

**SENATE FINANCE COMMITTEE  
HEALTH AND HUMAN SERVICES SUBCOMMITTEE  
PROVISO RECOMMENDATIONS FOR FY 2017-18**

**SECTION 33 - J020 - DEPARTMENT OF HEALTH AND HUMAN SERVICES**

**33.9**     **AMEND** (Medicaid Eligibility Transfer) Authorizes the department to determine SC Medicaid Program applicant eligibility. Requires counties to provide office space and facility services for this function as they do for DSS functions.

**WMC:** AMEND proviso to require the DHHS director, by November 1<sup>st</sup>, to provide each county governing authority and legislative delegation with information on the condition of space furnished for this purpose and to identify any known ADA deficiencies. Require the governing authorities to report to its legislative delegation and the DHHS director by May 1<sup>st</sup> on progress being made in correcting any identified ADA deficiencies. Requested by Department of Health and Human Services.

**HOU:** ADOPT proviso as amended.

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

**33.9.** (DHHS: Medicaid Eligibility Transfer) The South Carolina Department of Health and Human Services (DHHS) is hereby authorized to determine the eligibility of applicants for the South Carolina Medicaid Program in accordance with the State Plan Under Title XIX of The Social Security Act Medical Assistance Program. The governing authority of each county shall provide office space and facility service for this function as they do for DSS functions under Section 43-3-65.

*With funds available to the department and by November 1, the Director of the Department of Health and Human Services shall provide the governing authority and the legislative delegation of each county with information on the condition of space furnished for this purpose and shall specifically identify any known deficiencies with respect to the accessibility requirements of the Americans with Disabilities Act (ADA). By May 1, the governing authority of any county with an identified ADA-related deficiency shall report to its legislative delegation and the Director of the Department of Health and Human Services on its progress in correcting such deficiency.*

**33.16**     **AMEND** (Carry Forward) Authorizes the department to carry forward prior year cash balances from any earmarked or restricted trust, agency, or special revenue account or subfund. Requires the department submit a comprehensive reporting of all cash balances brought forward from the prior fiscal year to the President Pro Tempore of the Senate, Speaker of the House, and Chairmen of the Senate Finance and Ways and Means Committees, within 15 days after the Comptroller General closes books on the fiscal year.

**WMC:** AMEND proviso to authorize the department to carry forward and “expend” any “General Fund balance” as well as expend cash balances carried forward. *Merged proviso 33.22 into this proviso.* Requested by Department of Health and Human Services.

**HOU:** ADOPT proviso as amended.

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

**33.16.** (DHHS: Carry Forward) The Department of Health and Human Services is authorized to carry forward *and expend any General Fund balance and any* cash balances from the prior fiscal year into the current fiscal year for any earmarked or restricted trust and agency, or special revenue account or subfund. The department shall submit a comprehensive reporting of all cash balances brought forward from the prior fiscal year. The report shall, at a minimum, for each account or subfund include the following: the statutory authority that allows the funds to be carried forward, the maximum authorized amount that can be carried forward, the general purpose or need for the carry forward, the specific source(s) of funding or revenue that generated

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the carry forward, and a detailed description of any pending obligations against the carry forward. The report must be submitted to the President Pro Tempore of the Senate, Chairman of the Senate Finance Committee, Speaker of the House of Representatives, and Chairman of the House Ways and Means Committee, within fifteen days after the Comptroller General closes the fiscal year.

**33.20 CONFORM TO FUNDING** (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) Obesity Education; (G) Provider Eligibility Data; (H) Pilot of All-Inclusive Health Intervention for Vulnerable Mental Health Patients; and (I) Publish Quarterly Progress Reports.

**WMC:** AMEND proviso subsection (D) to change the following allocations: innovative care strategies from “\$4,000,000” to “\$3,600,000;” FQHCs from “\$6,400,000” to “\$5,000,000;” Free Clinics from “\$1,600,000” to “\$1,500,000;” and local alcohol and drug abuse authorities from “\$1,600,000” to “\$1,500,000.” Delete the requirement that the department also explore a transition to a prospective payment system for FQHCs. Delete subsection (E) Rural and Underserved Area Provider Capacity. Amend renumbered subsection (G) to change the requirement that the department pilot “an all-inclusive” to “a behavioral” health intervention program. *For FY 2017-18, the department is proposing a \$2 million reduction designed to minimize the impact on the providers who have the most constrained access to other revenue sources (free clinics and 301s).* Fiscal Impact: Agency states it would reduce expenditures by approximately \$2 million (100% state funds) compared to FY 2016-17. *Deleted telemedicine language has been moved to new proviso 117.135 and rural health language has been moved to proviso 33.23.* Requested by Department of Health and Human Services.

**HOU:** ADOPT proviso as amended.

**SFC SUBCOMMITTEE RECOMMENDATION:** CONFORM to funding recommendation.

**33.20.** (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. 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

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individuals that do not have access to affordable insurance. Qualifying safety net providers are approved, licensed, and duly organized Federally Qualified Health Centers (FQHCs and other entities receiving funding under Section 330 of the Public Health Services Act), 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 ~~\$4,000,000~~ \$3,600,000 for innovative care strategies for qualifying safety net providers. The department shall formulate a separate methodology and allocate ~~\$6,400,000~~ \$5,000,000 of funding to FQHCs, at least ~~\$1,600,000~~ \$1,500,000 of funding for Free Clinics, and ~~\$1,600,000~~ \$1,500,000 of funding for local alcohol and drug abuse authorities created under Act 301 of 1973. The department shall may continue to develop and implement a process for obtaining encounter-level data that may be used to assess the cost and impact of services provided through this proviso. ~~The department shall also explore a transition to a prospective payment system for FQHCs to provide greater predictability and stability for FQHC budgets.~~

~~(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 or continue 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, 2017; and~~

~~(3) during the current fiscal year the department shall contract with the MUSC Hospital Authority in the amount of \$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 \$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, 2017. In addition, the department shall also contract with the MUSC Hospital Authority in the amount of \$1,000,000, and the USC School of Medicine in the amount of \$2,000,000 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. Any funding supplied by the department in support of the Rural Health Initiative may be deducted from the allocation made to the USC School of Medicine in section (E)(3) of this proviso.~~

~~(F) E~~ 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.

~~(G) E~~ 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

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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~~ G) The department may pilot ~~an all-inclusive~~ *a behavioral* 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.

(~~I~~ H) The department shall publish quarterly reports on the agency's website regarding the department's progress in meeting the goals established by this provision.

**33.22 DELETE** (Carry Forward Authorization) Authorizes the department to carry forward any general fund balance and spend the funds for the Medicaid program. Requires the department report the balance carried forward to the Chairmen of the Senate Finance and House Ways and Means Committees within thirty days after the close of the fiscal year.

**WMC:** DELETE proviso. *Combined with proviso 33.16.* Requested by Department of Health and Human Services.

**HOU:** ADOPT deletion of proviso.

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

~~**33.22.** (DHHS: Carry Forward Authorization) For the current fiscal year, the Department of Health and Human Services is authorized to carry forward and expend any General Fund balances for the Medicaid program. 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.~~

**33.23 CONFORM TO FUNDING** (Rural Health Initiative) Directs the department to partner with various state agencies, institutions, and other key stakeholders to implement components of the Rural Health Initiative to address the needs of medically underserved communities and to leverage federal funds to implement the initiative. (A)(1) Rural Healthcare and Education - Directs the USC School of Medicine to consult with the S.C. Office of Rural Health in preparing a proposal for a Center of Excellence to support and develop rural medical education and delivery infrastructure with a statewide focus. Directs the department to authorize at least \$1,500,000 to support the center and prohibit these funds from being used by recipients to supplant existing resources; Requires the USC School of Medicine report on the how the funds designated through this provision were used and/or expended. (A)(2) Rural Medicine Workforce Development - Directs the department, in consultation with the Medical Education Advisory Committee, to support development of additional residency and/or fellowship slots or programs. (B) Directs the department to investigate the potential use of DSH and/or other allowable and appropriate sources of funds to improve access to emergency medical services in communities whose access has been degraded due to a hospital's closure during the past five years and to establish a DSH pool for this purpose.

**WMC:** AMEND proviso to authorize recurring and non-recurring Rural Health Initiative funds to be carried forward and expended for the same purpose. Amend subsection (A) to direct the department to incentivize development of primary care access in rural and underserved areas; leverage Medicaid spending on Graduate Medical Education by implementing new methodologies that support recommendations contained in the January 2014 SC GME Advisory Group report; and continue to leverage the use of teaching hospitals to ensure rural physician coverage. Add subsection (A)(1) Rural and Underserved Area Provider Capacity to direct the department to partner with USC School of Medicine to develop a statewide Rural Health Initiative and to use \$1,000,000 to contract with the MUSC Hospital Authority and \$2,000,000

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to contract with the USC School of Medicine to further develop statewide teaching partnerships. Amend subsection (A)(3) to delete the requirement that applications to the ACGME must be developed by June 30, 2017. Add subsection (A)(4) Statewide Health Innovations to direct the department to spend at least \$2,000,000 to contract with the USC School of Medicine and at least \$1,000,000 to contract with the MUSC Hospital Authority to develop and continue innovative healthcare delivery and training opportunities via ICARED and other innovative programs. Amend subsection (B) to authorize the department to carry forward DSH capacity from a previous period as federally permissible. Requested by Department of Health and Human Services.

**HOU:** ADOPT proviso as amended.

**SFC SUBCOMMITTEE RECOMMENDATION:** CONFORM to funding recommendation.

**33.23.** (DHHS: Rural Health Initiative) From the funds appropriated to the Department of Health and Human Services for the Rural Health Initiative, the department shall partner with the following state agencies, institutions, and other key stakeholders to implement these components of a Rural Health Initiative to better meet the needs of medically underserved communities throughout the state. The department may leverage any and all available federal funds to implement this initiative. Recurring and non-recurring funding for the Rural Health Initiative may be carried forward by the department and expended for the same purpose.

(A) The Department of Health and Human Services shall ~~take appropriate action to facilitate~~ incentivize the development of primary care access in rural and underserved areas, 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, and continue to leverage the use of teaching hospitals to ensure rural physician coverage in counties with a demonstrated lack of adequate access and coverage through the following provisions:

(1) Rural and Underserved Area Provider Capacity - 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. In addition, the department shall also contract with the MUSC Hospital Authority in the amount of \$1,000,000, and the USC School of Medicine in the amount of \$2,000,000 to further develop statewide teaching partnerships.

~~(1 2)~~ Rural Healthcare Coverage and Education - The USC School of Medicine, ~~shall consult~~ in consultation with the South Carolina Office of Rural Health, ~~in preparing a proposal for~~ shall continue to operate a Center of Excellence to support and develop rural medical education and delivery infrastructure with a statewide focus, through clinical practice, training, and research, as well as collaboration with other state agencies and institutions. The center's activities must be centered on efforts to improve access to care and expand healthcare provider capacity in rural communities. The department shall authorize at least \$1,000,000 to support center staffing as well as the programs and collaborations delivering rural health research, the ICARED program, workforce development scholarships and recruitment, rural fellowships, health education development, and/or rural practice support and education. Funding released by the department pursuant to this section must not be used by the recipient(s) to supplant existing resources already used for the same or comparable purposes. No later than February 1st of the current fiscal year, the USC School of Medicine shall report to the Chairman of the House Ways and Means Committee, the Chairman of the Senate Finance Committee, and the Director of the Department of Health and Human Services on the specific uses of funds budgeted and/or expended pursuant to this provision.

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(2) Rural Medicine Workforce Development - The department, in consultation with the Medical Education Advisory Committee (MEAC), shall support the development of additional residency and/or fellowship slots or programs in rural medicine, family medicine, and any other appropriate primary care specialties that have been identified by the department as not being adequately served by existing Graduate Medical Education programs. The department shall ensure that each in-state member of the Association of American Medical Colleges is afforded the opportunity to participate in MEAC. New training sites and/or residency positions are subject to approval as specified by the Accreditation Council for Graduate Medical Education (ACGME). ~~Applications to the ACGME must be developed no later than June 30, 2017.~~ The department may also accept proposals and award grants for programs designed to expose resident physicians to rural practice and enhance the opportunity to recruit these residents for long-term practice in these rural and/or underserved communities. Up to \$500,000 of the recurring funds appropriated to the department for the Rural Health Initiative may be used for this purpose.

(4) Statewide Health Innovations - At least \$2,000,000 must be expended by the department to contract with the USC School of Medicine and at least \$1,000,000 to the MUSC Hospital Authority to develop and continue innovative healthcare delivery and training opportunities through collaborative community engagement via ICARED and other innovative programs that provide clinical services, mental and behavioral health services, children's health, OB/GYN services, and/or chronic disease coverage gaps. In consultation with the Office of Rural Health, the department must ensure collaborative efforts with the greatest potential for impact are prioritized.

