

**SENATE FINANCE COMMITTEE
NATURAL RESOURCES SUBCOMMITTEE
PROVISO RECOMMENDATIONS FOR FY 2013-14**

SECTION 44 - P16-DEPARTMENT OF AGRICULTURE

- 44.1** **AMEND** (Market Bulletin) Authorizes the department to charge \$10 for a yearly subscription to the Market Bulletin; to charge up to \$5 per classified ad printed in the bulletin; and to retain the generated revenue to defray the costs of the publication.

WMC: AMEND proviso to delete the specific amounts that may be charged. *Allowing the department to increase the fee would help offset increasing charges for printing and postage and help make the Bulletin self sufficient.* Fiscal Impact: \$10 has been charged since 2002. The department indicates that revenue received in FY 11-12 was \$184,480. Current year operating costs are estimated to be \$247,000. A \$5 increase per subscriber should generate approximately \$80,000 per fiscal year. No impact on the General Fund since these fees are retained by the department. Requested by Department of Agriculture.

HOU: ADOPT proviso as amended.

SUBCOMMITTEE RECOMMENDATION: ADOPT proviso as amended.

44.1. (AGRI: Market Bulletin) The Market Bulletin shall be mailed only to those persons who request it in writing and a record of each request shall be maintained by the department. Provided further, that the Department of Agriculture is authorized to charge a yearly subscription ~~rate of \$10.00 fee~~ to each person requesting the bulletin and may charge ~~up to \$5.00 per~~ for classified ~~advertisement~~ advertisements printed in the bulletin. The funds collected pursuant to this provision shall be retained by the department to defray the costs of publication and related incidental expenses.

- 44.9** **DELETE** (Pesticide Disposal) Directs the department to use up to \$100,000 to continue the pesticide disposal program.

WMC: DELETE proviso.

HOU: ADOPT deletion of proviso.

SUBCOMMITTEE RECOMMENDATION: ADOPT deletion of proviso.

44.9. (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.~~

- 44.10** **DELETE NEW PROVISO** (Farmers Market Purchase) **WMC:** ADD new proviso to require the Department of Agriculture to have written income verification prior to purchasing income-producing property at the State Farmers Market. Prohibit the department from entering into a contract to purchase property at the State Farmers Market until any existing lease agreement between the department and the seller has been renegotiated. Prohibit the department from spending any of the new Farmers Market funds until deed restrictions and legal issues are renegotiated and clarified by a new development agreement.

HOU: DELETE new proviso. *See CRF Section 4 for provision regarding this subject matter.* Sponsors: Reps. Simrill and White.

SUBCOMMITTEE RECOMMENDATION: ADOPT deletion of proviso.

44.10. (AGRI: Farmers Market Purchase) **DELETED**

- 44.11** **AMEND NEW PROVISO** (Farmers Market Appraisal) **HOU:** ADD new proviso to direct the department to remit to the general fund any state farmers market appraisal funds that remain from the appropriation received in Act 290 of 2012 for that purpose. Sponsor: Rep. Simrill.

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SUBCOMMITTEE RECOMMENDATION: AMEND new proviso to direct the department, rather than remit any remaining funds to the general fund, to use the funds for costs related to acquiring additional properties at the State Farmers Market.

~~44.11. (AGRI: Farmers Market Appraisal) The department shall remit to the general fund use any remaining funds from the appropriation received by Act 290 of 2012 for the Farmers Market Phase II Property Acquisition and Expansion and used for the state farmers market appraisal for costs related to the acquisition of additional properties by the State at the State Farmers Market.~~

SECTION 45 - P20-CLEMSON UNIVERSITY - PSA

45.8 AMEND (CU-PSA: ~~Meat Inspection Program~~ *Livestock-Poultry Health Programs*) Directs Clemson PSA to maintain operations of the state Meat Inspection Program and to retain all revenues from USDA Food Safety Inspection Services for the Livestock-Poultry Health Program.

