

**SENATE FINANCE COMMITTEE  
CONSTITUTIONAL AND CRIMINAL JUSTICE SUBCOMMITTEE  
PROVISO RECOMMENDATIONS FOR FY 2012-13**

**SECTION 44 - B04-JUDICIAL DEPARTMENT**

- 44.7 DELETE** (Advance Sheet Revenues Deposit) Authorizes the department to retain and expend advance sheet revenues collected above the amount remitted to the general fund in FY 01-02.  
**WMC:** DELETE proviso. *the agency stopped printing advance sheets in December 2008. Advanced sheets can be accessed online.* Fiscal Impact: Fees have not been charged since FY 08-09. Requested by Judicial Department.  
**HOU:** ADOPT deletion of proviso.

**SUBCOMMITTEE RECOMMENDATION:** ADOPT deletion of proviso.

~~**44.7.** (JUD: Advance Sheet Revenues Deposit) *The Judicial Department shall retain any advance sheet revenues collected above the amount remitted to the general fund in Fiscal Year 01-02 and shall deposit such revenue into a special revenue account and expend these funds for the production and distribution of same.*~~

- 44.fcho ADD** (Family Court Hearing Officer) **SUBCOMMITTEE RECOMMENDATION:** ADD new proviso to authorize the Chief Justice to conduct a pilot program to determine whether appointing hearing officers for certain family court proceedings would be useful. Authorize the Chief Justice to appoint family court hearing officers to serve on a voluntary basis at the pleasure of the Chief Justice. Direct that the hearing officer shall be protected under the Tort Claims Act while acting in their official capacity. Require the hearing officer to be a member of the S.C. Bar in good standing with a minimum 10 years experience in family court matters. Allow the Chief Justice to assign the hearing officer to preside over child support enforcement proceedings that have no other substantive issues for administrative purposes during the pilot year. Require the clerk of court to maintain a family court hearing officer docket and assign when the proceedings will take place and maintain records in the same manner as for other family court matters. Direct that the hearing officer has the same authority for their assigned cases as a family court judge's authority. Allow hearing officers to practice in family court, but prohibit them from presiding over any matter they participated in as a lawyer. Direct the Chief Justice to issue policies and procedures for family court hearing officers. Requested by Judicial Department.

**44.fcho.** (JUD: Family Court Hearing Officer) *From the funds appropriated for the current fiscal year, the Chief Justice of the South Carolina Supreme Court is authorized to conduct a pilot program to determine the efficacy of appointing hearing officers to preside over certain family court proceedings. The Chief Justice is authorized to appoint family court hearing officers to serve on a voluntary basis at the pleasure of the Chief Justice. Hearing officers shall be accountable to the Chief Justice and subject to the Code of Judicial Conduct while acting in the capacity of hearing officers. Hearing officers shall be afforded protection pursuant to the South Carolina Tort Claims Act, located in Chapter 78 of Title 15, while acting in the capacity of hearing officers. The Judicial Department shall maintain a list of qualified hearing officers for each county.*

*Any person appointed to serve as a hearing officer must be a member of the South Carolina Bar in good standing with a minimum of ten years experience in family court matters. Hearing officers will be required to participate in training as prescribed by the Chief Justice. Hearing officers must annually receive a minimum of six hours of continuing legal education on family court issues and shall be subject to additional standards as the South Carolina Supreme Court deems appropriate.*

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During this pilot year, hearing officers may be assigned at the discretion of the Chief Judge for administrative purposes to preside over child support enforcement proceedings, including any private and agency child support actions when there are no other substantive matters at issue.

The clerk of court shall maintain a family court hearing officer docket. The clerk of court must assign a date and time for each proceeding to be heard by a hearing officer. The clerk of court must maintain records of these proceedings in the same manner as for other family court matters.

A hearing officer shall have the same authority as a family court judge in those cases assigned to him or her, subject to any limitations imposed by statute and the directives of the Chief Justice. A hearing officer's powers include, but are not limited to:

- (1) administer oaths;
- (2) preserve and enforce order during hearings;
- (3) take testimony from witnesses;
- (4) issue bench warrants for failure to appear; and
- (5) issue orders and rulings related to assigned cases.

Hearing officers shall not be barred from the private practice of law in family court. However, they shall not preside over any matter in which they have participated as a lawyer.

All applicable Rules of Family Court and Rules of Civil Procedure shall apply in all proceedings presided over by a hearing officer.

The Chief Justice shall issue policies and procedures in furtherance of this proviso.

**SECTION 45 - E20 - ATTORNEY GENERAL'S OFFICE**

**45.5 AMEND FURTHER** (Water Litigation) Authorizes the expenditure of Water Litigation funds and requires expenditure records to be available for review.

**WMC:** AMEND proviso to delete authorization to reimburse prior fiscal year Water Litigation expenditures; delete the requirement that a record of Water Litigation expenses be made available; and delete transfer of remaining Water Litigation funds to specified agencies. *Funds have been distributed.* Fiscal Impact: No impact on the General Fund. The Attorney General's Office state that no funds remained in the account as of 7/11. Of the \$2,195,516, 50% or \$1,097,758 was transferred to DNR; 25% or \$548,879 was transferred to the Commission on Indigent Defense; and 25% or \$548,879 was retained by the agency and placed in an account for legal expenses associated with Federal litigation and litigation with other states. Requested by Attorney General's Office.

**HOU:** ADOPT proviso as amended.

**SUBCOMMITTEE RECOMMENDATION:** AMEND FURTHER to authorize Water Litigation funds to be carried forward.

**45.5.** (AG: Water Litigation) The Office of the Attorney General is authorized to expend Water Litigation funds in the current fiscal year ~~to reimburse Water Litigation expenditures incurred in the prior fiscal year. A record of Water Litigation expenses from the prior fiscal year shall be made available to the Senate Finance Committee and the House Ways and Means Committee. During the current fiscal year the Attorney General must use the remaining Water Litigation funds only as follows: twenty five percent of the balance on July first must be transferred to the Commission on Indigent Defense for the Civil Appointment Fund, twenty five percent of the balance on July first must be used only for legal expenses incurred by the Attorney General regarding Federal litigation and litigation with other states, and fifty percent~~

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~~of the balance on July first must be transferred to the Department of Natural Resources by September first for law enforcement operations. Unexpended Water Litigation funds may be carried forward from the prior fiscal year into the current fiscal year and expended for the same purpose.~~

- 45.6 DELETE** (Auction Rate Securities Settlement/Water Rights) Authorizes the Attorney General's Office to retain and carry forward FY 09-10 and FY 10-11 Auction Rate Securities Settlement funds and to expend these funds for the Water Litigation lawsuit. Requires these Auction Rate Securities Settlement funds that remain after the SC vs. NC water lawsuit is settled to be deposited into the General Fund.  
**WMC:** DELETE proviso. *The lawsuit has been settled.* Fiscal Impact: No impact on the General Fund. The Attorney General's Office indicates that no funds remain in the account. Requested by the Attorney General's Office.  
**HOU:** ADOPT deletion of proviso.

**SUBCOMMITTEE RECOMMENDATION:** ADOPT deletion of proviso.

~~**45.6.** (AG: Auction Rate Securities Settlement/Water Rights) The Office of Attorney General is authorized to retain and expend funds received in Fiscal Year 2009-10 and in Fiscal Year 2010-11 from the "Auction Rate Securities Settlement" to pay for expenses and fees associated with the South Carolina vs. North Carolina water lawsuit (United States Supreme Court original Jurisdiction Case Number 138.) The Office of Attorney General is authorized to use a portion of these funds to reimburse Water Litigation expenses incurred in the prior fiscal year. These funds may be carried forward from the prior fiscal year into the current fiscal year and be utilized for the same purpose. Upon satisfaction of the South Carolina vs. North Carolina water lawsuit, any remaining Auction Rate Securities Settlement funds shall be deposited into the general fund. This paragraph 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.~~

- 45.7 AMEND** (Litigation Recovery Account) Requires funds received from any recovery or award from litigation managed by the Attorney General that would have been credited to the General Fund to be deposited into the Litigation Recovery Account for expenditure as prescribed by law.

**SUBCOMMITTEE RECOMMENDATION:** AMEND proviso to authorize unexpended funds in the account to be carried forward.

**45.7.** (AG: Litigation Recovery Account) During the current fiscal year, when there is a recovery or an award in any litigation managed by the Attorney General, any funds received that would have otherwise been credited to the General Fund shall be deposited to the credit of a special account created in the State Treasurer's Office entitled "Litigation Recovery Account". The funds deposited in this account must be expended only as prescribed by law. Unexpended funds in the Litigation Recovery Account shall be carried forward from the prior fiscal year into the current fiscal year and must be expended as provided by law.

- 45.8 CONFORM TO FUNDING / AMEND** (Securities Fee Revenue) Directs that after \$20,500,000 of Securities Fee revenues have been deposited to the General Fund the Attorney General may retain \$300,000 to use for operations associated with the increase in licensed securities agents. Authorizes the Attorney General to carry forward the revenue to be used for

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the same purpose. Requires any remaining Securities Fee revenues be remitted to the General Fund.

**SUBCOMMITTEE RECOMMENDATION:** CONFORM TO FUNDING RECOMMENDATION / AMEND proviso to allow the Attorney General to retain all Securities Fee revenue collected after \$20,500,000 has been remitted to the General Fund. Fiscal Impact: BEA states this provision would reduce General Fund revenue by \$1,200,000 and increase earmarked funds within the Attorney General's Office by a like amount. Requested by Office of Attorney General.

**45.8.** (AG: Securities Fee Revenue) After the provisions of Section 35-1-702(b) of the 1976 Code have been satisfied, and upon notification to the Chairman of the Senate Finance Committee and the Chairman of the House Ways and Means Committee that such provisions have been satisfied, the next \$20,500,000 of Securities Fee revenues collected during the current fiscal year by the Office of the Attorney General shall be remitted to the General Fund of the State. The Office of the Attorney General may retain ~~the next \$300,000~~ any revenue collected above the amount to be remitted to the General Fund and may utilize these funds for operations to include expert witness expenses, investigative costs, trial preparation, and other related expenses associated with the increase in licensed securities agents or operation of the office. These funds may be carried forward from the prior fiscal year into the current fiscal year and utilized for the same purpose. ~~Remaining Securities Fee revenues collected during the current fiscal year shall be remitted to the General Fund of the State.~~

- 45.9** **ADD** (Savannah River Maritime Commission Funds) **WMC:** ADD new proviso to authorize the Attorney General to use funds appropriated for Savannah River Maritime Commission litigation expenses to reimburse the Attorney General for litigation expenses incurred on behalf of the commission. Direct that after the litigation expenses have been concluded, any remaining funds shall be deposited into the General Fund.  
**HOU:** ADOPT new proviso.

**SUBCOMMITTEE RECOMMENDATION:** ADOPT new proviso.

**45.9.** *(AG: Savannah River Maritime Commission Funds) The Office of the Attorney General is authorized to use funds appropriated in Fiscal Year 2012-13 for litigation expenses related to the Savannah River Maritime Commission to reimburse litigation expenditures incurred by the Office of the Attorney General on behalf of the Savannah River Maritime Commission during Fiscal Year 2011-12. Following the conclusion of these litigation matters any remaining funds shall be deposited in the General Fund.*

**SECTION 46 - E21 - PROSECUTION COORDINATION COMMISSION**

- 46.3** **AMEND** (Judicial Circuits State Support) Requires Judicial Circuits (16) State Support funds to be apportioned among the circuits on a per capita basis based on the 2000- census.  
**WMC:** AMEND proviso to change reference to the 2000 census to the "current" official census. *Since we are now using the 2010 census, this change will make amending the proviso in the future unnecessary.* Fiscal Impact: No impact on the General Fund. Requested by Prosecution Coordination Commission.  
**HOU:** ADOPT proviso as amended.

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**SUBCOMMITTEE RECOMMENDATION:** ADOPT proviso as amended.

**46.3.** (PCC: Judicial Circuits State Support) The amount appropriated and authorized in this section for Judicial Circuits (16) State Support shall be apportioned among the circuits on a per capita basis ~~and~~ based upon the current official census ~~of 2000~~. Payment shall be made as soon after the beginning of each quarter as practical.

- 46.5** **AMEND** (Solicitor's Office - County Funding Level) States the intent of the General Assembly that the funds appropriated for solicitors' offices are in addition to any amount the county currently provides for their services and may not be used to supplant that funding.

**SUBCOMMITTEE RECOMMENDATION:** AMEND proviso to require Solicitors to notify the Chairmen of the Senate Finance and House Ways and Means Committees of any reduction in the amount of local support a county provides to solicitors' offices that is below the amount that was provided in the prior fiscal year.

**46.5.** (PCC: Solicitor's Office - County Funding Level) It is the intent of the General Assembly that the amounts appropriated for solicitors' offices shall be in addition to any amounts presently being provided by the county for these services and may not be used to supplant funding already allocated for such services without any additional charges. *If the county reduces the amount of support provided to solicitors' offices below the level provided in the prior fiscal year, the Solicitor shall notify the Chairman of the Senate Finance Committee and the Chairman of the House Ways and Means Committee of the amount of such reduced support.*

- 46.6** **AMEND** (Solicitors Victim/Witness Assistance Programs) Directs that available Solicitors Victim Witness Assistance funds be apportioned among the circuits on a per capita basis based on the 2000 census.  
**WMC:** AMEND proviso to change reference to the 2000 census to the "current" official census. *Since we are now using the 2010 census, this change will make amending the proviso in the future unnecessary.* Fiscal Impact: No impact on the General Fund. Requested by Prosecution Coordination Commission.  
**HOU:** ADOPT proviso as amended.

**SUBCOMMITTEE RECOMMENDATION:** ADOPT proviso as amended.

**46.6.** (PCC: Solicitors Victim/Witness Assistance Programs) When funds are available, the amount appropriated and authorized in Part IA, Section 46 for Solicitors Victim/Witness Assistance Programs shall be apportioned among the circuits on a per capita basis and based upon the current official census ~~of 2000~~. Payment shall be made as soon after the beginning of each quarter as practical.

- 46.7** **DELETE** (Violent Crime, CDV, DUI Prosecution) Requires the commission to retain federal grant information and data on criminal domestic violence and driving under the influence prosecutions and provide the General Assembly with an annual report on charges prosecuted by assistant solicitors funded by the federal grant.  
**WMC:** DELETE proviso. *The CDV prosecution grant will end June 30, 2012 and the DUI prosecution grant is now administered directly by DPS. See new proviso 46.9.* Fiscal Impact: No impact on the General Fund. Requested by Prosecution Coordination Commission.  
**HOU:** ADOPT deletion of proviso.

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**SUBCOMMITTEE RECOMMENDATION:** ADOPT deletion of proviso.

~~46.7. (PCC: Violent Crime, CDV, DUI Prosecution) The Prosecution Coordination Commission shall retain information and data on any federally funded grants whose purpose is for the prosecution of criminal domestic violence and/or driving under the influence charges and shall provide the General Assembly with an annual report no later than sixty days after the conclusion of the fiscal Year detailing those charges handled by assistant solicitors who are funded by the grant(s). If not privileged information by law, the report shall at a minimum include information and statistics regarding the number of dispositions, types of dispositions, and county in which the dispositions took place.~~

**46.8 DELETE** (Central Office Staff) Limits the central office to 4 specific state funded FTEs for the current fiscal year but excludes grant funded FTEs. Directs the Office of State Budget to assist the agency with implementing this provision; to identify savings achieved; and to transfer any savings to Judicial Circuits State Support.

**WMC:** DELETE proviso. *The commission has moved into state-owned office space and would like flexibility to fill vacant positions.* Fiscal Impact: No impact on the General Fund. Requested by Prosecution Coordination Commission.

**HOU:** ADOPT deletion of proviso.

**SUBCOMMITTEE RECOMMENDATION:** ADOPT deletion of proviso.

~~46.8. (PCC: Central Office Staff) For the current fiscal year, the central office is limited to 4 State Funded FTE's as follows: Executive Director, Administrative Assistant, Education Coordinator, and the Coordinator for Pre Trial Intervention. This limitation does not apply to FTE's funded with grant funds. The Office of State Budget shall assist the agency with the implementation of this proviso to include the re location of central office staff in a state owned office building as soon as practicable. In addition the Office of State Budget shall identify the savings achieved by this proviso. Any savings achieved must be transferred to Judicial Circuits State Support. Nothing in this proviso shall be construed to limit the powers and duties of the Commission on Prosecution Coordination.~~

**46.9 CONFORM TO FUNDING / ADD** (CDV Prosecutions) **WMC:** ADD new proviso to require Criminal Domestic Violence (CDV) Prosecution funds be apportioned among the circuits on a pro-rata basis. Require the commission to retain non-privileged CDV prosecution information and data and provide such information, including the number and types of dispositions and the county where the disposition took place, to the General Assembly in an annual report within 60 days after the end of the fiscal year. *This proviso was a part of deleted proviso 46.7.* Fiscal Impact: \$1,500,000 has been appropriated.

**HOU:** ADOPT new proviso.

**SUBCOMMITTEE RECOMMENDATION:** CONFORM TO FUNDING RECOMMENDATION.

46.9. (PCC: CDV Prosecution) The amount appropriated and authorized in this section for Criminal Domestic Violence Prosecution shall be apportioned among the circuits on a pro-rata basis. If not privileged information, the Prosecution Coordination Commission shall collect and retain information and data regarding Criminal Domestic Violence Prosecution and shall include: the number of dispositions, types of dispositions and county in which the

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disposition took place and shall provide the General Assembly with an annual report no later than sixty days after the conclusion of the fiscal year.

- 46.10 ADD MOVED PROVISO** (Victim Assistance Programs) **WMC:** ADD moved proviso to state the intent that funds appropriated for solicitor's victim assistance programs are in addition to amounts currently being provided by the county and shall not supplant funding already allocated for that service. Direct that if a county reduces such funding, state funds provided for victim assistance services to the solicitor's office in that county will be reduced by a corresponding amount. Require each solicitor's office to prepare an annual report that describes the use of these funds for the preceding fiscal year and submit it to the Governor, the Attorney General, and the Chairmen of the Senate Finance and House Ways and Means Committees on October 1. *Moved from Governor's Office of Executive Policy and Programs, proviso 72.7.* Fiscal Impact: Funds associated with this proviso need to be moved from OEPP. **HOU:** ADOPT new proviso.

**SUBCOMMITTEE RECOMMENDATION:** ADOPT moved proviso.

**46.10.** (PCC: Victim Assistance Programs) It is the intent of the General Assembly that the amounts appropriated in this section for victim assistance programs in solicitors' offices shall be in addition to any amounts presently being provided by the county for these services and may not be used to supplant funding already allocated for such services. Any reduction by any county in funding for victim assistance programs in solicitors' offices shall result in a corresponding decrease of state funds provided to the solicitors' office in that county for victim assistance services. Each solicitor's office shall submit an annual financial and programmatic report which describes the use of these funds. The report shall be submitted to the Governor, the Attorney General, the Chairman of the Senate Finance Committee, and the Chairman of the House Ways and Means Committee on October 1, for the preceding fiscal year.

- 46.11 ADD MOVED PROVISO** (Establish Victim/Witness Program) **WMC:** ADD moved proviso to establish a Victim Witness program in the solicitor's office of each circuit; direct that funds be divided equally among the circuits; and provide guidelines for the services to be provided. *Moved from Governor's Office of Executive Policy and Programs, proviso 72.8.* Fiscal Impact: Funds associated with this proviso need to be moved from OEPP. **HOU:** ADOPT new proviso.

**SUBCOMMITTEE RECOMMENDATION:** ADOPT moved proviso.

**46.11.** (PCC: Establish Victim/Witness Program) The funds appropriated in this section for Victim/Witness Program must be equally divided among the judicial circuits, less any adjustments made for budget reductions. The funds for each circuit must be distributed to the solicitor's office of that circuit and only used by the solicitor for the purpose of establishing a Victim/Witness Program in the circuit which shall provide, but not be limited to, the following services:

(1) Make available to victims/witnesses information concerning their cases from filing in general sessions court through disposition.