(B) The department shall continue to investigate the potential use of DSH and/or any other allowable and appropriate source of funds in order to improve access to emergency medical services in one or more communities identified by the department in which such access has been degraded due to a hospital's closure during the past five years. In the current fiscal year, the department is authorized to establish a DSH pool, or carry forward DSH capacity from a previous period as federally permissible, for this purpose and/or if deemed necessary to implement transformation plans for which conforming applications were filed with the department ~~on or before April 1, 2016~~ pursuant to this or a previous hospital transformation or rural health initiative proviso, but for which additional negotiations or development were required. An emergency department that is established within 35 miles of its sponsoring hospital ~~during the current fiscal year~~ pursuant to this or a previous hospital transformation or rural health initiative proviso and which receives dedicated funding pursuant to this proviso shall be exempt from any Department of Health and Environmental Control Certificate of Need requirements or regulations. Any such facility shall participate in the ~~Statewide~~ South Carolina Telemedicine Network.

(C) The Revenue and Fiscal Affairs Office and the Area Health Education Consortium's Office of Healthcare Workforce Analysis and Planning shall provide the department with any information required by the department in order to implement this proviso in accordance with state law and regulations.

**33.24 ADD (BabyNet Compliance) WMC:** ADD new proviso to direct the department to report to the Governor and the Chairmen of the Senate Finance and House Ways and Means Committees by December 31, 2017, on the status of the department's efforts to bring the BabyNet program into compliance with federal requirements. *Executive Order 2016-20 transferred the BabyNet lead agency status to DHHS effective July 1, 2017. Agency states this would replace Proviso 1.74, which imposed similar obligations upon First Steps during its administration of the BabyNet program.* Requested by Department of Health and Human Services.

**HOU:** ADOPT new proviso.

**SFC SUBCOMMITTEE RECOMMENDATION:** ADOPT new proviso.

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33.24. (DHHS: BabyNet Compliance) With the funds available to the department, the Department of Health and Human Services shall report to the Governor, the Chairman of the Senate Finance Committee, and the Chairman of the House Ways and Means Committee no later than December 31, 2017 on the status of the department's efforts to bring the BabyNet program into compliance with federal requirements. This report must specifically address areas in which the BabyNet program has received low performance scores and include any relevant correspondence from the U.S. Department of Education. The report must explain the department's plan for bringing BabyNet into compliance, including specific steps and the associated timeline.

**33.25 DELETE NEW PROVISO** (Personal Emergency Response System) **WMC:** ADD new proviso to direct the department to develop RFPs to provide for Personal Emergency Response Systems (PERS) to be issued to Medicaid recipients based on the department's Medicaid Home and Community-based waiver. Direct that PERS devices must include unlimited 24-7 live phone contact with RNs for triage services. Require the PERS nurse triage call centers be accredited and separate from PERS emergency response call centers. Require PERS devices comply with all FCC rules and regulations. Require the department apply for any necessary waivers.

**HOU:** ADOPT new proviso.

**SFC SUBCOMMITTEE RECOMMENDATION:** DELETE new proviso.

~~33.25. (DHHS: Personal Emergency Response System) With funds appropriated and authorized to the Department of Health and Human Services for Fiscal Year 2017-18, the department shall develop one or more Requests for Proposals, to provide for Personal Emergency Response Systems (PERS) to be issued to Medicaid recipients pursuant to the department's Medicaid Home and Community-based waiver. The PERS devices must include in addition to emergency response services, unlimited twenty-four hour, seven-day a week live phone contact with experienced registered nurses for triage services. A PERS nurse triage call center must be accredited and must be separate from the PERS emergency response call center. The PERS device must have a wireless radio transmitter and a console that is cellular and does not require a traditional land line. A PERS device that includes nurse triage services also must comply with the requirements of Federal Communications Commission rules, 47 C.F.R. Part 68, and be approved by the Underwriters Laboratory or Equipment Testing Laboratories as a health care signaling product. The Department of Health and Human Services shall apply for any waiver necessary under the department's Medicaid Home and Community-based waiver to implement these provisions.~~

**SECTION 34 - J040 - DEPARTMENT OF HEALTH AND ENVIRONMENTAL CONTROL**

**34.17 AMEND** (Nursing Home Medicaid Bed Day Permit) Authorizes the transfer of the Medicaid patient day permit to a nursing home receiving a patient from a facility that has violations of state or federal law or Medicaid certification requirements that necessitate the transfer. Requires the receiving facility to apply to retain the Medicaid patient day permit within sixty days of receipt of the patient.

**WMC:** AMEND proviso to direct that the Medicaid patient day permit is transferred with the patient if the receiving nursing home is an enrolled Medicaid provider that already holds Medicaid patient day permits. Requested by Department of Health and Environmental Control.

**HOU:** ADOPT proviso as amended.

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

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**34.17.** (DHEC: Nursing Home Medicaid Bed Day Permit) When ~~transfer~~ of a Medicaid patient *is transferred* from a nursing home *to a receiving nursing home* is necessary due to violations of state or federal law or Medicaid certification requirements, the Medicaid patient day permit shall be transferred with the patient to the receiving nursing home, provided that the receiving nursing home is an enrolled Medicaid provider that already holds Medicaid patient day permits, in which case ~~The~~ *the* receiving facility shall apply to permanently retain the Medicaid patient day permit within sixty days of receipt of the patient.

**34.18** **DELETE** (Mineral Sets Revenue) Authorizes the department to charge a reasonable fee for mineral sets and to retain the funds in a revolving account with a maximum carry forward of \$2,000. Directs that funds must be expended for mineral set supplies and related mining and reclamation educational products.

**WMC:** DELETE proviso. *Mineral sets at a fee of \$3/each have not been sold in several years.* Fiscal Impact: Agency recommends closing the account and any remaining funds being transferred to the General Fund. Requested by Department of Health and Environmental Control.

**HOU:** ADOPT deletion of proviso.

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

~~**34.18.** (DHEC: Mineral Sets Revenue) The department is authorized to charge a reasonable fee for mineral sets. Funds generated from the sale of mineral sets may be retained by the department in a revolving account with a maximum carry forward of \$2,000 and must be expended for mineral set supplies and related mining and reclamation educational products.~~

**34.42** **DELETE** (Obesity) Directs that DHEC shall be the convener and coordinator of the fight against Obesity in South Carolina. Directs SDE, DHHS, DSS, DMH, MUSC, USC Arnold School of Public Health, PRT, Department of Commerce, DOT, and Commission for the Blind to cooperate with DHEC and its partners to facilitate an environment that decreases body mass index (BMI). Requires school district provide DHEC with information on their progress toward meeting certain provisions of the Student Health and Fitness Act of 2005. Authorizes DHEC to collect, compile and assess State and school districts progress in meeting these goals.

**WMC:** DELETE proviso. *Agency states partners are already working together voluntarily and have been doing so for 3 years as a part of the Scaledown Initiative and this proviso does not include all of the agencies and organizations involved.* Requested by Department of Health and Environmental Control.

**HOU:** ADOPT deletion of proviso.

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

~~**34.42.** (DHEC: Obesity) The Department of Health and Environmental Control is charged with addressing the public health of our citizens and shall be the convener and coordinator of the fight against Obesity in South Carolina. Because addressing the obesity epidemic requires behavioral, educational, systemic, medical, and community involvement, the following state agencies should use their best efforts to cooperate with the requests of the department and its partners to facilitate an environment that decreases body mass index (BMI): Department of Education; Department of Health and Human Services; Department of Social Services; Department of Mental Health; Medical University of South Carolina; University of South Carolina Arnold School of Public Health; Department of Parks, Recreation and Tourism; Department of Commerce; Department of Transportation; and Commission for the Blind.~~

~~In addition, school districts must provide the Department of Health and Environmental Control with information regarding their progress towards meeting certain provisions of the Student Health and Fitness Act of 2005, specifically: Section 59-10-10 regarding the average~~



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~~number of minutes students exercise weekly; Section 59-10-50 regarding the SC Physical Education Assessment; Section 59-10-310 regarding efforts to promote healthy eating patterns; Section 59-10-320 regarding assessment of school district health education programs; Section 59-10-340 regarding snacks in vending machines; and Section 59-10-360 regarding health curriculum. The department is given the authority to collect, compile and assess the progress of the State and the School Districts in meeting the goals of this act.~~

**34.43** **AMEND** (Residential Treatment Facilities Swing Beds) Allows residential treatment facilities to convert up to 18 beds to acute psychiatric beds. Stipulates that the conversion would have to comply with federal rules and regulations.

**SFC SUBCOMMITTEE RECOMMENDATION:** AMEND proviso to update fiscal year reference to FY 2017-18.

**34.43.** (DHEC: Residential Treatment Facilities Swing Beds) For Fiscal Year ~~2016-17~~ 2017-18 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.

**34.48** **AMEND FURTHER** (~~Birthing~~ Birth Center Inspections) Requires accredited birthing centers to register an on-call agreement and any transfer policies with DHEC.

**WMC:** AMEND proviso to change “birthing” to “birth.” Delete reference to centers being accredited by the Commission on Accreditation of Birth Centers. Require the on-call agreement contain provisions for the on-call physician “or his/her designee” to have “hospital admitting privileges” at the hospital that is within a 30 minute drive of the birthing center.

**HOU:** AMEND FURTHER to direct the “department to ensure” that all licensed birth centers register an on-call agreement and transfer policies with DHEC and delete reference to centers being accredited by the Commission on Accreditation of Birth Centers. Change “his/her designee” reference to “another physician designated by the on-call physician.” Require the physician to also have hospital consulting privileges. Require acute care hospitals licensed by the department to negotiate in good faith and fair dealing effort with any birth center licensed by the department within a 50 mile radius to establish a written transfer agreement. Sponsors: Reps. Hill and G.M. Smith.

**SFC SUBCOMMITTEE RECOMMENDATION:** AMEND FURTHER to reinsert the specification for birth centers “accredited by the Commission on Accreditation of Birth Centers.

**34.48.** (DHEC: ~~Birthing~~ Birth Center Inspections) ~~For~~ With the funds appropriated and authorized to the Department of Health and Environmental Control for this fiscal year, ~~birthing the department shall ensure that~~ all-licensed ~~birth~~ centers, accredited by the Commission on Accreditation of Birth Centers, must register an on-call agreement and any transfer policies with the Department of Health and Environmental Control. The on-call agreement shall contain provisions which provide that the on-call physician, or another physician designated by the on-call physician, is readily available to provide medical assistance either in person or by telecommunications or other electronic means, which means the physician must be within a thirty minute drive of the ~~birthing~~ birth center or hospital, must be licensed in the State of South

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Carolina, *and have hospital admitting or consulting privileges*, and shall provide consultation and advice to the ~~birthing~~ *birth* center at all times it is serving the public. Furthermore, a ~~birthing~~ *birth* center shall document in its practice guidelines and policies the ability to transfer care to an acute care hospital with obstetrical and newborn services and must demonstrate this by: (A) coordinated transfer care plans, protocols, procedures, arrangements, or through collaboration with one or more acute care hospitals with appropriate obstetrical and newborn services; and (B) admitting *or consulting* privileges at one or more hospitals with appropriate obstetrical and newborn services by a ~~birthing~~ *birth* center's consulting physician. The department shall require a \$25.00 registration fee upon receipt and review of the agreements containing these provisions. Acute care hospitals licensed by the department must negotiate in good faith and fair dealing effort with any **accredited** birth center ~~licensed by the department~~ within a 50 mile radius to establish a written transfer agreement pursuant to this proviso. ~~Birthing Birth~~ centers registering on-call and transfer policies in accordance with this proviso shall be deemed by the department to be in compliance with Section 44-89-60(3) of the South Carolina Code and any implementing regulations for this fiscal year.

**34.50** **AMEND** (Data Center Migration) Directs the department to use Data Center Migration funds for a variety of shared technology services offered by the DOA, Division of Technology Operations.

**WMC:** AMEND proviso to authorize unexpended data center migration funds to be carried forward. *To assist the Division of Technology with costs associated with migrating DHEC's data center.* Fiscal Impact: In the event carry forward funds remain, they would not lapse to the general fund. Requested by Department of Health and Environmental Control.

**HOU:** ADOPT proviso as amended.

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

**34.50.** (DHEC: Data Center Migration) Of the funds appropriated to the Department of Health and Environmental Control for Data Center Migration, the department must utilize the Department of Administration, Division of Technology Operations for shared services, including but not limited to, mainframe services, application hosting, servers, managed servers, storage, network services and disaster recovery services. Unexpended funds appropriated for the data center migration may be carried forward from the prior fiscal year and used for the same purpose.

**34.52** **DELETE** (Home Health License Transfer) Directs the department to use the first \$750,000 of the funds made available through transfer of licenses for Home Health Services from DHEC to Capital Care Resources of South Carolina, LLC for the final close out of Home Health including contractual obligations, to transition records to a format to meet record retention requirements, and to cover non-recurring expenses as follows: \$2,618,400 for Data Center Infrastructure; \$5,200,000 for Pinewood Custodial Site Capital Improvements and Repairs; \$5,781,600 for Electronic Medical Records; and \$3,150,000 for Flood Recovery Operations.