WMC: AMEND proviso to include "USDA Animal and Plant Health Inspection Services" revenue and recoveries and change "Meat Inspection Program" reference to "Livestock-Poultry Health Programs."

HOU: ADOPT proviso as amended.

SUBCOMMITTEE RECOMMENDATION: ADOPT proviso as amended.

45.8. (CU-PSA: ~~Meat Inspection Program~~ *Livestock-Poultry Health Programs*) For the current fiscal year Clemson University Public Service Activities shall maintain operation of the state Meat Inspection Program. All revenues and recoveries from USDA Food Safety Inspection Services and from USDA Animal and Plant Health Inspection Services for Clemson University PSA's ~~Meat and Poultry Inspection Department~~ *Livestock-Poultry Health Programs and its departments* shall be retained by Clemson University-PSA's Livestock-Poultry Health Program for purposes of carrying out the operation of ~~that program~~ *its programs*.

45.11 DELETE NEW PROVISO (Broadcasting Wheat) **WMC:** ADD new proviso to direct Clemson PSA to use existing funds to begin a pilot study on the effectiveness of broadcasting the use of wheat as a cover crop.

HOU: ADOPT new proviso.

SUBCOMMITTEE RECOMMENDATION: DELETE new proviso.

~~45.11. (CU-PSA: Broadcasting Wheat) Clemson University PSA is directed to use existing funds to start a pilot study on the effectiveness of broadcasting wheat for use as a cover crop.~~

SECTION 47 - P24-DEPARTMENT OF NATURAL RESOURCES

47.8 ADD (Cormorant Control) **HOU:** ADD new proviso to direct the department to use existing funds to develop regulations in conjunction with the US Fish and Wildlife Service to allow the public to participate in Cormorant control activities on Lake Marion and Lake Moultrie if the impacts on fisheries and vegetation are positive. Sponsors: Reps. Lowe and Pitts.

SUBCOMMITTEE RECOMMENDATION: ADOPT new proviso.

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47.8. (DNR: Cormorant Control) The Department of Natural Resources is directed, through the use of existing funds, to develop regulations in conjunction with the US Fish and Wildlife Service to allow public participation in Cormorant control activities on Lake Marion and Lake Moultrie providing that impacts are positive to the fisheries and vegetation.

SECTION 49 - P28-DEPARTMENT OF PARKS, RECREATION AND TOURISM

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

SUBCOMMITTEE RECOMMENDATION: AMEND proviso to reduce the amount distributed to the Georgetown Chamber of Commerce by \$20,000 and provide the same amount to the City of Georgetown.

49.1. (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 Myrtle Beach Chamber of Commerce, ~~\$105,000~~ \$85,000 distributed to the Georgetown Chamber of Commerce, \$20,000 distributed to the City of Georgetown, and \$20,000 distributed to the Williamsburg Chamber of Commerce for tourism related activities. The 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.

49.4 REINSERT (Regional Tourism) Prohibits the department from reducing the amount funded to the 11 Regional Tourism groups in the event the department receives a general fund budget reduction.

WMC: DELETE proviso.

HOU: ADOPT deletion of proviso.

SUBCOMMITTEE RECOMMENDATION: REINSERT original proviso.

49.4. (PRT: Regional Tourism) 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.

49.9 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. Provides for Motion Picture Incentive Supplier Rebate set-aside funds carried forward from the prior fiscal year to be transferred to PRT for Marketing and authorizes PRT to carry forward those funds. Fiscal Impact: No impact on the General Fund.

WMC: AMEND proviso to update fiscal year references to "2013-14." Direct that the amount of funds used for the Destination Specific program not exceed \$12,000,000 and allow the department to use any unexpended wage rebate carry forward funds not used for "Destination Specific" for state Welcome Centers capital improvements, for deferred maintenance and capital improvements at state parks, and for Marketing/Advertising. Allow the department to use any unexpended supplier rebate carry forward funds for Marketing/Advertising, for state Welcome Centers capital improvements, and for deferred maintenance and capital projects at state parks.

HOU: ADOPT proviso as amended.