(2) Keep the victim/witness informed of his rights and support his right to protection from intimidation.

(3) Inform victims/witnesses of and make appropriate referrals to available services such as medical, social, counseling, and victims' compensation services.

(4) Assist in the preparation of victims/witnesses for court.

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(5) Provide assistance and support to the families or survivors of victims where appropriate.

(6) Provide any other necessary support services to victims/witnesses such as contact with employers or creditors.

(7) Promote public awareness of the program and services available for crime victims. The funds may not be used for other victim-related services until the above functions are provided in an adequate manner.

**SECTION 47 - E23 - COMMISSION ON INDIGENT DEFENSE**

**47.1 AMEND FURTHER** (Defense of Indigents Formula) Provides for the distribution of Defense of Indigents funds.

**WMC:** AMEND proviso to delete the requirements that once either the Death Penalty Trial Fund or Conflict Fund is fully funded, the revenue be directed to the other fund until it is also fully funded; and once both are fully funded to apportion the remaining revenue among counties' public defender offices; and delete the directive that Conflict Funds remaining at the end of the fiscal year be rolled over into the fund for payment of attorney's fees and expenses in capital cases if the Capital Fund has been exhausted. Require a written order certified by the court in order to provide reimbursement in excess of the established hourly rate and limit. Provide guidelines for approval for investigative, expert, or other services on behalf of a defendant. Require indigent defense vouchers to be reviewed and paid according to procedures and policies established by the commission and direct that such procedures and policies be provided to the Senate Finance and House Ways and Means Committees. Fiscal Impact: No impact on the General Fund. Requested by Commission on Indigent Defense.

**HOU:** ADOPT proviso as amended.

**SUBCOMMITTEE RECOMMENDATION:** ADOPT proviso as amended.

**47.1.** (INDEF: Defense of Indigents Formula) The amount appropriated in this Act for "Defense of Indigents" shall be apportioned among counties in accord with Section 17-3-330, 1976 Code, but on a per capita basis and based upon the most current official decennial census of the United States; provided that no county shall receive funding in an amount less than the amount apportioned to it as of July 1, 2005. The level of contribution of each county as of July 1, 2001, must be maintained. No county shall be permitted to contribute less money than the amount the county contributed in the prior fiscal year. Within the amount of money established for indigent defense services, the State shall set aside \$3,000,000 (Death Penalty Trial Fund) annually exclusively for use of the defense in capital cases pursuant to Section 16-3-26 of the 1976 Code, and for the expenses of the operation of the Commission on Indigent Defense to include salaries and operations expenses of the Death Penalty Trial Division. The State also shall set aside \$2,500,000 annually to pay fees and expenses of private counsel appointed in non-capital cases pursuant to Section 17-3-50 (Conflict Fund). Of the funds generated from the fees imposed under Sections 14-1-206(C)(4), 14-1-207(C)(6) and 14-1-208(C)(6) and the application fee provided in Section 17-3-30(B), on a monthly basis, fifty percent must be deposited into the Death Penalty Trial Fund, fifteen percent must be deposited into the Conflict Fund until each of these funds has received the required level of deposit, and the remaining funds each month must be apportioned among the counties' public defender offices pursuant to Section 17-3-330. ~~When either the Death Penalty Trial Fund or the Conflict Fund has been fully funded, the monthly revenue being set aside for that fund will be directed to the other fund until it is completely funded. Upon complete funding of both the Death Penalty Trial Fund and~~



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~~the Conflict Fund, all revenue collected pursuant to Sections 14-1-206(C)(4), 14-1-207(C)(6), 14-1-208(C)(6), and 17-3-30(B) must be apportioned among the counties' public defender offices pursuant to Section 17-3-330. At the end of each fiscal year, any funds remaining in the Conflict Fund shall be treated as provided in Section 17-3-330(B). At the end of each fiscal year any leftover funds shall carryover to the next fiscal year. All applications for the payment of fees and expenses in capital cases shall be applied for from the Death Penalty Trial Fund which shall be administered by the Commission on Indigent Defense. All applications for the payment of fees and expenses of private counsel or expenses of public defenders pursuant to Section 17-3-50 shall be applied for from the Conflict Fund administered by the Office of Commission on Indigent Defense. Reimbursement in excess of the hourly rate and limit set forth in Section 17-3-50 is authorized only if the court certifies, in a written order with specific findings of fact, prior to the fees being incurred, that reimbursement in excess of the rates or limit is necessary to provide reimbursement adequate to ensure effective assistance of counsel and reimbursement in excess of the limit is appropriate because the services to be provided are reasonable and necessary. If prior approval by written order of the court is not obtained, no additional fees shall be paid under any circumstances.~~

Upon a finding in ex parte proceedings that investigative, expert, or other services are reasonable and necessary for the representation of the defendant, the court shall authorize the defendant's attorney to obtain such services on behalf of the defendant and shall authorize the payment, from funds available to the Commission on Indigent Defense, of fees and expenses not to exceed five hundred dollars as the court considers appropriate. Payment in excess of the five hundred dollar limit is authorized only if the court certifies, in a written order with specific findings of fact, prior to the expense being incurred, that payment in excess of the limit is appropriate because the services to be provided are reasonable and necessary to provide adequate defense. Payments shall be made from funds appropriated for this purpose from the Commission of Indigent Defense. If prior approval by written order of the court is not obtained, no additional expenses shall be paid under any circumstances.

Indigent defense vouchers authorized in this provision must be reviewed and paid pursuant to procedures and policies established by the Commission on Indigent Defense. The commission shall provide a copy of the established procedures and policies to the Senate Finance Committee and the House Ways and Means Committee.

**47.3 AMEND FURTHER** (Appellate Conflict Fund) Provides guidelines for use of Appellate Conflict Fund.

**WMC:** AMEND proviso to change "Office of Indigent Defense" references to "Commission on Indigent Defense." *Technical.* Fiscal Impact: No impact on the General Fund. Requested by Commission on Indigent Defense.

**HOU:** ADOPT proviso as amended.

**SUBCOMMITTEE RECOMMENDATION:** AMEND FURTHER to change reference to "this fund" to "the Appellate Conflict Fund." *Technical.*

**47.3.** (INDEF: Appellate Conflict Fund) The purpose of ~~this fund~~ the Appellate Conflict Fund is to provide money to pay attorneys for representing indigent defendants on appellate review when the Office of Appellate Defense is unable to do so. Funds designated for appellate use in conflict cases shall be administered by the ~~Office of~~ Commission on Indigent Defense. The Office of Appellate Defense must first determine that it is unable to provide representation. Fees shall be \$40 per hour for out of court work and \$60 for in court work, with a maximum of \$3,500 per case for non-capital appeals. Fees shall be \$50 per hour for out of court work and \$75 per hour for in court work in capital appeals with a maximum of \$10,000 per capital

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appeal. The appropriate appellate court shall review and approve vouchers for payment for appellate conflict cases. The Office of Appellate Defense shall continue to provide printing and other support functions currently provided from their resources. On June thirtieth of each year, the ~~Office of~~ Commission on Indigent Defense shall review all outstanding obligations in this fund. Any unspent and unobligated money shall be used to pay outstanding vouchers in the Death Penalty Trial Fund or the Conflict Fund, provided the designated fund has become exhausted during the year.

**47.4 AMEND FURTHER** (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. Establishes a reimbursement rate and provides guidelines for reimbursement to exceed the limits.

**WMC:** AMEND proviso to change “Civil Court Appointments” references to “SC Appellate Court Rule 608 Appointments” and include guidelines for the expenditure of funds for Criminal Conflict appointments as follows: attorney compensation rates shall not exceed \$40 per hour for out-of-court time and \$60 per hour for in-court time, or on the basis of a set (flat) fee determined by the commission. Limit attorney fees to \$3,500 in any single felony case or \$1,000 in any single misdemeanor case. *Conform to SC Appellate Court Rule 608 pertaining to appointment of lawyers for indigents.* Fiscal Impact: No impact on the General Fund. Requested by Commission on Indigent Defense.

**HOU:** ADOPT proviso as amended.

**SUBCOMMITTEE RECOMMENDATION:** AMEND FURTHER to delete guidelines for expenditure of funds for Criminal Conflict appointments. *See new proviso 47.cca.*

**47.4. (INDEF: ~~Civil Court~~ SC Appellate Court Rule 608 Appointments)** The funds appropriated under “~~Civil Court~~ SC Appellate Court Rule 608 Appointments” shall be used for Civil Court Appointments including Termination of Parental Rights, Abuse and Neglect, Probate Court Commitments, Sexually Violent Predator Act, and Post Conviction Relief (PCR) ~~and Criminal Conflict appointments~~ to reimburse court appointed private attorneys and for other expenditures as specified in this provision. ~~Civil Court~~ SC Appellate Court Rule 608 Appointments funds may not be transferred or used for any other purpose.

A portion of the funds appropriated under “~~Civil Court~~ SC Appellate Court Rule 608 Appointments” shall be used for “Termination of Parental Rights” cases and “Abuse and Neglect” cases to reimburse private attorneys who are appointed by the Family Court to represent guardians ad litem, children, or parents under the provisions of S.C. Code Sections 20-7-110 et seq., 20-7-1570 et seq., 20-7-1695 (A)(2) et seq., 20-7-7205 et seq., and 20-7-8705 (4)(a) et seq.; for “Probate Court Commitment” cases to reimburse private attorneys who are appointed by the Probate Court to represent indigent persons; and for “Sexually Violent Predator” cases to reimburse private attorneys who are appointed by the Circuit Court pursuant to Sections 44-48-10, et seq., to represent indigent persons. When private counsel is appointed pursuant to these provisions, counsel shall be reimbursed a reasonable fee to be determined on the basis of fifty dollars per hour or reimbursement may also be made on the basis of a set (flat) fee. The method of payment and the amount of the set fee will be determined by the Commission on Indigent Defense. **Reimbursement** ~~Attorney fees~~ shall not exceed two thousand dollars for any case under which such private attorney is appointed.

A portion of the funds appropriated under “~~Civil Court~~ SC Appellate Court Rule 608 Appointments” shall be used for non-capital Post Conviction Relief Cases. Any attorney

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appointed shall be compensated at a rate not to exceed forty dollars per hour for time expended out of court and sixty dollars per hour for time expended in court, or on the basis of a set (flat) fee. The method of payment and amount of set (flat) fee will be determined by the Commission on Indigent Defense. **Compensation and costs** ~~Attorney fees~~ shall not exceed one thousand dollars in any single case.

~~A portion of the funds appropriated under SC Appellate Court Rule 608 Appointments shall be used for non capital criminal cases pursuant to Section 17-3-50 (Conflict Fund). Any attorney appointed shall be compensated at a rate not to exceed forty dollars per hour for time expended out of court and sixty dollars per hour for time expended in court, or on the basis of a set (flat) fee. The method of payment and amount of set (flat) fee will be determined by the Commission on Indigent Defense. Attorney fees shall not exceed three thousand five hundred dollars in any single felony case or one thousand dollars in any single misdemeanor case.~~

Reimbursement in excess of the hourly rate and limit set forth herein is authorized only if the court certifies, in a written order with specific findings of fact, prior to the fees being incurred, that reimbursement in excess of the rates or limit is necessary to provide reimbursement adequate to ensure effective assistance of counsel and reimbursement in excess of the limit is appropriate because the services to be provided are reasonable and necessary. If prior approval by written order of the court is not obtained, no additional fees shall be paid under any circumstances.

Upon a finding in ex parte proceedings that investigative, expert, or other services are reasonable and necessary for the representation of the defendant, the court shall authorize the defendant's attorney to obtain such services on behalf of the defendant and shall authorize the payment, from funds available to the ~~Office of~~ Commission on Indigent Defense, of fees and expenses not to exceed five hundred dollars as the court considers appropriate. Payment in excess of the five hundred dollar limit is authorized only if the court certifies, in a written order with specific findings of fact, prior to the expense being incurred, that payment in excess of the limit is appropriate because the services to be provided are reasonable and necessary to provide adequate defense. Payments shall be made from funds appropriated for this purpose from the Commission of Indigent Defense. If prior approval by written order of the court is not obtained, no additional expenses shall be paid under any circumstances.

Indigent defense vouchers authorized in this provision must be reviewed and paid pursuant to procedures and policies established by the Commission on Indigent Defense. The commission shall provide a copy of the established procedures and policies to the Senate Finance Committee and the House Ways and Means Committee.

A portion of the funds appropriated under "~~Civil Court~~ SC Appellate Court rule 608 Appointments" may be used by the Commission on Indigent Defense to retain, on a contractual basis, the services of attorneys qualified to handle civil ~~and criminal~~ court appointments, to be reimbursed in accordance with applicable provisos and statutes.

**47.5 AMEND** (Volunteer Guardian Ad Litem Appointments and Attorney Representation) Directs that a portion of Civil Court Appointments funds be provided for attorneys who represent volunteer Guardians ad Litem in child abuse and neglect and termination of parental rights actions in Family Court.

**WMC:** AMEND proviso to change "Civil Court Appointments" to "SC Appellate Court Rule 608 Appointment." *Conform to SC Appellate Court Rule 608 pertaining to appointment of lawyers for indigents.* Fiscal Impact: No impact on the General Fund. Requested by Commission on Indigent Defense.

**HOU:** ADOPT proviso as amended.

**SUBCOMMITTEE RECOMMENDATION:** ADOPT proviso as amended.

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**47.5.** (INDEF: Volunteer Guardian Ad Litem Appointments and Attorney Representation) The Commission on Indigent Defense working with the Guardian ad Litem's Office of the Division of Children's Services, shall allocate a portion of the funds provided for ~~Civil Court~~ SC Appellate Court Rule 608 Appointments for payments of contracts with attorneys who agree to represent volunteer Guardians ad Litem in child abuse and neglect and termination of parental rights actions in Family Court, based on the rate of \$100 per completed hearing. In determining the amount to be allocated, the commission must take into account the total funds appropriated and weigh this sum against the other demands and obligations of the ~~Civil~~ SC Appellate Court Rule 608 Appointment Fund. The Commission on Indigent Defense shall report to the Senate Finance Committee and the House Ways and Means Committee any payments to individual guardians ad litem from funds provided from the ~~Civil~~ SC Appellate Court Rule 608 Appointment Fund.

**47.6** **AMEND** (Carry Forward) Authorizes unencumbered Appellate Conflict and Civil Funds to be carried forward to offset budget reductions.

**WMC:** AMEND proviso to change "Office of" to "Commission on" Indigent Defense and change "Civil" reference to "SC Appellate Court Rule 608 Appointment" Fund. *Conform to SC Appellate Court Rule 608 pertaining to appointment of lawyers for indigents.* Fiscal Impact: No impact on the General Fund. Requested by Commission on Indigent Defense.

**HOU:** ADOPT proviso as amended.

**SUBCOMMITTEE RECOMMENDATION:** ADOPT proviso as amended.

**47.6.** (INDEF: Carry Forward) To offset budget reductions, the ~~Office of~~ Commission on Indigent Defense may carry forward and utilize any unencumbered balances available in the Appellate Conflict Fund and the ~~Civil~~ SC Appellate Court Rule 608 Appointment Fund at the end of the prior fiscal year.

**47.7** **AMEND FURTHER** (Public Defender Fee) Provides guidelines for the assessment and use of a \$500 fee charged to every person placed on probation on or after July 1, 2003, who was represented by a public defender or appointed counsel.

**WMC:** AMEND proviso to change "Office of" to "Commission on" Indigent Defense. Delete the requirement that the revenue be divided between the Conflict Fund and the Defense of Indigents Per Capita Fund. Fiscal Impact: No impact on the General Fund. Requested by Commission on Indigent Defense.

**HOU:** ADOPT proviso as amended.

**SUBCOMMITTEE RECOMMENDATION:** AMEND FURTHER to reinsert the requirement that the revenue be divided between the Conflict Fund and the Defense of Indigents Per Capita Fund.

**47.7.** (INDEF: Public Defender Fee) Every person placed on probation on or after July 1, 2003, who was represented by a public defender or appointed counsel, shall be assessed a fee of five hundred dollars. The revenue generated from this fee must be collected by the clerk of court and sent on a monthly basis to the ~~Office of~~ Commission on Indigent Defense **to be divided between the Conflict Fund and the Defense of Indigents/Per Capita Fund administered by that office.** However, if a defendant fails to pay this fee, this failure alone is not sufficient basis for incarceration for a probation violation. This assessment shall be collected and paid over before any other fees.

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- 47.cca** **ADD** (SC Appellate Court Rule 608 Criminal Court Appointments) **SUBCOMMITTEE RECOMMENDATION:** ADD new proviso to allow SC Appellate Court Rule 608 Appointments funds to be used for non-capital criminal cases. Establish guidelines for the expenditure of funds for Criminal Conflict appointments as follows: attorney compensation rates shall not exceed \$40 per hour for out-of-court time and \$60 per hour for in-court time, or on the basis of a set (flat) fee determined by the commission. Limit attorney fees to \$3,500 in any single felony case or \$1,000 in any single misdemeanor case. *Conform to SC Appellate Court Rule 608 pertaining to appointment of lawyers for indigents.* Fiscal Impact: No impact on the General Fund. Requested by Commission on Indigent Defense.

47.cca. (INDEF: SC Appellate Court Rule 608 Criminal Court Appointments) A portion of the funds appropriated under "SC Appellate Court Rule 608 Appointments" may be used for non-capital criminal cases pursuant to Section 17-3-50 (Conflict Fund) of the 1976 Code. Any attorney appointed shall be compensated at a rate not to exceed forty dollars per hour for time expended out of court and sixty dollars per hour for time expended in court, or on the basis of a set (flat) fee. The method of payment and amount of set (flat) fee will be determined by the Commission on Indigent Defense. Attorney fees shall not exceed three thousand five hundred dollars in any single felony case or one thousand dollars in any single misdemeanor case.

Reimbursement in excess of the hourly rate and limit set forth herein is authorized only if the court certifies, in a written order with specific findings of fact, prior to the fees being incurred, that reimbursement in excess of the rate or limit is necessary to provide reimbursement adequate to ensure effective assistance of counsel and reimbursement in excess of the limit is appropriate because the services to be provided are reasonable and necessary. If prior approval by written order of the court is not obtained, no additional fees shall be paid under any circumstances.

Upon a finding in ex parte proceedings that investigative, expert, or other services are reasonable and necessary for the representation of the defendant, the court shall authorize the defendant's attorney to obtain such services on behalf of the defendant and shall authorize the payment, from funds available to the Commission on Indigent Defense, of fees and expenses not to exceed five hundred dollars as the court considers appropriate. Payment in excess of the five hundred dollar limit is authorized only if the court certifies, in a written order with specific findings of fact, prior to the expense being incurred, that payment in excess of the limit is appropriate because the services to be provided are reasonable and necessary to provide adequate defense. Payments shall be made from funds appropriated for this purpose from the Commission of Indigent Defense. If prior approval by written order of the court is not obtained, no additional expenses shall be paid under any circumstances.

Indigent defense vouchers authorized in this provision must be reviewed and paid pursuant to procedures and policies established by the Commission on Indigent Defense. The commission shall provide a copy of the established procedures and policies to the Senate Finance Committee and the House Ways and Means Committee.

A portion of the funds appropriated under "SC Appellate Court Rule 608 Appointments" may be used by the Commission on Indigent Defense to retain, on a contractual basis, the services of attorneys qualified to handle civil and criminal court appointments, to be reimbursed in accordance with applicable provisos and statutes.

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**SECTION 48 - D10 - STATE LAW ENFORCEMENT DIVISION**

**48.17 DELETE** (Meth Lab Study Committee) Directs SLED to form committee to study the problems and costs of cleaning up illegal meth labs and report recommendations to the General Assembly by January 30, 2012.

**WMC:** DELETE proviso. *The study is complete and the report has been submitted.* Fiscal Impact: No impact on the General Fund. Requested by State Law Enforcement Division.

