

**SENATE FINANCE COMMITTEE
CONSTITUTIONAL SUBCOMMITTEE
PROVISO RECOMMENDATIONS FOR FY 2019-20**

SECTION 91 - A990 - LEGISLATIVE DEPARTMENT

91.15 **AMEND** (House Postage) Authorizes the Speaker to approve no more than \$700 per member per fiscal year for postage.

WMC: AMEND proviso to change the amount of postage approved from “\$700” to “\$1,200.” *This will not increase any money House members receive, it will only more clearly reflect and document what they already receive and/or are entitled to for postage to more accurately reflect current practice.*

HOU: ADOPT proviso as amended.

SUBCOMMITTEE RECOMMENDATION: ADOPT proviso as amended.

91.15. (LEG: House Postage) The Speaker of the House is authorized to approve no more than ~~\$700~~ \$1,200 per member per fiscal year for postage.

91.20 **AMEND** (Other Funds Oversight Committee) Establishes the Other Funds Oversight Committee to review and make recommendations regarding receipt, appropriation, expenditure and reporting of other funds.

WMC: AMEND proviso to delete the exclusion of other funds for institutions of higher learning from the committee review process as designated in Proviso 117.8(B). *Note: Subsection (B) was added new for FY 2018-19, but was vetoed by the Governor which was sustained by the General Assembly.*

HOU: ADOPT proviso as amended.

SUBCOMMITTEE RECOMMENDATION: ADOPT proviso as amended.

91.20. (LEG: Other Funds Oversight Committee) There is created a joint committee of the Senate and of the House of Representatives entitled the Other Funds Oversight Committee. The committee shall consist of eight members as follows: the Chairman of the Senate Finance Committee, or his designee; one member of the Senate Finance Committee appointed by the Chairman of the Senate Finance Committee; the Chairman of the House of Representatives Ways and Means Committee, or his designee; one member of the House Ways and Means Committee appointed by the Chairman of the House Ways and Means Committee; the Senate Majority Leader, or his designee; the Senate Minority Leader, or his designee; the House Majority Leader, or his designee; and the House Minority Leader, or his designee.

The committee shall review and examine the source of other funds in this State, ~~excluding other funds for institutions of higher learning as designated in Proviso 117.8(B),~~ and recommend to the General Assembly the appropriate policy for the receipt, appropriation, expenditure, and reporting of other funds. In making its determination, the committee shall solicit and receive testimony from state agencies, departments, boards or commissions regarding the status of the receipt of other funds, the conditions of receipt, the expenditure of other funds, and any relevant statistic or measurement. The committee shall make recommendations to the General Assembly regarding any necessary action.

The Executive Budget Office must notify the committee of any request for an increase in interim budget authorization resulting from other funds collections that is made by any state agency, department, board, or commission. The committee shall review each request and recommend appropriate action.

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Members of the committee shall serve without compensation, but are allowed the usual per diem and mileage as provided by law for members of boards, commissions, and committees while on official business.

For purposes of the proviso, 'other funds' means any revenues received by an agency which are not federal funds and are not general funds appropriated by the General Assembly in the appropriations act.

- 91.23 AMEND** (Technology Panel) Directs the K-12 Technology Initiative partnership to provide a report that describes the state's efforts to facilitate providing cost effective connectivity and internet bandwidth to schools and libraries statewide and to report on certain technology related activities by June 1, 2019.

WMC: AMEND proviso to update report due date to no later than June 1, "2020."

HOU: ADOPT proviso as amended.

SUBCOMMITTEE RECOMMENDATION: ADOPT proviso as amended.

91.23. (LEG: Technology Panel) Of the funds appropriated in the Department of Education's program VIII.D. for Technology the K-12 Technology Initiative partnership shall provide a report to the House Education and Public Works Committee, the House Ways and Means Committee, the Senate Education Committee and the Senate Finance Committee, describing the state's efforts to facilitate the cost effective provision of connectivity and internet bandwidth to schools and libraries on a statewide basis, regardless of location, activities to assist schools and libraries in minimizing and detecting internet security threats, the development and utilization of technological and online resources to support student development and achievement, the development and utilization of curriculum and professional training to support the use of instructional technology in schools and libraries, and other educational technology related activities engaged in by the partnership. Further, the report must detail information on the expenditure of the K-12 Technology funds by each district as well as a list of the districts requesting flexibility in the use of those funds. The report shall be submitted no later than June 1, ~~2019~~ 2020.

SECTION 93 - D500 - DEPARTMENT OF ADMINISTRATION

- 93.2 DELETE** (CCRS Evaluations & Placements) Requires the amount appropriated for the Children's Case Resolution System for Private Placement of Handicapped School-Age Children be used for expenses incurred in the evaluation of children in order to facilitate placement and specifies the amount to be paid for placements. Directs the CCRS to determine the balance of funding necessary to provide the child with services. Directs that funding must be apportioned among the appropriate public agencies on the basis of the reasons for the private placement.

WMC: DELETE proviso. *This responsibility was moved to the new Department of Children's Advocacy created in Act 160 of 2018. See new Proviso 41.4.*

HOU: ADOPT deletion of proviso.

SUBCOMMITTEE RECOMMENDATION: ADOPT deletion of proviso.

93.2. (DOA: CCRS Evaluations & Placements) ~~The amount appropriated in this section under Special Items Children's Case Resolution System for Private Placement of Handicapped School Age Children must be used for expenses incurred in the evaluation of children referred to the CCRS to facilitate appropriate placement and to pay up to forty percent when placement is~~

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~~made in state and up to thirty percent when placement must be made out of state of the excess cost of private placement over and above one per pupil share of state and local funds generated by the Education Finance Act, and the one per pupil share of applicable federal funds; provided it has been established that all other possible public placements are exhausted or inappropriate. The balance of funding responsibility necessary to provide the child with services must be determined by the Children's Case Resolution System (CCRS) and apportioned among the appropriate public agencies on the basis of the reasons for the private placement. When the amount appropriated in this section is exhausted, the funding responsibility must be apportioned according to the procedures of the CCRS.~~

- 93.3 DELETE** (CCRS Significant Fiscal Impact) Defines “significant fiscal impact” in the current fiscal year as the greater of (1) funds appropriated by the General Assembly for the current fiscal year on cases referred to, decided or placed through the Children’s Case Resolution System or (2) that agency’s assigned shares in the current fiscal year of five cases decided by the CCRS.
WMC: DELETE proviso. *This responsibility was moved to the new Department of Children’s Advocacy created in Act 160 of 2018. See new Proviso 41.5.*
HOU: ADOPT deletion of proviso.

SUBCOMMITTEE RECOMMENDATION: ADOPT deletion of proviso.