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SUBCOMMITTEE RECOMMENDATION: ADOPT proviso as amended.

49.9. (PRT: Destination Specific, Tourism and Marketing Transfer) From the funds set aside pursuant to the Motion Picture Incentive Wage Rebate, for Fiscal Year ~~2012-13~~ 2013-14 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 may be utilized for the Destination Specific Tourism Program. The Destination Specific program shall not exceed twelve million dollars when combining all source of funds. Any unexpended wage rebate carry forward funds not used for the Destination Specific program can be used by the department for capital improvements to the state's Welcome Centers, for deferred maintenance and capital projects at state parks, and for Marketing/Advertising. From the funds set aside pursuant to the Motion Picture Incentive Supplier Rebate, for Fiscal Year ~~2012-13~~ 2013-14 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 may be utilized for Marketing/Advertising, for capital improvements to the state's Welcome Centers, and for deferred maintenance and capital projects at state parks. These funds shall be carried forward from the prior fiscal year into the current fiscal year and be expended for the same purpose.

- 49.13 DELETE NEW PROVISO** (Additional Motion Picture Bonus-Rebate) **WMC:** ADD new proviso to authorize the Film Commission, in addition to the 15% rebate authorized by Section 12-62-50, to provide an additional bonus-rebate to a motion picture production company of up to 5% of the total aggregate South Carolina payroll for persons subject to SC income tax withholdings and up to 10% for SC residents; and in addition to the 15% rebate authorized by Section 12-62-60, authorize the Film Commission to provide an additional bonus-rebate of up to 15% of the expenditures made by the motion picture production company in the State.

HOU: ADOPT new proviso.

SUBCOMMITTEE RECOMMENDATION: DELETE new proviso. *Violates Rule 24.*

49.13. (PRT: Additional Motion Picture Bonus-Rebate) In addition to the fifteen percent rebate authorized pursuant to Section 12-62-50 of the 1976 Code, the South Carolina Film Commission may provide an additional bonus-rebate to a motion picture production company of up to five percent of the total aggregate South Carolina payroll for persons subject to South Carolina income tax withholdings and ten percent for South Carolina residents employed in connection with the production. In addition to the fifteen percent rebate authorized pursuant to Section 12-62-60, the South Carolina Film Commission may provide an additional bonus-rebate to a motion picture production company of up to fifteen percent of the expenditures made by a motion picture production company in the State.

SECTION 50 - P32-DEPARTMENT OF COMMERCE

- 50.9 RESTORE ORIGINAL PROVISO** (Funding For I-73 & I-74) Authorizes the Coordinating Council to make \$500,000 available for I-73 and \$500,000 available for I-74 routing, planning, and construction projects.

WMC: AMEND proviso to delete reference to \$500,000 for I-74.

HOU: ADOPT proviso as amended.

SUBCOMMITTEE RECOMMENDATION: RESTORE original proviso.

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50.9. (CMRC: Funding For I-73 & I-74) Of the funds authorized for the Coordinating Council Economic Development, \$500,000 shall be made available for the routing, planning and construction of I-73 and \$500,000 shall be made available for the routing, planning, and construction of I-74.

50.11 REINSERT (Community Development Corporation Carry Forward) Allows Community Development Corporation Initiative committed and uncommitted funds from the prior fiscal year to be carried forward and used for the same purpose

WMC: DELETE proviso. *Proviso is not needed since these funds have been expended.* Requested by Department of Commerce.

HOU: ADOPT deletion of proviso.

SUBCOMMITTEE RECOMMENDATION: REINSERT original proviso.

50.11. (CMRC: Community Development Corporation Carry Forward) The Department of Commerce shall be authorized to carry forward Community Development Corporation Initiative committed and uncommitted funds from the prior fiscal year and to use these funds for the same purpose.

50.14 REINSERT (Civil Air Patrol Transfer) Directs the department to transfer \$50,000 to the Civil Air Patrol, within the Adjutant General's office.

