SECTION 33 - J02-DEPARTMENT OF HEALTH AND HUMAN SERVICES

DELETE (Medicaid Cost and Quality Effectiveness) Directs the department to establish a procedure to assess the various forms of health care delivery systems to measure cost effectiveness and quality. Direct the identifiable benchmarks be measured annually that broadly address agency program areas and initiatives. Requires annual healthcare report cards for the prior fiscal year be posted on the department's website by December 31st.

WMC: DELETE proviso. Agency states that most members are in managed care, so remaining FFS population not comparable, also a report must also be prepared by actuaries which incurs a cost to the department. Requested by Department of Health and Human Services.

HOU: ADOPT deletion of proviso.

SUBCOMMITTEE RECOMMENDATION: ADOPT deletion of proviso.

33.15. (DHHS: Medicaid Cost and Quality Effectiveness) The Department of Health and Human Services shall establish a procedure to assess the various forms of health care delivery systems to measure cost effectiveness and quality. These measures must be compiled on an annual basis on identifiable benchmarks. These measures must broadly address agency program areas and initiatives using national and state measures. Cost effectiveness shall be determined in an actuarially sound manner and data must be aggregated in a manner to be determined by a third party. The methodology must use appropriate case mix and actuarial adjustments. The department shall issue an annual healthcare report of statewide measures deemed appropriate by the department required under state and federal guidelines. The report shall be formatted in a clear, concise manner in order to be easily understood by Medicaid beneficiaries and other stakeholders. The annual results of the cost effectiveness calculations, quality measures and the report cards shall be made public on the department's website by December thirty first for the prior state fiscal year.

33.22 CONFORM TO FUNDING / AMEND FURTHER (Medicaid Accountability and Quality Improvement Initiative) Directs the department to implement accountability and quality improvements initiatives for: (A) Healthy Outcomes Initiative; (B) Improve Community Health; (C) Rural Hospital DSH Payment; (D) Primary Care Safety Net; (E) Rural and Underserved Area Provider Capacity; (F) Provider Eligibility Data; and (G) Publish Quarterly Progress Reports.

WMC: AMEND provise subsection (D) to require the department develop a process for

WMC: AMEND proviso subsection (D) to require the department develop a process for obtaining encounter-level data that may be used to access the cost and impact of services provided through the proviso. Amend subsection (E)(3) to change the amount used to contract with the MUSC Hospital Authority for the Telemedicine Network from "\$14,000,000" to "\$10,000,000" and change the amount required to be allocated to support Palmetto Care Connections and other SC hospitals from "\$2,000,000" to "\$1,000,000." Amend to add subsection (E)(4) to direct the department to partner with USC School of Medicine to develop a statewide Rural Health Initiative to identify strategies to significantly improve health care access, to support physicians, and to reduce health inequities in rural communities. Amend to add new subsection (G) to direct the department to pilot an all-inclusive health intervention program for wrap-around care to vulnerable mental health patients who use the emergency room in hotspots and in underserved areas of the state. Require reports be provided that detail progress on the target population and health outcomes achieved. Allow for program expansion.

HOU: AMEND FURTHER to insert a new (F) to require the department allocate funds for obesity education for patients, reimbursement payments for providers, and continuing education for all providers through partnerships with the department. Sponsor: Rep. G.M. Smith.

SUBCOMMITTEE RECOMMENDATION: CONFORM TO FUNDING RECOMMENDATION / AMEND FURTHER to update June 30, "2015" to "2016."

- **33.22.** (DHHS: Medicaid Accountability and Quality Improvement Initiative) From the funds appropriated and authorized to the Department of Health and Human Services, the department is authorized to implement the following accountability and quality improvement initiatives:
- (A) Healthy Outcomes Initiative The Department of Health and Human Services may tie Disproportionate Share Hospital (DSH) payments to participation in the Healthy Outcomes Initiative and may expand the program as DSH funding is available.
- (B) To improve community health, the department may explore various health outreach, education, patient wellness and incentive programs. The department may pilot health interventions targeting diabetes, smoking cessation, weight management, heart disease, and other health conditions. These programs may be expanded as their potential to improve health and lower costs are identified by the department.
- (C) Rural Hospital DSH Payment Medicaid-designated rural hospitals in South Carolina may be eligible to receive up to one hundred percent of costs associated with uncompensated care as part of the DSH program. Funds shall be allocated from the existing DSH program and shall not exceed \$25,000,000 total funds. To be eligible, rural hospitals must participate in reporting and quality guidelines published by the department and outlined in the Healthy Outcomes Initiative. In addition to the requirements placed upon them by the department, rural hospitals must actively participate with the department and any other stakeholder identified by the department, in efforts to design an alternative health care delivery system in these regions.
- (D) Primary Care Safety Net The department shall implement a methodology to reimburse safety net providers participating in a hospital Healthy Outcomes Initiative program to provide primary care, behavioral health services, and pharmacy services for chronically ill individuals that do not have access to affordable insurance. Qualifying safety net providers are approved, licensed, and duly organized Federally Qualified Health Centers (FQHCs, entities receiving funding under Section 330 of the Public Health Services Act, and FQHC Look-A-Likes), Rural Health Clinics (RHCs), local alcohol and drug abuse authorities established by Act 301 of 1973, Free Clinics, other clinics serving the uninsured, and Welvista. The department shall formulate a methodology and allocate at least \$5,000,000 for innovative care strategies for qualifying safety net providers. The department shall formulate a separate methodology and allocate at least \$8,000,000 of funding to FQHCs at least \$4,000,000 for documented capital needs for FQHCs, at least \$2,000,000 of funding for Free Clinics, and at least \$2,000,000 of funding for local alcohol and drug abuse authorities created under Act 301 of 1973. *The department shall develop a process for obtaining encounter-level data that may be used to access assess* the cost and impact of services provided through this proviso.
- (E) Rural and Underserved Area Provider Capacity The department shall incentivize the development of primary care access in rural and underserved areas through the following mechanisms:
- (1) the department shall leverage Medicaid spending on Graduate Medical Education (GME) by implementing methodologies that support recommendations contained in the January 2014 report of the South Carolina GME Advisory Group;
- (2) the department shall develop a program to leverage the use of teaching hospitals to provide rural physician coverage, expand the use of Telemedicine, and ensure targeted placement and support of OB/GYN services in at least four counties with a demonstrated lack of adequate OB/GYN resources by June 30, 2016; and
- (3) during the current fiscal year the department shall contract with the MUSC Hospital Authority in the amount of \$14,000,000 \$10,000,000 to lead the development and operation of an open access South Carolina Telemedicine Network. Working with the department, the MUSC Hospital Authority shall collaborate with Palmetto Care Connections to pursue this goal. No less than \$2,000,000 \$1,000,000 of these funds shall be allocated toward support of Palmetto Care

Connections and other hospitals in South Carolina. MUSC Hospital Authority must provide the department with quarterly reports regarding the funds allocation and progress of telemedicine transformation efforts and networks. MUSC Hospital Authority shall publish a summary report to the General Assembly indicating the overall progress of the state's telemedicine transformation by March 1, 2015. In addition, the department shall also contract with the MUSC Hospital Authority in the amount of \$1,000,000 to further develop statewide teaching partnerships.

- (4) the department shall partner with the University of South Carolina School of Medicine to develop a statewide Rural Health Initiative to identify strategies for significantly improving health care access, supporting physicians, and reducing health inequities in rural communities.
- (F) <u>The department shall allocate funds to be used for obesity education for patients, reimbursement payments for providers, and continuing education for all providers through partnerships with the Department.</u>
- (F<u>G</u>) To be eligible for funds in this proviso, providers must provide the department with patient, service and financial data to assist in the operation and ongoing evaluation of both the initiatives resulting from this proviso, and other price, quality, transparency and DSH accountability efforts currently underway or initiated by the department. The Revenue and Fiscal Affairs Office shall provide the department with any information required by the department in order to implement this proviso in accordance with state law and regulations.
- (H) The department shall pilot an all-inclusive health intervention program for wrap-around care to vulnerable mental health patients who frequent the emergency room in hotspots and underserved areas within the state. The pilot program must provide reports detailing progress on the target population and health outcomes achieved. These programs may be expanded as their potential to improve health and lower costs are identified by the department.
- $(G \underline{I})$ The department shall publish quarterly reports on the agency's website regarding the department's progress in meeting the goals established by this provision.
- **DELETE** (Medicaid Non-Emergency Medical Transportation) Directs the department, when their Medicaid non-emergency medical transportation contracts expire, to procure transportation services using a service model that maximizes efficiencies and cost effectiveness, improves health care outcomes, and improves member experience while using qualified transportation providers. Directs the department to develop policies, procedures and standards with input from stakeholders. Directs the department to collect financial and utilization data and other data as necessary to monitor and evaluate cost effectiveness and productivity.

WMC: DELETE proviso. *The department indicates that this proviso is not necessary as the NEMT procurement is currently underway.* Requested by Department of Health and Human Services.

HOU: ADOPT deletion of proviso.

SUBCOMMITTEE RECOMMENDATION: ADOPT deletion of proviso.

33.24. (DHHS: Medicaid Non-Emergency Medical Transportation) The Department of Health and Human Services (department) shall procure transportation services upon the expiration of the current Medicaid non-emergency medical transportation contracts using a service model that maximizes efficiencies and cost effectiveness; improves health care outcomes; and improves member experience regarding quality and satisfaction in the Medicaid transportation program while using qualified transportation providers.

The department shall develop the policies, procedures and transportation provider performance standards with input from stakeholders. The department shall provide oversight of the implementation and operation.

The department shall collect financial and utilization data and any other data necessary to continually monitor and evaluate the cost effectiveness and productivity of the transportation services provided.

DELETE (Healthy Connections Prime) Instructs the department to request a delay in the July 1, 2014 implementation of its demonstration for dual eligible beneficiaries known as Healthy Connections Prime and directs that the requested new enrollment date be no earlier than January 1, 2015.

WMC: DELETE proviso. *The department indicates the proviso is not necessary as Prime is scheduled to begin February 2015.* Requested by Department of Health and Human Services.

HOU: ADOPT deletion of proviso.

SUBCOMMITTEE RECOMMENDATION: ADOPT deletion of proviso.

33.26. (DHHS: Healthy Connections Prime) The Department of Health and Human Services is instructed to request from the Centers for Medicare and Medicaid Services, a delay in the July 1, 2014 implementation of its demonstration for dual eligible (Medicare/Medicaid) beneficiaries known as Healthy Connections Prime. The requested date to begin enrollment will be no earlier than January 1, 2015.

33.27 AMEND (Hospital Transformation Plans) Directs the department develop and manage a program to help qualifying hospitals transition to more sustainable models of service delivery that meet the needs of the community and reduce reliance on inpatient admissions, surgery or high-tech diagnostics. Allows DHEC to make exceptions to applicable licensing standards and regulations under certain conditions. Directs the department to develop the methodology for funding and distributing award amounts. Limits total state funds available for this purpose to \$15,000,000 and directs the department to leverage federal funds or other funding mechanisms to maximize resources as appropriate and approved by CMS. Requires progress reports be submitted to the Chairmen of the Senate Finance and House Ways and Means Committees by January 1st and June 1st, 2015.

WMC: AMEND proviso to delete the requirement that the department "develop and manage" a program and instead direct them to "continue" a program. Require plans to be submitted to the department on or before April 1, 2016 and direct that no partnership may receive an allocation in the current fiscal year that would result in the partnership having received more than \$4,000,000 in cumulative support through the hospital transformation program. Update calendar year references to "2016."

HOU: ADOPT proviso as amended.

SUBCOMMITTEE RECOMMENDATION: ADOPT proviso as amended.

33.27. (DHHS: Hospital Transformation Plans) The Department of Health and Human Services shall develop and manage <u>continue</u> a program to help qualifying hospitals transition to more sustainable models of service delivery that meet the needs of their community and reduce reliance on inpatient admissions, surgery or high-tech diagnostics. This includes encouraging new long-term partnerships between rural hospitals and community, tertiary and teaching facilities to ensure seamless, timely and high quality clinical care for patients in rural areas of the state. Notwithstanding the provisions in its existing regulations, for the current fiscal year, the Department of Health and Environmental Control, may in its discretion, make exceptions to applicable licensing standards and regulations where it is determined that the exception will assist in the successful implementation and operation of the plans developed by the Department of Health and Human Services pursuant to this provision; the health, safety, and well-being of the community will not be compromised by the exception; and provided that the standard is not

specifically required by statute. The program shall provide funding that fully or partially offsets the one-time costs of these transitions. The department shall develop the methodology for funding award amounts and distribution and may prioritize funding to target hotspots of poor health and/or limited health care access. Total state funds available statewide for transition funding shall not exceed \$15,000,000, less funds allocated during the prior fiscal year, and the department shall may leverage federal funds or other funding mechanisms to maximize resources as appropriate and approved by CMS. Plans must be submitted to the department on or before April 1, 2016. No partnership may receive an allocation in the current fiscal year that would result in it having received more than \$4,000,000 in cumulative support through the hospital transformation program. The department shall provide reports detailing progress on transformation efforts to the Chairman of the Senate Finance Committee and the Chairman of the House Ways and Means Committee by January 1, 2015 2016 and by June 1, 2015 2016.

33.28 DELETE (Armed Services Home and Community-Based Waiver) Directs the department, to the extent possible in administering home and community-based waiver programs, to maintain the waiver status of an eligible family member of a member of the armed services who maintains his SC state residence, regardless of where the service member is stationed.

WMC: DELETE proviso. *Codified in Section 3 of Act Number 289 of 2014.* Requested by Department of Health and Human Services.

HOU: ADOPT deletion of proviso.

SUBCOMMITTEE RECOMMENDATION: ADOPT deletion of proviso.

- 33.28. (DHHS: Armed Services Home and Community-Based Waiver) In administering home and community based waiver programs, the department shall, to the extent possible, maintain the waiver status of an eligible family member of a member of the armed services who maintains his South Carolina state residence, regardless of where the service member is stationed. Consequently, a person on a waiver waiting list would return to the same place on the waiting list when the family returns to South Carolina. Furthermore, the eligible family member previously enrolled in a waiver program and who received active services would be reinstated into the waiver program once Medicaid eligibility is established, upon their return to South Carolina. It is not the intent of this provision to authorize services provided outside the South Carolina Medicaid Service Area. These provisions are contingent upon the department receiving federal approval.
- **33.29 DELETE** (Child Support Enforcement System) Directs the department transfer up to \$3,000,000 to DSS for development of the Child Support Enforcement System and directs that these funds cannot be used to pay litigation costs associated with development of the system.

WMC: DELETE proviso. *Funds have been transferred.* Requested by Department of Health and Human Services.

HOU: ADOPT deletion of proviso.

SUBCOMMITTEE RECOMMENDATION: ADOPT deletion of proviso.

- **33.29.** (DHHS: Child Support Enforcement System) The department shall transfer up to three million dollars to the Department of Social Services for the development of the Child Support Enforcement System. These funds cannot be used to pay any litigation cost associated with the development of this system.
- **CONFORM TO FUNDING** (Healthcare Workforce Analysis) **WMC:** ADD new proviso to direct the department to transfer \$200,000 to AHEC for the Office of Healthcare Workforce Analysis.