93.3. (DOA: CCRS Significant Fiscal Impact) ~~In accordance with Section 20-7-5240(e) of the 1976 Code, “significant fiscal impact” in the current fiscal year shall be defined for each designated agency as the greater of (1) funds appropriated by the General Assembly for the current fiscal year on cases referred to, decided or placed through the Children’s Case Resolution System or (2) that agency’s assigned shares in the current fiscal year of five cases decided by the Children’s Case Resolution System.~~

- 93.4 DELETE** (Foster Care-Private Foster Care Reviews) Authorizes the Division of Foster Care to restructure its programs, including suspending reviews of children privately placed in private foster care and/or changing the location of reviews of children in public foster care, to maintain continuous operations within existing resources as dictated by recent budget reductions.
WMC: DELETE proviso. *This responsibility was moved to the new Department of Children’s Advocacy created in Act 160 of 2018. See new Proviso 41.1.*
HOU: ADOPT deletion of proviso.

SUBCOMMITTEE RECOMMENDATION: ADOPT deletion of proviso.

93.4. (DOA: Foster Care-Private Foster Care Reviews) ~~The Department of Administration, Office of Executive Policy and Programs, Division of Foster Care is authorized to restructure its programs, including but not limited to, suspending reviews of children privately placed in private foster care and/or changing the location of reviews of children in public foster care, to maintain continuous operations within existing resources as dictated by recent budget reductions. These decisions must be based upon the availability of existing funds. This provision supersedes any previous statutory or regulatory mandate.~~

- 93.5 DELETE** (Guardian Ad Litem Program) Requires the Guardian ad Litem Program and funds to be administered separately from other programs within the Division of Children’s Services and that program funds be used exclusively for the program. Directs the Department of Revenue reduce the rate of interest paid on eligible refunds by 2 percentage points and to deposit these

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funds into the S.C. Guardian ad Litem Trust Fund. Authorizes program funds to be carried forward.

WMC: DELETE proviso. *This responsibility was moved to the new Department of Children's Advocacy created in Act 160 of 2018. See new Proviso 41.2.*

HOU: ADOPT deletion of proviso.

SUBCOMMITTEE RECOMMENDATION: ADOPT deletion of proviso.

93.5. (DOA: Guardian Ad Litem Program) ~~Both the program and the funds appropriated to the Department of Administration, Office of Executive Policy and Programs, Division of Children's Services, Guardian ad Litem Program must be administered separately from other programs within the Division of Children's Services and must be expended for the exclusive use of the Guardian ad Litem Program.~~

~~For the current fiscal year, the Department of Revenue is directed to reduce the rate of interest paid on eligible refunds by two percentage points. The revenue resulting from this reduction must be used exclusively for operations of the Guardian ad Litem program and be deposited in the State Treasury in a separate and distinct fund known as the "South Carolina Guardian ad Litem Trust Fund." Unexpended revenues in this fund carry forward to succeeding fiscal years, and earnings in this fund must be credited to it. The Guardian ad Litem program may carry forward the other funds authorized herein for its operations from the prior fiscal year into the current fiscal year.~~

93.6 **DELETE** (Continuum of Care Carry Forward) Authorizes Continuum of Care Program funds to be carried forward to continue services.

WMC: DELETE proviso. *This responsibility was moved to the new Department of Children's Advocacy created in Act 160 of 2018. See new Proviso 41.3.*

HOU: ADOPT deletion of proviso.

SUBCOMMITTEE RECOMMENDATION: ADOPT deletion of proviso.

93.6. (DOA: Continuum of Care Carry Forward) ~~The Department of Administration, Office of Executive Policy and Programs, Division of Continuum of Care may carry forward funds appropriated herein to continue services.~~

93.21 **DELETE** (OCAB Head Start Program) Directs DOA to transfer \$30,000 from Executive Policy & Programs to OCAB Community Action Agency, Inc., Head Start Program to match grant funds for the purchase a 36-passenger bus for Head Start students.

WMC: DELETE proviso. *Funds have been transferred.*

HOU: ADOPT deletion of proviso.

SUBCOMMITTEE RECOMMENDATION: ADOPT deletion of proviso.

93.21. (DOA: OCAB Head Start Program) ~~Of the funds appropriated to the Department of Administration, III. Executive Policy & Programs, the department is directed to transfer \$30,000 to OCAB Community Action Agency, Inc., Head Start Program in order to match a grant award for the purchase of a 36 passenger bus to transport Head Start students.~~

93.22 **DELETE** (Cherry Grove Deferred Maintenance) Directs DOA to transfer to the Department of Education any balance that remains from the funds appropriated or authorized for the Cherry

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Grove Building Roof Repair by Act 286 of 2014. Directs SDE to use the funds for deferred maintenance and other capital improvements.

WMC: DELETE proviso. *Funds have been transferred.*

HOU: ADOPT deletion of proviso.

SUBCOMMITTEE RECOMMENDATION: ADOPT deletion of proviso.

93.22. (DOA: Cherry Grove Deferred Maintenance) ~~In the current fiscal year, the Department of Administration shall transfer any remaining fund balance appropriated or authorized for the Cherry Grove Building Roof Repair pursuant to Act 286 of 2014 to the Department of Education. The remaining funds shall be used by the Department of Education for deferred maintenance and other capital improvements.~~

SECTION 98 - E160 - OFFICE OF STATE TREASURER

98.13 **AMEND** (Investment Earnings and Interest) Requires the State Treasurer to remit to the General Fund all earnings and interest from investments of general deposit funds. Allow the State Treasurer to incur and pay fees, expenses, losses, salaries and other costs associated with routine investments pursuant to Section 11-9-660 [INVESTMENT OF FUNDS].

WMC: AMEND proviso to include "statutory commitments" to the list of items not under limitation. Requested by the Office of State Treasurer.

HOU: ADOPT proviso as amended.

SUBCOMMITTEE RECOMMENDATION: ADOPT proviso as amended.

98.13. (TREAS: Investment Earnings and Interest) In accordance with the requirements of Section 11-13-125 of the 1976 Code, the State Treasurer shall remit earnings and interest from investments of general deposit funds into the General Fund of the State. Nothing in this provision shall be construed to limit the State Treasurer from incurring and paying fees, expenses, losses, statutory commitments, salaries, and other costs associated with the routine investment of funds pursuant to Section 11-9-660 of the 1976 Code.

SECTION 100 - E240 - OFFICE OF ADJUTANT GENERAL

100.2 **AMEND** (Use of Agency Property and Revenue Collections) Authorizes certain revenues collected by National Guard units to be retained and expended in its budgeted operations.

WMC: AMEND proviso to authorize the Adjutant General to rent, lease, or sub-lease any area under his ownership or control, including facilities, unimproved real-estate, and parking areas; to collect, retain and expend funds received from specific sources; and to delete references to National Guard units and armories. *Consolidates provisos 100.5 (Armory Rental Program); 100.8 (Retention of Lease Property Revenue); and 100.12 (Parking Lot Revenues-Columbia Armory, Buildings and Grounds).* Requested by the Adjutant General.

HOU: ADOPT proviso as amended.

SUBCOMMITTEE RECOMMENDATION: ADOPT proviso as amended.