**HOU:** ADOPT deletion of proviso.

**SUBCOMMITTEE RECOMMENDATION:** ADOPT deletion of proviso.

~~**48.17.** (SLED: Meth Lab Study Committee) From the funds appropriated to or authorized for the State Law Enforcement Division, the division is directed to form a committee consisting of the Department of Health and Environmental Control, emergency management personnel, local law enforcement, municipal and county officials, and any additional entities they deem necessary to study the problems of cleaning illegal methamphetamine labs, disposing of hazardous materials from those labs, and the costs associated with such clean ups. The State Law Enforcement Division shall make a written report with recommendations to the General Assembly no later than January 30, 2012.~~

**SECTION 49 - K05-DEPARTMENT OF PUBLIC SAFETY**

**49.iiio ADD** (Illegal Immigration and Overtime Carry Forward) **SUBCOMMITTEE RECOMMENDATION:** ADD new proviso to direct that Illegal Immigration Program appropriations and funds appropriated in the FY 2011-12 Appropriation Act for Highway Patrol Overtime from the Non-Recurring Increased Enforcement Collections proviso be carried forward and used for the same purposes.

***49.iiio.** (DPS: Illegal Immigration and Overtime Carry Forward) Of the funds appropriated to the department for the Illegal Immigration Program in Part IA and the funds appropriated by Act 73 of 2011, Part IB, Section 90, proviso 90.21, item (2) K05-Department of Public Safety Highway Patrol Overtime, such funds shall be carried forward from the prior fiscal year into the current fiscal year and shall be used for the same purposes.*

**SECTION 51 - N04 - DEPARTMENT OF CORRECTIONS**

**51.1 DELETE** (Clothes/Transportation Upon Discharge) Requires the department to furnish clothes to an inmate when they are discharged and provides guidelines for providing transportation to the inmate upon their release.

**WMC:** DELETE proviso. *Codified in Section 24-3-180.* Fiscal Impact: No impact on the General Fund. Requested by Department of Corrections.

**HOU:** ADOPT deletion of proviso.

**SUBCOMMITTEE RECOMMENDATION:** ADOPT deletion of proviso.

~~**51.1.** (CORR: Clothes/Transportation Upon Discharge) Whenever an inmate shall be discharged from the Department of Corrections, the department shall furnish such inmate with a suit of common clothes, if deemed necessary, and transportation from the Department of Corrections to his home, if his home is located within this State. If his home is not located in~~

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~~South Carolina, the Department of Corrections has the discretion of providing transportation to the inmate's home state, or to the county from which he was sentenced.~~

- 51.3 DELETE** (Contract for Services) Provides guidelines for the department to contract for construction services.  
**WMC:** DELETE proviso. *Proviso is no longer necessary. It was needed when the department was building several new prisons.* Fiscal Impact: No impact on the General Fund. Requested by Department of Corrections  
**HOU:** ADOPT deletion of proviso.

**SUBCOMMITTEE RECOMMENDATION:** ADOPT deletion of proviso.

~~**51.3.** (CORR: Contract for Services) Upon initiation by the South Carolina Department of Corrections, and upon prior approval by the Budget and Control Board, the Department of Corrections may contract for any and all services, but such services must (1) demonstrate reasonably comparable, cost effectiveness to traditional methods of construction, (2) result in long term operational cost savings, (3) result in the provision of a new facility of sufficient bed, program, and support space more expeditiously than traditional methods, and (4) be subject to the year to year appropriation process of the General Assembly and state procurement procedures.~~

- 51.14 AMEND** (Major Renovations and Repairs) Authorizes the department to use existing 1997 Bond Act funds for new beds, particularly at the MacDougall and Kirkland institutions, for major renovations and repairs; and to construct new beds as the budget and inmate population dictates.  
**WMC:** AMEND proviso to delete specific reference to constructing beds at MacDougall and Kirkland Correctional Institutions. *Do not need new beds at MacDougall or Kirkland.* Fiscal Impact: No impact on the General Fund. Requested by Department of Corrections.  
**HOU:** ADOPT proviso as amended.

**SUBCOMMITTEE RECOMMENDATION:** ADOPT proviso as amended.

~~**51.14.** (CORR: Major Renovations and Repairs) The Department of Corrections may utilize any existing bond funds approved by the 1997 Bond Act for the construction of new beds and particularly those currently designated for construction of beds at MacDougall Correctional Institution and maximum security beds at Kirkland Correctional Institution, for major renovations and repairs and/or the construction of new beds as the budget and inmate population dictate.~~

- 51.16 AMEND** (Release of Inmates) Provides guidelines for when inmates who must serve six months or more, may be released.  
**WMC:** AMEND proviso to allow the department, in releasing prisoners who have served at least 85% of their term of imprisonment in accordance with subsection (A) of Section 24-13-150 [EARLY RELEASE, DISCHARGE, AND COMMUNITY SUPERVISION; LIMITATIONS], to use the same timeframe guidelines as outlined in this provision. *Releasing inmates on a single day at the beginning of the month rather on the actual date sentence is served reduces operating expenses.* Fiscal Impact: Minor reduction of state funds expenses. Requested by Department of Corrections.  
**HOU:** ADOPT proviso as amended.

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**SUBCOMMITTEE RECOMMENDATION:** ADOPT proviso as amended.

**51.16.** (CORR: Release of Inmates) The Director of the Department of Corrections and other persons having charge of prisoners who are required to serve a period of six months or more, may release all such prisoners, including prisoners to whom Section 24-13-150, subsection (A) of the 1976 Code applies, on the first day of the month in which their sentences expire, and if the first day of the month falls on a Saturday, Sunday, or a legal holiday, such prisoners may be released on the last weekday prior to the first of the month which is not a holiday, ~~Saturday or Sunday~~.

**SECTION 66 - R40-DEPARTMENT OF MOTOR VEHICLES**

- 66.7 RESTORE ORIGINAL PROVISO** (Underutilized Offices) Authorizes the department to reduce operating hours in DMV field office that are underutilized.  
**WMC:** AMEND proviso to also allow the department to close or relocate underutilized field offices. Fiscal Impact: No impact on the General Fund. State Budget Division indicates that initial estimates reveal potential cost avoidance through reduction of operating hours or termination of leases, utilities and cleaning services when executed over a 5 to 10 year period. Requested by Department of Motor Vehicles.  
**HOU:** ADOPT proviso as amended.

**SUBCOMMITTEE RECOMMENDATION:** RESTORE original proviso.

**66.7.** (DMV: Underutilized Offices) The Director of the Department of Motor Vehicles is authorized to develop and implement a plan to ~~close, relocate, or~~ reduce the hours of operation in underutilized DMV field offices.

**SECTION 68A - U12-DEPARTMENT OF TRANSPORTATION**

- 68A.6 DELETE** (Payroll Deduction for Uniform Rental) Authorizes the department to payroll deduct, if requested by the employee, the rental cost of work related uniforms.  
**WMC:** DELETE proviso. *The department no longer requires employees to pay for uniforms.* Fiscal Impact: No impact on the General Fund. Requested by Department of Transportation.  
**HOU:** ADOPT deletion of proviso.

**SUBCOMMITTEE RECOMMENDATION:** ADOPT deletion of proviso.

**68A.6.** (DOT: Payroll Deduction for Uniform Rental) ~~The Department of Transportation, upon the written request of an employee, shall make deduction from the employee's compensation for payments for work related uniform rental.~~

**SECTION 68D - U30 - DIVISION OF AERONAUTICS**

- 68D.7 DELETE** (Carry Forward Sale of Aircraft Proceeds) Authorizes proceeds from the sale of aircraft to be carried forward and provides the purposes for which the funds may be used.  
**WMC:** DELETE proviso. Fiscal Impact: No impact on the General Fund.  
**HOU:** ADOPT deletion of proviso.

**SUBCOMMITTEE RECOMMENDATION:** ADOPT deletion of proviso.



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~~**68D.7.** (AERO: Carry Forward Sale of Aircraft Proceeds) The Division of Aeronautics may carry forward proceeds from the sale of aircraft to be used for replacement aircraft, required Federal Aviation Administration upgrades to existing aircraft, and other Division purposes.~~

**68D.10 DELETE** (Transfer of MUSC Aircraft) Transfers title and ownership of MUSC's Beechcraft King Air to the Aeronautics Commission and states the intent that the Aeronautics Commission pay MUSC for the aircraft as soon as funding is available.

**WMC:** DELETE proviso. Fiscal Impact: No impact on the General Fund. *The aircraft has been transferred.* Requested by Aeronautics Commission.

**HOU:** ADOPT deletion of proviso.

**SUBCOMMITTEE RECOMMENDATION:** ADOPT deletion of proviso.

~~**68D.10.** (AERO: Transfer of MUSC Aircraft) Title and ownership of the Medical University of South Carolina's Beechcraft King Air 90C model is transferred to the Aeronautics Commission for official use by the state in the manner prescribed by law. It is the intent of the General Assembly that the Aeronautics Commission shall provide funding to the Medical University to cover the value of the aircraft as soon as funding is available.~~

**SECTION 70 - A99 - LEGISLATIVE DEPARTMENT**

**70.7 AMEND** (House Pages) Authorizes up to 144 Pages to be appointed for service to the House.  
**WMC:** AMEND proviso to direct the House Pages are not eligible to receive unemployment benefits. Fiscal Impact: No impact on the General Fund.

**HOU:** ADOPT proviso as amended.

**SUBCOMMITTEE RECOMMENDATION:** ADOPT proviso as amended.

**70.7.** (LEG: House Pages) Up to one hundred forty-four Pages may be appointed pursuant to House policies and procedures and they shall be available for any necessary service to the House of Representatives. *House Pages shall not be eligible to receive unemployment benefits.*

**70.8 DELETE** (Leg. Council Employment/Salary Adjustments) Authorizes the Legislative Council to adjust salaries of their personnel.

**WMC:** DELETE proviso. *Proviso is unnecessary since the council has this authority as a state agency.* Fiscal Impact: No impact on the General Fund. Requested by Legislative Council.

**HOU:** ADOPT deletion of proviso.

**SUBCOMMITTEE RECOMMENDATION:** ADOPT deletion of proviso.

~~**70.8.** (LEG: Leg. Council Employment/Salary Adjustments) Notwithstanding any limitation or other provision of law to the contrary, the Legislative Council may adjust salaries for Legislative Council personnel. Any adjustments made must be paid from funds appropriated for the council or from the funds appropriated to the council under Part IA, Section 70C for this purpose, or both.~~

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**70.15**    **AMEND** (Additional House Support Personnel) Provides guidelines for the use of Legislative Constituent Services funds by members of the House.

**WMC:** AMEND proviso to direct the Legislative aides are not eligible to receive unemployment benefits. Fiscal Impact: No impact on the General Fund.

**HOU:** ADOPT proviso as amended.

**SUBCOMMITTEE RECOMMENDATION:** ADOPT proviso as amended.

**70.15.** (LEG: Additional House Support Personnel) The funds provided for Legislative/Constituent Services are appropriated for the purpose of providing additional support personnel to assist House members who are not already being furnished with direct legislative assistance in the conduct of their legislative responsibilities. This amount shall be used for staffing requirements where necessary for part time personnel. The additional personnel may be used only in compliance with Section 8-13-1346(A) of the South Carolina Code of Laws. At a member's request, the House Operations and Management Committee may use any unexpended portion of a member's allotment to purchase equipment for a member's office. The amount herein appropriated for additional support personnel shall be allocated to eligible members as follows: For fiscal years beginning in even years, an eligible member is allowed an allocation of \$500 beginning July 1, as approved by the Speaker of the House. An additional \$2,000 allotment, as approved by the Speaker of the House, is allowed when the eligible member's election to the upcoming General Assembly is certified or at the time the member is unopposed for the general election, whichever occurs first. A member elected to a full term in the House of Representatives, who did not serve in the General Assembly preceding the election, is allowed an allocation of \$2,000, as approved by the Speaker of the House, from the time the member's election is certified until the end of the then current fiscal year. For fiscal years beginning in odd years, eligible members are allowed an allocation of \$2,500, as approved by the Speaker of the House. Whenever a member is elected to fill an unexpired term, the allotment must be prorated on a monthly basis. The amounts provided above as allotments for members are provided for an aide's compensation, exclusive of employer contributions. Each member may choose to expend his allocation for an individual legislative aide or may choose to combine his allocation with allocations of other House members for a legislative aide to assist each of the members contributing to the expense of that aide. Legislative aides shall not be eligible to receive unemployment benefits.

**70.18**    **DELETE** (Leg. Council Combined Position) Authorizes the Director of the Legislative Council to combine two FTE positions into one.

**WMC:** DELETE proviso. *Proviso is unnecessary since the council has this authority as a state agency.* Fiscal Impact: No impact on the General Fund. Requested by Legislative Council.

**HOU:** ADOPT deletion of proviso.

**SUBCOMMITTEE RECOMMENDATION:** ADOPT deletion of proviso.

**70.18.** (LEG: Leg. Council Combined Position) ~~The Director of the Legislative Council, with the approval of the council, is authorized to combine two or more stenographic, clerical, technical assistant, or administrative assistant positions into one with a job description for the combined position to be approved by the council, with a compensation level also approved by the council. The appropriations or any portion thereof for the positions combined into one may be used to fund the combined position.~~

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**70.21** **AMEND** (Joint Strategic Technology Committee) Creates and provides directives for an eight member Joint Strategic Technology Committee.

**WMC:** AMEND proviso to add two members of the general public, with the Chairmen of the Senate Finance and House Ways and Means Committees each appointing one member. Require these members possess substantial experience in management and use of information technology in a large enterprise. Prohibit these members or their family from having or being associated with a business with an economic interest in IT procurement with the state. Direct the B&C Board and the Agency Directors Technology Advisory Committee to prepare a Statewide Strategic Information Technology Plan. Direct the joint committee to recommend appropriate statutory changes to successfully implement the statewide plan to the Senate President Pro Tempore and the Speaker of the House. Provide timeframes for the statewide plan to be reviewed and recommendations submitted; and for agencies to submit information technology budget plans for the next fiscal year including, what information is to be included in their plan. Direct the B&C Board to compile information technology budget information into a report for the joint committee's review and recommendations to the Senate Finance and House Ways and Means Committees. Direct the B&C Board to recommend IT projects to the joint committee for periodic oversight. Require the following be reported to the joint committee by January 31<sup>st</sup> each year: SCEIS project progress by the SCEIS Executive Oversight Committee and Broadband lease progress by the B&C Board and ETV. Fiscal Impact: No impact on the General Fund.

**HOU:** ADOPT proviso as amended.

**SUBCOMMITTEE RECOMMENDATION:** ADOPT proviso as amended.

**70.21.** (LEG: Joint Strategic Technology Committee) *(A) There is created a joint committee of the General Assembly to be known as the Joint Strategic Technology Committee consisting of eight members. The committee shall consist of the following: (1) four members appointed by the Chairman of the Senate Finance Committee shall appoint four members, at least two of whom must be appointed from the Senate Finance Committee; (2) four members appointed by the Chairman of the House Ways and Means Committee shall appoint four members, at least two of whom must be appointed from the House Ways and Means Committee; (3) one member appointed from the general public by the Chairman of the Senate Finance Committee, and (4) one member appointed from the general public by the Chairman of the House Ways and Means Committee. Members appointed from the general public must possess substantial experience in the management and use of information technology in a large private enterprise. No member may have an economic interest in an information technology procurement with the state, and no member of the committee may have a family member or association with a business that has an economic interest in a technology procurement with the state. Should such an interest arise after appointment, the member is disqualified from further service on the committee and must give immediate written notice to the committee and the authority making his appointment.*

*(B) The Budget and Control Board, in consultation with the Agency Directors Technology Advisory Committee, shall prepare a Statewide Strategic Information Technology Plan to provide strategic direction for information technology management in state government. State agencies are directed to cooperate with the Budget and Control Board and Agency Directors Technology Advisory Committee in preparation of the statewide plan.*

~~The Joint Strategic Technology Committee shall have the following purposes and responsibilities:~~

~~(4) (C) The joint committee shall review the Statewide Strategic Information Technology Plan prepared by the Budget and Control Board and the Agency Directors Technology~~

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Advisory Committee and, as needed, make recommendations ~~to the Senate Finance Committee and the House Ways and Means Committee~~ regarding the plan ~~by January twenty ninth, of the current fiscal year.~~ The joint committee shall also recommend priorities for state government enterprise information technology projects and resource requirements as it determines appropriate; *The joint committee shall recommend to the President Pro Tempore of the Senate and the Speaker of the House of Representatives, for referral to the appropriate standing committees, any statutory changes appropriate for the successful implementation of the Statewide Strategic Information Technology Plan and the efficient and effective management and use of information technology by state government.*

~~(2) The joint committee shall review information technology spending by state agencies and evaluate whether greater efficiencies, more effective services and cost savings can be achieved through streamlining, standardizing and consolidating state agency information technology. State agencies must consult with hardware maintenance manager vendors under state contract to determine whether the agency may achieve cost savings by utilizing these contracts for information technology. A report by agency of these findings must be provided to the joint committee by the Budget and Control Board. The joint committee shall recommend to the President Pro Tempore of the Senate and the Speaker of the House of Representatives, for referral to the appropriate standing committees, any statutory changes appropriate for the successful implementation of the Statewide Strategic Information Technology Plan and the efficient and effective management and use of information technology by state government.~~

*(D) The Statewide Strategic Information Technology Plan must be reviewed by the Budget and Control Board and Agency Directors Technology Advisory Committee by not later than November 15 each year and amended as needed, with amendments submitted to the joint committee for review by the fifteenth day of the immediately following January.*

*(E) By not later than September 15<sup>th</sup> of each year, state agencies must provide the Budget and Control Board their budget plans for information technology for the coming fiscal year. These plans must include all fixed, recurring information technology costs as well as new information technology expenditures for hardware upgrades/replacements, software purchases and new information technology projects regardless of funding sources. The budget information must also include FTE counts and salary information.*

*(F) The Budget and Control Board is directed to compile the information technology budget information into a report for the joint committee's review and recommendations to the Senate Finance Committee and the House Ways and Means Committee. The report must confirm requested funding and spending authorization are aligned with the Statewide Strategic Information Technology Plan and be designed to provide information to support House and Senate appropriations committees in analyzing funding requests, including but not limited to a validation of the cost to implement and operate major information technology systems. At the request of the joint committee, the Budget and Control Board may assist in the development of a consistent set of guidelines for submission of budget requests, which may include a business case, risk assessment and project plan to accompany funding requests for information technology projects that meet specific fiscal thresholds.*

*(G) The Budget and Control Board is also directed to recommend information technology projects to the joint committee for its periodic oversight according to project milestones, deliverables and key expenditures.*

*(H) The (1) SCEIS Executive Oversight Committee and (2) Budget and Control Board and ETV must report to the joint committee on the progress of the SCEIS project and Broadband lease, respectively, by not later than January 31 of each year.*

*(I) The Budget and Control Board and all state agencies shall cooperate with and provide assistance to the Joint Strategic Technology Committee as requested by the committee.*

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(J) The Executive Director of the Budget and Control Board shall appoint an Agency Directors Technology Advisory Committee. The Executive Director shall determine the number and composition of this committee, which shall represent a cross-section of state government agencies. This committee shall provide input and advice regarding the Statewide Strategic Information Technology Plan being developed by the State through the Budget and Control Board. The committee shall also assist and advise the Joint Strategic Technology Committee at its request.

- 70.25 AMEND** (Suspend LAC Evaluation) Suspends, for FY 2011-12, the requirement that the LAC conduct an audit of the Family Independence Act every two years and directs that any savings generated be used to conduct audits as requested by members of the General Assembly.

**SUBCOMMITTEE RECOMMENDATION:** AMEND proviso to change Fiscal Year “2011-12” to “2012-13.” Requested by Legislative Audit Council.

**70.25.** (LEG: Suspend LAC Evaluation) For Fiscal Year ~~2011-12~~ 2012-13, the provisions of Section 43-5-1285 of the 1976 Code are suspended. Any savings generated by the suspension of the evaluation of the South Carolina Family Independence Act of 1995 shall be used to conduct audits required by Section 2-15-60 of the 1976 Code.

- 70.26 AMEND** (DMV Audit Review) Suspends, for FY 2011-12, the requirement that the LAC must conduct an independent review of the DMV and direct that any savings generated be used to conduct audits as requested by members of the General Assembly.

