

**H.3710 CONFERENCE COMMITTEE
SUMMARY OF PROVISO CHANGES FOR FY 2013-14
DIFFERENCES FOR DISCUSSION**

SECTION 1 - H63-DEPARTMENT OF EDUCATION

- 1.18 DELETE** (Defined Program Personnel Requirements) Restricts the use of EFA or EIA allocations for hiring of corporations, partnership or other entity for positions requiring teacher or administrator certification.

SEN: DELETE proviso. *Ruled Out of Order.*

~~1.18. (SDE: Defined Program Personnel Requirements) Administrative positions requiring State Board of Education teacher or administrator certification, may be filled either by an individual receiving a W 2 from the hiring school district, or in the case of a charter school authorized under title 59, Chapter 49, an individual employed by an entity under contract with the school district may fill such a position. However, if such a position in a charter school is filled by an individual that does not receive a W 2 from the hiring school district, the total compensation for the individual shall not exceed the total compensation of the highest paid individual in a similar position at a school district of the same or lesser size of the charter school in the state of South Carolina. If such total compensation does exceed that amount, the school's EFA and/or EIA allocation shall be reduced by the amount which such compensation exceeds that amount specified in the previous sentence. Compliance with this requirement will be made part of the single audit process of local public school districts as monitored by the State Department of Education.~~

- 1.24 AMEND** (School Bus Purchase) Requires certain specifications be met when purchasing school buses.

SEN: AMEND proviso to direct that if the department uses Georgia or North Carolina specs it must submit a report to the Chairmen of the Senate Finance and House Ways and Means Committees that details the methodology used to determine that alternative specs were determined safe, more economical and in the public interest when compared with the those set by the School Bus Specifications Committee. Sponsor: Sen. Setzler.

1.24. (SDE: School Bus Purchase) Any procurement of school buses with funds appropriated in this act or any other appropriation bill must meet specifications developed by the School Bus Specification Committee as established by the State Superintendent of Education. The School Bus Specifications Committee shall allow for input from all school bus chassis and body manufacturers. However, if it is safe, more economical, and in the public interest, the department may use the school bus specifications of Georgia or North Carolina in the procurement of school buses. *If the department uses the specifications of Georgia or North Carolina, the department must submit a report to the Chairman of the Senate Finance Committee and the Chairman of the House Ways and Means Committee detailing the methodology by which the alternative specifications were determined to be safe, more economical, and in the public interest, when compared to the specifications set forth by the School Bus Specifications Committee.*

- 1.49 AMEND** (Prohibit Advertising on School Buses) Prohibits the department and local school districts from selling advertising space on school buses.

SFC: AMEND proviso to specify that the prohibition applies to “state-owned” school buses.

SEN: ADOPT proviso as amended.

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1.49. (SDE: Prohibit Advertising on School Buses) The Department of Education and local school districts are prohibited from selling space for or the placement of advertisements on the outside or inside of state-owned school buses.

- 1.61** **AMEND** (Student Health and Fitness) Provides for the allocation of Student Health and Fitness funds to school districts to increase the number of physical education teachers and to provide licensed nurses for elementary public schools.
SFC: AMEND proviso to specify that schools that provide K-5 instruction are eligible to apply for the school nurse grant. Requested by Department of Education.
SEN: ADOPT proviso as amended.

1.61. (SDE: Student Health and Fitness) Funds appropriated for Student Health and Fitness shall be allocated to school districts to increase the number of physical education teachers to the extent possible and to provide licensed nurses for elementary public schools. Twenty seven percent of the funds shall be allocated to the districts based on average daily membership of grades K-5 from the preceding year for physical education teachers. The remaining funds will be made available through a grant program for school nurses and shall be distributed to the school districts on a per school basis. Schools that provide instruction in grades K-5 are eligible to apply for the school nurse grant program.

- 1.71** **REINSERT** (Lee County Bus Shop) Requires the department fund the Lee County and Kershaw County School District Bus Shops at the same level of funding as they were provided in the prior fiscal year.
WMC: DELETE proviso. *SDE states the return on investment to maintain the Lee County facility is non-existent and the buses should be transferred to other facilities.* Fiscal Impact: OSB states the agency indicates a general fund recurring savings of \$29,048 with additional savings yielded if the property was sold. Requested by Department of Education.
HOU: ADOPT deletion of proviso.

1.71. (SDE: Lee County Bus Shop) ~~From the funds appropriated in program XB, Bus Shops, in the current fiscal year, the department must fund the Lee County School District Bus Shop and the Kershaw County School District Bus Shop at the same level as they were funded in the previous fiscal year.~~

SFC: REINSERT original proviso.
SEN: ADOPT original proviso.

1.71. (SDE: Lee County Bus Shop) From the funds appropriated in program XB, Bus Shops, in the current fiscal year, the department must fund the Lee County School District Bus Shop and the Kershaw County School District Bus Shop at the same level as they were funded in the previous fiscal year.

- 1.73** **DELETE NEW PROVISO** (District Funding Flexibility) **WMC:** ADD new proviso to require districts to use funding flexibility to ensure that every school has district approved safety precautions in place.
HOU: ADOPT new proviso.

1.73. (SDE: District Funding Flexibility For Fiscal Year 2013-14, districts must utilize funding flexibility provided herein to ensure that district approved safety precautions are in place at every school.

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SFC: DELETE new proviso.

SEN: ADOPT deletion of proviso.

1.73. (SDE: District Funding Flexibility) DELETED

1.75 AMEND NEW PROVISO (Public Charter Pupil Counts) **HOU:** ADD new proviso to direct the S.C. Public Charter School District to require each charter school to submit a student attendance report for the 5th, 45th, 90th, and 135th days and require the report include both ADM and WPU membership. Direct the Public Charter School District submit the data to the department which shall then submit a quarterly report to the Chairmen of the House Ways and Means, House Education and Public Works, Senate Finance, and Senate Education Committees. Direct the School District to also require each virtual charter school to collect certain enrollment and withdrawal information which shall be submitted to the department and subsequently provided to the same committees. Sponsors: Reps. Bingham, Allison, Anthony, and Hayes.

1.75. (SDE: Public Charter Pupil Counts) With funds appropriated to the South Carolina Public Charter School District, the district must require each charter school to submit a student attendance report for the 5th, 45th, 90th and 135th days. Reporting requirements shall include both Average Daily Membership and Weighted Pupil Unit membership. The South Carolina Public Charter School District shall then provide the data for each charter school to the Department of Education. Quarterly, the department will submit the information to the House Ways and Means Committee, the House Education and Public Works Committee, the Senate Finance Committee and the Senate Education Committee.

The South Carolina Public Charter School District must also require each virtual charter school to collect the following information: (1) the reason or reasons why each student enrolled in the virtual charter school district; and (2) the reason or reasons why a student withdrew from the virtual charter school district. This data must be provided to the Department of Education quarterly and must include the unique student identifier. The department, in turn, will provide summary information to the House Ways and Means Committee, the House Education and Public Works Committee, the Senate Finance Committee and the Senate Education Committee on the enrollment and withdrawal information.

SFC: AMEND new proviso to require each virtual charter school to collect the reason(s) why each student enrolled in the virtual charter school district from “both the parent(s) and the referring school district.”

SEN: ADOPT new proviso as amended.

1.75. (SDE: Public Charter Pupil Counts) With funds appropriated to the South Carolina Public Charter School District, the district must require each charter school to submit a student attendance report for the 5th, 45th, 90th and 135th days. Reporting requirements shall include both Average Daily Membership and Weighted Pupil Unit membership. The South Carolina Public Charter School District shall then provide the data for each charter school to the Department of Education. Quarterly, the department will submit the information to the House Ways and Means Committee, the House Education and Public Works Committee, the Senate Finance Committee and the Senate Education Committee.

The South Carolina Public Charter School District must also require each virtual charter school to collect the following information: (1) the reason or reasons why each student enrolled in the virtual charter school district from both the parent(s) and the referring school

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district; and (2) the reason or reasons why a student withdrew from the virtual charter school district. This data must be provided to the Department of Education quarterly and must include the unique student identifier. The department, in turn, will provide summary information to the House Ways and Means Committee, the House Education and Public Works Committee, the Senate Finance Committee and the Senate Education Committee on the enrollment and withdrawal information.

- 1.79** **ADD** (School District Activity Bus Advertisements) **SFC:** ADD new proviso to authorize school district to sell commercial advertising space on the outside and inside of district owned activity buses. Prohibit the district from selling advertising that promotes a political candidate, ideology, cause, a product that could be harmful to children, or a product that appeals to prurient interest, all as defined by the local school board. Allow the districts to retain any revenue generated.
SEN: ADOPT new proviso.

1.79. (SDE: School District Activity Bus Advertisements) School Districts may sell commercial advertising space on the outside or inside of district owned activity buses. However, as defined and determined by the local school board, a school district may not sell such commercial advertising if the advertisement promotes a political candidate, ideology, or cause, a product that could be harmful to children, or a product that appeals to the prurient interest. Revenue generated from the sale of commercial advertising space shall be retained by the school district.

- 1.80** **ADD** (Early Warning Referral and Monitoring System) **SFC:** ADD new proviso to authorize the Department of Education to issue a RFP to provide a pilot early warning, identification, referral and monitoring technology for students that are showing signs of academic, behavioral, or emotional risk. Authorize the department to use up to \$360,000 to enter into an agreement to provide the pilot and authorize the pilot to be conducted in up to 5 school district to serve between 40,000 and 60,000 students. Direct that an interim report be submitted by March 1, 2014, to the Chairmen of the Senate Finance, Senate Education, House Ways and Means, and House Education and Public Works Committees on the results of the pilot.
SEN: ADOPT new proviso.

1.80. (SDE: Early Warning Referral and Monitoring System) For Fiscal Year 2013-14 the Department of Education, utilizing funds appropriated to or authorized for the department, is directed to issue a request for proposal to provide a pilot early warning, identification, referral and monitoring technology for students showing signs of academic, behavioral or emotional risk. The department may use up to \$360,000 to enter into an agreement for the provision of the pilot. The pilot may be conducted in up to five school districts (to serve between 40,000 and 60,000 students). An interim report on the results of the pilot project, including the number of students referred to and accessing academic, mental health and other services shall be submitted to the Chairman of the Senate Finance Committee, the Chairman of the Senate Education Committee, the Chairman of the House Ways and Means Committee, and the Chairman of the House Education and Public Works Committee, by March 1, 2014.

- 1.81** **ADD** (School District Property) **SFC:** ADD new proviso to suspend the requirements of Section 59-19-250 which requires the consent of a governing board of a county in order for school trustees to sell or lease school property.
SEN: ADOPT new proviso.

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1.81. (SDE: School District Property) The requirements of Section 59-19-250 of the 1976 Code, as amended, which requires the consent of a governing board of a county in order for school trustees to sell or lease school property whenever they deem it expedient to do so are suspended for the current fiscal year.

- 1.82** **ADD** (Digital Instructional Materials) **SFC:** ADD new proviso to direct the department determine the per pupil amount for allocation of digital instructional materials by using the prior year's 135 ADM and establish the following procedures for the distribution of the funds to school districts: (1) direct the department to create a digital instructional materials list of the items the districts have requested that have been approved by the State Board; (2) provide a process for the district to request specific materials be included on the list; (3) require the State Board of Education approve or disapprove the district request within 30 days; and (4) provide a process for the district to request an allocation of the funds. Require districts submit requests to the State Board by August 15th and direct that funds not encumbered by January 15th be distributed to school districts that have not previously received an allocation. Direct that these funds are not subject to flexibility.
SEN: ADOPT new proviso.

1.82. (SDE: Digital Instructional Materials) Utilizing the funds appropriated for digital instructional materials, the Department of Education shall determine a per pupil amount using the prior year's 135 ADM. These funds shall be made available to all school districts using the following procedure:

(1) The Department of Education shall create a digital instructional materials list composed of those items which have been requested by districts and that have received Board approval;

(2) Districts may request that the State Board of Education review digital instructional materials for inclusion on the list when the material has been reviewed by the district, received approval by the local board of trustees for use in its district and been found to reflect the substance and level of performance outlined in the state adopted grade specific educational standards, contain current content information, and are cost effective;

(3) Within 30 days of receiving the request, the State Board of Education must approve or disapprove the district's request. Those materials receiving approval shall be placed on the department's approved digital instructional materials list. Once items are placed on the approved list, all districts may choose items from that list; and

(4) On a form provided by the department, a district may request an allocation by denoting the number of students, grade level, and subject for which the digital materials will be used. Districts may only request digital materials in one subject area and may not receive textbooks for the students using digital materials in that subject area.

District requests must be submitted to the State Board of Education for consideration not later than August 15 of the current fiscal year. Any funds appropriated for digital instructional materials which have not been encumbered by January 15, shall be distributed to school districts which have not previously received an allocation. These districts shall receive a per pupil allocation which must be used for technology infrastructure needed to prepare the district for using digital instructional materials. These funds shall not be subject to flexibility.

- 1.83** **ADD** (Child Development Education Pilot Program) **HOU2:** ADD new proviso to create CDEPP. Sponsors: Reps. White, Bingham, Herbkersman, Limehouse, Merrill, M.A. Pitts, Simrill, G.M. Smith, and J.R. Smith. Note: Proviso 1.78 in HOU2 version. NOTE: THIS SHOULD BE IN SAME IN BOTH VERSIONS.

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1.83. (SDE: Child Development Education Pilot Program) There is created the South Carolina Child Development Education Pilot Program (CDEPP). This program shall be available for the current school year on a voluntary basis and shall focus on the developmental and learning support that children must have in order to be ready for school and must incorporate parenting education.

(A) For the current school year, with funds appropriated by the General Assembly, the South Carolina Child Development Education Pilot Program shall first be made available to eligible children from the trial and plaintiff school districts in the Abbeville County School District et. al. vs. South Carolina and then expanded to eligible children residing in school districts with a poverty index of seventy-five percent or greater.

Unexpended funds from the prior fiscal year for this program shall be carried forward and shall remain in the program. In rare instances, students with documented kindergarten readiness barriers may be permitted to enroll for a second year, or at age five, at the discretion of the Department of Education for students being served by a public provider or at the discretion of the Office of South Carolina First Steps to School Readiness for students being served by a private provider.

(B) Each child residing in the pilot districts, who will have attained the age of four years on or before September first, of the school year, and meets the at-risk criteria is eligible for enrollment in the South Carolina Child Development Education Pilot Program for one year.

The parent of each eligible child may enroll the child in one of the following programs:

(1) a school-year four-year-old kindergarten program delivered by an approved public provider; or

(2) a school-year four-year-old kindergarten program delivered by an approved private provider.

The parent enrolling a child must complete and submit an application to the approved provider of choice. The application must be submitted on forms and must be accompanied by a copy of the child's birth certificate, immunization documentation, and documentation of the student's eligibility as evidenced by family income documentation showing an annual family income of one hundred eighty-five percent or less of the federal poverty guidelines as promulgated annually by the U.S. Department of Health and Human Services or a statement of Medicaid eligibility.

In submitting an application for enrollment, the parent agrees to comply with provider attendance policies during the school year. The attendance policy must state that the program consists of 6.5 hours of instructional time daily and operates for a period of not less than one hundred eighty days per year. Pursuant to program guidelines, noncompliance with attendance policies may result in removal from the program.

No parent is required to pay tuition or fees solely for the purpose of enrolling in or attending the program established under this provision. Nothing in this provision prohibits charging fees for childcare that may be provided outside the times of the instructional day provided in these programs.

If by October first of the school year at least seventy-five percent of the total number of eligible CDEPP children in a district or county are projected to be enrolled in CDEPP, Head Start or ABC Child Care Program as determined by the Department of Education and the Office of First Steps, CDEPP providers may then enroll pay-lunch children who score at or below the twenty-fifth national percentile on two of the three DIAL-3 subscales and may receive reimbursement for these children if funds are available.

(C) Public school providers choosing to participate in the South Carolina Four-Year-Old Child Development Kindergarten Program must submit an application to the Department of Education. Private providers choosing to participate in the South Carolina Four-Year-Old Child Development Kindergarten Program must submit an application to the Office of First

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Steps. The application must be submitted on the forms prescribed, contain assurances that the provider meets all program criteria set forth in this provision, and will comply with all reporting and assessment requirements.

Providers shall:

(1) comply with all federal and state laws and constitutional provisions prohibiting discrimination on the basis of disability, race, creed, color, gender, national origin, religion, ancestry, or need for special education services;

(2) comply with all state and local health and safety laws and codes;

(3) comply with all state laws that apply regarding criminal background checks for employees and exclude from employment any individual not permitted by state law to work with children;

(4) be accountable for meeting the education needs of the child and report at least quarterly to the parent/guardian on his progress;

(5) comply with all program, reporting, and assessment criteria required of providers;

(6) maintain individual student records for each child enrolled in the program to include, but not be limited to, assessment data, health data, records of teacher observations, and records of parent or guardian and teacher conferences;

(7) designate whether extended day services will be offered to the parents/guardians of children participating in the program;

(8) be approved, registered, or licensed by the Department of Social Services; and

(9) comply with all state and federal laws and requirements specific to program providers.

Providers may limit student enrollment based upon space available. However if enrollment exceeds available space, providers shall enroll children with first priority given to children with the lowest scores on an approved pre-kindergarten readiness assessment. Private providers shall not be required to expand their programs to accommodate all children desiring enrollment. However, providers are encouraged to keep a waiting list for students they are unable to serve because of space limitations.

(D) The Department of Education and the Office of First Steps to School Readiness shall:

(1) develop the provider application form;

(2) develop the child enrollment application form;

(3) develop a list of approved research-based preschool curricula for use in the program based upon the South Carolina Content Standards, provide training and technical assistance to support its effective use in approved classrooms serving children;

(4) develop a list of approved pre-kindergarten readiness assessments to be used in conjunction with the program, provide assessments and technical assistance to support assessment administration in approved classrooms serving children;

(5) establish criteria for awarding new classroom equipping grants;

(6) establish criteria for the parenting education program providers must offer;

(7) establish a list of early childhood related fields that may be used in meeting the lead teacher qualifications;

(8) develop a list of data collection needs to be used in implementation and evaluation of the program;

(9) identify teacher preparation program options and assist lead teachers in meeting teacher program requirements;

(10) establish criteria for granting student retention waivers; and

(11) establish criteria for granting classroom size requirements waivers.

(E) Providers of the South Carolina Child Development Education Pilot Program shall offer a complete educational program in accordance with age-appropriate instructional

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practice and a research based preschool curriculum aligned with school success. The program must focus on the developmental and learning support children must have in order to be ready for school. The provider must also incorporate parenting education that promotes the school readiness of preschool children by strengthening parent involvement in the learning process with an emphasis on interactive literacy.

Providers shall offer high-quality, center-based programs that must include, but shall not be limited to, the following:

(1) employ a lead teacher with a two-year degree in early childhood education or related field or be granted a waiver of this requirement from the Department of Education or the Office of First Steps to School Readiness;

(2) employ an education assistant with pre-service or in-service training in early childhood education;

(3) maintain classrooms with at least ten four-year-old children, but no more than twenty four-year-old children with an adult to child ratio of 1:10. With classrooms having a minimum of ten children, the 1:10 ratio must be a lead teacher to child ratio. Waivers of the minimum class size requirement may be granted by the South Carolina Department of Education for public providers or by the Office of First Steps to School Readiness for private providers on a case-by-case basis;

(4) offer a full day, center-based program with 6.5 hours of instruction daily for one hundred eighty school days;

(5) provide an approved research-based preschool curriculum that focuses on critical child development skills, especially early literacy, numeracy, and social/emotional development;

(6) engage parents' participation in their child's educational experience that shall include a minimum of two documented conferences per year; and

(7) adhere to professional development requirements outlined in this article.

(F) Every classroom providing services to four-year-old children established pursuant to this provision must have a lead teacher with at least a two-year degree in early childhood education or related field and who is enrolled and is demonstrating progress toward the completion of a teacher education program within four years. Every classroom must also have at least one education assistant per classroom who shall have the minimum of a high school diploma or the equivalent, and at least two years of experience working with children under five years old. The teaching assistant shall have completed the Early Childhood Development Credential (ECD) 101 or enroll and complete this course within twelve months of hire. Providers may request waivers to the ECD 101 requirement for those assistants who have demonstrated sufficient experience in teaching children five years old and younger. The providers must request this waiver in writing to their designated administrative agency (First Steps or the Department of Education) and provide appropriate documentation as to the qualifications of the teaching assistant.

(G) The General Assembly recognizes there is a strong relationship between the skills and preparation of pre-kindergarten instructors and the educational outcomes of students. To improve these education outcomes, participating providers shall require all personnel providing instruction and classroom support to students participating in the South Carolina Child Development Education Pilot Program to participate annually in a minimum of fifteen hours of professional development to include teaching children from poverty. Professional development should provide instruction in strategies and techniques to address the age-appropriate progress of pre-kindergarten students in developing emergent literacy skills, including but not limited to, oral communication, knowledge of print and letters, phonemic and phonological awareness, and vocabulary and comprehension development.

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(H) Both public and private providers shall be eligible for transportation funds for the transportation of children to and from school. Nothing within this provision prohibits providers from contracting with another entity to provide transportation services provided the entities adhere to the requirements of Section 56-5-195. Providers shall not be responsible for transporting students attending programs outside the district lines. Parents choosing program providers located outside of their resident district shall be responsible for transportation. When transporting four-year-old child development students, providers shall make every effort to transport them with students of similar ages attending the same school. Of the amount appropriated for the program, not more than \$185 per student shall be retained by the Department of Education for the purposes of transporting four-year-old students. This amount must be increased annually by the same projected rate of inflation as determined by the Division of Research and Statistics of the Budget and Control Board for the Education Finance Act.

(I) For all private providers approved to offer services pursuant to this provision, the Office of First Steps to School Readiness shall:

(1) serve as the fiscal agent;

(2) verify student enrollment eligibility;

(3) recruit, review, and approve eligible providers. In considering approval of providers, consideration must be given to the provider's availability of permanent space for program service and whether temporary classroom space is necessary to provide services to any children;

(4) coordinate oversight, monitoring, technical assistance, coordination, and training for classroom providers;

(5) serve as a clearing house for information and best practices related to four-year-old kindergarten programs;

(6) receive, review, and approve new classroom grant applications and make recommendations for approval based on approved criteria;

(7) coordinate activities and promote collaboration with other private and public providers in developing and supporting four-year-old kindergarten programs;

(8) maintain a database of the children enrolled in the program; and

(9) promulgate guidelines as necessary for the implementation of the pilot program.

