

**SENATE FINANCE COMMITTEE
NATURAL RESOURCES SUBCOMMITTEE
PROVISO RECOMMENDATIONS FOR FY 2012-13**

SECTION 34 - P16-DEPARTMENT OF AGRICULTURE

34.6 AMEND (Farmers Market Revenue) Requires revenues from the sale of the State Farmers Market to be deposited into a special account under the B&C Board; for the account to retain accrued interest; and directs that the funds can only to relocate State Farmers Market after JBRC and B&C Board approval.

WMC: AMEND proviso to delete the authorization for the accrued interest to remain in the account. Authorize the funds and accrued interest to be used to also reestablish the State Farmers Market with JBRC and B&C Board approval. Fiscal Impact: No impact on the General Fund. Requested by Department of Agriculture.

HOU: ADOPT proviso as amended.

SUBCOMMITTEE RECOMMENDATION: ADOPT proviso as amended.

34.6. (AGRI: Farmers Market Revenue) The revenues associated with the sale of the State Farmers Market shall be deposited into a separate restricted special account under the authority of the Budget and Control Board. ~~Interest accrued on this account must remain in this account.~~ These funds and accrued interest may only be expended for relocating and reestablishing the State Farmers Market after approval by the Joint Bond Review Committee and the Budget and Control Board.

34.9 DELETE NEW PROVISO (Pesticide Disposal) **HOU:** ADD new proviso to require the department to use up to \$100,000 to continue the pesticide disposal program. Sponsor: Rep. Atwater.

SUBCOMMITTEE RECOMMENDATION: DELETE new proviso.

~~**34.9. (AGRI: Pesticide Disposal)** *Of the funds appropriated to or authorized for the Department, up to \$100,000 shall be used to continue the pesticide disposal program.*~~

SECTION 35 - P20-CLEMSON UNIVERSITY - PSA

35.6 DELETE (Sandhills Revenue) Directs that revenue from the sale of property at the Sandhills Research and Education Center be used to build the new Sandhills facilities and to provide endowments as approved by the Clemson Board of Trustees and the B&C Board. Prohibits these funds from being used to offset FY 04-05 base budget reductions.

WMC: DELETE proviso. *Construction has been completed and the endowments have been established.* Fiscal Impact: No impact on the General Fund. Requested by Clemson University-PSA.

HOU: ADOPT deletion of proviso.

SUBCOMMITTEE RECOMMENDATION: ADOPT deletion of proviso.

35.6. (CU-PSA: Sandhills Revenue) ~~The funds retained by Clemson University PSA from the sale of the property at the Sandhills Research and Education Center shall be used to construct the new Sandhills facilities and provide endowments as approved by the Clemson Board of Trustees and the Budget and Control Board. These funds are not to be used to offset base budget reductions in Fiscal Year 2004-2005.~~

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SECTION 37 - P24 - DEPARTMENT OF NATURAL RESOURCES

- 37.8 DELETE** (Intellectual Property) Directs the department to develop a comprehensive written policy for treatment of intellectual property pertaining to the department's shrimp disease and culture area.

WMC: DELETE proviso. *DNR Policy #401.01 Intellectual Property Policy was last revised in September of 2003. The policy addresses the topics contained in this provision.* Fiscal Impact: No impact on the General Fund. Requested by Department of Natural Resources.

HOU: ADOPT deletion of proviso.

SUBCOMMITTEE RECOMMENDATION: ADOPT deletion of proviso.

~~37.8. (DNR: Intellectual Property) The Department shall develop a comprehensive written policy providing for the treatment on intellectual property accruing to the Department in the area of shrimp disease and culture. This policy must address the following issues: definitions, coverage and disclosure requirements, ownership, dispute resolution procedures, obtaining of patents and copyrights, incentives, transfer or sales or research results, promotion and licensing, use of proceeds, and release of ownership rights. Upon adoption and implementation, the Department, consistent with the policy, may sell or license intellectual property owned by the Department, upon approval of the Budget and Control Board. The net proceeds or annual net royalties, excluding any expenses including research and development, patent, licensing and litigation from intellectual property owned by the Department shall be apportioned and paid over by the Department according to the following schedule: Inventor 15%; State General Fund 85%. Proceeds apportioned and paid over to the Department shall be used by the Department for scientific research and education for the enhancement, management, and protection of natural resources in the State.~~

- 37.9 DELETE** (Reedy River) Directs the department to transfer \$1,000,000 from the State Mitigation Trust Fund to the County of Laurens for the Reedy River Restoration per the Colonial Pipeline Settlement.

WMC: DELETE proviso. *These funds are part of a court ordered settlement and cannot be distributed as directed.* Fiscal Impact: No impact on the General Fund. Following the restoration plan will have the expected distribution of Mitigation Trust Funds for Laurens County reach the Reedy River Restoration. Requested by Department of Natural Resources.

HOU: ADOPT deletion of proviso.

SUBCOMMITTEE RECOMMENDATION: ADOPT deletion of proviso.

~~37.9. (DNR: Reedy River) The Department of Natural Resources, by September 1, 2011, shall transfer \$1,000,000 of the funds currently being held in the State Mitigation Trust Fund to the County of Laurens for the Reedy River Restoration as agreed upon in the Colonial Pipeline Settlement.~~

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

- 39.1 AMEND** (Tourism and Promotion) Provides for the distribution of Regional Promotions funds to the 11 Regional Tourism groups.