**SFC SUBCOMMITTEE RECOMMENDATION:** DELETE proviso. *Transfer is complete.*

**34.52.** (DHEC: Home Health License Transfer) ~~From the funds made available through the transfer of licenses for Home Health Services from the Department of Health and Environmental Control to Capital Care Resources of South Carolina, LLC, the department shall use the first \$750,000 for the final close out of Home Health including coverage of contractual obligations for the Home Health information system and to transition those records to another format to meet record retention requirements and cover the one time, non-recurring expenses for the following items:~~

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(1) Data Center Infrastructure	\$2,618,400;
(2) Pinewood Custodial Site Capital Improvements and Repairs	\$5,200,000;
(3) Electronic Medical Records	\$5,781,600; and
(4) Flood Recovery Operations	\$3,150,000.

**34.53 DELETE** (Coastal Zone Boundary) Directs DHEC to report to the General Assembly by January 1, 2017 on initial recommendations to revise the coastal zone boundary, if any, and directs the study begin with Dorchester County.

**WMC:** DELETE proviso.

**HOU:** ADOPT deletion of proviso.

**SFC SUBCOMMITTEE RECOMMENDATION:** ADOPT deletion of proviso. *Report has been submitted.*

~~**34.53.** (DHEC: Coastal Zone Boundary) Of the funds appropriated, the Department of Health and Environmental Control shall report to the General Assembly by January 1, 2017, with an initial recommendation to revise the coastal zone boundary, if any, and the study shall begin with Dorchester County.~~

**34.54 ADD** (EMS Monetary Penalties) **WMC:** ADD new proviso to allow the Bureau of Emergency Medical Services to retain up to the first \$40,000 of civil monetary penalties against nonconforming providers collected each fiscal year and direct that the funds to be used solely to carry out and enforce the provisions of applicable regulations. Direct a report be submitted to the Governor and Chairmen of the Senate Finance and House Ways and Means Committees on how these funds are expended. *The department states it does not currently have the authority to retain these funds, however provisos 34.24, 34.25, and 34.26 authorize the retention of certain health related monetary penalties.* Fiscal Impact: The agency states approximately \$18,000 was collected in the prior fiscal year and remitted to the General Fund.

**HOU:** ADOPT new proviso.

**SFC SUBCOMMITTEE RECOMMENDATION:** ADOPT new proviso.

**34.54.** (DHEC: EMS Monetary Penalties) In the course of regulating Emergency Medical Services (EMS) agencies and personnel, the Bureau of EMS assesses civil monetary penalties against nonconforming providers. The Bureau of EMS shall retain up to the first \$40,000 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 bureau. These funds shall be separately accounted for in the department's fiscal records. The agency shall provide a report on how these funds are expended to the Governor, the Chairman of the Senate Finance Committee and the Chairman of the House Ways and Means Committee.

**34.55 ADD** (Remedial Actions on Regulated Dams) **WMC:** ADD new proviso to allow DHEC to enter into contracts with one or more contractors to perform remedial actions on dams regulated under the SC Dams and Reservoir and Safety Act as necessary to protect life or property when an emergency order has been issued. Direct that these contracts shall be exempt from the Procurement Code's purchasing procedures.

**HOU:** ADOPT new proviso.

**SFC SUBCOMMITTEE RECOMMENDATION:** ADOPT new proviso.

**34.55.** (DHEC: Remedial Actions on Regulated Dams) With funds appropriated or authorized for the Department of Health and Environmental Control in Fiscal Year 2017-18, the department may enter into contracts with one or more contractors to perform remedial actions

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on dams regulated under the SC Dams and Reservoir and Safety Act as necessary to protect life or property. Remedial actions may be implemented where the department has issued an emergency order for a dam to protect life or property. Remedial actions include, but are not limited to, lowering water levels, placing rip rap, and breaching dams. These contracts shall be exempt from the purchasing procedures of the South Carolina Consolidated Procurement Code.

**34.56** **ADD** (Greenwood Sewer Extension Line) **WMC:** ADD new proviso to redirect nonrecurring funds appropriated in the FY 2007-08 Appropriation Act for the Greenwood Sewer Extension Line to any project on the Eagles Harbor priority list, less outstanding expenses associated with the sewer extension line. Authorize unexpended funds to be carried forward.

**HOU:** ADOPT new proviso.

**SFC SUBCOMMITTEE RECOMMENDATION:** ADOPT new proviso.

34.56. (DHEC: Greenwood Sewer Extension Line) Funds remaining from the \$990,000 appropriated in Act 117 of 2007, by proviso 73.12, Item 65(S) to the Department of Health and Environmental Control for the Greenwood Sewer Extension Line shall be redirected for any project on the Eagles Harbor priority list, less any outstanding expenses associated with the Greenwood Sewer Extension Line. Unexpended funds may be carried forward into the current fiscal year to be expended for the same purpose.

**34.57** **CONFORM TO FUNDING** (Lake Conestee Dam and Reservoir) **WMC:** ADD new proviso to direct DHEC to appropriate up to \$185,000 to the Conestee Foundation to conduct an expert dam engineering study to examine alternatives to rehabilitate and/or replace the Lake Conestee Dam. Direct that that study include related construction and long term care costs and identify a Final Recommended Alternative appropriate for final design and construction. Provide for the membership of a panel to select a contractor to conduct the study. Direct that funding of the study does not obligate the state for the future costs of anticipated dam rehabilitation or replacement.

**HOU:** ADOPT new proviso.

**SFC SUBCOMMITTEE RECOMMENDATION:** CONFORM to funding recommendation.

34.57. (DHEC: Lake Conestee Dam and Reservoir) Of the funds appropriated and authorized to the Department of Health and Environmental Control, the department shall appropriate up to \$185,000 to the Conestee Foundation, the owner of the Lake Conestee Dam, to conduct an expert dam engineering study. The objective of this study shall be to examine alternatives for the rehabilitation and/or replacement of the present Lake Conestee Dam. The study shall include all inspection, survey, engineering analysis, risk calculations, sampling and environmental testing activities, and hydrologic modeling necessary to evaluate all viable alternatives, and related construction and long term care costs and other related requirements necessary to compare the alternatives in accordance with appropriate state and federal agency requirements, and customary dam engineering requirements. The study shall identify a Final Recommended Alternative appropriate for final design and construction.

The contractor conducting the study on behalf of the Conestee Foundation shall be selected in a manner similar to state procurement standards. The panel selecting the contractor shall be made up of one representative of the Conestee Foundation, one representative of the Department of Health and Environmental Control, and one appointee selected by the Greenville County legislative delegation. The study must meet all regulatory requirements and the department will provide review of the study and scope of work. The funding of this study does not obligate the State of South Carolina in any way for the future cost of the anticipated rehabilitation or replacement of the dam.

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**34.58 DELETE** (Ocean Water Quality Outfall Initiative) **WMC:** ADD new proviso to direct the department's Beach Renourishment Fund be made available as state matching funds for Horry County Ocean Water Quality Outfall Initiatives. Authorize funds to be retained and carried forward for the same purpose.

**HOU:** ADOPT new proviso.

**SFC SUBCOMMITTEE RECOMMENDATION:** DELETE new proviso.

~~34.58. (DHEC: Ocean Water Quality Outfall Initiative) In the current fiscal year, funds appropriated and authorized to the Department of Health and Environmental Control in the department's Beach Renourishment Fund shall be made available as state matching funds for Horry County Ocean Water Quality Outfall Initiatives. The department is authorized to retain and carry forward these funds into the current fiscal year to be used for the same purpose. Any interest generated by the account must be credited and deposited into this account, to be used as state matching funds for either local or federal funding, and utilized for Ocean Water Quality Outfall Initiatives in Horry County.~~

**SECTION 35 - J120 - DEPARTMENT OF MENTAL HEALTH**

**35.7 AMEND** (Deferred Maintenance, Capital Projects, Ordinary Repair and Maintenance) Authorizes the department to establish an interest bearing fund with the State Treasurer to deposit deferred maintenance funds and other one-time funds from any source. Authorizes the department to spend these funds for deferred maintenance, capital projects and ordinary repair and maintenance. Authorizes the funds to be carried forward and used for the same purpose.

**WMC:** AMEND proviso to delete specific reference to depositing funds "appropriated" for deferred maintenance and other one-time funds from any source. Authorize the department to retain and deposit into the fund the proceeds from the sale of excess real property owned by, under the control of, or assigned to the department. Requested by Department of Mental Health.

**HOU:** ADOPT proviso as amended.

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

**35.7. (DMH: Deferred Maintenance, Capital Projects, Ordinary Repair and Maintenance)** The Department of Mental Health is authorized to establish an interest bearing fund with the State Treasurer to deposit funds ~~appropriated~~ for deferred maintenance and other one-time funds from any source. The department is also authorized to retain and deposit into the fund proceeds from the sale of excess real property owned by, under the control of, or assigned to the department. After receiving any required approvals, the department is authorized to expend these funds for the purpose of deferred maintenance, capital projects, and ordinary repair and maintenance. These funds may be carried forward from the prior fiscal year into the current fiscal year to be used for the same purpose.

**35.8 ADD** (Lease Payments to SFAA for SVP Program) **WMC:** ADD new proviso to exempt Sexually Violent Predator Program lease payments to SFAA from any across-the-board base reductions.

**HOU:** ADOPT new proviso.

**SFC SUBCOMMITTEE RECOMMENDATION:** ADOPT new proviso.

35.8. (DMH: Lease Payments to SFAA for SVP Program) In the current fiscal year, funds appropriated and authorized to the Department of Mental Health for Lease Payments to the State

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*Fiscal Accountability Authority for the Sexually Violent Predator Program are exempt from any across-the-board base reductions.*

**SECTION 36 - J160 - DEPARTMENT OF DISABILITIES AND SPECIAL NEEDS**

**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. Requires the department to establish curriculum and standards for training and oversight. Directs that this provision does not apply to an intermediate care facility for individuals with intellectual and/or related disability.

**WMC:** AMEND proviso to change “selected” to “designated” unlicensed persons. Direct that unlicensed persons must have documented “successful completion of” medication training and direct that in addition to nurses, “licensed pharmacists and licensed medical doctors” may train and supervise designated unlicensed persons to provide medication. Amend the type of medications designated unlicensed persons may provide. Require a written or electronic record about each medication be provided as part of the provision of medication. Direct that nurses, pharmacists and medical doctors that train, approve, and supervise designated unlicensed persons shall be protected against tort liability. Requested by Department of Disabilities and Special Needs.

**HOU:** ADOPT proviso as amended.

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

**36.7.** (DDSN: Unlicensed Medication Providers) The provision of selected prescribed medications may be performed by ~~selected~~ *designated* unlicensed persons in community-based programs sponsored, licensed or certified by the South Carolina Department of Disabilities and Special Needs, provided ~~such selected~~ *the* unlicensed persons have documented *successful completion of* medication training and ~~skill~~ competency evaluation. Licensed nurses, *licensed pharmacists and licensed medical doctors* may train and supervise ~~selected~~ *designated* unlicensed persons to provide medications and, after reviewing competency evaluations, may approve ~~selected~~ *designated* unlicensed persons for the provision of medications. The provision of medications by ~~selected~~ *designated* unlicensed persons is limited to oral, *sublingual, buccal, and topical, inhalation and transdermal* medications; *ear drops, eye drops, nasal sprays, injections of* ~~and to~~ regularly scheduled insulin and *injections of* prescribed anaphylactic treatments. ~~under established medical protocol and does not include~~ *The provision of medications by designated unlicensed persons does not include rectal and vaginal medications, sliding scale insulin or other injectable medications. A written or electronic record regarding each medication provided, including time and amount administered, is required as part of the provision of medication. Provision of medication does not include judgment, evaluation or assessment by the designated unlicensed persons.* The ~~selected~~ *designated* unlicensed persons *and the nurses, pharmacists and medical doctors that train, approve, and supervise these staff* 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 an intermediate care facility for individuals with intellectual and/or related disability.

**36.8** **AMEND** (Pervasive Developmental Disorder) Directs that since DDSN is the agency authorized to treat autistic disorder, it is the agency designated for a Medicaid project to treat

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children diagnosed by 8 years of age with a pervasive developmental disorder; provides guidelines for project participation, treatment, and reimbursement; and defines “pervasive developmental disorder.” Directs DDSN and DHHS to develop a transition plan for PDD waiver services to Medicaid State Plan services.

**SFC SUBCOMMITTEE RECOMMENDATION:** AMEND proviso to direct the department to permanently transfer all uncommitted matching funds to DHHS for Applied Behavioral Analysis lead and line therapist services to ensure access to care. Direct DDSN provide a report to the Ways and Means and Senate Finance Committees within 30 day of the close of the fiscal year on the amount of funds transferred to DHHS.

