

**SENATE FINANCE COMMITTEE
CONSTITUTIONAL SUBCOMMITTEE
PROVISO RECOMMENDATIONS FOR FY 2014-15**

SECTION 59 - E20-OFFICE OF THE ATTORNEY GENERAL

- 59.5** **DELETE** (Water Litigation) Requires unexpended Water Litigation funds to be transferred to the Tax Relief Reserve Fund.
WMC: DELETE proviso. *All funds have been expended.* Requested by Office of the Attorney General.
HOU: ADOPT deletion of proviso.
SUBCOMMITTEE RECOMMENDATION: ADOPT deletion of proviso.

59.5. (AG: Water Litigation) ~~Unexpended Water Litigation funds must be transferred to the Tax Relief Reserve Fund.~~

- 59.9** **ADD** (Litigation Recovery Account **HOU:** ADD new proviso to direct that when the Attorney General receives funds from a litigation recovery or award that would have been credited to the General Fund, the funds are to be deposited into a Litigation Recovery Account in the State Treasurer's Office to be spent as prescribed by law. Sponsors: Reps. White, Bingham, Limehouse, Merrill, Pitts, Simrill, G.M. Smith and J.R. Smith.
SUBCOMMITTEE RECOMMENDATION: ADOPT new proviso.

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

SECTION 91 - A99-LEGISLATIVE DEPARTMENT

- 91.4** **RESTORE ORIGINAL PROVISO** (Subsistence/Travel Regulations) Directs that members of the legislature receive subsistence for each legislative day the body is in session. Authorizes standing committees and joint study committees to work during interim with advanced approval of Speaker of House and President Pro Tempore of Senate. Directs that subsistence and mileage reimbursement shall not exceed the level authorized by the IRS for the Columbia area.
WMC: AMEND proviso to direct that the average daily rate for hotels in the Columbia Downtown area as defined by the Columbia Metro Convention and Visitor's Bureau for the preceding fiscal year shall be used when calculating the lodging component of the subsistence reimbursement.
HOU: ADOPT proviso as amended.
SUBCOMMITTEE RECOMMENDATION: RESTORE original proviso.

91.4. (LEG: Subsistence/Travel Regulations) (A) Members of the General Assembly shall receive subsistence for each legislative day that the respective body is in session and in any other instance in which a member is allowed subsistence expense. No member of the General Assembly except those present are eligible for subsistence on that day. Legislative day is defined as those days commencing on the regular annual convening day of the General Assembly and continuing through the day of adjournment sine die, excluding Friday, Saturday, Sunday, and Monday.

(B) Standing Committees of the Senate and House of Representatives are authorized to continue work during the interim; however, House members must receive advanced approval by the Speaker of the House and Senate members must receive advanced approval by the

**SENATE FINANCE COMMITTEE
CONSTITUTIONAL SUBCOMMITTEE
PROVISO RECOMMENDATIONS FOR FY 2014-15**

President Pro Tempore of the Senate or Standing Committee Chairman to meet. If such advanced approval is not received, the members of the General Assembly shall not be paid the per diem authorized in this provision. When certified by the Speaker of the House, President Pro Tempore of the Senate, or Standing Committee Chairman, the members serving on such committees shall receive a subsistence and mileage at the rate provided for by law, and the regular per diem established in this act for members of boards, commissions, and committees while attending scheduled meetings. Members may elect to receive actual expenses incurred for lodging and meals in lieu of the allowable subsistence expense. The funds for allowances specified in this proviso shall be paid to the members of the Senate or House of Representatives from the Approved Accounts of the respective body except as otherwise may be provided.

(C) Joint Study Committees created pursuant to Acts and Resolutions of the General Assembly are authorized to continue work during the interim to secure such information and complete such investigations as may be assigned to the respective committees; however, House members must receive advanced approval by the Speaker of the House and Senate members must receive advanced approval by the President Pro Tempore of the Senate or Standing Committee Chairman to meet. If such advanced approval is not received, the House and Senate members of the Joint Study Committee shall not be paid the per diem authorized in this provision. When certified by the appropriate authority, the members appointed to such committees shall receive a subsistence and mileage at the rate provided for by law, and the regular per diem established in this act for members of boards, commissions, and committees while attending scheduled meetings. Members may elect to receive actual expenses incurred for lodging and meals in lieu of the allowable subsistence expense. The allowances specified in this proviso shall be paid from funds appropriated to the respective committees for such purposes, or from Approved Accounts of the respective body of the General Assembly if no funds have been appropriated to such a committee for these purposes.

(D) Members of the Senate and the House of Representatives when traveling on official State business shall be allowed a subsistence and transportation expenses as provided for by law, and the regular per diem established in this act for members of boards, commissions, and committees upon approval of the appropriate chairman. When traveling on official business of the Senate or the House of Representatives not directly associated with a committee of the General Assembly, members shall be paid the same allowance upon approval of the President Pro Tempore of the Senate or the Speaker of the House of Representatives. In either instance, the members may elect to receive actual expenses incurred for lodging and meals in lieu of the allowable subsistence expense. The funds for the allowances specified in this proviso shall be paid from the Approved Accounts of the Senate or the House of Representatives or from the appropriate account of the agency, board, commission, task force or committee upon which the member serves.

(E) Members of the House of Representatives shall not be reimbursed for per diem, subsistence, or travel in connection with any function held outside of the regular session of the General Assembly unless prior approval has been received from the Speaker of the House.

(F) Notwithstanding any other provision of law, subsistence and mileage reimbursement for members of the General Assembly shall **not exceed** ~~be~~ the level authorized by the Internal Revenue Service for the Columbia area. ~~Provided, in calculating the subsistence reimbursement for members of the General Assembly the reimbursement rate for the lodging component shall be the average daily rate for hotels in the Columbia Downtown area as defined by the Columbia Metro Convention and Visitor's Bureau for the preceding fiscal year of 2013-14.~~

91.15 **AMEND** (House Postage) Authorizes Speaker to approve no more than \$600 per member per year for postage.

**SENATE FINANCE COMMITTEE
CONSTITUTIONAL SUBCOMMITTEE
PROVISO RECOMMENDATIONS FOR FY 2014-15**

WMC: AMEND proviso to change “\$600” to “\$700.”

HOU: ADOPT proviso as amended.

SUBCOMMITTEE RECOMMENDATION: ADOPT proviso as amended.

91.15. (LEG: House Postage) The Speaker of the House is authorized to approve no more than ~~\$600~~ \$700 per member per fiscal year for postage.

- 91.22** **AMEND** (Suspend LAC Evaluation) Suspends, for FY 13-14, the requirement that the LAC conduct an audit of the Family Independence Act every two years and directs that any savings generated be used to conduct audits as requested by members of the General Assembly.

WMC: AMEND proviso to update fiscal year reference to 2014-15. Requested by the Legislative Audit Council.

HOU: ADOPT proviso as amended.

SUBCOMMITTEE RECOMMENDATION: ADOPT proviso as amended.

91.22. (LEG: Suspend LAC Evaluation) For Fiscal Year ~~2013-14~~ 2014-15, the provisions of Section 43-5-1285 of the 1976 Code are suspended. Any savings generated by the suspension of the evaluation of the South Carolina Family Independence Act of 1995 shall be used to conduct audits required by Section 2-15-60 of the 1976 Code.

- 91.23** **AMEND** (DMV Audit Review) Suspends, for FY 2013-14, the requirement that the LAC conduct an independent review of the DMV and direct that any savings generated be used to conduct audits as requested by members of the General Assembly.

WMC: AMEND proviso to update fiscal year reference to 2014-15. Requested by the Legislative Audit Council.

HOU: ADOPT proviso as amended.

SUBCOMMITTEE RECOMMENDATION: ADOPT proviso as amended.

91.23. (LEG: DMV Audit Review) For Fiscal Year ~~2013-14~~ 2014-15, the provisions of Section 56-1-5(F) are suspended. Any savings generated by not conducting the review shall be used to conduct audits required by Section 2-15-60 of the 1976 Code.

- 91.24** **AMEND** (Electronic Correspondence) Prohibits the House of Representatives, during FY 13-14, from spending funds to print or mail bills, summaries, committee agendas, etc. to committee members. Directs that relevant information on committee meetings be sent to members electronically.

