-10 public or private organizations and entities may be provided access only through formal documented partnerships with one or more of the 3 research universities. Directs that a report be submitted on February 1, 2010 that identifies each entity with access to the network and any payment including without limitation in-kind payment, each organization and entity is making for network access.
WMC: AMEND proviso to update fiscal year reference from "2009-10" to "2010-11" and calendar year references from "2010" to "2011." Fiscal Impact: No impact on the General Fund.

89.87 **AMEND** (Flexibility) Authorizes agencies, in order to provide maximum flexibility to absorb general fund reductions mandated in this act as compared to the prior fiscal year general fund appropriations, to spend agency earmarked and restricted "special revenue funds" to maintain critical program previously funded with general fund appropriations. Requires prior Office of State Budget approval to increase spending authorization for these purposes and requires the increased authorization be reported to the Governor, Senate Finance and Ways and Means Committees. Authorizes the Comptroller General to implement procedures. Directs that this provision is provided notwithstanding any other provision that restricts the use of earned revenue. Allows agency transfers to exceed 20% of the program budget upon B&C Board Office of State Budget approval in consultation with the Chairmen of the Senate Finance and House Ways and Means Committees. Authorizes state institutions of higher learning whose budgets have been reduced from the FY 08-09 state funding level to be able to use other sources of available fund to support and maintain state funded programs affected by FY 09-10 state reductions and to adjust appropriations from special items or programs in an amount greater or less than the percentage of the reduction assessed to the institution's base budget. Requires institutions to submit the amount of base budget reductions associated with these programs to the Office of State Budget and the Senate Finance and House Ways and Means Committees. Directs that notwithstanding the flexibility authorized in this provision, specific agencies are prohibited from reducing or transferring funds from the following programs or areas. DHHS: Teen Pregnancy/Abstinence Programs including, but not limited to MAPPS; PACE; Federally Qualified Health Centers; and Provider Rates and prohibits the department from decreasing provider reimbursement rates from their current levels. Directs that this provision is not intended to restrict the annual updating of cost based rates and those rates indexed to methodologies described in the Medicaid State Plan. Lt. Governor's Office: Home & Community Based Services (Meals on Wheels). Dept of Commerce: Regional Economic Development Organizations as defined by proviso 40.15. DNR: Law Enforcement

Program/Enforcement Operations as contained in Program II.F.1. PRT: Program II.A. Special Item: Regional Promotions; Program II. A. Special Item: Advertising; and prohibits PRT from closing or reducing the FTE's in the State House Gift Shop and Santee Welcome Center. Authorizes DNR to reduce the specified programs or areas listed in this provision by an amount not to exceed the percentage associated with any mandated reduction.
WMC: AMEND proviso to update "2009-10" to "2010-11." Delete the term "increase" in reference to spending authorization associated with this provision. Update fiscal year references in higher ed portion from "2008-09" to "2009-10" and "2009-10" to "2010-11." Delete the PRT prohibition pertaining to "Program II.A. Special Item: Advertising" and instead prohibit Program II.C. Special Item: Palmetto Pride" funds from being reduced or transferred. Fiscal Impact: No impact on the General Fund.

89.93 **AMEND** (Offset Corrections Budget Reduction) Authorizes the Governor to transfer agency earmarked and restricted accounts designated as "special revenue funds" as defined in the Comptroller General's records from DMV to the Department of Corrections to offset any FY 09-10 budget deficit that has been officially recognized by the Budget and Control Board.
WMC: AMEND proviso to change "2009-10" to "2010-11." Fiscal Impact: No impact on the General Fund.