**36.8.** (DDSN: Pervasive Developmental Disorder) The Department of Disabilities and Special Needs, as the agency authorized to treat autistic disorder, is designated for a Medicaid project to treat children who have been diagnosed by eight years of age with a pervasive developmental disorder. The project must target the youngest ages feasible for treatment effectiveness, treatment for each individual child shall not exceed three years without a special exception as defined in the waiver, and reimbursement for each individual participant may not exceed \$50,000 per year. The Department of Disabilities and Special Needs and the Department of Health and Human Services will determine the areas of the State with the greatest need and availability of providers. Children participating in the project will be selected based upon an application system developed in compliance with the Medicaid waiver. Treatment will be provided as authorized and prescribed by the department according to the degree of the developmental disability. In authorizing and prescribing treatment the department may award grants or negotiate and contract with public or private entities to implement intervention programs, which must comply with Medicaid reimbursement methodologies, for children who have been diagnosed with a pervasive developmental disorder. “Pervasive developmental disorder” means a neurological condition, including autistic disorder and Asperger’s syndrome, as defined in the most recent edition of the Diagnostic and Statistical Manual of Mental Disorders of the American Psychiatric Association. The department shall report semi-annually to the General Assembly and the Governor on the developmental progress of the children participating in the project and the fiscal status of the project, to include expenditure data and appropriation balances. This provision does not establish or authorize creation of an entitlement program or benefit.

The Department of Disabilities and Special Needs and the Department of Health and Human Services shall develop a plan to transition children in the Pervasive Developmental Disorder Program (PDD) to Medicaid State Plan services in a manner that minimizes any break in service. Private insurance benefits which include Autism Spectrum Disorder services shall be sought prior to the expenditure of Medicaid or State funds for these services. For children not Medicaid eligible, the Department of Disabilities and Special Needs shall develop a sliding fee scale based on a means test for determining payment by a family for PDD services.

*As children transition from the waiver to the Medicaid State Plan, the Department of Disabilities and Special Needs shall permanently transfer, on a quarterly basis, all uncommitted Medicaid matching funds to the Department of Health and Human Services to be used for Applied Behavioral Analysis lead and line therapist services to ensure access to care. The Department of Disabilities and Special Needs shall provide a report to the House Ways and Means Committee and the Senate Finance Committee within thirty days after the close of the fiscal year on the amount of funds transferred to the Department of Health and Human Services.*

**36.16** **ADD** (Beaufort DSN Facility) **WMC:** ADD new proviso to authorize the department to retain the full amount of proceeds from the sale of the local DSN Board of Beaufort County property. Direct that funds from the sale must be used to purchase new property for the local DSN Board

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that better meets the needs of those served. Authorize unexpended funds to be carried forward and used for the same purpose. Direct the department to provide a status report to the Beaufort County Legislative Delegation by June 30, 2018 that details the retention of any sale proceeds and/or expenditures of the funds.

**HOU:** ADOPT new proviso.

**SFC SUBCOMMITTEE RECOMMENDATION:** ADOPT new proviso.

36.16. (DDSN: Beaufort DSN Facility) For Fiscal Year 2017-18, the Department of Disabilities and Special Needs is authorized to retain the full amount of proceeds from the sale of the local Disabilities and Special Needs Board of Beaufort County property. The funds retained from this sale must be used by the department to purchase a new property for the local Disabilities and Special Needs Board in Beaufort County that more appropriately meets the needs of the individuals served. Unexpended funds may be carried forward into the current fiscal year and used for the same purpose. The department must provide a status report to the Beaufort County Legislative Delegation by June 30, 2018, detailing the retention of any sale proceeds and/or the expenditures of those funds.

**SECTION 38 - L040 - DEPARTMENT OF SOCIAL SERVICES**

**38.3** **AMEND** (~~Foster Children~~ Burial Expenses) Directs that the expenditure of funds allocated for burials of foster children not exceed \$1,500 per burial.

**WMC:** AMEND proviso to include adults who are in DSS custody. Requested by Department of Social Services.

**HOU:** ADOPT proviso as amended.

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

**38.3.** (DSS: ~~Foster Children~~ Burial Expenses) The expenditure of funds allocated for burials of foster children *and adults in the custody of the Department of Social Services* shall not exceed one thousand five hundred dollars per burial.

**38.24** **AMEND** (Internal Child Fatality Review Committees) Requires the Director of the Department of Social Services to create and fund Internal Child Fatality Review Committees to allow for rapid and expeditious review of child fatalities that are reported to the Department.

**SFC SUBCOMMITTEE RECOMMENDATION:** AMEND proviso to update fiscal year reference to 2017-18.

**38.24.** (DSS: Internal Child Fatality Review Committees) For Fiscal Year ~~2016-17~~ 2017-18, the Director of the Department of Social Services shall create and fund Internal Child Fatality Review Committees (internal committees) pursuant to the authority granted in Sections 43-1-60(3), 43-1-80, and 63-7-910(E) of the 1976 Code to allow for the rapid and expeditious review of reported child fatalities that are reported to the Department of Social Services on suspicion of abandonment, child abuse, neglect or harm as defined in Section 63-7-20. This review process will enable the department to respond to the safety needs of any surviving siblings and will lead to improvement in the department's efforts to prevent child fatalities caused by abandonment, child abuse, neglect or harm. Each internal committee shall be composed of a board-certified child abuse pediatrician, an agent from the State Law Enforcement Division, a local law enforcement officer, a representative from the local coroner's office, and representatives from the Department of Social Services. The internal committee may invite other service provider organizations as deemed necessary. The department is authorized to provide reasonable



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compensation for board-certified child abuse pediatricians serving on an internal committee. Internal committees shall have access to information and records maintained by a provider of medical care regarding a child whose death is being reviewed by the internal committee, including information on prenatal care; all information and records maintained by any state, county, or local government agency, including, but not limited to, birth certificates, law enforcement investigation data, county coroner or medical examiner investigation data, parole and probation information and records, and information and records of health agencies that provided services to the child or family. The meetings, information obtained by, reports prepared by, and statements made before the internal committees are confidential and protected from disclosure pursuant to the Freedom of Information Act, criminal and civil proceedings, and subpoenas as set forth in Sections 63-7-940 and 63-7-1990.

- 38.27** **ADD** (Wilderness Therapeutic Camps) **WMC:** ADD new proviso to direct DSS to make and promulgate any licensing standards rules and regulations necessary to carry out the purposes of Article 1 of Title 63, Chapter 11 [CHILD WELFARE AGENCIES] as applied to Wilderness Therapeutic Camps. Define “Wilderness Therapeutic Camp.”

**HOU:** ADOPT new proviso.

**SFC SUBCOMMITTEE RECOMMENDATION:** ADOPT new proviso.

38.27. (DSS: Wilderness Therapeutic Camps) The Department of Social Services shall make and promulgate such rules and regulations relating to licensing standards and other matters as may be necessary to carry out the purposes of Title 63, Chapter 11, Article 1 of the 1976 Code as applied to Wilderness Therapeutic Camps. For this purpose, a “Wilderness Therapeutic Camp” is a therapeutic camp organization or facility with an outdoor or wilderness focus that is engaged in receiving children for care and maintenance, either part or full time, but shall not include any summer camp, day camp, or after school program, and shall also not include any other outdoor education or youth development program or facility where participants usually attend for less than 15 days, and does not include any licensed residential group care organization, child caring institution or group home or facility that meets the facility requirements of S.C. Code of Regulations Section 114-590.

- 38.28** **DELETE NEW PROVISO** (Group Home Transition) **HOU:** ADD new proviso to direct the department to provide financial and administrative support to group homes to enable any necessary transition of services or the development of new service models for children and young adults. Direct that group homes with young adults ages 18 to 23 are not required to provide 24 hour face to face supervision. Sponsor: Rep. Finlay.

**SFC SUBCOMMITTEE RECOMMENDATION:** DELETE new proviso.

~~38.28. (DSS: Group Home Transition) For the current fiscal year, the Department of Social Services shall provide financial and administrative support and flexibility to Group Homes in order to best enable any necessary transition of services or the development of new service models for children and young adults. Group Homes with young adults between the ages of 18 to 23 years residing in approved and supervised independent living programs shall not be required to provide 24 hours per day face to face supervision for the resident. Regulatory and contractual requirements must not be different for supervision and staff ratios when a young adult aged 18 to 23 is a resident in an approved and supervised independent living program.~~

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**SECTION 95 - E040 - OFFICE OF THE LIEUTENANT GOVERNOR**

**95.5**     **AMEND** (Home and Community-Based Services) Provides for the use, allocation, and carry forward of Home and Community-Based Services funds.

**WMC:** AMEND proviso to change technical references to allowable services. Authorize the Lieutenant Governor's Office on Aging to retain ¼ of 1% of the funds to monitor and oversee the program. Reduce from 5% to 3% the amount of funds which the Lt. Governor's Office on Aging may retain for allocation in case of a recognized emergency and/or natural disaster recognized by the Governor. Delete the requirement that funds be allocated based on the Intrastate Funding Formula methodology and instead direct that the formula be used as a guideline and direct the Lt. Governor's Office on Aging develop and implement a structured methodology to allocate the funding. *Reduction from 5% to 3% would provide more funds for core services to seniors.* Fiscal Impact: Agency states based on current appropriations 3% would provide \$329,160 for emergencies or natural disasters and ¼ of 1% would provide \$27,430 for monitoring. Requested by Lieutenant Governor's Office.

**HOU:** ADOPT proviso as amended.

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

**95.5.** (LTG: Home and Community-Based Services) State funds appropriated for Home and Community-Based Services shall be used to fund those services that most directly meet the goal of allowing seniors to live *safely and* independently at home. Allowable services *as defined in the Lieutenant Governor's State Plan* include: group dining, home delivered meals, transportation to group dining sites, transportation for essential trips, ~~Home Care Level I and II~~ *personal care (formerly Home Care Level I), homemaker (formerly Home Care Level II),* Home Chore, Home Modification, Legal Assistance, *and* Assessments, ~~and~~. Area Agencies on Aging (AAAs) may expend no more than ten percent for administrative services *and one-quarter of one percent shall be retained by the Lieutenant Governor's Office on Aging to provide monitoring and oversight of the program.* All state funds appropriated for Home and Community Based Services are to be allocated to the AAAs based on the methodology of the Intrastate Funding Formula. However, up to ~~five~~ *three* percent of the annual state appropriation for Home and Community-Based Services may be retained at the ~~state office~~ *Lieutenant Governor's Office on Aging* to be allocated *by the Lieutenant Governor's Office on Aging* to the affected regions in cases of a ~~recognized~~ *an* emergency and/or natural disaster *recognized by the Governor*. If these funds are not utilized in the fiscal year allocated, they are to be treated as carry forward funds and reallocated to the AAAs. *The Interstate Funding Formula shall be used as a guideline for the allocation of state funds appropriated for Home and Community-Based Services. The Lieutenant Governor's Office on Aging shall develop and implement a structured methodology to allocate the state Home and Community-Based Services funding. The methodology shall include flexibility to reallocate funds amongst the AAAs, and be composed of, at a minimum, the following factors: a minimum base amount, the fiscal year's federally allocated funds, federal and state carry forwards funds, and an appropriate weighted proportion that will achieve the mission of the Lieutenant Governor's Office on Aging to provide as many services as possible to the citizens of South Carolina.* ~~The AAAs are to~~ *Each AAA shall* submit a budget for approval by the Lieutenant Governor's Office on Aging indicating the services to be provided. Any unexpended *Home and Community-Base Services* funds in this program shall be carried forward *by the Lieutenant Governor's Office on Aging* and used for the same purposes. Funds may not be transferred from the Home and Community-Based special line item for any other purpose.

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**95.7 DELETE** (Referring Agency) Designates the Lieutenant Governor’s Office on Aging as a “referring agency” to the 14 Community Action Agencies in the state and to OEPP, Office of Economic Opportunity for services for the elderly. Requires OEPP provide a report by September 1st to the Chairmen of the Senate Finance and House Ways and Means Committees on the status of all referrals received from the Lt. Governor’s Office on Aging in the prior fiscal year.

**WMC:** DELETE proviso. *The agency states that the objective has been met.* Requested by Lieutenant Governor’s Office.

**HOU:** ADOPT deletion of proviso.

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

~~**95.7.** (LTG: Referring Agency) The Lieutenant Governor’s Office on Aging shall serve as a “referring agency” to the fourteen Community Action Agencies (CAAs) in South Carolina and to the Governor’s Office of Executive Policy and Programs, Office of Economic Opportunity for services for the elderly population. The Governor’s Office of Executive Policy and Programs shall provide a report to the Chairman of the Senate Finance Committee and the Chairman of the House Ways and Means Committee by September first on all referrals received from the Lieutenant Governor’s Office on Aging in the prior fiscal year and on the status of the referrals.~~

**SECTION 99 - E190 - RETIREMENT SYSTEM INVESTMENT COMMISSION**

**99.1 AMEND** (Retirement Investment Commission Audit) Suspends, for FY 2016-17, 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 “2017-18.”