HOU: ADOPT new proviso.

SUBCOMMITTEE RECOMMENDATION: CONFORM TO FUNDING

RECOMMENDATION.

33.30. (DHHS: Healthcare Workforce Analysis) Of the funds appropriated to the Department of Health and Human Services, the department shall transfer \$200,000 to the Area Health Education Consortium (AHEC) for the Office of Healthcare Workforce Analysis.

33.pls ADD (In-state Medicaid Providers Lab Services) **SUBCOMMITTEE RECOMMENDATION:** ADD new proviso to direct that, whenever possible, contracts with managed care plans shall include an in-state provider preference for laboratory services if the instate provider is able to provide the service at the same or less cost as an out-of-state provider.

33.pls. (DHHS: In-State Medicaid Providers Lab Services) Whenever possible, contracts with managed care plans participating in the Healthy Connections Choices program shall apply an in-state provider preference when contracting for laboratory services if the in-state provider is able to provide the requested service at the same or less cost as an out-of-state provider.

SECTION 34 - J04-DEPARTMENT OF HEALTH AND ENVIRONMENTAL CONTROL

34.24 AMEND (Health Licensing Monetary Penalties) Authorizes the Department to retain the first \$50,000 of civil monetary penalties collected each fiscal year from penalties assessed by the Division of Health Licensing. The funds retained shall be utilized solely to carry out and enforce the provisions of regulations applicable to that Division.

WMC: AMEND proviso to change "Division of Health Licensing (DHL)" to "Bureau of Health Facilities Licensing (BHFL)." *Technical. Agency has changed the name of the division.* Requested by Department of Health and Environmental Control.

HOU: ADOPT proviso as amended.

SUBCOMMITTEE RECOMMENDATION: ADOPT proviso as amended.

- **34.24.** (DHEC: Health Licensing Monetary Penalties) In the course of regulating health care facilities/services, the <u>Division Bureau</u> of Health <u>Facilities</u> Licensing (DHL) (BHFL) assesses civil monetary penalties against nonconforming providers. DHL <u>BHFL</u> shall retain up to the first \$50,000 of civil monetary penalties collected each fiscal year and these funds shall be utilized solely to carry out and enforce the provisions of regulations applicable to that division. These funds shall be separately accounted for in the department's fiscal records.
- **34.25 AMEND FURTHER** (Health Facility Monetary Penalties) Authorizes the department to retain the first \$100,000 of civil monetary penalties collected each fiscal year from penalties assessed by the Bureau of Health Facilities and Services Development. Directs the funds only be used to carry out and enforce the regulations that apply to the Bureau. Requires regulations for nursing home staffing to provide a minimum of 1.63 hours of direct care per resident per day from non-licensed nursing staff; maintain at least one licensed nurse per shift for each staff work area; and to enforce all other staffing and non-staffing standards.

WMC: AMEND proviso to change "Bureau of Health Facilities and Services Development (BHF)" to "Division of Construction/Fire & Life Safety (DCFLS)." *Technical. Agency has changed the name of the bureau.* Requested by Department of Health and Environmental Control

HOU: ADOPT proviso as amended.

SUBCOMMITTEE RECOMMENDATION: AMEND FURTHER to update fiscal year reference "2015-16."

- **34.25.** (DHEC: Health Facility Monetary Penalties) In the course of regulating health care facilities/services, the Bureau of Health Facilities and Services Development (BHF) <u>Division of Construction/Fire & Life Safety (DCFLS)</u> assesses civil monetary penalties against nonconforming providers. BHF <u>DCFLS</u> shall retain up to the first \$100,000 of civil monetary penalties collected each fiscal year and these funds shall be utilized solely to carry out and enforce the provisions of regulations applicable to that <u>Bureau division</u>. These funds shall be separately accounted for in the department's fiscal records. Regulations for nursing home staffing for Fiscal Year <u>2014-15</u> <u>2015-16</u> must (1) provide a minimum of one and sixty-three hundredths (1.63) hours of direct care per resident per day from the non-licensed nursing staff; and (2) maintain at least one licensed nurse per shift for each staff work area. All other staffing standards and non-staffing standards established in Standards for Licensing Nursing Homes: R61-17, Code of State Regulations, must be enforced.
- **REINSERT/AMEND** (Residential Treatment Facilities Swing Beds) Allows residential treatment facilities to swing/convert up to 18 beds to acute psychiatric beds. Includes stipulation the conversion would have to comply with federal CMS rules and regulations.

WMC: DELETE proviso.

HOU: ADOPT deletion of proviso.

SUBCOMMITTEE RECOMMENDATION: REINSERT original proviso and update fiscal year reference to "2015-16."

- **34.43.** (DHEC: Residential Treatment Facilities Swing Beds) For Fiscal Year **2014-15 2015-16** in coordination with the South Carolina Health Plan and to improve access for acute psychiatric beds as patient populations demand, Residential Treatment Facilities (RTF) may swing up to eighteen beds per qualifying facility to accommodate patients with a diagnosis of an acute psychiatric disorder. In order to qualify to utilize swing beds a facility must meet the following criteria: the facility must currently have both licensed acute psychiatric and residential treatment facility beds, the RTF beds must meet the same licensure requirements as the existing licensed acute psychiatric beds, and any facility utilizing swing beds must keep the acute and RTF patient populations separate and distinct. The utilization of swing beds must also comply with all federal Centers for Medicare and Medicaid Services rules and regulations.
- **34.44 DELETE** (Sand-scraping and Sandbagging) Allows sand-scraping and sandbagging at golf courses as protection, if the department permits, until December 31, 2015. Suspends the payment of any fines the department assessed associated with sandbagging, sand-scraping or renourishment on golf courses. Directs the department to refund any fines paid the prior fiscal year.

WMC: DELETE proviso.

HOU: ADOPT deletion of proviso.

SUBCOMMITTEE RECOMMENDATION: ADOPT deletion of proviso.

34.44. (DHEC: Sand-scraping and Sandbagging) Sand scraping and sandbagging is allowed as protection for golf courses, if permitted by the department, until June 30, 2015. The payment of any fines assessed by the department regarding the use of sandbags, sand scraping or renourishment on golf courses are suspended. Any fines paid during the prior fiscal year regarding the use of sandbags, sand scraping or renourishment on golf courses are to be refunded by the department.

34.45 REINSERT (Tuberculosis Outbreak) Allows the department, upon discovering a TB outbreak, to expend any available funds for related surveillance, investigation, containment, and treatment. Stipulates procedures for DHEC to follow for notifying the community or specific individuals regarding any tuberculosis contact investigation.

WMC: DELETE proviso. Agency stated that this is their current policy and the proviso is no longer necessary..

HOU: ADOPT deletion of proviso.

SUBCOMMITTEE RECOMMENDATION: REINSERT original proviso.

- **34.45.** (DHEC: Tuberculosis Outbreak) (A) Upon discovery of a tuberculosis outbreak, the Department of Health and Environmental Control may expend any funds available to the agency, for the purpose of surveillance, investigation, containment, and treatment activities related thereto.
- (B) During an investigation of an index tuberculosis patient, the Department of Health and Environmental Control, through the South Carolina Health Alert Network, must notify the patient's community that a tuberculosis contact investigation is being conducted into the possible exposure to tuberculosis. This subsection only applies if the investigation of the patient has met all of the following criteria:
 - (1) abnormal chest x-rays;
 - (2) positive Acid Fast Bacilli (AFB) sputum results; and
- (3) first round of contact investigation completed with results of individuals testing positive outside of the index patient's family.
- (C) Upon being informed of or having reason to suspect a case of tuberculosis that is capable of transmitting tubercle bacilli at a school or child care center involving a student, teacher, employee, volunteer, or an individual working at the school or child care center for an employer providing services to the school or child care center, the department immediately shall notify:
- (1) if the case is at a school, the principal, and the Superintendent of the school district if the school is a public school; and
 - (2) if the case is at a child care center, the director of the child care center; and
- (D) When informing the principal of a school or the director of a child care center about a known or suspected case of tuberculosis that is capable of transmitting tubercle bacilli as provided for in subsection (C), the department shall provide:
 - (1) an update addressing the:
- (a) status of the investigation, including the steps the department is taking to identify the source and extent of the exposure and the risks of additional exposure; and
- (b) steps the school or child care center must take to assist the department in controlling the spread of the tuberculosis infection; and
- (2) information and other resources to distribute to parents and guardians that discuss how to assist the department in identifying and managing the tuberculosis infection.
- **34.46 AMEND** (Abstinence-Until-Marriage Emerging Programs) Directs the department to use the "Abstinence-Until Marriage Emerging Programs" special item to award a 12 month grant for abstinence-until marriage emerging. Requires the award only be made through a competitive bidding process to non-profit 501(c)(3) agencies that meet specific requirements to demonstrate an emerging program/curricula that meets the A-H Title V, Section 510 definition of Abstinence Education.

WMC: AMEND proviso to delete most eligibility requirements except for the competitive bidding process; the requirement that applicants provide a budget and budget narrative to DHEC to explain how the funds will be used; certification by the National Abstinence Education Association; and the requirement that programs not violate the S.C. Comprehensive Health

Education Act. Direct the department to determine and develop the application for awards. Require grant recipients to also provide quarterly expenditure and participation reports to DHEC as well as DSS within 15 days of the end of each quarter.

HOU: ADOPT proviso as amended.

SUBCOMMITTEE RECOMMENDATION: ADOPT proviso as amended.

- **34.46.** (DHEC: Abstinence-Until-Marriage Emerging Programs) (A) From the funds appropriated to DHEC in this act as a Special Item and titled "Abstinence-Until Marriage Emerging Programs" the department shall award a twelve month grant for abstinence-until-marriage emerging programs. This funding shall be awarded by the department only to nonprofit 501(c)(3) agencies meeting the following requirements through a competitive bid process to demonstrate an emerging program/curricula-that-meets the A-H Title V, Section 510 definition of Abstinence Education.
- (B) Contracts must be awarded utilizing a competitive approach in accordance with the South Carolina Procurement Code.
- (C) Applicants will be given priority that have, for at least two years prior to application, effectively implemented in South Carolina the program/curricula for which funding is being applied.
- (D) Applicants must provide a current third party audit that indicates the applicant has the infrastructure and experience to efficiently and effectively manage the funding applied for.
- $(\underline{E} \ \underline{C})$ Applicants must provide a budget and budget narrative <u>to the department</u> that explains how the funds will be used.
- (F) Applications must allocate a minimum of fifteen percent of the budget for a qualified third party evaluator to assess both process outputs and behavioral outcomes of the program.
- (G) Prior to application, proposed programs/curricula must be certified as medically accurate by a government or private agency that has the capacity to provide a quality review of materials for medical accuracy.
- $(\underline{H}\ \underline{D})$ Prior to application, proposed programs/curricula must be certified by the National Abstinence Education Association (NAEA) as meeting and being in compliance with all of the Title V, Section 510 A-H requirements for abstinence-until-marriage education programs.
- (I) Applicants must provide proof of an agreement with a federally certified IRB for review of program and evaluation processes and protocol and must provide proof of the IRB's approval prior to program implementation.
 - (E) The department shall determine and develop the necessary application for awards.
- (J F) The programs implemented by the entity awarded a contract pursuant to this proviso may not violate any portion of the South Carolina Comprehensive Health Education Act when implemented in a school setting. An entity that violates any portion of the South Carolina Comprehensive Health Education Act must reimburse the State for all funds disbursed. Applications must include at an minimum, the following:
- (1) Proposed one year budget with the following detail for the twelve month grant period. The applicant must agree to submit quarterly reports to the department detailing the expenditure of funds and the accomplishments of the project including:
- (a) Personnel costs and fringe by position for each of the following areas: administration, training, education, and other positions identified;
 - (b) Operational cost identified in the application;
 - (c) Onetime costs over \$500 such as supplies;
- (d) Administration cost may not exceed ten percent of total project budget. Administration is defined expenses other than educational.
 - (2) Description of program and curriculum to be used;
 - (3) Description of training;

- (4) Schedule and brief description of project activities for each quarter;
- (5) Participation Reports at the end of every three months on the following:
 - (a) Number of persons who participated;
 - (b) Total number of hours provided;
 - (c) Number of train the trainer events;
 - (d) Other data regarding the activities of the project;
- (6) A description of the project evaluation to be used;
- (7) Copy of latest completed independent financial audit and agency's response to any audit exceptions;
 - (8) Qualifications of project personnel;
 - (9) Best Practices to be used; and
 - (10) Evidence Based Curriculum to be used.

Organizations or individuals awarded grants must provide quarterly reports on expenditures and participation to DSS the Department of Health and Environmental Control and the Department of Social Services within fifteen days of the end of each quarter.

- $(\underbrace{K G})$ Grantees failing to submit reports within thirty days of the end of each quarter will be terminated.
- **34.47 AMEND** (Abstinence Until Marriage Evidence-Based Programs Funding) Directs the department to use "Continuation of Teen Pregnancy Prevention" funds to award contracts to separate private, non-profit 501(c)(3) entities to provide Abstinence Until Marriage teen pregnancy prevention programs and services that use a proven effective program that meets the A-H Title V, Section 510 definition of Abstinence Education and requires a competitive bidding process be used.

WMC: AMEND proviso to delete most eligibility requirements except for the requirement that the programs and services meet the A-H Title V, Section 510 definition of Abstinence Education; the requirement that a competitive bidding process be used; the requirement that a budget be submitted for the proposed project; and the requirement that programs not violate the S.C. Comprehensive Health Education Act when implemented in a school setting.

HOU: ADOPT proviso as amended.

SUBCOMMITTEE RECOMMENDATION: ADOPT proviso as amended.

34.47. (DHEC: Abstinence Until Marriage Evidence-Based Programs Funding) From the monies appropriated for the Continuation of Teen Pregnancy Prevention, contracts must be awarded to separate private, nonprofit 501(c)(3) entities to provide Abstinence Until Marriage teen pregnancy prevention programs and services within the State using a proven effective program/curricula that meets meet the A-H Title V, Section 510 definition of Abstinence Education. Contracts must be awarded utilizing a competitive approach in accordance with the South Carolina Procurement Code. Applicants will be given priority that have, for at least two years prior to application, effectively implemented in South Carolina the program/curricula for which funding is being applied. Applicants contracted to provide SC Title V, Section 510 funding will be given priority in order to meet the State's Title V, Section 510 federal match requirement. Proposed programs/curricula must be certified as medically accurate by a government of private agency that has the capacity to provide a quality review of materials for medical accuracy. Proposed programs/curricula must be certified by the National Abstinence Education Association (NAEA) as meeting and being in compliance with all of the Title V, Section 510 A H requirement for abstinence until marriage education programs. Applicants must provide proof of an agreement with a federally certified IRB for review of program and evaluation processes and protocol and must provide proof of the IRB's approval prior to program implementation. Applicants must provide a budget for the proposed project and a recent third

party audit indicating the applicant has sufficient experience and capacity for properly managing the level of funding for which the application is being made. Monies will be paid over a twelve month basis for services rendered. Unexpended funds shall be carried forward for the purpose of fulfilling the department's contractual agreement. The programs implemented by the entity awarded a contract pursuant to this proviso may not violate any portion of the South Carolina Comprehensive Health Education Act when implemented in a school setting. An entity that violates any portion of the South Carolina Comprehensive Health Education Act must reimburse the State for all funds disbursed.