(J) For all public school providers approved to offer services pursuant to this provision, the Department of Education shall:

(1) serve as the fiscal agent;

(2) verify student enrollment eligibility;

(3) recruit, review, and approve eligible providers. In considering approval of providers, consideration must be given to the provider's availability of permanent space for program service and whether temporary classroom space is necessary to provide services to any children;

(4) coordinate oversight, monitoring, technical assistance, coordination, and training for classroom providers;

(5) serve as a clearing house for information and best practices related to four-year-old kindergarten programs;

(6) receive, review, and approve new classroom grant applications and make recommendations for approval based on approved criteria;

(7) coordinate activities and promote collaboration with other private and public providers in developing and supporting four-year-old kindergarten programs;

(8) maintain a database of the children enrolled in the program; and

(9) promulgate guidelines as necessary for the implementation of the pilot program.

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(K) The General Assembly shall provide funding for the South Carolina Child Development Education Pilot Program. For the current school year, the funded cost per child shall be \$4,218 increased annually by the rate of inflation as determined by the Division of Research and Statistics of the Budget and Control Board for the Education Finance Act. Eligible students enrolling with private providers during the school year shall be funded on a pro rata basis determined by the length of their enrollment. Private providers transporting eligible children to and from school shall be eligible for a reimbursement of \$550 per eligible child transported. Providers who are reimbursed are required to retain records as required by their fiscal agent. Providers enrolling between one and six eligible children shall be eligible to receive up to \$1,000 per child in materials and equipment grant funding, with providers enrolling seven or more such children eligible for grants not to exceed \$10,000. Providers receiving equipment grants are expected to participate in the program and provide high-quality, center-based programs as defined herein for a minimum of three years. Failure to participate for three years will require the provider to return a portion of the equipment allocation at a level determined by the Department of Education and the Office of First Steps to School Readiness. Funding to providers is contingent upon receipt of data as requested by the Department of Education and the Office of First Steps.

(L) Pursuant to this provision, the Department of Social Services shall:

(1) maintain a list of all approved public and private providers; and

(2) provide the Department of Education and the Office of First Steps information necessary to carry out the requirements of this provision.

(M) The Office of First Steps to School Readiness shall be responsible for the collection and maintenance of data on the state funded programs provided through private providers.

(N) Of the funds appropriated, \$300,000 shall be allocated to the Education Oversight Committee to conduct an annual evaluation of the South Carolina Child Development Education Pilot Program and to issue findings in a report to the General Assembly by January 15 of each year. The evaluation shall include, but is not limited to: (1) student data including the number of at-risk four-year-old kindergarten students served in publically funded programs, by county and by program; (2) program effectiveness including developmentally appropriate assessments of children to measure emerging literacy and numeracy; (3) individual classroom assessments to determine program quality; (4) longitudinal analysis of academic and non-academic measures of success for children who participated in the program; and (5) an evaluation of the professional development, monitoring and assistance offered to public and private providers.

To aid in this evaluation, the Education Oversight Committee shall determine the data necessary and both public and private providers are required to submit the necessary data as a condition of continued participation in and funding of the program. This data shall include developmentally appropriate measures of student progress. Additionally, the Department of Education shall issue a unique student identifier for each child receiving services from a private provider. The Department of Education shall be responsible for the collection and maintenance of data on the public state funded full day and half-day four-year-old kindergarten programs. The Office of First Steps to School Readiness shall be responsible for the collection and maintenance of data on the state funded programs provided through private providers. The Education Oversight Committee shall use this data and all other collected and maintained data necessary to conduct a research based review of the program's implementation and assessment of student success in the early elementary grades.

SFC: ADD new proviso to create CDEPP, a voluntary program which focuses on developmental and learning support to be ready for school for four year olds in the trial and plaintiff school districts with expansion to eligible children in school districts with a poverty

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index of 75% or greater. Directs DSS to maintain a current and updated public and private provider listing along with any information SDE or OFS deems necessary. Requires Office of First Steps to collect and maintain all data on state funded private provider program. Allocate \$300,000 to the EOC to conduct an annual evaluation of the pilot program and to report the findings to the General Assembly by January 15th. *Duplicates EIA proviso 1A.34.*

SEN: ADOPT new proviso.

1.83. (SDE: Child Development Education Pilot Program) There is created the South Carolina Child Development Education Pilot Program (CDEPP). This program shall be available for the current school year on a voluntary basis and shall focus on the developmental and learning support that children must have in order to be ready for school and must incorporate parenting education.

(A) For the current school year, with funds appropriated by the General Assembly, the South Carolina Child Development Education Pilot Program shall first be made available to eligible children from the-trial and plaintiff school districts in the Abbeville County School District et. al. vs. South Carolina and then expanded to eligible children residing in school districts with a poverty index of seventy-five percent or greater.

Unexpended funds from the prior fiscal year for this program shall be carried forward and shall remain in the program. In rare instances, students with documented kindergarten readiness barriers may be permitted to enroll for a second year, or at age five, at the discretion of the Department of Education for students being served by a public provider or at the discretion of the Office of South Carolina First Steps to School Readiness for students being served by a private provider.

(B) Each child residing in the pilot districts, who will have attained the age of four years on or before September first, of the school year, and meets the at-risk criteria is eligible for enrollment in the South Carolina Child Development Education Pilot Program for one year.

The parent of each eligible child may enroll the child in one of the following programs:

(1) a school-year four-year-old kindergarten program delivered by an approved public provider; or

(2) a school-year four-year-old kindergarten program delivered by an approved private provider.

The parent enrolling a child must complete and submit an application to the approved provider of choice. The application must be submitted on forms and must be accompanied by a copy of the child's birth certificate, immunization documentation, and documentation of the student's eligibility as evidenced by family income documentation showing an annual family income of one hundred eighty-five percent or less of the federal poverty guidelines as promulgated annually by the U.S. Department of Health and Human Services or a statement of Medicaid eligibility.

In submitting an application for enrollment, the parent agrees to comply with provider attendance policies during the school year. The attendance policy must state that the program consists of 6.5 hours of instructional time daily and operates for a period of not less than one hundred eighty days per year. Pursuant to program guidelines, noncompliance with attendance policies may result in removal from the program.

No parent is required to pay tuition or fees solely for the purpose of enrolling in or attending the program established under this provision. Nothing in this provision prohibits charging fees for childcare that may be provided outside the times of the instructional day provided in these programs.

If by October first of the school year at least seventy-five percent of the total number of eligible CDEPP children in a district or county are projected to be enrolled in CDEPP, Head Start or ABC Child Care Program as determined by the Department of Education and the

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Office of First Steps, CDEPP providers may then enroll pay-lunch children who score at or below the twenty-fifth national percentile on two of the three DIAL-3 subscales and may receive reimbursement for these children if funds are available.

(C) Public school providers choosing to participate in the South Carolina Four-Year-Old Child Development Kindergarten Program must submit an application to the Department of Education. Private providers choosing to participate in the South Carolina Four-Year-Old Child Development Kindergarten Program must submit an application to the Office of First Steps. The application must be submitted on the forms prescribed, contain assurances that the provider meets all program criteria set forth in this provision, and will comply with all reporting and assessment requirements.

Providers shall:

(1) comply with all federal and state laws and constitutional provisions prohibiting discrimination on the basis of disability, race, creed, color, gender, national origin, religion, ancestry, or need for special education services;

(2) comply with all state and local health and safety laws and codes;

(3) comply with all state laws that apply regarding criminal background checks for employees and exclude from employment any individual not permitted by state law to work with children;

(4) be accountable for meeting the education needs of the child and report at least quarterly to the parent/guardian on his progress;

(5) comply with all program, reporting, and assessment criteria required of providers;

(6) maintain individual student records for each child enrolled in the program to include, but not be limited to, assessment data, health data, records of teacher observations, and records of parent or guardian and teacher conferences;

(7) designate whether extended day services will be offered to the parents/guardians of children participating in the program;

(8) be approved, registered, or licensed by the Department of Social Services; and

(9) comply with all state and federal laws and requirements specific to program providers.

Providers may limit student enrollment based upon space available. However if enrollment exceeds available space, providers shall enroll children with first priority given to children with the lowest scores on an approved pre-kindergarten readiness assessment. Private providers shall not be required to expand their programs to accommodate all children desiring enrollment. However, providers are encouraged to keep a waiting list for students they are unable to serve because of space limitations.

(D) The Department of Education and the Office of First Steps to School Readiness shall:

(1) develop the provider application form;

(2) develop the child enrollment application form;

(3) develop a list of approved research-based preschool curricula for use in the program based upon the South Carolina Content Standards, provide training and technical assistance to support its effective use in approved classrooms serving children;

(4) develop a list of approved pre-kindergarten readiness assessments to be used in conjunction with the program, provide assessments and technical assistance to support assessment administration in approved classrooms serving children;

(5) establish criteria for awarding new classroom equipping grants;

(6) establish criteria for the parenting education program providers must offer;

(7) establish a list of early childhood related fields that may be used in meeting the lead teacher qualifications;

(8) develop a list of data collection needs to be used in implementation and evaluation of the program;

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(9) identify teacher preparation program options and assist lead teachers in meeting teacher program requirements;

(10) establish criteria for granting student retention waivers; and

(11) establish criteria for granting classroom size requirements waivers.

(E) Providers of the South Carolina Child Development Education Pilot Program shall offer a complete educational program in accordance with age-appropriate instructional practice and a research based preschool curriculum aligned with school success. The program must focus on the developmental and learning support children must have in order to be ready for school. The provider must also incorporate parenting education that promotes the school readiness of preschool children by strengthening parent involvement in the learning process with an emphasis on interactive literacy.

Providers shall offer high-quality, center-based programs that must include, but shall not be limited to, the following:

(1) employ a lead teacher with a two-year degree in early childhood education or related field or be granted a waiver of this requirement from the Department of Education or the Office of First Steps to School Readiness;

(2) employ an education assistant with pre-service or in-service training in early childhood education;

(3) maintain classrooms with at least ten four-year-old children, but no more than twenty four-year-old children with an adult to child ratio of 1:10. With classrooms having a minimum of ten children, the 1:10 ratio must be a lead teacher to child ratio. Waivers of the minimum class size requirement may be granted by the South Carolina Department of Education for public providers or by the Office of First Steps to School Readiness for private providers on a case-by-case basis;

(4) offer a full day, center-based program with 6.5 hours of instruction daily for one hundred eighty school days;

(5) provide an approved research-based preschool curriculum that focuses on critical child development skills, especially early literacy, numeracy, and social/emotional development;

(6) engage parents' participation in their child's educational experience that shall include a minimum of two documented conferences per year; and

(7) adhere to professional development requirements outlined in this article.

(F) Every classroom providing services to four-year-old children established pursuant to this provision must have a lead teacher with at least a two-year degree in early childhood education or related field and who is enrolled and is demonstrating progress toward the completion of a teacher education program within four years. Every classroom must also have at least one education assistant per classroom who shall have the minimum of a high school diploma or the equivalent, and at least two years of experience working with children under five years old. The teaching assistant shall have completed the Early Childhood Development Credential (ECD) 101 or enroll and complete this course within twelve months of hire. Providers may request waivers to the ECD 101 requirement for those assistants who have demonstrated sufficient experience in teaching children five years old and younger. The providers must request this waiver in writing to their designated administrative agency (First Steps or the Department of Education) and provide appropriate documentation as to the qualifications of the teaching assistant.

(G) The General Assembly recognizes there is a strong relationship between the skills and preparation of pre-kindergarten instructors and the educational outcomes of students. To improve these education outcomes, participating providers shall require all personnel providing instruction and classroom support to students participating in the South Carolina Child Development Education Pilot Program to participate annually in a minimum of fifteen

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hours of professional development to include teaching children from poverty. Professional development should provide instruction in strategies and techniques to address the age-appropriate progress of pre-kindergarten students in developing emergent literacy skills, including but not limited to, oral communication, knowledge of print and letters, phonemic and phonological awareness, and vocabulary and comprehension development.

(H) Both public and private providers shall be eligible for transportation funds for the transportation of children to and from school. Nothing within this provision prohibits providers from contracting with another entity to provide transportation services provided the entities adhere to the requirements of Section 56-5-195. Providers shall not be responsible for transporting students attending programs outside the district lines. Parents choosing program providers located outside of their resident district shall be responsible for transportation. When transporting four-year-old child development students, providers shall make every effort to transport them with students of similar ages attending the same school. Of the amount appropriated for the program, not more than \$185 per student shall be retained by the Department of Education for the purposes of transporting four-year-old students. This amount must be increased annually by the same projected rate of inflation as determined by the Division of Research and Statistics of the Budget and Control Board for the Education Finance Act.

(I) For all private providers approved to offer services pursuant to this provision, the Office of First Steps to School Readiness shall:

(1) serve as the fiscal agent;

(2) verify student enrollment eligibility;

(3) recruit, review, and approve eligible providers. In considering approval of providers, consideration must be given to the provider's availability of permanent space for program service and whether temporary classroom space is necessary to provide services to any children;

(4) coordinate oversight, monitoring, technical assistance, coordination, and training for classroom providers;

(5) serve as a clearing house for information and best practices related to four-year-old kindergarten programs;

(6) receive, review, and approve new classroom grant applications and make recommendations for approval based on approved criteria;

(7) coordinate activities and promote collaboration with other private and public providers in developing and supporting four-year-old kindergarten programs;

(8) maintain a database of the children enrolled in the program; and

(9) promulgate guidelines as necessary for the implementation of the pilot program.

(J) For all public school providers approved to offer services pursuant to this provision, the Department of Education shall:

(1) serve as the fiscal agent;

(2) verify student enrollment eligibility;

(3) recruit, review, and approve eligible providers. In considering approval of providers, consideration must be given to the provider's availability of permanent space for program service and whether temporary classroom space is necessary to provide services to any children;

(4) coordinate oversight, monitoring, technical assistance, coordination, and training for classroom providers;

(5) serve as a clearing house for information and best practices related to four-year-old kindergarten programs;

(6) receive, review, and approve new classroom grant applications and make recommendations for approval based on approved criteria;

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(7) coordinate activities and promote collaboration with other private and public providers in developing and supporting four-year-old kindergarten programs;

(8) maintain a database of the children enrolled in the program; and

(9) promulgate guidelines as necessary for the implementation of the pilot program.

(K) The General Assembly shall provide funding for the South Carolina Child Development Education Pilot Program. For the current school year, the funded cost per child shall be \$4,218 increased annually by the rate of inflation as determined by the Division of Research and Statistics of the Budget and Control Board for the Education Finance Act. Eligible students enrolling with private providers during the school year shall be funded on a pro rata basis determined by the length of their enrollment. Private providers transporting eligible children to and from school shall be eligible for a reimbursement of \$550 per eligible child transported. Providers who are reimbursed are required to retain records as required by their fiscal agent. Providers enrolling between one and six eligible children shall be eligible to receive up to \$1,000 per child in materials and equipment grant funding, with providers enrolling seven or more such children eligible for grants not to exceed \$10,000. Providers receiving equipment grants are expected to participate in the program and provide high-quality, center-based programs as defined herein for a minimum of three years. Failure to participate for three years will require the provider to return a portion of the equipment allocation at a level determined by the Department of Education and the Office of First Steps to School Readiness. Funding to providers is contingent upon receipt of data as requested by the Department of Education and the Office of First Steps.

(L) Pursuant to this provision, the Department of Social Services shall:

(1) maintain a list of all approved public and private providers; and

(2) provide the Department of Education and the Office of First Steps information necessary to carry out the requirements of this provision.

(M) The Office of First Steps to School Readiness shall be responsible for the collection and maintenance of data on the state funded programs provided through private providers.

(N) Of the funds appropriated, \$300,000 shall be allocated to the Education Oversight Committee to conduct an annual evaluation of the South Carolina Child Development Education Pilot Program and to issue findings in a report to the General Assembly by January 15 of each year. The evaluation shall include, but is not limited to: (1) student data including the number of at-risk four-year-old kindergarten students served in publically funded programs, by county and by program; (2) program effectiveness including developmentally appropriate assessments of children to measure emerging literacy and numeracy; (3) individual classroom assessments to determine program quality; (4) longitudinal analysis of academic and non-academic measures of success for children who participated in the program; and (5) an evaluation of the professional development, monitoring and assistance offered to public and private providers.

To aid in this evaluation, the Education Oversight Committee shall determine the data necessary and both public and private providers are required to submit the necessary data as a condition of continued participation in and funding of the program. This data shall include developmentally appropriate measures of student progress. Additionally, the Department of Education shall issue a unique student identifier for each child receiving services from a private provider. The Department of Education shall be responsible for the collection and maintenance of data on the public state funded full day and half-day four-year-old kindergarten programs. The Office of First Steps to School Readiness shall be responsible for the collection and maintenance of data on the state funded programs provided through private providers. The Education Oversight Committee shall use this data and all other collected and maintained data necessary to conduct a research based review of the program's implementation and assessment of student success in the early elementary grades.

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- 1.84** **ADD** (Summer Reading Camps) **SFC:** ADD new proviso to direct that summer reading camps funds be allocated: \$300,000 to the department to provide bus transportation to the camps and the remainder on a per pupil allocation to each school district based on the number of student who meet certain criteria. Direct the reading camps provide an educational summer program for students who do not substantially demonstrate reading proficiency at the end of the 3rd grade. Also allow a district to offer summer reading camps for students who do not exhibit reading proficiency in prekindergarten through 2nd grade and all the district to charge fees based on a sliding scale.
SEN: ADOPT new proviso.

1.84. (SDE: Summer Reading Camps) For the current fiscal year, funds appropriated for summer reading camps must be allocated as follows: (1) \$300,000 to the Department of Education to provide bus transportation for students attending the camps; and (2) the remainder on a per pupil allocation to each school district based on the number of students who scored Not Met 1 on the third grade reading and research assessment of the prior year's Palmetto Assessment of State Standards administration. The reading camps must provide an educational program offered in the summer by each local school district for students who are substantially not demonstrating reading proficiency at the end of third grade. The camp must be six to eight weeks long for four or five days each week and include at least five and one-half hours of instructional time daily. The camps must be taught by compensated, licensed teachers who have demonstrated substantial success in helping students comprehend grade-appropriate texts. Schools and districts should partner with county or school libraries, community organizations, faith-based institutions, pediatric and family practice medical personnel, businesses, and other groups to provide volunteers, mentors, tutors, space, or other support to assist with the provision of the summer reading camps. In addition, a district may offer summer reading camps for students who are not exhibiting reading proficiency in prekindergarten through grade 2 and may charge fees based on a sliding scale pursuant to Section 59-19-90 of the 1976 Code, as amended.

- 1.85** **ADD** (Educational Credit for Exceptional Needs Children) **HOU2:** ADD new proviso to provide an educational tax credit for exceptional needs & low income children. Sponsor: Rep. Bedingfield. AMENDED to prohibit non-profit scholarship funding organizations from discriminating. Sponsor: Rep. J.E. Smith. Note: Proviso 1.80 in HOU2 version.

1.85. (SDE: Educational Credit for Exceptional Needs Children & Low Income Children)
(A) As used in this proviso:

(1) 'Independent school' means a school, other than a public school, at which the compulsory attendance requirements of Section 59-65-10 may be met and that does not discriminate based on the grounds of race, color, religion, or national origin.

(2) 'Parent' means the natural or adoptive parent or legal guardian of a child.

(3) 'Qualifying student' means a student who is a South Carolina resident and who is eligible to be enrolled in a South Carolina secondary or elementary public school at the kindergarten or later year level for the current school year.

(4) 'Resident public school district' means the public school district in which a student resides.

(5) 'Tuition' means the total amount of money charged for the cost of a qualifying student to attend an independent school including, but not limited to, fees for attending the school and school-related transportation.

(6) 'Eligible school' means an independent school including those religious

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in nature, other than a public school, at which the compulsory attendance requirements of Section 59-65-10 may be met, that:

(a) offers a general education to primary or secondary school students;

(b) does not discriminate on the basis of race, color, or national origin;

(c) is located in this State;

(d) has an educational curriculum that includes courses set forth in the state's diploma requirements and where the students attending are administered national achievement or state standardized tests, or both, at progressive grade levels to determine student progress;

(e) has school facilities that are subject to applicable federal, state, and local laws; and

(f) is a member in good standing of the Southern Association of Colleges and Schools, the South Carolina Association of Christian Schools or the South Carolina Independent Schools Association.

(7) 'Nonprofit scholarship funding organization' means a charitable organization that:

(a) is exempt from federal tax under Section 501(a) of the Internal Revenue Code by being listed as an exempt organization in Section 501(c)(3) of the Code;

(b) allocates, after its first year of operation, at least ninety-five percent of its annual contributions and revenue received during a particular year to provide grants for tuition, transportation, or textbook expenses (collectively hereinafter referred to as tuition) or any combination thereof to children enrolled in an eligible school meeting the criteria of this section, and incurs administrative expenses annually, after its first year of operation, of not more than five percent of its annual contributions and revenue for a particular year;

(c) allocates all of its funds used for grants on an annual basis to children who are 'exceptional needs' students as defined herein or who are eligible for the federal free or reduced lunch program, or whose families meet the qualifications for federal Medicaid benefits;

(d) does not provide grants solely for the benefit of one school, and if the Department of Revenue determines that the nonprofit scholarship funding organization is providing grants to one particular school, the tax credit allowed by this section may be disallowed;

(e) does not have as a member of its governing board any parent, legal guardian, or member of their immediate family who has a child or ward who is currently receiving or has received a scholarship grant authorized by this section from the organization within one year of the date the parent, legal guardian, or member of their immediate family became a board member;

(f) does not have as a member of its governing board any person who has been convicted of a felony, or who has declared bankruptcy within the last seven years; and

(g) does not discriminate on the basis of race, color, national origin, or religion.

(8) 'Person' means an individual, partnership, corporation, or other similar entity.

(9) 'Transportation' means transportation to and from school only.

(B) A person is entitled to a tax credit for the amount of money the person contributes to a nonprofit scholarship funding organization up to the limits of this proviso if:

(1) the contribution is used to provide grants for tuition, transportation, or textbook expenses or any combination thereof to exceptional needs children or students who are eligible for the federal free or reduced lunch program, or whose families meet the qualifications for federal Medicaid benefits and are enrolled in eligible schools who qualify for these grants under the provisions of this proviso; and

(2) the person does not designate a specific child or school as the beneficiary of the contribution.