**HOU:** ADOPT proviso as amended.

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

~~**99.1.** (RSIC: Retirement Investment Commission Audit) For Fiscal Year 2016-17 2017-18, 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.~~

**99.2 DELETE** (Semi-Annual Meetings) Requires the Retirement System Investment Commission appear semi-annually before the Ways and Means Committee’s Legislative, Executive, and Local Government Subcommittee, at the subcommittee’s request, in order to review quarterly investment reports and agency operations.

**WMC:** DELETE proviso.

**HOU:** ADOPT deletion of proviso.

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

~~**99.2.** (RSIC: Semi-Annual Meetings) The Retirement System Investment Commission shall be required to appear before House Ways and Means Committee’s, Legislative, Executive and Local Government Subcommittee on a semi-annual basis at the request of the subcommittee. The purpose of the meeting shall include, but not be limited to, the review of quarterly investment reports and agency operations.~~

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- 99.3**     **DELETE** (Administrator Retention) Directs the Retirement System Investment Commission to retain 25% of the annual amount invoiced for its 3<sup>rd</sup> party administrator system to ensure the system’s performance. Requires the funds be held in a retainage account and directs that they can only be distributed after satisfactory performance has been verified by the Investment Commission and Procurement Services. Authorizes undistributed funds to be carried forward and used for the same purpose.  
**WMC:** DELETE proviso. *The 3rd party administrator’s performance has been verified and the retained amount has been paid. The proviso is no longer necessary.* Requested by Retirement System Investment Commission.  
**HOU:** ADOPT deletion of proviso.  
**SFC SUBCOMMITTEE RECOMMENDATION:** ADOPT deletion of 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.~~

- 99.4**     **DELETE NEW PROVISO** (Commissioner Salaries) **HOU:** ADD new proviso to direct that Retirement System Investment Commissioner’s annual salary shall be \$1 if they have served for more than 2 years. Sponsors: Reps. Taylor and Bradley.  
**SFC SUBCOMMITTEE RECOMMENDATION:** DELETE new proviso.

~~99.4. (RSIC: Commissioner Salaries) For Fiscal Year 2017-18, any Retirement System Investment Commissioner who has served as a commissioner for longer than two years shall receive an annual salary of one dollar.~~

**SECTION 104 - E550 - STATE FISCAL ACCOUNTABILITY AUTHORITY**

- 104.5**     **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 references to “2017-18.”  
**HOU:** ADOPT proviso as amended.  
**SFC 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 ~~2016-17~~ 2017-18, 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 - F500 - PUBLIC EMPLOYEE BENEFIT AUTHORITY**

- 108.1**     **REINSERT** (Lottery, Infrastructure Bank, and Magistrates Health Insurance) Allows Lottery Commissioners, Transportation Infrastructure Bank Board members, magistrates, if the

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magistrate's county participates in the plan, and eligible dependents, to participate in the State Health and Dental Plan upon payment of full premium costs.

**WMC:** DELETE proviso.

**HOU:** ADOPT deletion of proviso.

**SFC SUBCOMMITTEE RECOMMENDATION:** REINSERT proviso.

**108.1.** (PEBA: Lottery, Infrastructure Bank, and Magistrates 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. If a county is participating in the State Health and Dental Insurance Plan, magistrates and their eligible dependents are eligible to participate in the State Health and Dental Insurance Plan, upon the magistrate paying the full premium costs as determined by the Public Employee Benefit Authority.

**108.6 CONFORM TO FUNDING** (State Health Plan) Directs that for the 2017 State Health Plan, employer premiums will increase 0.8%; subscriber premiums and co-payments will not increase. Authorizes PEBA to adjust the plan, benefits, or contributions during Plan Year 2017 to ensure the plan remains fiscally stable.

**WMC:** AMEND proviso update employer premium increase from "0.8" to "3.3" and update fiscal year references from "2017" to "2018."

**HOU:** ADOPT proviso as amended.

**SFC SUBCOMMITTEE RECOMMENDATION:** CONFORM to funding recommendation.

**108.6.** (PEBA: State Health Plan) Of the funds authorized for the State Health Plan pursuant to Section 1-11-710(A)(2) of the 1976 Code, an employer premium increase of ~~0.8~~ 3.3 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 ~~2017~~ 2018. Copayments for participants of the State Health Plan in Plan Year ~~2017~~ 2018 shall not 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 ~~2017~~ 2018 to ensure the fiscal stability of the Plan.

**108.11 ADD** (Former Spouses on the State Health Plan) **WMC:** ADD new proviso to require the State Health Plan of Benefits, effective January 1, 2018, to cover a subscriber's former spouse, who is eligible to be covered pursuant to a court order, on the former spouse's individual policy at the full amount of the premium for the elected coverage. Direct that the former spouse may only elect such health, dental and vision coverage as required by the court order and may continue coverage as long as the subscriber remains a participant in the State Health Plan. Direct that this proviso does not affect a subscriber's ability to cover a current spouse on a policy when the subscriber's former spouse is covered on a separate policy.

**HOU:** ADOPT new proviso.

**SFC SUBCOMMITTEE RECOMMENDATION:** ADOPT new proviso.

**108.11. (PEBA: Former Spouses on the State Health Plan) In its Plan of Benefits effective January 1, 2018, the State Health Plan shall cover a subscriber's former spouse, who is eligible to be covered pursuant to a court order, on the former spouse's own individual policy and at the full amount of the premium for the coverage elected, with such rates, billing, and other administrative policies to be determined by the Public Employee Benefit Authority. The former spouses may only elect such health, dental, and vision coverage as required by the court order.**

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The former spouse's individual coverage may continue under the State Health Plan as long as authorized under the court order and the subscriber remains a participant in the State Health Plan. This proviso does not affect a subscriber's ability to cover a current spouse on an employee/retiree and spouse or full family policy when the subscriber's former spouse is covered on a separate policy.

- 108.cd ADD** (Contraceptives for Dependents) **SFC SUBCOMMITTEE RECOMMENDATION:** ADD new proviso to require the State Health Plan of Benefits in 2018 to cover prescribed contraceptives for dependents under the same terms and conditions as employees and spouses. Direct that this proviso does not alter the current approved list of contraceptives and complies with proviso 108.4 (Funding Abortions Prohibited).

108.cd. (PEBA: Contraceptives for Dependents) In its Plan of Benefits effective January 1, 2018, the State Health Plan shall cover prescribed contraceptives for dependents under the same terms and conditions that the Plan provides contraceptive coverage for employees and spouses. This provision does not alter the current approved list of contraceptives and complies with the requirements of proviso 108.4.

**SECTION 113 - X220 - AID TO SUBDIVISIONS, STATE TREASURER**

- 113.7 AMEND** (Political Subdivision Flexibility) Authorizes political subdivisions that receive Local Government Fund monies to reduce the amount of support they provide to any state mandated program or requirement up to the percentage their Local Government Fund appropriation has been reduced compared to the amount required to be funded by law, but excludes the court system from the reductions.

**WMC:** AMEND proviso to update fiscal year reference to "2017-18." Amend the list of entities for which political subdivisions may not reduce support to include "assessment for indigent medical care pursuant to Section 44-6-146" [COUNTY ASSESSMENTS FOR INDIGENT MEDICAL CARE; PENALTIES FOR FAILURE TO PAY ASSESSMENTS IN TIMELY MANNER]. *The department states that counties are using the current proviso to reduce their indigent medical care payments, however the department is obligated to continue covering MIAP beneficiaries and is not permitted to reduce the cost of the program.* Fiscal Impact: The department states they currently absorb up to \$4,000,000 in lost revenue from counties MIAP assessment reductions. Requested by Department of Health and Human Services.

**HOU:** ADOPT proviso as amended.

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

**113.7.** (AS-TREAS: Political Subdivision Flexibility) For Fiscal Year ~~2016-17~~ 2017-18, a political subdivision receiving aid from the Local Government Fund may reduce its support to any state mandated program or requirement, by up to a percentage equal to the percentage reduction in the actual amount appropriated to the Local Government Fund as compared to the amount required to be appropriated pursuant to Section 6-27-30. Excluded from said reductions are Administrative Law Judges and their offices, Court of Appeals and their offices, Circuit and Family Courts and their offices, Magistrates and their offices, Masters-in-Equity and their offices, Probate Courts and their offices, Public Defenders and their offices, Solicitors and their offices, and the Supreme Court and their offices, and assessment for indigent medical care pursuant to Section 44-6-146 of the 1976 Code.

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**SECTION 117 - X900 - GENERAL PROVISIONS**

**117.73 AMEND** (IMD Operations) Directs that funds received by State child placing agencies (SDE, DJJ, DDSN, DMH, DSS, and OEPP-Continuum of Care) for the Institution for Mental Diseases Transition Plan (IMD) be applied only for out of home placement in providers which operate DSS or DHEC licensed institutional, residential, or treatment programs. Requires an annual IMD transition funds expenditure report. Directs DHHS to review the numbers of out of home placements by type and agency each year and make recommendations to the General Assembly. **WMC:** AMEND proviso to delete the requirement that all funds received for IMD be applied only for out-of-home placement in providers which operate DSS or DHEC programs. Delete the requirement that “each state child placing agency” submit an IMD expenditure report on IMD transition funds and instead direct DHHS to produce an annual report on “Medicaid-funded out-of-home placements and associated” expenditures. Delete the requirement that DHHS review the numbers of out of home placements by type and agency each year and make recommendations to the General Assembly. *The department proposes to update the language to focus on providing information on out-of-town home placements as this information has represented the volume of the reports in recent years.* Requested by Department of Health and Human Services.

**HOU:** ADOPT proviso as amended.

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

~~117.73. (GP: IMD Operations) All funds received by the Department of Education, the Department of Juvenile Justice, the Department of Disabilities and Special Needs, the Department of Mental Health, the Department of Social Services, and the Department of Administration, Office of Executive Policy and Programs Continuum of Care as State child placing agencies for the Institution for Mental Diseases Transition Plan (IMD) of the discontinued behavioral health services in group homes and child caring institutions, as described in the Children’s Behavioral Health Services Manual Section 2, dated 7/01/06, shall be applied only for out of home placement in providers which operate Department of Social Services or Department of Health and Environmental Control licensed institutional, residential, or treatment programs. An *The Department of Health and Human Services shall produce an* annual report by each state child placing agency shall be made on the *on Medicaid-funded out-of-home placements and associated* expenditures of all IMD transition funds and *which* shall be provided to the Chairman of the Senate Finance Committee, Chairman of the House Ways and Means Committee, and the Governor no later than November first each year. The Department of Health and Human Services shall review the numbers of out of home placements by type and by agency each year and make recommendations to the General Assembly.~~

**117.90 DELETE** (Opt Out of Federal Patient Protection and Affordable Care Act) Directs that if federal law permits, the state opts out of specific provisions of the federal Patient Protection and Affordable Care Act (PL 111-148).

**WMC:** DELETE proviso.

**HOU:** ADOPT deletion of proviso.

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

~~117.90. (GP: Opt Out of Federal Patient Protection and Affordable Care Act) If federal law permits, the State of South Carolina opts out of the following provisions in the federal Patient Protection and Affordable Care Act (Public Law 111-148):~~

~~(1) Subtitles A through C of Title I (and the amendments made by such subtitles), except for Sections 1253 and 1254;~~

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- ~~(2) Parts I, II, III, and V of subtitle D of Title I (and the amendments made by such parts);~~
- ~~(3) Part I of subtitle E of Title I (and the amendments made by such part);~~
- ~~(4) Subtitle F of Title I (and the amendments made by such subtitle);~~
- ~~(5) Sections 2001 through 2006 (and the amendments made by such sections); and~~
- ~~(6) Sections 10101 through 10107 (and the amendments made by such sections).~~

**117.98 AMEND** ~~(First Steps-BabyNet *Quarterly Report*)~~ Requires the First Steps Board of Trustees to ensure compliance with Part C of the Individuals with Disabilities Act and to fully implement the LAC's BabyNet Program recommendations contained in the 2011 audit report. Directs First Steps to submit necessary statutory changes to appropriate Senate and House Education Committees and to submit budget recommendations to the Governor in their agency's budget request. Requires certain quarterly and monthly reports be submitted and directs First Steps to collaborate with the School for the Deaf and Blind, DDSN, DHHS, DMH, and DSS to develop a common reporting format.

**WMC:** AMEND proviso to delete the BabyNet responsibilities specifically associated with First Steps as the lead agency. *Executive Order 2016-20 transferred the BabyNet lead agency status to DHHS effective July 1, 2017.* Requested by SC First Steps to School Readiness.