34.48 AMEND (Wave Dissipation Device) Allows the initiation of a Wave Dissipation Device pilot program and directs that deployment of a qualified wave dissipation device is not construction and meets specific permitting exceptions. Requires a fee of 10 cents per linear foot be paid to the department before deploying or expanding a qualified wave dissipation device. Authorizes the department to order the device to be removed if it determines the device causes material harm, to flora, fauna, physical, or aesthetic resources. Provides a definition for a "qualified wave dissipation device."

SUBCOMMITTEE RECOMMENDATION: AMEND proviso to delete the requirement that a wave dissipation device must be able to be deployed or removed within 72 hours or less.

34.48. (DHEC: Wave Dissipation Device) From funds appropriated to the department for the Coastal Resource Improvement program, the department shall permit a Wave Dissipation Device pilot program to be initiated.

The deployment of a qualified wave dissipation device seaward of the setback line or baseline pursuant to a study conducted by the Citadel or a research university is not construction and meets the permitting exception contained in Section 48-39-130(D)(2). Prior to deploying or expanding a qualified wave dissipation device, a person proposing to deploy or expand the device must pay the department a fee of ten cents per linear foot of the proposed deployment or expansion. The department may order the removal of all or any portion of a qualified wave dissipation device that the department determines causes material harm to the flora, fauna, physical or aesthetic resources of the area under Section 48-39-130(D)(2) of the 1976 Code.

A 'qualified wave dissipation device' is a device that:

- (1) is placed mostly parallel to the shoreline;
- (2) is designed to dissipate wave energy;
- (3) is designed to minimize scouring seaward of and adjacent to the device by permitting sand to move landward and seaward through the device;
- (4) can be deployed within seventy two hours or less and can be removed within seventy two hours or less;
 - $(5 \underline{4})$ does not negatively impact or inhibit sea turtle nesting or other fauna;
- (65) can be adjusted after initial deployment in response to fluctuations in beach elevations; and
- (76) otherwise prevents down-coast erosion, protects property, and limits negative impacts to public safety and welfare, beach access, and the health of the beach dune system.
- **34.50 DELETE** (Seawall Reconstruction Repair) Authorizes the department to issue a special permit for reconstruction or repair of an existing erosion control device that meets certain specifications. Requires the department only issue the permit if the seawall will be reconstructed or repaired with like material and the replacement footprint is no more than 2 feet from the original footprint. Authorizes the department to charge a permit fee equal to the actual cost of issuing the permit.

WMC: DELETE proviso.

HOU: ADOPT deletion of proviso.

SUBCOMMITTEE RECOMMENDATION: ADOPT deletion of proviso.

34.50. (DHEC: Seawall Reconstruction/Repair) In the current fiscal year, the Department of Health and Environmental Control may issue a special permit for the reconstruction or repair of an existing erosion control device of at least four thousand contiguous linear feet that is located landward of an area which the department has granted a permit authorizing a renourishment project that does not qualify for public funding and the permit is active as of July 1, 2014. The department may only issue the permit if the seawall will be reconstructed or repaired with like material and the footprint of the replacement is no more than two feet from the footprint of the original. The department may charge a permit fee equal to the actual cost of issuing the permit.

SECTION 35 - J12-DEPARTMENT OF MENTAL HEALTH

DELETE (McCormick Satellite Clinic) Redirected the \$750,000 appropriated by proviso 73.17 of Act 397 of 2006 for the Williams Building Cooperative Ministries Homeless Shelter Renovation & Operation as follows: \$250,000 for a satellite community mental health clinic in McCormick County and \$500,000 to the City of Columbia to benefit other homeless programs. Requires the city of Columbia to report annually on expenditure of the funds until they have all been expended.

WMC: DELETE proviso. The funds redirected to the City of Columbia have been expended. The McCormick Satellite Clinic project is an outdated construction effort and is no longer feasible. Residual capital project funds will be held until the project is deemed feasible or until such time as the department is authorized to redirect the use of said funds to another capital project. Requested by Department of Mental Health.

HOU: ADOPT deletion of proviso.

SUBCOMMITTEE RECOMMENDATION: ADOPT deletion of proviso.

- 35.4. (DMH: McCormick Satellite Clinic) The \$750,000 appropriated by Proviso 73.17 of Act 397 of 2006 for the Williams Building Cooperative Ministries Homeless Shelter Renovation & Operation shall be redirected as follows: \$250,000 shall be used for a satellite community mental health clinic in McCormick County. Unexpended funds may be carried forward into the current fiscal year to be expended for the same purpose. The City of Columbia must provide documentation annually on expenditures related to the \$500,000 transferred to the city by Proviso 10.16 of Act 117 of 2007 to benefit other homeless programs until all funds are expended.
- **DELETE** (Veterans Nursing Home Study) Directs the department, in conjunction with the Governor's Office Division of Veterans Affairs, to conduct a feasibility study to determine whether there is a need for additional veterans nursing homes in the state and if it is so determined, to identify possible locations, number of beds, and required funding. Directs that the study be submitted to the Governor and various Senate and House committees by December 15, 2014.

WMC: DELETE proviso. Report has been submitted. Requested by Department of Mental Health

HOU: ADOPT deletion of proviso.

SUBCOMMITTEE RECOMMENDATION: ADOPT deletion of proviso.

35.9. (DMH: Veterans Nursing Home Study) The Department of Mental Health, in conjunction with the Department of Administration, Office of Executive Policy and Programs, Division of Veterans Affairs, shall conduct a feasibility study to determine whether there is a need for additional veterans nursing homes in the state. In the event it is determined that it would

be in the best interests of the state's veteran population to have additional veterans nursing homes located around the state, the study shall identify possible locations and provide a general concept on the number of beds recommended along with the funding that would be required to implement the recommendations. The study shall be submitted to the Governor, the Chairman of the Senate Finance Committee, the Chairman of the House Ways and Means Committee, the Chairman of the Senate Medical Affairs Committee, and the Chairman of the House Medical, Military, Public and Municipal Affairs Committee by December 15, 2014.

SECTION 36 - J16-DEPARTMENT OF DISABILITIES AND SPECIAL NEEDS

36.1 AMEND (Work Activity Programs) Authorizes the department to retain and carry forward earnings generated from production contracts earned by mentally retarded trainees and to use the funds for operating expenses and/or permanent improvements of the Work Activity Programs.

WMC: AMEND proviso to change reference to "mentally retarded trainees" to "individuals served by the department."

HOU: ADOPT proviso as amended.

SUBCOMMITTEE RECOMMENDATION: ADOPT proviso as amended.

- **36.1.** (DDSN: Work Activity Programs) All revenues derived from production contracts earned by mentally retarded trainees <u>individuals served by the department</u> in Work Activity Programs be retained by the South Carolina Department of Disabilities and Special Needs and carried forward as necessary into the following fiscal year to be used for other operating expenses and/or permanent improvements of these Work Activity Programs.
- **36.3 AMEND** (Prenatal Diagnosis) Allows the department to use up to \$126,000 of excess debt service funds to promote efforts related to expanded prenatal diagnosis of mental retardation and related defects by the Greenwood Genetic Center.

WMC: AMEND proviso to change reference to "mental retardation and related defects" to "intellectual and/or other related disabilities."

HOU: ADOPT proviso as amended.

SUBCOMMITTEE RECOMMENDATION: ADOPT proviso as amended.

- **36.3.** (DDSN: Prenatal Diagnosis) Revenues not to exceed \$126,000 from client fees, credited to the debt service fund and not required to meet the department's debt service requirement, may be expended only in the current fiscal year to promote expanded prenatal diagnosis of mental retardation and related defects <u>intellectual and/or other related disabilities</u> by the Greenwood Genetic Center.
- **36.7 AMEND** (Unlicensed Medication Providers) Authorizes the department to license or certify select unlicensed persons in community-based programs to provide select medications. Limits the medications allowed to be administered to oral and topical medications, regularly scheduled insulin, and prescribed anaphylactic treatments. Requires the department to establish curriculum and standards for training and oversight. Direct that this provision does not apply to a facility licensed as a habilitation center for the mentally retarded or persons with related conditions.

WMC: AMEND proviso to change reference to "a habilitation center for the mentally retarded or persons with related conditions" to "an intermediate care facility for individuals with intellectual and/or related disability.

HOU: ADOPT proviso as amended.

SUBCOMMITTEE RECOMMENDATION: ADOPT proviso as amended.

36.7. (DDSN: Unlicensed Medication Providers) The provision of selected prescribed medications may be performed by selected unlicensed persons in community-based programs sponsored, licensed or certified by the South Carolina Department of Disabilities and Special Needs, provided such selected unlicensed persons have documented medication training and skill competency evaluation. Licensed nurses may train and supervise selected unlicensed persons to provide medications and, after reviewing competency evaluations, may approve selected unlicensed persons for the provision of medications. The provision of medications by selected unlicensed persons is limited to oral and topical medications and to regularly scheduled insulin and prescribed anaphylactic treatments under established medical protocol and does not include sliding scale insulin or other injectable medications. The selected unlicensed persons shall be protected against tort liability provided their actions are within the scope of their job duties and the established medical protocol.

The Department of Disabilities and Special Needs shall establish curriculum and standards for training and oversight.

This provision shall not apply to a facility licensed as a habilitation center for the mentally retarded or persons with related conditions an intermediate care facility for individuals with intellectual and/or related disability.

36.mdb ADD (Medicaid Direct Billing) **SUBCOMMITTEE RECOMMENDATION:** ADD new proviso to direct the department to facilitate Medicaid direct billing for all providers, including local disabilities and special needs boards, who choose to initiate the direct billing process whether or not the facility has received capital grant funds from the department. Require all entities that receive capital grant funds to use the funds as originally specified in the award and require the amount awarded to be repaid to the department if the purpose or use of a facility built or purchased with these funds is altered without department approval. Direct that the use of direct billing is not to be interpreted as a change in the purpose or use of a facility.

36.mdb. (DDSN: Medicaid Direct Billing) The department shall facilitate Medicaid direct billing for all providers, including local disabilities and special needs boards, who choose to initiate the direct billing process regardless of the receipt of capital grant funds from the department for the specific facility involved. All entities receiving capital grant funds must use the funds as originally specified in the award. If the purpose or use of a facility constructed or purchased with departmental grant funds is altered without the department's approval, the entity must repay the department the amount of the funds awarded. The use of direct billing shall not be construed as a change in the purpose or use of a facility.

36.cfa ADD (Carry Forward Authorization) **SUBCOMMITTEE RECOMMENDATION:** ADD new proviso to authorize general funds appropriated to reduce waiting lists to be carried forward and used for the same purpose. Require the department report the amount carried forward to the Chairmen of the Senate Finance and House Ways and Means Committees within 30 days after the close of the fiscal year.

36.cfa. (DDSN: Carry Forward Authorization) For the current fiscal year, the department is authorized to carry forward any balance of General Funds appropriated for the reduction of the department's waiting lists in the prior fiscal year and must utilize these funds for the same purpose in the current fiscal year. Within thirty days after the close of the fiscal year, the department shall report the balance carried forward to the Chairman of the Senate Finance Committee and the Chairman of the House Ways and Means Committee.

36.spe ADD (Service Providers Expenditure Requirement) **SUBCOMMITTEE RECOMMENDATION:** ADD new proviso to authorize service providers, including local disabilities and special needs boards, to carry forward unexpended funds based on a 90% expenditure requirement for capitated services in order to accommodate service provider infrastructure needs that resulted from reduced waiting lists. Prohibit service providers from withholding services in order to generate carry forward funds. Direct that the expenditure requirement shall not affect the department's 3 month reserve limitation policy.

36.spe. (DDSN: Service Providers Expenditure Requirement) For the current fiscal year, in order to accommodate service provider infrastructure needs resulting from the reductions in the department's waiting lists, service providers including local disabilities and special needs boards are authorized to carry forward from the prior fiscal year unexpended funds based on a ninety percent expenditure requirement for capitated services. Service providers shall not withhold services in order to generate funds to be carried forward. The expenditure requirement shall not affect the department's three month reserve limitation policy.

ADD (LAC Audit Recommendations Report) **SUBCOMMITTEE RECOMMENDATION:** ADD new proviso to require the department provide a status report on the implementation of recommendations contained in a specific LAC report on the department. Require the status report include, but not be limited to, a delineation of each LAC recommendation, the status of the department's action, and if no action was taken, an explanation as to the reason. Direct that the status report be provided to the Chairmen of the Senate Finance and House Ways and Means Committees and be prominently posted on the department's website by December 31, 2015.

36.Irr. (DDSN: LAC Audit Recommendations Report) The department shall provide a status report on the implementation of the recommendations contained in the Legislative Audit Council's report 'S.C. Department of Disabilities and Special Needs' Process to Protect Consumers from Abuse, Neglect, and Exploitation, Administrative Issues, and a Follow Up to Our 2008 Audit'. The report shall include, but not be limited to, a delineation of each Legislative Audit Council recommendation and the status of the department's actions regarding each recommendation. If no action was taken on a recommendation, an explanation as to the reason shall be included in the report. The report shall be provided to the Chairman of the Senate Finance Committee and the Chairman of the House Ways and Means Committee and shall be prominently posted on the department's website no later than December 31, 2015.

SECTION 38 - L04-DEPARTMENT OF SOCIAL SERVICES

REINSERT/AMEND (SNAP Coupons) Directs the department to establish a program to provide coupons to allow SNAP recipients to purchase additional fresh fruits and vegetables.

WMC: DELETE proviso.

HOU: ADOPT deletion of proviso.

SUBCOMMITTEE RECOMMENDATION: REINSERT original proviso and AMEND to specify that the department shall continue the "Healthy Bucks" program rather than establish a program. Allow each coupon to be doubled up to \$10 rather than \$5 per month. Direct the agency to work to identify and use funds as matching dollars to continue the success of the program and to report the status of the program to the General Assembly semi-annually. Direct that the status report include the number of recipients, counties served, and cumulative expenditure data.

- 38.23. (DSS: SNAP Coupons) The Department of Social Services shall establish a continue the "Healthy Bucks" program established to provide coupons that will allow Supplemental Nutrition Assistance Program (SNAP) recipients to obtain additional fresh fruits and vegetables when purchasing fresh produce at grocery stores or farmers markets with SNAP benefits through their EBT cards. Each coupon shall allow the beneficiary to double the amount of produce purchased, up to five ten dollars per month. The agency shall utilize all funds received in the prior and current fiscal years from the U.S. Department of Agriculture as a bonus for reducing the error rate in processing SNAP applications to fund the program. The agency shall work to identify and utilize funds as matching dollars for the continued success of the "Healthy Bucks" program and shall report semi-annually to the General Assembly on the status of the program. The report shall include, at a minimum, the number of recipients, counties served, and cumulative expenditure data for the program.
- **38.24 DELETE** (Federally Certified Child Support Enforcement System Project) Directs that the CFS Project Executive Committee is abolished effective July 1, 2014 and that the direction, management, oversight, and decision-making authority is placed under the sole authority of the DSS Director. Requires the department publish quarterly progress reports on its website on the project's timetable to achieve a federally certified Child Support Enforcement System.