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(C) Grants may be awarded by a scholarship funding organization in an amount not exceeding ten thousand dollars or the total cost of tuition, whichever is less, for students with 'exceptional needs' to attend an independent school. An 'exceptional needs' child is defined as a child who has been designated by the South Carolina Department of Education to meet the requirements of CFR Part A Section 300.8 and the child's parents or legal guardian believe that the services provided by the school district of legal residence do not sufficiently meet the needs of the child. Grants may be awarded by a scholarship funding organization in an amount not exceeding five thousand dollars or the total cost of tuition, whichever is less for students who are eligible for the federal free or reduced lunch program, or whose families meet the qualifications for federal Medicaid benefits.

(D) (1) The tax credits authorized by subsection (B) may not exceed a combined cumulative total of ten million dollars for contributions made on behalf of both 'exceptional needs' students and students who are eligible for the federal free or reduced lunch program, or whose families meet the qualifications for federal Medicaid benefits. If the Department of Revenue determines that the total of such credits claimed by all taxpayers exceeds this amount, it shall proportionally reduce the credits of all taxpayers pro rata for the year in the particular category. The Department of Revenue shall ensure that the cumulative total credit claimed pursuant to this provision is evenly divided between contributions made on behalf of "exceptional needs" students and students who are eligible for the federal free or reduced lunch program, or whose families meet the qualifications for federal Medicaid benefits.

(2) A taxpayer may not claim more than sixty percent of their total tax liability for the year in contribution towards the tax credit authorized by subsection (C). Tax credits allowed by this proviso may be used in computing any tax imposed by Title 12 of the 1976 Code of Law or in computing insurance premium taxes or bank license fees. This credit is not refundable.

(3) If a husband and wife file separate returns, they each may only claim one-half of the tax credit that would have been allowed for a joint return for the year.

(4) The person shall apply for a credit under subsection (B) on or with the tax return for the period for which the credit is claimed.

(5) The Department of Revenue shall prescribe the form and manner of proof required to obtain the credit authorized by subsection (B). Also, the department shall develop a method of informing taxpayers if either of the credit limits are met at any time during the 2014 tax year.

(6) A person may claim a credit under subsection (B) for contributions made on or after January 1, 2014.

(E) A corporation or entity entitled to a credit under subsection (B) may not convey, assign, or transfer the deduction or credit authorized by this section to another entity unless all of the assets of the entity are conveyed, assigned, or transferred in the same transaction.

(F) Except as otherwise provided, neither the Department of Education, the Department of Revenue, nor any other state agency may regulate the educational program of an independent school that accepts students receiving scholarship grants pursuant to this proviso.

(G) (1) The Education Oversight Committee, as established in Chapter 6, Title 59, is responsible for determining if an eligible school meets the criteria established by subsection (A)(6), and shall publish an approved list of such schools meeting this criteria below. For this purpose, it also shall promulgate regulations further enumerating the specifics of this criteria. In performing this function, the Education Oversight Committee shall establish an advisory committee made up of not more than nine members including parents, and representatives of independent schools and independent school associations. The advisory committee shall provide recommendations to the Education Oversight Committee on the content of these regulations and any other matters requested by the Education Oversight Committee.

(2) (a) By the first day of August for the current fiscal year, the Education Oversight Committee, on its website available to the general public, shall provide a list with addresses

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and telephone numbers of nonprofit scholarship funding organizations in good standing which provide grants under this proviso, and a list of approved independent schools which accept grants for eligible students and which in its determination are in compliance with the requirements of subsection (A)(6).

(b) Student test scores, by category, on national achievement or state standardized tests, or both, for all grades tested and administered by an eligible school receiving or entitled to receive scholarship grants under this proviso must be transmitted to the Education Oversight Committee which in turn shall publish this information on its website with the most recent scores by category included.

(3) Any independent school not determined to be an eligible school under the provisions of this proviso may seek review by filing a request for a contested case hearing with the Administrative Law Court in accordance with the court's rules of procedure.

(4) The Education Oversight Committee, after consultation with its nine-member advisory committee, may exempt an independent school having students with exceptional needs who receive scholarship grants pursuant to this proviso from the curriculum requirements of subsection (A)(6)(d).

(H)(1) Every nonprofit scholarship funding organization providing grants under subsection (C), shall cause an outside auditing firm to conduct a comprehensive financial audit of its operations in conformity with generally accepted accounting principles and shall furnish the same within thirty days of its completion and acceptance to the Secretary of State and Department of Revenue which must be made available by them on their website for public review.

(2) Every independent school accepting grants for eligible students shall cause to be conducted a compliance audit by an outside entity or auditing firm examining its compliance with the provisions of this proviso, and shall furnish the same within thirty days of its completion and acceptance to the Secretary of State and Department of Revenue which must be made available by them on their website for public review.

SEN: ADD new proviso to provide for a tax credit for the amount a person contributes for an exceptional needs child to a nonprofit scholarship funding organization, within specific parameters. Limit the tax credit to \$10,000 per taxpayer and a cumulative \$5,000,000. Direct that the EOC is responsible for determining if an eligible school meets established criteria and to promulgate regulations that further specify the criteria. Direct the EOC establish an advisory committee of up to nine members that includes parents and representatives of independent schools and independent school associations to provide recommendations on the regulations and other matters as requested by the EOC. Sponsors: Sens. Bryant, Grooms, and Campbell.

1.85. (SDE: Educational Credit for Exceptional Needs Children) (A) As used in this proviso:

(1) 'Independent school' means a school, other than a public school, at which the compulsory attendance requirements of Section 59-65-10 may be met and that does not discriminate based on the grounds of race, color, religion, or national origin.

(2) 'Parent' means the natural or adoptive parent or legal guardian of a child.

(3) 'Qualifying student' means a student who is a South Carolina resident and who is eligible to be enrolled in a South Carolina secondary or elementary public school at the kindergarten or later year level for the current school year.

(4) 'Resident public school district' means the public school district in which a student resides.

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(5) 'Tuition' means the total amount of money charged for the cost of a qualifying student to attend an independent school including, but not limited to, fees for attending the school and school-related transportation.

(6) 'Eligible school' means an independent school including those religious in nature, other than a public school, at which the compulsory attendance requirements of Section 59-65-10 may be met, that:

(a) offers a general education to primary or secondary school students;

(b) does not discriminate on the basis of race, color, or national origin;

(c) is located in this State;

(d) has an educational curriculum that includes courses set forth in the state's diploma requirements and where the students attending are administered national achievement or state standardized tests, or both, at progressive grade levels to determine student progress;

(e) has school facilities that are subject to applicable federal, state, and local laws; and

(f) is a member in good standing of the Southern Association of Colleges and Schools, the South Carolina Association of Christian Schools or the South Carolina Independent Schools Association.

(7) 'Nonprofit scholarship funding organization' means a charitable organization that:

(a) is exempt from federal tax under Section 501(a) of the Internal Revenue Code by being listed as an exempt organization in Section 501(c)(3) of the Code;

(b) allocates, after its first year of operation, at least ninety-five percent of its annual contributions and revenue received during a particular year to provide grants for tuition, transportation, or textbook expenses (collectively hereinafter referred to as tuition) or any combination thereof to children enrolled in an eligible school meeting the criteria of this section, and incurs administrative expenses annually, after its first year of operation, of not more than five percent of its annual contributions and revenue for a particular year;

(c) allocates all of its funds used for grants on an annual basis to children who are 'exceptional needs' students as defined herein;

(d) does not provide grants solely for the benefit of one school, and if the Department of Revenue determines that the nonprofit scholarship funding organization is providing grants to one particular school, the tax credit allowed by this section may be disallowed;

(e) does not have as a member of its governing board any parent, legal guardian, or member of their immediate family who has a child or ward who is currently receiving or has received a scholarship grant authorized by this section from the organization within one year of the date the parent, legal guardian, or member of their immediate family became a board member; and

(f) does not have as a member of its governing board any person who has been convicted of a felony, or who has declared bankruptcy within the last seven years.

(8) 'Person' means an individual, partnership, corporation, or other similar entity.

(9) 'Transportation' means transportation to and from school only.

(B) A person is entitled to a tax credit for the amount of money the person contributes to a nonprofit scholarship funding organization up to the limits of this proviso if:

(1) the contribution is used to provide grants for tuition, transportation, or textbook expenses or any combination thereof to exceptional needs children enrolled in eligible schools who qualify for these grants under the provisions of this proviso; and

(2) the person does not designate a specific child or school as the beneficiary of the contribution.

(C) Grants may be awarded by a scholarship funding organization in an amount not exceeding ten thousand dollars or the total cost of tuition, whichever is less, for students with

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'exceptional needs' to attend an independent school. An 'exceptional needs' child is defined as a child who has been designated by the South Carolina Department of Education to meet the requirements of CFR Part A Section 300.8 and the child's parents or legal guardian believe that the services provided by the school district of legal residence do not sufficiently meet the needs of the child.

(D) (1) The tax credits authorized by subsection (B) may not exceed cumulatively a total of five million dollars for contributions made on behalf of 'exceptional needs' students. If the Department of Revenue determines that the total of such credits claimed by all taxpayers exceeds this amount, it shall allow credits only up to those amounts on a first come, first serve basis.

(2) A taxpayer may not claim more than ten thousand dollars in contribution towards the tax credit authorized by subsection (B). This credit is not refundable.

(3) If a husband and wife file separate returns, they each may only claim one-half of the tax credit that would have been allowed for a joint return for the year.

(4) The person shall apply for a credit under subsection (B) on or with the tax return for the period for which the credit is claimed.

(5) The Department of Revenue shall prescribe the form and manner of proof required to obtain the credit authorized by subsection (B). Also, the department shall develop a method of informing taxpayers if either of the credit limits are met at any time during the 2013 tax year.

(6) A person may claim a credit under subsection (B) for contributions made on or after January 1, 2014.

(E) A corporation or entity entitled to a credit under subsection (B) may not convey, assign, or transfer the deduction or credit authorized by this section to another entity unless all of the assets of the entity are conveyed, assigned, or transferred in the same transaction.

(F) Except as otherwise provided, neither the Department of Education, the Department of Revenue, nor any other state agency may regulate the educational program of an independent school that accepts students receiving scholarship grants pursuant to this proviso.

(G) (1) The Education Oversight Committee, as established in Chapter 6, Title 59, is responsible for determining if an eligible school meets the criteria established by subsection (A)(6), and shall publish an approved list of such schools meeting this criteria below. For this purpose, it also shall promulgate regulations further enumerating the specifics of this criteria. In performing this function, the Education Oversight Committee shall establish an advisory committee made up of not more than nine members including parents, and representatives of independent schools and independent school associations. The advisory committee shall provide recommendations to the Education Oversight Committee on the content of these regulations and any other matters requested by the Education Oversight Committee.

(2) (a) By the first day of August for the current fiscal year, the Education Oversight Committee, on its website available to the general public, shall provide a list with addresses and telephone numbers of nonprofit scholarship funding organizations in good standing which provide grants under this proviso, and a list of approved independent schools which accept grants for eligible students and which in its determination are in compliance with the requirements of subsection (A)(6).

(b) Student test scores, by category, on national achievement or state standardized tests, or both, for all grades tested and administered by an eligible school receiving or entitled to receive scholarship grants under this proviso must be transmitted to the Education Oversight Committee which in turn shall publish this information on its website with the most recent scores by category included.

(3) Any independent school not determined to be an eligible school under the provisions of this proviso may seek review by filing a request for a contested case hearing with the Administrative Law Court in accordance with the court's rules of procedure.

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(4) The Education Oversight Committee, after consultation with its nine-member advisory committee, may exempt an independent school having students with exceptional needs who receive scholarship grants pursuant to this proviso from the curriculum requirements of subsection (A)(6)(d).

(H)(1) Every nonprofit scholarship funding organization providing grants under subsection (C), shall cause an outside auditing firm to conduct a comprehensive financial audit of its operations in conformity with generally accepted accounting principles and shall furnish the same within thirty days of its completion and acceptance to the Secretary of State and Department of Revenue which must be made available by them on their website for public review.

(2) Every independent school accepting grants for eligible students shall cause to be conducted a compliance audit by an outside entity or auditing firm examining its compliance with the provisions of this proviso, and shall furnish the same within thirty days of its completion and acceptance to the Secretary of State and Department of Revenue which must be made available by them on their website for public review.

1.86 **ADD** (Interscholastic Athletic Association Dues) **SEN:** ADD new proviso to prohibit a public school district supported by state funds to use or permit any school within the district to use funds to join, affiliate with, pay dues or fees to, or financially support any interscholastic athletic association, body or entity unless the constitution, rules, or policies of the athletic association, body or entity contain specific policies that include guarantees to provide private or charter schools the same rights and privileges as all other members, guarantees that a S.C. home school athletic team that is a member of a home school athletic association may not be denied access to interscholastic athletics based solely on its home school status, provide for an appeals process involving an appellate panel, and provide for an emergency appeals process. Direct that if an association, body, or entity fails to include any of these items the public school and district must end their affiliation prior to the beginning of the upcoming school year and prohibit them from paying dues or fees to the association, body, or entity. Sponsor: Sen. Grooms.

1.86. (SDE: Interscholastic Athletic Association Dues) A public school district supported by state funds shall not use any funds or permit any school within the district to use any funds to join, affiliate with, pay dues or fees to, or in any way financially support any interscholastic athletic association, body, or entity unless the constitution, rules, or policies of the association, body, or entity contain the following:

(1) a range of sanctions that may be applied to a student, coach, team, or program and that takes into account factors such as the seriousness, frequency, and other relevant factors when there is a violation of the constitution, bylaws, rules, or other governing provisions of the association, body, or entity;

(2) (a) guarantees that private or charter schools are afforded the same rights and privileges that are enjoyed by all other members of the association, body, or entity. A private or charter school may not be expelled from or have its membership unreasonably withheld by the association, body, or entity or restricted in its ability to participate in interscholastic athletics including, but not limited to, state playoffs or championships based solely on its status as a private school or charter school. The association, body, or entity shall set reasonable standards for private or charter school admission. A private or charter school denied membership must be provided, in writing within five business days, the reason or reasons for rejection of its application for membership;

(b) guarantees that a South Carolina home school athletic team that is a member of a home school athletic association may not be denied access to preseason and regular season

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interscholastic athletics including, but not limited to, jamborees and invitational tournaments, based solely on its status as a home school athletic team; other rules or policies of the association, body, or entity would apply;

(3) (a) an appeals process in which appeals of the association, body, or entity are made to a disinterested third-body appellate panel which consists of seven members who serve four year terms, with one person appointed by the delegation of each congressional district;

(b) a member of the panel serves until his successor is appointed and qualifies. A vacancy on the panel is filled in the manner of the original appointment;

(c) members of the appellate panel do not concurrently serve as officers of the association, body, or entity and may not have served as a member of the executive committee within the last three years. Principals and superintendents are able to appeal a ruling of the association, body, or entity to the panel. The appellate panel also must provide the final ruling in any appeal brought against a decision of the association, body, or entity;

(4) a procedure in place for emergency appeals to be held and decided upon in an expedited manner if the normal appellate process would prohibit the participation of a student, team, program, or school in an athletic event, to include practices;

(5) provisions, implemented within one year after the effective date of this section, that require the composition of the executive committee of the association, body, or entity be geographically representative of this State.

In the event an association, body, or entity fails to include one of the items listed in this proviso, public school districts and schools must end their affiliation with the association, body, or entity prior to the beginning of the upcoming school year and are prohibited from paying dues or fees to the association, body, or entity.

- 1.87** **ADD** (CDEPP Expansion) **HOU2:** ADD new proviso.
Sponsors: Reps. White, Bingham, Herbkersman, Limehouse, Merrill, M.A. Pitts, Simrill, G.M. Smith, and J.R. Smith. Note: Proviso 1.79 in HOU2 version.

1.87. (SDE: CDEPP Expansion) If by October 1st, First Steps or the Department of Education determine they will not expend the full amount of the CDEPP expansion funds allocated to each they are permitted to transfer any unspent funds to the other, provided that they will be used for expansion. First Steps and the Department of Education must report to the Chairman of the Senate Finance Committee and the Chairman of the House Ways and Means Committee no later than February 1st how many additional 4K programs have opened and how many additional students have been served. A public school district receiving funds pursuant to the provisions of the CDEPP expansion cannot build or add additional space, to include the addition of mobile units and also to include displacing currently enrolled students out of their current classrooms or schools, to accommodate students in a new 4-K program.

SECTION 1A - H63-DEPARTMENT OF EDUCATION-EIA

- 1A.31** **AMEND** (Adult Education) Requires that 30% of the funding for school district allocations must be used to serve age 17 to 21 year old adult education students pursuing high school diploma or equivalency with the remaining funds allocated to school districts on a formula based on certain criteria. Require aggregate levels of state funding meet federal MOE requirements.
SFC: AMEND proviso to require each school district collect information from the student and the school on why the student enrolled in Adult Ed and whether or not they are pursuing a GED or Diploma. Require the school district provide a quarterly report to the department that

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includes the unique student identifier. Require the department then provide summary information to various committees of the General Assembly.

SEN: ADOPT proviso as amended.

1A.31. (SDE-EIA: Adult Education) A minimum of thirty percent of the funds appropriated for adult education must be allocated to school districts to serve adult education students between the ages of seventeen and twenty-one who are enrolled in programs leading to a state high school diploma, state high school equivalency diploma (GED), or career readiness certificate (WorkKeys). The remaining funds will be allocated to districts based on a formula which includes target populations without a high school credential, program enrollment the previous school year, total hours of attendance the previous school year, and performance factors such as number of high school credentials and career readiness certificates awarded the previous school year. Overall levels of state funding must meet the federal requirement of state maintenance of effort. Each school district must collect information from both the student and the school including why the student has enrolled in Adult Education and whether or not the student is pursuing a GED or Diploma. The school district must then provide a quarterly report to the Department of Education and must include the unique student identifier. The department, in turn, will provide summary information to the House Ways and Means Committee, the House Education and Public Works Committee, the Senate Finance Committee and the Senate Education Committee on the information.

1A.33 RESTORE ORIGINAL PROVISO (Incentive for National Board Certification After 6/30/10) Provides for the National Board Certification Incentive for teachers certified by the National Board or who completed the application process on or after July 1, 2010.

WMC: AMEND proviso to suspend the salary supplement for new applicants for FY 13-14 and require the department submit a report on the long term costs of the program to the Senate Finance and House Ways and Means Committees by November 1, 2013. Direct that school districts are not prohibited from offering National Board certified teachers a local salary supplement nor are teachers or teacher specialists prohibited from seeking National Board certification. Requested by Department of Education.

HOU: ADOPT proviso as amended.

1A.33. (SDE-EIA: Incentive for National Board Certification After 6/30/10) Public school classroom teachers to include teachers employed at the special schools or classroom teachers who work with classroom teachers to include teachers employed at the special schools who are certified by the State Board of Education and who complete the application process on or after July 1, 2010 shall be paid a \$5,000 salary supplement in the year of achieving certification. The special schools include the Governor's School for Science and Math, Governor's School for the Arts and Humanities, Wil Lou Gray Opportunity School, John de la Howe School, School for the Deaf and the Blind, Felton Lab, Department of Juvenile Justice and Palmetto Unified School District 1. The \$5,000 salary supplement shall be added to the annual pay of the teacher, not to exceed ten years of the national certificate. However, the \$5,000 supplement shall be adjusted on a pro rata basis for the teacher's FTE and paid to the teacher in accordance with the district's payroll procedure. The Center for Educator Recruitment, Retention, and Advancement (CERRA-South Carolina) shall administer whereby teachers who are United States citizens or permanent resident aliens apply to the National Board for Professional Teaching Standards for certification on or after July 1, 2010. Should the program not be suspended, up to nine hundred applications shall be processed annually. Of the funds appropriated in Part IA, Section 1, XII.C.2. for National Board Certification, the Department of Education shall transfer to the Center for Educator Recruitment, Retention, and Advancement

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(CERRA-South Carolina) the funds necessary for the administration of teachers applying to the National Board for Professional Teaching Standards for certification.

New applications for the salary supplement prescribed in this proviso are suspended for Fiscal Year 2013-14. The Department of Education shall submit a report on the long-term costs of the program to the Senate Finance Committee and the House Ways and Means Committee by November 1, 2013. This proviso does not prohibit school districts from offering a local salary supplement for National Board certified teachers nor does it prohibit a teacher or teacher specialist from seeking National Board certification.

SFC: RESTORE original proviso.

SEN: ADOPT original proviso.

1A.33. (SDE-EIA: Incentive for National Board Certification After 6/30/10) Public school classroom teachers to include teachers employed at the special schools or classroom teachers who work with classroom teachers to include teachers employed at the special schools who are certified by the State Board of Education and who complete the application process on or after July 1, 2010 shall be paid a \$5,000 salary supplement in the year of achieving certification. The special schools include the Governor's School for Science and Math, Governor's School for the Arts and Humanities, Wil Lou Gray Opportunity School, John de la Howe School, School for the Deaf and the Blind, Felton Lab, Department of Juvenile Justice and Palmetto Unified School District 1. The \$5,000 salary supplement shall be added to the annual pay of the teacher, not to exceed ten years of the national certificate. However, the \$5,000 supplement shall be adjusted on a pro rata basis for the teacher's FTE and paid to the teacher in accordance with the district's payroll procedure. The Center for Educator Recruitment, Retention, and Advancement (CERRA-South Carolina) shall administer whereby teachers who are United States citizens or permanent resident aliens apply to the National Board for Professional Teaching Standards for certification on or after July 1, 2010. Should the program not be suspended, up to nine hundred applications shall be processed annually. Of the funds appropriated in Part IA, Section 1, XII.C.2. for National Board Certification, the Department of Education shall transfer to the Center for Educator Recruitment, Retention, and Advancement (CERRA-South Carolina) the funds necessary for the administration of teachers applying to the National Board for Professional Teaching Standards for certification.