SUBCOMMITTEE RECOMMENDATION: AMEND proviso to direct that \$50,000 of the Grandstrand Tourism Region's funds be distributed to the "North Myrtle Beach Chamber of

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Commerce” rather than the “Myrtle Beach Chamber of Commerce.” Fiscal Impact: No impact on the General Fund.

39.1. (PRT: Tourism and Promotion) The funds appropriated in this Act for Regional Promotions shall be distributed equally to the eleven Regional Tourism groups, except that the Grandstrand Tourism Region’s funds shall be divided, with \$50,000 distributed to the North Myrtle Beach Chamber of Commerce, \$105,000 distributed to the Georgetown Chamber of Commerce, and \$20,000 distributed to the Williamsburg Chamber of Commerce for tourism related activities. The North Myrtle Beach Chamber of Commerce and the Georgetown Chamber of Commerce shall submit a report to the Senate Finance Committee and the House Ways and Means Committee by December first each year describing how these funds were expended in the prior fiscal year.

39.2 **AMEND** (Destination Specific Tourism Marketing) Provides guidelines for the awarding of Destination Specific Tourism Program grants.

WMC: AMEND proviso to delete the stipulation that organizations receiving these grants must use them to “stimulate destination travel by persons” outside the state to destinations within the state and instead direct that the grants be used to “target international and/or domestic travelers” outside the state to destinations within the state. Fiscal Impact: No impact on the General Fund.

HOU: ADOPT proviso as amended.

SUBCOMMITTEE RECOMMENDATION: ADOPT proviso as amended.

39.2. (PRT: Destination Specific Tourism Marketing) The minimum grant awarded by the Destination Specific Tourism Program shall be \$250,000. Each state dollar must be matched with two dollars of private funds. An organization receiving a state grant must certify that, as of the date of the application: (i) the private funds are new dollars specifically designated for the purpose of matching state funds; (ii) the private funds have not been previously allocated or designated for tourism-related destination marketing; (iii) the organization has on hand or has an approved line of credit of not less than the amount of private funds needed to provide the required match. Organizations applying for a grant must include in the grant application, information on how the organization proposes to measure the success of the marketing and public relations program, including the estimated return on investment to the state. Promotional programs proposed by an applicant must be based on research-based outcomes. Grants must be made only to organizations that have a proven record of success in creating and sustaining new and repeat visitation to its area and must have sufficient resources to create, plan, implement, and measure the marketing and promotional efforts undertaken as a part of the program. The department must award a grant only to one qualified destination marketing organization within their tourism region where the organization’s private funds are raised. An organization receiving a grant must use the public and private funds only for the purpose of destination specific marketing and public relations designed to ~~stimulate destination travel by persons~~ target international and/or domestic travelers outside the state to destinations within the state. All grants that qualify under the program must be funded if funds are available. Funding of all qualified grants will be on a first come first served basis with such basis retained throughout the term of this proviso. No organization shall receive in the first quarter more than fifty percent of the state dollars allocated to the program. If by the end of the third quarter matching funds are still available with no other organizations meeting the criteria for funding, the funds will be distributed to the organization or organizations that have and can meet all of the requirements of this proviso. Grant recipients shall provide an annual report by

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November first, to the Chairmen of the Senate Finance Committee and the House Ways and Means Committee and the director of the Department of Parks, Recreation and Tourism on the expenditure of the grants funds and on the proposed outcome measures.

- 39.4** **AMEND** (Regional Tourism) Requires the department to disburse \$275,000 of their appropriated or authorized funds among the eleven Regional Tourism groups and prohibits the department from reducing the amount funded to those groups.
WMC: AMEND proviso to delete the requirement that \$275,000 of department funds be disbursed to the eleven Regional Tourism Groups. Fiscal Impact: No impact on the General Fund. The funds will remain in the agency for other agency functions.
HOU: ADOPT proviso as amended.

SUBCOMMITTEE RECOMMENDATION: ADOPT proviso as amended.

39.4. (PRT: Regional Tourism) ~~Of the funds appropriated to, authorized for, and/or carried forward by the department, the department shall provide \$275,000 for disbursement among the eleven Regional Tourism groups.~~ In the event the department receives a general fund reduction in the current fiscal year, the department is prohibited from reducing the amount funded to the eleven Regional Tourism groups.

- 39.9** **AMEND** (Destination Specific Tourism and Marketing Transfer) Provides for Motion Picture Incentive Wage Rebate set-aside funds carried forward from the prior fiscal year to be transferred to PRT for the Destination Specific Tourism Program and authorizes those funds to then be carried forward.
WMC: AMEND proviso to change Fiscal Year “2011-12” to “2012-13.” Provides for Motion Picture Incentive Supplier Rebate set-aside funds carried forward from the prior fiscal year to be transferred to PRT for Marketing. Fiscal Impact: No impact on the General Fund.
HOU: ADOPT proviso as amended.

SUBCOMMITTEE RECOMMENDATION: ADOPT proviso as amended.