100.2. (ADJ: Use of Agency Property and Revenue Collections) The Adjutant General is authorized to rent, lease, or sub-lease any area under his ownership or control including facilities, unimproved real-estate, and parking areas. The Adjutant General is authorized to

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collect funds received from any sources including, but not limited to, All revenues collected by National Guard units from county and city appropriations, short or long-term lease or rental payments, revenues from vending machines, rental of armories, court martial military justice fines or other monetary penalties, federal reimbursements under cooperative agreements, and gifts to the agency to armories for utility expenses, and other collections may be retained and expended in its budgeted operations. These revenues shall be retained and expended as authorized by the Adjutant General.

100.4 **AMEND** (~~Parking Lot Revenues~~ Event Parking Contracts) Authorizes the Adjutant General to control and contractually lease the headquarters' building parking facilities, during events at USC's William-Brice Stadium, to a state chartered and federally recognized 501(c)(4) tax exempt agency employee's association which may then sub-lease individual parking spaces. Requires the agency to receive at least 33% of the gross profits from the contractual agreement; to retain the funds; but prohibits them from being used for employee perquisites.

WMC: AMEND proviso to delete references to the State Military Department's headquarters building and grounds and instead authorize the Adjutant General to execute agreements pertaining to event parking related services, sub-leases or licenses or other appropriate subject in order to generate revenue from parking areas near Williams-Brice Stadium. Require the agreements contain either event coverage, general liability coverage or similar coverage suitable to the Adjutant General. *Conforms to consolidation of provisos 100.5 (Armory Rental Program); 100.8 (Retention of Lease Property Revenue); and 100.12 (Parking Lot Revenues-Columbia Armory, Buildings and Grounds).* Requested by the Adjutant General.

HOU: ADOPT proviso as amended.

SUBCOMMITTEE RECOMMENDATION: ADOPT proviso as amended.

100.4. (ADJ: ~~Parking Lot Revenues~~ Event Parking Contracts) Notwithstanding other provisions of this act, ~~as a security measure for the State Military Department's headquarters building and grounds, the Adjutant General may control and contractually lease the headquarters building parking facilities, during events at~~ execute agreements addressing event-parking related services, sub-leases or licenses, or other appropriate subject in order to generate revenue from parking areas under his ownership or control near the University of South Carolina's Williams-Brice Stadium; The Adjutant General's authority to enter such agreements applies to the headquarters building parking facilities currently owned by the Department of Administration, whether or not those are subject of a current lease to the Adjutant General. The agreements may relate to parking for specific events, a series of events (USC home football games), or for all events. The Adjutant General may enter agreements with ~~to~~ a state chartered and federally recognized tax exempt 501(c)(4) ~~tax exempt~~ agency employees' association ~~who~~ which may then sub-lease or sub-license individual parking spaces for use during an event, or a series of events (USC home football games). ~~Such a contract~~ The agreements must require the employees association to obtain either event coverage, general liability insurance coverage against wrongful death or injury, or similar coverage that is suitable to the Adjutant General. ~~The contract~~ All agreements must ~~clearly~~ obligate the employees association to hold harmless, indemnify, and defend the ~~Adjutant General's Office~~ Office of the Adjutant General, the Department of Administration, the State of South Carolina, and their respective ~~its~~ officers, ~~and the State of South Carolina harmless and employees from any liability resulting from the use of the parking lot when rented by the employees association~~ parking patrons or their guests activities or presence during these events. ~~In addition, the contract~~ The agreements must specify that the ~~State of South Carolina's Military Department~~ Office of the Adjutant General shall receive no less than thirty-three percent of the gross profits from ~~the~~ sub-leasing, licensing, or

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~~other grants of use for of the parking spaces. The contract agreements must also allow the State to audit the employees association's funds. Funds at the Adjutant General's Office derived wholly from the rental of Adjutant General's headquarters' parking lot may be retained at the Adjutant General's Office, but may not be used for employee perquisites.~~

- 100.5 DELETE** (Armory Rental Program) Establishes a statewide armory rental program to recoup costs associated with the use of armories by state agencies and non-Guard organizations at a uniform cost. Authorizes the funds to be retained and expended for armory maintenance and operations.

WMC: DELETE proviso. *Merged into amended Proviso 100.2 (Use of Agency Property and Revenue Collections).* Requested by the Adjutant General.

HOU: ADOPT deletion of proviso.

SUBCOMMITTEE RECOMMENDATION: ADOPT deletion of proviso.

~~**100.5.** (ADJ: Armory Rental Program) The Adjutant General is authorized to develop and implement an armory rental program to recoup costs associated with the use of armories by state agencies or other non-Guard organizations. The rental program must be uniform in its application to the maximum extent possible. Funds generated by this program may be retained and expended for armory maintenance and operations.~~

- 100.8 DELETE** (Retention of Lease Property Revenue) Authorizes the Adjutant General to lease all real property under the control of the South Carolina Military Department and allows all lease revenue to be retained for armory operations and maintenance.

WMC: DELETE proviso. *Merged into amended Proviso 100.2 (Use of Agency Property and Revenue Collections).* Requested by the Adjutant General.

HOU: ADOPT deletion of proviso.

SUBCOMMITTEE RECOMMENDATION: ADOPT deletion of proviso.

~~**100.8.** (ADJ: Retention of Lease Property Revenue) The Adjutant General is authorized to lease all real property under the control of SCMD. All revenue generated by the lease program may be retained for SCMD armory operations and maintenance as authorized by the Adjutant General or Deputy Adjutant General.~~

- 100.12 DELETE** (Parking Lot Revenues-Columbia Armory, Buildings and Grounds) Allows the Adjutant General to control the contractual lease of the Columbia Armory and its building and grounds parking facilities during events at USC's Williams-Brice Stadium and to retain these funds and use them for the Funeral Caisson, SCMD operations, and matching federal funds and armory maintenance and operations. Prohibit these funds from being used for any other purpose.

WMC: DELETE proviso. *Merged into amended Proviso 100.2 (Use of Agency Property and Revenue Collections).* Requested by the Adjutant General.

HOU: ADOPT deletion of proviso.

SUBCOMMITTEE RECOMMENDATION: ADOPT deletion of proviso.