**SUBCOMMITTEE RECOMMENDATION:** AMEND proviso to change Fiscal Year “2011-12” to “2012-13.” Requested by Legislative Audit Council.

**70.26.** (LEG: DMV Audit Review) For Fiscal Year ~~2011-12~~ 2012-13, the provisions of Section 56-1-5(F) are suspended. Any savings generated by not conducting the review shall be used to conduct audits required by Section 2-15-60 of the 1976 Code.

- 70.28 DELETE NEW PROVISO** (Rule 42) **WMC:** ADD new proviso to direct that nothing prohibits any provision of this act from temporarily or permanently adding, amending, or repealing any portion of a permanent law. Fiscal Impact: No impact on the General Fund.  
**HOU:** ADOPT new proviso.

**SUBCOMMITTEE RECOMMENDATION:** DELETE new proviso.

~~**70.28.** (LEG: Rule 42) *In order to facilitate the effective and efficient delivery of services by state agencies and institutions, nothing shall prohibit a provision of this act from temporarily or permanently adding, amending, or repealing any portion of the general permanent laws of South Carolina.*~~

- 70.29 AMEND NEW PROVISO** (Teacher Salary Study Committee) **HOU:** ADD new proviso to create the Joint Teacher Salary Study Committee composed of 8 members to examine the current teacher salary schedule, its relationship to the EFA, the EIA, and to a district’s ability to hire and retain quality teachers, and to examine potential changes to the salary schedule that may include a pay for performance model. Require a report and recommendations be submitted by December 1, 2012, to the Chairmen of the Senate Finance, House Ways and Means, Senate Education, and House Education and Public Works Committees. Direct that the

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House Ways and Means and Senate Finance Committees will provide staff and that members serve without compensation. Sponsors: Reps. Bingham, Ott, Allison, Anthony, and Cobb-Hunter.

**SUBCOMMITTEE RECOMMENDATION:** AMEND new proviso to also direct the committee to examine step increases, frozen salary schedules, or anything else related to teacher salaries. Specify that the committee is only made of legislators. Change reference to "Speaker" Pro Tempore of the Senate to "President" of the Senate. Recommended by K-12 Subcommittee. AMEND FURTHER to specify that National Board Certification Incentive is included in the study.

**70.29. (LEG: Teacher Salary Study Committee) There is created the Joint Teacher Salary Study Committee. The committee shall examine the current teacher salary schedule; its relationship to the Education Finance Act, the Education Improvement Act and its relationship to a district's ability to hire and retain quality teachers. The committee will examine potential changes to the salary schedule that may include a pay for performance model, ~~step increases,~~ frozen salary schedules, National Board Certification Incentive, or anything else related to teacher salaries.**

The committee shall be composed of eight members, which shall be appointed as follows:

The committee shall consist of eight members as follows: one member of the Senate appointed by the Chairman of the Senate Finance Committee; one member of the Senate appointed by the Chairman of the Senate Education Committee; one member of the House of Representatives appointed by the Chairman of the House Ways and Means Committee; one member of the House of Representatives appointed by the Chairman of the House Education and Public Works Committee; two members ~~of the Senate~~ to be appointed by the ~~Speaker~~ **President** Pro Tempore of the Senate and two members ~~of the House of Representatives~~ to be appointed by the Speaker of the House. The members shall elect a chairman at the first meeting of the committee.

No later than December 1, 2012, the committee shall prepare and deliver a report and recommendation to the Chairman of the Senate Finance Committee, the Chairman of the House Ways and Means Committee, the Chairman of the Senate Education Committee, and the Chairman of House Education and Public Works Committee.

Staff will be provided by the House Ways and Means Committee and Senate Finance Committee. Members of the study committee shall serve without compensation for per diem, mileage, and subsistence.

**SECTION 71 - C05-ADMINISTRATIVE LAW COURT**

**71.trav ADD (ALJ Travel) SUBCOMMITTEE RECOMMENDATION:** ADD new proviso to provide that an Administrative Law Judge is entitled to a subsistence allowance of \$35 per day plus the mileage allowance provided for other state employees while they are holding court or are on other official business outside their county of residence , but within 50 miles of their residence. Provide that if they are 50 or more miles outside their county of residence they will be paid the subsistence allowance as provided for members of the General Assembly plus the mileage allowance provided for other state employees. Limit the amount of allowance provided to each ALJ to \$8,000 per fiscal year. *Mirrors authority in 89.21(G) but caps the amount at \$8,000 a fiscal year.* Requested by Administrative Law Court.

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*71.trav. (ALC: ALJ Travel) While holding court or on other official business outside the county in which he resides, within fifty miles of his residence, an Administrative Law Judge is entitled to a subsistence allowance in the amount of \$35 per day plus such mileage allowance for travel as is provided for other employees of the State. While holding court or on other official business at a location fifty miles or more from his residence, an Administrative Law Judge is entitled to a subsistence allowance in the amount as provided in this act for members of the General Assembly plus such mileage allowance for travel as is provided for other employees of the State. However, notwithstanding any other provision of law, the allowance as provided shall not exceed \$8,000 per judge in a fiscal year.*

**SECTION 72 - D21 - GOVERNOR'S OFFICE**

- 72.21 DELETE NEW PROVISO** (Lobbying Prohibition) **HOU:** ADD new proviso to prohibit the Governor's Office from using general funds to pay employees who engage in lobbying activities on their behalf. Sponsor: Rep. H.B. Brown.

**SUBCOMMITTEE RECOMMENDATION:** DELETE new proviso.

*72.21. (GOV: Lobbying Prohibition) ~~The Governor's Office is prohibited from using General Fund appropriations to compensate employees who engage in lobbying activities on behalf of the Governor's Office.~~*

**SECTION 74 - E08 - SECRETARY OF STATE**

- 74.1 CONFORM TO FUNDING / AMEND** (UCC Filing Fees) Authorizes up to \$120,000 of Uniform Commercial Code filing fees to be retained and used for UCC administration.  
**WMC:** AMEND proviso to change "\$120,000" to "\$180,000." *Increased funds are necessary to ensure compliance with changes in the Uniform Commercial Code.* Fiscal Impact: BEA states Departmental Revenue within the state General Fund would be reduced by \$60,000 for FY 2012-13, while earmarked revenue for the agency would increase by a like amount. Requested by Secretary of State's Office.  
**HOU:** ADOPT proviso as amended.

**SUBCOMMITTEE RECOMMENDATION:** CONFORM TO FUNDING RECOMMENDATION.

**74.1.** (SS: UCC Filing Fees) Revenues from the fees raised pursuant to Section 36-9-525(a), not to exceed ~~\$120,000~~ \$180,000, may be retained by the Secretary of State for purposes of UCC administration.

- 74.cfr CONFORM TO FUNDING / ADD** (Charities Fine Revenue) **SUBCOMMITTEE RECOMMENDATION:** CONFORM TO FUNDING RECOMMENDATION / ADD new proviso to authorize the Secretary of State to retain the first \$300,000 of administrative fine revenue generated from the Solicitation of Charitable Funds Act and to use these funds to offset the Act's enforcement expenses. *Provide additional funds for increased enforcement efforts.* Fiscal Impact: BEA states General Fund revenue would be reduced by \$100,000 while earmarked funds in the Secretary of State's Office would be increased by a like amount. The agency is currently allowed to keep the first \$200,000 of fine revenue. Requested by Secretary of State's Office.

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*74.cfr. (SS: Securities Fine Revenue) The first \$300,000 in administrative fine revenue received in a fiscal year pursuant to Section 33-56-160 of the 1976 Code may be retained by the Secretary of State to offset the expenses of enforcing the Solicitation of Charitable Funds Act.*

**SECTION 75 - E12 - COMPTROLLER GENERAL'S OFFICE**

**75.6 DELETE** (Federal 3% Withholding Mandate) Provides procedures for withholding 3% of payments to vendors and other payees for remission to the IRS if the Tax Reconciliation Act of 2005 is enacted and implemented by the Federal Government.

**WMC:** DELETE proviso. *The law was not implemented.* Fiscal Impact: No impact on the General Fund. Requested by Comptroller General's Office.

**HOU:** ADOPT deletion of proviso.

**SUBCOMMITTEE RECOMMENDATION:** ADOPT deletion of proviso.

~~**75.6.** (CG: Federal 3% Withholding Mandate) In the event the provision in the Tax Reconciliation Act of 2005 (Public Law 109 222) requiring the withholding of three per cent (3%) of payments to vendors and other payees for remission to the Internal Revenue Service is enacted into law and implemented by the Federal Government, the Comptroller General's Office may assess charges against state agencies for their pro rata share of the costs of the implementation and operation of the program to comply with this federal mandate. The total costs of the program assessed against agencies during the first fiscal year of the program shall not exceed \$235,000. The methodology for the pro rata assessment shall be based on each agency's volume of payments to which the three percent (3%) withholding mandate would have applied during the last completed fiscal year. These revenues may be retained and expended by the Comptroller General's Office to support implementation and operation of the program. Unexpended funds may be carried forward from the prior fiscal year into the current fiscal year and expended for the same purpose. The Comptroller General's Office shall provide the Chairman of the Senate Finance Committee and the Chairman of the House Ways and Means Committee with an explanation of the assessment methodology and the assessment to be charged to each agency at least fifteen (15) days before the issuance of the assessments. The assessment shall be paid by each agency to the Comptroller General's Office within thirty (30) days of the issuance of the assessment.~~

**SECTION 76 - E16 - STATE TREASURER'S OFFICE**

**76.2 AMEND** (STARS Approval) Directs that Statewide Accounting and Reporting System decisions that involve the Treasurer's Banking Operations and other State Treasurer's Office function require the State Treasurer's approval.

**WMC:** AMEND proviso to add SCEIS functions that affect the State Treasurer's Office to also require State Treasurer's approval. *Changes to STARS and/or SCEIS could significantly impact the ability of the Treasurer to accomplish daily banking and other functions if they are not adequately coordinated with the State Treasurer's Office.* Fiscal Impact: No impact on the General Fund. Requested by State Treasurer's Office.

**HOU:** ADOPT proviso as amended.

**SUBCOMMITTEE RECOMMENDATION:** ADOPT proviso as amended.



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**76.2.** (TREAS: STARS Approval) Decisions relating to the Statewide Accounting and Reporting System (STARS) *and the South Carolina Enterprise Information System (SCEIS)* which involve the State Treasurer's Banking Operations and other functions of the State Treasurer's Office shall require the approval of the State Treasurer.

- 76.11 DELETE** (Prepaid Debit Card Implementation) Provides for the development and implementation of an electronic payment plan for payroll purposes using prepaid debit cards.  
**WMC:** DELETE proviso. *A RFP has been completed.* Fiscal Impact: No impact on the General Fund. Requested by the State Treasurer's Office.  
**HOU:** ADOPT deletion of proviso.

**SUBCOMMITTEE RECOMMENDATION:** ADOPT deletion of proviso.

**76.11.** (TREAS: Prepaid Debit Card Implementation) ~~The State Treasurer is authorized to develop and implement an electronic payment plan for payroll purposes using prepaid debit cards or other similar product to replace paper checks. The State Treasurer shall use a competitive process to solicit proposals for a prepaid debit card and shall include on the evaluation panel representatives of the State Employee's Association and an agency Human Resources Officer. At a minimum, each proposal for consideration must grant employees the same options to deposit or cash the proceeds as is currently provided for payroll checks without imposing any additional costs on the employee. Consideration shall also be given to other benefits, including but not limited to, the number of free services provided to the employee.~~

**SECTION 79 - E28-ELECTION COMMISSION**

- 79.6 AMEND FURTHER** (Primary and General Election Carry Forward) Authorizes filing fees paid by candidates filing for statewide or special primary elections to be retained, expended, and carried forward to conduct primary elections. Authorizes Primary and General Election Accounts funds to be carried forward and expended for the same purpose. Authorizes these funds to also be used to conduct the 2012 Presidential Preference Primary.  
**WMC:** AMEND proviso to delete specific reference to the "2012" Presidential Preference Primary. Fiscal Impact: No impact on the General Fund.  
**HOU:** ADOPT proviso as amended.

**SUBCOMMITTEE RECOMMENDATION:** AMEND FURTHER to delete the authorization to also use the funds to conduct the Presidential Preference Primary.

**79.6.** (ELECT: Primary and General Election Carry Forward) Filing fees received from candidates filing to run in statewide or special primary elections may be retained and expended by the State Election Commission to pay for the conduct of primary elections. Any balance in the filing fee accounts on June thirtieth, of the prior fiscal year may be carried forward and expended for the same purposes during the current fiscal year. In addition, any balance in the Primary and General Election Accounts on June thirtieth, of the prior fiscal year may be carried forward and expended for the same purposes during the current fiscal year. ~~In addition, the aforementioned funds may also be utilized to conduct the 2012 Presidential Preference Primary elections.~~

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- 79.11 DELETE** (Presidential Preference Primary and Ballot Security) Authorizes funds originally appropriated for Ballot Security to be carried forward and used to conduct the 2012 Presidential Preference Primary and the 2012 State wide Primaries/Runoff.

**WMC:** DELETE proviso. Fiscal Impact: No impact on the General Fund.

**HOU:** ADOPT deletion of proviso.

**SUBCOMMITTEE RECOMMENDATION:** ADOPT deletion of proviso.

**79.11.** (ELECT: Presidential Preference Primary and Ballot Security) ~~The State Election Commission is authorized to carry forward and use funds originally appropriated for Ballot Security to conduct the 2012 Presidential Preference Primary elections and the 2012 Statewide Primaries/Runoff.~~

- 79.pee ADD** (Primary Election Expenses Reimbursement) **SUBCOMMITTEE RECOMMENDATION:** ADD new proviso to allow the Election Commission to reimburse county registration boards and election commissions for expenses associated with statewide, secondary (runoff), and special primaries only when the primaries are held on the dates specified by statute. *Prohibits the commission from incurring additional costs for primaries scheduled by counties to accommodate offices that were not included on the ballot in the regularly scheduled June primaries due to the county not completing their reapportionment and rescheduling the primary.* Requested by Election Commission.

**79.pee.** (ELEC: Primary Election Expenses Reimbursement) Funds appropriated for statewide primaries, secondary (runoff) primaries, and special primaries per Sections 7-13-15, 7-13-50, and 7-13-190 of the 1976 Code, may be reimbursed to county registration boards/election commissions only when the primaries are held on the dates specified per the statute.

- 79.uef ADD** (Use of Election Funds) **SUBCOMMITTEE RECOMMENDATION:** ADD new proviso to prohibit the Election Commission from using for any other purpose, the funds appropriated for conducting elections unless such purpose is specifically authorized in this act.

**79.uef.** (ELEC: Use of Election Funds) Notwithstanding any other flexibility authorized in this act, funds appropriated to the Election Commission for the purpose of conducting elections shall not be used for any other purpose unless specifically authorized in this act.

**SECTION 80A - F03 - BUDGET AND CONTROL BOARD**

- 80A.8 AMEND** (Carry Forward - Local Government Assistance) Authorizes the board to carry forward funds appropriated for financial assistance and for matching State Revolving Fund grants from the EPA for water and sewer projects to local governments. Allows \$400,000 of the grant carry-forward to be used for operating costs.

**WMC:** AMEND proviso to delete the authorization to use \$400,000 of these funds for operating costs. Fiscal Impact: No impact on the General Fund.

**HOU:** ADOPT proviso as amended.

**SUBCOMMITTEE RECOMMENDATION:** ADOPT proviso as amended.

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**80A.8.**(BCB: Carry Forward - Local Government Assistance) The Budget and Control Board may carry forward from prior fiscal years to the current fiscal year funds appropriated for the purpose of providing financial assistance and for matching federal funds for financial assistance to local governments with water, wastewater, and sewer projects. ~~Of the Grant Funds appropriated for such purposes, \$400,000 may be used for operating costs in order to enhance relevant technical assistance capabilities of the board.~~

**80A.14 AMEND** (Adoption Assistance Program) Establishes the Employee Adoption Assistance Program and provides guidelines for operation of the program. Limits the total funding authorized for the program to \$700,000 annually.

**WMC:** AMEND proviso to delete the “\$700,000” limit and instead direct that the program not exceed the amount authorized by the General Assembly in the appropriations act. *Allow the program funding to conform to the dollar authorization in Part 1A.* Fiscal Impact: No impact on the General Fund. Requested by Budget and Control Board.

**HOU:** ADOPT proviso as amended.

**SUBCOMMITTEE RECOMMENDATION:** ADOPT proviso as amended.

**80A.14.**(BCB: Adoption Assistance Program) The Employee Adoption Assistance Program is established to provide grants to eligible employees to assist them with the direct costs of adoption. The program shall be an employee benefit through the Employee Insurance Program(EIP) and shall be funded from the appropriation for the State Health Plan as provided in this act. Total funding for the Adoption Program shall not exceed ~~\$700,000 annually~~ the amount authorized by the General Assembly in the annual appropriations act. Employees are eligible for the Adoption Program if they participate in the EIP, have adopted a child during the prior fiscal year, apply for the grant during the annual application period, and meet any other Adoption Program criteria. The application period shall be July first through September thirtieth of the current fiscal year for an adoption in the prior fiscal year. The maximum grant amounts shall be \$10,000 in the case of the adoption of a special needs child and \$5,000 for all other child adoptions. Should the total amount needed to fund grants at the maximum level exceed ~~\$700,000~~ the amount authorized, the amount of a grant to an eligible employee shall be determined by dividing the ~~\$700,000~~ authorized amount evenly among qualified program applicants, with the adoption of a special needs child qualifying for two times the benefit of a non-special needs child.

**80A.16 AMEND** (Antenna and Tower Placement) Requires antenna and tower operations leases within the campuses of higher education institutions to conform to present and future master plans for the property.

**WMC:** AMEND proviso to delete reference to “the present and any future” when requiring conformity to master plans. Fiscal Impact: No impact on the General Fund.

**HOU:** ADOPT proviso as amended.

**SUBCOMMITTEE RECOMMENDATION:** ADOPT proviso as amended.

**80A.16.** (BCB: Antenna and Tower Placement) All leases for antenna and tower operations within institutions of higher learning campuses must conform to ~~the present and any future~~ master plans for such property, as determined solely by the institution of higher learning.

**80A.17 DELETE** (Lawsuit Funding) Requires the Insurance Reserve Fund pay the State’s cost of defending the Abbeville school funding litigation and the prisoner mental health care litigation.

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**WMC:** DELETE proviso. Fiscal Impact: No impact on the General Fund.

**HOU:** ADOPT deletion of proviso.

**SUBCOMMITTEE RECOMMENDATION:** ADOPT deletion of proviso.

**80A.17.** (BCB: Lawsuit Funding) ~~The Executive Director shall pay from the Insurance Reserve Fund the defense costs of the State, which are incurred in the current fiscal year, in the Abbeville school funding litigation and the prisoner mental health care litigation. The appropriate official from the House of Representatives and the Senate must certify to the Executive Director on a monthly basis the costs incurred in defense of this litigation. Upon receipt of the certification, the Executive Director shall pay the provider of these services the amount certified.~~

**80A.20 AMEND** (Base Closure Carry Forward) Authorizes \$300,000 of Base Closure Fund appropriations to be carried forward and used for the same purpose.

**WMC:** AMEND proviso to direct that up to a maximum of \$300,000 of the funds be used for the South Carolina Military Base Task Force to coordinate efforts among public and private sectors to maintain a significant US Department of Defense presence in this state. Fiscal Impact: No impact on the General Fund.

**HOU:** ADOPT proviso as amended.

**SUBCOMMITTEE RECOMMENDATION:** ADOPT proviso as amended.

**80A.20.**(BCB: Base Closure Carry Forward) Of the funds appropriated to the Budget and Control Board for the Base Closure Fund, up to a maximum of \$300,000 shall be carried forward into the current fiscal year and shall be used for the ~~same purpose~~ South Carolina Military Base Task Force. The Task Force shall coordinate efforts among the public and the private sectors to maintain a significant United States Department of Defense presence in South Carolina.