39.9. (PRT: Destination Specific Tourism and Marketing Transfer) From the funds set aside pursuant to the Motion Picture Incentive Wage Rebate, for Fiscal Year ~~2011-12~~ 2012-13 unexpended funds carried forward from the prior fiscal year shall be transferred from the Department of Revenue to the Department of Parks, Recreation and Tourism and utilized for the Destination Specific Tourism Program. From the funds set aside pursuant to the Motion Picture Incentive Supplier Rebate, for Fiscal Year 2012-13 unexpended funds carried forward from the prior fiscal year shall be transferred from the Department of Revenue to the Department of Parks, Recreation and Tourism and utilized for Marketing. These funds shall be carried forward from the prior fiscal year into the current fiscal year and be expended for the same purpose.

- 39.12** **AMEND** (PARD) Authorizes PRT to spend restricted funds for the PARD Fund in accordance with the mandates of the Parks and Recreation Fund, Regulations, and generally accepted accounting standards
WMC: AMEND proviso to allow the department to reimburse prior year PARD grantee expenditures with current year funds for a period of three years as allowed by Section 51-23-30 [GRANT PROGRAM FOR PLANNING, DEVELOPING, AND RENOVATING PARK AND RECREATION FACILITIES]. *Ensures grantees are reimbursed in accordance with the established guidelines.* Fiscal Impact: No impact on the General Fund. Requested by Department of Parks, Recreation, and Tourism.

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HOU: ADOPT proviso as amended.

SUBCOMMITTEE RECOMMENDATION: ADOPT proviso as amended.

39.12. (PRT: PARD) The Department of Parks, Recreation, and Tourism shall be authorized to expend restricted funds for the Parks and Recreation Development Fund (PARD) in accordance with the Section 51-23-20 of the 1976 Code, Regulations, and generally accepted accounting standards. The department is allowed to reimburse PARD grantees from current year funds for prior year expenditures for a period of three years as allowed in Section 51-23-30 of the 1976 Code.

39.13 **ADD** (Admission Fees and Charges) **HOU:** ADD new proviso to authorize the department to impose reasonable fees and charges for admission into and or use of park and recreational facilities and require the revenue generated be used for park and recreational uses. Sponsor: Rep. Merrill.

SUBCOMMITTEE RECOMMENDATION: ADOPT new proviso.

39.13. (PRT: Admission Fees and Charges) The department may impose reasonable fees and charges for admission to and/or use of park and recreational facilities and the revenues from such fees and charges must be used for park and recreational uses.

SECTION 40 - P32 - DEPARTMENT OF COMMERCE

40.3 **AMEND** (Coordinating Council Funds) Authorizes and provides guidelines for the expenditure of Motor Fuels user fees set aside for economic development pursuant to Section 12-28-2910.

WMC: AMEND proviso to delete the first two paragraphs which defines eligible expenditures; requires that an annual expenditure report be submitted to the General Assembly; and prohibits the General Assembly from appropriating funds or directing the Coordinating Council to extend or grant loans for any purpose other than those stipulated in this provision. *This language was expanded and added to Section 12-28-2910(E) by the Economic Development Competitiveness Act of 2010.* Fiscal Impact: No impact on the General Fund. Requested by Department of Commerce.

HOU: ADOPT proviso as amended.

SUBCOMMITTEE RECOMMENDATION: ADOPT proviso as amended.

40.3. (CMRC: Coordinating Council Funds) ~~From the amount set aside pursuant to Section 12-28-2910 of the 1976 Code, the council is authorized to expend funds which were not obligated or committed as of July first of the current fiscal year only as necessary for the location or expansion of an industry or business facility in South Carolina. Eligible expenditures include water/sewer projects, road or rail construction/improvement projects, land acquisition, fiber optic cable, relocation of new employees for technology intensive and research and development facilities as defined in S.C. Code Section 12-6-3360, and site preparation. Site preparation is defined as surveying, environmental and geo technical study and mitigation, clearing, filling, and grading. The Coordinating Council shall annually prepare a detailed report each year for submission to the General Assembly by March fifteenth of each year which itemizes the expenditures from the fund for the preceding calendar year. Such~~

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~~report shall include an identification of the following information: (a) company name or confidential project number; (b) location of the project; (c) amount of grant award; and (d) scope of grant award.~~

~~The General Assembly shall not appropriate funds, and shall not direct the Coordinating Council to extend loans or grants nor shall the Coordinating Council extend any loans or grants from the amount set aside pursuant to Section 12-28-2910 for any purpose other than those listed in this proviso.~~

In order to provide maximum flexibility to encourage the creation of new jobs and capital investment, the Coordinating Council for Economic Development has the authority to transfer economic development funds at its disposal to the Closing Fund, provided the transfer is approved by a majority vote of the Coordinating Council members in a public meeting. Any unexpended balance on June thirtieth, of the prior fiscal year may be carried forward and expended in the current fiscal year by the Department of Commerce for the same purpose.

- 40.10** **AMEND** (Closing Fund) Directs that \$5,000,000 appropriated for the Closing Fund be used for competitive recruitment purposes as approved by the Coordinating Council for Economic Development and authorizes unexpended funds to be carried forward and used for the same purpose.

WMC: AMEND proviso to change “\$5,000,000” to “funds.” *To conform to whatever amount of funding the General Assembly provides.* Fiscal Impact: No impact on the General Fund. Requested by Department of Commerce.

HOU: ADOPT proviso as amended.

SUBCOMMITTEE RECOMMENDATION: ADOPT proviso as amended.