~~**100.12.** (ADJ: Parking Lot Revenues-Columbia Armory, Buildings and Grounds) The Adjutant General may control and contractually lease the Columbia Armory, and its buildings and grounds parking facilities during events at the University of South Carolina's Williams-Brice Stadium. Funds derived wholly from the rental of the Columbia Armory, and its buildings and~~

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~~grounds parking facilities may be retained by the Adjutant General's Office and used for the Funeral Caisson and for SCMD operations, including matching federal funds and armory maintenance and operations. These funds may not be used for any other purpose.~~

- 100.21** **AMEND** (~~2017 Hurricane Irma and 2014 Ice Storm~~ *Natural Disaster* FEMA Match) Authorizes EMD to use existing fund balances to provide the non-federal cost share to state and local government entities for work associated with Hurricane Irma that is eligible under FEMA Public Assistance Program; and prohibits these funds from being used to provide the non-federal cost share to private non-profits. Authorizes EMD to make surplus 2015 Flood disaster non-federal cost share funds available to counties and municipalities with unreimbursed non-federal cost share from 2014 Ice Storm damages and requires counties and municipalities to submit an application for the funds by 7/31/18. Directs EMD to use \$500,000 of existing fund balances to provide grants to non-profit entities, not to exceed \$50,000 per grant; requires non-profits to apply for the grant by 12/1/18; and directs EMD to report grant recipients and amounts to the Chairmen of the Senate Finance and House Ways and Means Committees by 1/15/19.
WMC: AMEND proviso to change the title to "Natural Disaster" FEMA Match; add "Hurricane Florence" to the eligible disasters; delete the requirement that \$500,000 be used to provide grants associated with the 2015 flood disaster to non-profit entities and the requirement that the entities submit a grant application. Authorize the \$500,000 to be carried forward and used for the same purpose. Change the reporting date from January 15, "2019" to "2020."
HOU: ADOPT proviso as amended.

SUBCOMMITTEE RECOMMENDATION: ADOPT proviso as amended.

100.21. (ADJ: ~~2017 Hurricane Irma and 2014 Ice Storm~~ *Natural Disaster* FEMA Match) The Office of Adjutant General, Emergency Management Division shall be authorized to utilize existing fund balances to provide the non-federal cost share to state and local government entities for work that is eligible under the Federal Emergency Management Agency Public Assistance Program for Hurricane Irma *and Hurricane Florence*. Existing fund balances may not be used to provide the non-federal cost share to private non-profit entities.

The Office of Adjutant General, Emergency Management Division is directed to use existing fund balances for the 2015 Flood disaster (Presidential Disaster Declaration DR-4241) to reimburse counties and municipalities with unreimbursed non-federal cost share from the 2014 Ice Storm disaster for storm cleanup expenses incurred during and after states of emergency declared by Executive Orders 2014-06 and 2014-11 and Presidential Disaster Declaration DR-4166. Counties and municipalities must submit an application for such funds by July 31, 2018.

~~The Office of Adjutant General, Emergency Management Division is directed to use \$500,000 of existing fund balances to provide grants to non-profit entities, not to exceed \$50,000 each, for materials to renovate homes affected by the 2015 flood disaster. Non-profit entities must submit a grant application by December 1, 2018, in a manner prescribed by the Emergency Management Division. *The \$500,000 authorized by Proviso 100.21 in Act 264 of 2018 for grants for non-profit entities may be carried forward and used for the same purpose in Fiscal Year 2019-20.*~~ The Emergency Management Division shall prepare a report listing the name of the grant recipient and the amount received and submit the report to the Chairman of the Senate Finance Committee and the Chairman of the House Ways and Means Committee by January 15, 2019 2020.

- 100.22** **DELETE NEW PROVISO** (Authorization to Use Reimbursement Method) **WMC:** ADD new proviso to authorize the Adjutant General to use the "reimbursement method" instead of the "advance methods" for funding Cooperative Agreements. Authorize appropriations to be

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transferred or shifted to the extent that federal reimbursements are expected within a reasonable amount of time and authorize the Comptroller General to draw warrants for payment. Requested by the Adjutant General.

HOU: ADOPT new proviso.

SUBCOMMITTEE RECOMMENDATION: DELETE new proviso.

~~100.22. (ADJ: Authorization to Use Reimbursement Method) The Office of the Adjutant General, at the discretion of the Adjutant General, may utilize the "reimbursement method" instead of the "advance method" for funding under all Cooperative Agreements. The Adjutant General may transfer or shift any of its appropriations and, accordingly, to the extent that federal reimbursements are expected within a reasonable period of time, the State Comptroller General may draw warrants for payment on the service contract fund which exceeded the cash balance available in that fund at the time of the warrant.~~

100.ngp ADD (National Guard Related Programs) SUBCOMMITTEE RECOMMENDATION: ADD new proviso to authorize the Adjutant General to operate and expend funds to support any federally authorized and funded National Guard related program.

100.ngp.(ADJ: National Guard Related Programs) The Office of the Adjutant General may operate and expend funds to support any federally authorized National Guard related program that is to be funded, either in-whole or in part, by federal authorities and operated under the authority of either the South Carolina National Guard or the Office of the Adjutant General.

100.sa ADD (Salary Adjustment) SUBCOMMITTEE RECOMMENDATION: ADD new proviso to direct that the Adjutant General's salary is subject to the Agency Head Salary Commission. Direct that the salary be immediately adjusted to match the commission's recommendation.

100.sa. (ADJ: Salary Adjustment) The Adjutant General is subject to all provisions related to agency heads covered by the Agency Head Salary Commission. The Adjutant General's salary shall be immediately adjusted to match the recommendation from the commission upon its receipt.

SECTION 112 - V040 - DEBT SERVICE

112.1 CONFORM TO FUNDING / AMEND FURTHER (Excess Debt Service) Provides for the expenditure of excess FY 2017-18 debt service funds in FY 2018-19.

WMC: AMEND proviso to delete the transfer of \$54,078,993 to SLED for the forensic laboratory building and necessary amounts for non-recurring revenue appropriations. Direct the State Treasurer to transfer the following amounts from debt service funds that exceeds the principal and interest due in the current fiscal year: \$85,000,000 to the Department of Commerce for the Rural School District and Economic Development Closing Fund and \$50,000,000 to SDE for school district capital improvements. Amend to update fiscal year reference to "2019-20." Direct that if excess debt service is less than \$135,000,000 the Rural School District and Economic Development Closing Fund shall be reduced accordingly.

HOU: AMEND proviso to direct that up to \$11,994,231 of prior fiscal year excess debt service funds may be carried forward and spent for debt service purposes in the current fiscal year. Sponsor: Rep. G.M. Smith.

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SUBCOMMITTEE RECOMMENDATION: CONFORM TO FUNDING recommendation.

112.1. (DS: Excess Debt Service) ~~The State Treasurer shall transfer, from debt service that exceeds the principal and interest due in the current fiscal year, \$54,078,993 to the State Law Enforcement Division for the Forensic Laboratory Building. Appropriated debt service in excess of necessary amounts must be transferred to fund the appropriations contained in Proviso 118.13.~~ The Office of State Treasurer shall transfer, from debt service that exceeds the principal and interest due in the current fiscal year, \$85,000,000 to the Department of Commerce for the Rural School District and Economic Development Closing Fund and \$50,000,000 to the Department of Education for school district capital improvements. Any additional excess debt service funds available in Fiscal Year ~~2018-19~~ 2019-20 may be expended in the fiscal year to pay down general obligation bond debt for which the State (1) is paying the highest rate of interest, (2) will achieve relief in constrained debt capacity, or (3) reduce the amount of debt issued. Up to \$11,994,231 of excess debt service funds from the prior fiscal year may be carried forward and expended for debt service purposes in the current fiscal year. Should excess debt service be less than \$135,000,000, the Rural School District and Economic Development Closing Fund shall be reduced accordingly.

