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Indicates New Matter

AMENDED--NOT PRINTED IN THE HOUSE

Amt. No. 2A (Doc. Path council\bbm\9618htc10)

March 3, 2010

**H. 3395**

Introduced by Reps. Harrell, Thompson, Cooper, Erickson, Bingham, A.D. Young, Edge, Bedingfield, J.R. Smith, G.R. Smith, D.C. Smith, Bannister, Brady, Cato, Chalk, Forrester, Gambrell, Hamilton, Hiott, Horne, Long, Nanney, Parker, E.H. Pitts, Rice, Scott, Sottile, Stewart, Viers, White, Willis, Toole, Neilson, Bales, T.R. Young and Wylie

S. Printed 2/9/10--S.

Read the first time April 14, 2009.

**A** **BILL**

TO AMEND SECTION 11‑11‑310, AS AMENDED, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO THE GENERAL RESERVE FUND, SO AS TO MAKE CONFORMING AMENDMENTS TO REFLECT ANY CHANGE IN THE AMOUNT REQUIRED TO BE HELD IN THE GENERAL RESERVE FUND PURSUANT TO THE CONSTITUTION OF THIS STATE AND THE RATE OF REPLENISHMENT OF THAT AMOUNT.

Amend Title To Conform

Be it enacted by the General Assembly of the State of South Carolina:

SECTION 1. A. Section 11‑11‑310 of the 1976 Code, as last amended by Act 385 of 1988, is further amended to read:

“Section 11‑11‑310. (A) The State Budget and Control Board shall provide for a General Reserve Fund. Funds accumulating in excess of the annual operating expenditures must be transferred to the General Reserve Fund and the transfer must continue to be made in succeeding fiscal years until the accumulated total in this reserve reaches an amount equal to ~~three percent~~ the applicable percentage amount of the general fund revenue of the latest completed fiscal year.

(B) If there is a year‑end operating deficit, so much of the General Reserve Fund as is necessary must be used to cover the deficit. The amount so applied must be restored to the General Reserve Fund out of future revenues as provided in Section 36 of Article III of the Constitution of this State and out of funds accumulating in excess of annual operating expenditures as provided in this section until the ~~three percent maximum~~ applicable percentage amount is ~~again~~ reached and actually maintained.

(C) For purposes of this section ‘applicable percentage amount’ means three percent of general fund revenue of the latest completed fiscal year plus an additional cumulative one‑half of one percent of such revenue in each fiscal year succeeding the last state fiscal year to which the three percent limit applied and in which that full three percent balance was actually maintained, until the percentage of such revenue equals five percent, which then and thereafter shall apply.”

SECTION 2. This act takes effect upon ratification of an amendment to Section 36, Article III of the Constitution of this State authorizing its terms submitted to the electors of this State at the general election of 2010 and first applies as provided in that amendment.

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