WMC: AMEND proviso to update fiscal year reference to 2014-15.

HOU: ADOPT proviso as amended.

SUBCOMMITTEE RECOMMENDATION: ADOPT proviso as amended.

91.24. (LEG: Electronic Correspondence) For Fiscal Year ~~2013-14~~ 2014-15, the House of Representatives may not expend any funds for the printing or mailing of bills, summaries, committee agendas, etc. to committee members. The House of Representatives shall send all relevant information concerning committee meetings to committee members via electronic means.

**SENATE FINANCE COMMITTEE
CONSTITUTIONAL SUBCOMMITTEE
PROVISO RECOMMENDATIONS FOR FY 2014-15**

SECTION 92 - D21-OFFICE OF THE GOVERNOR

- 92.1 DELETE** (OEPP - Grant Funds Carry Forward) Authorizes unexpended "Implementing Federal Programs" funds to be carried forward and used for grant matching funds.
WMC: DELETE proviso. *The Special Item no longer exists.* Requested by Office of the Governor.
HOU: ADOPT deletion of proviso.
SUBCOMMITTEE RECOMMENDATION: ADOPT deletion of proviso.

92.1. (GOV: OEPP - Grant Funds Carry Forward) ~~Any unexpended balance on June thirtieth, of the prior fiscal year, in Part 1A, Section 92B "Implementing Federal Programs" may be carried forward to the current fiscal year and used for matching committed and/or unanticipated grant funds.~~

- 92.6 AMEND** (Victim/Witness Program Formula Distribution) Requires the first \$650,000 of any excess funds in the Victims' Compensation Fund be distributed to Judicial Circuits and used for Victim/Witness programs.
WMC: AMEND proviso to delete reference to proviso "60.8." *Technical. Proviso 60.8 has been merged into 60.9.*
HOU: ADOPT proviso as amended.
SUBCOMMITTEE RECOMMENDATION: ADOPT proviso as amended.

92.6. (GOV: OEPP - Victim/Witness Program Formula Distribution) If funds in the South Carolina Victims' Compensation Fund exceed the amount required to operate the State Office of Victims Assistance and pay claims of crime victims the first \$650,000 of such excess must be used for Victim/Witness programs by distribution to Judicial Circuits based on a formula and criteria developed by the policy committee, and otherwise subject to requirements of Section ~~60.8 and~~ 60.9.

- 92.18 DELETE NEW PROVISO** (OEPP-Outside Legal Counsel) **WMC:** ADD new proviso to require OEPP to follow the Procurement Code if they need to hire outside legal counsel.
HOU: ADOPT new proviso.
SUBCOMMITTEE RECOMMENDATION: DELETE new proviso.

92.18. (GOV: OEPP - Outside Legal Counsel) ~~In the event circumstances necessitate that the Governor's Office of Executive Policy and Programs acquire the services of outside legal counsel, the Governor's Office must follow procedures established by the SC Consolidated Procurement Code.~~

- 92.19 ADD** (OEPP - Inspector General Support Services) **WMC:** ADD new proviso to prohibit OEPP from providing support services to the Office of Inspector General.
HOU: ADOPT new proviso.
SUBCOMMITTEE RECOMMENDATION: ADOPT new proviso.

92.19. (GOV: OEPP - Inspector General Support Services) For the current fiscal year, the Governor's Office of Executive Policy and Programs shall be prohibited from providing support services to the Office of Inspector General.

SENATE FINANCE COMMITTEE
CONSTITUTIONAL SUBCOMMITTEE
PROVISO RECOMMENDATIONS FOR FY 2014-15

SECTION 95 - E08-OFFICE OF SECRETARY OF STATE

- 95.2 DELETE NEW PROVISO** (Professional Fundraiser Registration) **WMC:** ADD new proviso to require a person who acts as a professional fundraising counsel or professional solicitor for a charitable organization to first register with the Secretary of State and specify that registration includes filing a complete application along with a \$200 filing fee.
HOU: ADOPT new proviso.
SUBCOMMITTEE RECOMMENDATION: DELETE new proviso.

~~*95.2. (SS: Professional Fundraiser/Solicitor Registration) A person may not act as a professional fundraising counsel or professional solicitor for a charitable organization under Section 33-56-110 of the Solicitation of Charitable Funds Act without first having registered with the Secretary of State. Registration includes filing of a complete application and filing fee of \$200.*~~

- 95.3 DELETE NEW PROVISO** (Notary Public Commission) **WMC:** ADD new proviso to require notary public commission applications be submitted to the Secretary of State on paper with original signatures or in another form as the Secretary of State determines. Direct that to be qualified to be notary a person must: (1) read and write English; (2) complete an approved instructional course on notarial acts; and (3) submit an application that contains no material misstatement or omission of fact.
HOU: ADOPT new proviso.
SUBCOMMITTEE RECOMMENDATION: DELETE new proviso.

~~*95.3. (SS: Notary Public Commission) Every application for a notary public commission must be submitted to the Secretary of State. The application shall be made on paper with original signatures, or in another form determined by the Secretary of State. A person qualified for a notarial commission: (1) must read and write the English language; (2) must complete a course of instruction on notarial acts as approved by the Secretary of State; and (3) must submit an application to the Secretary of State containing no material misstatement or omission of fact.*~~

- 95.4 DELETE NEW PROVISO** (Charitable Funds Act Disclosure Violations) **WMC:** ADD new proviso to require the Secretary of State refer any person alleged to have violated the mandatory disclosure requirements of Section 35-56-90 [DISCLOSURE TO SOLICITED PARTIES; PENALTIES] and who has been fined \$10,000 or more to the Attorney General for investigation under the Solicitation of Charitable Funds Act.
HOU: ADOPT new proviso.
SUBCOMMITTEE RECOMMENDATION: DELETE new proviso.

~~*95.4. (SS: Charitable Funds Act Disclosure Violations) The Secretary of State shall refer to the Attorney General for investigation under Section 33-56-145 of the Solicitation of Charitable Funds Act any person who is alleged to have violated the mandatory disclosure requirements of Section 33-56-90 of the Act, and who has been fined \$10,000 or more for those violations.*~~

- 95.5 DELETE NEW PROVISO** (Charitable Funds Act Misrepresentation Violations) **WMC:** ADD new proviso to require the Secretary of State refer any person alleged to have violated the misrepresentation provisions of Section 35-56-120 [MISREPRESENTATIONS PROHIBITED] and who

**SENATE FINANCE COMMITTEE
CONSTITUTIONAL SUBCOMMITTEE
PROVISO RECOMMENDATIONS FOR FY 2014-15**

has been fined \$10,000 or more to the Attorney General for investigation under the Solicitation of Charitable Funds Act.

HOU: ADOPT new proviso.

SUBCOMMITTEE RECOMMENDATION: DELETE new proviso.

~~95.5 (SS: Charitable Funds Act Misrepresentation Violations) The Secretary of State shall refer to the Attorney General for investigation under Section 33-56-145 of the Solicitation of Charitable Funds Act any person who is alleged to have violated the misrepresentation provisions of Section 33-56-120 of the Act, and who has been fined \$10,000.00 or more for those violations~~

SECTION 96 - E12-OFFICE OF COMPTROLLER GENERAL

96.2 AMEND (GAAP Implementation & Refinement) Requires the State to prepare financial statements in accordance with Generally Accepted Accounting Principles (GAAP); directs the Comptroller General as the State Accounting Officer to issue accounting policy directives to State agencies as needed to prepare financial statements in accordance with GAAP.

WMC: AMEND proviso to change "Statewide Accounting and Reporting System" to "Enterprise Information System for State Government (SCEIS)." *Technical.* Requested by Office of Comptroller General.

HOU: ADOPT proviso as amended.

SUBCOMMITTEE RECOMMENDATION: ADOPT proviso as amended.