40.10. (CMRC: Closing Fund) In order to encourage and facilitate economic development, ~~\$5,000,000~~ funds appropriated for the Closing Fund for competitive recruitment purposes shall be used as approved by the Coordinating Council for Economic Development. Any unexpended at the end of the prior fiscal year may be carried forward and expended in the current fiscal year by the Department of Commerce for the same purposes.

- 40.18** **AMEND NEW PROVISO** (Research Funds) **WMC:** ADD new proviso to direct the department, upon Secretary of Commerce and Coordinating Council for Economic Development approval, to use funds appropriated for “Research” to fund partnerships between the department, higher education institutions, and S.C. based industry that have significant investment in the state. Require the partnerships create well paying jobs and enhance economic opportunities in the Distribution and Logistics Sciences area, or any other science, technology, research, development, or industry. Authorize unexpended funds be carried forward and used for the same purpose of to fund economic development projects. Fiscal Impact: \$8,000,000 non-recurring funds appropriated.

HOU: ADOPT new proviso.

SUBCOMMITTEE RECOMMENDATION: AMEND new proviso to include “recurring appropriations” in the available funding stream; delete “higher education institutions” from the partnership and replace with “senior research universities;” and include “the efficient management of technology transfer needs of any member of the partnership without limitation.” Direct the Secretary of Commerce and the Coordinating Council to work in conjunction with industry and senior research universities to identify potential subject matter for partnerships and to seek and consider Smart State Review Board advice in requesting

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partnerships and in approving funds. Require the Smart State Review Board expedite their advice on these matters.

40.18. (CMRC: Research Funds) Funds appropriated to the Department of Commerce as a special item, ~~recurring appropriation~~, or nonrecurring appropriation for Research shall be used to fund, upon approval of the Secretary of Commerce and the Coordinating Council for Economic Development, partnerships between the Department of Commerce, ~~higher education institutions~~, the senior research universities, either collectively or individually, and South Carolina-based industry with significant investment in the state. These partnerships shall be in Distribution and Logistics Sciences, or any other science, technology, research, development, or industry (including without limitation the efficient management of the technology transfer needs of any member of the partnership) that creates well-paying jobs and enhanced economic opportunities for the State as determined by the Secretary of Commerce. The Secretary of Commerce and the Coordinating Council for Economic Development must work in conjunction with industry and the senior research universities to identify the potential subject matter of these partnerships and must seek and consider the advice of the Smart State Review Board with regard to requesting proposals for such partnerships and in approving the expenditure of funds for these partnerships. The Smart State Review Board must provide such advice on an expedited basis. Unexpended funds shall be carried forward from the prior fiscal year into the current fiscal year and may be used for the same purpose or to fund economic development projects.

SECTION 64 - R28-DEPARTMENT OF CONSUMER AFFAIRS

64.5 **AMEND** (Retention of Fees) Authorizes the department, for FY 11-12, to retain all fees collected pursuant to specific sections of the code pertaining to the Motor Club Services Act; Pawnbrokers, and the Physical Fitness Act and to use these funds to implement mandated program requirements.

WMC: AMEND proviso to change “2011-12” to “2012-13.” *Technical.* Fiscal Impact: No impact on the General Fund. The agency anticipates that approximately \$135,000 in revenue will be generated for the agency. Requested by Department of Consumer Affairs.

HOU: ADOPT proviso as amended.

SUBCOMMITTEE RECOMMENDATION: ADOPT proviso as amended.

64.5. (CA: Retention of Fees) For Fiscal Year ~~2011-12~~ 2012-13, the department may retain all fees collected pursuant to Sections 39-61-80, 39-61-120, 40-39-120, and 44-79-80 of the 1976 Code. The funds retained shall be utilized to implement the requirements of the programs mandated by those sections of the code.

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

65.8 **AMEND** (Immigration Bill Funding) Requires the department to use \$1,414,814 of Subfund 3135 carry forward funds for the department’s Illegal Immigration responsibilities. Directs the department to compile an accountability report outlining Immigration Bill expenditures and to submit the report to specific Senate and House members, committees, and subcommittees on the first Tuesday of February 2011.

WMC: AMEND proviso to change “\$1,414,814” to “\$250,000.” Fiscal Impact: No impact on the General Fund. Reducing the amount required for Illegal Immigration responsibilities

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makes revenue of \$1,164,814 available for other agency operations. Requested by Department of Labor, Licensing, and Regulation.

HOU: ADOPT proviso as amended.

SUBCOMMITTEE RECOMMENDATION: ADOPT proviso as amended.

65.8. (LLR: Immigration Bill Funding) Prior to any funds carried forward from the prior fiscal year in Subfund 3135 being transferred to fund any other purpose, ~~\$1,414,814~~ \$250,000 must be retained by the Department of Labor, Licensing, and Regulation to fund the department's responsibilities under the South Carolina Illegal Immigration Reform Act. The department shall compile an accountability report outlining expenditures of the Immigration Bill funding to be issued to the President Pro Tempore of the Senate, the Chairman of the Senate Finance Committee, the Chairman of the Senate Finance Natural Resources and Economic Development Subcommittee, the Speaker of the House of Representatives, the Chairman of the House Ways and Means Committee, and the Chairman of the House Ways and Means Transportation and Regulatory Subcommittee. Said report must be issued on the first Tuesday of February 2012.