1A.36 **AMEND FURTHER** (Carry Forward) Requires that EIA funds carried forward from the prior fiscal year and FY 12-13 that are not otherwise dedicated, be used to provide \$200,000 to each school designated as a Palmetto Priority School in the prior year which did not receive EIA technical assistance funds. Directs that the funds are to be used to improve teacher recruitment and retention, to reduce the dropout rate, to improve reading literacy, or to train teachers to teach children of poverty. Directs that if there are not enough funds to provide \$200,000 to each school, the funds must be reduced on a pro-rata basis. Directs any remaining balance be directed to school bus fuel costs.

WMC: AMEND proviso to update fiscal year reference to "2013-14." Require \$1,000,000 be provided to the EOC by July 31, 2013, for an innovative reading partnership with Clemson University. Direct that any remaining balance also be spent for Instructional Materials. Delete extra reference to carry forward authority.

HOU: AMEND FURTHER to require any remaining balance also be used for National Board Supplements. Sponsors: Reps. Bingham, Allison, Anthony, and Hayes.

HOU2: AMEND FURTHER . . .

Sponsors: Reps. White, Bingham, Herbkersman, Limehouse, Merrill, M.A. Pitts, Simrill, G.M. Smith, and J.R. Smith.

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1A.36. (SDE-EIA: Carry Forward) EIA carry forward from the prior fiscal year and Fiscal Year ~~2012-13~~ 2013-14 and not otherwise appropriated or authorized must be carried forward and expended first to provide Clemson University with \$1,000,000 no later than July 15 to fund a summer reading pilot program for low income elementary school students. Clemson University will work in conjunction with the Education Oversight Committee to determine the outcomes of the program. Clemson University is authorized to retain no more than 15% of the funds to complete the study. Funds must also be expended to provide \$200,000 to each school that was designated by the department as a Palmetto Priority School in the prior year but did not receive an allocation of EIA technical assistance funds in the prior fiscal year to improve teacher recruitment and retention, to reduce the district's dropout rate, to improve student achievement in reading/literacy, or to train teachers in how to teach children of poverty as stipulated in the school's renewal plan. If funds are not sufficient to provide \$200,000 to each qualifying ~~district~~ school, the \$200,000 shall be reduced on a pro-rata basis. Any balance remaining must be expended for school bus fuel costs, National Board Supplements, and Instructional Materials. ~~Any unexpended funds must be carried forward and expended for the same purpose.~~

SFC: AMEND FURTHER to delete the \$1,000,000 provided to the EOC for an innovative reading partnership with Clemson University.

SEN: ADOPT proviso as amended.

1A.36. (SDE-EIA: Carry Forward) EIA carry forward from the prior fiscal year and Fiscal Year ~~2012-13~~ 2013-14 and not otherwise appropriated or authorized must be carried forward and expended to provide \$200,000 to each school that was designated by the department as a Palmetto Priority School in the prior year but did not receive an allocation of EIA technical assistance funds in the prior fiscal year to improve teacher recruitment and retention, to reduce the district's dropout rate, to improve student achievement in reading/literacy, or to train teachers in how to teach children of poverty as stipulated in the school's renewal plan. If funds are not sufficient to provide \$200,000 to each qualifying ~~district~~ school, the \$200,000 shall be reduced on a pro-rata basis. Any balance remaining must be expended for school bus fuel costs, National Board Supplements, and Instructional Materials. ~~Any unexpended funds must be carried forward and expended for the same purpose.~~

1A.38 **AMEND FURTHER** (IDEA Maintenance of Effort) Directs that up to \$30,494,337 of Aid to Districts funds be used to meet the estimated maintenance of effort for IDEA. Directs that funds provided for IDEA's maintenance of effort may not be transferred for any other purpose and are not subject to flexibility. Requires the department submit an estimate of the IDEA MOE requirement to the General Assembly and the Governor by December, 2012. Directs the department to transfer \$350,000 to the S.C. Autism Society for the Autism Parent-School Partnership Program.

WMC: AMEND proviso to update fiscal year reference to "2013-14" and calendar year reference to "2013."

HOU: ADOPT proviso as amended.

SFC: AMEND FURTHER to delete the specific amount of funds to be used. Direct that the transfer of \$350,000 to the S.C. Autism Society will be done so long as there are sufficient funds available to meet IDEA maintenance of effort.

SEN: ADOPT proviso as amended.

1A.38. (SDE-EIA: IDEA Maintenance of Effort) Prior to the dispersal of funds appropriated in Section XII.A.1 Aid to Districts according to Proviso 1A.35 for Fiscal Year

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~~2012-13~~ 2013-14, the department shall direct ~~up to \$30,494,337 of the funds~~ appropriated in Section XII.A.1 Aid To Districts to school districts and special schools for supplemental support of programs and services for students with disabilities, to meet the estimated maintenance of effort for IDEA. Funds provided for the maintenance of effort for IDEA may not be transferred to any other purpose and therefore are not subject to flexibility. The department shall distribute these funds using the current fiscal year one hundred thirty-five day Average Daily Membership. For continued compliance with the federal maintenance of efforts requirements of the IDEA, funding for children with disabilities must, to the extent practicable, be held harmless to budget cuts or reductions to the extent those funds are required to meet federal maintenance of effort requirements under the IDEA. In the event cuts to funds that are needed to maintain fiscal effort are necessary, when administering such cuts, the department must not reduce funding to support children with disabilities who qualify for services under the IDEA in a manner that is disproportionate to the level of overall reduction to state programs in general. By December 1, ~~2012~~ 2013, the department must submit an estimate of the IDEA MOE requirement to the General Assembly and the Governor. The department is directed to transfer \$350,000 to the South Carolina Autism Society for the Autism Parent-School Partnership Program, as long as sufficient funds are available to meet the IDEA maintenance of effort.

1A.39 AMEND FURTHER (Career Cluster Industry Partnerships) Requires the department to use \$800,000 to provide direct grants to private sector statewide trade associations or education foundations that provides nationally certified programs in career and technology education in certain career clusters.

SFC: AMEND proviso to require organizations awarded these funds to submit quarterly financial reports on the last day of September, December, March, and June that have been audited by a third party accounting firm in addition to the final report due August 1st.

SEN: AMEND FURTHER to require organizations to submit a semi-annual report on the last day of December rather than quarterly reports. Sponsor: Sen. Cromer.

1A.39. (SDE-EIA: Career Cluster Industry Partnerships) From the funds appropriated to the Department of Education, \$800,000 must be provided as direct grants to the private sector statewide trade association or educational foundation providing nationally certified programs in career and technology education representing the automotive, construction, engineering, healthcare, mechanical contracting/construction, and hospitality tourism career clusters. Organizations applying for a grant must do so by July first and the Department of Education must award a minimum of one grant of at least \$150,000 in at least four of these specified career clusters to be used exclusively for career and technology education. The recipient industry organization must conduct end-of-course exams graded by a national industry organization and must include in their grant request how the money will be spent to further industry-specific career technology education; a description and history of their program nationally and within South Carolina; estimates of future employment growth in their industry; and the national scope of their program. By August first of the following year, the organization must submit to the department a report detailing how the grant increased industry/employer awareness; the number of increased schools using the industry-based curriculum and partnered with the industry organization; the increased number of students in the program; and an overview and analysis of the organization's statewide student competition. The grant must be used for career awareness programs for that industry cluster; statewide student competitions leading to national competitions; teacher development and training; post-secondary scholarships in industry-specific degree programs; student recruitment into that career cluster programs; programs to educate middle and high school Career or Guidance Counselors about

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the industry; service to disadvantaged youth; and administering business/employer awareness and partnerships which help lead to experience-based, career-oriented experiences including internships, apprenticeships, mentoring, co-op education and service learning. The Office of Career and Technology Education of the department will develop goals with each career cluster on the number of new schools using the industry-based curriculum and partnered with that career cluster organization. These funds may not be used to supplant or replace, in whole or in part, other existing resources/assets sourced outside the present grant being used to provide the same services or programs. Organizations may carry-over grants for up to three years when a large project is identified in the grant application to be used at a future date; otherwise excess funds must be returned to the state. Organizations awarded must submit a semi-annual report on the last day of December that has been audited by a third party accounting firm in addition to the final report due August 1st.

- 1A.41 DELETE** (ETV Teacher Training/Support) Requires ETV to use the EIA funds appropriated to them through the Partnerships sub-program to provide training and technical support to teachers and school districts on the educational resources that are available to them.
SEN: DELETE proviso. Sponsor: Sen. Sheheen.

~~1A.41. (SDE-EIA: ETV Teacher Training/Support) Of the funds appropriated in Part IA, Section 1, XII.F.2. South Carolina Educational Television must provide training and technical support on the educational resources available to teachers and school districts.~~

- 1A.50 RESTORE ORIGINAL PROVISO** (National Board Certification Incentive) Provides guidelines for the National Board Certification Incentive for public school classroom teachers.
WMC: AMEND proviso to suspend the salary supplement for new applicants for FY 13-14 and require the department submit a report on the long term costs of the program to the Senate Finance and House Ways and Means Committees by November 1, 2013. Direct that school districts are not prohibited from offering National Board certified teachers a local salary supplement nor are teachers or teacher specialists prohibited from seeking National Board certification. Requested by Department of Education.
HOU: ADOPT proviso as amended.

1A.50. (SDE-EIA: XII.C.2-National Board Certification Incentive) Public school classroom teachers to include teachers employed at the special schools or classroom teachers who work with classroom teachers to include teachers employed at the special schools who are certified by the State Board of Education and who have been certified by the National Board for Professional Teaching Standards or completed the application process prior to July 1, 2010 shall be paid a \$7,500 salary supplement beginning July first in the year following the year of achieving certification, beginning with 2009 applicants. The special schools include the Governor's School for Science and Math, Governor's School for the Arts and Humanities, Wil Lou Gray Opportunity School, John de la Howe School, School for the Deaf and the Blind, Felton Lab, Department of Juvenile Justice and Palmetto Unified School District 1. The \$7,500 salary supplement shall be added to the annual pay of the teacher for the length of the national certificate. However, the \$7,500 supplement shall be adjusted on a pro rata basis for the teacher's FTE and paid to the teacher in accordance with the district's payroll procedure. The Center for Educator Recruitment, Retention, and Advancement (CERRA-South Carolina) shall administer the programs whereby teachers who are United States citizens or permanent resident aliens, and who applied to the National Board for Professional Teaching Standards for certification prior to July 1, 2010, may receive a loan equal to the amount of the application fee. Teachers who applied to the National Board for Professional Teaching Standards for

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certification prior to July 1, 2010 shall have one-half of the loan principal amount and interest forgiven when the required portfolio is submitted to the national board. Teachers who applied to the National Board for Professional Teaching Standards for certification prior to July 1, 2010 who attain certification within three years of receiving the loan will have the full loan principal amount and interest forgiven. Teachers who previously submitted a portfolio to the National Board for Professional Teaching Standards for certification under previous appropriation acts, shall receive reimbursement of their certification fee as prescribed under the provisions of the previous appropriation act. Funds collected from educators who are in default of the National Board loan shall be retained and carried forward by the department. The department may retain up to ten percent of the funds collected to offset the administrative costs of loan collection. All other funds shall be retained by the department and used for National Board loan purposes. Of the funds appropriated in Part IA, Section 1, XII.C.2 for National Board Certification, the Department of Education shall transfer to the Center for Educator Recruitment, Retention, and Advancement (CERRA-South Carolina) the funds necessary for the administration of the loan program for teachers who applied to the National Board for Professional Teaching Standards for certification prior to July 1, 2010. In addition, teachers who have applied prior to July 1, 2010 and are certified by the National Board for Professional Teaching Standards shall enter a recertification cycle for their South Carolina certificate consistent with the recertification cycle for national board certification. National board certified teachers who have been certified by the National Board for Professional Teaching Standards or completed the application process prior to July 1, 2010 moving to this State who hold a valid standard certificate from their sending state are exempted from initial certification requirements and are eligible for a professional teaching certificate and continuing contract status. Their recertification cycle will be consistent with national board certification.

Provided, further, that in calculating the compensation for teacher specialists, the Department of Education shall include state and local compensation as defined in Section 59-18-1530 to include local supplements except local supplements for National Board certification. Teacher specialists remain eligible for state supplement for National Board certification.

New applications for the salary supplement prescribed in this proviso are suspended for Fiscal Year 2013-14. The Department of Education shall submit a report on the long-term costs of the program to the Senate Finance Committee and the House Ways and Means Committee by November 1, 2013. This proviso does not prohibit school districts from offering a local salary supplement for National Board certified teachers nor does it prohibit a teacher or teacher specialist from seeking National Board certification.

SFC: RESTORE original proviso.

SEN: ADOPT original proviso.

1A.50. (SDE-EIA: XII.C.2-National Board Certification Incentive) Public school classroom teachers to include teachers employed at the special schools or classroom teachers who work with classroom teachers to include teachers employed at the special schools who are certified by the State Board of Education and who have been certified by the National Board for Professional Teaching Standards or completed the application process prior to July 1, 2010 shall be paid a \$7,500 salary supplement beginning July first in the year following the year of achieving certification, beginning with 2009 applicants. The special schools include the Governor's School for Science and Math, Governor's School for the Arts and Humanities, Wil Lou Gray Opportunity School, John de la Howe School, School for the Deaf and the Blind, Felton Lab, Department of Juvenile Justice and Palmetto Unified School District 1. The \$7,500 salary supplement shall be added to the annual pay of the teacher for the length of the national certificate. However, the \$7,500 supplement shall be adjusted on a pro rata basis for the

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teacher's FTE and paid to the teacher in accordance with the district's payroll procedure. The Center for Educator Recruitment, Retention, and Advancement (CERRA-South Carolina) shall administer the programs whereby teachers who are United States citizens or permanent resident aliens, and who applied to the National Board for Professional Teaching Standards for certification prior to July 1, 2010, may receive a loan equal to the amount of the application fee. Teachers who applied to the National Board for Professional Teaching Standards for certification prior to July 1, 2010 shall have one-half of the loan principal amount and interest forgiven when the required portfolio is submitted to the national board. Teachers who applied to the National Board for Professional Teaching Standards for certification prior to July 1, 2010 who attain certification within three years of receiving the loan will have the full loan principal amount and interest forgiven. Teachers who previously submitted a portfolio to the National Board for Professional Teaching Standards for certification under previous appropriation acts, shall receive reimbursement of their certification fee as prescribed under the provisions of the previous appropriation act. Funds collected from educators who are in default of the National Board loan shall be retained and carried forward by the department. The department may retain up to ten percent of the funds collected to offset the administrative costs of loan collection. All other funds shall be retained by the department and used for National Board loan purposes. Of the funds appropriated in Part IA, Section 1, XII.C.2 for National Board Certification, the Department of Education shall transfer to the Center for Educator Recruitment, Retention, and Advancement (CERRA-South Carolina) the funds necessary for the administration of the loan program for teachers who applied to the National Board for Professional Teaching Standards for certification prior to July 1, 2010. In addition, teachers who have applied prior to July 1, 2010 and are certified by the National Board for Professional Teaching Standards shall enter a recertification cycle for their South Carolina certificate consistent with the recertification cycle for national board certification. National board certified teachers who have been certified by the National Board for Professional Teaching Standards or completed the application process prior to July 1, 2010 moving to this State who hold a valid standard certificate from their sending state are exempted from initial certification requirements and are eligible for a professional teaching certificate and continuing contract status. Their recertification cycle will be consistent with national board certification.

Provided, further, that in calculating the compensation for teacher specialists, the Department of Education shall include state and local compensation as defined in Section 59-18-1530 to include local supplements except local supplements for National Board certification. Teacher specialists remain eligible for state supplement for National Board certification.

- 1A.51 DELETE** (Flexibility) Authorizes school districts to flex School Building Aid Program funds.
SEN: DELETE proviso. *Ruled Out of Order.*

~~**1A.51.** (SDE-EIA: Flexibility) Funds received by districts from the School Building Aid Program may be flexed in the current fiscal year.~~

- 1A.54 AMEND NEW PROVISO FURTHER** (Technology Academy Pilot) **WMC:** ADD new proviso to direct the department to use available assessment funds to enter into an agreement with Microsoft to pilot the Microsoft Technology Academy and to report to specific committees of the General Assembly by February 1, 2014 on the number of high schools that participated in the pilot along with the number of students who earned the Microsoft Office Specialists certification. Fiscal Impact: OSB states that the department indicates the cost to fund this pilot program is \$330,000, with funding coming from available EIA Assessment/Testing funding.
HOU: ADOPT new proviso.

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HOU2: AMEND new proviso to direct the department to enter into an agreement “with a provider who provides Microsoft IT Academy certification” rather than “with Microsoft” and to offer high schools across the state the opportunity to participate. Sponsors: Reps. White, Bingham, Herbkersman, Limehouse, Merrill, M.A. Pitts, Simrill, G.M. Smith, and J.R. Smith.

1A.54. (SDE-EIA: Technology Academy Pilot) For Fiscal Year 2013-14 the Department of Education is directed to enter into an agreement with a provider who provides Microsoft IT Academy certification to pilot the Microsoft Technology Academy utilizing available Modernize Vocational Equipment funds. The department must offer high schools across the state the opportunity to participate in the pilot project. The department must report by February 1, 2014 to the House Ways and Means Committee, the House Education and Public Works Committee, the Senate Finance Committee, and the Senate Education Committee on the number of high schools that participated in the pilot and the number of students earning the Microsoft Office Specialists certification.

SFC: AMEND new proviso to direct the department to use Modernize Vocational Equipment funds for this purpose. Require the department allow high schools across the state the opportunity to participate in the project and to select at least 8 of the schools that expressed an interest to participate in the pilot project. Require the department to try to implement the pilot project in a variety of high school environments by considering geographical area and student population size as determined by the school’s ADM.

SEN: AMEND FURTHER to direct the department to enter into an agreement “with a provider who provides Microsoft IT Academy certification” rather than “with Microsoft.” Sponsor: Sen. Sheheen.

1A.54. (SDE-EIA: Technology Academy Pilot) For Fiscal Year 2013-14 the Department of Education is directed to enter into an agreement with a provider who provides Microsoft IT Academy certification to pilot the Microsoft Technology Academy utilizing available Modernize Vocational Equipment funds. The department must offer high schools across the state the opportunity to participate in the pilot project. From the schools that express an interest, the department must select at least eight high schools for the pilot project. In making its selection, the department must strive to implement the pilot in varying school environments by considering the geographical area and the size of the student population, as determined by the high school’s average daily membership. The department must report by February 1, 2014 to the House Ways and Means Committee, the House Education and Public Works Committee, the Senate Finance Committee, and the Senate Education Committee on the number of high schools that participated in the pilot and the number of students earning the Microsoft Office Specialists certification.

1A.56 AMEND NEW PROVISO (CHE/CERRA) WMC: ADD new proviso to require CERRA to review the list of schools that are currently eligible to receive Teaching Fellows Program scholarships to ensure they still meet CERRA criteria and to add any public institution that currently meets the criteria to they can admit students who receive a Teaching Fellows scholarship.

HOU: ADOPT new proviso.

1A.56. (SDE-EIA: XII.F.2 CHE/CERRA) The Center for Educator Recruitment, Retention and Advancement (CERRA South Carolina) must review the list of schools eligible for receiving Teaching Fellows Program scholarships to ensure all schools currently on the list of eligible institutions still meet the necessary criteria as set forth by CERRA. Further, CERRA is

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directed to add any public institutions that currently meet the criteria so that they may admit students receiving a Teaching Fellows scholarship.

SFC: AMEND new proviso to delete previous version and instead direct CERRA to complete periodic evaluations of institutions that currently host a Teaching Fellows program and ensure they continue to meet program requirements and to develop a plan and reasonable timeframe to approve additional Teaching Fellows programs and other public 4-year institutions that want to participate in the program, if they meet program requirements.

SEN: ADOPT new proviso as amended.

1A.56. (SDE-EIA: XII.F.2 CHE/CERRA) The Center for Educator Recruitment, Retention and Advancement (CERRA) must complete periodic evaluations of the institutions currently hosting a Teaching Fellows (TF) program and ensure that the TF programs at the current host institutions continue to meet the requirements for a TF program as set forth by the CERRA Board of Directors. Further, CERRA is directed to develop a plan and a reasonable timeframe for approving additional TF programs at other public, four-year institutions who wish to be considered to host a TF program, provided the proposed programs meet the requirements for a TF program, as set forth by the CERRA Board of Directors.

1A.60 **ADD** (South Carolina Success Program) **SFC:** ADD new proviso to direct the department to use Assessment/Testing funds to issue a RFP to provide a statewide “South Carolina Success Program” which is to be available to all public school districts and to open enrollment charters. Allow up to \$3,500,000 of local assessment funds to be used for this purpose. Direct that the program provide academic support to students and teachers to help ensure on grade level reading is achieved for grades PreK-8 by making online-delivered interactive reading assessments and research-based intervention programs available for use at school and home. Require the RFP be issued by July 5, 2013 and that the program be implemented by August 15, 2013.

SEN: ADOPT new proviso.

1A.60. (SDE-EIA: South Carolina Success Program) From the funds in specific appropriations Assessment/Testing, the Department of Education shall issue a request for proposal to provide a statewide South Carolina Success Program, a program to be available to all public school districts and open-enrollment charters in the State of South Carolina. The department may use up to \$3,500,000 of the local assessment funds for this program. This program shall provide academic support to students and teachers to help ensure on grade level achievement in reading by making available for grades PreK-8 an online-delivered, interactive reading assessment and research-based intervention program for use both at school and at home. This online program must automatically place students into an individualized on-line curriculum and instruction, provide teachers and administrators with immediate reporting, provide recommendations for interventions and teacher lessons, and provide small group instruction lessons. The program must provide computer adaptive assessments at least eight times per year, and teachers, principals, and districts must have immediate on-line reporting to identify those students who are not reading on grade-level and those that are at risk of failing the state reading assessment pursuant to Section 59-18-310 of the 1976 Code, as amended. The program must make available to parents reporting and resources regarding student participation via a home portal. To ensure effective implementation of the program in conjunction with the beginning of the academic school year, the Department of Education shall issue a request for proposal to carry out the requirements of this provision no later than July 5, 2013. Implementation of the program must begin no later than August 15, 2013.