96.2. (CG: GAAP Implementation & Refinement) It is the intent of the General Assembly that the State of South Carolina issue financial statements in conformance with Generally Accepted Accounting Principles (GAAP). To this end, the Comptroller General is directed, as the State Accounting Officer, to maintain ~~a Statewide Accounting and Reporting System~~ an Enterprise Information System for State Government (SCEIS) that will result in proper authorization and control of agency expenditures, including payroll transactions, and in the preparation and issuance of the official financial reports for the State of South Carolina. Under the oversight of the General Assembly, the Comptroller General is given full power and authority to issue accounting policy directives to state agencies in order to comply with GAAP. The Comptroller General is also given full authority to conduct surveys, acquire consulting services, and implement new procedures required to implement fully changes required by GAAP.

96.6 DELETE (Payroll System Maintenance for State Optional Retirement Program) Authorizes the Comptroller General to contract with the PEBA to support the requirements of the State Optional Retirement Program within the State's payroll and accounting systems. Authorizes cost recovery for providing those services, not to exceed \$100,000; allows those funds to be used to support the operations of the office; and authorizes the funds to be carried forward and used for the same purposes

WMC: DELETE proviso. *The CG has never charged PEBA.* Requested by Office of Comptroller General.

HOU: ADOPT deletion of proviso.

SUBCOMMITTEE RECOMMENDATION: ADOPT deletion of proviso.

96.6. (CG: Payroll System Maintenance for State Optional Retirement Program) ~~The Comptroller General is hereby authorized to contract on mutually agreeable terms with the~~

SENATE FINANCE COMMITTEE
CONSTITUTIONAL SUBCOMMITTEE
PROVISO RECOMMENDATIONS FOR FY 2014-15

~~Public Employee Benefit Authority (PEBA) to maintain the State's payroll and accounting systems to accommodate the requirements of the State Optional Retirement Program (ORP). The Office of the Comptroller General is authorized to seek cost recovery not to exceed \$100,000 from PEBA for those services. The cost recovery may be used to support the operations of the Office of the Comptroller General and any unexpended balance may be carried forward from the prior fiscal year into the current fiscal year and be used for the same purposes.~~

SECTION 97 - E16-OFFICE OF STATE TREASURER

97.12 CONFORM TO FUNDING (Identity Theft Reimbursement Fund) Establishes the Department of Revenue Identity Theft Reimbursement Fund for the purpose of reimbursing eligible expenses incurred by an eligible person.

WMC: DELETE proviso. *Zero claims have been filed.* Fiscal Impact: \$200,000 appropriated for this purpose in FY 2013-14 will be remitted to the General Fund at the close of the fiscal year. Requested by Office of State Treasurer.

HOU: ADOPT deletion of proviso.

SUBCOMMITTEE RECOMMENDATION: CONFORM TO FUNDING.

97.12. (TREAS: Identity Theft Reimbursement Fund) ~~(A) There is established in the State Treasury the Department of Revenue Identity Theft Reimbursement Fund which must be maintained separately from the general fund of the State and all other funds. The proceeds of the fund must be utilized to reimburse eligible expenses incurred by an eligible person. The obligation to reimburse claims pursuant to this section does not arise until monies are credited to the fund, and only to the extent that monies are credited to the fund. Any monies remaining in the fund at the end of the fiscal year shall lapse to the general fund.~~

~~(B) A person seeking reimbursement from the fund must file with the Treasurer a claim on a form prescribed by him and verified by the claimant. The Treasurer shall consider each claim within ninety days after it is filed and give written notice to the claimant if the claim is denied in whole or in part. If a claim is allowed, the Treasurer shall reimburse the eligible person in an amount equal to his eligible expenses subject to availability of monies in the fund. The decision by the Treasurer regarding a claim is a final agency decision that may be appealed to the Administrative Law Court pursuant to the Administrative Procedures Act naming the Treasurer as the defendant. The action must be brought within ninety days after the Treasurer's decision or within one hundred eighty days after the filing of the claim if he has failed to act on it.~~

~~(C) The State Treasurer shall set forth policies and make the necessary determinations to implement the provisions of this section, including the disbursal of proceeds of the fund.~~

~~(D) For the purposes of this provision:~~

~~(1) 'Eligible person' shall mean a person whose personally identifiable information was obtained by a third party from a compromised computer system maintained by a state agency, board, committee, or commission.~~

~~(2) 'Eligible expenses' shall mean financial losses incurred by an eligible person directly related to the misappropriation of the eligible person's personally identifiable information that was obtained by a third party from a compromised computer system maintained by a state agency, board, committee, or commission. Expenses for services provided by private entities to assist eligible persons with financial losses are not eligible expenses to the extent such services are offered through the State or a state supported program free of charge.~~

**SENATE FINANCE COMMITTEE
CONSTITUTIONAL SUBCOMMITTEE
PROVISO RECOMMENDATIONS FOR FY 2014-15**

~~(3) ‘Financial losses’ shall mean actual losses, including, but not limited to, lost wages, costs incurred by an eligible person related to correcting his credit history or credit rating, or costs or judgments related to any criminal, civil, or administrative proceeding brought against the eligible person resulting from the misappropriation of the victim’s personally identifiable information not recovered from any other source. Costs associated with the purchase of identity theft protection and identity theft resolution services are not financial losses.~~

~~(4) ‘Identity theft protection’ means identity fraud and protection products and services that attempt to proactively detect, notify, or prevent unauthorized access or misuse of a person’s identifying information or financial information to fraudulently obtain resources, credit, government documents or benefits, phone or other utility services, bank or savings accounts, loans, or other benefits in the person’s name.~~

~~(5) ‘Identity theft resolution services’ means products and services that attempt to mitigate the effects of identity fraud after personally identifiable information has been fraudulently obtained by a third party, including, but not limited to, identity theft insurance and other identity theft resolution services that are designed to resolve actual and potential identity theft and related matters.~~

~~(6) ‘Person’ shall mean an individual, corporation, firm, association, joint venture, partnership, limited liability corporation, or any other business entity.~~

~~(7) ‘Personally identifiable information’ means information that can be used to uniquely identify, contact, or locate a single person or can be used with other sources to uniquely identify a single individual, including, but not limited to, social security numbers, debit card numbers, and credit card numbers.~~

SECTION 99 - E24-OFFICE OF ADJUTANT GENERAL

99.12 DELETE (Citadel-S.C. National Guard Readiness Center) Provides for the Office of the Adjutant General to repay to the General Fund monies appropriated for the Citadel-S.C. National Guard Readiness Center in proviso 73.12 of the FY 07-08 Appropriation Act, plus interest.

WMC: DELETE proviso. *Funds have been repaid. Requested by Office of the Adjutant General.*

HOU: ADOPT deletion of proviso.

SUBCOMMITTEE RECOMMENDATION: ADOPT deletion of proviso.

99.12. (ADJ: Citadel-S.C. National Guard Readiness Center) ~~The Adjutant General’s Office, during Fiscal Year 2013-14, shall repay to the General Fund of the State \$300,000, plus interest, of the \$2,500,000 appropriated by Proviso 73.12 of the Fiscal Year 2007-2008 Appropriation Act to the Adjutant General’s Office for the Citadel South Carolina National Guard Readiness Center. It is the intent of the General Assembly that \$300,000, plus interest, shall be repaid annually until the \$1,250,000 balance has been repaid to the General Fund.~~

99.16 AMEND (Mental Health Care Facilitator/Coordinator) Authorizes the Adjutant General to hire a Mental Health Care Facilitator/Coordinator to act as a liaison to provide mental health care coordination for S.C. National Guard members.

WMC: AMEND proviso to change “mental” reference to “behavioral.”

HOU: ADOPT proviso as amended.

SUBCOMMITTEE RECOMMENDATION: ADOPT proviso as amended.

**SENATE FINANCE COMMITTEE
CONSTITUTIONAL SUBCOMMITTEE
PROVISO RECOMMENDATIONS FOR FY 2014-15**

99.16. (ADJ: ~~Mental~~ Behavioral Health Care Facilitator/Coordinator) The funds appropriated and or authorized to the Office of the Adjutant General may be utilized to hire a ~~Mental~~ Behavioral Health Care Facilitator/Coordinator who shall act as a liaison to provide mental health care coordination for mental health services to all members of the South Carolina National Guard. The responsibilities of the position shall include, but are not limited to, focusing on individuals without health insurance or without adequate health insurance; facilitating Memorandum of Understanding with mental health facilities across the state to provide assistance to National Guard Service Members; assisting in coordinating Yellow Ribbon and Beyond and other post deployment and mental health events; coordinating treatment for Service Members for conditions that may or may not result in their being medically non deployable; and participating in staff meetings to discuss care of Service Members. The individual hired must be knowledgeable of state and federal privacy laws, including the HIPAA privacy regulations. In addition, it is preferred that the individual have a previous background in Social Work. A national security background check must be performed on the individual prior to a job offer being tendered.