- 65.12** **ADD** (Office of State Fire Marshal - Clothing) **WMC:** ADD new proviso to authorize LLR to purchase and issue clothing to State Fire Marshal staff. *Allows agency to provide uniforms to Deputy State Fire Marshal and other staff for identification in the field and to enhance professionalism at Fire Service events.* Fiscal Impact: No impact on the General Fund. The agency indicated they would expend approximately \$30,000 of other funds for this purpose. Requested by Department of Labor, Licensing, and Regulation.

HOU: ADOPT new proviso.

SUBCOMMITTEE RECOMMENDATION: ADOPT new proviso.

65.12. (LLR: Office of State Fire Marshal - Clothing) The Department of Labor, Licensing, and Regulation is authorized to purchase and issue clothing to the staff of the Office of the State Fire Marshal.

SECTION 67 - R60-DEPARTMENT OF EMPLOYMENT AND WORKFORCE

- 67.3** **DELETE** (SCOIS Federal Funds) Requires the department, if they receive federal funds for the South Carolina Occupational Information System, to return to the General Fund a corresponding amount of general funds, up to \$306,833, and to notify the Chairmen of the Senate Finance and House Ways and Means Committees that they have taken that action.

WMC: DELETE proviso. *Federal funds have not been received for this program since the inception of the proviso.* Fiscal Impact: No impact on the General Fund. Requested by Department of Employment and Workforce.

HOU: ADOPT deletion of proviso.

SUBCOMMITTEE RECOMMENDATION: ADOPT deletion of proviso.

~~**67.3.** (DEW: SCOIS Federal Funds) Should the department receive funds from the federal government for the South Carolina Occupational Information System (SCOIS) program, the department shall return an equivalent amount of general funds, up to \$306,833, to the~~

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~~General Fund of the State. The department shall notify the Chairman of the Senate Finance Committee and the Chairman of the House Ways and Means Committee of such action.~~

- 67.6** **ADD** (Transparency of Funding Appropriation) **HOU:** ADD new proviso to require the department to place on their website by September 1st, a report of all aggregate amounts of taxes, fees, and payments they charged, collected, and paid in the prior fiscal year. Require the report include, but not be limited to SUTA taxes collected per Tier; unemployment benefit claims paid; the number of claims made in error; loan repayments made to the federal government; and the amount of funds in the account at the end of the fiscal year. Require the report also be submitted to the Chairmen of the Senate Finance and House Ways and Means Committees by September 1st. Sponsor: Rep. Ott.

SUBCOMMITTEE RECOMMENDATION: ADOPT new proviso.

67.6. (DEW: Transparency of Funding Appropriation) In order to promote accountability and transparency, the Department of Employment and Workforce must provide and release to the public via the agency's website, a report of all aggregate amounts of taxes, fees and payments that were charged, collected and paid by that state agency in the prior fiscal year. The report shall include, but not be limited to: (1) SUTA taxes collected per Tier; (2) unemployment benefit claims paid; (3) how many unemployment claims were made in error; (4) loan repayments made to the federal government; and (5) the amount of funds left in the agency's account at the end of the fiscal year. The report must be posted online by September first of the current fiscal year. Additionally, the report must be delivered to the Chairman of the Senate Finance Committee and the Chairman of the House Ways and Means Committee by September first. Funds appropriated to and/or authorized for use by the department shall be used to accomplish this directive.

- 67.7** **ADD** (SUTA Contingency Assessment Funds) **HOU:** ADD new proviso to require additional revenue collected through taxable wage base contingency assessments be spent (1) to enforce eligibility requirements by means of eligibility reviews, random verification of job contacts, and wage cross matches; (2) to ensure seated meetings are held with claimants; and (3) to require that SC Works Online System is used each week for one of the claimants job search contacts. Require the department notify claimants in advance that eligibility review and random verification of job contacts will be used for verification purposes. Sponsors: Reps. J.R. Smith, Sandifer, White, and Bingham.

SUBCOMMITTEE RECOMMENDATION: ADOPT new proviso.

67.7. (DEW: SUTA Contingency Assessment Funds) Of the funds appropriated through the contingency assessment funds collected on taxable wages paid by employers, any increased revenue resulting from the taxable wage base increase, shall be spent on enforcement of Section 41-35-110(3) and Section 41-35-120(5) of the 1976 Code, via Eligibility Reviews, Random Verification of Job Contacts and Wage Cross Matches during those weeks covered by the South Carolina State Unemployment Tax Authority (SUTA), and to ensure seated meetings with Unemployment Insurance claimants and requiring that one of the four job search contacts required per week be conducted through SC Works Online System (SCWOS), so that it can be electronically verified. The agency must also inform claimants in advance that Eligibility Reviews and Random Verification of Job Contacts will be used by the Department to verify compliance with laws administered by the agency.

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SECTION 69 - Y14 - STATE PORTS AUTHORITY

- 69.1** **AMEND** (Charleston Cooper River Bridge Project) Directs the State Ports Authority to pay the State Transportation Infrastructure Bank \$1,000,000 before June 30, 2012 to continue the Charleston Cooper River Bridge Project.
WMC: AMEND proviso to change July 1, “2011” to “2012” and June 30, “2012” to “2013.” *Meets the obligations of the State Ports Authority and the State Infrastructure Bank’s financial agreement.* Fiscal Impact: No impact on the General Fund. The funds used to pay the Transportation Infrastructure Bank are operating funds of the Ports Authority, none of which are state appropriated funds. Generates \$1,000,000 for the State Transportation Infrastructure Bank. Per the Ports Authority, the commitment of the agency is to provide \$1,000,000 per year for 25 years, until 2027.
HOU: ADOPT proviso as amended.