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- 1A.62** **ADD** (Pilot Assessment) **SEN:** ADD new proviso to create a pilot assessment and allow the EOC to select up to 5 school districts that have received an "Excellent" rating on their most recent state report card and an "A" on their most recent federal report card to participate in the pilot. Require a district to request and receive approval from the EOC and the State Board of Education to use an alternative assessment in grades 3-8 to measure student performance on English language arts, math, and science and to use an alternative assessment in high school to measure college and career readiness. Require the EOC, working with pilot school districts to devise an alternative state district and school report card. Require the department to request changes to its ESEA waiver to permit alternative assessments. Sponsors: Sens. Campbell and Setzler.

1A.62. (SDE-EIA: Pilot Assessment) In the current fiscal year and from funds appropriated, there is created a pilot assessment. The Education Oversight Committee may select no more than five school districts to participate in the pilot. To be eligible to participate in the pilot, a school district must have received an absolute rating of Excellent on its most recent state report card and a letter grade of "A" on the most recent federal report card. The district must request and receive approval from the Education Oversight Committee and the State Board of Education to use an alternative assessment to current state assessments in grades 3 through 8 to measure student performance on English language arts, mathematics and science, and in high school the district may use alternative assessments to the High School Assessment program to measure college and career readiness, or any combination thereof. The alternative assessments must be aligned to college and career readiness standards as approved by the State Board of Education and the Education Oversight Committee. The district may use financial flexibility to absorb any additional costs of the alternative assessments with state, local or other funds. The district must still administer the Palmetto Assessment of State Standards in grades 3 through 8 in social studies and the state end-of-course assessment program as funded with EIA revenues. Unless otherwise provided for in law, students graduating in the current fiscal year must still pass all exit exam requirements. The Education Oversight Committee, working with school districts in the pilot, must devise an alternative state district and school report card. In addition the Department of Education must request changes to its ESEA waiver to permit alternative and innovative approaches to assessment.

- 1A.63** **ADD** (Education and Economic Development Act Carry Forward) **SEN:** ADD new proviso to allow Education and Economic Development Act funds to be carried forward and spent for the same purposes by the department, school districts and special schools. Sponsor: Sen. Hayes.

1A.63. (SDE-EIA: Education and Economic Development Act Carry Forward) Funds provided for the Education and Economic Development Act may be carried forward into the current fiscal year to be expended for the same purposes by the department, school districts, and special schools.

- 1A.64** **ADD** (Exit Exam Exemption) **HOU2:** ADD new proviso . . . Sponsors: Reps. White, Bingham, Herbkersman, Limehouse, Merrill, M.A. Pitts, Simrill, G.M. Smith, and J.R. Smith. Note: Proviso 1A.60 in HOU2 version.

1A.64. (SDE-EIA: Exit Exam Exemption) For the current fiscal year a student's score on the exit exam may not be used as criterion for graduation and a student must not be required to achieve any minimum score to graduate. An eligible student who previously failed to receive a

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high school diploma or was denied graduation solely for failing the required exit exam may reenroll in high school and will not have to pass the exit exam in order to receive a high school diploma. The State Board of Education shall waive any conflicting requirements and regulations.

There is created a High School Assessment Study Committee. The study committee must be composed of the following members who will serve without compensation:

(1) one member appointed by the Governor;

(2) one member appointed by the Speaker of the House of Representatives;

(3) one member appointed by the Chairman of the House Education and Public Works Committee;

(4) one member appointed by the President Pro Tempore of the Senate;

(5) one member appointed by the Chairman of the Senate Education Committee;

(6) one member appointed by the State Superintendent of Education, who shall serve as chair of the committee; and

(7) one member appointed by the Chairman of the Education Oversight Committee.

Vacancies in the membership of the study committee must be filled for the remainder of the unexpired term in the manner of original appointment.

The committee must consider whether the High School Assessment Program (HSAP) test should remain the State's accountability assessment or to replace it with a different assessment. Further the committee must suggest an alternative assessment if the committee determines that the HSAP should be replaced and shall review the costs associated with a change of assessments. No later than January 31, 2014 the committee shall make recommendations concerning proposed changes to the Chairman of the House Education and Public Works Committee, the Chairman of the House Ways and Means Committee, the Chairman of the Senate Education Committee and the Chairman of the Senate Finance Committee, at which time the study committee must be dissolved. Staff will be provided by the Senate Education Committee and the House Education Committee.

SECTION 3 - H66-LOTTERY EXPENDITURE ACCOUNT

3.5 AMEND NEW PROVISO FURTHER (FY 2013-14 Lottery Funding) WMC: ADD new proviso to direct expenditure of lottery funds certified by the BEA for FY 13-14. as follows: \$42,900,000 to CHE and State Board for Tec and Comp Ed for Tuition Assistance; \$109,341,120 to CHE for LIFE Scholarships; \$7,779,856 to CHE for HOPE Scholarships; \$30,777,240 to CHE for Palmetto Fellows Scholarships; \$11,631,566 to CHE for Need-Based Grants; \$7,766,604 to Tuition Grants Commission for Tuition Grants; \$1,700,000 to CHE for the National Guard Tuition Repayment Program; \$2,500,000 to SC State University; \$7,301,816 for Technology for Public 4-Year Universities, 2-Year Institutions, and State Technical Colleges; \$26,291,798 to Dept. of Education for K-5 Reading, Math, Science & Social Studies programs; \$2,000,000 to Dept. of Education for Grades 6-8 Reading, Math, Science, & Social Studies programs; \$200,000 to School for the Deaf and the Blind for Technology; and \$50,000 to CHE for Higher Education Excellence Enhancement Program. Require Tuition Assistance funds appropriated to CHE be distributed to technical colleges and 2-year institutions as required by Section 59-150-360 and require the State Board for Tec and Comp Ed and CHE to annually develop how the funds are to be distributed. Authorize SC State to use \$250,000 of their funds for the BRIDGE program. Suspend, for the current fiscal year, the provisions of Section 2-75-30 regarding the aggregate amount of funding provided for the Centers of Excellence Matching Endowment. State that the goal is to fund the Tuition Assistance program at a level to support at least \$996 per student per term for full-time

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students. Direct that net lottery proceeds and investment earnings in excess of certified net lottery proceeds and investment earnings are appropriated and must be used to ensure that LIFE, Palmetto Fellows, and HOPE scholarships are fully funded for FY 13-14. Provide for lottery appropriations to be reduced on a pro rata basis, excluding LIFE, HOPE, and Palmetto Fellows Scholarships, if lottery revenue is less than the amounts appropriated. Authorize CHE to use up to \$260,000 of LIFE, HOPE, and Palmetto Fellow Scholarship funds and Higher Ed Tuition Grants to use up to \$70,000 of Tuition Grants funds to support the award process. Direct that \$12,400,000 of certified unclaimed prize money is appropriated as follows: \$6,200,000 to CHE and State Board for Tec and Comp Ed for Tuition Assistance; \$50,000 to DAODAS for gambling addiction services; \$2,950,000 to CHE for Higher Education Excellence Enhancement Program; and \$3,200,000 to Department of Education for K-5 Reading, Math, Science & Social Studies Program. Direct that of any unclaimed prize funds in excess of the amount certified by the BEA the first \$1,500,000 be directed to CHE for the Partnership Among South Carolina Academic Libraries (PASCAL) Program; the next \$5,470,093 be directed for Technology for Public 4-Year Universities, 2-Year Institutions, and State Technical Colleges; the next \$2,000,000 be directed to the State Library for Aid to County Libraries; the next \$1,000,000 be directed to CHE for the Higher Education Excellence Enhancement Program; the next \$4,000,000 be directed to the State Bd for Tec and Comp Ed for the Allied Health Initiative; and the next \$1,000,000 be directed to CHE for the Critical Needs Nursing Program. Direct that additional revenue in excess of the amount certified by the BEA for unclaimed prizes be distributed to CHE for LIFE, HOPE, and Palmetto Fellows Scholarship. Authorize the B&C Board to distribute lottery funds on a monthly basis during the final quarter of the fiscal year.

HOU: ADOPT new proviso.

HOU2: AMEND new proviso...

Sponsors: Reps. White, Bingham, Herbkersman, Limehouse, Merrill, M.A. Pitts, Simrill, G.M. Smith, and J.R. Smith.

3.5. (LEA: FY 2013-14 Lottery Funding) There is appropriated from the Education Lottery Account for the following education purposes and programs and funds for these programs and purposes shall be transferred by the Budget and Control Board as directed below. These appropriations must be used to supplement and not supplant existing funds for education.

The Budget and Control Board is directed to prepare the subsequent Lottery Expenditure Account detail budget to reflect the appropriations of the Education Lottery Account as provided in this section.

All Education Lottery Account revenue shall be carried forward from the prior fiscal year into the current fiscal year including any interest earnings, which shall be used to support the appropriations contained below.

For Fiscal Year 2013-14 certified net lottery proceeds and investment earnings and any other proceeds identified by this provision are appropriated as follows:

- (1) Commission on Higher Education and State Board for
Technical and Comprehensive Education--Tuition Assistance..... \$ 46,100,000;
- (2) Commission on Higher Education--LIFE Scholarships as
provided in Chapter 149, Title 59..... \$ 116,656,119;
- (3) Commission on Higher Education--HOPE Scholarships as
provided in Section 59-150-370..... \$ 7,779,856;
- (4) Commission on Higher Education--Palmetto Fellows
Scholarships as provided in Section 59-104-20..... \$ 30,777,240;
- (5) Commission on Higher Education--Need-Based Grants \$ 12,131,566;

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(6) Tuitions Grants Commission--Tuition Grants.....	\$ 7,766,604;
(7) Commission on Higher Education--National Guard Tuition Repayment Program as provided in Section 59-111-75	\$ 4,545,000;
(8) South Carolina State University.....	\$ 2,500,000;
(9) Technology--Public Four-Year Universities, Two-Year Institutions, and State Technical Colleges	\$ 7,301,816;
(10) Department of Education--K-5 Reading, Math, Science & Social Studies Program as provided in Section 59-1-525.....	\$ 26,291,798;
(11) Department of Education--Grades 6-8 Reading, Math, Science & Social Studies Program	\$ 2,000,000;
(12) School for the Deaf and the Blind--Technology.....	\$ 200,000;
(13) Commission on Higher Education--Higher Education Excellence Enhancement Program.....	\$ 200,000;
(14) Department of Education--Digital Instructional Material.....	\$ 1,000,000;
(15) Department of Education--Instructional Material	\$ 13,000,000;
(16) Commission on Higher Education--Academic Facility Building, Repair and Maintenance, and Training	\$ 1; and
(17) State Library--Union County Carnegie Library Renovations.....	\$ 1,250,000.

Fiscal Year 2013-14 funds appropriated to the Commission on Higher Education for Tuition Assistance must be distributed to the technical colleges and two-year institutions as provided in Section 59-150-360. Annually the State Board for Technical and Comprehensive Education and the Commission on Higher Education shall develop the Tuition Assistance distribution of funds appropriated.

Of the funds appropriated to South Carolina State University, \$250,000 may be used for the BRIDGE Program.

The provisions of Section 2-75-30 of the 1976 Code regarding the aggregate amount of funding provided for the Centers of Excellence Matching Endowment are suspended for the current fiscal year.

The Commission on Higher Education is authorized to temporarily transfer funds between appropriated line items in order to ensure the timely receipt of scholarships and tuition assistance. It is the goal of the General Assembly to fund the Tuition Assistance program at such a level to support at least \$996 per student per term for full time students.

Fiscal Year 2013-14 net lottery proceeds and investment earnings in excess of the certified net lottery proceeds and investment earnings for this period are appropriated and must be used to ensure that all LIFE, HOPE, and Palmetto Fellows Scholarships for Fiscal Year 2013-14 are fully funded.

If the lottery revenue received for Fiscal Year 2013-14 is less than the amounts appropriated, the projects and programs receiving appropriations for any such year shall have their appropriations reduced on a pro rata basis, except that a reduction must not be applied to the funding of LIFE, HOPE, and Palmetto Fellows Scholarships.

The Commission on Higher Education is authorized to use up to \$260,000 of the funds appropriated in this provision for LIFE, HOPE, and Palmetto Fellows scholarships to provide the necessary level of program support for the scholarship award process.

The Higher Education Tuition Grants Commission is authorized to use up to \$70,000 of the funds appropriated in this provision for Tuition Grants to provide the necessary level of program support for the grants award process.

For Fiscal Year 2013-14, of the funds certified from unclaimed prizes, \$3,000,000 shall be appropriated to the Commission on Higher Education and State Board for Technical and Comprehensive Education for Tuition Assistance Two Year Institutions; \$50,000 shall be appropriated to the Department of Alcohol and Other Drug Abuse Services for gambling

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addiction services; \$2,950,000 shall be appropriated to the Commission on Higher Education for the Higher Education Excellence Enhancement Program; and \$1,600,000 shall be appropriated to the Department of Education for K-5 Reading, Math, Science & Social Studies Program as provided in Section 59-1-525; and \$400,000 shall be appropriated to the Department of Education for New School Buses.

Of any unclaimed prize funds available in excess of the Board of Economic Advisors estimate, the first \$1,500,000 shall be directed to the Commission on Higher Education for the Partnership Among South Carolina Academic Libraries (PASCAL) Program. The next \$5,470,093 shall be directed for Technology: Public Four-Year Universities, Two-Year Institutions, and State Technical Colleges. The next \$2,000,000 shall be directed to the State Library for Aid to County Libraries. The next \$1,000,000 shall be directed to the Commission on Higher Education for the Higher Education Excellence Enhancement Program. The next \$4,000,000 shall be directed to the State Board for Technical and Comprehensive Education for the Allied Health Initiative. The next \$1,000,000 shall be directed to the Commission on Higher Education for the Critical Needs Nursing Program. All additional revenue in excess of the amount certified by the Board of Economic Advisors for unclaimed prizes shall be distributed to the Commission on Higher Education for LIFE, HOPE, and Palmetto Fellows Scholarships.

SFC: AMEND new proviso to change the following appropriations from certified net lottery proceeds and investment earnings: item (1) Tuition Assistance from “\$42,900,000” to “\$43,000,000;” item (2) LIFE Scholarships form “\$109,341,120” to “\$107,236,237;” item (5) Need-Based Grants from “\$11,631,566” to “\$13,131,566;” item (6) Tuition Grants from “\$7,766,604” to “\$8,166,604;” and item (7) National Guard Tuition Repayment Program from “\$1,700,000” to “\$4,545,000.” Add item (14) CHE-Public 4-Year Universities, 2-Year Institutions, and State Technical Colleges--Academic Facility Building, Repair and Maintenance, and Training \$12,259,883; and item (15) SDE--Digital Instructional Material \$3,000,000. Direct that the funds appropriated in item (14) be distributed as follows: \$1,919,883 for 4-Year University and 2-Year Branch Campus Repair and Maintenance with a 1:1 match requirement; \$840,000 to Spartanburg Community College Academic Student Center/Industrial Training; \$500,000 to Midlands Technical College Quick Jobs Program; \$1,750,000 to Central Carolina Technical College Advanced Mfg Technology Training Center; \$3,250,000 to Francis Marion University Health Sciences Building with a 2:1 match requirement; \$2,000,000 to Horry-Georgetown Technical College Culinary Arts Academic Building with a 1:1 match requirement; and \$2,000,000 to Tri-County Technical College Oconee Economic Development and Workforce Center with a 1:1 match requirement. From certified unclaimed prizes direct \$100,000 to SDE to purchase new school buses and change Tuition Assistance from \$6.2 million to \$6.1 million. Direct that net lottery proceeds and investment earnings realized in the prior fiscal year that are above the amounts needed to fund the appropriations in this provision are appropriated as follows on a pro rata basis: \$2,000,000 to SDE for new school buses; \$3,000,000 to SDE for textbooks; \$12,075,000 to CHE Public 4-Year Universities & 2-Year Branch Campuses Repair and Maintenance with a 1:1 match requirement; \$1,275,000 to Tec and Comp Ed for Manufacturing Skills Standards Council Initiative; \$2,275,000 to CHE Technology Public 4-Year Universities, 2-Year Institutions, & State Technical Colleges; \$100,000 to DAODAS for Gambling Addiction Services; \$200,000 to School for the Deaf and the Blind Technology; \$75,000 to USC Aiken Science Center/Building Roof and HVAC Repair/Replacement; \$250,000 to CHE Non-Profit Two-Year Institutions, Established 1894, with 60% or More Low-Income Students for Education Excellence Enhancement; and \$250,000 to USC STEM Path to Success Pilot Project. Provide a methodology and guidelines for the distribution of the funds allocated to CHE for repair and

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maintenance. Require funds not matched and distributed to be carried forward by CHE and used for LIFE, HOPE, and Palmetto Fellows Scholarships. Require CHE to provide specific information regarding repair and maintenance projects in a report to the Chairmen of the Senate Finance and the House Ways and Means Committees

SEN: AMEND new proviso further to change the following certified net lottery proceeds appropriations: item (1) CHE & State Board for Tec and Comp Ed--Tuition Assistance from "\$43,000,000" to "\$47,400,000;" item (13) CHE--HEEEP from "\$50,000" to "\$1,050,000;" and item (15) SDE--Digital Instructional Material from "\$3,000,000" to "\$4,000,000." Add new items (16) SDE--New School Buses \$3,510,000; (17) State Library--Union County Carnegie Library Renovations \$1,250,000; and (18) SDE--New Carolina Transformation in Education \$100,000. Change the following certified unclaimed prizes appropriations: SDE purchase of new school buses from "\$100,000" to "\$1,700,000;" CHE & St Bd for Tec and Comp Ed Tuition Assistance at 2-Yr Institutions from "\$6,100,000" to "\$1,700,000;" and SDE K-5 Reading, Math Science & Social Studies from "\$3,200,000" to "\$1,600,000." Direct that items appropriated from certified unclaimed prizes shall be reduced pro rata if revenue received is less than appropriated. Amend the appropriations from unclaimed prize funds available in excess of the BEA estimate to direct the first \$3,300,000 to SDE for new school buses and the next \$2,000,000 to the State Library for Aid to County Libraries. Amend the funds appropriated from net lottery proceeds and investment earnings realized in the prior fiscal year above the amounts needed to fund appropriations in this provision as follows: item (1) SDE--New School Buses from "\$2,000,000" to "\$3,500,000;" and item (2) SDE--Textbooks from "\$3,000,000" to "\$1,500,000." Sponsors: Sens. Hayes and Scott.

3.5. (LEA: FY 2013-14 Lottery Funding) There is appropriated from the Education Lottery Account for the following education purposes and programs and funds for these programs and purposes shall be transferred by the Budget and Control Board as directed below. These appropriations must be used to supplement and not supplant existing funds for education.

The Budget and Control Board is directed to prepare the subsequent Lottery Expenditure Account detail budget to reflect the appropriations of the Education Lottery Account as provided in this section.

All Education Lottery Account revenue shall be carried forward from the prior fiscal year into the current fiscal year including any interest earnings, which shall be used to support the appropriations contained below.

For Fiscal Year 2013-14 certified net lottery proceeds and investment earnings and any other proceeds identified by this provision are appropriated as follows:

- (1) Commission on Higher Education and State Board for Technical and Comprehensive Education--Tuition Assistance \$ 47,400,000;
- (2) Commission on Higher Education--LIFE Scholarships as provided in Chapter 149, Title 59..... \$ 107,236,237;
- (3) Commission on Higher Education--HOPE Scholarships as provided in Section 59-150-370..... \$ 7,779,856;
- (4) Commission on Higher Education--Palmetto Fellows Scholarships as provided in Section 59-104-20..... \$ 30,777,240;
- (5) Commission on Higher Education--Need-Based Grants \$ 13,131,566;
- (6) Tuitions Grants Commission--Tuition Grants..... \$ 8,166,604;
- (7) Commission on Higher Education--National Guard Tuition Repayment Program as provided in Section 59-111-75 \$ 4,545,000;
- (8) South Carolina State University..... \$ 2,500,000;

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- (9) Technology--Public Four-Year Universities, Two-Year Institutions, and State Technical Colleges..... \$ 7,301,816;
- (10) Department of Education--K-5 Reading, Math, Science & Social Studies Program as provided in Section 59-1-525..... \$ 26,291,798;
- (11) Department of Education--Grades 6-8 Reading, Math, Science & Social Studies Program..... \$ 2,000,000;
- (12) School for the Deaf and the Blind--Technology..... \$ 200,000;
- (13) Commission on Higher Education--Higher Education Excellence Enhancement Program..... \$ 1,050,000;
- (14) Commission on Higher Education--Public Four-Year Universities, Two-Year Branch Campuses, and State Technical Colleges--Academic Facility Building, Repair and Maintenance, and Training..... \$ 12,259,883;
- (15) Department of Education--Digital Instructional Material..... \$ 4,000,000
- (16) Department of Education--New School Buses..... \$ 3,510,000;
- (17) State Library--Union County Carnegie Library Renovations..... \$ 1,250,000;
- (18) Department of Education--New Carolina Transformation in Education..... \$ 100,000.

Fiscal Year 2013-14 funds appropriated to the Commission on Higher Education for Tuition Assistance must be distributed to the technical colleges and two-year institutions as provided in Section 59-150-360. Annually the State Board for Technical and Comprehensive Education and the Commission on Higher Education shall develop the Tuition Assistance distribution of funds appropriated.

Of the funds appropriated to South Carolina State University, \$250,000 may be used for the BRIDGE Program.

The funds appropriated above in subitem (14) to the Commission on Higher Education for Public Four-Year Universities, Two-Year Branch Campuses, and State Technical Colleges--Academic Facility Building, Repair and Maintenance, and Training shall be distributed as follows:

- (1) Four-Year University and Two-Year Branch Campus Repair and Maintenance - 1:1 Match..... \$ 1,919,883;
- (2) Spartanburg Community College - Academic Student Center/Industrial Training..... \$ 840,000;
- (3) Midlands Technical College - Quick Jobs Program..... \$ 500,000;
- (4) Central Carolina Technical College - Advanced Manufacturing Technology Training Center..... \$ 1,750,000;
- (5) Francis Marion University - Health Sciences Building - 2:1 Match..... \$ 3,250,000;
- (6) Horry-Georgetown Technical College - Culinary Arts Academic Building 1:1 Match..... \$ 2,000,000; and
- (7) Tri-County Technical College - Oconee Economic Development and Workforce Center - 1:1 Match..... \$ 2,000,000.

The provisions of Section 2-75-30 of the 1976 Code regarding the aggregate amount of funding provided for the Centers of Excellence Matching Endowment are suspended for the current fiscal year.