SECTION 113 - X220 - AID TO SUBDIVISIONS, STATE TREASURER

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

WMC: AMEND proviso to update fiscal year references to “2019-20.”

HOU: ADOPT proviso as amended.

SUBCOMMITTEE RECOMMENDATION: ADOPT proviso as amended.

113.2. (AS-TREAS: Quarterly Distributions) For Fiscal Year ~~2018-19~~ 2019-20, one quarter of the amount appropriated in Part IA for Aid to Subdivisions-Local Government Fund shall be distributed as soon after the beginning of each quarter as practical with the four distributions together totaling the Fiscal Year ~~2018-19~~ 2019-20 Part IA appropriation for the Local Government Fund.

113.5 **AMEND** (LGF) Suspends Sections 6-27-30 [FUNDING OF LOCAL GOVERNMENT FUND FROM GENERAL FUND REVENUES] and 6-27-50 [RESTRICTIONS ON AMENDMENT OR REPEAL OF CHAPTER] for Fiscal Year 2018-19.

WMC: AMEND proviso to update fiscal year reference to “2019-20.”

HOU: ADOPT proviso as amended.

SUBCOMMITTEE RECOMMENDATION: ADOPT proviso as amended.

113.5. (AS-TREAS: LGF) For Fiscal Year ~~2018-19~~ 2019-20, the provisions of Section 6-27-30 and Section 6-27-50 of the 1976 Code are suspended.

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 and assessment for indigent medical care from the reductions.

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WMC: AMEND proviso to update fiscal year reference to “2019-20.”

HOU: ADOPT proviso as amended.

SUBCOMMITTEE RECOMMENDATION: ADOPT proviso as amended.

113.7. (AS-TREAS: Political Subdivision Flexibility) For Fiscal Year ~~2018-19~~ 2019-20, 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.

SECTION 117 - X900 - GENERAL PROVISIONS

117.2 **AMEND** (Appropriations From Funds) Directs that funds appropriated from the General Fund, EIA Fund, Highways and Public Transportation Fund and other applicable funds are to meet the ordinary expenses of the State for FY 2018-19.

WMC: AMEND proviso to update fiscal year reference from “2018-19” to “2019-20.”

HOU: ADOPT proviso as amended.

SUBCOMMITTEE RECOMMENDATION: ADOPT proviso as amended.

117.2. (GP: Appropriations From Funds) Subject to the terms and conditions of this act, the sums of money set forth in this part, if so much is necessary, are appropriated from the General Fund of the State, the Education Improvement Act Fund, the Highways and Public Transportation Fund, and other applicable funds, to meet the ordinary expenses of the state government for Fiscal Year ~~2018-19~~ 2019-20, and for other purposes specifically designated.

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

WMC: AMEND proviso to update fiscal year references from “2018” to “2019;” “2019” to “2020;” and “2017” to “2018.”

HOU: ADOPT proviso as amended.

SUBCOMMITTEE RECOMMENDATION: ADOPT proviso as amended.

117.3. (GP: Fiscal Year Definitions) For purposes of the appropriations made by this part, “current fiscal year” means the fiscal year beginning July 1, ~~2018~~ 2019, and ending June 30, ~~2019~~ 2020, and “prior fiscal year” means the fiscal year beginning July 1, ~~2017~~ 2018, and ending June 30, ~~2018~~ 2019.

117.20 **AMEND** (Travel - Subsistence Expenses & Mileage) Provides guidelines for travel and subsistence expenses for state employees.

WMC: AMEND proviso to change the following reimbursements: (A) meals for state employees when traveling within the state from “\$25” to “\$35” and when traveling outside the state from “\$32” to “\$50” per day; (D) subsistence expenses for non-legislative members of

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committees who are not state employees from “\$35” to “\$42” per day; (F) subsistence expenses for a Supreme Court Justice or Court of Appeals Judge when traveling on official business within 50 miles outside the county of his residence from “\$35” to “\$42” per day; (G) subsistence expenses for a Circuit, Family Court, or Administrative Law Judge when traveling on official business outside the county, within 50 miles of his residence from “\$35” to “\$42” per day; and (H) subsistence expenses for Workers’ Compensation Commission members when traveling on official business outside the county of his residence from “\$35” to “\$42” per day.

HOU: ADOPT proviso as amended.

SUBCOMMITTEE RECOMMENDATION: ADOPT proviso as amended.

117.20. (GP: Travel - Subsistence Expenses & Mileage) Travel and subsistence expenses, whether paid from state appropriated, federal, local or other funds, shall be allowed in accordance with the following provisions:

(A) Unless otherwise provided in paragraphs B through H of this section, all employees of the State of South Carolina or any agency thereof including employees and members of the governing bodies of each technical college while traveling on the business of the State shall, upon presentation of a paid receipt, be allowed reimbursement for actual expenses incurred for lodging, not to exceed the current maximum lodging rates, excluding taxes, established by the U.S. General Services Administration. The lodging reimbursement for employees of a school district must also conform to these rates when that employee’s travel reimbursement is paid by state funds that are transferred to the school district. Agencies may contract with lodging facilities to pay on behalf of an employee. Failure to maintain proper control of direct payments for lodging may result in the revocation of the agency’s authority by the Comptroller General or the State Auditor. The employee shall also be reimbursed for the actual expenses incurred in the obtaining of meals except that such costs shall not exceed ~~\$25~~ \$35 per day within the State of South Carolina. For travel outside of South Carolina the maximum daily reimbursement for meals shall not exceed ~~\$32~~ \$50. Agencies may contract with food or dining facilities to pay for meals on behalf of employees in accordance with rules and regulations established by the Office of Comptroller General. It shall be the responsibility of the agency head to monitor the charges for lodging which might be claimed by his employees in order to determine that such charges are following maximum lodging rates as established by the U.S. General Services Administration. Any exceptions must have the written approval of the agency head, taking into consideration location, purpose of travel or other extenuating circumstances. The provisions of this item shall not apply to Section 42-3-40 of the 1976 Code, and when pertaining to institutions of higher learning, for travel paid with funds other than General Funds.

(B) That employees of the State, when traveling outside the United States, Canada, and Puerto Rico upon promotional business for the State of South Carolina shall be entitled to actual expenses for both food and lodging.

(C) The Governor, Lieutenant Governor, Secretary of State, Comptroller General, Attorney General, State Treasurer, Adjutant General, Superintendent of Education and the Commissioner of Agriculture shall be reimbursed actual expenses for subsistence.

(D) Non-legislative members of committees appointed pursuant to Acts and Resolutions of the General Assembly whose membership consists solely of members of the General Assembly or members of the General Assembly and other personnel who are not employees of the State of South Carolina shall be allowed subsistence expenses of ~~\$35~~ \$42 per day while traveling on official business, unless otherwise designated by law. Members of such committees may opt to receive actual expenses incurred for lodging and actual expenses incurred in the obtaining of meals in lieu of the allowable subsistence expense.