**HOU:** ADOPT proviso as amended.

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

~~**117.98.** (GP: *First Steps-BabyNet Quarterly Reports*) In addition to the statutory duties assigned to South Carolina First Steps to School Readiness Board of Trustees, the board shall ensure the state's compliance with the Individuals with Disabilities Act, Part C and the First Steps' full implementation of recommendations contained in the 2011 audit report of the LAC regarding the BabyNet Program. First Steps shall submit any necessary statutory changes to the Chairman of the House Education and Public Works Committee and the Chairman of the Senate Education Committee and any budget recommendations in the agency's budget request as submitted to the Governor. Until completion, First Steps shall post on its' website a quarterly report on the timelines of its progress in implementing the recommendations of the LAC. The Board of Trustees will be kept informed monthly of all activities related to this requirement and those progress reports must be recorded in the minutes for each meeting of the Board of Trustees. When First Steps has implemented all of the recommendations enumerated above, a final report shall be submitted to the Board of Trustees for its' adoption. Upon approval by the Board of Trustees, the final report shall be published on First Steps' homepage. First Steps to School Readiness, the School for the Deaf and Blind, the Department of Disabilities and Special Needs, the Department of Health and Human Services, the Department of Mental Health and the Department of Social Services shall each provide on a common template developed by the agencies, a quarterly report to the Chairman of the House Ways and Means Committee and the Chairman of Senate Finance outlining all programs provided by them for BabyNet; all federal funds received and expended on BabyNet and all state funds expended on BabyNet. Each entity and agency shall report on its share of the state's ongoing maintenance of effort as defined by the US Department of Education under IDEA Part C.~~

**117.116 CONFORM TO FUNDING** (Employee Compensation) Provides a plan to distribute employee pay increases for FY 16-17 in the amount of 3.25%. Directs allocations associated with the increases for retirement employer contributions be based on the rate of the retirement system in which employees participate. Authorizes the use of funding for statewide employer contributions for other statewide purposes and allow carry forward of those funds.



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**WMC:** AMEND proviso to change employee compensation increase from “3.25” to “zero” percent.

**HOU:** ADOPT proviso as amended.

**SFC SUBCOMMITTEE RECOMMENDATION:** CONFORM to funding recommendation.

**117.116.** (GP: Employee Compensation) The amounts appropriated to F300-Statewide Employee Benefits for Employee Pay Increases must be allocated by the Department of Administration, Executive Budget Office to the various state agencies to provide for employee pay increases in accordance with the following plan:

(1) With respect to classified and non-judge judicial classified employees, effective on the first pay date that occurs on or after July first of the current fiscal year, the compensation of all classified employees shall be increased by ~~3.25%~~ zero percent.

(2) With respect to unclassified and non-judge judicial unclassified employees or unclassified executive compensation system employees not elsewhere covered in this act, effective on the first pay date that occurs on or after July first of the current fiscal year the compensation of all unclassified employees shall be increased by ~~3.25%~~ 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 ~~3.25%~~ zero percent.

(4) With respect to local health care providers compensation increases shall be ~~3.25%~~ 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 ~~3.25%~~ 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 ~~3.25%~~ 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 ~~3.25%~~ 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 ~~3.25%~~ zero percent.

(7) For Fiscal Year 2016-17, the Executive Budget Office is directed to review Executive Branch agencies to determine whether their budgets warrant an other fund authorization increase due to the ~~3.25%~~ zero percent compensation increase for all full-time employees. If so warranted, the Executive Budget Office shall work with the Office of the Comptroller General to increase such authorization for the affected agencies.

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.

Funds appropriated in Part IA, F300, Section 106, Statewide Employee Benefits may be carried forward from the prior fiscal year into the current fiscal year.

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**117.133 ADD (BabyNet) WMC:** ADD new proviso to direct EBO to conduct an inventory of all BabyNet related spending and submit it to the Governor and the Chairmen of the Senate Finance and House Ways and Means Committees by July 15, 2017. *Executive Order 2016-20 transferred the BabyNet lead agency status to DHHS effective July 1, 2017.*

**HOU:** ADOPT new proviso.

**SFC SUBCOMMITTEE RECOMMENDATION:** ADOPT new proviso.

*117.133. (GP: BabyNet) From funds available in the current fiscal year for budgetary analysis and oversight, the Executive Budget Office shall conduct an inventory of all BabyNet-related spending, which shall be submitted to the Governor, the Chairman of the Senate Finance Committee, and the Chairman of the House Ways and Means Committee no later than July 15, 2017. All affected agencies shall support the Executive Budget Office in this effort by providing information upon request, so that the first recommendation of the Legislative Audit Council's 2011 report on BabyNet may be implemented.*

**117.134 DELETE NEW PROVISO (Equestrian Center Therapy Program) WMC:** ADD new proviso to direct Voc Rehab to transfer \$500,000 to Lander University for the Lander Equestrian Center and direct Lander to use these funds to operate the center and to create a Herd 2 Human pilot program to provide equine assisted psychotherapy geared towards the treatment of PTSD and other similar disorders for members of the military. Direct that the funds must be used for the center and may not be transferred and used for other purposes.

**HOU:** ADOPT new proviso.

**SFC SUBCOMMITTEE RECOMMENDATION:** DELETE new proviso.

~~*117.134. (GP: Equestrian Center Therapy Program) The Department of Vocational Rehabilitation shall transfer \$500,000 to Lander University for the Lander Equestrian Center. These funds shall be used for the operation of the Equestrian Center and to create a Herd 2 Human pilot program to provide equine assisted psychotherapy geared towards military members as a method of treating post-traumatic stress disorder (PTSD) and other similar disorders. These funds shall be used solely for the Equestrian Center and shall not be transferred and used for any other purpose.*~~

**117.135 CONFORM TO FUNDING (South Carolina Telemedicine Network) WMC:** ADD new proviso to direct that Telemedicine funds appropriated to MUSC for the MUSC Hospital Authority must be used to continue development of the SC Statewide Telemedicine Network. Direct the SC Telehealth Alliance to submit a proposal to the authority and the Department of Health and Human Services to determine which entities are best suited for Telemedicine partnerships. Direct DHHS to develop or continue a program to leverage the use of teaching hospitals to provide rural physician coverage by expanding use of telemedicine. Direct DHHS to use \$9,000,000 to contract with the MUSC Hospital Authority to lead the statewide, open access, South Carolina Telemedicine Network. Direct that no less than \$1,000,000 be allocated toward Palmetto Care Connections and other hospitals in the state. Direct the authority provide DHHS with quarterly reports on the allocation of funds and the progress of telemedicine transformation efforts and networks. Direct the MUSC Hospital Authority to publish a summary progress report on the telemedicine transformation and submit it to the Governor and General Assembly by March 1, 2018.

**HOU:** ADOPT new proviso.

**SFC SUBCOMMITTEE RECOMMENDATION:** CONFORM to funding recommendation.

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117.135. (GP: South Carolina Telemedicine Network) From the funds appropriated to the Medical University of South Carolina for the MUSC Hospital Authority for Telemedicine and the funds appropriated and authorized for the Department of Health and Human Services, the agencies must continue the development of the South Carolina Statewide Telemedicine Network. The South Carolina Telehealth Alliance shall submit a proposal to the MUSC Hospital Authority and the Department of Health and Human Services to determine which hospitals, clinics, schools or other entities are best suited for Telemedicine partnerships.

(A) The Department of Health and Human Services shall develop or continue a program to leverage the use of teaching hospitals to provide rural physician coverage by expanding the use of Telemedicine, to include new applications such as School Based Telehealth, and Tele-ICU.

(B) During the current fiscal year the Department of Health and Human Services shall contract with the MUSC Hospital Authority in the amount of \$9,000,000 to lead the development and operation of statewide open access to the South Carolina Telemedicine Network. Institutions and other entities participating in the network must be afforded the opportunity to meaningfully participate in the development of any annual refining to the initiative's strategic plan. Working with the department, the MUSC Hospital Authority shall collaborate with Palmetto Care Connections to pursue this goal. No less than \$1,000,000 of these funds shall be allocated toward support of Palmetto Care Connections and other hospitals in South Carolina. The MUSC Hospital Authority must provide the department with quarterly reports regarding the funds allocation and progress of telemedicine transformation efforts and networks. These reports must include an itemization of the ultimate recipients of these funds, whether vendors, grantees, specific participating institutions, or the Medical University of South Carolina, and must distinguish between funds allocation to the university as a participating institution as opposed to those retained and used by the university in its capacity as the administering entity for the network.

(C) The MUSC Hospital Authority shall publish a summary report to the Governor and the General Assembly indicating the overall progress of the state's telemedicine transformation by March 1, 2018.

**117.136 ADD (Adult Protective Services Coordination Teams) WMC:** ADD new proviso to direct the Department of Social Services Adult Protective Services Program to develop county level multi-agency interdisciplinary Adult Protective Services Coordination Teams to develop and implement strategies to ensure appropriate services are available to vulnerable adults during the investigation and adjudication of the report of alleged abuse, neglect and exploitation. Require DHHS, DDSN, and DMH, or their designed local entity, and with advice and resources from the Lt. Governor's Office on Aging to serve on the teams to address abuse and neglect and prevent or delay institutionalization. Direct DSS to submit a progress report on implementation and any necessary funding requests to the Governor and Chairmen of the House Ways and Means and Senate Finance Committees by January 1, 2018.

**HOU:** ADOPT new proviso.

**SFC SUBCOMMITTEE RECOMMENDATION:** ADOPT new proviso.

117.136. (GP: Adult Protective Services Coordination Teams) In order to best coordinate services for the South Carolina vulnerable adult population, the Adult Protective Services Program at the Department of Social Services shall develop county level multi-agency interdisciplinary Adult Protective Services Coordination Teams. These teams must develop and implement strategies to ensure appropriate services are available and provided to vulnerable adults during the investigation and adjudication of the report of alleged abuse, neglect, and exploitation of vulnerable adults.

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The following agencies are required to participate and/or designate a local entity to serve on the Adult Protective Services Coordination Teams to address abuse and neglect and to prevent or delay institutionalization: Department of Health and Human Services, Department of Disabilities and Special Needs, Department of Mental Health, and with advice and resources from the Lt. Governor's Office on Aging. Participating agencies may expend necessary funds as authorized and/or appropriated in the current fiscal year, to develop the APS Coordination Teams. The teams must give priority for services for assessment of mental and physical conditions, eligibility for services, home and community based services waivers, home health, hospice, targeted case management, Optional State Supplementation & OSCAP, service coordination, Intermediate Care Facilities for Individuals with Intellectual Disabilities (ICF/IID), behavioral health programs such as community mental health programs, inpatients psychiatric services, nursing facility care, and other home and community based services such as home-delivered meals and transportation.

The Department of Social Services shall submit a report on the progress of the implementation and any necessary funding requests to the Governor, the Chairman of the Senate Finance Committee, and the Chairman of the House Ways and Means Committee by January 1, 2018.

- 117.146 CONFORM TO FUNDING** (SCRS & PORS Rates) **WMC:** ADD new proviso to direct that for FY 2017-18 the contribution rate for SCRS shall be 12.56% for employers and 9% for employees and for PORS shall be 15.24% for employers and 9.75% for employees. Direct that these funds are in lieu of an additional employer contribution increase and is equivalent to a 1% increase for state, local and school district employers that participate in the systems.

**HOU:** ADOPT new proviso.

**SFC SUBCOMMITTEE RECOMMENDATION:** CONFORM to funding recommendation.

117.146. (GP: SCRS & PORS Rates) For Fiscal Year 2017-18, the contribution rate for the South Carolina Retirement System shall be 12.56 percent for employers and 9 percent for employees and the contribution rate for the Police Officer Retirement System shall be 15.24 percent for employers and 9.75 percent for employees.

The funds appropriated to the Public Employee Benefit Authority for the South Carolina Retirement System Trust Fund and the Police Officer Retirement System Trust Fund in Part IA, Section 108 of this act is in lieu of an additional contribution increase for employers. This supplemental appropriation is equivalent to a one percent increase for all state, local, and school district employers participating in the two systems.

- 117.147 ADD** (Prohibited Funding for Aborted Fetus Research) **HOU:** ADD new proviso to prohibit general funds from being used to purchase fetal tissue from an abortion in order to perform research on the tissue. Sponsor: Rep. Long.

**SFC SUBCOMMITTEE RECOMMENDATION:** ADOPT new proviso.

117.147. (GP: Prohibited Funding for Aborted Fetus Research) Notwithstanding any other provision of this act, general funds appropriated in this act may not be used to purchase fetal tissue obtained from an abortion to perform scientific or laboratory research or other kinds of investigation conducted on fetal tissue.

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**SECTION 118 - X910 - STATEWIDE REVENUE**

**118.9 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, 2016, 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 update calendar year reference from “2016” to “2017.”

**HOU:** ADOPT proviso as amended.

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

**118.9.** (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, ~~2016~~ 2017, 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.