The Commission on Higher Education is authorized to temporarily transfer funds between appropriated line items in order to ensure the timely receipt of scholarships and tuition assistance. It is the goal of the General Assembly to fund the Tuition Assistance program at such a level to support at least \$996 per student per term for full time students.

Fiscal Year 2013-14 net lottery proceeds and investment earnings in excess of the certified net lottery proceeds and investment earnings for this period are appropriated and must be used

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to ensure that all LIFE, HOPE, and Palmetto Fellows Scholarships for Fiscal Year 2013-14 are fully funded.

If the lottery revenue received for Fiscal Year 2013-14 is less than the amounts appropriated, the projects and programs receiving appropriations for any such year shall have their appropriations reduced on a pro rata basis, except that a reduction must not be applied to the funding of LIFE, HOPE, and Palmetto Fellows Scholarships.

The Commission on Higher Education is authorized to use up to \$260,000 of the funds appropriated in this provision for LIFE, HOPE, and Palmetto Fellows scholarships to provide the necessary level of program support for the scholarship award process.

The Higher Education Tuition Grants Commission is authorized to use up to \$70,000 of the funds appropriated in this provision for Tuition Grants to provide the necessary level of program support for the grants award process.

For Fiscal Year 2013-14, of the funds certified from unclaimed prizes, \$1,700,000 shall be appropriated to the Department of Education for the purchase of new school buses; \$1,700,000 shall be appropriated to the Commission on Higher Education and State Board for Technical and Comprehensive Education for Tuition Assistance Two Year Institutions; \$50,000 shall be appropriated to the Department of Alcohol and Other Drug Abuse Services for gambling addiction services; \$2,950,000 shall be appropriated to the Commission on Higher Education for the Higher Education Excellence Enhancement Program; and \$1,600,000 shall be appropriated to the Department of Education for K-5 Reading, Math, Science & Social Studies Program as provided in Section 59-1-525.

If the lottery revenue received from certified unclaimed prizes for Fiscal Year 2013-14 is less than the amounts appropriated, the projects and programs receiving appropriations for any such year shall have their appropriations reduced on a pro rata basis.

Of any unclaimed prize funds available in excess of the Board of Economic Advisors estimate, the first \$3,300,000 shall be directed to the Department of Education for new school buses. The next \$2,000,000 shall be directed to the State Library for Aid to County Libraries. The next \$1,500,000 shall be directed to the Commission on Higher Education for the Partnership Among South Carolina Academic Libraries (PASCAL) Program. The next \$5,470,093 shall be directed for Technology: Public Four-Year Universities, Two-Year Institutions, and State Technical Colleges. The next \$2,000,000 shall be directed to the State Library for Aid to County Libraries. The next \$1,000,000 shall be directed to the Commission on Higher Education for the Higher Education Excellence Enhancement Program. The next \$4,000,000 shall be directed to the State Board for Technical and Comprehensive Education for the Allied Health Initiative. The next \$1,000,000 shall be directed to the Commission on Higher Education for the Critical Needs Nursing Program. All additional revenue in excess of the amount certified by the Board of Economic Advisors for unclaimed prizes shall be distributed to the Commission on Higher Education for LIFE, HOPE, and Palmetto Fellows Scholarships.

For Fiscal Year 2013-14, net lottery proceeds and investment earnings realized in the prior fiscal year above the amounts needed to fund the appropriations in this provision are appropriated as follows on a pro-rata basis:

(1) Department of Education--New School Buses	\$ 3,500,000;
(2) Department of Education--Textbooks	\$ 1,500,000;
(3) Commission on Higher Education--Public Four-Year Universities, Two-Year Branch Campuses-- Repair and Maintenance 1:1 Match	\$ 12,075,000;
(4) State Board for Technical and Comprehensive Education--Manufacturing Skills Standards Council Initiative.....	\$ 1,275,000;

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- (5) Commission on Higher Education--Technology--Public Four-Year Universities, Two-Year Institutions, and State Technical Colleges..... \$ 2,275,000;
- (6) Department of Alcohol and Other Drug Abuse Services for Gambling Addiction Services..... \$ 100,000;
- (7) School for the Deaf and the Blind--Technology..... \$ 200,000;
- (8) University of South Carolina-Aiken--Science Center/Building-Roof and HVAC Repair/Replacement..... \$ 575,000;
- (9) Commission on Higher Education--Non-Profit Two-Year Institutions, Established 1894, with 60% or More Low-Income Students for Education Excellence Enhancement... \$ 250,000; and
- (10) University of South Carolina--STEM Path to Success Pilot Project.. \$ 250,000.

Based on the methodology described below, funds allocated in this provision to the Commission on Higher Education for repair and maintenance at public four-year universities and two-year branch campuses may only be distributed to an institution to the extent the funds are matched by the institution for repair and maintenance. Matching funds exclude supplemental, capital reserve, lottery, or other non-recurring state funds appropriated to an institution either in the current fiscal year or from a prior fiscal year for repair and maintenance or deferred maintenance projects. Prior to the distribution of these funds, institutions must certify to the commission, in a manner it prescribes, the extent to which they have met this requirement, including the sources of funds utilized to meet this requirement. The commission shall notify the Joint Bond Review Committee of the certification received pursuant to this provision. Upon certification, the funds shall be distributed to institutions on a pro rata basis based on the distribution methodology described below provided that the distribution does not exceed an institution's pro rata share or the amount matched by the institution if less than that share. The distribution methodology to be used by the commission shall be based on each institution's proportion of general fund appropriation in Part IA of Act 288 of 2012 as compared to the total general fund appropriation in that Act for all public four-year universities and two-year branch campuses. Funds not matched and distributed shall be carried forward by the commission and used for LIFE, HOPE, and Palmetto Fellows Scholarships. Not later than 120 days after the close of the fiscal year, the commission shall report to the Chairman of the Senate Finance Committee and the Chairman of the House Ways and Means Committee regarding the utilization of this provision specifically, as well as the amount spent in the current fiscal year by each public institution of higher learning, by source of funds, on repair and maintenance projects generally, including restoration and renewal of existing facilities or infrastructure, and the amount of repair and maintenance, including restoration and renewal projects, deferred to a subsequent fiscal year by each institution, if any, and the reasons for the deferral.

3.6 DELETE NEW PROVISO (Scholarship Eligibility Requirement) HOU: ADD new proviso to state the intent of the General Assembly that beginning in school year 2014-15 students who receive Palmetto Fellows and Life scholarships remain eligible if they maintain a GPA of at least 80 out of a 100 point scale and require higher ed institutions to develop a plan during FY 13-14 to implement these requirements. Sponsors: Reps. Stavrinakis, White, and Harrell.

3.6. (LEA: Scholarship Eligibility Requirement) It is the intent of the General Assembly that beginning in school year 2014-15 students awarded the merit based scholarships of Palmetto Fellows and Life shall remain eligible as long as they keep a grade average of 80 based on a 100 point scale. The amount of time that the student is eligible shall be determined by the provisions of the scholarships. During school year 2013-14, colleges and universities,

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from the funds appropriated to or authorized for each college and university, must develop a plan to implement this requirement.

SFC: DELETE new proviso.

SEN: ADOPT deletion of new proviso.

3.6. (LEA: Scholarship Eligibility Requirement) DELETED

SECTION 11 - H03-COMMISSION ON HIGHER EDUCATION

- 11.15 DELETE NEW PROVISO** (Higher Education Excellence Enhancement Program Additions)
WMC: ADD new proviso to direct that Converse College and Columbia College are eligible to receive funds under the Higher Education Excellence Enhancement Program until 6/30/14.
HOU: ADOPT new proviso.

11.15. (CHE: Higher Education Excellence Enhancement Program Additions) Converse College and Columbia College shall be eligible to receive funds under the Higher Education Excellence Enhancement Program until June 30, 2014.

SFC: ADOPT new proviso.

SEN: DELETE new proviso. *Ruled Out of Order.*

11.15. (CHE: Higher Education Excellence Enhancement Program Additions)
DELETED

- 11.18 ADD** (SmartState Draw Down) **SFC:** ADD new proviso to authorize CHE to drawn down previously appropriated lottery funds for a SmartState “South Carolina Center of Economic Excellence” that have been held in trust awaiting matching funds, after they receive the dollar-for-dollar non-state match and upon State Budget Division approval. Direct that the required documentation along with proof that the required match is on hand must be submitted to the State Budget Division for approval and direct the State Budget Division to notify the Other Funds Oversight Committee of such approval. Direct that the requirements of proviso 91.21 (Other Funds Oversight Committee) do not apply under these circumstances.
SEN: ADOPT new proviso.

11.18. (CHE: SmartState Draw Down) The Commission on Higher Education, upon receipt of the dollar-for-dollar non-state match for a SmartState "South Carolina Center of Economic Excellence" required pursuant to Section 2-75-50 of the 1976 Code, and after State Budget Division approval, shall be authorized to draw down previously appropriated lottery funds that had been held in trust until matching funds were on hand. The commission shall submit required documentation to the State Budget Division for approval of such draw downs, including proof that the required match is on hand, and the State Budget Division shall notify the Other Funds Oversight Committee of an authorization approved for this purpose. The requirements of proviso 91.21 contained in this act shall not apply to circumstances described by this proviso.

- 11.19 ADD** (College Transition Connection Need-Based Grants) **SFC:** ADD new proviso to direct that College Transition Connection funds be transferred to the CHE Need-Based Grant program and be used to provide grants to S.C. resident students enrolled in an established college

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transition program that serves students with intellectual disabilities. Direct CHE, in consultation with College Transition Connection to develop guidelines for awarding and allocating the funds. Require the number of grant recipients be tracked to evaluate the effectiveness of the program in assisting students with intellectual disabilities in college transition programs.

SEN: ADOPT new proviso.

11.19. (CHE: College Transition Connection Need-Based Grants) Funds appropriated for the College Transition Connection shall be transferred to the Commission on Higher Education Need-Based Grant program. These funds shall be used to provide need-based grants to South Carolina resident students enrolled at a public institution of higher education in an established college transition program that serves students with intellectual disabilities. The Commission on Higher Education, in consultation with College Transition Connection, shall develop guidelines for awarding these need-based grants and shall allocate the available funds to eligible institutions on the basis of student need and enrollment in the established college transition programs. All other grants and gift aid for which these students are eligible must be applied first to the cost of attendance prior to using the need-based grant funding. If the cost of attendance for an eligible student is met with all other grants and gift aid, the need-based grant shall not be used. The participating institutions, in cooperation with the Commission on Higher Education and College Transition Connection, shall track the number of grant recipients and other information determined necessary to evaluate the effectiveness of these grants in assisting students with intellectual disabilities in college transition programs. No more than the amount transferred in Fiscal Year 2013-14 for College Transition Connection may be expended from currently appropriated Commission on Higher Education Need-Based Grant funding for grants for students in college transition programs.

11.20 **ADD** (Scholarships Awarded During Summer Sessions Task Force) **SFC:** ADD new proviso to direct CHE to convene a special task force to explore the merits and feasibility of awarding Palmetto Fellows and LIFE Scholarships and other financial aid during summer sessions in order to increase student flexibility and facilitate an expedited time to graduations. Direct the commission include campus officials from various institutions representing financial aid, business affairs, academic affairs, and commission staff. Direct findings and recommendations be reported to the Chairmen of the Senate Finance, Senate Education, House Ways and Means, and House Education and Public Works Committees by December 1, 2013. Direct the report include any necessary statutory changes; an analysis of any state budget implications; anticipated state budget costs on a cash flow basis over multiple fiscal years to determine net cost or savings associated with providing awards during the summer terms.

SEN: ADOPT new proviso.

11.20. (CHE: Scholarships Awarded During Summer Session Task Force) The Commission on Higher Education shall convene a special task force comprised of institutional representatives from the various sectors of higher education to explore the merits and feasibility of awarding Palmetto Fellows and LIFE scholarships and other state-supported financial aid during summer sessions for the purpose of increasing student flexibility and to facilitate an expedited time to graduation as compared to the traditional academic calendar. The task force assembled by the commission shall include campus officials representing financial aid, business affairs, and academic affairs as well as commission staff. A report of the task force shall be provided to the Chairman of the Senate Finance Committee, the Chairman of the Senate Education Committee, the Chairman of the House Ways and Means Committee, the Chairman of the House Education and Public Works Committee, and the

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Governor no later than December 1, 2013. The report submitted shall include as part of any findings and recommendations advanced, an outline of necessary changes, if any, to current statutory provisions governing scholarships and/or state-supported financial aid as well as an analysis of state budget implications, if any, including, as appropriate, an accounting for anticipated state budget costs on a cash flow basis over multiple fiscal years to determine the net cost (or savings as the case may be) to the state for providing awards during the summer terms.

- 11.21** **ADD** (Inventory of State-Mandated Reporting Requirements) **SEN:** ADD new proviso to direct CHE to work with colleges and universities to prepare a report that inventories all state mandated reporting requirements, including those imposed by CHE on institutions of higher learning, in order to help reduce the cost of compliance burdens by eliminating conflicting, redundant, or other excessive reporting requirements. Direct that the report be provided to the Governor and the Chairmen of the Senate Finance and House Ways and Means Committees by December 1, 2013. Sponsors: Sens. Gregory and Setzler.

11.21. (CHE: Inventory of State-Mandated Reporting Requirements) To help reduce the cost of higher education and institutions' compliance burdens by eliminating conflicting, redundant, or other excessive reporting requirements, the Commission on Higher Education is directed to work with the state's colleges and universities to prepare a report inventorying all state mandated reporting requirements, including those of the Commission on Higher Education, imposed on South Carolina's institutions of higher education. This report shall be provided to the Governor, the Chairman of the Senate Finance Committee, and the Chairman of the House Ways and Means Committee by December 1, 2013.

SECTION 20 - H45-UNIVERSITY OF SOUTH CAROLINA

- 20.4** **DELETE NEW PROVISO** (Parity Funding) **WMC:** ADD new proviso to direct the USC System, at the discretion and direction of the Board of Trustees, to develop and implement policies to achieve funding parity across its branch and regional campuses.
HOU: ADOPT new proviso.

20.4. (USC: Parity Funding) At the discretion and direction of the Board of Trustees, the University of South Carolina System shall develop and implement policies to achieve parity funding across its branch and regional campuses.

SFC: DELETE new proviso.
SEN: ADOPT deletion of new proviso.

20.4. (USC: Parity Funding) DELETED

SECTION 23 - H51-MEDICAL UNIVERSITY OF SOUTH CAROLINA

- 23.3** **AMEND NEW PROVISO FURTHER** (Rural Access Plan) **WMC:** ADD new proviso to direct the MUSC Hospital Authority, in conjunction with DHHS, to study how to partner with rural hospitals to ensure that rural regions of the state maintain access to medical care. Direct that at a minimum facilities, in Hampton, Allendale, Orangeburg and Barnwell counties must be studied. Authorize DHHS to withhold a portion of the enhanced DSH payment if a hospital does not actively participate.

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HOU: ADOPT new proviso.

23.3. (MUSC: Rural Access Plan) The MUSC Hospital Authority, in conjunction with the Department of Health and Human Services, shall study how to partner with existing rural hospitals to ensure that these regions maintain access to medical care. Facilities studied shall not be limited to, but shall at a minimum include those facilities in Hampton, Allendale, Orangeburg and Barnwell counties. If a hospital does not actively participate, the Department of Health and Human Services may withhold a portion of the enhanced DSH payment.

SFC: AMEND new proviso to delete the authorization for the department to withhold a portion of the enhanced DSH payment if a hospital does not actively participate.

SEN: AMEND FURTHER to delete the requirement that at a minimum, facilities in Hampton, Allendale, Orangeburg and Barnwell counties must be studied. Sponsor: Sen. Massey.

23.3. (MUSC: Rural Access Plan) The MUSC Hospital Authority, in conjunction with the Department of Health and Human Services, shall study how to partner with existing rural hospitals to ensure that these regions maintain access to medical care.

SECTION 25 - H59-ST BOARD FOR TECHNICAL AND COMPREHENSIVE EDUCATION

25.5 AMEND NEW PROVISO (MSSC) WMC: ADD new proviso to prohibit funds appropriated for the Manufacturing Skills Standards Council Initiative from being used for marketing or consulting.

HOU: ADOPT new proviso.

25.5. (TEC: MSSC) The funds appropriated to the State Board for Technical and Comprehensive Education for the Manufacturing Skills Standards Council Initiative may not be used for marketing or consulting associated with the Initiative.

SFC: AMEND new proviso to delete the prohibition on the funds being used for “marketing.”

SEN: ADOPT new proviso as amended.

25.5. (TEC: MSSC) The funds appropriated to the State Board for Technical and Comprehensive Education for the Manufacturing Skills Standards Council Initiative may not be used for consulting associated with the Initiative.

SECTION 33 - J02-DEPARTMENT OF HEALTH AND HUMAN SERVICES

33.1 REINSERT (Recoupment/Restricted Fund) Authorizes the department to recoup all refunds and identified program overpayments and to maintain prior year program refunds in a restricted fund to pay for liabilities and improvements related to enhancing future audits accountability. Limits the fund to 1% of current year's total appropriation and require amounts in excess of 1% be remitted to the general fund.

WMC: DELETE proviso. See new proviso 33.32.

HOU: ADOPT deletion of proviso.

~~33.1. (DHHS: Recoupment/Restricted Fund) The Department of Health and Human Services shall recoup all refunds and identified program overpayments and all such overpayments shall be recouped in accordance with established collection policy. Further, the~~

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~~Department of Health and Human Services is authorized to maintain a restricted fund, on deposit with the State Treasurer, to be used to pay for liabilities and improvements related to enhancing accountability for future audits. The restricted fund will derive from prior year program refunds. The restricted fund shall not exceed one percent of the total appropriation authorization for the current year. Amounts in excess of one percent will be remitted to the general fund.~~

SFC: REINSERT original proviso.

SEN: ADOPT original proviso.

33.1. (DHHS: Recoupment/Restricted Fund) The Department of Health and Human Services shall recoup all refunds and identified program overpayments and all such overpayments shall be recouped in accordance with established collection policy. Further, the Department of Health and Human Services is authorized to maintain a restricted fund, on deposit with the State Treasurer, to be used to pay for liabilities and improvements related to enhancing accountability for future audits. The restricted fund will derive from prior year program refunds. The restricted fund shall not exceed one percent of the total appropriation authorization for the current year. Amounts in excess of one percent will be remitted to the general fund.

33.30 **AMEND NEW PROVISO** (Grant Authority) **WMC:** ADD new proviso to authorize the department to make grants to community-based not-for-profit organizations for local projects that further the objectives of department programs. Require the department develop policies and procedures and allow them to promulgate regulations associated with the grants. Authorize the department to require grant recipients to provide match funds. Requested by Department of Health and Human Services.

HOU: ADOPT new proviso.

33.30. (DHHS: Grant Authority) The Department of Health and Human Services is authorized to make grants to community-based not-for-profit organizations for local projects that further the objectives of department programs. The department shall develop policies and procedures and may promulgate regulations to assure compliance with state and federal requirements associated with the funds used for the grants and to assure fairness and accountability in the award and administration of these grants. The department may require a match from grant recipients.

SFC: AMEND new proviso to authorize the department to issue a total of \$20 million in grants with no individual grant exceeding \$500,000. Require the department report to the Chairmen of the Senate Finance and House Ways and Means Committee on the grants awarded.

SEN: ADOPT new proviso as amended.

33.30. (DHHS: Grant Authority) The Department of Health and Human Services is authorized to make grants to community-based not-for-profit organizations for local projects that further the objectives of department programs. The department is authorized to issue a total of \$20,000,000 in grants, with no individual grant exceeding \$500,000. The department shall develop policies and procedures and may promulgate regulations to assure compliance with state and federal requirements associated with the funds used for the grants and to assure fairness and accountability in the award and administration of these grants. The department may require a match from grant recipients. The department shall report to the Chairman of the

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Senate Finance Committee and the Chairman of the House Ways and Means Committees on the grants awarded.

- 33.31 AMEND NEW PROVISO FURTHER** (Community Health Center/FQHC) **WMC:** ADD new proviso to direct that entities that receive funding under the Public Health Services Act, Health Center Program (Section 330) shall qualify to receive "Community Health Center/FQHC" funds appropriated in Part IA. Direct that the funds be disbursed: 30% divided among qualifying entities with the balance distributed 40% based on uninsured patients served and 30% based on the number of patients seen from counties with a population of less than 125,000.

HOU: ADOPT new proviso.

HOU2: AMEND new proviso . . .

Sponsors: Reps. White, Bingham, Herbkersman, Limehouse, Merrill, M.A. Pitts, Simrill, G.M. Smith, and J.R. Smith.

33.31. (DHHS: Community Health Center/FQHC) Entities receiving funding under Section 330 of the Public Health Services Act, qualify to receive funds provided in this Act for Community Health Center/FQHC. FQHC Look-A-Likes are also included in the distribution of these funds. However, no entity is eligible to receive funds allocated by this proviso if the Chief Executive Officer is not an employee of the entity or is hired under a management agreement to operate the entity.

This appropriation shall be disbursed as follows: (1) 30% of the total appropriation will be divided among qualifying entities; and (2) The balance of the appropriation will be distributed with 40% based on uninsured patients served and 30% based on the number of patients seen from counties with a population of less than 125,000. Any newly established Community Health Center/FQHC shall receive an amount equivalent to the average disbursement made to all Centers/FQHCs.

SFC: AMEND new proviso to delete reference to "Part IA, Section 33, Special Line Item." Direct that any newly established Community Health Center/FQHC shall receive an amount equivalent to the average disbursement made to all Centers/FQHCs.

SEN: AMEND FURTHER to include FQHC Look-A-Likes, including Genesis Healthcare and CareNet to those entities that qualify to receive these funds. Sponsors: Sens. Gregory, Sheheen, Malloy, Cromer, Pinckney, and Coleman.

33.31. (DHHS: Community Health Center/FQHC) Entities receiving funding under Section 330 of the Public Health Services Act, and FQHC Look-A-Likes, including Genesis Healthcare and CareNet, qualify to receive funds provided in this Act for Community Health Center/FQHC. This appropriation shall be disbursed as follows: (1) 30% of the total appropriation will be divided among qualifying entities; and (2) The balance of the appropriation will be distributed with 40% based on uninsured patients served and 30% based on the number of patients seen from counties with a population of less than 125,000. Any newly established Community Health Center/FQHC shall receive an amount equivalent to the average disbursement made to all Centers/FQHCs.