- 99.17** **DELETE NEW PROVISO** (Sale of Greenville Property) **WMC:** ADD new proviso to authorize the Adjutant General to retain the net proceeds from the sale of 0.54 acres and improvements located at 401 East Park Avenue in Greenville and to use these proceeds for capital projects and deferred maintenance.

HOU: ADOPT new proviso.

SUBCOMMITTEE RECOMMENDATION: DELETE new proviso.

~~99.17. (ADJ: Sale of Greenville Property) The Office of the Adjutant General shall be authorized to retain the net proceeds from the sale of 0.54 acres and improvements located at 401 East Park Avenue, Greenville, South Carolina to be used for capital projects and deferred maintenance.~~

- 99.18** **DELETE NEW PROVISO** (Physical Assets Responsibility) **WMC:** ADD new proviso to make the Adjutant General's Office financially and administratively responsible for the following associated with 1 National Guard Road: buildings, grounds, deferred depreciation and maintenance reserves, improvement obligations, and all other operating costs. 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 that the B&C Board is not responsible for deferred or future maintenance or repair of the building or grounds.

HOU: ADOPT new proviso.

SUBCOMMITTEE RECOMMENDATION: DELETE new proviso.

~~99.18. (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.~~

**SENATE FINANCE COMMITTEE
CONSTITUTIONAL SUBCOMMITTEE
PROVISO RECOMMENDATIONS FOR FY 2014-15**

- 99.ngd ADD** (National Guard State Active Duty) **SUBCOMMITTEE RECOMMENDATION:** ADD new proviso to authorize and direct the State Treasurer and the Comptroller General to pay funds necessary to cover the actual costs incurred for personnel, travel and per diem as well as Operational Tempo costs for equipment from the U.S. Property and Fiscal Office if the Governor activates the National Guard to State Active Duty in a declared state emergency as well as for Emergency Management Assistance Compact activities. Direct that EMAC and federal funds received from a Declared Federal Emergency that are reimbursed to the state shall be deposited into the general fund.

99.ngd. (ADJ: National Guard State Active Duty) In the event of the activation of the South Carolina National Guard to State Active Duty by the Governor in a Declaration of State Emergency (including Emergency Management Assistance Compact (EMAC)), the State Treasurer and the Comptroller General are hereby authorized and directed to pay from the general fund of the State such funds as necessary to cover the actual costs incurred for personnel, travel, and per diem costs, and the Operational Tempo costs for equipment from the U.S. Property and Fiscal Office. EMAC and any Federal monies from a Declared Federal Emergency reimbursed to the state shall be deposited in the state general fund.

SECTION 100 - E28-ELECTION COMMISSION

- 100.9 REINSERT** (Help America Vote Act) Authorizes the Election Commission to use funds appropriated for primary and general elections to match the Help America Vote Act program to the greatest extent possible and ensure compliance with Uniformed and Overseas Citizens Absentee Voting Act.

WMC: DELETE proviso.

HOU: ADOPT deletion of proviso.

SUBCOMMITTEE RECOMMENDATION: REINSERT original proviso.

100.9. (ELECT: Help America Vote Act) Of funds appropriated to the commission for primary and general elections, the commission shall utilize any excess funds to match the Help America Vote Act program to the greatest extent possible, and also ensure compliance with the Uniformed and Overseas Citizens Absentee Voting Act of 1986.

- 100.12 REINSERT** (Use of Election Funds) Prohibits funds appropriated for conducting elections from being used for any other purpose unless this act specifically authorizes such actions; however allows up to \$200,000 of General Elections funds to be transferred to other operating accounts upon State Budget Division approval. Directs the Budget Division to notify the Chairmen of the Senate Finance and House Ways and Means Committees and the Governor of such transfer.

WMC: DELETE proviso.

HOU: ADOPT deletion of proviso.

SUBCOMMITTEE RECOMMENDATION: REINSERT original proviso.

100.12. (ELECT: Use of Election Funds) Funds appropriated to the Election Commission for the purpose of conducting elections shall not be used for any other purpose unless specifically authorized in this act. However, up to \$200,000 may be transferred to other operating accounts from General Election accounts upon approval from the State Budget Division, which shall then notify the Chairman of the Senate Finance Committee, the Chairman of the House Ways and Means Committee, and the Governor of such transfer of funds.

**SENATE FINANCE COMMITTEE
CONSTITUTIONAL SUBCOMMITTEE
PROVISO RECOMMENDATIONS FOR FY 2014-15**

- 100.13 DELETE NEW PROVISO** (New Statewide Voting System) **WMC:** ADD new proviso to direct that if funds appropriated for a new statewide voting system they will be placed into an designated account and retained by the Election Commission until a new voting system with a verifiable paper trail is necessary and available for purchase. Authorize the funds to be carried forward and used for the same purpose. *Allow the SEC to retain funds received over the next 5-6 years and place the funds into a designated account until the total funding needed for a new statewide voting system is received.* Requested by Election Commission.
HOU: ADOPT new proviso.
SUBCOMMITTEE RECOMMENDATION: DELETE new proviso.

~~100.13. (ELECT: New Statewide Voting System) In the event funds are appropriated for a new statewide voting system, such funds shall be placed into a designated account and retained by the State Election Commission until such time as a new voting system with a verifiable paper trail is necessary and is available for purchase by the State Election Commission. These funds shall be carried forward from the prior fiscal year into the current fiscal year and utilized for the same purpose.~~

- 100.14 AMEND NEW PROVISO** (Voting Procedures Changes) **WMC:** ADD new proviso to require the Election Commission publish voting procedure changes that are enacted by state or local governments on its website. Require state and local governments, after adopting a voting procedure change, to file a notice of such change with the Election Commission no later than 35 days before the change is implemented. Require changes remain on the Election Commission's website at least through the next general election.
HOU: ADOPT new proviso.
SUBCOMMITTEE RECOMMENDATION: AMEND new proviso to specify that voting procedures changes include, but are not limited to, changes to precincts. Delete the 35 day prior to implementation requirement. Require changes that are made within 3 months of the next general election to remain on the commission's website through the following general election.

~~100.14. (ELECT: Voting Procedures Changes) The State Election Commission shall publish on the commission's website each change to voting procedures enacted by State or local governments. State and local governments shall file notice of all changes in voting procedures, including but not limited to, changes to precincts with the State Election Commission upon adoption, no later than 35 days prior to implementation. All voting procedure changes must remain on the commission's website at least through the date of the next general election. However, if changes are made within three months prior to the next general election then the changes shall remain on the commission's website through the date of the following general election.~~

- 100.15 AMEND NEW PROVISO** (Election and Referendum Dates Standardization) **WMC:** ADD new proviso to direct the Election Commission to work with appropriate entities to develop a plan to standardize all election and ballot referendum dates across the state and to make every effort to hold elections on the first Tuesday that follows the first Monday of November.
HOU: ADOPT new proviso.
SUBCOMMITTEE RECOMMENDATION: AMEND new proviso to direct that the plan include a cost benefit analysis and a proposed timeline implementation and be submitted to the Chairmen of the Senate Finance, Senate Judiciary, House Ways and Means and House Judiciary Committees by January 13, 2015 for approval by the General Assembly.