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(E) Members of the state boards, commissions, or committees whose duties are not full-time and who are paid on a per diem basis, shall be allowed reimbursement for actual expenses incurred at the rates provided in paragraph A and I of this section while away from their places of residence on official business of the State. One person accompanying a handicapped member of a state board, commission, or committee on official business of the State shall be allowed the same reimbursement for actual expenses incurred at the rates provided in paragraph A through I of this section.

(F) No subsistence reimbursement shall be allowed to a Justice of the Supreme Court or Judge of the Court of Appeals while traveling in the county of his official residence. When traveling on official business of said court within fifty miles outside the county of his official residence, a Supreme Court Justice and a Judge of the Court of Appeals shall be allowed subsistence expenses in the amount of ~~\$35~~ \$42 per day plus such mileage allowance for travel as is provided for other employees of the State. When traveling on official business of said court fifty or more miles outside the county of his official residence, each Justice and Judge of the Court of Appeals shall be allowed subsistence expenses in the amount as provided in this act for members of the General Assembly plus such mileage allowance for travel as is provided for other employees of the State. The Chief Justice, or such other person as the Chief Justice designates, while attending the Conference of Chief Justices and one member of the Supreme Court while attending the National Convention of Appellate Court Judges, and three Circuit Judges while attending the National Convention of State Trial Judges shall be allowed actual subsistence and travel expenses.

Upon approval of the Chief Justice, Supreme Court Justices, Judges of the Court of Appeals, Circuit Judges, and Family Court Judges shall be reimbursed for actual expenses incurred for all other official business requiring out-of-state expenses at the rate provided in paragraph A of this section.

(G) No subsistence reimbursements are allowed to a Circuit Judge, a Family Court Judge, or an Administrative Law Judge while holding court within the county in which he resides. While holding court or on other official business outside the county, within fifty miles of his residence, a Circuit Court Judge, Family Court Judge, or an Administrative Law Judge is entitled to a subsistence allowance in the amount of ~~\$35~~ \$42 per day plus such mileage allowance for travel as is provided for other employees of the State. While holding court or on other official business at a location fifty miles or more from his residence, a Circuit Court, Family Court or Administrative Law Judge is entitled to a subsistence allowance in the amount as provided in this act for members of the General Assembly plus such mileage allowance for travel as is provided for other employees of the State.

(H) Any retired Justice, Circuit Court Judge or Family Court Judge or Master-in-Equity appointed by the Supreme Court to serve as a Special Circuit Judge, Family Court Judge, Appeals Court Judge, or Acting Associate Justice shall serve without pay but shall receive the same allowance for subsistence, expenses, and mileage as provided in Part I for Circuit Court Judges.

(I) No expense shall be allowed an employee either at his place of residence or at the official headquarters of the agency by which he is employed except as provided in paragraph E, of this section. When an employee is assigned to work a particular territory or district, and such territory or district and his official headquarters are in different localities or sections of the State, expenses may be allowed for the necessary travel to his official headquarters. The members of the Workers' Compensation Commission may be reimbursed at the regular mileage rate of one round trip each week from their respective homes to Columbia. No subsistence reimbursement shall be allowed to a member of the Workers' Compensation Commission while traveling in the county of his official residence. When traveling on official business of the commission outside the county of his official residence, a member of the Workers' Compensation Commission shall be allowed subsistence expenses in the amount of ~~\$35~~ \$42 per day. When traveling on official

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business of the commission fifty or more miles outside the county of his official residence, each member shall be allowed a subsistence allowance in the amount as provided in this act for members of the General Assembly. When out-of-state, members of the Workers' Compensation Commission and the members of the Appellate Panel of the Department of Employment and Workforce may claim the established amount of per diem, as stated in the General Appropriation Act, or actual expenses as deemed reasonable by the Comptroller General. The members of the Appellate Panel of the Department of Employment and Workforce may be reimbursed at the regular mileage rate when the member is on official business fifty miles or more outside of Columbia. The members of the Appellate Panel of the Department of Employment and Workforce shall be allowed subsistence allowance in the amount as provided in this act for members of the General Assembly when the member is on official business fifty miles or more outside of Columbia.

(J) When an employee of the State shall use his or her personal automobile in traveling on necessary official business, a charge to equal the standard business mileage rate as established by the Internal Revenue Service will be allowed for the use of such automobile and the employee shall bear the expense of supplies and upkeep thereof. The standard business mileage rate used in this calculation shall be the current rate established by the Internal Revenue Service. Whenever state provided motor pool vehicles are reasonably available and their use is practical and an employee of the State shall request for his own benefit to use his or her personal vehicle in traveling on necessary official business, a charge of four cents per mile less than the standard business mileage rate as established by the Internal Revenue Service will be allocated for the use of such vehicle and the employee shall bear the expense of supplies and upkeep thereof. The standard business mileage rate used in this calculation shall be the current rate established by the Internal Revenue Service. When such travel is by a state-owned automobile, the State shall bear the expense of supplies and upkeep thereof but no mileage will be allowed. Agencies and employees are directed to use state fueling facilities to the maximum extent possible, when such use is cost beneficial to the State. When using commercial fueling facilities, operators of State-owned vehicles are directed to use self-service pumps. In traveling on the business of the State, employees are required to use the most economical mode of transportation, due consideration being given to urgency, schedules and like factors.

Mileage between an employee's home and his/her place of employment is not subject to reimbursement. However, when an employee leaves on a business trip directly from his/her home, and does not go by the employee's headquarters, the employee shall be eligible for reimbursement for actual mileage beginning at his/her residence.

(K) That a state agency may advance travel and subsistence expense monies to employees of that agency for the financing of ordinary and necessary travel required in the conducting of the business of the agency. The Office of Comptroller General is directed to develop and publish rules and regulations pertaining to the advancing of travel expenses and no state agency shall make such advances except under the rules and regulations as published. All advances for travel and subsistence monies shall be repaid to the agency within thirty days after the end of the trip or by July fifteenth, whichever comes first.

(L) That the state institutions of higher learning are authorized to reimburse reasonable relocation expenses for new employees when such reimbursements are considered by the agency head to be essential to successful recruitment of professionally competent staff members.

(M) The Office of Comptroller General is authorized to promulgate and publish rules and regulations governing travel and subsistence payments.

(N) No state funds may be used to purchase first class airline tickets.

117.71 AMEND (Printed Report Requirements) Directs that for Fiscal Year 2018-19, certain state agencies and higher education institutions shall not be required to submit printed reports and shall

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only submit the reports electronically and waives the submission of certain reports. Authorizes DOT to combine their Annual Report and Mass Transit Report into their Annual Accountability Report.

WMC: AMEND proviso to update fiscal year references to “2019-20.”

HOU: ADOPT proviso as amended.

SUBCOMMITTEE RECOMMENDATION: ADOPT proviso as amended.