89.96 **AMEND** (Solar Power Income Tax Credit Increased) Increases from 25% to 30%, the state income tax credit allowed by Section 12-6-3587 [PURCHASE AND INSTALLATION OF SOLAR ENERGY SYSTEM FOR HEATING WATER, SPACE HEATING, AIR COOLING, OR GENERATING ELECTRICITY] for purchase and installation costs of a qualifying solar energy system for taxable year ending in 2009.
WMC: AMEND proviso to change fiscal year reference from "2009" to "2010." Fiscal Impact: BEA indicates no additional impact on the General Fund income tax revenues in FY 10-11 since the proviso extends a credit that already exists and has been taken into account in the BEA forecast.

89.100 **AMEND** (Printed Report Requirements) Directs that for Fiscal Year 2009-10 higher education institutions shall not be required to submit printed reports mandated by Sections 2-47-40 [JBRC: INFORMATION TO BE FURNISHED BY AGENCIES AND INSTITUTIONS], 2-47-50 [JBRC: ESTABLISHMENT OF PERMANENT IMPROVEMENT PROJECTS BY BOARD; REVIEW OF PROPOSED REVISIONS; "PERMANENT IMPROVEMENT PROJECT" DEFINED], and 59-103-110 [APPROVAL FOR NEW CONSTRUCTION; EXEMPTIONS] and shall only submit the reports electronically. Directs that submission of plans or reports required by the following Sections are waived for the current fiscal year: 2-47-55 [JBRC: COMPREHENSIVE PERMANENT IMPROVEMENT PLAN], 59-101-350 [CHE ANNUAL REPORT; SUBMISSION OF INFORMATION BY EDUCATIONAL INSTITUTIONS FOR INCLUSION IN REPORT; ALUMNI SURVEYS], 59-103-30 [CRITICAL SUCCESS FACTORS AND PERFORMANCE INDICATORS], 59-103-45(4) [ADDITIONAL DUTIES AND FUNCTIONS OF COMMISSION REGARDING PUBLIC INSTITUTIONS OF HIGHER LEARNING], and 59-103-160(D) [ENGLISH FLUENCY IN HIGHER LEARNING ACT-INSTITUTIONS - POLICY AND AMENDMENTS TO THE POLICY]. Directs that per Section 2-47-55 [JOINT BOND REVIEW COMMITTEE-COMPREHENSIVE PERMANENT IMPROVEMENT PLAN] higher education institutions must continue to report year one of the Comprehensive Permanent Improvement Plan, and continue to report student pass rates on professional exams, and data elements required for the CHE Management Information System. Directs CHE, in consultation with institutions to take further action to reduce data reporting burdens as possible. Directs the Department of Agriculture, for

FY 09-10, to not submit printed reports mandated by Section 46-49-10 [SUPERVISION AND REGULATION OF MILK AND MILK PRODUCTS, DEFINITIONS] and to instead provide the reports electronically and to use any savings for K5-12 agriculture education programs. Directs that for FY 09-10 the Department of Health and Human Services is not required to provided printed copies of the Medicaid Annual Report required by Section 44-6-80 [DHHS: ANNUAL AND INTERIM REPORTS] and the Provider Reimbursement Rate Report required by proviso 21.13 [PROVIDER REIMBURSEMENT RATE REPORT] and to instead provide the documents electronically. Prohibits the Department of Commerce, for FY 09-10, from printing, distributing, or mailing hard copy color brochures that have been produced at department expense to General Assembly members. Directs that brochures or documents provided to members shall only be produced in black and white. Directs that for FY 09-10, the Department of Transportation is not required to submit printed reports or publications mandated by Sections 1-11-58 [ANNUAL INVENTORY AND REPORT; REVIEW; SALE OF SURPLUS PROPERTY], 2-47-55 [JBRC: COMPREHENSIVE PERMANENT IMPROVEMENT PLAN], and 58-17-1450 [RAILROAD CROSSING SAFETY REQUIREMENTS]. Authorizes DOT to combine their Annual Report and Mass Transit Report into their Annual Accountability Report.
WMC: AMEND proviso to update fiscal year references from "2009-10" to "2010-11." *Technical.* Fiscal Impact: No impact on the General Fund.