SUBCOMMITTEE RECOMMENDATION: ADOPT proviso as amended.

69.1. (SPA: Charleston Cooper River Bridge Project) The State Ports Authority shall, from other general fund or operating fund surplus available and any funds appropriated to the authority in prior fiscal years and left unexpended as of July 1, ~~2011~~ 2012, pay to the State Transportation Infrastructure Bank one million dollars before June 30, ~~2012~~ 2013, to continue the Charleston Cooper River Bridge Project.

- 69.3** **ADD** (Harbor Deepening Reserve Fund) **WMC:** ADD new proviso to create the Harbor Deepening Reserve Fund within the State Ports Authority, with the fund retaining accrued interest. Require the fund be used for activities associated with deepening the state’s harbors; expenditures to have prior General Assembly approval; and unexpended funds to be carried forward and used for the same purpose. Fiscal Impact: \$180,000,000 non-recurring funds appropriated.
HOU: ADOPT new proviso.

SUBCOMMITTEE RECOMMENDATION: ADOPT new proviso.

69.3. *(SPA: Harbor Deepening Reserve Fund) There is created within the State Ports Authority the Harbor Deepening Reserve Fund. This fund shall be separate and distinct from the General Fund and interest accrued by the fund must remain in the fund. This fund must be used exclusively by the South Carolina Ports Authority for the activities associated with deepening the state’s harbors. Expenditures from the Harbor Deepening Reserve Fund must have prior approval of the General Assembly by means of a joint resolution. These funds shall be carried forward from the prior fiscal year into the current fiscal year and must be used for the same purpose.*

SECTION 78 - E24-ADJUTANT GENERAL’S OFFICE

- 78.8** **AMEND** (Retention of Lease Property Revenue) Authorizes the Adjutant General to lease the Combined Support Maintenance Shop property and to retain and use the revenue for specific purposes.
WMC: AMEND proviso to delete reference to a specific property and instead authorize the Adjutant General to lease all real property under the control of the South Carolina Military Department (SCMD) and allow all lease revenue to be retained for armory operations and

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maintenance. Fiscal Impact: No impact on the General Fund. Requested by the Adjutant General's Office.

HOU: ADOPT proviso as amended.

SUBCOMMITTEE RECOMMENDATION: ADOPT proviso as amended.

78.8. (ADJ: Retention of Lease Property Revenue) The Adjutant General is authorized to lease the property formerly referred to as the Combined Support Maintenance Shop and can retain revenue collected from this lease program all real property under the control of SCMD. Funds generated by this program may be retained and expended for maintenance, renovation and construction of armory properties covered under the Federal Installation Stationing Plan (FISP) All revenue generated by the lease program may be retained for SCMD armory operations and maintenance as authorized by the Adjutant General or Deputy Adjutant General for state operations.

78.16 DELETE NEW PROVISO (Physical Assets Responsibility) **WMC:** ADD new proviso to make the Adjutant General's Office financially and administratively responsible for the building, and grounds; for maintaining deferred depreciation and maintenance reserves; assuming improvement obligations and other operating costs such as building maintenance, systems and equipment; custodial services, horticultural and grounds maintenance; insurance; and utilities for the property located at 1 National Guard Road in Columbia. Direct that Section 1-11-67 [RENTAL CHARGES FOR OCCUPANCY OF STATE-CONTROLLED OFFICE BUILDINGS; APPORTIONMENT AMONG AGENCY FUNDING SOURCES] does not apply to this property and direct that the B&C Board is not responsible for deferred or future maintenance or repair of building or grounds. Fiscal Impact: No impact on the General Fund.

HOU: ADOPT new proviso.

SUBCOMMITTEE RECOMMENDATION: DELETE new proviso.

~~*78.16. (ADJ: Physical Assets Responsibility) The Adjutant General shall be financially and administratively responsible for the building and grounds located at 1 National Guard Road in Columbia, to include maintaining necessary reserves for deferred and future depreciation and maintenance, and assuming improvement obligations and other costs of operation, including but not limited to, building maintenance, systems and equipment maintenance, custodial services, horticulture and grounds maintenance, insurance and utilities. Section 1-11-67 of the 1976 Code shall not apply and the Budget and Control Board shall have no responsibility for any deferred or future maintenance and repair of the building and grounds.*~~

SECTION 83 - S60-PROCUREMENT REVIEW PANEL

83.1 AMEND (Filing Fee) Authorizes the Procurement Review Panel to charge a \$250 filing fee to a party requesting an administrative review under certain Sections of the Procurement Code, and to retain, carry forward, and use the funds for agency operations. Allows the fee to be waived in case of hardship on the part of the filer.

WMC: AMEND proviso to add 11-35-4330 [FRIVOLOUS PROTESTS] to the Sections of the code under which the panel is authorized to charge a filing fee. Establish procedures for a Request for Filing Fee Waiver form to be submitted when a person requests a waiver of the filing fee due to financial hardship. Fiscal Impact: No impact on the General Fund.

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HOU: ADOPT proviso as amended.

SUBCOMMITTEE RECOMMENDATION: ADOPT proviso as amended.