117.71. (GP: Printed Report Requirements) (A) For Fiscal Year ~~2018-19~~ 2019-20, state supported institutions of higher learning shall not be required to submit printed reports mandated by Sections 2-47-40, 2-47-50, and 59-103-110 of the 1976 Code, and shall instead only submit the documents electronically.

Submission of the plans or reports required by Sections 59-101-350, 59-103-30, 59-103-45(4), and 59-103-160(D) shall be waived for the current fiscal year, except institutions of higher learning must continue to report student pass rates on professional examinations, and data elements otherwise required for the Commission on Higher Education Management Information System. The commission, in consultation with institutions, shall take further action to reduce data reporting burdens as possible.

(B) For Fiscal Year ~~2018-19~~ 2019-20, the Department of Agriculture shall not be required to submit printed reports mandated by Section 46-49-10 of the 1976 Code. The department shall provide these reports electronically and shall use any monetary savings for K5-12 agricultural education programs.

(C) For Fiscal Year ~~2018-19~~ 2019-20, the Department of Health and Human Services shall not be required to provide printed copies of the Medicaid Annual Report required pursuant to Section 44-6-80 of the 1976 Code and shall instead only submit the documents electronically.

(D) For Fiscal Year ~~2018-19~~ 2019-20, the Department of Transportation shall not be required to submit printed reports or publications mandated by Sections 1-11-58, 2-47-55, and 58-17-1450 of the 1976 Code.

The Department of Transportation may combine their Annual Report and Mass Transit Report into their Annual Accountability Report.

117.88 CONFORM TO FUNDING / DELETE (Funds Transfer to ETV) Requires funds appropriated to DOA for Legislative & Public Affairs Coverage and Emergency Communications Backbone and to the Law Enforcement Training Council for City and Council municipal training to be transferred to ETV during July of the current fiscal year for services as they were provided in the prior fiscal year.

SUBCOMMITTEE RECOMMENDATION: CONFORM TO FUNDING / DELETE proviso.

117.88. (GP: Funds Transfer to ETV) ~~In the current fiscal year funds appropriated in Part IA to the Department of Administration Section 93 for Legislative and Public Affairs Coverage and Emergency Communications Backbone and to the Law Enforcement Training Council in Section 64 for State and Local Training of Law Enforcement, City and County municipal training services must be transferred to the Educational Television Commission (ETV) during July of the current fiscal year for the continuation of services as provided in the prior fiscal year.~~

117.128 AMEND (Catastrophic Weather Event) Directs (A) that improvements to real or personal property used as a residence, such as a mobile home or manufactured housing unit, resulting from damage caused by the catastrophic weather event in October 2015 or Hurricane Matthew of 2016,

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made after the event and before June 30, 2019, is not considered an improvement and does not require a re-appraisal under certain funding conditions; and (B) directs that for the current fiscal year an eligible property's tax value shall remain the same unless an assessable transfer of interest occurs.

WMC: AMEND proviso to add Hurricane Florence of 2018 to the eligible events and update June 30, "2019" to "2020." Requested by Department of Administration.

HOU: ADOPT proviso as amended.

SUBCOMMITTEE RECOMMENDATION: ADOPT proviso as amended.

117.128.(GP: Catastrophic Weather Event) (A) Any improvements made to real property or personal property used as a residence, such as a mobile home or manufactured housing unit, damaged during the catastrophic weather event in October 2015 ~~or~~, Hurricane Matthew of 2016, or Hurricane Florence of 2018, after the event and before June 30, ~~2019~~ 2020, is not considered an improvement and does not require a re-appraisal. This provision only applies if as a result of the catastrophic weather event, the improvements made to the property were funded by the United States Department of Housing and Urban Development Block Grant - Disaster Recovery program. This provision also applies if, at the discretion of the county and using qualifications determined by the county, the improvements were made with the assistance of a volunteer organization active in disaster, or a similar volunteer organization.

(B) During the current fiscal year, the property tax value of an eligible property shall remain the same unless an assessable transfer of interest occurs. No refund is allowed on account of values adjusted as provided in this provision.

117.136 AMEND (Statewide Administrative Services) Authorizes the Department of Administration to provide consolidated administrative services to agencies to promote cost savings, process integrity and other efficiencies and to reduce duplication, overlap and redundancies. Requires agencies that receive appropriations of \$20,000,000 or less to consult with DOA to determine whether the use of consolidated administrative services would be beneficial to the agency. Directs DOA to provide a report to the Chairmen of the Senate Finance and House Ways and Means Committees by December 31, 2018 on the usage of the administrative services offered.

SUBCOMMITTEE RECOMMENDATION: AMEND proviso to update reporting deadline from "2018" to "2019."

117.136.(GP: Statewide Administrative Services) The Department of Administration may provide consolidated administrative services to all agencies to promote cost savings, process integrity and other efficiencies, and to reduce duplication, overlap and redundancies, or any combination thereof and to provide for consistency in transactions and processes and to advance a statewide approach to agency administration. Consolidated administrative services may include, but are not limited to: 1) financial and accounting support, such as accounts payable and receivable processing, procurement processing, journal entry processing and financial reporting assistance; 2) human resources administrative support, such as transaction processing and reporting, payroll processing, and human resources training; and 3) budget support, such as budget transaction processing and budget reporting assistance.

Agencies that receive twenty million dollars or less in total appropriations in the current fiscal year shall consult with the Department of Administration to determine whether the use of consolidated administrative services offered by the department would be beneficial to the agency. The Legislative Branch, the Judicial Branch, public institutions of higher learning and technical colleges shall be exempt from the requirements of this provision.

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The Department of Administration shall provide a report to the Chairman of the Senate Finance Committee and the Chairman of the House Ways and Means Committee regarding agency utilization of administrative services offered by the department no later than December 31, ~~2018~~ 2019.

- 117.139 REINSERT / AMEND** (State Flag Study Committee) Creates a state flag study committee charged with proposing an official and uniform design for the state flag which is historically accurate. Provides the composition of the study committee. Direct the committee to provide a report to the General Assembly by February 1, 2019.

WMC: DELETE proviso.

HOU: ADOPT deletion of proviso.

SUBCOMMITTEE RECOMMENDATION: REINSERT original proviso and amend to change the reporting date from “February 1, 2019” to “June 30, 2020.”

117.139. (GP: State Flag Study Committee) There is created the South Carolina State Flag Study Committee charged with proposing an official, uniform design for the state flag based on historically accurate details and legislative adoptions. Membership of the study committee shall be comprised of five members as follows:

- (1) the Director of the Department of Archives and History, or his designee, who shall serve as chairman;
- (2) the Director of the Department of Administration, or his designee;
- (3) one member appointed by the President Pro Tempore of the Senate;
- (4) one member appointed by the Speaker of the House of Representatives; and
- (5) one member appointed by the Governor.

The study committee shall provide a report including a proposed design to the General Assembly by ~~February 1, 2019~~ June 30, 2020, at which time the study committee shall dissolve. Members of the study committee shall receive mileage, per diem, and subsistence as provided by law.