**118.11 AMEND** (Tobacco Settlement) Directs expenditure of Tobacco Master Settlement Agreement (MSA) funds for Fiscal Year 2016-17. Suspends the requirements of Section 11-11-170 [USE OF REVENUES PAYABLE PURSUANT TO MASTER SETTLEMENT AGREEMENT] for Fiscal Year 2016-17.

**WMC:** AMEND proviso to fiscal year references from “2016-17” to “2017-18.”

**HOU:** ADOPT proviso as amended.

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

**118.11.** (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 ~~2016-17~~ 2017-18, 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) 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 ~~2016-17~~ 2017-18.

**118.12 DELETE** (Nonrecurring Revenue) Appropriates non-recurring revenue to various agencies for Fiscal Year 2016-17, generated from specific sources.

**WMC:** DELETE proviso.

**HOU:** ADOPT deletion of proviso.

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

**118.12.** (SR: Nonrecurring Revenue) ~~(A) The source of revenue appropriated in subsection (B) is nonrecurring revenue generated from the following sources:~~

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- ~~(1) \$46,750,797 from Fiscal Year 2014-15 Contingency Reserve Fund;~~
- ~~(2) \$239,798,000 from Fiscal Year 2015-16 unobligated general fund revenue as certified by the Board of Economic Advisors;~~
- ~~(3) \$139,260,007 from the Litigation Recovery Account;~~
- ~~(4) \$14,426,041 from Fiscal Year 2015-16 (V040) Excess Debt Service;~~
- ~~(5) \$11,885,511 from Fiscal Year 2015-16 (X440) Excess Homestead Exemption;~~
- ~~(6) \$5,494,506 from Fiscal Year 2015-16 F30 Carry Forward and Bonus Lapse; and~~
- ~~(7) \$400,000 from the Department of Revenue Identity Theft Reimbursement Fund Lapse.~~

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 2015-16 and shall be available for use in Fiscal Year 2016-17.

This revenue is deemed to have occurred and is available for use in Fiscal Year 2016-17 after September 1, 2016, following the Comptroller General's close of the state's books on 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, 2016, for the purposes stated:

<del>(1) General Reserve Fund Contribution .....</del>	<del>\$ 20,399,981</del>
<del>(2) U120 Department of Transportation</del>	
<del>(a) Non Federal Aid Highway Fund .....</del>	<del>\$ 50,000,000</del>
<del>(b) 2015 Flood Road Repair Cost .....</del>	<del>\$ 37,300,000</del>
<del>(3) E240 Office of Adjutant General</del>	
<del>EMD FEMA State and Local Match for 2015 Flooding .....</del>	<del>\$ 72,000,000</del>
<del>(4) H630 Department of Education</del>	
<del>(a) School Bus Lease or Purchase .....</del>	<del>\$ 3,225,424</del>
<del>(b) Hazardous Transportation .....</del>	<del>\$ 3,000,000</del>
<del>(c) Technology Technical Assistance .....</del>	<del>\$ 13,977,209</del>
<del>(d) Education Outreach/State Museum .....</del>	<del>\$ 15,000</del>
<del>(e) Onsite Educational Programming/State Museum .....</del>	<del>\$ 10,000</del>
<del>(f) Teacher Recruitment and Retention for Plaintiff Districts         and Districts with a Poverty Index of Eighty Percent         or Higher .....</del>	<del>\$ 9,058,672</del>
<del>(g) Babynet Autism Therapy .....</del>	<del>\$ 1,200,000</del>
<del>(4.1) The Department of Education shall allocate the \$9,058,672 appropriated above in item (4)(f) for any school district that is a plaintiff in the Abbeville law suit or districts with a poverty index of eighty percent or higher based on the poverty index utilized the prior fiscal year that was student eligibility for the free or reduced lunch program and Medicaid to provide for Teacher Recruitment and Retention. The funds shall be allocated on a per pupil basis to each district based on the districts 45 day student enrollment count.</del>	
<del>(5) H670 Educational Television Commission</del>	
<del>Capital Needs .....</del>	<del>\$ 1,750,000</del>
<del>(6) H790 Department of Archives and History</del>	
<del>(a) Digital Access and Storage Initiative .....</del>	<del>\$ 439,000</del>
<del>(b) Architectural Heritage Preservation .....</del>	<del>\$ 2,300,000</del>
<del>(c) Driving Tours Historic African American Sites .....</del>	<del>\$ 100,000</del>

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<del>(7) H870 State Library</del>		
	Colleton County Bookmobile .....	\$ 200,000
<del>(8) H910 Arts Commission</del>		
	SC Artisans Center .....	\$ 500,000
<del>(9) H950 State Museum Commission</del>		
	(a) Collections Database and Management System .....	\$ 125,000
	(b) Collections and Content .....	\$ 5,000
<del>(10) H030 Commission on Higher Education</del>		
	(a) SREB Program and Assessments .....	\$ 1
	(b) Legal Staffing .....	\$ 1
	(c) Out of State Veteran Tuition Reimbursement Colleges .....	\$ 1
	(d) Greenwood Promise Scholarship Program .....	\$ 50,000
<del>(11) H090 The Citadel Educational and General</del>		
	Operating .....	\$ 1
<del>(12) H120 Clemson University E&amp;G</del>		
	Outdoor Lab Facilities .....	\$ 2,400,000
<del>(13) H150 University of Charleston</del>		
	(a) Computer Science Program .....	\$ 650,000
	(b) Gibbs Museum of Art .....	\$ 350,000
	(c) Maintenance: Critical Care and Repair (1:1 Match) .....	\$ 1
	(d) Avery Center .....	\$ 250,000
<del>(14) H170 Coastal Carolina University</del>		
	(a) Maintenance: Critical Care and Repair (1:1 Match) .....	\$ 1
	(b) Atmospheric and Soil Moisture Weather Stations (10) .....	\$ 150,000
	(c) Brooks Stadium Engineering .....	\$ 100,000
<del>(14.1) Coastal Carolina University shall use the funds appropriated for Brooks Stadium Engineering to offset costs associated with expansion of the football stadium. Once the university has developed a plan for stadium expansion pursuant to any National Collegiate Athletic Association, conference, or contractual requirements, the university shall submit the plan for approval to the Joint Bond Review Committee and the State Fiscal Accountability Authority. Any other statutory requirements for state approval of this project are hereby suspended for the fiscal year.</del>		
<del>(15) H180 Francis Marion University</del>		
	(a) Maintenance: Critical Care and Repair (1:1 Match) .....	\$ 1
	(b) Honors College .....	\$ 200,000
<del>(16) H210 Lander University</del>		
	Nursing and STEM Equipment .....	\$ 550,000
<del>(17) H240 South Carolina State University</del>		
	(a) Maintenance: Critical Care and Repair (1:1 Match) .....	\$ 150,000
	(b) Rural Conference Center .....	\$ 1
<del>(18) H270 University of South Carolina Columbia</del>		
	Law School Taylor Renovations (1:1 Match) .....	\$ 1
<del>(19) H340 University of South Carolina Upstate</del>		
	(a) Maintenance: Critical Care and Repair (1:1 Match) .....	\$ 1
	(b) Manufacturing Management Technology Training .....	\$ 1
<del>(20) H380 University of South Carolina Salkehatchie</del>		
	(a) HVAC and Physical Plant Repairs .....	\$ 100,000
	(b) Science Building Maintenance .....	\$ 250,000
<del>(21) H390 University of South Carolina Sumter</del>		
	Physical Plant Repairs .....	\$ 100,000

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(22) H510	Medical University of South Carolina	
	(a) Palmetto Palace .....	\$ 1
	(b) MUSC Shawn Jenkins Children's Hospital .....	\$ 10,000,000
(23) H590	State Board for Technical and Comprehensive Education	
	(a) ReadySC Direct Training .....	\$ 13,554,507
	(b) Central Carolina Technical College Critical Training Equipment .....	\$ 1,320,670
	(c) Critical Training Equipment .....	\$ 1
	(d) Greenville Technical College CMI Equipment .....	\$ 7,000,000
	(e) Greenville Technical College Critical Training Equipment .....	\$ 778,496
	(f) Aiken Technical College Life Science Building .....	\$ 650,000
	(g) Aiken Technical College Critical Training Equipment .....	\$ 784,216
	(h) Denmark Technical College Barnwell Workforce Center .....	\$ 950,000
	(i) Denmark Technical College Critical Training Equipment .....	\$ 415,484
	(j) Florence Darlington Technical College Academic Building .....	\$ 3,500,000
	(k) Florence Darlington Technical College Critical Training Equipment .....	\$ 858,078
	(l) Horry Georgetown Technical College Critical Training Equipment .....	\$ 1,063,730
	(m) Midlands Technical College Critical Training Equipment .....	\$ 1,107,743
	(n) Northeastern Technical College Instructional Building .....	\$ 3,500,000
	(o) Northeastern Technical College Critical Training Equipment .....	\$ 642,679
	(p) Orangeburg Calhoun Technical College Critical Training Equipment .....	\$ 801,512
	(q) Orangeburg Calhoun Technical College Nursing Cooperative Program with Claflin University .....	\$ 400,000
	(r) Piedmont Technical College Upstate Center for Manufacturing .....	\$ 3,750,000
	(s) Piedmont Technical College Critical Training Equipment .....	\$ 989,767
	(t) Spartanburg Community College Critical Training Equipment .....	\$ 2,012,265
	(u) Technical College of the Lowcountry New River Workforce Development Center .....	\$ 150,000
	(v) Technical College of the Lowcountry Mobile Welding Lab .....	\$ 1,200,000
	(w) Technical College of the Lowcountry Critical Training Equipment .....	\$ 717,171
	(x) Tri County Technical College Critical Training Equipment .....	\$ 992,641
	(y) Trident Technical College Aeronautical Training Center .....	\$ 700,000
	(z) Trident Technical College Critical Training Equipment .....	\$ 1,624,725
	(aa) Williamsburg Technical College Critical Training Equipment .....	\$ 606,872
	(bb) York Technical College Health and Human Services Building .....	\$ 900,000
	(cc) York Technical College Critical Training Equipment .....	\$ 1,309,614
	(dd) York Technical College Western York Campus .....	\$ 100,000
(24) J020	Department of Health and Human Services	
	(a) Medicaid Management and Information System .....	\$ 8,474,579
	(b) Rural Health Initiative .....	\$ 3,000,000
	(c) Medical Contracts .....	\$ 4,484,000



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	(d) Osprey Village.....	\$ 200,000
(25)	J040 Department of Health and Environmental Control	
	(a) Data Center/Infrastructure.....	\$ 3,700,000
	(b) Electronic Medical Records.....	\$ 2,000,000
	(c) Cancer Screenings.....	\$ 1,500,000
	(d) Donate Life Organ Donor Registry.....	\$ 100,000
	(e) Water Quality Infrastructure.....	\$ 2,750,000
	(f) Real MAD.....	\$ 200,000
	(g) North Myrtle Ocean Outfall.....	\$ 700,000
	(h) Air Quality Improvements.....	\$ 300,000
	(25.1) Of the funds appropriated above to the Department of Health and Environmental Control for Cancer Screenings, the department shall utilize \$1,000,000 of the funds for the Best Chance Network and \$500,000 as matching funds for the Colon Cancer Prevention Network.	
(26)	J160 Department of Disabilities and Special Needs	
	Lander Equestrian Center.....	\$ 300,000
(27)	L040 Department of Social Services	
	(a) Child Support System Development.....	\$ 1,000,000
	(b) Antioch Senior Center.....	\$ 100,000
	(c) After School and Summer Reading Programs.....	\$ 500,000
	(d) CR Neal Dream Center.....	\$ 100,000
	(e) Criminal Domestic Violence SCCADVASA.....	\$ 800,000
	(27.1) The funds appropriated above for After School and Summer Reading Programs must be used by the Department of Social Services to leverage any available matching funds for after school and summer childcare programs for Low Income children.	
(28)	E040 Office of the Lieutenant Governor	
	Family Caregivers.....	\$ 1
(29)	P320 Department of Commerce	
	(a) Closing Fund.....	\$ 10,000,000
	(b) Existing Industries U.S. DOD Bus. Diversification	
	Grant Match.....	\$ 300,000
	(c) IT ology Coursepower.....	\$ 400,000
	(d) LocateSC.....	\$ 6,000,000
	(e) Office of Innovation.....	\$ 2,000,000
	(f) Research Initiatives.....	\$ 3,000,000
	(g) Applied Research Centers.....	\$ 1,000,000
	(h) Community Development Corporations.....	\$ 100,000
	(i) Economic Development.....	\$ 100,000
	(j) Workforce Coordinating Council Operations.....	\$ 100,000
(30)	C050 Administrative Law Court	
	Rent Increase/Upfit.....	\$ 5,000
(31)	D100 State Law Enforcement Division	
	(a) Forensic Building.....	\$ 17,800,000
	(b) Vehicle Rotation.....	\$ 2,000,000
	(c) First Responder PTSD Treatment.....	\$ 500,000
(32)	N040 Department of Corrections	
	Agency Wide Paving.....	\$ 2,360,580
(33)	N080 Department of Probation, Parole and Pardon Services	
	(a) Offender Education and Reentry Initiative.....	\$ 150,000
	(b) Job Training and Preparation Education.....	\$ 105,000