**80A.25 CONFORM TO FUNDING / AMEND FURTHER** (Employee Compensation) Provides a plan to distribute employee pay increases for FY 11-12 in the amount of 0%.

**WMC:** AMEND proviso to provide for a two percent pay increase for FY 12-13 as follows: for classified and non-judge judicial employees--increase compensation 2%; for unclassified and non-judge judicial unclassified employees or unclassified executive compensation employees--authorize agencies to allot the funds for compensation increases without uniformity and direct that the funds provided are based on an average 2% increase; for agency heads not covered by the Agency Head Salary Commission, the Chief Justice, other judicial officers, county auditors and county treasurers--directs that they receive an annualized base pay increase of 2%; for local health care providers--increase compensation 2%; for Area Agencies on Aging funded by the Lt. Governor's Office on Aging--increase compensation 2%; for local councils on aging or local providers of services funded by the Lt. Gov's Office on Aging through Area Agencies on Aging--prohibit pay increases; and for school bus driver salary and fringe--increase funding to school districts 2%. Directs the B&C Board to allocate associated compensation increases for retirement employer contributions based on the rate of the retirement system in which the individual participates. Authorize the B&C Board Executive Director to use excess employer contributions appropriations, as determined by the Director of the Office of State Budget, for other statewide purposes. Allow such action to be considered a permanent transfer into the receiving agency's base budget at the discretion of the B&C Board

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Executive Director. Authorizes unexpended Section 80C, Employee Benefits funds to be carried forward.

**HOU:** ADOPT proviso as amended.

**SUBCOMMITTEE RECOMMENDATION:** CONFORM TO FUNDING RECOMMENDATION / AMEND FURTHER to change “89.17” to “89.16.” *Technical.*

**80A.25.(BCB: Employee Compensation)** The amounts appropriated to the Budget and Control Board for Employee Pay Increases must be allocated by the Board to the various state agencies to provide for employee pay increases in accordance with the following plan:

1. With respect to classified and non-judge judicial classified employees, effective on the first pay date that occurs on or after July first of the current fiscal year, the compensation of all classified employees shall be increased by ~~zero~~ two percent.

2. With respect to unclassified and non-judge judicial unclassified employees or unclassified executive compensation system employees not elsewhere covered in this act, effective on the first pay date that occurs on or after July first of the current fiscal year each agency is authorized to allot the total funds for compensation increases among individual employees without uniformity. The funds provided for compensation increases for any employees subject to the provisions of this paragraph are based on an average ~~zero~~ two percent increase. All of the salaries are subject to the provisions of Section ~~89.17~~ 89.16 of Part IB of this act and Office of Human Resources approval must be obtained before any employees subject to the provisions of this paragraph may be granted an annual pay increase in excess of the guidelines established by the Budget and Control Board. Any employee subject to the provisions of this paragraph shall not be eligible for compensation increases provided in paragraphs 1, 3, 4, 5, or 6.

3. Effective on the first pay date that occurs on or after July first of the current fiscal year, agency heads not covered by the Agency Head Salary Commission, shall receive an annualized base pay increase of ~~zero~~ two percent.

4. With respect to local health care providers compensation increases shall be ~~zero~~ two percent effective on the first pay date that occurs on or after July first of the current fiscal year. With respect to Area Agencies on Aging funded by the Lieutenant Governor’s Office on Aging, compensation shall be increased by ~~zero~~ two percent effective on the first pay date that occurs on or after July first of the current fiscal year. With respect to local councils on aging or local providers of services funded by the Lieutenant Governor’s Office on Aging through Area Agencies on Aging, no pay increases will be allowed. School Bus Driver salary and fringe funding to school districts shall be increased by ~~zero~~ two percent.

5. Effective on the first pay date that occurs on or after July first of the current fiscal year, the Chief Justice and other judicial officers shall receive an annualized base pay increase of ~~zero~~ two percent.

6. Effective on the first pay date that occurs on or after July first of the current fiscal year, county auditors and county treasurers shall receive an annualized base pay increase of ~~zero~~ two percent.

The Budget and Control Board shall allocate associated compensation increases for retirement employer contributions based on the retirement rate of the retirement system in which individual employees participate.

The Executive Director of the Budget and Control Board is authorized to use excess appropriations for the current fiscal year, as determined by the Director of the Office of State Budget, designated for statewide employer contributions for other statewide purposes. At the discretion of the Executive Director of the Budget and Control Board, such action may be considered a permanent transfer into the receiving agency’s base budget.

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Funds appropriated in Part IA, F30, Section 80C, Budget and Control Board, Employee Benefits may be carried forward from the prior fiscal year into the current fiscal year.

**80A.27 AMEND FURTHER** (Sale of Surplus Real Property) Provides guidelines for the retention and use of revenue derived from the sale of surplus real properties.

**WMC:** AMEND proviso to authorize the Department of Mental Health to retain the net proceeds from the sale of 165.79± acres of property on the Bull Street Campus as approved by the B&C Board on June 14, 2011. Fiscal Impact: No impact on the General Fund.

**HOU:** ADOPT proviso as amended.

**SUBCOMMITTEE RECOMMENDATION:** AMEND FURTHER to require the Department of Mental Health to submit a report on the status of the sale of the identified property and an accounting of the expenditure of funds resulting from the sale.

**80A.27.(BCB: Sale of Surplus Real Property)** Up to fifty percent of the proceeds, net of selling expenses, from the sale of surplus real properties shall be retained by the Budget and Control Board and used for the deferred maintenance of state-owned buildings. The remaining fifty percent of the net proceeds shall be returned to the agency that the property is owned by, under the control of, or assigned to and shall be used by that agency for non-recurring purposes. This provision applies to all state agencies and departments except: institutions of higher learning; the Public Service Authority; the Ports Authority; the MUSC Hospital Authority; the Myrtle Beach Air Force Redevelopment Authority; the Department of Transportation; the Columbia State Farmers Market; the Department of Agriculture's Columbia Metrology Lab building and property; the Charleston Naval Complex Redevelopment Authority; the Department of Commerce's Division of Public Railways; the Midlands Technical College Enterprise Campus Authority; the Trident Technical College Enterprise Campus Authority; the Commissioners residence at the Department of Corrections and the Educational Television Commission's Key Road property.

The Educational Television Commission shall be authorized to retain the net proceeds from the sale of its property on Key Road, and such proceeds shall only be used for the renovation of the ETV Telecommunications Center. If it is determined that sufficient net proceeds are not to be derived from the sale of its property on Key Road to cover the cost of all renovations of the Telecommunications Center, the property on Key Road shall not be sold. Any proposed sale hereunder shall, prior to said sale, be submitted to the Budget and Control Board for approval as being in compliance with the requirements of this subsection.

The Department of Corrections shall be authorized to retain the net proceeds from the sale of the residence provided for the Commissioner of the Department of Corrections and use such proceeds for deferred maintenance needs at the Department of Corrections.

The Forestry Commission shall be authorized to retain the net proceeds from the sale of surplus land for use in firefighting operations and replacement of firefighting equipment.

*The Department of Mental Health shall be authorized to retain the net proceeds it receives for sale of the property sold in accordance with, and identified in Exhibit A of the Sale and Purchase Agreement dated December 16, 2010 between the Department of Mental Health and Hughes Development Corporation for the sale of 165.79± acres on the Bull Street Campus, as approved by the Budget and Control Board on June 14, 2011.*

The Department of Natural Resources shall be authorized 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.

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The Department of Agriculture, the Educational Television Commission, the Department of Corrections, the Department of Natural Resources, the Departmental of Mental Health, and the Forestry Commission shall annually submit a report, within sixty days after the close of the fiscal year, to the Senate Finance Committee and the House Ways and Means Committee on the status of the sale of the identified property and a detailed accounting on the expenditure of funds resulting from such sale.

This provision is comprehensive and supersedes any conflicting provisions concerning disposition of state owned real property whether in permanent law, temporary law or by provision elsewhere in this act.

Any unused portion of these funds may be carried forward into succeeding fiscal years and used for the same purposes.

**80A.28 REINSERT** (Community Safety Anti-Gang Grants and Matching Grants) Authorizes the Attorney General to make recommendations for Community Safety Anti-Gang Grants.

**WMC:** DELETE proviso. *This authorization has been codified in Section 16-8-340; however no funding has been appropriated for this purpose.* Fiscal Impact: No impact on the General Fund. Requested by Budget and Control Board.

**HOU:** ADOPT deletion of proviso.

**SUBCOMMITTEE RECOMMENDATION:** REINSERT original proviso. *Not all portions of the proviso have been codified.*

**80A.28.(BCB:** Community Safety Anti-Gang Grants and Matching Grants) The Attorney General may make recommendations for Community Safety Anti-Gang Grants and matching grants programs on behalf of the programs relevant to the provisions of Act 82 of 2007.

**80A.31 DELETE** (December 2011 Holidays) Establishes when certain legal holidays will be observed in December of 2011.

**WMC:** DELETE proviso. *Technical. The proviso was for 2011 only.* Fiscal Impact: No impact on the General Fund. Requested by Budget and Control Board.

**HOU:** ADOPT deletion of proviso.

**SUBCOMMITTEE RECOMMENDATION:** ADOPT deletion of proviso.

**80A.31.(BCB:** December 2011 Holidays) ~~For state employees, the Saturday, December 24, 2011 legal holiday shall be observed on Friday, December 23, 2011; the Sunday December 25, 2011 legal holiday shall be observed on Monday, December 26, 2011, and the Monday, December 26, 2011 legal holiday shall be observed on Tuesday, December 27, 2011.~~

**80A.32 AMEND FURTHER** (Rural Infrastructure) Requires all B &C Board, Office of Local Government monies be transferred to the S.C. Rural Infrastructure Fund, except for the State Infrastructure Revolving Loan Fund. Authorizes the Rural Infrastructure Authority to hire a director by majority vote of the board if one of the gubernatorial and three of the legislative appointees vote in favor of the hiring.

**WMC:** DELETE proviso. Fiscal Impact: No impact on the General Fund. NOTE: The proviso was actually amended by the committee to authorize unexpended and undisbursed funds to be carried forward and used by the Authority for its purposes and the requirement that hiring of a director requires one gubernatorial and three legislative appointees approval was deleted. A scrivener's error deleted the entire proviso. An amendment will be offered on the floor to reflect the official action taken by the committee.

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**HOU:** REINSERT/AMEND proviso to authorize unexpended funds to be carried forward and used by the Rural Infrastructure Authority. Delete the requirement that hiring of a director requires one of the gubernatorial appointees and three of the legislative appointees approval. Sponsors: Reps. Merrill, Cobb-Hunter, Barfield, and Clyburn.

**SUBCOMMITTEE RECOMMENDATION:** AMEND FURTHER to reinsert the requirement that hiring of a director requires one of the gubernatorial appointees and three of the legislative appointees' approval. *Conform to H.4664 which was signed into law by the Governor on 4/23/12.*

**80A.32.**(BCB: Rural Infrastructure) The Budget and Control Board, Office of Local Government, or its successor, shall transfer all monies under its control to the South Carolina Rural Infrastructure Fund, authorized by Act 171 of 2010. For purposes of this paragraph, the Budget and Control Board, Office of Local Government, or its successor, shall transfer all monies and balances from any appropriation, carry forward funds, earmarked and restricted accounts, or any other account under its control, except for the State Infrastructure Revolving Loan Fund and any federal monies and federal matching monies. Any unexpended and undisbursed portion of these funds may be carried forward and used by the Rural Infrastructure Authority for its purposes. The Rural Infrastructure Authority, created pursuant to Act 171 of 2010, by a majority vote of the board may hire a director for the authority, **so long as one of the gubernatorial appointees and three of the legislative appointees votes in favor of the hiring.**

**80A.33** **AMEND FURTHER** (Additional Tort Liability Insurance Coverage Authorized) Authorizes the Insurance Reserve Fund to provide tort liability insurance coverage for certain local aging entities that are non-governmental until June 30, 2012.

**WMC:** AMEND proviso to change Fiscal Year "2011-12" to "2012-13." Fiscal Impact: No impact on the General Fund.

**HOU:** ADOPT proviso as amended.

**SUBCOMMITTEE RECOMMENDATION:** AMEND FURTHER to specify that the B&C Board is authorized to offer "insurance" rather than "tort liability" insurance coverage through the "Insurance Reserve Fund" for certain aging entities. Direct that the IRF and the State shall not be liable for any coverage provided for this purpose that is insufficient.

**80A.33.**(BCB: Additional Tort Liability Insurance Coverage Authorized) The State Budget and Control Board, through the ~~Office of Insurance Services~~ Insurance Reserve Fund, for Fiscal Year ~~2011-12~~ 2012-13, is also authorized to offer ~~tort liability~~ insurance coverage to an aging entity and its employees serving clients countywide which previously obtained its tort liability insurance coverage through the board. The Insurance Reserve Fund and the State of South Carolina shall not be liable to any person or entity, including an insured, for any insufficiencies of coverage provided hereunder.

**80A.34** **CONFORM TO FUNDING / ADD** (Statewide Appropriations Budget Module) **WMC:** ADD new proviso to direct that funds for the Statewide Appropriations Budget Module shall be used to design and implement the statewide budgeting system to produce the state's annual operating budget through the Annual Appropriation Act and assign project oversight and direction to the State Budget Division. Fiscal Impact: \$2,500,000 non-recurring funds appropriated.

**HOU:** ADOPT new proviso.



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**SUBCOMMITTEE RECOMMENDATION:** CONFORM TO FUNDING RECOMMENDATION.

80A.34. (BCB: Statewide Appropriations Budget Module) Funds provided for the Statewide Appropriations Budget Module known as PBF (the Public Budgeting Formulation Module) shall be used for the design and implementation of the statewide budgeting system to produce the state's annual operating budget through the passage of the Annual Appropriation Act. Project oversight and direction shall be the responsibility of the State Budget Division.

**SECTION 80B - F27 - BUDGET AND CONTROL BOARD, STATE AUDITOR'S OFFICE**

**80B.1 ADD (Audit Timeframes) WMC:** ADD new proviso to authorize the State Auditor to examine state agencies less often than annually, but not less than every three years and direct the State Auditor to develop and maintain an audit schedule to ensure compliance. Fiscal Impact: No impact on the General Fund. Requested by State Auditor's Office.  
**HOU:** ADOPT new proviso.

**SUBCOMMITTEE RECOMMENDATION:** ADOPT new proviso.

80B.1. (BCB/AUD: Audit Timeframes) The State Auditor may examine less often than annually agencies, departments, commissions and divisions provided that every such agency, department, commission or division shall be examined no less often than every third year. The State Auditor will develop and maintain a schedule to ensure compliance with this provision.

**80B.2 AMEND NEW PROVISO (Annual Audit of Federal Programs) WMC:** ADD new proviso to require each state agency subject to federal audit requirements to pay the State Auditor for their share of the expense of contracting with a CPA firm to conduct the federal portion of the audit as determined by a schedule developed by the State Auditor. Fiscal Impact: No impact on the General Fund. The audit will be paid from an agency's federal funds. Requested by State Auditor's Office.  
**HOU:** ADOPT new proviso.

**SUBCOMMITTEE RECOMMENDATION:** AMEND new proviso to authorize the State Auditor to retain, expend, and carry forward these funds.

80B.2. (BCB/AUD: Annual Audit of Federal Programs) Each state agency receiving federal funds subject to the audit requirements of the Single Audit Act Amendments of 1996 and OMB Circular A-133, Audits of States, Local Governments and Nonprofit Organizations shall remit to the State Auditor an amount representing an equitable portion of the expense of contracting with a nationally recognized CPA firm to conduct a portion of the audit of the State's federal financial assistance. Each state agency's equitable portion of the expense will be determined by a schedule developed by the State Auditor. Such remittance will be based upon invoices provided by the State Auditor. The audit shall be re-bid every five years. **The State Auditor shall retain and expend the funds received and shall carry forward any unexpended funds from the prior fiscal year into the current fiscal year for the same purpose.**

**80B.maa ADD (Medical Assistance Audit Carry Forward) SUBCOMMITTEE RECOMMENDATION:** ADD new proviso to authorize the State Auditor's Office to retain, expend, and carry

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forward the funds they receive from the Department of Health and Human Services for the Medical Assistance Audit Program authorized by proviso 21.3 [MEDICAL ASSISTANCE AUDIT PROGRAM REMITTANCE].

**80B.maa.** (BCB/AUD: Medical Assistance Audit Carry Forward) *The State Auditor's Office shall retain and expend the funds received from the Department of Health and Human Services for the Medical Assistance Audit Program pursuant to proviso 21.3 of this act and shall carry forward any unexpended funds from the prior fiscal year into the current fiscal year for the same purpose.*

**SECTION 81 - R44-DEPARTMENT OF REVENUE**

**81.7**     **AMEND** (Admissions Tax Exemption) Exempts from admissions tax, effective January 1, 2008, the amount that a season ticket holder pays to an accredited college or university's non-profit athletic booster organization for the right to purchase athletic event tickets if that organization is exempt from federal income tax..

**WMC:** AMEND proviso to delete the reference to an effective date of January 1, 2008. Fiscal Impact: No impact on the General Fund. Requested by Department of Revenue.

**HOU:** ADOPT proviso as amended.

**SUBCOMMITTEE RECOMMENDATION:** ADOPT proviso as amended.

**81.7.** (DOR: Admissions Tax Exemption) ~~Effective January 1, 2008, any~~ *Any* amount that an accredited college or university requires a season ticket holder to pay to a non-profit athletic booster organization that is exempt from federal income taxation in order to receive the right to purchase athletic event tickets is exempt from admissions tax.

**81.8**     **DELETE** (DOR: Penalty Relief) Directs the department to waive interest and penalties on state estimated quarterly individual income tax payments for qualifying individuals and provides qualification guidelines.

**WMC:** DELETE proviso. *The federal legislation was temporary and is no longer applicable.* Fiscal Impact: BEA indicates that the federal provision was only in effect for the 2009 tax year and that deletion of the proviso will have no impact on the General Fund or on other agency revenue. Requested by Department of Revenue.

**HOU:** ADOPT deletion of proviso.

**SUBCOMMITTEE RECOMMENDATION:** ADOPT deletion of proviso.

**81.8.** (DOR: Penalty Relief) ~~The Department of Revenue will waive interest and penalties for state estimated quarterly individual income tax payments for qualifying individuals who comply with Section 1212 of federal P.L. 111-5. An individual is considered a qualified individual for purposes of South Carolina penalty waiver if the individual meets the adjusted gross income requirement and the fifty percent of gross income from a small business requirement contained in Section 1212 for South Carolina or federal purposes.~~

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**SECTION 82 - R52 - STATE ETHICS COMMISSION**

- 82.1 DELETE** (Confidentiality) Prohibits the staff of the State Ethics Commission from making public comments which reflect a personal opinion about any matter which is before the commission.

**WMC:** DELETE proviso. Fiscal Impact: No impact on the General Fund.

**HOU:** ADOPT deletion of proviso.

**SUBCOMMITTEE RECOMMENDATION:** ADOPT deletion of proviso.

~~**82.1. (ETHICS: Confidentiality) The State Ethics Commission staff shall be precluded from making any public comment which in any way reflects a personal opinion about any matter which is before or which is pending action before the commission or the commission staff. Nothing in this provision shall abridge the commission's responsibilities pursuant to the Freedom of Information Act, Section 30-4-10, et. seq. of the 1976 Code.**~~

**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 10-11 and be spent for debt service purposes in FY 11-12.

**WMC:** AMEND proviso to change fiscal year references from "2010-11" to "2011-12" and "2011-12" to "2012-13."

**HOU:** ADOPT proviso as amended.

**SUBCOMMITTEE RECOMMENDATION:** ADOPT proviso as amended.

**84.1. (DS: Excess Debt Service Funds Carry Forward)** Excess Debt Service funds from Fiscal Year ~~2010-11~~ 2011-12 may be carried forward and expended for debt service purposes in Fiscal Year ~~2011-12~~ 2012-13.

**SECTION 86 - X22 - AID TO SUBDIVISIONS, STATE TREASURER**

- 86.2 DELETE** (Local Government Flexibility) Authorizes counties to transfer non-statutorily restricted funds among appropriated state revenues as needed to ensure delivery of services for FY 2011-12.