- 33.32 DELETE NEW PROVISO** (Recoupment/Sustainability Fund) **WMC:** ADD new proviso to create the Medicaid Sustainability Fund and state that the General Assembly may make direct appropriations to the fund. Authorize the department to transfer all unexpended state appropriations into the fund at the end of the current fiscal year. Allow the department to transfer program settlements, recoupments and recoveries into the fund at any time. Require

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the fund to be used for the Medicaid Program and authorize unexpended funds and accrued interest to remain in the fund and be carried forward. Limit the amount of monies in the fund to 3% of the total current year department appropriations and require amounts in excess of 3% to be remitted to the General Fund. Require a report be submitted to the Chairmen of the House Ways and Means and Senate Finance Committees within 30 days of the close of each quarter on the fund balance; withdrawals from the fund and what they were used for; and fund deposits and the source of the funds.

HOU: ADOPT new proviso.

33.32. (DHHS: Recoupment/Sustainability Fund) There is created in the State Treasury a fund distinct from the General Fund of the State and all other funds entitled the Medicaid Sustainability Fund (Fund). The General Assembly may make direct appropriations to this Fund. All unexpended state funds appropriated to the Department of Health and Human Services (department) may be transferred to the Fund at the end of the current fiscal year by the department. Further, the department may at any time transfer any program settlements, recoupments and recoveries to the Fund. Money in the Fund shall be used for the Medicaid Program. All unexpended funds in the Fund and any interest accrued by the Fund shall remain in the Fund and be carried forward into the current fiscal year. The Fund shall not exceed three percent of the total appropriation of all funds for the department authorized for the current fiscal year. Amounts in excess of three percent will be remitted to the General Fund. Within 30 days of the close of each quarter, the Director of the Department of Health and Human Services shall report by letter to the Chairman of the House Ways and Means Committee and the Chairman of the Senate Finance Committee on the balance in the Fund; withdrawals from the Fund and the use of the funds withdrawn; and deposits to the Fund.

SFC: DELETE new proviso.

SEN: ADOPT deletion of new proviso.

33.32. (DHHS: Recoupment/Sustainability Fund) **DELETED**

33.34 AMEND NEW PROVISO FURTHER (Medicaid Accountability and Quality Improvement Initiative) **WMC:** ADD new proviso to direct the department to implement certain Medicaid accountability and quality improvement initiatives. (A) Health Outcomes Initiative - Upon CMS approval, to make up to a \$35,000,000 aggregate rate incentive available to participating hospitals effective 10/1/13, and based on certain conditions. (B) Disproportionate Share (DSH) Payment Accountability - Upon CMS approval, to require hospitals to submit claims-level data for individuals who receive uncompensated care and to obtain patient confirmation to determine whether they have access to affordable health insurance in order to increase accountability for DSH reimbursements and improve outcomes for uninsured. (C) Rural Hospital DSH Payment - Upon CMS approval, to direct that the state's Medicaid designated rural hospitals shall receive full coverage for uncompensated care as part of the DSH program. Direct that allocated funds not exceed \$20,000,000 total funds. Direct that if rural hospitals do not participate in the Healthy Outcomes Initiative reporting and quality guidelines they will be ineligible for the increased coverage. (D) Primary Care Safety Net - Require the department develop a methodology to reimburse safety net providers certain care and services to chronically ill individuals without access to affordable insurance. Define qualifying safety net providers; designate a minimum amount to be funded for specific initiatives; and establish eligibility requirements for qualifying providers. (E) Rural Provider Capacity - Direct the department to incentivize the development of rural physician coverage and capacity building through leveraging the Graduate Medical Education program; to develop a methodology to

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improve the State's GME and Supplemental Teaching Payments investment; and to develop a program to leverage the use of teaching hospitals to provide rural physician coverage, expand Telemedicine use, and support OB/GYN services in at least four counties without adequate OB/GYN resources. (F) Community Residential Care Optional State Supplement - Direct the department to establish policies and procedures to include establishing a facility rate per eligible beneficiary; establish eligibility criteria; and a methodology for increasing the personal needs allowance. Direct the department to establish Quality of Care Standards for licenses Community Residential Care Facilities. (G) Require the department publish quarterly reports on their website on their progress in meeting the goals established in this provision.

HOU: AMEND new proviso subitem (A) Healthy Outcomes Initiative to allow the department to explore various health outreach, education, and patient wellness and incentive programs in order to improve community health. Allow the department to work with the Kershaw Health and its LiveWell Kershaw program to pilot diabetes, smoking cessation, weight management and heart disease intervention models for other hospitals to pursue. AMEND FURTHER subitem (D) Primary Care Safety Net to clarify which FQHC's are referenced in the proviso. Direct the department to consult with the SC Primary Health Care Association to determine the most critical capital needs. Sponsors: G.M. Smith and White.

HOU2: AMEND new proviso to amend subitem (D); add subitem (E)(3); and amend subitem (F) . . .

Sponsors: Reps. White, Bingham, Herbkersman, Limehouse, Merrill, M.A. Pitts, Simrill, G.M. Smith, and J.R. Smith.

33.34. (DHHS: Medicaid Accountability and Quality Improvement Initiative) From the funds appropriated and authorized to the Department of Health and Human Services, the department shall implement the following accountability and quality improvement initiatives:

(A) Healthy Outcomes Initiative - Upon approval of the Centers for Medicare and Medicaid Services (CMS), the Department of Health and Human Services shall make available to participating hospitals up to a \$35,000,000 aggregate rate incentive effective October 1, 2013. This incentive shall be directly linked to a hospital's participation in initiatives designed to reduce system cost and increase health outcomes. To improve community health, the department may explore various health outreach, education and patient wellness and incentive programs. Working with Kershaw Health and its LiveWell Kershaw program, the department may pilot diabetes, smoking cessation, weight management, and heart disease interventions to identify the potential to offer such interventions as models for other hospitals to pursue. These initiatives may include, but are not limited to:

1. entering into a Memorandum of Understanding (MOU) with selected primary health care and other providers to co-manage chronically ill uninsured high-utilizers of emergency room services; and

2. participating in price and quality transparency efforts initiated by the department.

In designing these initiatives the department shall receive public input, and make the final determination of the initiative design. The department shall, no later than August 1, 2013, publish the manner in which participation in these initiatives will correspond with incentives. If at the end of the state fiscal year the department determines that this program is not generating cost savings or increasing health outcomes the department may retract this incentive in part or full.

(B) Disproportionate Share (DSH) Payment Accountability - Upon approval of CMS, in order to increase accountability for money reimbursed to hospitals under the DSH program and to improve outcomes for the uninsured, hospitals shall:

1. submit claims-level data for all individuals receiving uncompensated care; and

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2. obtain a patient attestation to determine whether or not the individual receiving uncompensated care has access to affordable health insurance or does not have other means to pay for services.

(C) Rural Hospital DSH Payment - Upon approval of CMS, Medicaid-designated rural hospitals in South Carolina shall receive full coverage of uncompensated care as part of the State's Medicaid Disproportionate Share (DSH) program. Funds shall be allocated from the existing DSH program and shall not exceed \$20,000,000 total funds. Rural Hospitals are ineligible for this increased coverage should they not participate in reporting and quality guidelines published by the department and outlined in the Healthy Outcomes Initiative in the Fiscal Year 2013-14 Appropriations Act. These guidelines shall be published no later than August 1, 2013.

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 develop a methodology to reimburse safety net providers to provide primary care, behavioral health services, and pharmacy services for chronically ill individuals that do not have access to affordable insurance. Qualifying safety net providers are approved, licensed, and duly organized Federally Qualified Health Centers (FOHCs, entities receiving funding under Section 330 of the Public Health Services Act and FOHC Look-A-Likes), Rural Health Clinics (RHCs), Free Clinics, and Welvista. No FOHC and FOHC Look-A-Likes operating under a management agreement or operated by a Chief Executive Officer who is not an employee of the entity is eligible to receive funds allocated by this proviso.

The department shall allocate at least \$3,000,000 for baseline funding to FOHCs as defined in paragraph (D), at least \$5,000,000 for innovative care strategies, and at least \$2,000,000 for documented capital needs for FOHCs as defined in paragraph (D). The department shall consult with the SC Primary Health Care Association to determine the entities with the most critical capital needs. From the aforementioned \$10,000,000, Welvista shall receive at least an additional \$600,000. To be eligible for funds, qualifying providers shall be required to provide the department patient and service data to assist in the overall improvement of the state's health quality and when appropriate safety net providers must enter into a MOU with hospitals to co-manage chronically ill uninsured high-utilizers of emergency room services. Participants in this program shall submit evaluations of effectiveness annually to the department.

(E) Rural Provider Capacity - The department shall incentivize the development of rural physician coverage and capacity building through the following mechanisms:

1. the department shall leverage the Graduate Medical Education program and develop a methodology to improve accountability and increased outcomes for the State's GME and Supplemental Teaching Payments investment by January 1, 2014; and

2. the department shall develop a program to leverage the use of teaching hospitals to provide rural physician coverage, expand the use of Telemedicine, and ensure targeted placement and support of OB/GYN services in at least four (4) counties with a demonstrated lack of adequate OB/GYN resources by July 1, 2014.

3. during the current fiscal year the department shall allocate \$4,000,000 to the MUSC Hospital Authority for telemedicine.

(F) Community Residential Care Optional State Supplement - For the current fiscal year, net income limit/facility rates shall increase \$100 per month per eligible beneficiary. The department will revise the net income limit to accommodate this change in the maximum OSS facility rate. All current recipients shall remain eligible for the supplement during the fiscal year and nothing contained herein may conflict with or limit existing regulations. In addition,

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the department will continue to work with stakeholders to establish quality of care standards and other requirements for facilities licensed as a Community Residential Care Facility and participating in the OSS program and Medicaid Waiver service. A total of up to \$12,000,000 additional funds shall be made available for the program.

In addition, the department will establish Quality of Care Standards and other requirements for facilities licensed as a Community Residential Care Facility and participating in the OSS program and Medicaid Waiver services.

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

SFC: AMEND FURTHER subitem (D) to amend the definition for qualifying safety net providers to include “other clinics serving the uninsured.” Change the amount dedicated for baseline funding to FQHCs from \$3 million to \$5 million; direct that at least \$2 million shall be allocated for baseline funding for Free Clinics. Specify that the \$5 million allocated for innovative care strategies is “for qualifying safety net providers”. Amend subitem (F) to change the total amount directed to be used for the Community Residential Care Optional State Supplement \$7 million to at least \$10 million. Require each recipient receive a minimum increase of \$100 per month and that all current recipients remain eligible for the supplement during the fiscal year.

SEN: AMEND FURTHER to amend subsection (D) to include FQHC Look-A-Likes, including Genesis Healthcare and CareNet to qualifying safety net providers. Sponsors: Sens. Gregory, Sheheen, Malloy, Cromer, Pinckney, and Coleman.

AMEND FURTHER to amend subsection (F) to delete the directive that each recipient receive a minimum increase of \$100 per month and instead direct that the facility rate shall increase by a minimum of \$100 per month per eligible beneficiary. Direct that nothing contained in this provision may conflict with or limit existing regulations. Sponsors: Sens. Alexander, Sheheen, Setzler, and L. Martin.

33.34. (DHHS: Medicaid Accountability and Quality Improvement Initiative) From the funds appropriated and authorized to the Department of Health and Human Services, the department shall implement the following accountability and quality improvement initiatives:

(A) Healthy Outcomes Initiative - Upon approval of the Centers for Medicare and Medicaid Services (CMS), the Department of Health and Human Services shall make available to participating hospitals up to a \$35,000,000 aggregate rate incentive effective October 1, 2013. This incentive shall be directly linked to a hospital's participation in initiatives designed to reduce system cost and increase health outcomes. To improve community health, the department may explore various health outreach, education and patient wellness and incentive programs. Working with Kershaw Health and its LiveWell Kershaw program, the department may pilot diabetes, smoking cessation, weight management, and heart disease interventions to identify the potential to offer such interventions as models for other hospitals to pursue. These initiatives may include, but are not limited to:

1. entering into a Memorandum of Understanding (MOU) with selected primary health care and other providers to co-manage chronically ill uninsured high-utilizers of emergency room services; and

2. participating in price and quality transparency efforts initiated by the department.

In designing these initiatives the department shall receive public input, and make the final determination of the initiative design. The department shall, no later than August 1, 2013, publish the manner in which participation in these initiatives will correspond with incentives. If at the end of the state fiscal year the department determines that this program is not

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generating cost savings or increasing health outcomes the department may retract this incentive in part or full.

(B) Disproportionate Share (DSH) Payment Accountability - Upon approval of CMS, in order to increase accountability for money reimbursed to hospitals under the DSH program and to improve outcomes for the uninsured, hospitals shall:

1. submit claims-level data for all individuals receiving uncompensated care; and
2. obtain a patient attestation to determine whether or not the individual receiving uncompensated care has access to affordable health insurance or does not have other means to pay for services.

(C) Rural Hospital DSH Payment - Upon approval of CMS, Medicaid-designated rural hospitals in South Carolina shall receive full coverage of uncompensated care as part of the State's Medicaid Disproportionate Share (DSH) program. Funds shall be allocated from the existing DSH program and shall not exceed \$20,000,000 total funds. Rural Hospitals are ineligible for this increased coverage should they not participate in reporting and quality guidelines published by the department and outlined in the Healthy Outcomes Initiative in the Fiscal Year 2013-14 Appropriations Act. These guidelines shall be published no later than August 1, 2013.

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 develop a methodology to reimburse safety net providers to provide primary care, behavioral health services, and pharmacy services for chronically ill individuals that do not have access to affordable insurance. Qualifying safety net providers are approved, licensed, and duly organized Federally Qualified Health Centers (FQHCs, entities receiving funding under Section 330 of the Public Health Services Act, and FQHC Look-A-Likes, including Genesis Healthcare and CareNet,) Rural Health Clinics (RHCs), Free Clinics, other clinics serving the uninsured, and Welvista.

The department shall allocate at least \$5,000,000 for baseline funding to FQHCs as defined in paragraph (D), at least \$2,000,000 for documented capital needs for FQHCs as defined in paragraph (D), at least \$2,000,000 for baseline funding for Free Clinics, and at least \$5,000,000 for innovative care strategies for qualifying safety net providers.

The department shall consult with the SC Primary Health Care Association to determine the entities with the most critical capital needs. From the aforementioned \$14,000,000, Welvista shall receive at least an additional \$600,000.

To be eligible for funds, qualifying providers shall be required to provide the department patient and service data to assist in the overall improvement of the state's health quality and when appropriate safety net providers must enter into a MOU with hospitals to co-manage chronically ill uninsured high-utilizers of emergency room services. Participants in this program shall submit evaluations of effectiveness annually to the department.

(E) Rural Provider Capacity - The department shall incentivize the development of rural physician coverage and capacity building through the following mechanisms:

1. the department shall leverage the Graduate Medical Education program and develop a methodology to improve accountability and increased outcomes for the State's GME and Supplemental Teaching Payments investment by January 1, 2014; and
2. the department shall develop a program to leverage the use of teaching hospitals to provide rural physician coverage, expand the use of Telemedicine, and ensure targeted placement and support of OB/GYN services in at least four (4) counties with a demonstrated lack of adequate OB/GYN resources by July 1, 2014.

(F) Community Residential Care Optional State Supplement - The department shall establish policies and procedures to include establishing a facility rate per eligible beneficiary

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at \$1,500 per month for recipients and providers who meet the requirements for the enhanced maximum OSS payment; establish eligibility criteria; and establish a methodology for increasing the personal needs allowance. The department will revise the net income limit to accommodate the change in the maximum OSS facility rate. A total of at least \$10,000,000 shall be made available for this rate increase. The facility rate shall increase a minimum of \$100 per month per eligible beneficiary. All current recipients shall remain eligible for the supplement during the fiscal year and nothing contained herein may conflict with or limit existing regulations.

In addition, the department will establish Quality of Care Standards and other requirements for facilities licensed as a Community Residential Care Facility and participating in the OSS program and Medicaid Waiver services.

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

- 33.37** **ADD** (Carry Forward Authorization) **SFC:** ADD new proviso to authorize the department to carry forward any general fund balance and spend the funds for the Medicaid program. Require the department report the balance carried forward to the Chairmen of the Senate Finance and House Ways and Means Committees.
SEN: ADOPT new proviso.

33.37. (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 30 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.

SECTION 34 - J04-DEPARTMENT OF HEALTH AND ENVIRONMENTAL CONTROL

- 34.14** **AMEND** (Medicaid Nursing Home Bed Days) **HOU2:** AMEND proviso . . .
Sponsors: Reps. White, Bingham, Herbkersman, Limehouse, Merrill, M.A. Pitts, Simrill, G.M. Smith, and J.R. Smith.

34.14. (DHEC: Medicaid Nursing Home Bed Days) Pursuant to Section 44-7-84(A) of the 1976 Code, the maximum number of Medicaid patient days for which the Department of Health and Environmental Control is authorized to issue Medicaid nursing home permits is 4,452,015. Facilities exceeding their Medicaid patient days permit by more than five percent shall be fined incrementally at the same rate established by the General Assembly for Fiscal Year 2012-13.

- 34.21** **AMEND** (Allocation of Indirect Cost and Recoveries) Authorizes the department to retain Other funds collected through the approved indirect cost rate to fund administrative costs.
SFC: AMEND proviso to change “shall” to “may” to allow the retention of funds for Administration to be permissive. Requested by Dept. of Health and Environmental Control.
SEN: ADOPT proviso as amended.

34.21. (DHEC: Allocation of Indirect Cost and Recoveries) The department shall continue to deposit in the general fund all indirect cost recoveries derived from state general funds participating in the calculation of the approved indirect cost rate. Further administration cost funded with other funds used in the indirect cost calculation ~~shall~~ may, based on their

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percentage, be retained by the agency to support the remaining administrative costs of the agency.

34.30 **AMEND** (Beach Renourishment and Monitoring and Coastal Access Improvement) Suspends beach renourishment activities for the current fiscal year. Directs the expenditure of beach renourishment funds.

HOU: AMEND proviso to delete the suspension of beach renourishment activities for the current fiscal year. Specify that \$1,000,000 of beach renourishment funds allocated or carried forward be spent to benefit an area of beach erosion that is attributed to a federally authorized navigation project. Direct that certified excess additional funds may be spent for beach renourishment and departmental activities that advance State Beachfront Management Plan R.30-21 policy goals. Sponsors: Reps. McCoy, Stavrinakis, and Harrell.

34.30. (DHEC: Beach Renourishment and Monitoring and Coastal Access Improvement) ~~Beach renourishment activities are suspended for the current fiscal year. Funds \$1,000,000 of funds~~ allocated or carried forward for beach renourishment may be spent ~~for coastal access improvement and shall be spent~~ in accordance with all required state and federal permits and certifications to benefit an area in which the erosion of the beaches located in state jurisdiction is attributed to a federally authorized navigation project as documented by the findings of a Section 111 Study conducted under the authority of the federal Rivers and Harbors Act of 1968, as amended by the federal Water Resources Development Act of 1986, and approved by the United States Army Corps of Engineers. If state funds are made available or carried forward from any general revenue, capital, surplus or bond funding appropriated to the department for beach renourishment and maintenance, the department shall be able to expend not more than \$100,000 of these funds annually to support annual beach profile monitoring ~~coast wide to enable the department to determine erosion rates and to identify priority areas needing renourishment and maintenance to mitigate erosion and storm damage potential.~~ Appropriations Additional funds made available or carried forward for beach renourishment projects that are certified by the department as excess may be spent for ~~coastal access improvement~~ beach renourishment and departmental activities that advance the policy goals contained in the State Beachfront Management Plan, R.30-21.

SFC: RESTORE original proviso.

SEN: AMEND proviso to delete the suspension of beach renourishment activities for the current fiscal year. Specify that \$500,000 of beach renourishment funds allocated or carried forward be spent to build outfalls for stormwater emanating from jurisdictions where maintaining near shore water quality is critical to tourism. Sponsors: Sens. Rankin, Hembree, and McGill.

34.30. (DHEC: Beach Renourishment and Monitoring and Coastal Access Improvement) ~~Beach renourishment activities are suspended for the current fiscal year. Funds~~ From the funds allocated to or carried forward for beach renourishment, \$500,000 may be spent ~~for coastal access improvement and shall be spent~~ in accordance with all required state and federal permits and certifications for the purpose of constructing outfalls for stormwater emanating from jurisdictions where maintenance of near shore water quality is critical to tourism. If state funds are made available from any general revenue, capital, surplus or bond funding appropriated to the department for beach renourishment and maintenance, the department shall be able to expend not more than \$100,000 of these funds annually to support annual beach profile monitoring coast wide to enable the department to determine erosion rates and to identify priority areas needing renourishment and maintenance to mitigate erosion and storm

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damage potential. Appropriations for beach renourishment projects that are certified by the department as excess may be spent for coastal access improvement.

- 34.44 AMEND NEW PROVISO** (Cancer Early Detection/Screenings) **WMC:** ADD new proviso to direct the department to use \$2,000,000 of their appropriated or authorized funds as follows: \$1,000,000 for the Best Chance Network and \$1,000,000 for Colorectal Cancer Awareness/Prevention.
HOU: ADOPT new proviso.
HOU2: AMEND new proviso to change “Colorectal Cancer Awareness/Prevention” reference to “Colon Cancer Prevention Network.” Sponsors: Reps. White, Bingham, Herbkersman, Limehouse, Merrill, M.A. Pitts, Simrill, G.M. Smith, and J.R. Smith.

34.44. (DHEC: Cancer Early Detection/Screenings) Of the funds appropriated and/or authorized to the Department of Health and Environmental Control, \$1,000,000 shall be used for the Best Chance Network and \$1,000,000 shall be used for the Colon Cancer Prevention Network.

SFC: AMEND new proviso to exclude department Restricted fund accounts from the funds to be used; change Best Chance Network allocation from “\$1,000,000” to “\$1,500,000;” and change the allocation for Colorectal Cancer Awareness Prevention from “\$1,000,000” to “\$500,000” and direct that it be used as matching funds for the Colon Cancer Prevention Network.

SEN: ADOPT new proviso as amended.