89.103 **DELETE** (Information Technology Inventory) Requires a governmental body as defined by Section 11-35-310(18) [SOUTH CAROLINA CONSOLIDATED PROCUREMENT CODE DEFINITIONS] to conduct an inventory of information technology hardware. Directs that hardware to be inventoried and information to be provided shall be defined by the technical collaboration work group established as part of the Statewide Strategic Information Technology Plan process. Directs that the information technology hardware inventory include: (1) manufacturer, model number and date of acquisition; (2) description of required software or firmware; (3) term, renewal options, and date of expiration of applicable maintenance agreements; (4) term and expiration date of applicable warranty periods; and (5) description of applicable service level agreements. Directs the governmental body to report the inventory and related information to the State Information Technology Planning Office as soon as practicable, but no later than October 31, 2009. Directs the State Information Technology Planning Office to present information and options for establishing a statewide maintenance contract to the Agency Directors Technology Advisory Committee for review and recommendations as to whether cost savings can be achieved by uniting maintenance services for specific categories of IT hardware under a state term contract.
WMC: DELETE proviso. *Purpose of proviso will be accomplished during FY 2010.* Fiscal Impact: No impact on the General Fund. Requested by Budget and Control Board.

89.107 **AMEND** (Second Amendment Weekend - Sales Tax Exemption for Certain Firearms) Exempts handguns and shot guns from state and local sales tax for sales occurring from 12:01 am, Friday, November 27, 2009, through midnight Saturday, November 28, 2009.
WMC: AMEND proviso to change calendar reference from "Friday, November 27, 2009" to "Friday, November 26, 2010" and "Saturday, November 28, 2009" to "Saturday, November 27, 2010." Fiscal Impact: Extends the tax credit for an additional year.

89.108 **ADD** (Transfer Small and Minority Business Assistance) **WMC:** ADD new proviso to transfer the duties, functions, responsibilities, personnel, equipment, supplies, appropriated,

authorized and carry forward funds and all other assets and resources of the Office on Small and Minority Business Assistance housed under OEPP to the B&C Board Procurement Services Division effective July 1, 2010, or as soon as practicable thereafter. Fiscal Impact: No impact on the General Fund.

89.109 **ADD** (TERI Program Closure) **WMC:** ADD new proviso to direct that that the TERI program is closed to new participants effective July 1, 2010. Fiscal Impact: No impact on the General Fund.

89.110 **ADD** (Fire Service Vehicles Allowed to Use "Offroad Diesel") **WMC:** ADD new proviso to exempt fire service vehicles operated by political subdivisions from the user fee on diesel fuel imposed by Chapter 28 of Title 12 [MOTOR FUELS SUBJECT TO USER FEES]. Authorize "offroad diesel" to be purchased to operate these vehicles. Fiscal Impact: BEA indicates no impact on the General Fund. Proceeds from diesel/off-road diesel user fees in FY 10-11 would be reduced by $506,688 as follows: DOT State Highway Fund, $484,000; DHEC $15,125; Dept. of Agriculture, $756; and DOT State Non-Federal Aid Highway Fund, $6,807.

89.111 **ADD** (Transfer South Carolina Occupational Information System) **WMC:** ADD new proviso to direct that the Employment Security Commission's SC Occupational Information System (SCOIS) program, its duties, functions, responsibilities, personnel, equipment, supplies, appropriated and authorized funds, carry forward funds and all other assets and resources are transferred to the Department of Education effective July 1, 2010, or as soon as practicable. Fiscal Impact: No impact on the General Fund.