WMC: DELETE proviso. *Agency states that deletion will ensure more funds are available for recruiting jobs and investment to South Carolina rather than transferring funds to a program which does not contribute toward the agency's mission.* Requested by Department of Commerce.

HOU: ADOPT deletion of proviso.

SUBCOMMITTEE RECOMMENDATION: REINSERT original proviso.

50.14. (CMRC: Civil Air Patrol Transfer) Of the funds appropriated to or authorized for the Department of Commerce, the department shall transfer \$50,000 to the Adjutant's General Office for the Civil Air Patrol.

50.15 REINSERT (Regional Economic Development Organizations Carry Forward) Allows unexpended funds transferred to the department for Regional Economic Development Organizations to be carried forward and used for the same purposes.

WMC: DELETE proviso. *Agency states the proviso is not needed since no funds remain.* Requested by Department of Commerce.

HOU: ADOPT deletion of proviso.

SUBCOMMITTEE RECOMMENDATION: REINSERT original proviso.

50.15. (CMRC: Regional Economic Development Organizations Carry Forward) Any unexpended funds transferred to the Department of Commerce for Regional Economic Development Organizations by Part III of Act 23 of 2009 shall be carried forward from the prior fiscal year into the current fiscal year and used for the same purposes as originally intended.

50.16 DELETE (Savannah Valley Development Division) Transfers all Savannah Valley Development Division assets and obligations to appropriate state and local authorities upon State B&C Board approval.

WMC: DELETE proviso. *Proviso is not needed since the transfer of all assets and obligations have occurred.* Requested by Department of Commerce.

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HOU: ADOPT deletion of proviso.

SUBCOMMITTEE RECOMMENDATION: ADOPT deletion of proviso.

50.16. (CMRC: Savannah Valley Development Division) ~~The Department of Commerce is authorized to transfer any and all assets and obligations of its Savannah Valley Development Division, including, but not limited to, accounts, notes payable, contracts, licenses, leases, real property, rights of way, and easements, to appropriate state and local authorities upon the approval of the State Budget and Control Board.~~

50.17 CARRIED FORWARD (Regional Economic Development Organizations) Directs the department to use the \$5,000,000 appropriated for Regional Economic Development Organizations to provide funds to the designated organizations and counties and provides a mechanism by which the funds should be distributed. Requires a 1:1 private fund match and requires the receiving organization to certify that the private funds match are new dollars specifically designated for this purpose. Directs the organizations provide an annual expenditure report and outcome measures to the Chairmen of the Senate Finance and House Ways and Means Committees and the Secretary of Commerce by November 1st. Directs unexpended or undistributed funds be transferred to the Rural Infrastructure Fund at the Department of Commerce.

WMC: AMEND proviso to update fiscal year reference to "2013-14" and add the "Beaufort and Sumter Economic (BASE) Alliance. Change the amount which must be disbursed equally to the "7" organizations from "\$4,475,000" to "\$4,700,000." Change the amount remaining which is to be provided to various counties from "\$525,000" to \$300,000" and delete Saluda, Lee, Sumter, and Beaufort Counties from that distribution.

HOU: AMEND FURTHER to delete the previous equal distribution to the Regional Economic Development organizations and instead disburse the funds according to population. Add the I-77 Alliance to those eligible for funding. Direct that the remaining \$100,000 be provided equally to Lancaster and Saluda Counties if they meet the established requirements. Sponsors: Reps. Simrill, White, and G.M. Smith.

SUBCOMMITTEE RECOMMENDATION: ADOPT fiscal year update, but CARRIED FORWARD to Full Senate Finance Committee for further discussion.