WMC: DELETE proviso.

HOU: ADOPT deletion of proviso.

SUBCOMMITTEE RECOMMENDATION: ADOPT deletion of proviso.

- **38.24.** (DSS: Federally Certified Child Support Enforcement System Project) Effective July 1, 2014, the CFS Project Executive Committee is abolished. For the current fiscal year, the direction, management, oversight, and decision making authority previously exercised by the CFS Project Executive Committee is placed under the sole authority of the Director of the Department of Social Services who shall make all final decisions regarding the project. The department shall publish on its website quarterly progress reports on the project's timetable to achieve a Federally certified Child Support Enforcement System.
- **38.25 DELETE** (New SNAP Debit Card Accountability Features) Requires the DSS director to make reports and recommendations to the Chairmen of the House Ways and Means and Senate Finance Committees by December 1, 2014 on new accountability features to SNAP debit cards.

WMC: DELETE proviso. *Reports and recommendations have been submitted.*

HOU: ADOPT deletion of proviso.

SUBCOMMITTEE RECOMMENDATION: ADOPT deletion of proviso.

- **38.25.** (DSS: New SNAP Debit Card Accountability Features) By December 1, 2014, the Director of the Department of Social Services shall make reports and recommendations to the Chairman of the House Ways and Means Committee and the Chairman of the Senate Finance Committee for new accountability features to the debit cards used for the Supplemental Nutritional Assistance Program (SNAP).
- (1) The feasibility and cost benefit of adding the beneficiaries' identification numbers on the SNAP debit cards. The objective is to reduce the misuse of SNAP debit; and
 - (2) The costs of various options available to reduce the fraud within these programs.

The department is authorized to use the agency's appropriated funds in Part IA of this act for research in complying with this provision.

38.26 DELETE (Contracting Best Practices) Requires the department to submit a written report by December 1, 2014 to the Chairmen of the House Ways and Means and Senate Finance

Committees that describes the actions they have taken to ensure the department used best practices when contracting and specify what practices they are to include in the report.

WMC: DELETE proviso. Report has been submitted.

HOU: ADOPT deletion of proviso.

SUBCOMMITTEE RECOMMENDATION: ADOPT deletion of proviso.

38.26. (DSS: Contracting Best Practices) By December 1, 2014, the Department of Social Services shall submit a written report to the Chairman of the House Ways and Means Committee and Chairman of the Senate Finance Committee describing the actions taken to ensure that contracting by the department uses best practices to address the following: (1) Unnecessarily labor intensive processes, duplication of effort, and poorly written solicitations and contracts; (2) Formal, repeatable process for consistent solicitation development; (3) Contract managers involved from "cradle to grave"; (4) Compliance with all applicable state laws and requirements; (5) Process to compile "lessons learned" and apply to future contracting; (6) Use of a business planning process to determine sourcing and re-bid strategy, and; (7) Regular best practice training of all staff involved in contracting. The department shall review other states' best practices for contracting in the development of this report.

38.27 CONFORM TO FUNDING (Special Compensation Increase) **WMC:** ADD new proviso to direct DSS, from the new funds appropriated for classified positions, to increase the compensation of child protective services caseworkers by 20% and adult protective services caseworkers by 10% to promote caseworker retention.

HOU: ADOPT new proviso.

SUBCOMMITTEE RECOMMENDATION: CONFORM TO FUNDING RECOMMENDATION.

- 38.27. (DSS: Special Compensation Increase) The Department of Social Services, from the new funds appropriated for classified positions, shall increase the compensation of child protective services caseworkers by 20% and the compensation of adult protective services caseworkers by 10% to promote the retention of such caseworkers.
- **38.ccf ADD** (Child Care Facilities Floor Beds) **SUBCOMMITTEE RECOMMENDATION:** ADD new proviso to allow a child care facility to use floor beds instead of cribs if they provide child care services using the practice of a documented educational curriculum that includes the least restrictive environment for infants.

38.ccf. (DSS: Child Care Facilities Floor Beds) From funds appropriated to the department, a child care facility that provides child care services utilizing the practice of a documented educational curriculum including the least restrictive environment for infants may use floor beds in the facility instead of cribs.

SECTION 91 - A99-LEGISLATIVE DEPARTMENT

91.ahc ADD (Alternative Health Care Study Committee) SUBCOMMITTEE RECOMMENDATION: ADD new proviso to establish an 8 member Alternative Health Care Study Committee to study potential costs and benefits, including development of an alternative plan, of providing alternative health care to individuals under 65 with incomes at or below 138% of the federal poverty level, based on modified adjusted gross income. Require a report of findings and recommendations, including proposed legislation, be submitted to the General Assembly by January 1, 2016.

- 91.ahc. (LEG: Alternative Health Care Study Committee) (A) From the funds appropriated to the Senate and the House of Representatives, there is established the Alternative Health Care Study Committee. The committee shall be composed of:
- (1) three members of the Senate appointed by the President Pro Tempore, with one member upon the recommendation of the Senate Majority Leader, and one member upon the recommendation of the Senate Minority Leader;
- (2) three members of the House of Representatives appointed by the Speaker of the House, with one member upon the recommendation of the House Majority Leader, and one member upon the recommendation of the House Minority Leader;
 - (3) the director of the Department of Health and Human Services; and
 - (4) the director of the Department of Insurance.

The committee must be staffed by the staff of the Senate and the House of Representatives. Upon request of the committee, the staffs of the Department of Health and Human Services and the Department of Insurance must be made available to assist the committee. Members of the General Assembly serving on the committee shall receive mileage, subsistence, and per diem at the rate provided by law.

The committee may elect a chairperson and other appropriate officers from its membership. The committee shall meet as soon as possible to accomplish the goals set forth in this paragraph.

- (B) The committee shall study the potential costs and benefits, including the development of an alternative plan, of providing alternative health care to individuals under sixty-five years of age with incomes at or below one hundred thirty-eight percent of the federal poverty level, based on modified adjusted gross income. The committee's study, on which the alternative plan is based, shall include, but is not limited to:
 - (1) potential use of federal dollars;
 - (2) the purchase of private health insurance for such individuals:
- (3) utilizing insurance exchanges for such individuals, thus ensuring that limited resources are focused on those most in need;
- (4) use of authorized co-payments, other quality of care incentives, or changes in benefits levels;
- (5) other innovative approaches, including those used by other states, to tailor eligibility of the alternative plan;
 - (6) receiving a federal block grant for the alternative program;
- (7) other related subjects that may serve to inform the General Assembly as determined by the committee;
- (8) the availability of providers to care for South Carolina's covered population, including those newly eligible under the alternative plan; and
 - (9) the impact the alternative plan could have on cost shifting.
- (C) The committee may solicit information from any person or entity it deems relevant to its study. The committee must make a report of its findings and recommendations, including proposed legislation, to the General Assembly no later than January 1, 2016.

SECTION 93 - D50-DEPARTMENT OF ADMINISTRATION

DELETE (Employee Compensation) Provides a plan to distribute employee pay increases for FY 14-15 in the amount of 2%. 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: DELETE proviso. *Moved to General Provisions, proviso 117.125.*

HOU: ADOPT deletion of proviso.

SUBCOMMITTEE RECOMMENDATION: ADOPT deletion of proviso.

- **93.24.** (DOA: Employee Compensation) The amounts appropriated to the Department of Administration 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 nonjudge 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 two percent.
- (2) With respect to unclassified and nonjudge 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 two 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 two percent.
- (4) With respect to local health care providers compensation increases shall be two percent effective on the first pay date that occurs on or after July first of the current fiscal year. With respect to Area Agencies on Aging funded by the Lieutenant Governor's Office on Aging, compensation shall be increased by two percent effective on the first pay date that occurs on or after July first of the current fiscal year. With respect to local councils on aging or local providers of services funded by the Lieutenant Governor's Office on Aging through Area Agencies on Aging, no pay increases will be allowed. School Bus Driver salary and fringe funding to school districts shall be increased by two percent.
- (5) Effective on the first pay date that occurs on or after July first of the current fiscal year, the Chief Justice and other judicial officers shall receive an annualized base pay increase of two percent.
- (6) Effective on the first pay date that occurs on or after July first of the current fiscal year, county auditors and county treasurers shall receive an annualized base pay increase of two percent.

The Department of Administration 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 Department of Administration is authorized to use excess appropriations for the current fiscal year designated for statewide employer contributions for other statewide purposes. At the discretion of the Executive Director of the Department of Administration, such action may be considered a permanent transfer into the receiving agency's base budget.

Funds appropriated in Part IA, F30, Section 106, Statewide Employee Benefits may be carried forward from the prior fiscal year into the current fiscal year.

93.33 AMEND NEW PROVISO (Classification and Compensation System Study) HOU: ADD new proviso to direct the DOA, Human Resources Division to issue a RFP for an in-depth study of the state's class and comp system and require the vendor have experience with a state's compensation system. Require the study include certain components and also include interviews with agency heads and agency human resource staff of various size agencies. Limit the cost of the study to not more than \$300,000. Direct that findings and an implementation plan be submitted to the Classification and Compensation System Study Committee by January 4, 2016.

Create an 11 member Classification and Compensation System Study Committee to examine the findings and recommendations submitted by DOA. Require the committee, no later than 6 months after the vendor contract has been signed, to submit a report and recommendations to the Chairmen of the Senate Finance and House Ways and Means Committees. Direct that staff will be provided by the Senate Finance and House Ways and Means Committees and that members serve without compensation, per diem, mileage and subsistence. Sponsors: Reps. Cobb-Hunter, Pitts, Toole, and W.J. McLeod.

SUBCOMMITTEE RECOMMENDATION: AMEND new proviso to state that for purposes of the study comprehensive employee benefits shall be included in compensation. Direct that in the areas to be included in the study: the private sector be included in appropriate market comparisons; change minimize salary "inequities" to "disparities;" delete "methods of developing and sustaining a consistent long-term salary increase administrative policy for state government" and "a process to address longevity pay deficits that currently exist."

- 93.33. (DOA: Classification and Compensation System Study) (A) The Department of Administration, Human Resources Division shall issue a RFP to conduct an in-depth study of the state's classification and compensation system. For purposes of the study, compensation shall include comprehensive employee benefits. The vendor must have experience with a state's compensation system. The study shall include, but not be limited to:
 - (1) methods used to develop and determine position classifications;
 - (2) methods used to set pay grade minimum, midpoint, and maximum;
- (3) appropriate market comparisons <u>including</u>, <u>but not limited to</u>, <u>the private sector</u> <u>and local governments</u>;
- (4) methods to minimize salary inequities disparities within an agency and within state government;
- (5) methods of developing and sustaining a consistent long-term salary increase administrative policy for state government:
 - (65) recruitment and retention tools;
 - (7) a process to address longevity pay deficits that currently exist;
 - (\$ 6) a state compensation philosophy statement;
 - (9 Z) an analysis of merit-based compensation for employees and
- (<u>10</u> <u>8</u>)an analysis of unnecessary, underutilized, and duplicative positions in order to use that pay to increase salaries of existing employees.

The study should also include interviews with agency heads and human resource staff from state agencies of various sizes. The cost of the study shall not exceed \$300,000.

The findings of the study along with an implementation plan outlining the steps, sequences, and costs for implementing study recommendations and findings shall be submitted by January 4, 2016 to the Classification and Compensation System Study Committee as defined herein.

(B) There is created the Classification and Compensation System Study Committee which shall examine the findings and recommendations submitted by the Department of Administration, Human Resources Division on the state's classification and compensation system.

The committee shall be composed of eleven members, which shall be appointed as follows: two members appointed by the Governor; two members appointed by the President Pro Temporary of the Senate; two members appointed by the Speaker of the House of Representatives; two members appointed by the Chairman of the Senate Finance Committee; two members appointed by the Chairman of the House Ways and Means Committee; and one member appointed by the S.C. State Employees Association. The members shall elect a chairman at the first meeting of the committee.

No later than six months after the date from which a vendor contract has been signed, the committee shall prepare and deliver a report and recommendation to the Chairman of the Senate Finance Committee and the Chairman of the House Ways and Means Committee.

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

SECTION 95 - E04-OFFICE OF THE LIEUTENANT GOVERNOR

95.8 DELETE (Home and Community Based Services Unit Rates) Directs the Office on Aging to develop a plan by December 31, 2014, to implement a uniform pricing schedule for Home and Community Based Services unit rates and to provide the plan to the Chairmen of the House Ways and Means and Senate Finance Committees.

WMC: DELETE proviso. *Plan has been submitted*. Requested by Lieutenant Governor's Office

HOU: ADOPT deletion of proviso.

SUBCOMMITTEE RECOMMENDATION: ADOPT deletion of proviso.

- **95.8.** (LTG: Home and Community Based Services Unit Rates) The Office on Aging shall develop a plan by December 31, 2014, to implement a uniform pricing schedule for Home and Community Based Services unit rates. The plan shall be provided to the Chairman of the House Ways and Means Committee and the Chairman of the Senate Finance Committee.
- **ADD** (Caregivers Carry Forward) **WMC:** ADD new proviso to authorize funds appropriated for "caregivers" to be carried forward and used for the same purpose. Requested by Lieutenant Governor's Office.

HOU: ADOPT new proviso.

SUBCOMMITTEE RECOMMENDATION: ADOPT new proviso.

95.9. (LTG: Caregivers Carry Forward) Unexpended funds from appropriations to the Lieutenant Governor's Office on Aging for caregivers shall be carried forward from the prior fiscal year and used for the same purpose.

SECTION 99 - E19-RETIREMENT SYSTEM INVESTMENT COMMISSION

99.1 AMEND (Retirement Investment Commission Audit) Suspends, for FY 2014-15, the requirement that the Inspector General employ a private audit firm to perform the fiduciary audit on the Retirement System Investment Commission and directs any savings from not conducting the audit be used to conduct the required PEBA audit.

WMC: AMEND proviso to update fiscal year reference to "2015-16."

HOU: ADOPT proviso as amended.

SUBCOMMITTEE RECOMMENDATION: ADOPT proviso as amended.

99.1. (RSIC: Retirement Investment Commission Audit) For Fiscal Year 2014-15 2015-16, the provisions of Section 9-16-380 requiring the Inspector General to employ a private audit firm to perform the fiduciary audit on the Retirement System Investment Commission as required by Section 9-16-380 of the 1976 Code shall be suspended. Any savings generated by not conducting the audit shall be used to conduct audits required by Section 9-4-40 of the 1976 Code.

ADD (Administrator Retention) **WMC:** ADD new proviso to direct the Retirement System Investment Commission to retain 25% of the annual amount invoiced for its 3rd party administrator system to ensure the system's performance. Require the funds be held in a retainage account and direct that they can only be distributed after satisfactory performance has been verified by the Investment Commission and Procurement Services. Authorize undistributed funds to be carried forward and used for the same purpose. Requested by Retirement System Investment Commission.