89.112 **ADD** (Inter-Agency Loan - Aeronautics Commission and PRT) **WMC:** ADD new proviso to authorize the Aeronautics Commission to borrow up to $15,000,000 during the current fiscal year from the Insurance Reserve Fund (IRF) to fund the South Carolina Air Services Incentive and Development Fund. Require that the funds be repaid as follows: In any year after the current fiscal year that the annual aircraft property tax revenues collected pursuant to Article 19 of Title 12, Chapter 37 [ASSESSMENT OF PROPERTY TAXES: AIRCRAFT] exceed $6,000,000, funds collected in excess of that amount shall be used to repay the IRF instead of being paid into the General Fund. Require that the amount repaid to the IRF be repaid with interest as calculated by the State Treasurer's Office. Direct that after the loan has been fully repaid or there are no outstanding loans, any aircraft property tax revenues collected in a fiscal year which exceeds $6,000,000 shall be paid into the S.C. Air Services Incentive and Development Fund rather than be paid into the General Fund. Authorize PRT to enter into a loan agreement on behalf of the State with Beaufort County in an amount up to $10,000,000 to promote tourism. Direct that the money to finance the loan is to be acquired from the IRF and the loan is to be repaid to the IRF within 5 years using Beaufort County's local accommodations tax revenues. Require the county take actions necessary to authorize repayment of the loan with local accommodations tax revenues prior to any funds being dispersed. Require the State Treasurer's Office approve the loan agreement terms and conditions and ensure that the IRF is fully repaid with interest. Reduce the Division of the Savannah Valley Development's prior authorization to borrow funds from the Insurance Reserve Fund to ten million dollars. Fiscal Impact: No impact on the General Fund. Funds will be borrowed and repaid, with interest from the Insurance Reserve Fund.

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SUMMARY OF PROVISO CHANGES FOR FY 2010-11 AS RECOMMENDED BY THE HOUSE WAYS AND MEANS COMMITTEE

89.113 **ADD** (Holiday Furlough) **WMC:** ADD new proviso to authorize agency heads to institute an employee furlough program of up to 5 days to be taken on legal state holidays. Allow agencies to allocate an employee's pay reduction over the balance of the fiscal year for payroll purposes. Direct that during the furlough employees shall be entitled to participate in the same state benefits as otherwise available to them except for receiving their salaries and benefits that require employer and employee contributions are to be the responsibility of the agency if coverage would otherwise be interrupted and contributions that only require employee contributions are the responsibility of the employee. Fiscal Impact: No impact on the General Fund. Any savings generated from a potential furlough would be retained by an agency.

89.114 **ADD** (Retiree Return to Work Salary Percentage) **WMC:** ADD new proviso to direct that a retiree who returns to work at a state agency shall be paid no more than 75% of the salary they were receiving when they retired. Direct that if an agency must employ a retiree who is returning to work, they should possess a unique skill set or institutional knowledge which would be difficult to replace. Fiscal Impact: No impact on the General Fund.

SECTION 90 - X91 - STATEWIDE REVENUE

90.1 **AMEND** (Year End Expenditures) Directs year-end expenditure deadlines.
WMC: AMEND proviso to change fiscal year reference from "2010" to "2011" and "July 16, 2010" to "July 15, 2011." Fiscal Impact: No impact on the General Fund.

90.6 **DELETE** (Health and Human Services Funding) Directs that $450,762,894 of Department of Health and Human Services general fund appropriations, carry forward funds, earmarked and restricted special revenue fund accounts, and unobligated state match resulting from the increased FMAP provided by ARRA of 2009 are to be disbursed to specified agencies for specific purposes. Directs that the funds be distributed, at a minimum, in four equal disbursements on a quarterly basis. Directs that $225,945,013 of these funds is to be transferred to the General Fund. Creates the Health Care Annualization and Maintenance of Effort Fund within the State Treasurer's Office to be used solely for health care purposes. Directs all agencies, unless specifically exempted, to transfer to the State Treasurer for deposit into the Health Care Annualization and Maintenance of Effort Fund, unobligated state match funds resulting from the increased FMAP funds they received.
WMC: DELETE proviso. Fiscal Impact: No impact on the General Fund. This proviso was for FY 2009-10 only.