**WMC:** DELETE proviso. Fiscal Impact: No impact on the General Fund.

**HOU:** ADOPT deletion of proviso.

**SUBCOMMITTEE RECOMMENDATION:** ADOPT deletion of proviso.

~~**86.2. (AS-TREAS: Local Government Flexibility)** Fiscal Year 2011-12, counties of this State may transfer funds not statutorily restricted for a specific use among appropriated state revenues as needed to ensure the delivery of services.~~

- 86.3 AMEND** (Quarterly Distributions) Provides for the quarterly distribution of Aid to Subdivisions Local Government Fund.

**WMC:** AMEND proviso to change Fiscal Year "2011-12" to "2012-13" and Fiscal Year "2010-11" to "2011-12." *Technical.* Fiscal Impact: No impact on the General Fund.

**HOU:** ADOPT proviso as amended.

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**SUBCOMMITTEE RECOMMENDATION:** ADOPT proviso as amended.

**86.3.** (AS-TREAS: Quarterly Distributions) For Fiscal Year ~~2011-12~~ 2012-13, the amount of the four quarterly distributions from the Aid to Subdivisions-Local Government Fund shall be as follows: The amount of the first quarterly distribution for each entity shall equal the amount of the last quarterly distribution for Fiscal Year ~~2010-11~~ 2011-12 and thereafter the next three quarterly distributions shall be in reduced equal amounts, the four distributions together totaling the ~~2011-12~~ 2012-13 appropriation from the Local Government Fund.

**86.6 CONFORM TO FUNDING / 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 Fiscal Year 2011-12.

**WMC:** AMEND proviso to change Fiscal Year “2011-12” to “2012-13.”

**HOU:** ADOPT proviso as amended.

**SUBCOMMITTEE RECOMMENDATION:** CONFORM TO FUNDING RECOMMENDATION.

**86.6.** (AS-TREAS: LGF) For Fiscal Year ~~2011-12~~ 2012-13, the provisions of Section 6-27-30 and Section 6-27-50 of the 1976 Code are suspended.

**86.7 DELETE** (Flexibility) Authorizes a political subdivision that receives aid from the Local Government Fund to reduce support to any state mandated program or requirement up to the percentage their appropriation from the Local Government Fund has been reduced compared to the amount required to be funded by law.

**WMC:** DELETE proviso. Fiscal Impact: No impact on the General Fund.

**HOU:** ADOPT deletion of proviso.

**SUBCOMMITTEE RECOMMENDATION:** ADOPT deletion of proviso. *See proviso 86.9.*

**86.7.** (AS-TREAS: Flexibility) ~~For Fiscal Year 2011-12, a political subdivision receiving aid from the Local Government Fund may reduce its support to any state mandated program or requirement, by up to a percentage equal to the percentage reduction in the actual amount appropriated to the Local Government Fund as compared to the amount required to be appropriated pursuant to Section 6-27-30.~~

**86.9 ADD** (Political Subdivision Flexibility) **WMC:** ADD new proviso to authorize political subdivisions that receive Local Government Fund monies to reduce the amount of support they provide to any state mandated program or requirement up to the percentage their Local Government Fund appropriation has been reduced compared to the amount required to be funded by law, but exclude ALJs, Court of Appeals, Circuit and Family Courts, Magistrates, Masters in-Equity, Probate Courts, Public Defenders, Solicitors and the Supreme Court and their offices from the reductions. Fiscal Impact: No impact on the General Fund.

**HOU:** ADOPT new proviso.

**SUBCOMMITTEE RECOMMENDATION:** ADOPT new proviso.

**86.9.** (AS-TREAS: Political Subdivision Flexibility) For Fiscal Year 2012-13, a political subdivision receiving aid from the Local Government Fund may reduce its support to any state

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mandated program or requirement, by up to a percentage equal to the percentage reduction in the actual amount appropriated to the Local Government Fund as compared to the amount required to be appropriated pursuant to Section 6-27-30. Excluded from said reductions are Administrative Law Judges and their offices, Court of Appeals and their offices, Circuit and Family Courts and their offices, Magistrates and their offices, Masters-in-Equity and their offices, Probate Courts and their offices, Public Defenders and their offices, Solicitors and their offices, and the Supreme Court and their offices.

**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 2011-12.  
**WMC:** AMEND proviso to change fiscal year reference from “2011-12” to “2012-13.” *Technical.* Fiscal Impact: No impact on the General Fund.  
**HOU:** ADOPT proviso as amended.

**SUBCOMMITTEE RECOMMENDATION:** ADOPT proviso as amended.

**89.2.** (GP: Appropriations From Funds) Subject to the terms and conditions of this act, the sums of money set forth in this part, if so much is necessary, are appropriated from the General Fund of the State, the Education Improvement Act Fund, the Highways and Public Transportation Fund, and other applicable funds, to meet the ordinary expenses of the state government for Fiscal Year ~~2011-12~~ 2012-13, and for other purposes specifically designated.

- 89.3**     **AMEND** (Fiscal Year Definitions) Defines current and prior fiscal year time frames.  
**WMC:** AMEND proviso to update fiscal year references from “2011” to “2012;” “2012” to “2013;” and “2010” to “2011.” *Technical.* Fiscal Impact: No impact on the General Fund.  
**HOU:** ADOPT proviso as amended.

**SUBCOMMITTEE RECOMMENDATION:** ADOPT proviso as amended.

**89.3.** (GP: Fiscal Year Definitions) For purposes of the appropriations made by this part, “current fiscal year” means the fiscal year beginning July 1, ~~2011~~ 2012, and ending June 30, ~~2012~~ 2013, and “prior fiscal year” means the fiscal year beginning July 1, ~~2010~~ 2011, and ending June 30, ~~2011~~ 2012.

- 89.16**     **AMEND** (Allowance for Residences & Compensation Restrictions) Authorizes specific positions to occupy agency-owned residences without charge and provides compensation guidelines.  
**WMC:** AMEND proviso delete references to the Department of Mental Health employees. *The department no longer provides housing for employees.* Requested by Department of Mental Health. AMEND FURTHER to add the employees of the “Governor’s School for Arts and Humanities” who are required to stay on campus in the exemptions pertaining to compensation restrictions. Delete “Clemson University’s Head Football Coach” from the employees who may be permitted to occupy residences owned by the respective departments without charge. Delete the requirement that commuter mileage on non-exempt state vehicles be considered as income and reported according to the IRS regulations. Fiscal Impact: No impact on the General Fund.

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**HOU:** ADOPT proviso as amended.

**SUBCOMMITTEE RECOMMENDATION:** ADOPT proviso as amended.

**89.16.** (GP: Allowance for Residences & Compensation Restrictions) That salaries paid to officers and employees of the State, including its several boards, commissions, and institutions shall be in full for all services rendered, and no perquisites of office or of employment shall be allowed in addition thereto, but such perquisites, commodities, services or other benefits shall be charged for at the prevailing local value and without the purpose or effect of increasing the compensation of said officer or employee. The charge for these items may be payroll deducted at the discretion of the Comptroller General or the chief financial officer at each agency maintaining its own payroll system. This shall not apply to the Governor's Mansion, ~~nor for department owned housing used for recruitment and training of Mental Health Professionals,~~ nor to guards at any of the state's penal institutions and nurses and attendants at ~~the Department of Mental Health,~~ and the Department of Disabilities and Special Needs, and registered nurses providing clinical care at the MUSC Medical Center, nor to the Superintendent and staff of John de la Howe School, nor to the cottage parents and staff of Wil Lou Gray Opportunity School, nor to full-time or part-time staff who work after regular working hours in the SLED Communications Center or Maintenance Area, nor to adult staff at the Governor's School for Science and Mathematics *and the Governor's School for Arts and Humanities* who are required to stay on campus by the institution because of job requirements or program participation. The presidents of those state institutions of higher learning authorized to provide on-campus residential facilities for students may be permitted to occupy residences on the grounds of such institutions without charge.

Any state institution of higher learning may provide a housing allowance to the president in lieu of a residential facility, the amount to be approved by the Budget and Control Board.

That the following may be permitted to occupy residences owned by the respective departments without charge: ~~the Director of the Department of Mental Health;~~ the Farm Director, Farm Managers, and Specialists employed at the Wateree River Correctional Institution; the South Carolina State Commission of Forestry fire tower operators, forestry aides, and caretaker at central headquarters; the Department of Natural Resources' Game Management Personnel, Fish Hatchery Superintendents, Lake Superintendent, and Fort Johnson Superintendent; the Department of Parks, Recreation and Tourism field personnel in the State Parks Division; Director of Wil Lou Gray Opportunity School; President of the School for the Deaf and the Blind; houseparents for the Commission for the Blind; South Carolina Department of Health and Environmental Control personnel at the State Park Health Facility and Camp Burnt Gin; Residence Life Coordinators at Lander University; Residence Life Directors, temporary and transition employees, student interns, and emergency personnel at Winthrop University; Farm Superintendent at Winthrop University; Residence Hall Directors at the College of Charleston; ~~Clemson University's Head Football Coach;~~ the Department of Disabilities and Special Needs' physicians and other professionals at Whitten Center, Clemson University Off-Campus Agricultural Staff and Housing Area Coordinators; and University of South Carolina's Manager of Bell Camp Facility, Housing Maintenance Night Supervisors, Residence Life Directors, temporary and transition employees, and emergency medical personnel; TriCounty Technical College's Bridge to Clemson Resident and Area Directors. Except in the case of elected officials, the fair market rental value of any residence furnished to a state employee shall be reported by the state agency furnishing the residence to the Agency Head Salary Commission, and the Division of Budget and Analyses by October first, of each fiscal year.

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All salaries paid by departments and institutions shall be in accord with a uniform classification and compensation plan, approved by the Budget and Control Board, applicable to all personnel of the State Government whose compensation is not specifically fixed in this act. Such plan shall include all employees regardless of the source of funds from which payment for personal service is drawn. The Division of Budget and Analyses of the Budget and Control Board is authorized to approve temporary salary adjustments for classified and unclassified employees who perform temporary duties which are limited by time and/or funds. When approved, a temporary salary adjustment shall not be added to an employee's base salary and shall end when the duties are completed and/or the funds expire. Academic personnel of the institutions of higher learning and other individual or group of positions that cannot practically be covered by the plan may be excluded therefrom but their compensations as approved by the Division of Budget and Analyses shall, nevertheless, be subject to review by the Budget and Control Board. Salary appropriations for employees fixed in this act shall be in full for all services rendered, and no supplements from other sources shall be permitted or approved by the Budget and Control Board. With the exception of travel and subsistence, legislative study committees shall not compensate any person who is otherwise employed as a full-time state employee. Salaries of the heads of all agencies of the State Government shall be specifically fixed in this act and no salary shall be paid any agency head whose salary is not so fixed. ~~Commuter mileage on non-exempt state vehicles shall be considered as income and reported by the Comptroller General in accordance with IRS regulations.~~ As long as there is no impact on appropriated funds, state agencies and institutions shall be allowed to spend public funds and/or other funds for designated employee award programs which shall have written criteria approved by the agency governing board or commission. For purposes of this section, monetary awards, if any, shall not be considered a part of an employee's base salary, a salary supplement, or a perquisite of employment. The names of all employees receiving monetary awards and the amounts received shall be reported annually to the South Carolina Division of Budget and Analyses.

In the case of lodging furnished by certain higher education institutions to employees, the prevailing local rate does not apply if the institution meets the exceptions for inadequate rent described in the current Internal Revenue Code Section 119(d)(2). To meet the exception, rental rates must equal the lesser of five percent of the appraised value of the qualified campus lodging, or the average of the rentals paid by individuals (other than employees or students of the educational institution) during the calendar year for lodging provided by the educational institution which is comparable to the qualified campus lodging provided to the employee, over the rent paid by the employee for the qualified campus lodging during the calendar year. The appraised value shall be determined as of the close of the calendar year in which the taxable year begins, or, in the case of a rental period not greater than one year, at any time during the calendar year in which the period begins.

**89.21 RESTORE ORIGINAL PROVISO** (Travel - Subsistence Expenses & Mileage) Provides travel and subsistence guidelines.

**WMC:** AMEND proviso, item (J), pertaining to the standard business mileage rate used in calculating mileage reimbursement for personal automobiles to delete the reference to "lesser of 50.5 cents per mile." *Use the rate established by the IRS.* Fiscal Impact: No impact on the General Fund.

**HOU:** ADOPT proviso as amended.

**SUBCOMMITTEE RECOMMENDATION:** RESTORE original proviso.

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**89.21.** (GP: Travel - Subsistence Expenses & Mileage) Travel and subsistence expenses, whether paid from state appropriated, federal, local or other funds, shall be allowed in accordance with the following provisions:

(A) Unless otherwise provided in paragraphs B through H of this section, all employees of the State of South Carolina or any agency thereof including employees and members of the governing bodies of each technical college while traveling on the business of the State shall, upon presentation of a paid receipt, be allowed reimbursement for actual expenses incurred for lodging, not to exceed the current maximum lodging rates, excluding taxes, established by the U.S. General Services Administration. The lodging reimbursement for employees of a school district must also conform to these rates when that employee's travel reimbursement is paid by state funds that are transferred to the school district. Agencies may contract with lodging facilities to pay on behalf of an employee. Failure to maintain proper control of direct payments for lodging may result in the revocation of the agency's authority by the Comptroller General or the State Auditor. The employee shall also be reimbursed for the actual expenses incurred in the obtaining of meals except that such costs shall not exceed \$25 per day within the State of South Carolina. For travel outside of South Carolina the maximum daily reimbursement for meals shall not exceed \$32. Agencies may contract with food or dining facilities to pay for meals on behalf of employees in accordance with rules and regulations established by the Budget and Control Board. It shall be the responsibility of the agency head to monitor the charges for lodging which might be claimed by his employees in order to determine that such charges are following maximum lodging rates as established by the U.S. General Services Administration. Any exceptions must have the written approval of the agency head, taking into consideration location, purpose of travel or other extenuating circumstances. The provisions of this item shall not apply to Section 42-3-40 of the 1976 Code, and when pertaining to institutions of higher learning, for travel paid with funds other than General Funds.

(B) That employees of the State, when traveling outside the United States, Canada, and Puerto Rico upon promotional business for the State of South Carolina shall be entitled to actual expenses for both food and lodging.

(C) The Governor, Lieutenant Governor, Secretary of State, Comptroller General, Attorney General, State Treasurer, Adjutant General, Superintendent of Education and the Commissioner of Agriculture shall be reimbursed actual expenses for subsistence.

(D) Non-legislative members of committees appointed pursuant to Acts and Resolutions of the General Assembly whose membership consists solely of members of the General Assembly or members of the General Assembly and other personnel who are not employees of the State of South Carolina shall be allowed subsistence expenses of \$35 per day while traveling on official business, unless otherwise designated by law. Members of such committees may opt to receive actual expenses incurred for lodging and actual expenses incurred in the obtaining of meals in lieu of the allowable subsistence expense.

(E) Members of the state boards, commissions, or committees whose duties are not full-time and who are paid on a per diem basis, shall be allowed reimbursement for actual expenses incurred at the rates provided in paragraph A and I of this section while away from their places of residence on official business of the State. One person accompanying a handicapped member of a state board, commission, or committee on official business of the State shall be allowed the same reimbursement for actual expenses incurred at the rates provided in paragraph A through I of this section.

(F) No subsistence reimbursement shall be allowed to a Justice of the Supreme Court or Judge of the Court of Appeals while traveling in the county of his official residence. When traveling on official business of said court within fifty miles outside the county of his official residence, a Supreme Court Justice and a Judge of the Court of Appeals shall be allowed



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subsistence expenses in the amount of \$35 per day plus such mileage allowance for travel as is provided for other employees of the State. When traveling on official business of said court fifty or more miles outside the county of his official residence, each Justice and Judge of the Court of Appeals shall be allowed subsistence expenses in the amount as provided in this act for members of the General Assembly plus such mileage allowance for travel as is provided for other employees of the State. The Chief Justice, or such other person as the Chief Justice designates, while attending the Conference of Chief Justices and one member of the Supreme Court while attending the National Convention of Appellate Court Judges, and three Circuit Judges while attending the National Convention of State Trial Judges shall be allowed actual subsistence and travel expenses.

Upon approval of the Chief Justice, Supreme Court Justices, Judges of the Court of Appeals, Circuit Judges, and Family Court Judges shall be reimbursed for actual expenses incurred for all other official business requiring out-of-state expenses at the rate provided in paragraph A of this section.

(G) No subsistence reimbursements are allowed to a Circuit Judge, a Family Court Judge, or an Administrative Law Judge while holding court within the county in which he resides. While holding court or on other official business outside the county, within fifty miles of his residence, a Circuit Court Judge, Family Court Judge, or an Administrative Law Judge is entitled to a subsistence allowance in the amount of \$35 per day plus such mileage allowance for travel as is provided for other employees of the State. While holding court or on other official business at a location fifty miles or more from his residence, a Circuit Court, Family Court or Administrative Law Judge is entitled to a subsistence allowance in the amount as provided in this act for members of the General Assembly plus such mileage allowance for travel as is provided for other employees of the State.

(H) Any retired Justice, Circuit Court Judge or Family Court Judge or Master-in-Equity appointed by the Supreme Court to serve as a Special Circuit Judge, Family Court Judge, Appeals Court Judge, or Acting Associate Justice shall serve without pay but shall receive the same allowance for subsistence, expenses, and mileage as provided in Part I for Circuit Court Judges.

(I) No expense shall be allowed an employee either at his place of residence or at the official headquarters of the agency by which he is employed except as provided in paragraph E, of this section. When an employee is assigned to work a particular territory or district, and such territory or district and his official headquarters are in different localities or sections of the State, expenses may be allowed for the necessary travel to his official headquarters. The members of the Workers' Compensation Commission may be reimbursed at the regular mileage rate of one round trip each week from their respective homes to Columbia. No subsistence reimbursement shall be allowed to a member of the Workers' Compensation Commission while traveling in the county of his official residence. When traveling on official business of the commission outside the county of his official residence, a member of the Workers' Compensation Commission shall be allowed subsistence expenses in the amount of \$35 per day. When traveling on official business of the commission fifty or more miles outside the county of his official residence, each member shall be allowed a subsistence allowance in the amount as provided in this act for members of the General Assembly. When out-of-state, members of the Workers' Compensation Commission and the members of the Appellate Panel of the Department of Employment and Workforce may claim the established amount of per diem, as stated in the General Appropriation Act, or actual expenses as deemed reasonable by the Comptroller General. The members of the Appellate Panel of the Department of Employment and Workforce may be reimbursed at the regular mileage rate when the member is on official business fifty miles or more outside of Columbia. The members of the Appellate Panel of the Department of Employment and Workforce shall be allowed subsistence allowance

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in the amount as provided in this act for members of the General Assembly when the member is on official business fifty miles or more outside of Columbia.

(J) When an employee of the State shall use his or her personal automobile in traveling on necessary official business, a charge to equal the standard business mileage rate as established by the Internal Revenue Service will be allowed for the use of such automobile and the employee shall bear the expense of supplies and upkeep thereof. **However, the ~~The~~ standard business mileage rate used in this calculation shall be the lesser of 50.5 cents per mile or the current rate established by the Internal Revenue Service.** Whenever state provided motor pool vehicles are reasonably available and their use is practical and an employee of the State shall request for his own benefit to use his or her personal vehicle in traveling on necessary official business, a charge of four cents per mile less than the standard business mileage rate as established by the Internal Revenue Service will be allocated for the use of such vehicle and the employee shall bear the expense of supplies and upkeep thereof. **However, the ~~The~~ standard business mileage rate used in this calculation shall be the lesser of 50.5 cents per mile or the current rate established by the Internal Revenue Service.** When such travel is by a state-owned automobile, the State shall bear the expense of supplies and upkeep thereof but no mileage will be allowed. Agencies and employees are directed to use state fueling facilities to the maximum extent possible, when such use is cost beneficial to the State. When using commercial fueling facilities, operators of State-owned vehicles are directed to use self-service pumps. In traveling on the business of the State, employees are required to use the most economical mode of transportation, due consideration being given to urgency, schedules and like factors.