HOU: ADOPT new proviso.

SUBCOMMITTEE RECOMMENDATION: ADOPT new proviso.

99.3. (RSIC: Administrator Retention) The Retirement System Investment Commission shall retain twenty-five percent of the annual amount invoiced for its third-party administrator system for the purpose of ensuring the performance of the third-party administrator. The funds must be held in a retainage account and may only be distributed after verification of satisfactory performance by the Investment Commission and Procurement Services pursuant to the service agreement with the third-party administrator. All undistributed funds in the retainage account may be carried forward from the prior fiscal year and used for the same purpose.

SECTION 104 - E55-STATE FISCAL ACCOUNTABILITY AUTHORITY

AMEND (Insurance Coverage for Aging Entity Authorized) Authorizes the Insurance Reserve Fund to provide insurance coverage for certain local aging entities. Directs that the IRF and the State shall not be liable for any coverage insufficiencies.

WMC: AMEND proviso to update fiscal year reference to "2015-16."

HOU: ADOPT proviso as amended.

SUBCOMMITTEE RECOMMENDATION: ADOPT proviso as amended.

104.5. (SFAA: Insurance Coverage for Aging Entity Authorized) The State Fiscal Accountability Authority, through the Insurance Reserve Fund, for Fiscal Year 2014-15 2015-16, is also authorized to offer insurance coverage to an aging entity and its employees serving clients countywide which previously obtained its tort liability insurance coverage through the board. The Insurance Reserve Fund and the State of South Carolina shall not be liable to any person or entity, including an insured, for any insufficiencies of coverage provided hereunder.

SECTION 108 - F50-PUBLIC EMPLOYEE BENEFIT AUTHORITY

REINSERT (Lottery & Infrastructure Bank Health Insurance) Allows the Lottery Commissioners and Infrastructure Bank Board members to participate in the State Health Plan upon payment of full premium costs.

WMC: DELETE proviso.

HOU: ADOPT deletion of proviso.

SUBCOMMITTEE RECOMMENDATION: REINSERT original proviso.

- **108.1.** (PEBA: Lottery & Infrastructure Bank Health Insurance) South Carolina Lottery Commissioners and South Carolina Transportation Infrastructure Bank Board members and their eligible dependents are eligible to participate in the State Health and Dental Insurance Plan, upon paying the full premium costs as determined by the Public Employee Benefit Authority.
- **108.6 CONFORM TO FUNDING / AMEND** (FY 2015 2016 State Health Plan) Directs that for the 2015 State Health Plan, employer premiums will increase 3.9%; subscriber premiums will not

increase, and co-payments increases shall not exceed 9%. Authorizes PEBA to adjust the plan, benefits, or contributions during Plan Year 2015 to ensure the plan remains fiscally stable.

SUBCOMMITTEE RECOMMENDATION: CONFORM TO FUNDING RECOMMENDATION / AMEND proviso to update plan year to 2016; direct that employer premiums will increase 4.5%, subscriber premiums will not increase, and co-payments shall not increase.

108.6. (PEBA: FY 2015 2016 State Health Plan) Of the funds authorized for the State Health Plan in Plan Year 2015 2016 pursuant to Section 1-11-710(A)(2) of the 1976 Code, an employer premium increase of 3.9 4.5 percent and a subscriber premium increase of zero percent for each tier (subscriber, subscriber/spouse, subscriber/children, full family) will result for the standard State Health Plan in Plan Year 2016. Co payment increases Co-payments for participants of the State Health Plan in Plan Year 2015 2016 shall not exceed nine percent be increased. Notwithstanding the foregoing, pursuant to Section 1-11-710(A)(3), the Public Employee Benefit Authority may adjust the plan, benefits, or contributions of the State Health Plan during Plan Year 2015 2016 to ensure the fiscal stability of the Plan.

DELETE (Pharmacy Benefit Manager Audit) Directs PEBA to have a detailed report and an independent audit prepared by September 1, 2014 on its contract with Catamaran for Pharmacy Benefit Manager services to ensure fair and equitable reimbursement practices are being followed. Requires the independent auditor to have experience in conducting Pharmacy Benefit Manager Service Audits.

WMC: DELETE proviso. *Report has been submitted.* Requested by Public Employee Benefit Authority.

HOU: ADOPT deletion of proviso.

SUBCOMMITTEE RECOMMENDATION: ADOPT deletion of proviso.

108.10. (PEBA: Pharmacy Benefit Manager Audit) By September 1, 2014, the Public Employee Benefit Authority shall have prepared a detailed report and have prepared an independent audit of its contract with Catamaran for Pharmacy Benefit Manager services to ensure, among other things, that fair and equitable reimbursement practices are being followed. The independent auditor must have experience in conducting Pharmacy Benefit Manager services audits.

DELETE (Litigation Review) Requires PEBA submit a report to the Chairmen of the Senate Finance and House Ways and Means Committees by December 1, 2014 on the settlement between the State and the Bank of New York Mellon that provides review and comment on the settlement benefits for state employees and retirees.

WMC: DELETE proviso. *Report has been submitted.* Requested by Public Employee Benefit Authority.

HOU: ADOPT deletion of proviso.

SUBCOMMITTEE RECOMMENDATION: ADOPT deletion of proviso.

108.11. (PEBA: Litigation Review) The Public Employee Benefit Authority shall submit to the Chairman of the Senate Finance Committee and the Chairman of the House Ways and Means Committee, no later than December 1, 2014, a report on the settlement between the State of South Carolina and the Bank of New York Mellon that provides review and comment upon the benefits of the settlement for the employees and retirees of South Carolina. In conducting the review and preparing the report, the Public Employee Benefit Authority may use appropriated or available

funds as necessary to retain independent expert assistance, including legal counsel of its choosing.

DELETE (Self-Insured Group Health Benefits Plan) Directs that effective January 1, 2015, the self-insured group health benefits plan for state employees and retirees administered by PEBA shall reimburse pharmacies that participate in the State Health Plan's retail pharmacy network on an equal and uniform per-product basis whether the network is established via direct contract with the State Health Plan or via an authorized pharmacy benefit manager.

WMC: DELETE proviso. *Pricing for pharmacy was resolved with an amendment to the contract with the pharmacy benefit manager.* Requested by Public Employee Benefit Authority. **HOU:** ADOPT deletion of proviso.

SUBCOMMITTEE RECOMMENDATION: ADOPT deletion of proviso.

108.12. (PEBA: Self-Insured Group Health Benefits Plan) Effective January 1, 2015, the self-insured group health benefits plan for state employees and retirees established under Section 1-11-710 et seq. (the State Health Plan) and administered by the Public Employee Benefit Authority pursuant to Section 9-4-10 et seq. (PEBA) shall reimburse all pharmacies participating in the State Health Plan's retail pharmacy network on an equal and uniform per product basis. This requirement applies whether the network is established via direct contract with the State Health Plan or via an authorized pharmacy benefit manager.

108.cc ADD (Covered Contraceptives) **SUBCOMMITTEE RECOMMENDATION:** ADD new proviso to direct that the State Health Plan for 2016 shall not require co-pays for contraceptives.

<u>108.cc.</u> (PEBA: Covered Contraceptives) In its Plan of Benefits effective January 1, 2016, the State Health Plan shall not apply patient cost sharing provisions to covered contraceptives. This provision does not alter the current approved list of contraceptives and complies with the requirements of proviso 108.4.

SECTION 117 - X90-GENERAL PROVISIONS

117.108 DELETE (Fiduciary Audit) Requires PEBA to transfer \$700,000 to the Office of Inspector General for the hiring of a private audit firm to perform the required fiduciary audit on the authority.

WMC: DELETE proviso.

HOU: ADOPT deletion of proviso.

SUBCOMMITTEE RECOMMENDATION: ADOPT deletion of proviso.

117.108. (GP: Fiduciary Audit) Of the funds authorized for the Public Employee Benefit Authority, the authority shall transfer \$700,000 to the Office of Inspector General. The funds transferred shall be utilized by the Inspector General to employ a private audit firm to perform the fiduciary audit on the Public Employee Benefit Authority as required by Section 9-4-40 of the 1976 Code, as amended.

117.121 ADD (PEBA Fiduciary Audit) **WMC:** ADD new proviso to suspend Section 9-4-40 for the current fiscal year, which requires the Inspector General to employ a private audit firm to perform a fiduciary audit on PEBA.

HOU: ADOPT new proviso.

SUBCOMMITTEE RECOMMENDATION: ADOPT new proviso.

117.121. (GP: PEBA Fiduciary Audit) For the current fiscal year, the provisions of Section 9-4-40 requiring the Inspector General to employ a private audit firm to perform the fiduciary audit on the Public Employee Benefit Authority as required by section 9-4-40 of the 1976 Code shall be suspended.

117.122 AMEND NEW PROVISO (ABLE Savings Expense Fund Program) **WMC:** ADD new proviso to establish the South Carolina ABLE Savings Expense Fund in the Office of the State Treasurer to allow for tax-exempt savings accounts for disability-related expenses for individuals entitled to benefits based on blindness or disability under specific titles of the Social Security Act or for individuals with a disability certification signed by a physician.

HOU: ADOPT new proviso.

SUBCOMMITTEE RECOMMENDATION: AMEND new proviso to change reference from "ABLE Savings Expend Fund" to "ABLE Savings Program." Define an eligible individual as one who is entitled to benefits based on blindness or disability pursuant to specific U.S.C. sections and specify that the blindness or disability must have occurred before the individual was 26 years of age or the individual has a disability certification filed with the Secretary of the U.S. Treasury for a taxable year and define qualifying disability expenses. Authorize the program to be advertised, but prohibit any constitutional officer, state agency director, or staff from using their name or appearance in the advertisement.

117.122. (GP: ABLE Savings Expense Fund Program) For the current fiscal year, the South Carolina ABLE Saving Expense Fund Savings Program is established in the Office of the State Treasurer to allow for tax-exempt savings accounts for disability-related expenses for eligible individuals defined as being entitled to benefits based on blindness or disability under Title II or XVI of the Social Security Act, or individuals with a disability certification, which must state that "the individual has a medically determinable physical or mental impairment. which results in marked and severe functional limitations, and which can be expected to result in death or which has lasted or can be expected to last for a continuous period of not less than 12 months," or is blind. The certification must include the diagnosis and be signed by a physician an individual who is entitled to benefits based on blindness or disability pursuant to 42 U.S.C. Section 401 et seg. or 42 U.S.C. Section 1381, as amended, and the blindness or disability occurred before the date on which the individual attained age twenty-six, or an individual with respect to which a disability certification to the satisfaction of the Secretary of the United States Treasury is filed with the Secretary for a taxable year. Qualifying disability expenses are any qualified disability expense included in Section 529A of the federal Internal Revenue Code of 1986, as amended. Advertisement of the program is permissible but such advertisement is prohibited from the use of the name or appearance of any constitutional officer, state agency director or staff.

117.125 CONFORM TO FUNDING (Employee Compensation) WMC: ADD new proviso to provide a plan to distribute employee pay increases for FY 15-16 in the amount of 0%. Direct allocations associated with the increases for retirement employer contributions be based on the rate of the retirement system in which employees participate. Authorize the use of funding for statewide employer contributions for other statewide purposes and allow carry forward of those funds. *Moved from section 93, proviso 93.24.*

HOU: ADOPT new proviso.

SUBCOMMITTEE RECOMMENDATION: CONFORM TO FUNDING RECOMMENDATION.

- 117.125. (GP: Employee Compensation) The amounts appropriated to the Department of Administration for Employee Pay Increases must be allocated by the department to the various state agencies to provide for employee pay increases in accordance with the following plan:
- (1) With respect to classified and nonjudge 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 percent.
- (2) With respect to unclassified and nonjudge 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 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 percent.
- (4) With respect to local health care providers compensation increases shall be zero percent effective on the first pay date that occurs on or after July first of the current fiscal year. With respect to Area Agencies on Aging funded by the Lieutenant Governor's Office on Aging, compensation shall be increased by zero 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 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 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 percent.

The Department of Administration 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 State Fiscal Accountability Authority is authorized to use excess appropriations for the current fiscal year designated for statewide employer contributions for other statewide purposes. At the discretion of the Executive Director of the State Fiscal Accountability Authority, such action may be considered a permanent transfer into the receiving agency's base budget.

<u>Funds appropriated in Part IA, F30, Section 106, Statewide Employee Benefits may be carried forward from the prior fiscal year into the current fiscal year.</u>

117.126 ADD (Sickle Cell Disease Study Committee) HOU: ADD new proviso to create a 13 member Sickle Cell Disease Study Committee to examine existing services and resources available to children and adults with the disease. Direct the committee to establish partnerships with institutions and communities for a statewide network of service providers and a comprehensive education and treatment program for adults with the disease, and to establish standardized treatment and emergency room protocols. Direct that staff be provided from the House Medical, Military and Municipal Affairs and the Senate Medical Affairs Committees. Direct findings and recommendations be reported to the General Assembly and the Governor by June 30, 2016, at which time the study committee will be dissolved. Sponsors: Reps. King, M.S. McLeod, Hart, and Henegan.

SUBCOMMITTEE RECOMMENDATION: ADOPT new proviso.

117.126. (GP: Sickle Cell Disease Study Committee) Of the funds authorized and appropriated to the Department of Health and Environmental Control, a Sickle Cell Disease Study Committee shall be created and charged with better serving adults with sickle cell disease (SCD), health care providers, and the public about State care and treatment. The committee is to examine existing services and resources available to children with the disease as well as adults with the disease. Additionally, the committee is to establish partnerships with institutions, and communities, a statewide network of service providers for adults with the disease; a comprehensive education and treatment program for adults, as well as establish standardized treatment and emergency room protocols.

Membership of the committee shall be comprised of thirteen members as follows:

- (1) one researcher or physician from the Medical University of South Carolina specializing in hematology;
- (2) one researcher or physician from the Children's Hospital Sickle Cell Clinic at the Medical University of South Carolina;
 - (3) one citizen with Sickle Cell Disease;
 - (4) one parent or caregiver of an individual with Sickle Cell Disease;
 - (5) the Executive Director of the SC Hospital Association or their designee;
 - (6) the President of the South Carolina Medical Association or their designee;
 - (7) the Superintendent of Education or their designee;
- (8) the Director of the Department of Health and Environmental Control or their designee;
 - (9) the Director of the Department of Health and Human Services or their designee;
- (10) two members of the House of Representatives appointed by the Speaker of the House, one of whom the Speaker shall designate as a co-chair of the study committee; and
- (11) two members of the Senate appointed by the President Pro Tempore of the Senate, one of whom the President Pro Tempore shall designate as a co-chair of the study committee.

The study committee also may invite representatives of nonprofit entities with expertise regarding Sickle Cell Disease to participate in the study committee process.

<u>The House of Representatives Medical, Military and Municipal Affairs Committee and the Senate Medical Affairs Committee shall designate staff to assist the study committee.</u>

The study committee shall provide a report with findings and recommendations to the General Assembly and the Governor by June 30, 2016, at which time the study committee shall dissolve.