90.8 **DELETE** (State Budget Stabilization Fund) States the intent of the General Assembly to accept all funds that are available from the State Budget Stabilization Fund contained in the American Recovery and Reinvestment Act of 2009 and authorizes such funds to be expended as delineated in this act.
WMC: DELETE proviso. Fiscal Impact: No impact on the General Fund.

90.9 **DELETE** (ARRA Fund Authorization) States the intent of the General Assembly to accept all available funds from the State Budget Stabilization Fund contained within the American Recovery and Reinvestment Act of 2009. Directs the Office of State Budget to increase agency

federal fund authorization for State Budget Stabilization Fund monies allocated by the General Assembly.
WMC: DELETE proviso. Fiscal Impact: No impact on the General Fund.

90.11 **DELETE** (Nonrecurring Revenue) Provides for distribution of $51,920,921 of non-recurring revenue derived from various sources and disbursed by the State Treasurer to agencies for specific purposes. Authorizes unexpended funds appropriated by this provision to be carried forward.
WMC: DELETE proviso. Fiscal Impact: No impact on the General Fund.

90.12 **DELETE** (DMV Cash Transfer) Directs DMV to transfer $8,000,000 from any department earmarked or restricted "special revenue funds" account to the following agencies and lifts any restrictions concerning use of these funds for the current fiscal year: $1,000,000 to SLED, $4,000,000 to DPS, $1,000,000 to DPPP, and $2,000,000 to DJJ. Directs that for FY 09-10 the license plate replacement interval is suspended until funds transferred to other agencies are repaid to the department pursuant to proviso 90.13 or by any other source of funds or until the Plate Replacement Fee Fund has enough monies to reinstitute the license plate replacement.
WMC: DELETE proviso. Fiscal Impact: No impact on the general fund.

90.13 **DELETE** (Personnel for Increased Enforcement Collections) Directs the Department of Revenue, for FY 09-10, to use $2,200,000 exclusively to hire and provide operations for specifically identified additional enforcement personnel (agents, auditors and support), to enhance audit and collection activity and provides guidelines and directives for the funds collected. Directs the State Treasurer to disburse the funds collected pursuant to this provision quarterly on a pro rata basis to certain agencies for specified purposes. Prohibits an agency from expending funds appropriated in this provision until they are received. Authorizes these funds to be carried forward to succeeding fiscal years and be expended for the same purpose. Directs that if revenues collected are less than the amounts appropriated, these appropriations shall be reduced on a pro rata basis. Directs that excess revenue above the amounts identified in this provision shall be transferred to the General Fund. Requires the Department of Revenue to report quarterly to the finance committees of the General Assembly and to the BEA on collections received.
WMC: DELETE proviso. Fiscal Impact: No impact on the General Fund.

90.14 **ADD** (Cigarette Surtax) **WMC:** ADD new proviso to impose, for the current fiscal year, a 1.50 cents surtax on each cigarette subject to the license tax imposed pursuant to Section 12-21-620(1) [TAX RATES ON PRODUCTS CONTAINING TOBACCO]. Direct that the revenue generated from this provision be used first to restore and maintain a balance in the Department of Health and Human Services Medicaid Reserve Account created in subsection (F). Define "cigarette" for purposes of this provision. Direct that each year five hundredths of a cent of the surtax on each cigarette be remitted to the Department of Agriculture to market and brand SC agricultural crops or produce when offered for sale in retail establishments and to assist in providing relief from natural disasters affecting state-grown crops. Create the Medicaid Reserve Fund within the State Treasury and direct that recouped refunds and identified program overpayments must be credited to the Fund. Direct that the balance in Subfund 3762 must be transferred to the newly created Fund. Require Fund balances to be carried forward. Require the Department of

Health and Human Services to also deposit prior year program refunds or overpayments, excluding pharmacy rebates, into the Fund. Authorize the department to use the Fund to offset operating deficits or audit disallowances from the Medicaid program. Direct that after aggregate disbursements from the Fund in a fiscal year equal $500,000, all additional disbursements in that year must be approved by the State Budget and Control Board. Require the Fund balance to be an amount equal to 1½% of the total appropriations authorization for the Medicaid program the current fiscal year. Require revenue in excess of that balance to be first credited to the General Reserve Fund to the extent the Fund needs replenishing, and after the Fund is fully replenished, be deposited to the General Fund of the State. Fiscal Impact: Generates $89,363,620 for the Medicaid Reserve Fund.