Mileage between an employee's home and his/her place of employment is not subject to reimbursement. However, when an employee leaves on a business trip directly from his/her home, and does not go by the employee's headquarters, the employee shall be eligible for reimbursement for actual mileage beginning at his/her residence.

(K) That a state agency may advance travel and subsistence expense monies to employees of that agency for the financing of ordinary and necessary travel required in the conducting of the business of the agency. The Budget and Control Board is directed to develop and publish rules and regulations pertaining to the advancing of travel expenses and no state agency shall make such advances except under the rules and regulations as published. All advances for travel and subsistence monies shall be repaid to the agency within thirty days after the end of the trip or by July fifteenth, whichever comes first.

(L) That the state institutions of higher learning are authorized to reimburse reasonable relocation expenses for new employees when such reimbursements are considered by the agency head to be essential to successful recruitment of professionally competent staff members.

(M) The Budget and Control Board is authorized to promulgate and publish rules and regulations governing travel and subsistence payments.

(N) No state funds may be used to purchase first class airline tickets.

**89.22 REINSERT** (Organizations Receiving State Appropriations Report) Requires organizations that receive contributions in this act to provide the following information to the agency from which they received the funds: (1) how the state funds will be spent, (2) a copy of the adopted budget for the current year, and (3) a copy of the organization's most recent operating financial statement and prohibits the funds from being spent by the organization until this information is received. Prohibits funds from being disbursed to organizations that practice discrimination. Authorizes the State Auditor to review and audit each of these organizations.

**WMC:** DELETE proviso. No impact on the General fund.

**HOU:** ADOPT deletion of proviso.

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**SUBCOMMITTEE RECOMMENDATION:** REINSERT original proviso.

**89.22.** (GP: Organizations Receiving State Appropriations Report) Each organization receiving a contribution in this act shall render to the state agency making the contribution by November first of the fiscal year in which funds are received, an accounting of how the state funds will be spent, a copy of the adopted budget for the current year, and also a copy of the organization's most recent operating financial statement. The funds appropriated in this act for contributions shall not be expended until the required financial statements are filed with the appropriate state agency. No funds in this act shall be disbursed to organizations or purposes which practice discrimination against persons by virtue of race, creed, color or national origin. The State Auditor shall review and audit, if necessary, the financial structure and activities of each organization receiving contributions in this act and make a report to the General Assembly of such review and/or audit, when requested to do so by the Budget and Control Board.

**89.23** **DELETE** (Information Technology - Report of Requested Increases) Directs the B&C Board to identify and compile requests for information technology increases for state agencies, excluding higher education institutions, and upon request provide an evaluation of any requested increase.

**WMC:** DELETE proviso. Fiscal Impact: No impact on the General Fund.

**HOU:** ADOPT deletion of proviso.

**SUBCOMMITTEE RECOMMENDATION:** ADOPT deletion of proviso. *See proviso 70.21.*

**89.23.** (GP: Information Technology - Report of Requested Increases) ~~The Budget and Control Board is authorized and directed to identify all requested increases for information technology for agencies, institutions or departments, with the exception of colleges, universities and technical institutions, compile the requests into one report for the Governor, the Chairman of Senate Finance Committee, and the Chairman of the House Ways and Means Committee or a respective subcommittee chairman. Upon request of the Governor, the Chairman of the Senate Finance Committee, the Chairman of the House Ways and Means Committee, or a respective subcommittee chairman, the Budget and Control Board shall provide an evaluation of any request.~~

**89.26** **REINSERT** (Regulatory Audit) Requires each agency to conduct a jurisdictional audit to identify laws, regulations, and provisos which are outdated and to draft repeals for submission to the appropriate standing committee by January 31<sup>st</sup>.

**WMC:** DELETE proviso. Fiscal Impact: No impact on the General Fund.

**HOU:** ADOPT deletion of proviso.

**SUBCOMMITTEE RECOMMENDATION:** REINSERT original proviso.

**89.26.** (GP: Regulatory Audit) Each agency shall conduct a jurisdictional audit for the purpose of identifying laws, regulations and provisos which are not being used or no longer need to be regulated. After identifying these laws, repeals are to be drafted for submission to the appropriate standing committee of the General Assembly by January thirty-first.

**89.38** **AMEND FURTHER** (Voluntary Separation Incentive Program) Authorizes and provides guidelines for agencies to implement a voluntary separation incentive program for employees. Requires agencies to report their prior year's results of the use of the program to the B&C

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Board and requires the B&C Board report the results to the Senate Finance and House Ways and Means Committees.

**WMC:** AMEND proviso to direct that the board shall submit the results “upon request” of the committees. Fiscal Impact: No impact on the General Fund.

**HOU:** ADOPT proviso as amended.

**SUBCOMMITTEE RECOMMENDATION:** AMEND FURTHER to change “Office of Human Resources” to “Human Resources Division” and “Division of Budget and Analyses” to “Human Resources Division.”

**89.38.** (GP: Voluntary Separation Incentive Program) State agencies may implement, in consultation with the ~~Office of~~ Human Resources Division of the Budget and Control Board, a program to realign resources to include provisions for a separation incentive payment for employees which may include the employer portion of health and dental benefits not to exceed one year. Employees participating in such program shall not be eligible to participate in the Teacher and Employee Retention Incentive (TERI) program. Employees participating in such program shall be considered to have voluntarily quit their employment without good cause and be subject to the provisions of Section 41-35-120(1) of the South Carolina Employment Security Law. Any program developed under this provision will involve voluntary participation from employees and will be funded within existing appropriations. The program must be approved by the agency head and the Director of the ~~Division of Budget and Analyses~~ Human Resources Division based on ability to demonstrate recurring cost savings for realignment and/or permanent downsizing. State agencies shall report the prior year’s results to the Budget and Control Board by August fifteenth, of the current fiscal year. The Budget and Control Board, upon request, shall report to the Senate Finance Committee and the House Ways and Means Committee on these results.

**89.58 REINSERT** (Agency Administrative Support Collaboration) Directs state agencies to continue to actively pursue cost savings measures through collaboration and combining administrative support functions with other agencies where feasible.

**WMC:** DELETE proviso. Fiscal Impact: No impact on the General Fund.

**HOU:** ADOPT deletion of proviso.

**SUBCOMMITTEE RECOMMENDATION:** REINSERT original proviso.

**89.58.** (GP: Agency Administrative Support Collaboration) It is the intent of the General Assembly that state agencies continue to actively pursue cost savings measures through collaborative efforts and where feasible may combine administrative support functions with other agencies in order to maximize efficiency and effectiveness.

**89.59 AMEND** (Assessment Audit / Crime Victim Funds) Provides guidelines for the State Office of Victim Assistance to audit crime victim funds.

**WMC:** AMEND proviso to add “Chapter 3” to the reference to “Title 16, Article 15.” *Technical*. Fiscal Impact: No impact on the General Fund.

**HOU:** ADOPT proviso as amended.

**SUBCOMMITTEE RECOMMENDATION:** ADOPT proviso as amended.

**89.59.** (GP: Assessment Audit / Crime Victim Funds) If the State Auditor finds that any county treasurer, municipal treasurer, county clerk of court, magistrate, or municipal court has

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not properly allocated revenue generated from court fines, fines, and assessments to the crime victim funds or has not properly expended crime victim funds, pursuant to Sections 14-1-206(B)(D), 14-1-207(B)(D), 14-1-208(B)(D), and 14-1-211(B) of the 1976 Code, the State Auditor shall notify the State Office of Victim Assistance. The State Office of Victim Assistance is authorized to conduct an audit which shall include both a programmatic review and financial audit of any entity or non-profit organization receiving victim assistance funding based on the referrals from the State Auditor or complaints of a specific nature received by the State Office of Victim Assistance to ensure that crime victim funds are expended in accordance with the law. Guidelines for the expenditure of these funds shall be developed by the Victim Services Coordinating Council. The Victim Services Coordinating Council shall develop these guidelines to ensure any expenditure which meets the parameters of Title 16, Chapter 3, Article 15 is an allowable expenditure. Any local entity or non-profit organization that receives funding from revenue generated from crime victim funds is required to submit their budget for the expenditure of these funds to the State Office of Victim Assistance within thirty days of the budget's approval by the governing body of the entity or non-profit organization. Failure to comply with this provision shall cause the State Office of Victim Assistance to initiate a programmatic review and a financial audit of the entity's or non-profit organization's expenditures of victim assistance funds. Additionally, the State Office of Victim Assistance will place the name of the non-compliant entity or non-profit organization on their website where it shall remain until such time as they are in compliance with the terms of this proviso. Any entity or non-profit organization receiving victim assistance funding must cooperate and provide expenditure/program data requested by the State Office of Victim Assistance. If the State Office of Victim Assistance finds an error, the entity or non-profit organization has ninety days to rectify the error. An error constitutes an entity or non-profit organization spending victim assistance funding on unauthorized items as determined by the State Office of Victims Assistance. If the entity or non-profit organization fails to cooperate with the programmatic review and financial audit or to rectify the error within ninety days, the State Office of Victim Assistance shall assess and collect a penalty in the amount of the unauthorized expenditure plus \$1,500 against the entity or non-profit organization for improper expenditures. This penalty plus \$1,500 must be paid within thirty days of the notification by the State Office of Victim Assistance to the entity or non-profit organization that they are in non-compliance with the provisions of this proviso. All penalties received by the State Office of Victim Assistance shall be credited to the General Fund of the State. If the penalty is not received by the State Office of Victim Assistance within thirty days of the notification, the political subdivision will deduct the amount of the penalty from the entity or non-profit organization's subsequent fiscal year appropriation.

**89.66 AMEND** (Year-End Financial Statements - Penalties) Provides reporting deadlines for agencies and other entities that must submit annual audited financial statements for inclusion in the State's Comprehensive Annual Financial Report.

**WMC:** AMEND proviso to change due date for certain final audited financial statements from October 15<sup>th</sup> to October 10<sup>th</sup>. Fiscal Impact: No impact on the General Fund. Requested by Comptroller General's Office.

**HOU:** ADOPT proviso as amended.

**SUBCOMMITTEE RECOMMENDATION:** ADOPT proviso as amended.

**89.66.** (GP: Year-End Financial Statements - Penalties) Agencies and other reporting entities required to submit annual audited financial statements for inclusion in the State's Comprehensive Annual Financial Report must comply with the submission dates stipulated in

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the State Auditor's Office audit contract. If the audit was not contracted by the State Auditor's Office, the final audited financial statements are due not later than October ~~fifteenth~~ tenth for the prior fiscal year. Each agency that does not comply with the provisions of this proviso shall appear before the Comptroller General, providing an explanation for the delay.

- 89.80 AMEND FURTHER** (Reduction in Force/Agency Head Furlough) Provides guidelines for an agency head to be furloughed when a reduction in force is implemented by the agency.  
**HOU:** AMEND proviso to direct that an agency head is not required to take a mandatory furlough if the reduction in force is solely to reorganize to accomplish organizational efficiencies. Sponsor: Rep. Merrill.

**SUBCOMMITTEE RECOMMENDATION:** AMEND FURTHER to change "Office of Human Resources" to "Human Resources Division."

**89.80.** (GP: Reduction in Force/Agency Head Furlough) In the event a reduction in force is implemented by a state agency or institution of higher learning, the agency head shall be required to take five days furlough in the current fiscal year. If more than one reduction in force plan is implemented in a fiscal year, the mandatory agency head furlough is only required for the initial plan. The agency head will retain all responsibilities and authority during the furlough. All monies saved from this furlough may be retained by that agency and expended at the discretion of the agency head. During this furlough, the agency head shall be entitled to participate in the same state benefits as otherwise available to them except for receiving their salaries. As to those benefits which require employer and employee contributions, the state agency will be responsible for making both employer and employee contributions if coverage would otherwise be interrupted; and as to those benefits which require only employee contributions, the agency head remains solely responsible for making those contributions.

Placement of an agency head on furlough under this provision does not constitute a grievance or appeal under the State Employee Grievance Procedure Act. In the event the reduction for the state agency or institution of higher learning is due solely to the General Assembly transferring or deleting a program, this provision does not apply. Agencies may allocate the agency head's reduction in pay over the balance of the fiscal year for payroll purposes regardless of the pay period within which the furlough occurs. The Budget and Control Board, ~~Office of~~ Human Resources Division shall promulgate guidelines and policies, as necessary, to implement the provisions of this proviso. State agencies shall report information regarding furloughs to the ~~Office of~~ Human Resources Division of the Budget and Control Board.

For purposes of this provision, agency head includes the president of a technical college as defined by Section 59-103-5 of the 1976 Code.

The agency head of the State Board for Technical and Comprehensive Education shall not be required to take this mandatory furlough based solely on the implementation of a reduction in force plan by a technical college.

An agency head shall not be required to take this mandatory furlough based solely on reductions in force implemented as a result of federal budget cuts. In addition, an agency head shall not be required to take this mandatory furlough based solely on reductions in force implemented to reorganize to accomplish organizational efficiencies.

- 89.81 DELETE** (Mandatory State Agency Furlough Program) Authorizes state agencies to implement a mandatory furlough program under certain circumstances.  
**WMC:** DELETE proviso. *Codified in Section 8-11-192.* Requested by Budget and Control Board.

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**HOU:** ADOPT deletion of proviso.

**SUBCOMMITTEE RECOMMENDATION:** ADOPT deletion of proviso.

**89.81.** (GP: Mandatory State Agency Furlough Program) ~~In a fiscal year in which the general funds appropriated for a state agency, are less than the general funds appropriated for that agency in the prior fiscal year, or in a fiscal year in which an agency that is funded by other funds projects other funds collections to be less than in the prior fiscal year, or whenever the General Assembly or the Budget and Control Board implements a mid-year across the board budget reduction, agency heads may institute employee furlough programs of not more than ten working days in the fiscal year in which the deficit is projected to occur.~~

~~The furlough must be:~~

~~(1) inclusive of all employees in an agency or within a designated department or program regardless of source of funds or place of work, including all classified and unclassified employees in the designated area; or~~

~~(2) based upon pay band for classified employees and based upon pay rate for unclassified employees within the agency or designated department respectively.~~

~~If the state agency will incur costs for overtime under the federal Fair Labor Standards Act, law enforcement employees and correctional employees may be exempted from a mandatory furlough. Employees who provide direct patient or client care and front-line employees who deliver direct customer services may be exempted from a mandatory furlough. The mandatory furlough must include the agency head. Constitutional officers are exempt from mandatory furlough. Scheduling of furlough days, or portions of days, shall be at the discretion of the agency head, but under no circumstances should the agency close completely.~~

~~During this furlough, affected employees shall be entitled to participate in the same state benefits as otherwise available to them except for receiving their salaries. As to those benefits that that require employer and employee contributions, including but not limited to contributions to the South Carolina Retirement System or the optional retirement program, the state agencies, institutions, and departments are responsible for making both employer and employee contributions if coverage would otherwise be interrupted; and as to those benefits which require only employee contributions, the employee remains solely responsible for making those contributions.~~

~~Placement of an employee on furlough under this provision does not constitute a grievance or appeal under the State Employee Grievance Procedure Act.~~

~~In the event the reduction for the state agency, institution, or department is due solely to the General Assembly transferring or deleting a program, this provision does not apply. The implementation of a furlough program authorized by this provision shall be on an agency-by-agency basis. Agencies may allocate the employee's reduction in pay over the balance of the fiscal year for payroll purposes regardless of the pay period within which the furlough occurs. In the event that an agency implements both a voluntary furlough program and a mandatory furlough program during the fiscal year, furlough days taken voluntarily shall count toward furlough days required by the mandatory furlough.~~

~~The Budget and Control Board shall promulgate guidelines and policies, as necessary, to implement the provisions of this proviso. State agencies shall report information regarding furloughs to the Office of Human Resources of the Budget and Control Board.~~

~~The Office of Human Resources of the Budget and Control Board must provide consultation and guidance to each state agency implementing a furlough or reduction in force regarding the long term career development of its employees and the potential financial benefit of implementing a furlough program or reduction in force.~~

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~~This provision does not apply to employees of those state agencies or institutions covered by Section 8-11-193 of the 1976 Code, and Section 8-11-193, rather than this provision continues to apply to those employees in the manner provided by law.~~

- 89.83**    **AMEND** (Printed Report Requirements) Directs that for Fiscal Year 2011-12 certain state agencies and higher education institutions shall not be required to submit printed reports and shall only submit the reports electronically.  
**WMC:** AMEND proviso to change “2011-12” to “2012-13.” *Technical.* Fiscal Impact: No impact on the General Fund.  
**HOU:** ADOPT proviso as amended.

**SUBCOMMITTEE RECOMMENDATION:** ADOPT proviso as amended.

**89.83.** (GP: Printed Report Requirements) (A) For Fiscal Year ~~2011-12~~ 2012-13, state supported institutions of higher learning shall not be required to submit printed reports mandated by Sections 2-47-40, 2-47-50, and 59-103-110 of the 1976 Code, and shall instead only submit the documents electronically.

Submission of the plans or reports required by Sections 2-47-55, 59-101-350, 59-103-30, 59-103-45(4), and 59-103-160(D) shall be waived for the current fiscal year, except institutions of higher learning must continue to report under 2-47-55 year one of the Comprehensive Permanent Improvement Plan, student pass rates on professional examinations, and data elements otherwise required for the Commission on Higher Education Management Information System. The commission, in consultation with institutions, shall take further action to reduce data reporting burdens as possible.

(B) For Fiscal Year ~~2011-12~~ 2012-13, the Department of Agriculture shall not be required to submit printed reports mandated by Section 46-49-10 of the 1976 Code. The department shall provide these reports electronically and shall use any monetary savings for K5-12 agricultural education programs.

(C) For Fiscal Year ~~2011-12~~ 2012-13, the Department of Health and Human Services shall not be required to provide printed copies of the Medicaid Annual Report required pursuant to Section 44-6-80 of the 1976 Code and the Provider Reimbursement Rate Report required pursuant to Proviso 21.11, and shall instead only submit the documents electronically.

(D) For Fiscal Year ~~2011-12~~ 2012-13, the Department of Transportation shall not be required to submit printed reports or publications mandated by Sections 1-11-58, 2-47-55, and 58-17-1450 of the 1976 Code.

The Department of Transportation may combine their Annual Report and Mass Transit Report into their Annual Accountability Report.

- 89.91**    **DELETE** (Retirement Systems) Provides for participation in the Retirement System for certain charter school employees through June 30, 2011.  
**WMC:** DELETE proviso. *The proviso was effective through June 30, 2011. Section 9-1-1020 controls the manner in which the employee contributions are picked up to comply with the Internal Revenue Code and ensure that the contributions are tax deferred.* Fiscal Impact: No impact on the General Fund. Requested by Budget and Control Board.  
**HOU:** ADOPT deletion of proviso.

**SUBCOMMITTEE RECOMMENDATION:** ADOPT deletion of proviso.

**89.91.** (GP: Retirement Systems) ~~A charter school employing an individual on leave from a local school district on, or after July 1, 2006 shall participate in the South Carolina Retirement~~



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~~Systems as a covered employer with respect to the employee on leave through June 30, 2011 only to the extent that the charter school and the employee have made required employer and employee contributions to the South Carolina Retirement Systems from the employee's date of employment with the charter school. The employee on leave from a local school district employed by a charter school shall accrue benefits and credits in the South Carolina Retirement Systems. The charter school shall remit to the Retirement Systems the employer contributions required by law for participating employers. The employee shall make the employee contributions to the Retirement Systems required by law and the contributions must be picked up in accordance with Section 9-1-1020. The South Carolina Retirement Systems may impose reasonable requirements to administer this section.~~

- 89.93 DELETE** (SCEIS-DOT) Requires the Department of Transportation to be integrated into the S.C. Enterprise Information System (SCEIS) by September 30, 2011.  
**WMC:** DELETE proviso. *Implementation has been completed.* Fiscal Impact: No impact on the General Fund. Requested by Budget and Control Board.  
**HOU:** ADOPT deletion of proviso.