83.1. (PRP: Filing Fee) Requests for administrative review before the South Carolina Procurement Review Panel shall be accompanied by a filing fee of two hundred and fifty dollars (\$250.00), payable to the SC Procurement Review Panel. The panel is authorized to charge the party requesting an administrative review under the S.C. Code Sections 11-35-4210(6), 11-35-4220(5), 11-35-4230(6), 11-35-4330, and/or 11-35-4410. The funds generated by the filing fee shall be retained by the panel and carried forward to be used for the operation of the panel. Withdrawal of an appeal will result in the filing fee being forfeited to the panel. If a party desiring to file an appeal is unable to pay the filing fee because of financial hardship, the party shall submit a ~~notarized affidavit to such effect~~ completed Request for Filing Fee Waiver form at the same time the request for review is filed. If after reviewing the affidavit the panel determines that such hardship exists, the filing fee shall be waived. The panel shall make the Request for Filing Fee Waiver forms available to the Chief Procurement Officers to provide to parties along with notice of right to appeal to the panel. If the filing fee is not waived, the party must pay the filing fee within fifteen days of the date of receipt of the order denying waiver of the filing fee. Requests for administrative review will not be accepted unless accompanied by the filing fee or a completed Request for Filing Fee Waiver form at the time of filing.

SECTION 89 - X90-GENERAL PROVISIONS

89.82 REINSERT (Conservation Bank Funding LLR) Directs LLR to transfer \$207,050 of Subfund 3135 carry forward funds to the S.C. Conservation Bank for their personal services and other operating expenses.

WMC: DELETE proviso. *Transfer was for FY 2011-12 and has been accomplished.* Fiscal Impact: No impact on the General Fund. Requested by S.C. Conservation Bank.

HOU: ADOPT deletion of proviso.

SUBCOMMITTEE RECOMMENDATION: REINSERT original proviso.

89.82. (GP: Conservation Bank Funding LLR) The Department of Labor, Licensing, and Regulation is directed to transfer \$207,050 from carry-forward monies in Subfund 3135 to the South Carolina Conservation Bank which shall be used for personal services and other operation expenses.

89.110 DELETE (FY 2011-12 Flexibility) Provides agencies with certain spending flexibility in order to absorb general fund reductions mandated in this act as compared to Fiscal Year 2008-09 general fund appropriations and prohibits funds associated with certain agencies' programs from being reduced or transferred

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

HOU: ADOPT deletion of proviso.

SUBCOMMITTEE RECOMMENDATION: ADOPT deletion of proviso.

89.110. (GP: FY 2011-12 Flexibility) ~~In order to provide maximum flexibility in absorbing the general fund reductions mandated in this act as compared to Fiscal Year 2008-09 general~~

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~~fund appropriations, agencies are authorized for Fiscal Year 2011-12 to spend agency earmarked and restricted accounts designated as "special revenue funds" as defined in the Comptroller General's records, to maintain critical programs previously funded with general fund appropriations. Any spending authorization for these purposes must receive the prior approval of the Office of State Budget and must be reported to the Governor, Senate Finance Committee, and the House Ways and Means Committee. The Comptroller General is authorized to implement the procedures necessary to comply with this directive. This provision is provided notwithstanding any other provision of law restricting the use of earned revenue. Appropriation transfers may exceed twenty percent of the program budget upon approval of the Budget and Control Board, Office of State Budget in consultation with the Chairman of the Senate Finance Committee and the Chairman of the House Ways and Means Committee.~~

~~State institutions of higher learning whose budgets have been reduced from the Fiscal Year 2010-11 state funding level, shall have the authority to use other sources of available funds to support and maintain state funded programs affected by state reductions during Fiscal Year 2011-12 and may adjust appropriations from special items or programs contained in this act in an amount greater or less than the percentage of the reduction assessed to the institution's base budget. Institutions shall submit to the Office of State Budget, the Senate Finance Committee, and the House Ways and Means Committee the amount of base budget reductions associated with these programs.~~

~~Notwithstanding the flexibility authorized in this provision, the following agencies are prohibited from reducing or transferring funds from the following programs or areas:~~

~~(A) Department of Natural Resources~~

~~Law Enforcement Program/Enforcement Operations as contained in Program II.~~

~~F.1~~

~~(B) Department of Parks, Recreation, and Tourism~~

~~Program II. A. Special Item: Regional Promotions~~

~~In addition the Department of Parks, Recreation and Tourism is prohibited from closing or reducing the FTE's in the State House Gift Shop and the Santee Welcome Center.~~

~~Notwithstanding the prohibition on reducing or transferring funds from the programs or areas listed above, the Department of Natural Resources may reduce the specified programs or areas by an amount not to exceed the percentage associated with any mandated reduction.~~

89.115 REINSERT/AMEND (Tobacco Settlement Trust Fund Distribution) Directs the State Treasurer to transfer up to \$1,000,000 from the Tobacco Settlement Trust Fund to the Department of Agriculture for marketing and branding as required by Section 11-49-55 [STATE-GROWN CROPS; MARKETING, BRANDING, AND NATURAL DISASTER RELIEF ASSISTANCE] in \$250,000 increments, as funds are accrued.

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

HOU: ADOPT deletion of proviso.