**SENATE FINANCE COMMITTEE
CONSTITUTIONAL SUBCOMMITTEE
PROVISO RECOMMENDATIONS FOR FY 2014-15**

100.15. (ELECT: Election and Referendum Dates Standardization) The Election Commission shall work with the appropriate entities to develop a plan to standardize all election and ballot referendum dates across the state. *The plan shall include, but not be limited to, a cost benefit analysis and a proposed timeline for implementation.* Every effort should be made such that all elections are held on the first Tuesday following the first Monday of November. *The plan shall be submitted to the Chairman of the Senate Finance Committee, the Chairman of the Senate Judiciary Committee, the Chairman of the House Ways and Means Committee, and the Chairman of the House Judiciary Committee by January 13, 2015 for approval by the General Assembly.*

SECTION 101 - F03-BUDGET AND CONTROL BOARD

101.12 AMEND (Geodetic Mapping Program)) Directs that Mapping funds are to be used to determine and resolve the SC-NC Boundary dispute.

WMC: AMEND proviso to delete the reference to the SC-NC Boundary dispute and instead direct that the funds are to be used to clarify county boundaries as directed by Section 27-2-105 [GEODETIC SURVEY TO ASSIST IN DEFINING AND MONUMENTING COUNTY BOUNDARIES; MEDIATING BOUNDARY DISPUTES]. Requested by Budget and Control Board.

HOU: ADOPT proviso as amended.

SUBCOMMITTEE RECOMMENDATION: ADOPT proviso as amended.

101.12. (BCB: Geodetic Mapping Program) Funds appropriated or authorized to the Budget and Control Board as a Special Item for Mapping, shall be used ~~for~~ *to clarify* county boundary determination and resolution of the boundary between the states of South Carolina and North Carolina boundaries as directed by Section 27-2-105 of the 1976 Code.

In the event a resolution cannot be reached by all parties, each party is entitled to seek resolution in accordance with the Administrative Procedures Act.

101.18 DELETE (SC/NC Boundary Dispute) Directs the board to submit a report to the Senate Finance and House Ways and Means Committees on the progress of the SC/NC boundary dispute within 60 days of the close of the fiscal year until the dispute is resolved.

WMC: DELETE proviso. *The dispute has been resolved. See proviso 101.19 for reporting requirement on the re-establishment.* Requested by Budget and Control Board.

HOU: ADOPT deletion of proviso.

SUBCOMMITTEE RECOMMENDATION: ADOPT deletion of proviso.

101.18. (BCB: SC/NC Boundary Dispute) ~~The Budget and Control Board is directed to submit a report to the Senate Finance Committee and the House Ways and Means Committee regarding the progress of the South Carolina and North Carolina Boundary Dispute within sixty days of the close of each fiscal year until such dispute is resolved.~~

101.19 AMEND (SC Boundary Commission) Establishes the SC Boundary Commission which is directed to work with NC Boundary Commission to resolve undocumented boundaries between the two states.

WMC: AMEND proviso to direct that the purpose of the commission is to now oversee and approve work re-establishing the boundaries between the two states. Direct the board to submit a report to the Senate Finance and House Ways and Means Committees on re-establishment of the SC/NC boundary within 60 days of the close of the fiscal year until the boundaries have been re-established.

HOU: ADOPT proviso as amended.

**SENATE FINANCE COMMITTEE
CONSTITUTIONAL SUBCOMMITTEE
PROVISO RECOMMENDATIONS FOR FY 2014-15**

SUBCOMMITTEE RECOMMENDATION: ADOPT proviso as amended.

101.19. (BCB: SC Boundary Commission) There is hereby created the South Carolina Boundary Commission to be composed of seven members as follows: one member appointed by the President Pro Tempore of the Senate; one member appointed by the Speaker of the House of Representatives; one member appointed by the Chairman of the Senate Finance Committee; one member appointed by the Chairman of the House Ways and Means Committee; the Director of the Budget and Control Board's ~~Office~~ Division of Research and Statistics; the Director of the Department of Natural Resources, or his designee; and the technical advisor of the Geodetic and Mapping Survey Program appointed by the Director of the ~~Office~~ Division of Research and Statistics who shall serve as the coordinator and chairman of the commission. The purpose of the commission is to work with the North Carolina Boundary Commission to ~~resolve undocumented boundaries~~ oversee and approve work re-establishing the boundary between South Carolina and North Carolina.

The Director of the Division of Research and Statistics of the Budget and Control Board is directed to submit a report to the Senate Finance Committee and the House Ways and Means Committee regarding the progress of re-establishing the South Carolina-North Carolina boundary within sixty days of the close of each fiscal year until such re-establishment is completed.

101.21 CONFORM TO FUNDING (Employee Compensation) Provides a plan to distribute employee pay increases for FY 13-14 in the amount of 0%. Directs allocations associated with the increases for retirement employer contributions be based on the rate of the retirement system in which employees participate. Authorizes use of funding for statewide employer contributions for other statewide purposes and allows carry forward of those funds.

WMC: AMEND proviso to provide a 1½% increase for classified and unclassified employees, agency heads, local health care providers, Area Agencies on Aging funded by the Lt. Governor's Office on Aging, school bus drivers, Chief Justice and other judicial officers, and county auditors and treasurers.

HOU: ADOPT proviso as amended.

SUBCOMMITTEE RECOMMENDATION: CONFORM TO FUNDING

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

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

(2) With respect to unclassified and non-judge judicial unclassified employees or unclassified executive compensation system employees not elsewhere covered in this act, effective on the first pay date that occurs on or after July first of the current fiscal year the compensation of all unclassified employees shall be increased by ~~zero~~ one and one-half percent. Any employee subject to the provisions of this paragraph shall not be eligible for compensation increases provided in paragraphs 1, 3, 4, 5, or 6.

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

(4) With respect to local health care providers compensation increases shall be ~~zero~~ one and one-half percent effective on the first pay date that occurs on or after July first of the current fiscal year. With respect to Area Agencies on Aging funded by the Lieutenant

**SENATE FINANCE COMMITTEE
CONSTITUTIONAL SUBCOMMITTEE
PROVISO RECOMMENDATIONS FOR FY 2014-15**

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

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

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

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

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

Funds appropriated in Part IA, F30, Section 103, Budget and Control Board, Employee Benefits may be carried forward from the prior fiscal year into the current fiscal year.

101.26 DELETE (Statewide Appropriations Budget Module) Directs that funds for the Statewide Appropriations Budget Module be used to design and implement the statewide budgeting system to produce the state's annual operating budget through the Annual Appropriation Act and authorizes unexpended funds to be carried forward for continued implementation efforts.

WMC: DELETE proviso. *Remaining funds will be expended by the end of FY 13-14.* Requested by Budget and Control Board.

HOU: ADOPT deletion of proviso.

SUBCOMMITTEE RECOMMENDATION: ADOPT deletion of proviso.

~~**101.26.** (BCB: Statewide Appropriations Budget Module) Funds provided for the Statewide Appropriations Budget Module known as PBF (the Public Budgeting Formulation Module) shall be used for the design and implementation of the statewide budgeting system to produce the state's annual operating budget through the passage of the Annual Appropriation Act. Project oversight and direction shall be the responsibility of the State Budget Division. Unexpended funds shall be carried forward from the prior fiscal year and expended for continued implementation of the budget module.~~

101.27 AMEND (IRF Report) Directs the B&C Board to prepare a report on prior fiscal year use of the Insurance Reserve Fund and requires specific transaction information be included in the report. Requires the report be submitted to the President Pro Tempore of the Senate, the Speaker of the House, and the Chairmen of the Senate Finance and House Ways and Means Committees by October 15, 2013.

WMC: AMEND proviso to change the report due date of " by October 15, 2013" to "by October 15, of the current fiscal year." *Technical.*

HOU: ADOPT proviso as amended.

SUBCOMMITTEE RECOMMENDATION: ADOPT proviso as amended.

**SENATE FINANCE COMMITTEE
CONSTITUTIONAL SUBCOMMITTEE
PROVISO RECOMMENDATIONS FOR FY 2014-15**

101.27. (BCB: IRF Report) The Budget and Control Board shall prepare a report on prior fiscal year utilization of the Insurance Reserve Fund to include for each transaction the amount, the recipient of the funds, the date of the transfer or payment, and the action or reason that necessitated the transfer. The report shall be submitted to the President Pro Tempore of the Senate, the Chairman of the Senate Finance Committee, the Speaker of the House of Representatives, and the Chairman of the House Ways and Means Committee by October 15, 2013 of the current fiscal year.

101.28 DELETE (Activation of State House Garage Security System) Directs the B&C Board to activate the State House Garage Security System by July 1, 2013, and directs that it is to be operated by BPS.