SECTION 118 - X91-STATEWIDE REVENUE

118.10 AMEND (Tax Relief Reserve Fund) Creates the Tax Relief Reserve Fund; directs that accrued interest remain in the fund; and directs the State Treasurer, on December 31, 2014, to transfer from the General Fund any funds identified in this act designated for the Tax Relief Reserve Fund. Directs that the fund may only be used to provide tax relief to businesses and individuals as provided by law and authorizes these funds to be retained, carried forward, and used for the same purpose.

WMC: AMEND proviso to change year reference to "2015."

HOU: ADOPT proviso as amended.

SUBCOMMITTEE RECOMMENDATION: ADOPT proviso as amended.

118.10. (SR: Tax Relief Reserve Fund) There is created the Tax Relief Reserve Fund, which shall be separate and distinct from the General Fund. Interest accrued by the fund must remain in

the fund. Notwithstanding any other provision of law, on December 31, 2014 2015, the State Treasurer shall transfer funds identified in this act from the General Fund to the Tax Relief Reserve Fund. These funds may only be used to provide tax relief to businesses and individuals as provided by law. Funds within the Tax Relief Reserve Fund shall be retained and carried forward to be used for the same purpose.

118.12 CONFORM TO FUNDING (Tobacco Settlement) Directs expenditure of Tobacco Master Settlement Agreement (MSA) funds for Fiscal Year 2014-15.

WMC: AMEND proviso update fiscal year references to "2015-16" and delete \$1,500,000 to the Department of Agriculture. Amount required to be directed to the Department of Agriculture has been satisfied.

HOU: ADOPT proviso as amended.

SUBCOMMITTEE RECOMMENDATION: CONFORM TO FUNDING RECOMMENDATION.

- **118.12.** (SR: Tobacco Settlement) (A) To the extent funds are available from payments received on behalf of the State by the Tobacco Settlement Revenue Management Authority from the Tobacco Master Settlement Agreement ("MSA") during Fiscal Year 2014-15 2015-16, the State Treasurer is authorized and directed, after transferring funds sufficient to cover the operating expenses of the Authority, to transfer the remaining funds as follows:
- (1) \$1,253,000 to the Attorney General's Office for Diligent Enforcement and Arbitration Litigation; \$450,000 to the State Law Enforcement Division for Diligent Enforcement; and \$325,000 to the Department of Revenue for Diligent Enforcement, all to enforce Chapter 47 of Title 11, the Tobacco Escrow Fund Act; *and*
- (2) \$1,500,000 to the Department of Agriculture pursuant to Section 11-49-55 of the 1976 Code; and
- (3) (2) The remaining balance shall be transferred to the Department of Health and Human Services for the Medicaid program.
- (B) The requirements of Section 11-11-170 of the 1976 Code shall be suspended for Fiscal Year 2014-15 2015-16.
- **DELETE** (Nonrecurring Revenue) Appropriates non-recurring revenue to various agencies for Fiscal Year 2014-15, generated from specific sources.

WMC: DELETE proviso.

HOU: ADOPT deletion of proviso.

SUBCOMMITTEE RECOMMENDATION: ADOPT deletion of proviso.

- **118.13.** (SR: Nonrecurring Revenue) (A) The source of revenue appropriated in subsection (B) is nonrecurring revenue generated from the following sources:
 - (1) \$68,370,147 from Fiscal Year 2012-13 Contingency Reserve Fund;
- (2) \$165,016,789 from Fiscal Year 2013-14 unobligated general fund revenue as certified by the Board of Economic Advisors; and
 - (3) \$2,288,513 from Fiscal Year 2013-14 Capital Reserve Fund lapse.

This revenue is deemed to have occurred and is available for use in Fiscal Year 2014-15 after September 1, 2014, following the Comptroller General's close of the state's books on Fiscal Year 2013-14.

Any restrictions concerning specific utilization of these funds are lifted for the specified fiscal year. The above agency transfers shall occur no later than thirty days after the close of the books on Fiscal Year 2013-14 and shall be available for use in Fiscal Year 2014-15.

(B) The appropriations in this provision are listed in priority order. Item (1) must be funded first and each remaining item must be fully funded before any funds are allocated to the next item. Provided, however, that any individual item may be partially funded in the order in which it appears to the extent that revenues are available.

The State Treasurer shall disburse the following appropriations by September 30, 2014, for the purposes stated:

(1) General Reserve Fund Contribution	\$ 26,589,048;
(2) V04 - Debt Service	
Debt Service Payments	\$ 21,767,082;
(3) E28 - Election Commission	
(a) Security and Technology Enhancements	\$ 100,000;
(b) Statewide Election Funds	\$ 456,323;
(c) Equal Access to the Ballot (S.2)	\$ 245,000;
(4) A85 - Education Oversight Committee	
(a) Partnerships for Innovation-Transform SC	\$ 200,000;
(b) School Efficiency Review Proviso 1.79	\$ 300,000;
(c) EOC Education Pilot Program Proviso 1.78	\$ 1,000,000;
(5) H63 - Department of Education	
(a) Hold-Harmless Transition Payments with EOC	
Funding Model	\$ 5,047,659;
(b) Hold Harmless Transition Payments Charter Schools	\$ 1,500,000;
(c) Digital Instructional Materials	\$ 7,000,000;
(d) Teacher Training for Technology	\$ 4,000,000;
(e) Charter School Facility Revolving Loan Program	
(f) BabyNet Data System Required Upgrades	\$ 838,100;
(g) Governor's School for the Arts and Humanities Humidity	
Control in Residence Hall	\$ 55,000;
(h) Governor's School for the Arts and Humanities Classroom	
Reconfiguration	\$ 55,000;
(i) Instructional Materials	\$ 1,666,161;
(j) Transportation	\$ 1,000,000;
(k) SDE CDEPP	\$ 910,000;
(1) First Steps CDEPP	\$ 490,000;

(5.1) Of the funds appropriated above in subitem (5)(a) to the Department of Education for Hold Harmless Transition Payments, the department is directed to provide funds to the districts that will not receive an increase in Education Finance Act funds as a result of the Education Finance Act transition. The funds are to be disbursed to districts as a direct reimbursement for lost EFA revenue only during Fiscal Year 2014-15.

(5.2) Of the funds appropriated above in subitem (5)(b) to the Department of Education for Hold Harmless Transition Payments to Charter Schools, the department is directed to provide funds to the charter schools sponsored by a local school district and located in districts that do not receive transition funds that will not receive an increase in Education Finance Act funds as a result of the Education Finance Act transition. The funds are to be disbursed to districts as a direct reimbursement for lost EFA revenue only during Fiscal Year 2014-15. If any excess funds exist, they must be transferred to the Charter School Revolving Loan Program.

(5.3) Of the funds appropriated above in subitem (5)(d) to the Department of Education for Teacher Training for Technology, each school district or special school shall receive a proportional allocation based on the previous year's one hundred thirty five day average daily membership. The district must use these funds to provide teachers with professional development specifically related to Teacher Training for Technology. These funds may not be

used to supplant existing school district expenditures. By June 1, 2015, and on a form specified by the Department of Education, each school district or special school must report to the department on the amounts of state funds and any local funds expended on such training and describe the types of professional development and training provided to teachers and the number of teachers that participated.

(5.4) The funds appropriated above in subitem (5)(k) and (5)(l) for CDEPP must only be used for nonrecurring expenses related to the retrofitting of new CDEPP classrooms.

H59 - State Board for Technical and Comprehensive Education	
(a) Critical Needs Workforce Development Initiative	\$ 2,000,000;
(b) Technical College of the Lowcountry-Transitioning	
Military Support and Training Program; Building 16	
Renovation, Parking and Road Improvements	
(c) Aiken Technical College-Renovation of IT Infrastructure	\$ 608,500;
(d) Tri County Technical College CNC and Mechatronics	
Programs	\$ 1,000,000;
(e) Florence-Darlington Technical College-Automotive	
Technology Program Equipment	\$ 1,750,000;
(f) Midlands Technical College Quick Jobs Program	\$ 750,000;
(g) Spartanburg Community College Cherokee Campus-	
Advanced Manufacturing and Industrial Equipment	\$ 500,000;
(h) Central Carolina Technical College-Kershaw Campus	\$ 844,513;
(i) Central Carolina Technical College-Industrial Building	
Renovation	\$ 750,000;
(j) Orangeburg-Calhoun Technical College-Health Sciences	
and Nursing Building Annex	\$ 1,000,000;
(k) Spartanburg Community College Academic Student	
Services Building	\$ 750,000;
(1) Horry-Georgetown Technical College Culinary	
Arts Building	\$ 1,750,000;
(m) Midlands Technical College Building Capacity for	
STEM Education	\$ 750,000;
(n) Williamsburg Technical College Facilities	
Management Building	\$ 750,000;

(6.1) Of the funds appropriated above in subitem (6)(a), the State Board for Technical and Comprehensive Education shall fund a pilot program at Tri-County Tech and a pilot program at Central Carolina Tech designed to address workforce shortages in South Carolina's manufacturing community. These pilot programs shall at a minimum create a process by which local high school students can dual enroll in class offerings at the technical college so that they can graduate high school with a manufacturing certification.

(6.2) Of the funds appropriated above in subitem (6)(b), \$200,000 shall be allocated to the Transitional Workforce Education Assistance Collaborative (TWEAC) to be used by the collaborative to provide workforce services to armed services personnel transitioning from military to civilian careers. Funds allocated to TWEAC for this purpose shall complement, and be provided in conjunctions with, training programs provided at the Technical College of the Lowcountry.

(7) P32 - Department of Commerce	
(a) Deal Closing Fund\$	12,406,874;
(b) Columbia Minority Business Development Agency\$	60,000;
(c) Railroad Spur - I 26/95.	600,000;

500,000;

(d) Lexington County Water and Wastewater.....\$

(e) Capital IT oLogy Coursepower Project.....\$

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(f) Marion County Workforce Training Facility		
(g) 340 Industrial Park	\$	750,000;
(8) H87 - State Library		
Aid to Counties Per Capita \$1.25	\$	1,341,395;
(9) P36 Patriots Point Development Authority		
Medal of Honor Museum	\$	1,000,000;
(10) J04 - Department of Health and Environmental Control		
(a) Best Chance/Colon Cancer Networks		
(b) J.R. Clark Sickle Cell Foundation		
(c) Bleeding Disorders-Premium Assistance Program	\$	100,000;
(d) Ocean Water Quality Outfall Initiative	\$	500,000;
(e) Sea Haven	\$	250,000;
(f) Water Quality	\$	3,575,700;
(g) Public Swimming Pool ADA Compliance Walhalla	\$	100,000;
(h) Donate Life Organ Donor Registry	\$	50,000;
(i) Outreach Program for Continued Testing of TB Victims	\$	125,000;
(i) City of Laurens-Asbestos Abatement		
(k) City of Cayce-Chemical Fire Rehabilitation	\$	100,000;
(k) City of Cayce Chemical Fire Rehabilitation(10.1) Of the funds appropriated above in subitem (10)(a), the Depa		
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(10.1) Of the funds appropriated above in subitem (10)(a), the Department of the funds appropriated above in subitem (10)(a), the Department of the funds appropriated above in subitem (10)(a), the Department of the funds appropriated above in subitem (10)(a), the Department of the funds appropriated above in subitem (10)(a), the Department of the funds appropriated above in subitem (10)(a), the Department of the funds appropriated above in subitem (10)(a), the Department of the funds appropriated above in subitem (10)(a), the Department of the funds appropriated above in subitem (10)(a), the Department of the funds appropriated above in subitem (10)(b), the Department of the funds appropriated above in subitem (10)(b), the Department of the funds appropriated above in subitem (10)(b), the Department of the funds appropriated above in subitem (10)(b), the Department of the funds appropriated above in subitem (10)(b), the Department of the funds appropriated above in subitem (10)(b), the Department of the funds appropriated above in subitem (10)(b), the Department of the funds appropriated above in subitem (10)(b), the Department of the funds appropriated above in subitem (10)(b), the Department of the funds appropriated above in subitem (10)(b), the Department of the funds appropriated above in subitem (10)(b), the Department of the funds appropriated above in subitem (10)(b), the Department of the funds appropriated above in subitem (10)(b), the Department of the funds appropriated above in subitem (10)(b), the Department of the funds appropriated above in subitem (10)(b), the Department of the funds appropriated above in subitem (10)(b), the Department of the funds appropriated above in subitem (10)(b), the Department of the funds appropriated above in subitem (10)(b), the Department of the funds appropriated above in subitem (10)(b), the Department of the funds appropriated above in subitem (10)(b), the Department of the funds appropriated above in subitem (10)(b), the Department of the funds appropriated abo	rtmen	t of Health and
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(10.1) Of the funds appropriated above in subitem (10)(a), the Departmental Control shall utilize \$1,000,000 for the Best Chance Network be used as matching funds for the Colon Cancer Prevention Network. (11) P28 — Department of Parks, Recreation, and Tourism (a) — Palmetto Trail	rtmen rk and\$\$\$	t of Health and 1\$500,000 shall
(10.1) Of the funds appropriated above in subitem (10)(a), the Departmental Control shall utilize \$1,000,000 for the Best Chance Network be used as matching funds for the Colon Cancer Prevention Network. (11) P28 — Department of Parks, Recreation, and Tourism (a) Palmetto Trail (b) Sports Development Fund (c) Marketing International (d) Greenville Children's Museum	\$\$\$\$	150,000; -2,000,000; -400,000; -150,000;
(10.1) Of the funds appropriated above in subitem (10)(a), the Departmental Control shall utilize \$1,000,000 for the Best Chance Network be used as matching funds for the Colon Cancer Prevention Network. (11) P28 Department of Parks, Recreation, and Tourism (a) Palmetto Trail (b) Sports Development Fund (c) Marketing International (d) Greenville Children's Museum (e) African American History Museum (f) Football Exhibition Games		150,000; -2,000,000; -2,000,000; -400,000; -150,000; -5,000,000; -300,000;
(10.1) Of the funds appropriated above in subitem (10)(a), the Departmental Control shall utilize \$1,000,000 for the Best Chance Network be used as matching funds for the Colon Cancer Prevention Network. (11) P28 Department of Parks, Recreation, and Tourism (a) Palmetto Trail (b) Sports Development Fund (c) Marketing International (d) Greenville Children's Museum (e) African American History Museum (f) Football Exhibition Games		150,000; -2,000,000; -2,000,000; -400,000; -150,000; -5,000,000; -300,000;
(10.1) Of the funds appropriated above in subitem (10)(a), the Departmental Control shall utilize \$1,000,000 for the Best Chance Network be used as matching funds for the Colon Cancer Prevention Network. (11) P28 — Department of Parks, Recreation, and Tourism (a) Palmetto Trail		150,000; -2,000,000; -2,000,000; -400,000; -150,000; -5,000,000; -300,000; -100,000;
(10.1) Of the funds appropriated above in subitem (10)(a), the Departmental Control shall utilize \$1,000,000 for the Best Chance Network be used as matching funds for the Colon Cancer Prevention Network. (11) P28 — Department of Parks, Recreation, and Tourism (a) Palmetto Trail (b) Sports Development Fund (c) Marketing International (d) Greenville Children's Museum (e) African American History Museum (f) Football Exhibition Games (g) SC Equine Park (h) Historic Columbia Woodrow Wilson Family Home		150,000; -2,000,000; -2,000,000; -400,000; -150,000; -5,000,000; -100,000; -250,000;
(10.1) Of the funds appropriated above in subitem (10)(a), the Departmental Control shall utilize \$1,000,000 for the Best Chance Network be used as matching funds for the Colon Cancer Prevention Network. (11) P28 — Department of Parks, Recreation, and Tourism (a) Palmetto Trail		150,000; -2,000,000; -2,000,000; -400,000; -150,000; -5,000,000; -100,000; -250,000; -1,000,000;
(10.1) Of the funds appropriated above in subitem (10)(a), the Departmental Control shall utilize \$1,000,000 for the Best Chance Network be used as matching funds for the Colon Cancer Prevention Network. (11) P28 — Department of Parks, Recreation, and Tourism (a) — Palmetto Trail		150,000; -2,000,000; -2,000,000; -400,000; -150,000; -5,000,000; -100,000; -250,000; -1,000,000; -200,000;
(10.1) Of the funds appropriated above in subitem (10)(a), the Departmental Control shall utilize \$1,000,000 for the Best Chance Network be used as matching funds for the Colon Cancer Prevention Network. (11) P28 — Department of Parks, Recreation, and Tourism (a) Palmetto Trail		150,000; 2,000,000; 150,000; 2,000,000; 150,000; 150,000; 300,000; 100,000; 250,000; 1,000,000; 200,000; 50,000;
(10.1) Of the funds appropriated above in subitem (10)(a), the Departmental Control shall utilize \$1,000,000 for the Best Chance Network be used as matching funds for the Colon Cancer Prevention Network. (11) P28 — Department of Parks, Recreation, and Tourism (a) Palmetto Trail		150,000; 2,000,000; 2,000,000; 400,000; 150,000; 5,000,000; 100,000; 250,000; 1,000,000; 200,000; 50,000; 75,000;
(10.1) Of the funds appropriated above in subitem (10)(a), the Departmental Control shall utilize \$1,000,000 for the Best Chance Network be used as matching funds for the Colon Cancer Prevention Network. (11) P28 — Department of Parks, Recreation, and Tourism (a) Palmetto Trail (b) Sports Development Fund (c) Marketing International (d) Greenville Children's Museum (e) African American History Museum (f) Football Exhibition Games (g) SC Equine Park (h) Historic Columbia Woodrow Wilson Family Home (i) Parks and Recreation Development Program (j) Southeastern Wildlife Expo (k) State Park Fire Department Jones Gap (l) Town of Eastover Historic Site Preservation	s s s s s s	150,000; 2,000,000; 2,000,000; 400,000; 150,000; 5,000,000; 100,000; 250,000; 1,000,000; 200,000; 50,000; 75,000; 100,000;