50.17. (CMRC: Regional Economic Development Organizations) The Department of Commerce shall utilize the \$5,000,000 appropriated in Fiscal Year ~~2012-13~~ 2013-14 for Regional Economic Development Organizations to provide funds to the following ~~six~~ economic development organizations:

- ~~(1) Central SC Economic Development Alliance;~~
- ~~(2) Charleston Regional Development Alliance;~~
- ~~(3) Economic Development Partnership;~~
- ~~(4) North Eastern Strategic Alliance (NESA);~~
- ~~(5) Southern Carolina Alliance; and~~
- ~~(6) Upstate Alliance.~~

Of the \$5,000,000 appropriated for this purpose, ~~\$4,475,000~~ \$4,900,000 must be disbursed ~~equally to each organization~~ as follows:

- (1) Upstate Alliance, \$750,000;
- (2) Central SC Economic Development Alliance, \$750,000;
- (3) North Eastern Strategic Alliance (NESA), \$650,000;
- (4) Charleston Regional Development Alliance, \$650,000;
- (5) I-77 Alliance, \$575,000;
- (6) Beaufort and Sumter Economic (BASE) Alliance, \$575,000;

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(7) Economic Development Partnership, \$475,000; and

(8) Southern Carolina Alliance, \$475,000.

Each dollar of state funds must be matched with one dollar of private funds. The organization receiving state funds must certify that the private funds are new dollars specifically designated for the purpose of matching state funds and have not been previously allocated or designated for economic development.

The remaining ~~\$525,000~~ *\$100,000* shall be provided *on an equal basis* to ~~Chester County, Lancaster County, and Saluda County~~ *Counties, Lee County, Sumter County, Beaufort County, and York County* provided they meet the requirements established above.

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

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

Any unexpended or undistributed funds appropriated in prior fiscal years for Regional Economic Development Organizations shall be transferred to the Rural Infrastructure Fund at the Department of Commerce.

- 50.20 DELETE NEW PROVISO** (Military Base Task Force) **WMC:** ADD new proviso to house the South Carolina Military Base Task Force, reconstituted by Executive Order No. 2011-21, along with the Task Force Executive Coordinator under the auspices of the Department of Commerce. Direct the department to provide staff support and other resources through funding provided by the General Assembly to assist the task force to carry out the directives of the Executive Order. Direct that the task force act as an executive advisory committee to the General Assembly and the Governor on military matters that affect the state and direct it to coordinate an annual meeting between the members of the General Assembly that geographically represent military communities, the Governor, and military commanders to exchange pertinent information on upcoming challenges that military installations and their personnel will face. Authorize the task force, upon the Secretary of Commerce's approval to consult specialists to provide information, assistance, strategic plans development, and execution of strategies to maximize the state's defense-related business. Direct the task force to elect a chairman by majority vote of its membership. *Mirrors the requirements of Executive Order No. 2011-12, except houses the task force under the Department of Commerce, adds reporting to and consulting with the General Assembly, and elects a chairman from the membership. Does not change the make-up of the committee as established in the Executive Order.*

HOU: DELETE new proviso. *Executive Order 2013-04 re-established the Task Force.*
Sponsor: Rep. Merrill

SUBCOMMITTEE RECOMMENDATION: ADOPT deletion of proviso.

50.20. (CMRC: Military Base Task Force) DELETED

- 50.21 REINSERT/AMEND NEW PROVISO** (Business ~~Incubation~~ *Innovation*) **WMC:** ADD new proviso to direct that funds appropriated for business incubation be used to invest in technology-based economic development projects; direct the department to develop guidelines to administer the program; direct that investments must be accompanied by, at a minimum, an equal match of non-state funds; and allow up to \$300,000 to be used for program administrative costs.

HOU: DELETE new proviso. *Moved to 118.17 Non-Recurring Revenue to follow the funding.*
Sponsors: Reps. White and Simrill.

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SUBCOMMITTEE RECOMMENDATION: REINSERT new proviso and amend to direct that \$2,000,000 of the funds appropriated for business incubation be used to invest in technology-based economic development projects; direct the department to develop guidelines to administer the program; require investments be accompanied by a dollar-for-dollar match from non-state appropriated funds; direct that eligible projects foster economic development aimed at digital interactive and immersive media projects; and allow up to \$300,000 of these funds be used for program administrative costs.