**SUBCOMMITTEE RECOMMENDATION:** ADOPT deletion of proviso.

~~**89.93.** (GP: SCEIS-DOT) It is the intent of the General Assembly that all agencies achieve the maximum benefit of accounting, management and transparency through the implementation of the South Carolina Enterprise Information System (SCEIS). In order to ensure this goal is completed by not later than September 30, 2011 at the Department of Transportation, the following process shall be implemented. The SCEIS Program and the Department of Transportation shall form a DOT SCEIS Implementation Team dedicated to the successful implementation of SCEIS within the Department of Transportation. This team is directed to identify and implement high level interfaces to allow the Department of Transportation to remain operational as the Statewide Accounting and Reporting System, Human Resources and Payroll systems are retired prior to the full implementation of SCEIS within the Department of Transportation. The SCEIS Executive Oversight Committee is directed to establish a SCEIS/Department of Transportation Implementation subcommittee consisting of a senior manager designated by the Comptroller General, a senior manager designated by the Executive Director of the Budget and Control Board, and a senior manager designated by the Secretary of the Department of Transportation, and shall include staff as designated by the Department of Transportation and staff as designated by the SCEIS Program. In addition, the Department of Transportation shall include a senior management representative of the federal highway administration as an advisor to this subcommittee and as a member of the DOT SCEIS Implementation Team. The Department of Transportation may expend funds as determined under the implementation plan as necessary to maximize the long term return in the areas of finance, procurement, human resources and payroll, budgeting, federal aid billing, project management and other areas where modernization benefits the agency. The SCEIS Program shall use resources available to assist and support the Department of Transportation implementation.~~

- 89.94 AMEND** (Broadband Spectrum Lease) Requires the General Assembly to approve the exercise of any Middle Band Segment Channel recapture provision contained in the Educational Broadband Service Spectrum Lease Agreements if there would be a decrease in payments received by the state. Requires broadband spectrum lease revenue be transferred monthly to ETV for agency operations and authorize ETV to retain and carry forward unexpended funds.

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**WMC:** AMEND proviso to change Fiscal Year “2011-12” to “2012-13.” Direct that upon agreement of the lessee, ETV shall assume management and administration of the lease and shall receive the lease payments directly.

**HOU:** ADOPT proviso as amended.

**SUBCOMMITTEE RECOMMENDATION:** ADOPT proviso as amended.

**89.94.** (GP: Broadband Spectrum Lease) The General Assembly must approve any exercise of the Middle Band Segment Channel recapture provisions contained in the Educational Broadband Service Spectrum Lease Agreements if the exercise of the recapture provisions would result in a decrease in payments received by the State. For Fiscal Year ~~2011-12~~ 2012-13, revenue received from the broadband spectrum lease shall be transferred from the Budget and Control Board to the Educational Television Commission on a monthly schedule, according to the current broadband lease agreement, ~~which shall retain and expend such funds for agency operations.~~ Upon agreement of the lessee, the Educational Television Commission shall assume management and administration of the lease and receive lease payments directly. The Educational Television Commission shall retain and expend funds received pursuant to the lease for agency operations. The commission shall be authorized to carry forward unexpended funds from the prior fiscal year into the current fiscal year.

**89.98** **AMEND** (Bank Account Transparency and Accountability) Requires state agencies, except higher education institutions, that have composite reservoir bank accounts to prepare a report that discloses every account transaction in the prior fiscal year. Provides for an agency to petition the B&C Board for an exemption if the release of such information would be detrimental to the agency.

**WMC:** AMEND proviso to delete specific reference to individuals who receive the report and replace with the “Budget and Control Board” and specify the report will be submitted through the Division of State Budget. Require the “beginning” as well as the year-end balance be provided for each account. Direct the B&C Board to establish a common format for agencies to use when submitting their report. Require the State Auditor to include these accounts as part of the agency’s audit. Fiscal Impact: No impact on the General Fund.

**HOU:** ADOPT proviso as amended.

**SUBCOMMITTEE RECOMMENDATION:** ADOPT proviso as amended.

**89.98.** (GP: Bank Account Transparency and Accountability) Each state agency, except state institutions of higher learning, which has composite reservoir bank accounts or any other accounts containing public funds which are not included in the Comptroller General’s Statewide Accounting and Reporting System or the South Carolina Enterprise Information System shall prepare a report for each account disclosing every transaction of the account in the prior fiscal year. The report shall be submitted to the ~~Governor, the Chairman of the Senate Finance Committee, the Chairman of the House Ways and Means Committee, the State Treasurer, and the Comptroller General~~ Budget and Control Board, through the Division of State Budget by October first of each fiscal year. The report shall include the name(s) and title(s) of each person authorized to sign checks or make withdrawals from each account, the name and title of each person responsible for reconciling each account, the beginning and year-end balance of funds in each account, and data related to both deposits and expenditures of each account. The report shall include, but not be limited to, the date, amount, and source of each deposit transaction and the date, name of the payee, the transaction amount, and a description of the goods or services purchased for each expenditure transaction. To facilitate review, the

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Budget and Control Board shall prescribe a common format for the report which agencies must use. In order to promote accountability and transparency, a link to the report shall be posted on the Comptroller General's website as well as the agency's homepage.

When the State Auditor conducts or contracts for an audit of a state agency, accounts of the agency subject to this proviso must be included as part of the review.

If an agency determines that the release of the information required in this provision would be detrimental to the state or the agency, the agency may petition the Budget and Control Board to grant the agency an exemption from the reporting requirements for the detrimental portion. The meeting to determine whether an exemption should be granted shall be closed. However, the exemption may only be granted upon a majority vote of the Budget and Control Board in a public meeting.

**89.114 DELETE** (Gold and Silver Investments) Directs the State Treasurer to report to the General Assembly on the advisability of investing in gold and silver.

**WMC:** DELETE proviso. *Report has been completed.* Fiscal Impact: No impact on the General Fund. Requested by State Treasurer's Office.

**HOU:** ADOPT deletion of proviso.

**SUBCOMMITTEE RECOMMENDATION:** ADOPT deletion of proviso.

**89.114.** (GP: Gold and Silver Investments) ~~The State Treasurer shall provide a report to the General Assembly on the advisability of investing in gold and silver.~~

**89.123 REINSERT** (State Symbols) Prohibits state funds from being used to promote, record, or memorialize new official state symbols, emblems, or designations not codified by July 1, 2011.

**WMC:** DELETE proviso. Fiscal Impact: No impact on the General Fund.

**HOU:** ADOPT deletion of proviso.

**SUBCOMMITTEE RECOMMENDATION:** REINSERT original proviso.

**89.123.** (GP: State Symbols) For the current fiscal year, no state funds shall be used to promote, record, or memorialize any new official state symbols, emblems, or designations not yet codified by July 1, 2011.

**89.126 CONFORM TO FUNDING / AMEND NEW PROVISO** (Second Amendment Weekend - Sales Tax Exemption for Certain Firearms) **WMC:** ADD new proviso to exempt handguns and shot guns from state and local sales tax for sales occurring from 12:01 am, the Friday after Thanksgiving through midnight the Saturday after Thanksgiving. Fiscal Impact: BEA indicates this provision will yield a \$423,600 reduction in sales tax revenue as follows: \$282,400 General Fund; \$70,600 EIA funds; and \$70,600 Homestead Exemption Fund.

**HOU:** ADOPT new proviso.

**SUBCOMMITTEE RECOMMENDATION:** CONFORM TO FUNDING RECOMMENDATION / AMEND new proviso to change "is" to "are."

**89.126.** (GP: Second Amendment Weekend - Sales Tax Exemption for Certain Firearms) The gross proceeds or sales price of handguns as defined pursuant to Section 16-23-10(1) of the 1976 Code, rifles and shot guns ~~is~~ **are** exempt from the taxes imposed pursuant to Chapter 36, Title 12 of the 1976 Code and Chapter 10, Title 4 of the 1976 Code for sales occurring from

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12:01 a.m., the Friday after Thanksgiving through twelve midnight, the Saturday after Thanksgiving for the current fiscal year.

- 89.127 CONFORM TO FUNDING / AMEND NEW PROVISO** (Law Enforcement Special Salary Increase) **WMC:** ADD new proviso to provide DPS, DNR, and DPPP Class I law enforcement officers with an additional salary increase that is over and above the base pay increase provided for state employees and direct that the increase be distributed on or after July 1, 2012. Fiscal Impact: \$2,289,323 general fund appropriation to provide an additional 3% pay increase to Class I law enforcement officers at these three agencies.  
**HOU:** ADOPT new proviso.

**SUBCOMMITTEE RECOMMENDATION:** CONFORM TO FUNDING RECOMMENDATION / AMEND new proviso to specify that the increase only applies to non-supervisory Class I Law Enforcement Officers.

**89.127. (GP: Law Enforcement Special Salary Increase)** All funds appropriated to the Department of Public Safety, the Department of Natural Resources, and the Department of Probation, Parole, and Pardon Services for law enforcement salary increases above the amount appropriated for base pay increases for state employees must be distributed on or after July 1, 2012. The specified increase is for Class I Law Enforcement Officers **who do not have supervisory responsibilities**.

- 89.128 ADD** (Single Audit Schedule of Federal Expenditures) **WMC:** ADD new proviso to require state agencies who do not receive a separate audit of federal expenditures to submit a schedule of federal program expenditures to the Office of the State Auditor, in a format prescribed by the State Auditor, by August 15<sup>th</sup> each year in order to ensure timely completion of the Statewide Single Audit. Fiscal Impact: No impact on the General Fund. Requested by State Auditor's Office.  
**HOU:** ADOPT new proviso.

**SUBCOMMITTEE RECOMMENDATION:** ADOPT new proviso.

**89.128. (GP: Single Audit Schedule of Federal Expenditures)** To ensure timely completion of the of the Statewide Single Audit, State agencies which do not receive a separate audit of federal expenditures, must submit to the Office of the State Auditor a schedule of federal program expenditures in a format prescribed by the Office of the State Auditor, no later than August 15 of each year.

- 89.131 DELETE NEW PROVISO** (Savannah River Litigation) **HOU:** ADD new proviso to authorize the Attorney General to use up to \$3,000,000 of available Litigation Recovery Account funds for the Savannah River litigation. Authorize these funds to be retained, expended, and carried forward and when the Savannah River litigation is satisfied, to deposit any remaining funds back into the Litigation Recovery Account. Sponsors: Reps. Pitts, Limehouse, Merrill, White, Harrell, and Vick.

**SUBCOMMITTEE RECOMMENDATION:** DELETE proviso. See new proviso 90.lra.

**89.131. (GP: Savannah River Litigation)** ~~Of the funds available in the Litigation Recovery Account, up to \$3,000,000 shall be used by the Office of the Attorney General for Savannah River litigation. The Office of the Attorney General is authorized to retain, expend,~~

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~~*and carry forward these funds and upon satisfaction of the Savannah River litigation any remaining funds shall be deposited back into the Litigation Recovery Account.*~~

**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 “2012” to “2013” and “July 13, 2012” to “July 12, 2013.” *Technical.* Fiscal Impact: No impact on the General Fund.  
**HOU:** ADOPT proviso as amended.

**SUBCOMMITTEE RECOMMENDATION:** ADOPT proviso as amended.

**90.1.** (SR: Year End Expenditures) Unless specifically authorized herein, the appropriations provided in Part IA of this act as ordinary expenses of the State Government shall lapse on July 31, ~~2012~~ 2013. State agencies are required to submit all current fiscal year input documents to the Office of Comptroller General by July ~~13, 2012~~ 12, 2013. Appropriations for Permanent Improvements, now outstanding or hereafter provided, shall lapse at the end of the second fiscal year in which such appropriations were provided, unless definite commitments shall have been made, with the approval of the Budget and Control Board and Joint Bond Review Committee, toward the accomplishment of the purposes for which the appropriations were provided. Appropriations for other specific purposes aside from ordinary operating expenses, now outstanding or hereafter provided, shall lapse at the end of the second fiscal year in which such appropriations were provided, unless definite commitments shall have been made, with the approval of the Budget and Control Board, toward the accomplishment of the purposes for which the appropriations were provided.

- 90.14**     **DELETE** (Non-recurring Revenue - Increased Enforcement Collections) Directs the Department of Revenue to continue increased enforcement collections efforts as established in FY 2009-10. Provides directives for the collection of revenues and provides for certain agencies to receive specific amounts of the revenue derived from collection efforts.  
**WMC:** DELETE proviso. Fiscal Impact: No impact on the General Fund. Revenues derived from increased enforcement collections have been included in the BEA revenue projections.  
**HOU:** ADOPT deletion of proviso.

**SUBCOMMITTEE RECOMMENDATION:** ADOPT deletion of proviso.

**90.14.** (SR: Non-recurring Revenue – Increased Enforcement Collections) ~~For Fiscal Year 2011-12, the Department of Revenue shall continue its efforts pertaining to increased enforcement collections as established in Fiscal Year 2009-10.~~

~~The department may collect revenues from foreign collections within its jurisdiction, which may include but is not limited to corporate, individual or sales tax collections but especially shall focus on enforced collections and outstanding liabilities.~~

~~Funding previously received by the department for enforced collections shall be used to fund foreign auditors to conduct foreign audits of multi-national and international corporations. Personnel may include revenue officers and criminal investigators. These employees will focus on collecting outstanding liabilities owed to this state.~~

~~During the current fiscal year, in applying the revenue statutes of this State, the department's interpretation of those statutes must be based solely on the plain meaning of the statute's text and the legislative intent giving rise to the enactment of the statutes. Terms~~

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~~contained in the tax statutes of this State may not be given broader meaning beyond the meaning of the statute. At least twice during the fiscal year, the department shall submit a report to the Chairman of the Senate Finance Committee and the Chairman of the House Ways and Means Committee regarding any discovered ambiguity in the meaning of a revenue statute. The first report must be submitted no later than November first and the second report must be submitted no later than May first of the fiscal year.~~

~~The funds collected under this provision shall be deposited in a fund separate and distinct from the general fund as established within the Office of the State Treasurer, except that any motor fuel funds collected as a result of the enforced collection efforts shall be distributed in the same manner as other motor fuel tax revenues are currently distributed.~~

~~When the department determines that quarterly enforced collections have exceeded the schedule provided in this provision, the department shall deposit the excess funds into the separate and distinct fund not to exceed the totals as provided in this provision.~~

~~For the fiscal year beginning July 1, 2011 and ending June 30, 2012, of the first \$48,080,667 in enforced collections resulting from increased enforcement, the State Treasurer shall disburse 58.4% to the Department of Health and Human Services for Medicaid Maintenance of Effort and 41.6% to the Department of Education for the Education Foundation Supplement so that the resulting amount of remittances are:~~

~~J02 Department of Health and Human Services Medicaid  
Maintenance of Effort .....\$ 8,080,667; and  
H63 Department of Education Education Foundation  
Supplement.....\$ 20,000,000.~~

~~For the fiscal year beginning July 1, 2011 and ending June 30, 2012, the State Treasurer shall disburse quarterly the following funds on a pro rata basis:~~

~~(1) E28 Election Commission  
2012 Primary Election.....\$ 253,000;  
(2) K05 Department of Public Safety  
Highway Patrol Overtime .....\$ 5,000,000; and  
(3) P16 Department of Agriculture  
Agri Business Economic Development .....\$ 500,000.~~

~~Prior to the close of the books on Fiscal Year 2011-12, the funds accumulated in the aforementioned separate and distinct fund shall be transferred to the General Reserve Fund, up to the amount necessary to meet the constitutional five percent requirement.~~

~~To insure that customary and usual enforced collections are unaffected by this provision, the Office of the State Treasurer 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 in the fiscal year. If quarterly General Fund enforced collections do not reach the required levels, distributions from this account are suspended for that quarter. The required deposits of quarterly General Fund enforced collections by the end of each quarter are:~~

~~July to September 2011 .....\$11,250,000  
October to December 2011 .....\$22,500,000  
January to March 2012 .....\$33,750,000  
April to June 2012 .....\$45,000,000~~

~~The Department of Revenue shall report on a quarterly basis to the finance committees of the General Assembly and to the Board of Economic Advisors on the amount of customary and usual enforced collections and the excess collections from the enhanced collection activities. The Department of Revenue shall provide assistance to the Board of Economic Advisors to assist in monitoring revenue collection seasonal flows that impact the funding of state government programs.~~

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~~By this provision these funds are deemed to have been received and are available for appropriation.~~

~~Unexpended funds appropriated pursuant to this provision may be carried forward to succeeding fiscal years and expended for the same purpose.~~

- 90.16 CONFORM TO FUNDING / REINSERT/AMEND** (Admissions Tax) Directs that for FY 11-12, up to \$114,000 in admissions tax revenue collected from events held at a motorsports entertainment complex facility with at least 60,000 permanent seats must be rebated to the facility in the current fiscal year to keep a NASCAR race at the facility  
**WMC:** DELETE proviso. NOTE: The proviso was actually amended by the committee to update the fiscal year reference. A scrivener's error deleted the entire proviso. An amendment will be offered on the floor to reflect the official action taken by the committee.  
**HOU:** REINSERT/AMEND proviso to change Fiscal Year "2011-12" to "2012-13." Fiscal Impact: Provides for a rebate of up to \$114,000 of Admissions Tax. Sponsors: Reps. Merrill and Lucas.

**SUBCOMMITTEE RECOMMENDATION:** CONFORM TO FUNDING RECOMMENDATION.

**90.16.** (SR: Admissions Tax) For Fiscal Year ~~2011-12~~ 2012-13, up to one hundred fourteen thousand dollars in admissions tax revenue collected annually from all events held at a motorsports entertainment complex facility with at least sixty thousand permanent seats must be rebated to the motorsports entertainment complex facility in the current fiscal year to keep a NASCAR race at the motorsports entertainment complex facility.

- 90.Ira CONFORM TO FUNDING / ADD** (Litigation Recovery Account - National Mortgage Settlement) **SUBCOMMITTEE RECOMMENDATION:** CONFORM TO FUNDING RECOMMENDATION / ADD new proviso to provide for disbursement of any National Mortgage Settlement proceeds as follows: (1) If funds are received before the current fiscal year, are credited to the Litigation Recovery Account, and are carried forward, the Attorney General must use the first \$3 million for Savannah River Litigation and the remainder of the funds must be transferred on July 1, to \_\_\_\_\_. These funds may be retained, expended, and carried forward. (2) If the funds are made available in the current fiscal year and funds have not been disbursed from the Litigation Recovery Account as previously described, then the funds shall not be credited to the Litigation Recovery Account but \$3 million shall be distributed to the Attorney General for Savannah River Litigation and the remainder shall be distributed to \_\_\_\_\_ for \_\_\_\_\_.

**90.Ira.** (SR: Litigation Recovery Account - National Mortgage Settlement) (A) If any funds derived from the National Mortgage Settlement are credited to the Litigation Recovery Account before the current fiscal year and carried forward to the current fiscal year, then:

(1) the first three million dollars in that account in the current fiscal year must be used by the Office of the Attorney General for Savannah River Litigation. The Office of the Attorney General shall retain, expend, and carry forward these funds for that purpose. Any unexpended amount when that litigation is resolved shall revert to the Litigation Recovery Account;

(2) any remaining amount in the Litigation Recovery Account on July 1, 2012 must be transferred to the \_\_\_\_\_ to be used for \_\_\_\_\_. The \_\_\_\_\_ shall retain, expend and carry forward these funds for the same purpose.

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(B) If any of the proceeds of the National Mortgage Settlement are made available to the State in the current fiscal year, and the balances provided in subparagraph (A) of this paragraph have not been paid from the Litigation Recovery Account, then an amount of the National Mortgage Settlement proceeds made available to the State in the current fiscal year sufficient to equal the amounts required to be transferred pursuant to subparagraph (A) are not credited to the Litigation Recovery Account as provided pursuant to paragraph 45.7 of this part, but instead must be distributed to the Office of the Attorney General for Savannah River Litigation and the \_\_\_\_\_ in the amounts and subject to the conditions as provided in items (1) and (2) of subparagraph (A) of this provision.

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