(11.1) Of the funds appropriated above in subitem (11)(b), the Department of Parks Recreation and Tourism shall make grant awards available to youth sport organizations. All grant awards must be matched dollar for dollar with a non-state match. Organizations must be able to demonstrate an annual economic impact that exceeds the award amount.

(o) Undiscovered South Carolina....\$
(p) Shaw Air Force Base Welcome Center....\$

(q) Black Expo\$

(11.2) Of the funds appropriated above in subitem (11)(c), the Department of Parks Recreation and Tourism must use \$200,000 as match for the Coastal, South Carolina USA international tourism campaign; and \$100,000 shall be sent to the Myrtle Beach Area Chamber for International Tourism.

(11.3) Of the funds appropriated above in subitem (11)(i), the Department of Parks, Recreation and Tourism must distribute and administer the funds in accordance with Chapter 23 of Title 51 of the South Carolina Code of Laws.

(11.4) Of the funds appropriated above in subitem (11)(q), the Department of Parks, Recreation and Tourism shall distribute the funds to the Black Expo, which shall allocate the funds equally between the Columbia, Charleston, and Upstate Expos. The funds shall be used specifically for marketing and promotion of the Expos.

(12) X22 - Local Government Fund, State Treasurer		
Local Government Fund	\$	25,000,000;
(13) U20 - County Transportation Funds		20,000,000,
Allocation to Counties	\$	13.500.000:
(14) H71 - Wil Lou Gray Opportunity School		10,000,000,
Paving	\$	350,000;
(15) Y14 - State Ports Authority		220,000,
Jasper Port Development	\$	1 200 000·
(16) H03 - Commission on Higher Education		1,200,000,
(a) Need Based Grants	\$	2.600.000:
(b) Child Abuse Medical Response Program		, , ,
(c) Lowcountry Graduate Center	\$	300.000 :
(17) H09 - The Citadel		200,000,
(a) Higher Education Efficiency, Effectiveness and		
Accountability Review	\$	81,290;
(b) Mechanical Engineering Lab and Equipment		
(18) H12 - Clemson University		
(a) Higher Education Efficiency, Effectiveness and		
Accountability Review	\$	596,066;
(b) Main Campus Electrical Infrastructure Maintenance	·	, ,
and Improvements	\$	1,118,674;
(19) H15 - University of Charleston		
(a) Higher Education Efficiency, Effectiveness and		
Accountability Review	\$	176,755;
(b) Simons Center for the Arts Renovation		
(c) Acquisition of Surplus Property		
(20) H17 - Coastal Carolina University		
(a) Higher Education Efficiency, Effectiveness and		
Accountability Review	\$	81,842;
(b) Parity Funding	\$	406,395;
(c) Science Center Complex		
(21) H18 - Francis Marion University		
(a) Higher Education Efficiency, Effectiveness and		
Accountability Review	\$	107,372;
(b) Repair and Maintenance Classroom Buildings		
Renovations	\$	139,583;
(c) Physician Assistant Degree Program	\$	23,000;
(d) Founders Hall Renovation		1,500,000;
(22) H21 - Lander University		
(a) Higher Education Efficiency, Effectiveness and		
Accountability Review	Φ	55.058
	Ψ	33,730,

(23) H24 - South Carolina State University		
Efficiency Process Improvements	\$	496,235;
(24) H27 University of South Carolina Columbia Campus		
(a) Higher Education Efficiency, Effectiveness and		
Accountability Review	\$	971,902;
(b) On Your Time		1,218,674;
(25) H29 - University of South Carolina Aiken Campus		
(a) Higher Education Efficiency, Effectiveness and		
Accountability Review	\$	58,922;
(b) Parity Funding		200,000;
(26) H34 - University of South Carolina Upstate Campus		, ,
(a) Higher Education Efficiency, Effectiveness and		
Accountability Review	<u>\$</u>	82,157;
(b) Parity Funding	<u>\$</u>	250,000;
(27) H36 - University of South Carolina Beaufort Campus	**********	,,,,,,,,
(a) Higher Education Efficiency, Effectiveness and		
Accountability Review	\$	23,779;
(b) Parity Funding		200,000;
(28) H37 University of South Carolina Lancaster Campus	••••••	200,000,
(a) Parity Funding	\$	148,720;
(b) Repair and Renewal for Science Labs and Nursing	ψ	140,720,
Simulation	\$	495,000;
(29) H38 - University of South Carolina Salkehatchie Campus	ψ	
Parity Funding	•	118,720;
(30) H40 University of South Carolina Union Campus	φ	110,720,
Parity Funding	•	59,360;
(31) H47 Winthrop University	ψ	37,300,
(a) Higher Education Efficiency, Effectiveness and		
Accountability Review	•	81,917;
(b) Visual and Performing Arts Center Accreditation/	ψ	01,717,
ADA Access	4	750 000.
(c) Withers/WTS Building Maintenance and Repairs	Ф	750,000; 159,738;
	Ф	139,730,
(32) H51 Medical University of South Carolina		
(a) Higher Education Efficiency, Effectiveness and	¢	252 925.
Accountability Review		
(b) Tele Medicine		
(c) Institute of Medicine		
(d) Mobile Cancer Screening		
(32.1) Of the funds appropriated above in subitem (32)(d), the Med	ical Univ	ersity of Sou
Carolina shall collaborate with the Clemson Sullivan Health Center's	mobile 1	unit to provic
ervices.		
(33) H53 - Area Health Education Consortium		200.000
Office of Healthcare Workforce and Analysis Planning	\$	200,000;
(34) H79 - Department of Archives and History		
(a) Digital Access and Storage Initiative Operations		
(b) Marine Artifacts		
(34.1) Of the funds appropriated above in subitem (34)(b), the Department (34)(b), the Department (34)(b), the Department (34)(b) appropriated above in subitem (34)(b) appropriated above in subite		
listory shall transfer these funds to the Institute of Archeology and	d Anthro	opology at tl
Iniversity of South Carolina		

University of South Carolina.

(35) H95 State Museum Commission		
(a) Acquisitions	\$	200,000;
(b) Information Technology		75,000;
(36) J02 Department of Health and Human Services		,,,,,,,,,
(a) Medicaid Program (MOE)	\$	22.000.000:
(b) Medical Contracts		650,000;
(c) Palmetto Project		100,000;
(37) J12 - Department of Mental Health	•••••Ψ	100,000,
Waccamaw Center for Mental Health	\$	167 000·
(37.1) Of the funds appropriated above in item (37), the Department		
allocate these funds to the Waccamaw Center for Mental Health for the tra		
for the purchase of materials and assessment tools in diagnosing and treat		
Transition in the coastal areas and throughout the state.	ing Di	D and Touth in
(38) J16 Department of Disabilities and Special Needs		
(a) Lander University Therapeutic Equestrian Center		
* * *	¢	200 000.
Burton Center		, ,
(b) Autism Services		1,130,000;
(c) Special Needs Park - Savannah's Playground-	Ф	200.000
Myrtle Beach		
(d) Charles Lea Center	\$	100,000;
(39) J20 Department of Alcohol and Other Drug Abuse Services		
(a) Keystone Alcohol and Drug Abuse Capital		
Improvement-Rock Hill		750,000;
(b) Circle Park-Florence County-Alcohol and Drug Abuse		200,000;
(c) Phoenix Center Serenity Place	\$	750,000;
(40) L04 - Department of Social Services		
(a) Phillis Wheatley Center Let's Move Summer Camp		
and After School Program		100,000;
(b) Pendleton Place for Children		50,000;
(c) Pleasant Valley Connection Community Center		25,000;
(d) C. R. Neal Center		100,000;
(e) Antioch Senior Center	\$	150,000;
(41) P16 - Department of Agriculture		
Laboratory Equipment	\$	375,000;
(42) P26 - Sea Grants Consortium		
Stormwater Research Partnership	\$	100,000;
(43) B04 - Judicial Department		
(a) Calhoun and Supreme Court Building Security	\$	850,000;
(b) Digital Court Room Equipment	\$	210,000;
(c) Disaster Recovery		
(44) D10 - State Law Enforcement Division		
(a) Child Fatality	\$	167,432;
(b) Forensics		141.736;
(c) Alcohol Enforcement		711,586;
(45) E21 - Prosecution Coordination Commission		. ,,
SC Center for Fathers and Families	\$	400,000;
(46) K05 Department of Public Safety	Ψ	
(a) Law Enforcement Vehicle Replacement		2.000 000·
(b) Highway Patrol Mobile Data Equipment		
(c) Local Law Enforcement Grants		
(c) Local Law Emoreciment Orans	 Ψ	-000,000,

(47) N04 Department of Corrections	
(a) Camera Equipment and Network System Lee	
Correctional Institution\$ 2,262,000;	
(b) Construction of Three Perimeter Towers Lieber	
Correctional Institution\$ 450,000;	
(c) Weapons Replacement Phase III\$ 40,000;	
(48) P24 Department of Natural Resources	
(a) Coastal and Offshore Mapping and Water Monitoring\$ 300,000;	
(b) Law Enforcement Vehicle Replacement\$ 450,000;	
(c) Drill Rig/Water Truck	
(d) Waddell Center Infrastructure \$\ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \	
(e) License Term Conversion \$ 2,700,000;	
(f) State Lakes	
(g) Fort Johnson Boat Slip Dredging	
(h) Water Study Outreach \$ 100,000;	
(i) Lake Paul A. Wallace Authority\$ 150,000;	
(48.1) Of the funds appropriated above in subitem (48)(e), the Department of Natu	
Resources must use these funds to transition freshwater fishing and hunting licenses to 365 E	-
License expiration for annual licenses. It is the intent of the General Assembly for all or part	
these funds to be paid back to the General Fund after the 365 Day License transition has occur	red
and the revenue has stabilized.	
(49) R36 - Department of Labor, Licensing, and Regulation	
Urban Search and Rescue (USAR)\$ 250,000;	
(50) E04 - Lieutenant Governor's Office	
Caregivers \$ 2,000,000;	
(51) E08 - Office of Secretary of State	
(51) E08 Office of Secretary of State Disaster Recovery Image Digitization Phase II\$ 97,800;	
Disaster Recovery Image Digitization Phase II\$ 97,800; (52) E24—Office of Adjutant General	
Disaster Recovery Image Digitization Phase II\$ 97,800;	
Disaster Recovery Image Digitization Phase II\$ 97,800; (52) E24—Office of Adjutant General	
Disaster Recovery Image Digitization Phase II\$ 97,800; (52) E24—Office of Adjutant General Major Projects and Repairs State Armories\$ 1,000,000;	
Disaster Recovery Image Digitization Phase II\$ 97,800; (52) E24—Office of Adjutant General Major Projects and Repairs State Armories\$ 1,000,000; (53) F03—Budget and Control Board	
Disaster Recovery Image Digitization Phase II\$ 97,800; (52) E24 Office of Adjutant General Major Projects and Repairs State Armories\$ 1,000,000; (53) F03 Budget and Control Board Cherry Grove Building Roof Repair\$ 150,000;	
Disaster Recovery Image Digitization Phase II	
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Disaster Recovery Image Digitization Phase II	and an ses dit ody

be transferred or used for any other purpose.

bidding process as set forth in the State's Consolidated Procurement Code. These funds may not

Unexpended funds appropriated pursuant to this subsection may be carried forward to succeeding fiscal years and expended for the same purposes.

(C) The funds provided in this act for the Higher Education Efficiency, Effectiveness and Accountability Review shall be utilized by a thirteen member steering committee to procure, execute, and oversee implementation of the South Carolina Higher Education Efficiency, Effectiveness and Accountability Review. The committee shall serve as the primary client for the vendor selected to complete the review. When selecting the vendor, the committee must follow the competitive bidding process as set forth in the State's Consolidated Procurement Code. Appointments to the committee shall include:

- (1) the Speaker of the House of Representatives or his designee;
- (2) the Chairman of the House Ways and Means Committee or his designee;
- (3) the Majority Leader of the House of Representatives or his designee;
- (4) The Minority Leader of the House of Representatives or his designee;
- (5) the President Pro Tempore of the Senate or his designee;
- (6) the Chairman of the Senate Finance Committee or his designee;
- (7) the Majority Leader of the Senate or his designee;
- (8) the Minority Leader of the Senate or his designee;
- (9) the Governor or her designee;
- (10) the Executive Director of the Commission on Higher Education; and
- (11) a college or university president, a college or university trustee and a college or university chief financial officer, each selected by a majority vote of the Commission on Higher Education.