WMC: DELETE proviso. *The system has been activated.* Requested by Budget and Control Board.

HOU: ADOPT deletion of proviso.

SUBCOMMITTEE RECOMMENDATION: ADOPT deletion of proviso.

101.28. (BCB: Activation of State House Garage Security System) ~~The Budget and Control Board, Division of General Services is directed to take the steps necessary to activate the State House Garage Security System, effective July 1, 2013, which is to be operated by the Bureau of Protective Services.~~

101.29 DELETE (Consolidation of Administrative Functions) Directs the B&C Board to study the feasibility, including a cost benefit analysis, of assuming control of certain non-agency specific administrative functions for state agencies whose total appropriations are less than \$5,000,000 and to report their findings to the Chairmen of the Senate Finance and House Ways and Means Committees by January 3, 2014.

WMC: DELETE proviso. *Study has been submitted.* Requested by Budget and Control Board.

HOU: ADOPT deletion of proviso.

SUBCOMMITTEE RECOMMENDATION: ADOPT deletion of proviso.

101.29. (BCB: Consolidation of Administrative Functions) ~~From the funds appropriated to the Budget and Control Board, the board shall study the feasibility, including a cost benefit analysis, of assuming certain functions of state agencies that receive less than five million dollars in total funds appropriations in the current fiscal year. The functions to be considered shall include, but are not limited to, personnel administration, human resources, accounting, information technology, maintenance, and other functions that are administrative in nature and not agency specific. Upon completion of the study, the board shall submit a report detailing its findings to the Chairman of the Senate Finance Committee and the Chairman of the House Ways and Means Committee. The report must be submitted no later than January 3, 2014.~~

101.30 AMEND (Second Injury Fund Closure Plan) Authorizes and empowers the B&C Board to implement and administer the Second Injury Fund closure plan. Directs the remaining Second Injury funds and accounts be transferred to the board and be held in separate and distinct trust accounts. Directs the board to act on behalf of the Second Injury Fund to process and record closing transactions. Directs the State Budget Division to provide appropriate other fund authority equal to remaining administrative expenditures, if needed.

WMC: AMEND proviso to delete the directive to “implement” the closure plan and the requirement that funds be transferred to the B&C Board. Clarify that the Second Injury Fund monies shall be used to administer the closure plan. *All funds have been transferred to the*

**SENATE FINANCE COMMITTEE
CONSTITUTIONAL SUBCOMMITTEE
PROVISO RECOMMENDATIONS FOR FY 2014-15**

B&C Board which will continue to administer the fund until all obligations have been met.
Requested by Budget and Control Board.

HOU: ADOPT proviso as amended.

SUBCOMMITTEE RECOMMENDATION: ADOPT proviso as amended.

101.30. (BCB: Second Injury Fund Closure Plan) The Budget and Control Board is authorized and empowered to take all necessary actions to ~~implement and~~ administer the closure plan for the Second Injury Fund, as adopted pursuant to Section 42-7-320(A) of the 1976 Code, as amended, and to use appropriate accounts for administrative costs associated with this responsibility ~~the separate and distinct trust and administrative accounts established for this purpose.~~ In order for the board to administer the plan and pay the remaining liabilities of the Second Injury Fund, applicable subfunds shall be transferred from the former Second Injury Fund to the Budget and Control Board. The funds shall be transferred and general ledger accounts established under the Board as soon as practicable after Fiscal Year 2012-13 closing transactions are processed. Because the Second Injury Fund terminates July 1, 2013, the board is authorized to act on behalf of the former Second Injury Fund to process its closing transactions and appropriately record the transactions. The State Budget Division is directed to provide the Second Injury Fund and the Budget and Control Board, as appropriate, other fund spending authority equal to the amount of any remaining administrative expenditures associated with closing the Second Injury Fund, if needed and adequately documented. The transferred funds shall continue to be held as separate and distinct trust accounts by the State Treasurer.

- 101.31 DELETE NEW PROVISO** (Garage Access) **WMC:** ADD new proviso to direct the B&C Board to ensure that all access to the McEachern Parking Facility from State House Complex buildings is standardized.

HOU: ADOPT new proviso.

SUBCOMMITTEE RECOMMENDATION: DELETE new proviso.

~~101.31. (BCB: Garage Access) The Budget and Control Board shall ensure that access to the McEachern Parking Facility from all buildings within the State House Complex shall be standardized.~~

- 101.32 AMEND NEW PROVISO** (Cyber Security) **WMC:** ADD new proviso to require all state agencies to adopt and implement cyber security policies, guidelines and standards developed by the B&C Board. Authorize the board to conduct audits to monitor agency compliance. Require the board to oversee all incident responses to cyber security breaches. Require agencies to fully cooperate with and furnish any information or data as requested by the board in its performance of these duties.

HOU: ADOPT new proviso.

SUBCOMMITTEE RECOMMENDATION: AMEND new proviso to direct that the board is not authorized to conduct cyber security audits on quasi-governmental entities, however direct that when requested the entities shall submit sufficient evidence that their cyber security policies, guidelines and standards meet or exceed those adopted and implemented by the B&C Board. Exempt the Judicial and Legislative Branches of Government from the requirements of this provision. Direct that higher education institutions, technical colleges, political subdivisions, and quasi-governmental entities are not entitled to receive free cyber security services and produced offered through the B&C Board. Direct that the General Assembly is not obligated to provide funding to state agencies for cyber security.

**SENATE FINANCE COMMITTEE
CONSTITUTIONAL SUBCOMMITTEE
PROVISO RECOMMENDATIONS FOR FY 2014-15**

101.32. (BCB: Cyber Security) *All state agencies must adopt and implement cyber security policies, guidelines and standards developed by the Budget and Control Board. The Budget and Control Board may conduct audits on state agencies except quasi-governmental entities as necessary to monitor compliance with established cyber security policies, guidelines and standards. Upon request, quasi-governmental entities shall submit sufficient evidence that their cyber security policies, guidelines and standards meet or exceed those adopted and implemented by the Budget and Control Board. In addition, the Budget and Control Board shall oversee all incident responses to all agency cyber security breaches. Upon request of the Budget and Control Board for information or data, all agencies must fully cooperate with and furnish the Budget and Control Board with all documents, reports, assessments, and any other data and documentary information needed by the Board to perform its mission and to exercise its functions, powers and duties. The Judicial and Legislative Branches are specifically exempt from the requirements set forth herein. Public institutions of higher learning, technical colleges, political subdivisions and quasi-governmental entities shall not be entitled to receive cyber security services and products offered through the Budget and Control Board free of charge. Nothing contained herein imposes on the General Assembly an obligation of funding to any state agency for cyber security.*

SECTION 102 - F27-BUDGET AND CONTROL BOARD, STATE AUDITOR'S OFFICE

102.4 AMEND NEW PROVISO (Annual Audit of Court Fees and Fines Reports) **WMC:** ADD new proviso to require the State Auditor to contract with one or more CPA/Accounting firms to conduct a minimum of 15 audits of local jurisdictions annually, or the maximum number or audits that can be performed with \$250,000 received annually from the State Treasurer for that purpose, and report whether or not fees and fines are being properly collected and remitted to the State Treasurer for distribution to various agencies as required by statute. Prohibit these funds from being used for any other purpose. Direct any balance remaining from the \$250,000 received from the State Treasurer in the prior fiscal year to be carried forward and be used for the same purpose in the current fiscal year. Require the State Auditor to annually report to the Senate Finance Committee and the House Ways and Means Committee its findings of the jurisdictions audited. *Moved from proviso 117.112 and amended to require the audits be contracted out.*

HOU: ADOPT new proviso.

SUBCOMMITTEE RECOMMENDATION: AMEND new proviso to allow rather than require the State Auditor to contract the audits out.