- 117.152 ADD** (CDBG-DR Flexibility) **WMC:** ADD new proviso to direct the Department of Commerce to transfer to DOA any funds that remain from a 2017 appropriation for 2015 - Non-CDBG - Disaster Recovery and direct DOA to use the funds for any disaster recovery program. Requested by Department of Administration.

HOU: ADOPT new proviso.

SUBCOMMITTEE RECOMMENDATION: ADOPT new proviso.

117.152. (GP: CDBG-DR Flexibility) The Department of Commerce is directed to transfer any funds remaining from the appropriation it received through Act 97 of 2017 for 2015 - Non-CDBG - Disaster Recovery to the Department of Administration which shall utilize these funds for any disaster recovery program.

- 117.153 ADD** (Secure Area Duty Officers Program) **WMC:** ADD new proviso to authorize the Adjutant General, SLED, and other law enforcement authorities to conduct security-related activities as prescribed by Executive Order 2015-18 (Secure Area Duty Officers Program), or verbal or written directive from the Governor. Direct that these activities shall be considered state or federal training for purposes of emergency preparedness. Authorize these agencies to spend state and federal funds to support the program. Requested by the Adjutant General.

HOU: ADOPT new proviso.

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SUBCOMMITTEE RECOMMENDATION: ADOPT new proviso.

117.153.(GP: Secure Area Duty Officers Program) The Office of Adjutant General, the State Law Enforcement Division, and other law enforcement authorities are authorized to conduct security-related activities as prescribed by the Governor in Executive Order 2015-18, as well as any subsequent Executive Order or verbal or written directive from the Governor. Activities carried out under this program shall be considered state or federal training for purposes of Section 15-78-60(19) of the 1976 Code and the agency and its personnel shall be exempt from liability as described therein. State agencies involved in the Secure Area Duty Officers Program (SADOP) may expend state and federal funds in support of the program.

- 117.158 ADD** (Voting System Funds Transfer) **WMC:** ADD new proviso to direct the Election Commission to transfer to DOA any funds, excluding federal funds, appropriated to the commission for the purchase of a new statewide voting system or refurbishment of the current system. Direct DOA to hold these funds as well as funds appropriated to them for this purpose in a separate account. Direct that funds available to the commission or the department shall be used in FY 2019-20 to purchase a new statewide voting system.

HOU: ADOPT new proviso.

SUBCOMMITTEE RECOMMENDATION: ADOPT new proviso.

117.158.(GP: Voting System Funds Transfer) The State Election Commission is directed to transfer any funds which have been appropriated to the commission for the purchase of a new statewide voting system or for the refurbishment of the current statewide voting system to the Department of Administration. The Department of Administration shall hold these funds and any other funds appropriated to the department for the same purpose in a separate account. This transfer requirement shall not apply to any federal funds granted to the State Election Commission. Any funds available to the State Election Commission or the Department of Administration shall be used in Fiscal Year 2019-20 to purchase a new statewide voting system.

SECTION 118 - X910 - STATEWIDE REVENUE

- 118.1 AMEND** (Year End Cutoff) Directs year-end expenditure deadlines.
WMC: AMEND proviso to update calendar year reference to “2020” and change July “12, 2019” to “14, 2020.” Requested by the Comptroller General.
HOU: ADOPT proviso as amended.

SUBCOMMITTEE RECOMMENDATION: ADOPT proviso as amended.

118.1. (SR: Year End Cutoff) Unless specifically authorized herein, the appropriations provided in Part IA of this act as ordinary expenses of the State Government shall lapse on July 31, ~~2019~~ 2020. State agencies are required to submit all current fiscal year input documents and all electronic workflow for accounts payable transactions to the Office of Comptroller General by July ~~12, 2019~~ 14, 2020. Appropriations for Permanent Improvements, now outstanding or hereafter provided, shall lapse at the end of the second fiscal year in which such appropriations were provided, unless definite commitments shall have been made, with the approval of the State Fiscal Accountability Authority and Joint Bond Review Committee, toward the accomplishment of the purposes for which the appropriations were provided. Appropriations for other specific

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purposes aside from ordinary operating expenses, now outstanding or hereafter provided, shall lapse at the end of the second fiscal year in which such appropriations were provided, unless definite commitments shall have been made, with the approval of the State Fiscal Accountability Authority, toward the accomplishment of the purposes for which the appropriations were provided.

- 118.11 AMEND** (Tobacco Settlement) Directs expenditure of Tobacco Master Settlement Agreement (MSA) funds for the current fiscal year. Suspends the requirements of Section 11-11-170 [USE OF REVENUES PAYABLE PURSUANT TO MASTER SETTLEMENT AGREEMENT] for the current fiscal year. Directs that the remaining balance be transferred to a restricted account authorized solely for use by DHHS for the Medicaid program. Requires fund earnings to be credited to the fund and authorizes balances to be carried forward and used for the same purpose.

WMC: AMEND proviso to require the Attorney General's office maintain a \$1,253,000 balance in a fund for future tobacco arbitration; allow funds above this amount to be used for information technology expenses and building infrastructure upgrades; and authorize these funds to be carried forward and used for the same purpose.

HOU: ADOPT proviso as amended.

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") in the current fiscal year, 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 Attorney General's Office shall maintain a balance of \$1,253,000 in a fund for future tobacco arbitration. Attorney General funds in excess of \$1,253,000 may be utilized for information technology expenses and building infrastructure upgrades. These funds may be carried forward from the prior fiscal year into the current fiscal year and utilized for the same purpose; and

(~~2~~ 3) The remaining balance shall be transferred to a restricted account authorized solely for use by the Department of Health and Human Services for the Medicaid program. Earnings on this fund must be credited to the fund and balances may be carried forward from the prior fiscal year for the same purpose.

(B) The requirements of Section 11-11-170 of the 1976 Code shall be suspended for the current fiscal year.

- 118.14 CONFORM TO FUNDING / ADD** (Non-recurring Litigation Recovery Revenue) **WMC:** ADD new proviso to direct that if funds are recovered or awarded through litigation managed by the State other than the Attorney General, or if a state tax audit results in a collection, any non-recurring funds received above \$25,000,000 that would have been credited to the General Fund shall be credited to the Litigation Recovery Account and be expended in the manner prescribed by law.

HOU: ADOPT new proviso.

SUBCOMMITTEE RECOMMENDATION: CONFORM TO FUNDING recommendation.

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118.14. (SR: Non-recurring Litigation Recovery Revenue) During the current fiscal year, if there is a recovery or an award in any litigation managed by the State through a party other than the Attorney General, or if a state tax audit results in a collection, any funds received in excess of twenty-five million dollars that are not likely to continue as recurring revenue and would have otherwise been credited to the General Fund shall be credited to the Litigation Recovery Account. The amount credited to this Litigation Recovery Account pursuant to this provision is deemed non-recurring revenue and must be expended only in the manner prescribed by law.