The committee shall notify institutions of the amount of the funds to be transferred to the committee to complete the review, and institutions shall transfer the funds. However, the committee may not request an amount from an institution that exceeds the amount provided to it in this act for this purpose.

To the extent that there are direct costs associated with implementation of the vendors recommendations, funds not utilized by the committee for the review shall be used by institutions to implement the vendor's recommendations. Further, any funds transferred to the committee from institutions, but not utilized by the committee for the review, must be transferred back to the institutions and shall only be used by the institutions for implementing vendor recommendations.

The committee shall deliver the vendor's initial findings and recommendations to the Governor and the General Assembly by February 1, 2015. Each institution is strongly encouraged to implement the recommendations identified by the review. It is the intent of the General Assembly that any savings realized from these reviews shall be retained by each institution.

The Commission on Higher Education, on behalf of the committee, must survey each institution that is provided funds in this act for the Higher Education Efficiency, Effectiveness and Accountability Review to determine if the institution has already undergone, is currently undergoing, or has contracted to undergo an internal or external performance improvement audit, operating efficiency study, or similar cost management review. The survey shall ascertain whether or not the review was internal or external, when the review was completed, when it will be completed (if ongoing), or when it anticipates it will begin (if already planned or contracted). The vendor name if an external review team or the composition of the review team, including their credentials, if internal, must be included, as must the scope of the review and its cost. For institutions where a review has been completed, it must report the findings, recommendations, or action items that were identified by the review team, if any, including estimated cost savings associated with the items. Further, a listing of findings, recommendations or action items of the review team that have already been implemented by the institution, including cost savings or efficiencies that have been realized as a result, must be documented. Findings or

recommendations made by the review team, but not yet implemented by the institution, if any, must be explained by the institution. Survey results must be provided by the Commission on Higher Education to the committee no later than August 1, 2014. After public discussion of the survey responses, the committee shall select the institutions for the review. The existence of any such review, either completed or ongoing, does not guarantee an exemption for an institution from this review. Exemptions, if any, either for an entire institution or component thereof can only be granted by the committee.

(D) From the escrow account established pursuant to Proviso 90.13 of Act 310 of 2008, the remaining funds shall be used to offset any operating shortfalls resulting from the Barnwell Low Level Waste Facility operations in order to preserve the economic viability of the facility. The amount distributed to offset any operating shortfalls shall be determined by calculating the difference between the allowable operating costs plus adjustments as approved by the Public Service Commission, and the access fees paid by the Atlantic Compact generators. Funds remaining in the account to offset operating shortfalls shall also be used to maintain access fees to the facility for Fiscal Year 2014-15 at the Fiscal Year 2009-10 level. There shall also be paid from the escrow account the annual dues of the Southern States Energy Board.

118.14 CONFORM TO FUNDING (Non-Recurring Revenue) WMC: ADD new proviso to appropriate \$48,809,043 of non-recurring revenue for FY 2015-16 generated from FY 2013-143 Contingency Reserve Fund, FY 2014-15 unobligated general fund revenue certified by the BEA, and the Litigation Recovery Account. Appropriate funds to various agencies for specific purposes. Authorize these funds to be carried forward and used for the same purposes.

HOU: AMEND new proviso to change Litigation Recovery Account revenue from \$19,280,467 to \$27,802,168 and to add \$49,500,000 from the Unclaimed Property Fund. Change allocation of funds for specific agencies and entities. Direct the DOA Executive Budget Office to review all S.C. State University outstanding vendor debt to determine the vendors whose accounts have been outstanding the longest and use the \$4,000,000 appropriated for Vendor Debt to settle the outstanding debt that would be most advantageous to the university. Sponsors: Reps. White, Bingham, Herbkersman, Limehouse, Merrill, Pitts, Simrill, G.M. Smith, and Whitmire.

SUBCOMMITTEE RECOMMENDATION: CONFORM TO FUNDING RECOMMENDATION.

- 118.14. (SR: Nonrecurring Revenue) (A) The source of revenue appropriated in subsection (B) is nonrecurring revenue generated from the following sources:
 - (1) \$19,740,576 from Fiscal Year 2013-14 Contingency Reserve Fund;
- (2) \$19,280,467 from Fiscal Year 2014-15 unobligated general fund revenue as certified by the Board of Economic Advisors;
 - (3) \$27,802,168 from the Litigation Recovery Account; and
- (4) \$49,500,000 from Fiscal Year 2015-16 non-recurring contribution from the Unclaimed Property Fund.

This revenue is deemed to have occurred and is available for use in Fiscal Year 2015-16 after September 1, 2015, following the Comptroller General's close of the state's books on Fiscal Year 2014-15.

Any restrictions concerning specific utilization of these funds are lifted for the specified fiscal year. The above agency transfers shall occur no later than thirty days after the close of the books on Fiscal Year 2014-15 and shall be available for use in Fiscal Year 2015-16.

(B) The appropriations in this provision are listed in priority order. Item (1) must be funded first and each remaining item must be fully funded before any funds are allocated to the next item. Provided, however, that any individual item may be partially funded in the order in which it appears to the extent that revenues are available.

The State Treasurer shall disburse the following appropriations by September 30, 2015, for the purposes stated: (1) General Reserve Fund Contribution\$ 8,140,680 (2) X22 - Local Government Fund Local Government Fund - Counties.....\$ 10,409,750 (3) X22 - Local Government Fund Local Government Fund - Municipalities.....\$ 2,090,250 (4) E16 - Office of State Treasurer Securities Lending Debt......\$ 19,500,000 (5) H63 - Department of Education (a) Instructional Materials \$ 14,508,278 (b) K-12 Initiatives\$ 500,000 (c) Secure Vendor for Teacher Evaluation System\$ *3,000,<u>000</u>* (6) N04 - Department of Corrections Mental Health Remediation Plan\$ 1,499,659 (7) H59 - State Board for Technical and Comprehensive Education (a) Pathways to Workplace Infrastructure Development.....\$ 500,000 (b) Manufacturing, STEM, and Healthcare Equipment.....\$ 2,000,000 (c) Dual Credit STEM Program Extension.....\$ 750.000 (d) Ready SC\$ 5.014.881 (e) Bridge Tech STEM\$ 65,000 (8) H59 - State Board for Technical and Comprehensive Education (a) Greenville Technical College - Center for Manufacturing and Innovation Building.....\$ 500,000 (b) Florence-Darlington Technical College - Academic and Workforce Development Building\$ 500,000 (c) Central Carolina Technical College Workforce Center.......\$ 500,000 (d) Williamsburg Technical College Electrical Technology/ MCSC Lab Renovations\$ 628,000 (e) Northeastern Technical College - Workforce Training Equipment.....\$ 300,000 (9) H47 - Winthrop University *Library*\$ 100,000 (10) E24 - Office of Adjutant General Armory Repairs....\$ 500,000 (11) H79 - Department of Archives and History Restoration and Repurposing of Fireproof Building.....\$ 1,500,000 (12) J20 - Department of Alcohol and Other Drug Abuse Services Act 301 Behavioral Health Services.....\$ 1,500,000 (13) H18 - Francis Marion University (a) Business/Education School Building\$ 100,000 (b) Student Academic System Computer Software\$ 500,000 (14) H36 - USC - Beaufort Campus Hilton Head Gateway Campus Classroom Building\$ 100,000 (15) H63 - Department of Education GSAH Facilities Management.....\$ 275.000 (16) Y14 - State Ports Authority Jasper Ocean Terminal Permitting.....\$ 1,000,000 (17) R44 - Department of Revenue Integrated Tax System Implementation.....\$ 6,544,148

(18) H75 - School for the Deaf and the Blind		
School Buses	\$	250,000
(19) P32 - Department of Commerce	,	
Military Base Task Force	\$	750,000
(20) P24 - Department of Natural Resources		
Law Enforcement Vehicles for New Officers	\$	150,000
(21) H71 - Wil Lou Gray Opportunity School		
Campus Infrastructure Improvements	\$	300,000
(22) H75 - School for the Deaf and the Blind		
Thackston Hall Roof Replacement	\$	500,000
(23) J04 - Department of Health and Environmental Control		
Water Quality	\$	3,000,000
(24) J12 - Department of Mental Health		
Replacement of Patient Transportation Vehicles	\$	349,127
(25) J12 - Department of Mental Health		
Inpatient Electronic Medical Records	\$	2,743,451
(26) H21 - Lander University		
Repair and Replace Science and Math Equipment (STEM)	\$	600,000
(27) U12 - Department of Transportation		
Facility Maintenance and Renovation	\$	870,000
(28) E24 - Office of Adjutant General		
State Share Disaster Relief	\$	300,000
(29) E24 - Office of Adjutant General		
Service Member and Family Care Cost Funding	\$	250,000
(30) H95 - State Museum		
Security System Upgrade	\$	100,000
(31) A17 - Legislative Services		
Systems Security	\$	<i>150,000</i>
(32) J02 - Department of Health and Human Services		
(a) Medicaid Eligibility System Replacement		2,689,449
(b) Medical Contracts		2,000,000
(c) International Classification of Diseases (ICD-10)	\$	561,828
(33) K05 - Department of Public Safety		
Bike Week Security Overtime Cost	\$	169,000
(34) J04 - Department of Health and Environmental Control		
(a) Criminal Domestic Violence		500,000
(b) Best Chance/Colon Cancer Networks	\$	250,000
(35) D10 - State Law Enforcement Division		
(a) Investigative Personnel Operating Expenses		<i>375,120</i>
(b) Alcohol Enforcement Personnel Operating Expenses	\$	<i>159,480</i>
(c) Insurance Fraud Investigators Operating Expenses		212,640
(d) Technology Equipment/Software		580,000
(e) Administrative Personnel Operating Expenses		9,000
(f) Bike Week Security Overtime Cost	\$	51,000
(36) J16 - Department of Disabilities and Special Needs		
(a) Autism Services		1,500,000
(b) Special Family Resource		15,000
(c) Savannah's Playground	\$	100,000
(37) A85 - Education Oversight Committee		
Reach Out and Read	\$	500,000

(38) L04 - Department of Social Services		
(a) Information Security and Technology Infrastructure	\$	872,029
(b) Child Endangerment Risk Management System		400,237
(c) Epworth Children's Home		100,000
(39) H96 - Confederate Relic Room & Military Museum Commission	,	
C.A. Huey Collection	\$	390,198
(40) N20 - Law Enforcement Training Council - Criminal Justice		
<u>Academy</u>		
(a) Transport Vehicles	\$	174,000
(b) Energy Facility Controls Replacement	\$	209,957
(c) Replace Honeywell Fire Panel		140,311
(d) Classroom Audio/Visual Equipment		76,500
(e) Information Security Infrastructure	\$	277,582
(f) Dormitory Water Heater	\$	66,000
(41) H09 - The Citadel		
Riley Initiative in Government and Public Policy	\$	250,000
(42) H03 - Commission on Higher Education		
University Center of Greenville	\$	250,000
(43) N04 - Department of Corrections		
Education Improvement Plan/Vocational Equipment	\$	440,000
(44) N08 - Department of Probation, Parole and Pardon Services		
Bike Week Security Overtime Cost	\$	<i>29,656</i>
(45) R52 - State Ethics Commission		
New Investigative Positions Operating Expenses	\$	25,000
(46) L36 - Human Affairs Commission		
Community Relations Councils	\$	119,000
(47) E08 - Office of Secretary of State		
Charitable Raffle Online Filing and Reporting System	\$	<i>150,000</i>
(48) P28 - Department of Parks, Recreation and Tourism	_	
(a) Sports Development Marketing Program		500,000
(b) Surfside Beach - Stormwater Master Plan		50,000
(c) Undiscovered SC	\$	500,000
(49) P32 - Department of Commerce	<i>a</i>	250 000
(a) Rock Hill Knowledge Park		250,000
(b) SC Council on Competitiveness		200,000
(c) Community Development Corporations Initiative	\$	50,000
(d) IT-ology - Coursepower Project	\$	200,000
(50) B02 - Judicial Department	ø	450,000
Digital Recorders - Phase II	Þ	450,000
(51) E23 - Commission on Indigent Defense	ø	100 000
Information Technology and Security Infrastructure	Þ	100,000
(52) L04 - Department of Social Services	ø	150,000
(a) Antioch Senior Center		150,000
(b) CR Neal Center	Þ	100,000
(53) J02 - Department of Health and Human Services	ø	200,000
Osprey Village	⊅	200,000
(54) J12 - Department of Mental Health Information Natural Security Pagained Improvements	¢	250,000
<u>Information Network Security Required Improvements</u>	φ	250,000
(a) J.R. Clark Sickle Cell Foundation	¢	100,000
(a) J.A. Clark Sickle Cell Foundation	φ	100,000

(b) Bleeding Disorders Premium Assistance Program\$	100,000
(c) National Kidney Foundation\$	100,000
(d) Donate Life - Organ Donor Registry\$	100,000
(56) J12 - Department of Mental Health	
NAMI - LE Mental Health Center\$	250,000
(57) D50 - Department of Administration	
South Carolina State University Vendor Debt\$	4,000,000
(57.1) Of the funds appropriated above in item 57 for South Carolina	State University
Vendor Debt, the Department of Administration, Executive Budget Office S	shall review all
outstanding vendor debt to determine the vendors with the most aged outstanding	ng accounts and
shall utilize the \$4,000,000 to pay the accounts for which settlement of the outstan	iding debt would
be most advantageous to the university.	
(58) P12 - Forestry Commission	
Firefighting Equipment\$	500,000
(59) P24 - Department of Natural Resources	
Surface Water Modeling Phase III\$	700,000
(60) Y14 - State Ports Authority	
Port of Georgetown Dredging\$	250,000
(61) H40 - USC-Union Campus	
Success Building\$	67,000
(62) P28 - Department of Parks, Recreation and Tourism	
(a) Newberry Opera House\$	25,000
(b) Palmetto Conservation Foundation - Palmetto Trail\$	150,000
(c) Columbia Museum of Art\$	200,000
(d) Hunting Island State Park Cabin Repairs\$	50,000
(e) Medal of Honor Museum\$	250,000
<u>Total\$</u>	116,323,211
Unexpended funds appropriated pursuant to this subsection may be carr	

<u>Unexpended funds appropriated pursuant to this subsection may be carried forward to succeeding fiscal years and expended for the same purposes.</u>

(C) From the escrow account established pursuant to Proviso 90.13 of Act 310 of 2008, the remaining funds shall be used to offset any operating shortfalls resulting from the Barnwell Low Level Waste Facility operations in order to preserve the economic viability of the facility. The amount distributed to offset any operating shortfalls shall be determined by calculating the difference between the allowable operating costs plus adjustments as approved by the Public Service Commission, and the access fees paid by the Atlantic Compact generators. Funds remaining in the account to offset operating shortfalls shall also be used to maintain access fees to the facility for Fiscal Year 2015-16 at the Fiscal Year 2009-10 level. There shall also be paid from the escrow account the annual dues of the Southern States Energy Board.

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