50.21. (CMRC: Business ~~Incubation~~ Innovation) Of funds appropriated to the department for business incubation, \$2,000,000 shall be used to invest in technology-based economic development projects. The department shall develop guidelines to administer the program and any investment made by the department shall be accompanied by a dollar-for-dollar match from non-state appropriated funds. Eligible projects shall foster economic development through university collaboration, local government participation, public-private partnership participation, all of which is aimed at “digital interactive and immersive media” projects throughout the state. Up to \$300,000 of these specific funds may be used by the department for administrative costs associated with this program.

- 50.22** **ADD** (Council on Competitiveness) **WMC:** ADD new proviso to direct the department to use \$300,000 of the funds appropriated for the S.C. Council on Competitiveness to provide funds to existing businesses for economic development activities. Require a 1:1 private funds match and require the Council to certify that the private funds have not been previously allocated or designated for economic development before they disburse the funds. Require the Council provide a report on expenditures and outcome measures by January 1, 2014 to the Chairmen of the Senate Finance and House Ways and Means Committees and the Secretary of Commerce.

HOU: ADOPT new proviso.

SUBCOMMITTEE RECOMMENDATION: ADOPT new proviso.

50.22. (CMRC: Council on Competitiveness) The Department of Commerce shall utilize \$300,000 appropriated in Fiscal Year 2013-14 for the South Carolina Council on Competitiveness to provide funds for existing business economic development activities. Each dollar of state funds disbursed must be matched equally with private funds and prior to the disbursement of funds, the Council on Competitiveness must certify that the private funds are new dollars specifically designated for the purpose of matching state funds and have not been previously allocated or designated for economic development. The Council on Competitiveness shall provide a report on the expenditure of the funds and on the outcome measures by January 1, 2014, to the Chairman of the Senate Finance Committee and the Chairman of the House Ways and Means Committee and the Secretary of Commerce.

SECTION 54 - P45 - RURAL INFRASTRUCTURE AUTHORITY

- 54.1** **ADD** (Rural Infrastructure Fund Carry Forward) **WMC:** ADD new proviso to allow Rural Infrastructure Fund monies to be retained, carried forward, and expended in the current fiscal year.

HOU: ADOPT new proviso.

SUBCOMMITTEE RECOMMENDATION: ADOPT new proviso.

54.1. (RIA: Rural Infrastructure Fund Carry Forward) The Rural Infrastructure Authority may carry forward from the prior fiscal year into the current fiscal year, funds

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appropriated to the Rural Infrastructure Fund. The authority shall retain any unexpended funds at the close of the fiscal year and these funds shall be carried forward from the prior fiscal year into the current fiscal year.

SECTION 81 - R36-DEPARTMENT OF LABOR, LICENSING AND REGULATION

81.8 **AMEND** (Immigration Bill Funding Report) Requires the department to use \$250,000 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 2012.

WMC: AMEND proviso to "2012" to "2014."

HOU: ADOPT proviso as amended.

SUBCOMMITTEE RECOMMENDATION: ADOPT proviso as amended.

81.8. (LLR: Immigration Bill Funding Report) Prior to any funds carried forward from the prior fiscal year in Subfund 3135 being transferred to fund any other purpose, \$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~~ 2014.

SECTION 88 - Y14-STATE PORTS AUTHORITY

88.1 **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 original proviso to change July 1, "2012" to "2013" and June 30, "2013" to "2014." *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.

88.1. (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, ~~2012~~ 2013, pay to the State Transportation Infrastructure Bank one million dollars before June 30, ~~2013~~ 2014, to continue the Charleston Cooper River Bridge Project.

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- 88.3** **AMEND** (Harbor Deepening Reserve Fund) Creates the Harbor Deepening Reserve Fund within the State Ports Authority, with the fund retaining accrued interest. Requires the fund be used for activities associated with deepening the state's harbors; requires a comprehensive plan for using the fund be presented to JBRC for review and comment prior to expending any monies from the fund; and allows unexpended funds to be carried forward and used for the same purpose.

WMC: AMEND proviso to delete reference to creating the Harbor Deepening Reserve Fund and instead direct the State Ports Authority to "maintain" the fund.