102.4. (BCB/AUD: Annual Audit of Court Fees and Fines Reports) *The State Auditor shall ~~contract with one or more CPA/accounting firms to~~ conduct a minimum of fifteen (15) audits annually of county treasurers, municipal treasurers, county clerks of court, magistrates and/or municipal courts as required by Section 14-1-210 of the 1976 Code and allowed by Proviso 118.4 of this act; however, the State Auditor shall not be required to spend more than the annual amount of \$250,000, received from the State Treasurer to conduct the said audits pursuant to Section 14-1-210 of the 1976 Code. The State Auditor may contract with one or more CPA/accounting firms to conduct the required audits. The State Auditor shall consult with the State Treasurer to determine the jurisdictions to be audited in the current fiscal year. Jurisdictions may be selected randomly or based on an instance in the current or previous fiscal year of failing to report, incorrectly reporting or under remitting amounts owed. The funds transferred to the State Auditor by the State Treasurer shall not be used for any purpose other than to conduct the described audits and report whether or not the assessments,*

**SENATE FINANCE COMMITTEE
CONSTITUTIONAL SUBCOMMITTEE
PROVISO RECOMMENDATIONS FOR FY 2014-15**

surcharges, fees, fines, forfeitures, escheatments, or other monetary penalties imposed and/or mandated are properly collected and remitted to the State. Any unexpended balance on June thirtieth of the prior fiscal year shall be carried forward and must be expended for the same purpose during the current fiscal year. The State Auditor shall annually report by October 1, its findings of the jurisdictions audited to the Senate Finance Committee and the House Ways and Means Committee.

SECTION 107 - R52-STATE ETHICS COMMISSION

- 107.1 DELETE NEW PROVISO** (Candidate Indebtedness) **WMC:** ADD new proviso to direct that for a candidate to qualify to run in any primary, special or general election, they must not owe the State Ethics Commission, or the House or Senate Ethics Committees any money. Prohibit an elected official who is authorized to receive statements of intention of candidacy from accepting such statement unless they confirm through the State Ethics Commission, or the House or Senate Ethics Committees, as appropriate, that the candidate is free of debt to the Ethics Commission, or the House or Senate Ethics Committees . Direct that if the candidate's name inadvertently appears on the ballot, the election official must not certify the candidate following the election.

HOU: ADOPT new proviso.

SUBCOMMITTEE RECOMMENDATION: DELETE new proviso.

~~107.1. (ETHICS: Candidate Indebtedness) In order to qualify as a candidate to run in any primary, special, or general election, a candidate must not be in arrears of any indebtedness owed to the State Ethics Commission, the House Ethics Committee or the Senate Ethics Committee. An election official authorized to receive statements of intention of candidacy and/or petitions for nominations under the provisions of Chapter 11 of Title 7 may not accept a statement of intention of candidacy or petition for nomination unless the election official confirms, through the State Ethics Commission, the House Ethics Committee, or the Senate Ethics Committee, as appropriate, that the candidate is free of debt to the State Ethics Commission, the House Ethics Committee, or the Senate Ethics Committee. If the candidate's name inadvertently appears on the ballot, the election official authorized to receive statements of intention of candidacy or petitions for nomination must not certify the candidate subsequent to the election.~~

SECTION 109 - V04-DEBT SERVICE

- 109.1 AMEND** (Excess Debt Service Funds Carry Forward) Authorizes excess Debt Service funds to be carried forward from FY 12-13 and be spent for debt service purposes in FY 13-14.

WMC: AMEND proviso to update fiscal year references to 2013-14 and 2014-15.

HOU: ADOPT proviso as amended.

SUBCOMMITTEE RECOMMENDATION: ADOPT proviso as amended.

109.1. (DS: Excess Debt Service Funds Carry Forward) Excess Debt Service funds from Fiscal Year ~~2012-13~~ 2013-14 may be carried forward and expended for debt service purposes in Fiscal Year ~~2013-14~~ 2014-15.

**SENATE FINANCE COMMITTEE
CONSTITUTIONAL SUBCOMMITTEE
PROVISO RECOMMENDATIONS FOR FY 2014-15**

SECTION 110 - X22-AID TO SUBDIVISIONS, STATE TREASURER

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

WMC: AMEND proviso to update fiscal year reference to "2014-15."

HOU: ADOPT proviso as amended.

SUBCOMMITTEE RECOMMENDATION: ADOPT proviso as amended.

110.2. (AS-TREAS: Quarterly Distributions) For Fiscal Year ~~2013-14~~ 2014-15, one quarter of the amount appropriated in Part IA for Aid to Subdivisions-Local Government Fund shall be distributed as soon after the beginning of each quarter as practical with the four distributions together totaling the ~~2013-14~~ 2014-15 Part IA appropriation for the Local Government Fund.

110.5 AMEND (LGF) Suspends Sections 6-27-30 [FUNDING OF LOCAL GOVERNMENT FUND FROM GENERAL FUND REVENUES] and 6-27-50 [RESTRICTIONS ON AMENDMENT OR REPEAL OF CHAPTER] for Fiscal Year 2012-13.

WMC: AMEND proviso to update fiscal year reference to "2014-15."

HOU: ADOPT proviso as amended.

SUBCOMMITTEE RECOMMENDATION: ADOPT proviso as amended.

110.5. (AS-TREAS: LGF) For Fiscal Year ~~2013-14~~ 2014-15, the provisions of Section 6-27-30 and Section 6-27-50 of the 1976 Code are suspended.

110.7 AMEND (Political Subdivision Flexibility) Authorizes political subdivisions that receive Local Government Fund monies to reduce the amount of support they provide to any state mandated program or requirement up to the percentage their Local Government Fund appropriation has been reduced compared to the amount required to be funded by law, but exclude ALJs, Court of Appeals, Circuit and Family Courts, Magistrates, Masters in-Equity, Probate Courts, Public Defenders, Solicitors and the Supreme Court and their offices from the reductions.

WMC: AMEND proviso to update fiscal year reference to "2014-15."

HOU: ADOPT proviso as amended.

SUBCOMMITTEE RECOMMENDATION: ADOPT proviso as amended.

110.7. (AS-TREAS: Political Subdivision Flexibility) For Fiscal Year ~~2013-14~~ 2014-15, a political subdivision receiving aid from the Local Government Fund may reduce its support to any state mandated program or requirement, by up to a percentage equal to the percentage reduction in the actual amount appropriated to the Local Government Fund as compared to the amount required to be appropriated pursuant to Section 6-27-30. Excluded from said reductions are Administrative Law Judges and their offices, Court of Appeals and their offices, Circuit and Family Courts and their offices, Magistrates and their offices, Masters-in-Equity and their offices, Probate Courts and their offices, Public Defenders and their offices, Solicitors and their offices, and the Supreme Court and their offices.

110.9 DELETE NEW PROVISO (Tax Processing Fee) **HOU:** ADD new proviso to prohibit a political subdivision from charging taxpayers a processing fee for paying taxes by a credit or debit card that is more than the costs the political subdivision incurred for the transaction. Require a political subdivision that accepts credit or debit cards for tax payment to provide a

**SENATE FINANCE COMMITTEE
CONSTITUTIONAL SUBCOMMITTEE
PROVISO RECOMMENDATIONS FOR FY 2014-15**

list of accepted cards on all tax bills and on their website along with the merchant fee charged. Require all counties to submit a report by October 1, 2014 to the Chairmen of the Senate Finance and House Ways and Means Committees on whether or not they accept credit or debit cards for tax payments along with specific information related to the transactions. Direct that violation of this proviso will result in the State Treasurer's Office reducing the political subdivision's Aid to Subdivisions Allocation by \$1,000 per violation. Require political subdivisions to make monthly installment payments available for a taxpayer's prospective yearly tax bill. Sponsors: Reps. Stavrinakis, Merrill, and Long.

SUBCOMMITTEE RECOMMENDATION: DELETE new proviso.