90.15 **ADD** (Repayment of Deficit) **WMC:** ADD new proviso to direct the State Treasurer to transfer the following sources of revenue, prior to closing the books on FY 09-10, to repay the FY 08-09 general fund operating deficit: (1) excess FY 09-10 general fund revenue above the statewide adjusted agency appropriations; (2) $2,500,000 from the Department of Agriculture Subfund 3079, Renewable Energy Infrastructure Development Fund; (3) $9,431,724 from B&C Board Subfund 3146; and (4) $7,341,716 from B&C Board FY 09-10 Educational Broadband Spectrum Lease receipts. Direct that once the FY 08-09 general fund operating deficit has been repaid any remaining funds from sources 2-4 are to be transferred to the General Reserve Fund in FY 10-11.

90.16 **ADD** (Nonrecurring Revenue - Increased Enforcement Collections) **WMC:** ADD new proviso to direct the Department of Revenue to continues in increased enforcement collections efforts as established in FY 09-10. Authorize the department to collect revenues from any source within its jurisdiction, including, but not limited to, corporate, individual or sales tax collections, but direct the department to especially focus on enforced collections and outstanding liabilities. Direct that these funds are to be deposited into a fund separate and distinct from the general fund within the State Treasurer's Office, except direct that motor fuel funds collected as a result of the enforced collection efforts be distributed in the same manner as other motor fuel tax revenues are currently distributed. Direct the department to develop internal mechanisms to insure the integrity of customary and usual enforced collections. Direct the department, when it determines quarterly customary and usual enforced collections have been exceeded, to deposit the excess funds into the separate and distinct fund not to exceed the totals as provided in this provision. Direct the State Treasurer, for FY 10-11, to disburse $3,625,000 to the Election Commission for the 2010 General Election, $1,000,000 to the Governor's Office of Executive Control of State for transition costs, and $250,000 to the Lieutenant Governor's Office for transition costs, and to then disburse quarterly the following funds on a pro rata basis: $25,051,500 to Part IA State General Fund; $2,841,716 to B&C Board for SCEIS; $413,929 to CHE for SREB Dues; $7,000,000 to St Bd for Tec & Comp Ed for CATT Program; $5,000,000 to Department of Commerce for Deal Closing Fund; $1,000,000 to Senate for Reapportionment; $1,000,000 to House of Representatives for Reapportionment; $20,000 to B&C Board for Reapportionment; $1,297,855 to B&C Board for Operating Expenses; and $1,000,000 to PRT for Operating Expenses. Direct that excess revenue above the amounts identified in this provision shall be transferred to the General Fund. Direct that to insure that customary and usual enforced collections are unaffected by this proviso, the State Treasurer's Office may not disburse funds from this account until the

following schedule of General Fund enforced collections are deposited by the Department. of Revenue by the end of each quarter and direct that if quarterly collections do not reach the required level, distributions are suspended for that quarter. July to September 2010 = $90,000,000; October to December 2010 = $180,000,000; January to March 2011 = $270,000,000; and April to June 2011 = $360,000,000. Require the Department of Revenue to report quarterly to the finance committees of the General Assembly and to the BEA on the amount of customary and usual enforced collections and the excess collections generated from the enhanced collection activities. Require the Department of Revenue to provide data to the finance committees and the BEA on prior years enforced collections to assist in monitoring the seasonal flows of revenue collection that impact funding of state government programs. Direct that these funds are deemed to have occurred by and are available for appropriation by this provision. Fiscal Impact: Increases revenue collection $49,500,000.