HOU: ADOPT proviso as amended.

SUBCOMMITTEE RECOMMENDATION: ADOPT proviso as amended.

88.3. (SPA: Harbor Deepening Reserve Fund) ~~There is created within the~~ The State Ports Authority shall maintain 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. Prior to expending any amount from the fund, the State Ports Authority must present a comprehensive plan for the use of the fund for harbor deepening to the Joint Bond Review Committee for review and comment. 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 101 - F03-BUDGET AND CONTROL BOARD

- 101.17** **AMEND** (Base Closure Fund Carry Forward Transfer) Authorizes up to a maximum of \$300,000 of Base Closure Fund appropriations to be carried forward and used for the South Carolina Military Base Task Force.

WMC: AMEND proviso to direct the balance of the funds previously appropriated to the board for the Base Closure Fund be carried forward and transferred to the Department of Commerce for the S.C. Military Base Task Force. Delete reference to purpose of the Task Force.

HOU: ADOPT proviso as amended.

SUBCOMMITTEE RECOMMENDATION: ADOPT proviso as amended.

101.17. (BCB: Base Closure Fund Carry Forward Transfer) ~~Of the~~ The balance of the funds previously 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 transferred to the Department of Commerce, and shall be used for the 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.~~

SECTION 117 - X90-GENERAL PROVISIONS

- 117.16** **AMEND** (Allowance for Residences & Compensation Restrictions) Authorizes specific positions to occupy agency-owned residences without charge and provides compensation guidelines.

WMC: AMEND proviso to change Fish Hatchery "Superintendents" to "Personnel" and delete reference to Lake Superintendent. *Clarifies term for Fish Hatchery residence allowance and Lake Superintendent positions were eliminated some years ago and there are no longer any*

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residence structures for a superintendent at any state lake site. Requested by Department of Natural Resources.

HOU: ADOPT proviso as amended.

SUBCOMMITTEE RECOMMENDATION: ADOPT proviso as amended.

117.16. (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 to guards at any of the state's penal institutions and nurses and attendants at 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. Any state institution of higher learning may provide complimentary membership privileges to employees who work at their wellness centers. 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 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~~ Personnel, ~~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; 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 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.

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

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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. 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.

117.117 DELETE NEW PROVISO (SC Military Museum) **WMC:** ADD new proviso to direct PRT to transfer \$179,000 to the Adjutant General for S.C. Military Museum operating costs.

HOU: ADOPT new proviso.

SUBCOMMITTEE RECOMMENDATION: DELETE new proviso.

~~117.117. (GP: SC Military Museum) The Department of Parks, Recreation, and Tourism is directed to transfer \$179,000 of the funds appropriated to the department to the Office of the Adjutant General to be used for operating costs associated with the South Carolina Military Museum.~~

117.121 DELETE NEW PROVISO (Prohibit Sales Tax on Additional Guest Charges) **WMC:** ADD new proviso to prohibit sales tax from being imposed on additional guest charges that are readily available to the general public and define what some additional guest charges include. Fiscal Impact: BEA indicates this proviso is expected to decrease sales and use tax revenue by an estimated \$960,714 in FY 13-14.

HOU: ADOPT new proviso.

SUBCOMMITTEE RECOMMENDATION: DELETE new proviso. *Violates Rule 24.*

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~~*117.121. (GP: Prohibit Sales Tax on Additional Guest Charges) For any establishment where rooms, lodging, or accommodations are furnished to transients, a sales tax may not be imposed on additional guest charges for services that are readily available to the general public. Additional guest charges include, but are not limited to: spas services, salon services, sporting lessons, children's activities, outside transportation, private tour guides, and purchase of tour tickets from non-profit organizations.*~~

117.122 DELETE NEW PROVISO (Recreational Activities) **WMC:** ADD new proviso to allow two counties the receive Local Government Fund allocations to enter into a MOU to provide recreational activities and projects that benefit citizens of both counties.

HOU: ADOPT new proviso.