~~**110.9. (AS-TREAS: Tax Processing Fee) A political subdivision shall be prohibited from charging a taxpayer a processing fee for the payment of taxes by credit or debit card in excess of the processing fee costs incurred by the political subdivision for the transaction. Furthermore, all political subdivisions that accept credit or debit cards for the payment of taxes must provide, on all tax bills offering the option of credit or debit card payment and on their respective websites, if applicable, an itemized list of all accepted credit and debit cards and the corresponding merchant fee charged to the political subdivision for each card along with all applicable processing fees related to online payment or other form of payment. All counties shall submit a report to the Chairman of the Senate Finance Committee and the Chairman of the House Ways and Means Committee by October 1, 2014 detailing if they accept credit or debit cards for the payment of taxes, and if so, an accounting of the total fees and costs collected pursuant to this service in the prior fiscal year, an itemized breakdown of all fees associated with this service including, but not limited to, the length of any applicable contract term with a payment processor. If a political subdivision violates this proviso, it shall have its Aid to Subdivisions Allocation reduced by \$1,000 per violation as determined by the State Treasurer's Office.**~~

~~**Furthermore, political subdivisions shall make available monthly installment payments of their prospective yearly tax bill to all taxpayers.**~~

SECTION 117 - X90-GENERAL PROVISIONS

117.2 AMEND (Appropriations From Funds) Directs that funds appropriated from the General Fund, EIA Fund, Highways and Public Transportation Fund and other applicable funds are to meet the ordinary expenses of the State for FY 2013-14

WMC: AMEND proviso to update fiscal year reference to "2014-15."

HOU: ADOPT proviso as amended.

SUBCOMMITTEE RECOMMENDATION: ADOPT proviso as amended.

117.2. (GP: Appropriations From Funds) Subject to the terms and conditions of this act, the sums of money set forth in this part, if so much is necessary, are appropriated from the General Fund of the State, the Education Improvement Act Fund, the Highways and Public Transportation Fund, and other applicable funds, to meet the ordinary expenses of the state government for Fiscal Year ~~2013-14~~ 2014-15, and for other purposes specifically designated.

117.3 AMEND (Fiscal Year Definitions) Defines current and prior fiscal year time frames.

WMC: AMEND proviso to update fiscal year references from "2013" to "2014;" "2014" to "2015;" and "2012" to "2013."

HOU: ADOPT proviso as amended.

SUBCOMMITTEE RECOMMENDATION: ADOPT proviso as amended.

**SENATE FINANCE COMMITTEE
CONSTITUTIONAL SUBCOMMITTEE
PROVISO RECOMMENDATIONS FOR FY 2014-15**

117.3. (GP: Fiscal Year Definitions) For purposes of the appropriations made by this part, “current fiscal year” means the fiscal year beginning July 1, ~~2013~~ 2014, and ending June 30, ~~2014~~ 2015, and “prior fiscal year” means the fiscal year beginning July 1, ~~2012~~ 2013, and ending June 30, ~~2013~~ 2014.

- 117.26 DELETE** (Frequent Flyer Premiums) Directs state employees to select airlines based on cost and time criteria rather than frequent flyer premiums; directs agencies to ensure that employees who earn frequent flyer premiums while traveling on state business use the premiums to reduce future business travel costs.

WMC: DELETE proviso.

HOU: ADOPT deletion of proviso.

SUBCOMMITTEE RECOMMENDATION: ADOPT deletion of proviso.

~~**117.26.** (GP: Frequent Flyer Premiums) State agencies and employees shall select air carriers based on cost and time criteria, not on whether frequent flyer premiums are given. State agencies should ensure that employees earning frequent flyer premiums while traveling on state business use them to reduce the cost of subsequent business travel whenever possible.~~

- 117.34 DELETE** (Menu Option Telephone Answering Devices) Prohibits agencies using telephone answering device unless the caller can access a non-electronic attendant during business hours.

WMC: DELETE proviso.

HOU: ADOPT deletion of proviso.

SUBCOMMITTEE RECOMMENDATION: ADOPT deletion of proviso.

~~**117.34.** (GP: Menu Option Telephone Answering Devices) From the funds appropriated to state agencies, state agencies and their departments shall not expend funds for any type of menu option telephone answering device, unless the menu option system provides the caller with access to a non-electronic attendant or automatically transfers the caller to a non-electronic attendant. This requirement applies during the hours of 8:30 a.m. until 5:00 p.m., Monday through Friday, excluding holidays. This requirement does not apply to integrated voice response systems that are specifically designed to exclude human interaction. No additional personnel may be hired to implement the requirements of this provision.~~

- 117.86 AMEND** (Deficit Monitoring) Provides procedures for the State Budget Division regarding quarterly deficit monitoring.

WMC: AMEND proviso to direct that it is the responsibility of each state agency, department and institution to operate within its authorized appropriations and they are to manage their appropriations in such a way as to avoid an operating deficit.

HOU: ADOPT proviso as amended.

SUBCOMMITTEE RECOMMENDATION: ADOPT proviso as amended.

117.86. (GP: Deficit Monitoring) It is the responsibility of each state agency, department, and institution to operate within the limits of its authorized appropriations. All agencies, departments, and institutions are to budget, allocate and manage its authorized appropriations in a way to avoid an operating deficit for the fiscal year. If at the end of each quarterly deficit monitoring review by the State Budget Division, it is determined by either the State Budget Division or an agency that the likelihood of a deficit for the current fiscal year exists, the agency shall submit to the State Budget Division within fourteen days, a plan to minimize or eliminate the projected deficit. After submission of the plan, if it is determined that the deficit cannot be eliminated by the agency on its own, the agency is required to officially notify the

**SENATE FINANCE COMMITTEE
CONSTITUTIONAL SUBCOMMITTEE
PROVISO RECOMMENDATIONS FOR FY 2014-15**

Budget and Control Board within thirty days of such determination that the agency is requesting that a deficit be recognized. Once a deficit has been recognized by the Budget and Control Board, the agency shall limit travel and conference attendance to the minimum required to perform the core mission of the agency. In addition, the board when recognizing a deficit may direct that any pay increases and purchases of equipment and vehicles shall be approved by the State Budget Division.

- 117.126 ADD** (Hunley Commission) **HOU:** ADD new proviso to suspend the provisions of Section 54-7-100 that provide for 3 members appointed by the Governor and for the Lt. Governor, or his designee to serve on the Hunley Commission. Sponsors: Reps. Merrill and Stavrinakis.
SUBCOMMITTEE RECOMMENDATION: ADOPT new proviso.

117.126. (GP: Hunley Commission) For the current fiscal year, the provisions of Section 54-7-100 of the 1976 Code that provide for three members appointed by the Governor and for the Lieutenant Governor, or his designee to serve on the Hunley Commission are suspended.

- 117.129 DELETE NEW PROVISO** (Constitutions Officers Salary Study) **HOU:** ADD new proviso to require the B&C Board contract for a Constitutions Officers Salary Study and submit the results to the Chairmen of the Senate Finance and House Ways and Means Committees by October 1, 2014. Sponsor: Rep. Rutherford.
SUBCOMMITTEE RECOMMENDATION: DELETE new proviso.

~~*117.129. (GP: Constitutional Officers Salary Study) Of the funds appropriated to the Budget and Control Board, the board shall contract for a Constitutional Officers Salary Study. The results of the study shall be submitted to the Chairman of the Senate Finance Committee and the Chairman of the House Ways and Means Committee by October 1, 2014.*~~

SECTION 118 - X91-STATEWIDE REVENUE

- 118.1 AMEND** (Year End Expenditures) Directs year-end expenditure deadlines.
WMC: AMEND proviso to change fiscal year references from "2014" to "2015."
HOU: ADOPT proviso as amended.
SUBCOMMITTEE RECOMMENDATION: ADOPT proviso as amended.

118.1. (SR: Year End Expenditures) Unless specifically authorized herein, the appropriations provided in Part IA of this act as ordinary expenses of the State Government shall lapse on July 31, ~~2014~~ 2015. State agencies are required to submit all current fiscal year input documents and all electronic workflow for accounts payable transactions to the Office of Comptroller General by July 14, ~~2014~~ 2015. Appropriations for Permanent Improvements, now outstanding or hereafter provided, shall lapse at the end of the second fiscal year in which such appropriations were provided, unless definite commitments shall have been made, with the approval of the Budget and Control Board and Joint Bond Review Committee, toward the accomplishment of the purposes for which the appropriations were provided. Appropriations for other specific purposes aside from ordinary operating expenses, now outstanding or hereafter provided, shall lapse at the end of the second fiscal year in which such appropriations were provided, unless definite commitments shall have been made, with the approval of the Budget and Control Board, toward the accomplishment of the purposes for which the appropriations were provided.