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(34) N120	Department of Juvenile Justice	
	AMI Kids .....	\$ 200,000
(35) R440	Department of Revenue	
	(a) CSID—Identity and Credit Protection Services .....	\$ 1,000,000
	(b) Tax Processing System (COTS) .....	\$ 1,145,202
(36) P160	Department of Agriculture	
	(a) Agricultural Marketing (Certified SC) .....	\$ 500,000
	(b) Agribusiness Development .....	\$ 2,500,000
(37) P200	Clemson University PSA	
	(a) Agriculture and Natural Resources Program .....	\$ 500,000
	(b) Agriculture and Natural Resources Facilities .....	\$ 1,700,000
(38) P240	Department of Natural Resources	
	(a) Fort Johnson Roof Replacement .....	\$ 1,515,132
	(b) Law Enforcement Communication Center Upgrade .....	\$ 800,000
	(c) Springs Stevens Hatchery Harvest Kettle Renovation .....	\$ 800,000
	(d) Waddell Center Infrastructure .....	\$ 100,000
	(e) Wildlife Management Areas .....	\$ 3,000,000
	(f) Heavy Equipment Road and Dike Maintenance .....	\$ 210,000
	(g) Upper Coastal Waterfowl Project Maintenance and Repair .....	\$ 1,600,000
	(h) Boat Slip Renovation Fort Johnson .....	\$ 1,000,000
	(i) Outreach Education .....	\$ 1,600,000
	(j) Equipment .....	\$ 1,000,000
(39) P280	Department of Parks, Recreation and Tourism	
	(a) Agency Operations .....	\$ 1
	(b) Statewide Coastal Beach Renourishment .....	\$ 30,000,000
	(c) Information Technology Security Audit and PCI Compliance Audit .....	\$ 300,000
	(d) State Park Piers Repair .....	\$ 2,200,000
	(e) Oconee Spillway Repair .....	\$ 100,000
	(f) Sports Development Marketing Program .....	\$ 3,000,000
	(g) Medal of Honor Museum .....	\$ 3,000,000
	(h) Sumter Environmental Center .....	\$ 300,000
	(i) African American Museum .....	\$ 4,000,000
	(j) Children's Museum of the Upstate .....	\$ 1,000,000
	(k) Parks and Recreation Development Fund .....	\$ 5,000,000
(39.1)	The Department of Parks, Recreation and Tourism shall allocate the funds appropriated above in item (39)(b) for Statewide Coastal Beach Renourishment to local governments and state agencies for beach renourishment activities to repair damage caused by storm activity in 2015 and to accelerate routine renourishment activities on beaches damaged by the storms. Local governments and state agencies shall make application for renourishment funds on a form and in the manner prescribed by the department and funds shall be allocated using a prioritization process developed by the department. The department shall report to the Governor, the Chairman of the House Ways and Means Committee and the Chairman of the Senate Finance Committee on applications received and the process for prioritizing renourishment funding no later than September 1, 2016.	
(40) R200	Department of Insurance	
	Wind Studies .....	\$ 20,000
(41) R360	Department of Labor, Licensing and Regulation	
	Fire Suppression .....	\$ 25,000

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(42) Y140	State Ports Authority	
	(a) Jasper Ocean Terminal Permitting .....	\$ 2,500,000
	(b) Port of Georgetown .....	\$ 500,000
(43) A150	Codification of Laws and Legislative Council	
	Dues .....	\$ 187,738
(44) A170	Legislative Services Disaster Recovery .....	\$ 500,000
(45) X220	Aid to Subdivisions State Treasurer	
	Local Government Fund .....	\$ 10,600,000
(46) D500	Department of Administration	
	(a) New Statewide Voting System .....	\$ 1
	(b) Office of Economic Opportunity Wateree Community Action Agency .....	\$ 200,000
	(c) State Human Resources Leadership South Carolina .....	\$ 150,000
	(d) Pendleton Street Safety Upgrades .....	\$ 2,400,000
(46.1)	The Department of Administration shall utilize the \$2,400,000 appropriated above for Pendleton Street Safety Upgrades to improve pedestrian safety and visibility on Pendleton Street for those traveling on the State House grounds and entering and exiting the McEachern Parking Facility.	
(47) E240	Office of Adjutant General	
	(a) Force Protection .....	\$ 1
	(b) Post Challenge .....	\$ 1
	(c) EMD Continuity of Operations and Government Plan .....	\$ 250,000
	(d) Emergency Commodities .....	\$ 100,000
	(e) Transitional Workforce Educational Assistance Collaborative .....	\$ 200,000
	(f) Shaw Encroachment Zone .....	\$ 200,000
	(g) SC Military Museum .....	\$ 380,000
(48) R520	State Ethics Commission	
	New Auditors Equipment .....	\$ 10,000
(49) U300	Division of Aeronautics	
	(a) Airport Facilities Security System Replacement .....	\$ 100,000
	(b) State Aviation Fund .....	\$ 7,000,000
	(c) Capital Improvements .....	\$ 200,000
	(d) Airline Recruitment and Retention .....	\$ 150,000
(50) E160	Office of State Treasurer	
	ABLE Savings Program .....	\$ 100,000

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

**118.14 CONFORM TO FUNDING** (Nonrecurring Revenue) **WMC:** ADD new proviso to (A) appropriate non-recurring revenue for FY 2017-18 generated from FY 2016-17 unobligated general fund revenue certified by the BEA, the Litigation Recovery Account, the S.C. Farm Aid Fund Lapse, FY 2016-17 Excess Homestead Exemption, and FY 2016-17 Conservation Bank Subfund 45D7 Carry Forward; (B) appropriate funds to various agencies for specific purposes; add item (1.1) to direct PRT to allocate the \$5,000,000 appropriated for Statewide Coastal Beach Renourishment to local governments and state agencies for beach renourishment to repair damage caused by 2015 and 2016 storms; provide for an application process; and require PRT report to the Governor and the Chairmen of the House Ways and Means and Senate Finance Committees by September 1, 2017 on the applications received and the funding prioritization; add item (4.1) to direct that the \$4,000,000 to HHS for the Rural Hospital Transformation Plan

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may only be used for site improvements associated with a HHS approved hospital transformation plan; and (C) authorize unexpended funds to be carried forward and spent for the same purpose.

**HOU:** AMEND new proviso to combine Litigation Recovery Account revenue items (A)(2) and (3) into (A)(2); amend allocations under item (B)(1) PRT to add \$6,000,000 for PARD Fund; and delete item (B)(12) \$6,000,000 to DOA for Competitive Grants. Sponsor: Rep. White.

**SFC 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) \$28,496,108 from Fiscal Year 2016-17 unobligated general fund revenue as certified by the Board of Economic Advisors;

(2) \$16,183,789 from the Litigation Recovery Account;

(3) \$ 4,526,031 from the South Carolina Farm Aid Fund Lapse;

(4) \$ 7,879,103 from Fiscal Year 2016-17 (X440) Excess Homestead Exemption; and

(5) \$ 6,640,817 from Fiscal Year 2016-17 (P400) S.C. Conservation Bank, Subfund 45D7 Carry Forward.

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 2016-17 and shall be available for use in Fiscal Year 2017-18.

This revenue is deemed to have occurred and is available for use in Fiscal Year 2017-18 after September 1, 2017, following the Comptroller General's close of the state's books on Fiscal Year 2016-17.

(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, 2017, for the purposes stated:

(1) P280 - Department of Parks, Recreation and Tourism

(a) Statewide Coastal Beach Renourishment.....\$ 5,000,000

(b) Hurricane Matthew Revenue Loss .....\$ 2,238,206

(c) Parks, Recreational and Tourism Revitalizations.....\$ 1,000,000

(d) Parks, Recreation Development Fund.....\$ 6,000,000

(1.1)The Department of Parks, Recreation and Tourism shall allocate the funds appropriated in item (1)(a) for Statewide Coastal Beach Renourishment to local governments and state agencies for beach renourishment activities to repair damage caused by storm activity in 2015 and 2016 and to accelerate routine renourishment activities on beaches damaged by the storms. Local governments and state agencies shall make application for renourishment funds on a form and in the manner prescribed by the department and funds shall be allocated using a prioritization process developed by the department. The department shall report to the Governor, the Chairman of the House Ways and Means Committee and the Chairman of the Senate Finance Committee on applications received and the process for prioritizing renourishment funding no later than September 1, 2017.

(2) P320 - Department of Commerce

(a) Closing Fund.....\$ 20,000,000

(b) 2015 Flood - Non-CDBG - Disaster Recovery .....\$ 250,000

(c) LocateSC.....\$ 5,455,179

(d) Applied Research Centers .....\$ 2,000,000

(e) Military Base Task Force.....\$ 300,000

(f) IT-ology/Coursepower .....\$ 200,000

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<u>(3) P400 - S.C. Conservation Bank</u>	
<u>Conservation Bank Trust .....</u>	<u>\$ 5,000,000</u>
<u>(4) J020 - Department of Health and Human Services</u>	
<u>(a) Rural Hospital Transformation Plan .....</u>	<u>\$ 4,000,000</u>
<u>(b) Medical Contracts .....</u>	<u>\$ 3,000,000</u>
<u>(4.1) The funds appropriated to the Department of Health and Human Services in item</u>	
<u>(4)(a) for the Rural Hospital Transformation Plan may only be utilized for site improvements</u>	
<u>associated with a hospital transformation plan approved by the Department of Health and</u>	
<u>Human Services.</u>	
<u>(5) J040 - Department of Health and Environmental Control</u>	
<u>(a) Water Quality .....</u>	<u>\$ 2,000,000</u>
<u>(b) Pinewood Site Leachate Recovery .....</u>	<u>\$ 1,848,000</u>
<u>(6) P120 - Forestry Commission</u>	
<u>Firefighter Safety and Public Protection - Equipment .....</u>	<u>\$ 1,000,000</u>
<u>(7) D100 - State Law Enforcement Division</u>	
<u>Counter Terrorism/Arson Operating Expenses .....</u>	<u>\$ 448,000</u>
<u>(8) P160 - Department of Agriculture</u>	
<u>Consumer Protection and Safety Equipment .....</u>	<u>\$ 500,000</u>
<u>(9) L040 - Department of Social Services</u>	
<u>Group Home Transition .....</u>	<u>\$ 500,000</u>
<u>(10) R400 - Department of Motor Vehicles</u>	
<u>(a) Annual Leave Payouts .....</u>	<u>\$ 140,000</u>
<u>(b) Disaster Recovery Integration .....</u>	<u>\$ 500,000</u>
<u>(11) E240 Office of Adjutant General</u>	
<u>Youth Challenge - POST Challenge .....</u>	<u>\$ 500,000</u>
<u>(12) E200 - Office of the Attorney General</u>	
<u>ICAC Equipment, Training, and Operations .....</u>	<u>\$ 150,000</u>
<u>(13) U300 - Division of Aeronautics</u>	
<u>(a) Security System .....</u>	<u>\$ 100,000</u>
<u>(b) Airline Recruitment and Retention .....</u>	<u>\$ 150,000</u>
<u>(14) H750 - School for the Deaf and the Blind</u>	
<u>Campus Facility Plan .....</u>	<u>\$ 150,000</u>
<u>(15) H710 - Wil Lou Gray Opportunity School</u>	
<u>(a) Underground Utilities .....</u>	<u>\$ 100,000</u>
<u>(b) HVAC .....</u>	<u>\$ 80,000</u>
<u>(16) A170 Legislative Services</u>	
<u>IT Disaster Recovery .....</u>	<u>\$ 500,000</u>
<u>(17) R080 - Workers' Compensation Commission</u>	
<u>IT Division - Legacy System Modernization .....</u>	<u>\$ 189,488</u>
<u>(18) H790 - Department of Archives and History</u>	
<u>Conservation of South Carolina's Constitutions .....</u>	<u>\$ 200,000</u>
<u>(19) N200 - Law Enforcement Training Council</u>	
<u>Criminal Justice Academy</u>	
<u>Dining Hall Furniture .....</u>	<u>\$ 51,975</u>
<u>(20) H870 - State Library</u>	
<u>Building Maintenance .....</u>	<u>\$ 90,000</u>
<u>(21) H630 - Department of Education</u>	
<u>GSAH - Core Switch Replacement .....</u>	<u>\$ 60,000</u>
<u>(22) R520 - State Ethics Commission</u>	
<u>(a) Additional Office Space/Rent Increase .....</u>	<u>\$ 15,000</u>

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*(b) New Administrative Assistants Operating Expenses .....\$ 10,000*

*(C) Unexpended funds appropriated pursuant to this provision may be carried forward to succeeding fiscal years and expended for the same purposes.*