SUBCOMMITTEE RECOMMENDATION: DELETE new proviso

~~*117.122. (GP: Recreational Activities) Two counties that receive an allocation from the Local Government Fund may enter into a Memorandum of Understanding in order to provide recreational activities and projects that benefit the citizens of both counties.*~~

SECTION 118 - X91-STATEWIDE REVENUE

118.10 AMEND FURTHER (Admissions Tax) Directs that for FY 12-13, 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: AMEND proviso to update fiscal year reference to "2013-14." Fiscal Impact: BEA states this provision would decrease General Fund admissions tax revenue by \$114,000 in FY 2013-14.

HOU: ADOPT proviso as amended.

SUBCOMMITTEE RECOMMENDATION: AMEND FURTHER to change fiscal year reference to "the current fiscal year" and specify that the rebate applies a NASCAR sanctioned motor speedway or racetrack that hosts at least one race each year that features the preeminent NASCAR cup series.

118.10. (SR: Admissions Tax) For ~~Fiscal Year 2012-13~~ 2013-14 the current fiscal year, 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~~ NASCAR sanctioned motor speedway or racetrack that hosts at least one race each year featuring the preeminent NASCAR cup series 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.

118.13 DELETE (National Mortgage Settlement) Provides for transfer of National Mortgage Settlement funds credited to the Litigation Recovery Account as follows: The first \$4,636,000 credited to the Account during the prior fiscal year are to be transferred to the General Fund for credit in FY 11-12; the next \$10,000,000 in the Account in the current fiscal year are to be transferred to the Deal Closing Fund; and any funds remaining in the Account on July 1, 2012 are to be transferred to the General Fund for credit in FY 12-13.

WMC: DELETE proviso.

HOU: ADOPT deletion of proviso.

SUBCOMMITTEE RECOMMENDATION: ADOPT deletion of proviso

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118.13. (SR: National Mortgage Settlement) ~~Of the funds derived from the National Mortgage Settlement and credited to the Litigation Recovery Account during the prior fiscal year, the first \$4,636,000 must be transferred to the General Fund for credit in Fiscal Year 2011-12, the next ten million dollars in that account in the current fiscal year must be transferred to the Department of Commerce's Deal Closing Fund, and any remaining amount in the Litigation Recovery Account on July 1, 2012, must be transferred to the General Fund for credit in Fiscal Year 2012-13.~~

ADDITIONAL PROVISO CONTAINED IN H.3711, CAPITAL RESERVE FUND

CRF DELETE NEW SECTION (SECTION 4) HOU: ADD new section to direct the Attorney General's Office to research recorded documents associated with the State Farmers Market and submit a memo to the B&C Board on any potential legal issues before negotiations to purchase additional property are begun. Direct the Attorney General to attempt to renegotiate the original Farmers Market development agreement and once renegotiated, to authorize the Attorney General to use funds appropriated in FY 13-14 to negotiate the purchase of property, subject to B&C Board approval. Direct that the acquisition of lot twenty-five be prioritized.
SUBCOMMITTEE RECOMMENDATION: DELETE SECTION 4.

~~SECTION 4. Prior to any negotiations for the purchase of property at the State Farmers Market located in Lexington County, the Attorney General's Office shall research all recorded documents related to the property and submit a memorandum to the Budget and Control Board that outlines any potential legal issues associated with ownership by the State of any or all of the property, including but not limited to deed restrictions, liens, easements, encumbrances, and gate fee collections. The Attorney General shall attempt to renegotiate, on behalf of the Department of Agriculture, the original Farmers Market development agreement including but not limited to the declaration of covenants, conditions and restrictions for the wholesalers section. Once the Attorney General has renegotiated the agreements he deems necessary to the State obtaining full enjoyment of title, the Attorney General may utilize funds appropriated in Fiscal Year 2013-2014 to negotiate for the purchase of property at the State Farmers Market on behalf of the State Department of Agriculture subject to approval of the Budget and Control Board. While negotiating the purchase of the State Farmers Market property, the Attorney General shall prioritize the acquisition of lot twenty-five.~~