90.17 **ADD** (Non-Recurring Revenue Transfers) **WMC:** ADD new proviso to require DMV to transfer $8,000,000 from any department "special revenue" earmarked or restricted account as follows: $7,000,000 to Clemson University for the Drive Train Test Facility and $1,000,000 to B&C Board for the SCEIS program. Direct the B&C Board to transfer $1,158,284 of Educational Broadband Spectrum Lease funds to the SCEIS program. Direct DOT to transfer $10,000,000 from Subfund 4862, Non-Federal Aid Highway Funds to the General Fund of the State. Direct the Department of Health and Human Services to remit to the General Fund from the Medicaid Reserve Fund created by proviso 90.14, any loss of general fund revenue as certified by the BEA as a result of the cigarette surtax enacted by proviso 90.14. Direct that restrictions concerning specific use of the funds are lifted for the fiscal year.

90.18 **ADD** (Health and Human Services Funding) **WMC:** ADD new proviso to direct that the source of funds in this provision is $195,457,066 from the Health Care Annualization and Maintenance of Effort Fund; that by this provision these funds are available for appropriation; and direct the State Treasurer to disburse the following appropriations by September 1, 2010: $143,315,492 to Department of Health and Human Services for Medicaid Maintenance of Effort; $400,000 to Department of Health and Environmental Control for Rape Crisis Centers; and $18,141,574 to Department of Social Services for Child Support Enforcement Penalties. Direct that the following appropriations are disbursed for agency operating expenses: $7,600,000 to Department of Health and Environmental Control; $12,500,000 to Department of Mental Health; $12,500,000 to Department of Disabilities and Special Needs; $400,000 to Vocational Rehabilitation; $500,000 to Department of Alcohol and Other Drug Abuse Services; and $100,000 to Commission for the Blind. Fiscal Impact: No impact on the General Fund. $195,457,066 from the Health Care Annualization and Maintenance of Effort Fund established in FY 09-10. Authorize unexpended funds to be carried forward and expended for the same purposes.

PART II

Reserved

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SUMMARY OF PROVISO CHANGES FOR FY 2010-11 AS RECOMMENDED BY THE HOUSE WAYS AND MEANS COMMITTEE

PART III

SEC 1 **ADD** (Recognition of Funds) **WMC:** ADD Section 1 to state that $346,056,109 of federal funds established by the American Recovery and Reinvestment Act of 2009 (ARRA) are authorized for appropriation.

SEC 2 **ADD** (Allocation of Funds) **WMC:** ADD Section 2 to direct that specified funds must be transferred to the identified agencies to supplement appropriations for FY 10-11 and authorize the Office of State Budget to increase federal fund authorization for those agencies. Direct that SLED must use the funds transferred to them to maximize statutorily mandated law enforcement services. Direct that for purposes of expending funds authorized in this section, the funds must be used in a manner consistent with the State Fiscal Stabilization Fund established by the ARRA. State that the General Assembly recognizes that receipt of the funds are designed to address a precipitous drop in revenue due to the pending economic crisis and use of this money to fund recurring expenses is a way to address the shortfall in recurring funds until the economy improves. State that the General Assembly recognizes that these funds are temporary and may not be sufficient to address a shortfall in recurring revenue if the current economic crisis extends beyond the period currently contemplated. State that the General Assembly strongly encourages state agencies, institutions and school districts that receive these funds to limit reliance on the funds and make contingency plans that include savings to meet future recurring obligations. Authorize Part III funds in the prior appropriation act and in this act to be carried forward and used for the same purpose in accordance with federal guidelines.

SEC 3 **ADD** (Effective) **WMC:** ADD Section 3 to direct that this part takes effect upon approval of the Governor.