SUBCOMMITTEE RECOMMENDATION: REINSERT original proviso and amend to direct the State Treasurer to immediately transfer \$500,000 of Tobacco Settlement Trust Fund monies to the Department of Agriculture for marketing and branding agricultural products or produce.

89.115. (GP: Tobacco Settlement Trust Fund Distribution) For Fiscal Year ~~2011-12~~ 2012-13, the State Treasurer is directed to immediately transfer \$500,000 from that portion of the Tobacco Settlement Trust Fund that the State Treasurer is directed to transfer to the Department of Agriculture for marketing and branding of agricultural products or produce pursuant to the

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provisions of Section 11-49-55 of the 1976 Code ~~must be transferred to the Department of Agriculture as the funds are accrued in \$250,000 increments up to one million dollars.~~

- 89.117 AMEND** (WIA Meeting Requirements) Establishes Workforce Investment Board meeting notice and quorum requirements.
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.

89.117. (GP: WIA Meeting Requirements) For Fiscal Year ~~2011-12~~ 2012-13, a Workforce Investment Board meeting must be subject to all notice requirements of the Freedom of Information Act and may not take place unless a quorum of the board membership is present. Any decision made in violation of these requirements is void.

- 89.118 AMEND** (WIA Service Advertising) Establishes Workforce Investment Act advertising guidelines.
WMC: AMEND proviso to change “2011-12” to “2012-13” and require workforce investment boards to adhere to all state procurement policies and procedures when they advertise their services. Fiscal Impact: No impact on the General Fund.
HOU: ADOPT proviso as amended.

SUBCOMMITTEE RECOMMENDATION: ADOPT proviso as amended.

89.118. (GP: WIA Service Advertising) For Fiscal Year ~~2011-12~~ 2012-13, the Workforce Investment Act may advertise its services via billboard, bus placard, newspapers, or radio in all workforce investment areas ~~rather than in selected workforce investment areas.~~ This advertising may not be limited to e-mail, online, or other internet-based advertising, publicity, or other promotions. Workforce investment boards must adhere to all state procurement policies and procedures when advertising the services provided by the Workforce Investment Act.

- 89.119 AMEND** (WIA Training Marketability Evaluation) Requires local workforce investment boards to report on how funds were allocated based for training.
WMC: AMEND proviso to change “2011-12” to “2012-13.” Direct the local workforce investment boards to prepare an annual report that indicates how funds were used to provide marketable work skills training in the prior fiscal year and require specific information to be included in the report. Direct that the report be submitted annually by November 16th to the Chairmen of the Senate Finance and House Ways and Means Committees. Fiscal Impact: No impact on the General Fund.
HOU: ADOPT proviso as amended.

SUBCOMMITTEE RECOMMENDATION: ADOPT proviso as amended.

89.119. (GP: WIA Training Marketability Evaluation) For Fiscal Year ~~2011-12~~ 2012-13, local workforce investment boards shall ~~demonstrate that~~ prepare an annual report that demonstrates how funds ~~were~~ expended in the prior fiscal year ~~for training are used~~ to provide marketable work skills training ~~by reporting how its funds were allocated based on skills for which training was funded to determine what percentage of funds are used to fund non-~~

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vocational, academic programs and high growth or high demand industries and occupations. The report shall include, but not be limited to the total number of local training recipients, a description of the training area in which each recipient participated, and the number and percentage of participants in each training area that, upon completion of training, have become employed in the field in which they were trained. The report shall be annually submitted to the Chairman of the Senate Finance Committee and the Chairman of the House Ways and Means Committee on or before November 16th.

SECTION 90 - X91-STATEWIDE REVENUE

- 90.15 DELETE** (Excess FY 11-12 Revenue - SC Conservation Bank) Directs that the first \$2,000,000 of any unobligated FY 11-12 surplus revenues above the amount certified by the BEA be transferred to the S.C. Conservation Bank prior to the close of the books on FY 11-12. Authorizes these funds to be carried forward and expended for the same purpose
WMC: DELETE proviso. *Proviso was for FY 11-12.* Fiscal Impact: No impact on the General Fund. Requested by S.C. Conservation Bank.
HOU: ADOPT deletion of proviso.

SUBCOMMITTEE RECOMMENDATION: ADOPT deletion of proviso.

90.15. (SR: Excess FY 11-12 Revenue - SC Conservation Bank) ~~Prior to the close of the books for Fiscal Year 2011-12, to the extent that unobligated Fiscal Year 2011-12 surplus revenues above the amount certified by the Board of Economic Advisors are available, the State Treasurer is directed to transfer the first \$2,000,000 to the South Carolina Conservation Bank. The South Carolina Conservation Bank may retain and carry forward unexpended funds to succeeding fiscal years and expend these funds for the same purpose.~~

- 90.19 ADD** (National Mortgage Settlement) **WMC:** ADD new proviso to direct the Attorney General to transfer to the Department of Commerce's Deal Closing Fund the portion of the National Mortgage Settlement that would otherwise have been credited to the General Fund.
HOU: ADOPT new proviso.

SUBCOMMITTEE RECOMMENDATION: ADOPT new proviso.

90.19. (SR: National Mortgage Settlement) Notwithstanding the requirements of proviso 45.7 (Litigation Recovery Account) contained herein, the Attorney General shall transfer the portion of the National Mortgage Settlement that would otherwise have been credited to the General Fund to the Department of Commerce's Deal Closing Fund.