34.44. (DHEC: Cancer Early Detection/Screenings) Of the funds appropriated and/or authorized to the Department of Health and Environmental Control, excluding department Restricted fund accounts, \$1,500,000 shall be used for the Best Chance Network and \$500,000 shall be used as matching funds for the Colon Cancer Prevention Network.

- 34.46 DELETE NEW PROVISO** (Solid Waste Management Trust Fund Flexibility) **HOU:** ADD new proviso to allow Solid Waste Management Trust Fund monies to be used for electronic waste processing grants to local governments. Sponsor: Rep. Hiott.
SFC: ADOPT new proviso.

34.46. (DHEC: Solid Waste Management Trust Fund Flexibility) For the current fiscal year, any funds from the Solid Waste Management Trust Fund may be used for the purpose of grants to local governments for electronics waste processing.

SEN: DELETE new proviso. *Ruled Out of Order.*

34.46. (DHEC: Solid Waste Management Trust Fund Flexibility) DELETED

- 34.47 ADD** (Residential Treatment Facilities Swing Beds) **SFC:** ADD new proviso to allow Residential Treatment Facilities to swing/convert up to 10 beds to acute psychiatric beds. Include stipulation the conversion would have to comply with federal CMS rules and regulations.
SEN: ADOPT new proviso.

34.47. (DHEC: Residential Treatment Facilities Swing Beds) For Fiscal Year 2013-14 in coordination with the South Carolina Health Plan and to improve access for acute psychiatric

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beds as patient populations demand, Residential Treatment Facilities (RTF) may swing up to 10 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** **ADD** (Surface Water Withdrawal Permit) **SFC:** ADD new proviso to allow any existing surface water withdrawer as defined in Section 49-4-20(9) to file a permit application, pay the \$1,000 application fee, and receive an existing surface water withdrawer permit as long as the application is submitted before July 15, 2013.
SEN: ADOPT new proviso.

34.48. (DHEC: Surface Water Withdrawal Permit) For purposes of compliance with the requirements of R.61-119, any existing surface water withdrawer, as defined in Section 49-4-20(9) of the 1976 Code, as amended, shall be allowed to file a permit application, pay the \$1,000 application fee and receive a permit as an existing surface water withdrawer, as long as the application is submitted prior to July 15, 2013.

- 34.49** **ADD** (Onsite Wastewater Disposal System) **SEN:** ADD new proviso to allow an individual to submit an application for a non-engineered onsite wastewater disposal system pursuant to R-61-55 [SEPTIC TANK SITE EVALUATION FEES] and 61-56 [ONSITE WASTEWATER SYSTEMS] if they have completed a minimum of 6 weeks training in a combination of classroom and field experience in specific areas. Sponsors: Sens. Alexander and L. Martin.

34.49. (DHEC: Onsite Wastewater Disposal System) In the current fiscal year, an individual who has completed a minimum of six weeks training in a combination of classroom and field experience, as determined by the department, in soil morphology, soil classification, soil texture, and determining seasonal high water table, may submit an application for a non-engineered onsite wastewater disposal system pursuant to R-61-55 and 61-56.

- 34.50** **ADD** (Solid Waste Management Facilities) **SEN:** ADD new proviso to require the department charge an annual fee for each solid waste management facility operating in this State that accepts out-of-state waste. Provide a fee calculation methodology. Direct that the fee be remitted to the department to be used for environmental mitigation programs and to compensate local residents for damages related to solid waste management facility operations. Authorize unexpended funds to be carried forward. Sponsor: Sen. Malloy.

34.50. (DHEC: Solid Waste Management Facilities) The department shall charge an annual fee for each solid waste management facility operating in this State that accepts waste generated from out-of-state. The fee shall be calculated by (1) determining the percentage of waste collected from out-of-state sources annually as compared to the total amount of waste collected by the facility annually; and (2) multiplying the percentage by the total county or municipal operating property tax charged to the facility for the applicable year. If the facility is operated by a county or municipality and the facility accepts out-of-state waste, the percentage of out-of-state waste must be multiplied by the applicable amount of the property tax that the facility would be charged annually if the facility's property were not exempt from property tax. The fee shall be remitted to the department for environmental mitigation

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programs and to compensate local residents for damages related to the operation of solid waste management facilities. The department may carry forward any unexpended funds.

- 34.51** **ADD** (Sand-scraping and Sandbagging) **HOU2:** ADD new proviso . . .
Sponsors: Reps. White, Bingham, Herbkersman, Limehouse, Merrill, M.A. Pitts, Simrill, G.M. Smith, and J.R. Smith. Note: Proviso 34.47 in HOU2 version.

34.51. (DHEC: Sand-scraping and Sandbagging) Sand-scraping and sandbagging is allowed as protection for golf courses, if permitted by the department, until December 31, 2013, at which time sand-scraping and sandbagging will no longer be allowed for the protection of golf courses.

- 34.52** **ADD** (Tuberculosis Outbreak) **HOU2:** ADD new proviso . . .
Sponsors: Reps. White, Bingham, Herbkersman, Limehouse, Merrill, M.A. Pitts, Simrill, G.M. Smith, and J.R. Smith. Note: Proviso 34.48 in HOU2 version.

34.52. (DHEC: Tuberculosis Outbreak) Upon discovery of a tuberculosis outbreak, the Department of Health and Environmental Control may expend any funds available to the agency, for the purpose of surveillance, investigation, containment, and treatment activities related thereto.

SECTION 35 - J12-DEPARTMENT OF MENTAL HEALTH

- 35.15** **ADD** (Psychiatric Day Program) **WMC:** ADD new proviso to direct the department to use \$250,000 to support general operating expenses for Gateway House that are associated with providing a psychiatric day program for persons with serious mental illness.
HOU: ADOPT new proviso.
HOU2: AMEND new proviso . . .
Sponsors: Reps. White, Bingham, Herbkersman, Limehouse, Merrill, M.A. Pitts, Simrill, G.M. Smith, and J.R. Smith.

35.15. (DMH: Psychiatric Day Program) Of the funds appropriated to the department, \$250,000 shall be utilized for Gateway House for general operating expenses associated with a psychiatric day program for males and females with serious mental illness and \$200,000 shall be utilized for CASA Family Systems for general operating expenses associated with the provision of mental health and related services to child and adult victims of sexual and family violence.

SFC: ADOPT new proviso.
SEN: ADOPT new proviso.

35.15. (DMH: Psychiatric Day Program) Of the funds appropriated to the department, \$250,000 shall be utilized for Gateway House for general operating expenses associated with a psychiatric day program for males and females with serious mental illness.

- 35.16** **ADD** (State Veterans Domiciliary Facility) **HOU2:** ADD new proviso . . .
Sponsors: Reps. White, Bingham, Herbkersman, Limehouse, Merrill, M.A. Pitts, Simrill, G.M. Smith, and J.R. Smith.

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35.16. (DMH: State Veterans Domiciliary Facility) The Department of Mental Health shall prepare a report evaluating the feasibility and desirability of the State furnishing domiciliary care to eligible veterans in State Veterans' Homes. Domiciliary care is the provision of shelter, sustenance, and incidental medical care on an ambulatory self-care basis to assist eligible veterans, disabled by age or illness to attain physical, mental, and social well-being through rehabilitative programs. This report must consider and discuss the feasibility of locating a facility in proximity to current State Veterans Nursing Homes, including but not limited to available space at the agency's C.M. Tucker Nursing Care Center in Columbia. The report must also consider and discuss opportunities for the private sector's role in operating such facilities. This report shall be provided to the Chairman of the Senate Finance Committee, the Chairman of the Senate Medical Affairs Committee, the Chairman of the House Ways and Means Committee, and the Chairman of the Medical, Military, Public, and Municipal Affairs Committee by January 10, 2014.

SECTION 38 - L04-DEPARTMENT OF SOCIAL SERVICES

38.20 AMEND FURTHER (Abstinence Until Marriage Teen Pregnancy Prevention Funding) Requires the department to award two contracts to 501(c)(3) entities to provide teen pregnancy prevention programs and services and provides guidelines for the awarding of the contracts.

WMC: AMEND proviso to delete reference to awarding to two 501(c)(3) entities and instead direct that one half of the funds allocated for Continuation of Teen Pregnancy Prevention be awarded to entities to provide Abstinence Until Marriage programs and services with the other half to be awarded according to proviso 38.25. Direct that a 5 member committee oversee the contract award process with the committee's first meeting on or before August 1, 2013. Delete the requirement that when implemented in a school setting, entities may not violate any portion of the S.C. Comprehensive Health Education Act or they must reimburse the state for all funds disbursed and instead direct that the entities must be compliant with the Act. *See proviso 38.25 for contracts awarded to non-profit 501(c)(3) entities which provide an abstinence first, age appropriate comprehensive approach to health and sexuality education programs.*

HOU: ADOPT proviso as amended.

38.20. (DSS: Abstinence Until Marriage Teen Pregnancy Prevention Funding) ~~(A)~~ From the monies appropriated for the Continuation of Teen Pregnancy Prevention, ~~the department must award two~~ contracts must be awarded to separate private, ~~non-profit 501(c)(3)~~ entities to provide Abstinence Until Marriage teen pregnancy prevention programs and services within the State.

~~(B) Contracts must be awarded utilizing a competitive approach in accordance with the South Carolina Procurement Code.~~

~~(C)~~ The monies appropriated ~~must be divided equally between the contracts and~~ will be half the amount allocated for the Continuation of Teen Pregnancy Prevention with the other half appropriated under proviso 38.25 (Comprehensive Teen Pregnancy Prevention Funding). Monies will be paid over a twelve month basis for services rendered. Unexpended funds shall be carried forward for the purpose of fulfilling the department's contractual agreement.

~~(D)~~ Entities that have a proven and public history of having effectively implemented abstinence programs ~~in this State~~ may be given a preference during the contract evaluation and awarding process. ~~For the purposes of this proviso, a program is "effectively implemented" if the program has published positive behavioral outcomes by an independent and nationally recognized private or government agency demonstrating that a year after the program, program~~

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participants initiated sex at a rate of at least thirty percent lower than comparable non-program students.

~~(E)(1) One contract must be awarded to an entity that utilizes an abstinence first, age appropriate comprehensive approach to health and sexuality education with a goal of preventing adolescent pregnancy throughout South Carolina.~~

~~(2)(a) One contract must be awarded to an entity that uses a National Abstinence Clearinghouse (NAC) approved curricula for a minimum of one year prior to their application. NAC is the agency the federal Department of Health and Human Services has chosen to provide a comprehensive, national list of approved abstinence only education curricula that is Abstinence until marriage contracts must be awarded to programs that are consistent with the A through H legislative requirements defined in Title V, Section 510(b)(2) and are evidence-based and medically accurate. Any entity that is awarded one of the above contracts must agree to provide data to verify the program effectiveness. A five-member committee shall oversee the contract award process. The committee's first meeting shall be on or before August 1, 2013. The committee shall be composed as follows: the President Pro Tempore of the Senate shall appoint two members, the Speaker of the House of Representatives shall appoint two members, and the Governor shall appoint one member.~~

~~(b) The contract awarded pursuant to this item must be awarded to entities that utilize a program or evaluation process approved by, and under the supervision of, a federally approved Institutional Review Board (IRB) and have been evaluated and approved for medical accuracy by the United States Health and Human Services' Office of Adolescent Health or the Office of Adolescent Pregnancy Prevention. Contracts may also be awarded to entities that do not meet these requirements on the date of the award but the entity must meet the requirements by the end of the fiscal year or the entity must forfeit the final quarterly payment.~~

~~(c) Prior to receiving funding the entities awarded the contracts pursuant to this item must verify that the program they implement meets the Cooperative Agreement with the Centers for Disease Control Division of Adolescent School Health (CDC DASH) approved SMARTool (Systematic Method for Assessing Risk avoidance Tool) minimum standard for abstinence curriculum evaluation or the Cooperate Agreement with the Centers for Disease Control Division of Reproductive Health Tool to Assess the Characteristics of Effective Sex and STD/HIV Education Programs.~~

~~(F) The programs Programs implemented by the entities awarded contracts pursuant to this proviso may not violate any portion of must be compliant with the South Carolina Comprehensive Health Education Act when implemented in a school setting. An entity that violates any portion of the South Carolina Comprehensive Health Education Act must reimburse the State for all funds disbursed.~~

SFC: ADOPT proviso as amended.

SEN: AMEND FURTHER to restore the original proviso and amend subsection (C) to direct that the "total amount of" monies be divided equally between contracts "awarded pursuant to subsection (E)(1) and (E)(2). Amend subsection (E)(1) to direct that "at least one" contract be awarded to an entity that uses an abstinence first, age appropriate comprehensive approach. Amend subsection (E)(2) to direct that "at least one" contract be awarded to an entity that uses a NAC approved curricula. Maintain deletion of verification that the program meets the Cooperative Agreement with the CDC DASH approved SMARTool. Sponsors: Sens. Grooms and Hutto

38.20. (DSS: Teen Pregnancy Prevention) (A) From the monies appropriated for the Continuation of Teen Pregnancy Prevention, the department must award ~~two~~ contracts to

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separate private, non-profit 501(c)(3) entities to provide teen pregnancy prevention programs and services within the State.

(B) Contracts must be awarded utilizing a competitive approach in accordance with the South Carolina Procurement Code.

(C) The total amount of monies appropriated must be divided equally between ~~the~~ contracts ~~and awarded pursuant to subsection (E)(1) and contracts awarded pursuant to subsection (E)(2).~~ Monies will be paid over a twelve month basis for services rendered. Unexpended funds shall be carried forward for the purpose of fulfilling the department's contractual agreement.

(D) Entities that have a proven and public history of having effectively implemented abstinence programs in this State may be given a preference during the contract evaluation and awarding process. For the purposes of this proviso, a program is "effectively implemented" if the program has published positive behavioral outcomes by an independent and nationally recognized private or government agency demonstrating that a year after the program, program participants initiated sex at a rate of at least thirty percent lower than comparable non-program students.

(E)(1)—At least one ~~One~~ contract must be awarded to an entity that utilizes an abstinence first, age appropriate comprehensive approach to health and sexuality education with a goal of preventing adolescent pregnancy throughout South Carolina.

(2)(a) At least one ~~One~~ contract must be awarded to an entity that uses a National Abstinence Clearinghouse (NAC) approved curricula for a minimum of one year prior to their application. ~~NAC is the agency the federal Department of Health and Human Services has chosen to provide a comprehensive, national list of approved abstinence only education curricula that is~~ The curricula must be consistent with the A through H legislative requirements defined in Title V, Section 510(b)(2). Any entity that is awarded one of the above contracts must agree to provide data to verify the program effectiveness.

(b) The contract awarded pursuant to this item must be awarded to entities that utilize a program or evaluation process approved by, and under the supervision of, a federally approved Institutional Review Board (IRB) and have been evaluated and approved for medical accuracy by the United States Health and Human Services' Office of Adolescent Health or the Office of Adolescent Pregnancy Prevention. Contracts may also be awarded to entities that do not meet these requirements on the date of the award but the entity must meet the requirements by the end of the fiscal year or the entity must forfeit the final quarterly payment.

~~(c) Prior to receiving funding the entities awarded the contracts pursuant to this item must verify that the program they implement meets the Cooperative Agreement with the Centers for Disease Control Division of Adolescent School Health (CDC DASH) approved SMARTool (Systematic Method for Assessing Risk avoidance Tool) minimum standard for abstinence curriculum evaluation or the Cooperate Agreement with the Centers for Disease Control Division of Reproductive Health Tool to Assess the Characteristics of Effective Sex and STD/HIV Education Programs.~~

(F) The programs implemented by the entities awarded contracts pursuant to this proviso may not violate any portion of the South Carolina Comprehensive Health Education Act when implemented in a school setting. An entity that violates any portion of the South Carolina Comprehensive Health Education Act must reimburse the State for all funds disbursed.

38.25 DELETE NEW PROVISO (Comprehensive Teen Pregnancy Prevention Funding) **WMC:** ADD new proviso to require the department to award half of the funds allocated for Continuation of Teen Pregnancy Prevention to a non-profit 501(c)(3) entity to provide an abstinence first, age appropriate comprehensive approach to health and sexuality education. Require the Procurement Code be followed for awarding contracts. Authorize unexpended

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funds to be carried forward. Prohibit programs that entities implement in a school setting from violating any portion of the S.C. Comprehensive Health Education Act. Require them to reimburse the state for all funds disbursed if they violate the Act. *See proviso 38.20 for contracts awarded to entities that promote Abstinence Until Marriage programs.*

HOU: ADOPT new proviso.

38.25. (DSS: Comprehensive Teen Pregnancy Prevention Funding) (A) From the monies appropriated for the Continuation of Teen Pregnancy Prevention, the department must award half of the dollars allocated to a non-profit 501(c)(3) entity to provide abstinence first, age appropriate comprehensive approach to health and sexuality education with a goal of preventing adolescent pregnancy throughout South Carolina.

(B) Contracts must be awarded utilizing a competitive approach in accordance with the South Carolina Procurement Code.

(C) The monies appropriated must be paid over a twelve month basis for services rendered. Unexpended funds shall be carried forward for the purpose of fulfilling the department's contractual agreement.

(D) The programs implemented by the entity awarded a contract pursuant to this proviso may not violate any portion of the South Carolina Comprehensive Health Education Act when implemented in a school setting. An entity that violates any portion of the South Carolina Comprehensive Health Education Act must reimburse the State for all funds disbursed.

SFC: ADOPT new proviso.

SEN: DELETE new proviso. Sponsor: Sen. Grooms.

38.25. (DSS: Comprehensive Teen Pregnancy Prevention Funding) DELETED

38.26 **ADD** (SNAP Coupons) **SFC:** ADD new proviso to establish a program to provide coupons to allow SNAP recipients to purchase additional fresh fruits and vegetables.
SEN: ADOPT new proviso.

38.26. (DSS: SNAP Coupons) The Department of Social Services shall establish a program to provide coupons that will allow Supplemental Nutrition Assistance Program (SNAP) recipients to obtain additional fresh fruits and vegetables when purchasing fresh produce at grocery stores or farmers markets with SNAP benefits through their EBT cards. Each coupon shall allow the beneficiary to double the amount of produce purchased, up to five dollars. The agency shall utilize all funds received in the prior and current fiscal years from the U.S. Department of Agriculture as a bonus for reducing the error rate in processing SNAP applications to fund the program.

38.27 **ADD** (ABC 4 Year Old) **HOU2:** ADD new proviso . . .
Sponsors: Reps. White, Bingham, Herbkersman, Limehouse, Merrill, M.A. Pitts, Simrill, G.M. Smith, and J.R. Smith. Note: Proviso 38.26 in HOU2 version.

38.27. (DSS: ABC 4 Year Old) For Fiscal Year 2013-14, additional funds appropriated for Case Services in Program II.M. of Section 38, are designated for the ABC Child Care Voucher program and must only be used for four year old child care provided at licensed Level A plus, A or B plus centers and only available to children in school districts with a poverty index of seventy-five percent or greater. By October 1, 2013, the department shall develop additional educational curriculum standards that these centers must meet in order to retain their Level A plus, A, or B plus designation. These educational standards must conform to that

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of the current Child Development Education Pilot Project. In developing these standards the department must work with the Department of Education and the Office of First Steps. The department must report to the Chairman of the Senate Finance Committee and the Chairman of the House Ways and Means Committee no later than February 1, 2014 how many additional children have been served.

SECTION 44 - P16-DEPARTMENT OF AGRICULTURE

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

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

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

SEN: ADOPT new proviso as amended.

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

- 44.12 ADD** (Farmers Market Purchase) **HOU2:** ADD new proviso . . .
Sponsors: Reps. White, Bingham, Herbkersman, Limehouse, Merrill, M.A. Pitts, Simrill, G.M. Smith, and J.R. Smith.

44.12. (AGRI: Farmers Market Purchase) The Department of Agriculture, while negotiating the purchase of any property located at the State Farmers Market in Lexington County, shall work with the Attorney General's office to ensure that no new acquisition of property will restrict the department from facilitating the sale of market-related products on any property owned by the department. The department shall forward to the Chairman of the Senate Finance Committee and the Chairman of the House Ways and Means Committee copies of any recorded changes to the original farmers market development agreement or the declaration of covenants, conditions and restrictions for the wholesalers section. Any contract for the acquisition of property at the State Farmers Market is subject to approval of the Joint Bond Review Committee and the Budget and Control Board.

SECTION 45 - P20-CLEMSON UNIVERSITY - PSA

- 45.6 DELETE** (Fertilizer Inspection Fee) Authorizes Clemson PSA to charge a \$1.50 per ton inspection fee on commercial fertilizer sold or distributed in the state and authorizes the funds to be retained, expended, and carried forward to maintain Clemson PSA's programs.
SEN: DELETE proviso. *Ruled Out of Order.*

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~~45.6. (CU-PSA: Fertilizer Inspection Fee) For the current fiscal year Clemson Public Service Activities is authorized to charge an inspection fee of \$1.50 per ton of commercial fertilizer sold or distributed in this state. Clemson University PSA may retain, expend, and carry forward these funds to maintain its programs.~~

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

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

SFC: DELETE new proviso.
SEN: ADOPT deletion of proviso.

45.11. (CU-PSA: Broadcasting Wheat) DELETED

SECTION 47 - P24-DEPARTMENT OF NATURAL RESOURCES

- 47.9 ADD** (Quail Conservation Study) **HOU2:** ADD new proviso . . .
Sponsors: Reps. White, Bingham, Herbkersman, Limehouse, Merrill, M.A. Pitts, Simrill, G.M. Smith, and J.R. Smith.

47.9. (DNR: Quail Conservation Study) From the funds appropriated to or authorized for the Department of Natural Resources, up to, but not exceeding, \$185,000 shall be utilized to begin a study of game animal movements on lands participating in the supplemental quail feeding program to determine if the feeding program impacts Turkey populations and their behavior. The study must address the impact, if any, supplemental feeding has on the hunting of eastern wild turkey. The department shall contract with Tall Timbers Research Station and Land Conservancy to conduct the study. The contract shall require Tall Timbers to consider input and recommendations of conservation organizations dedicated to enhancing managements practices, habitat and populations of wild bobwhite quail and eastern wild turkey. The study shall include, but not be limited to, research on turkey populations to determine if supplemental feeding of quail influences turkey's movements and the probability of a turkey being harvested.

Preliminary results of the study shall be reported no later than June 1, 2014, to the Speaker of the House, the Chairman of the House Ways and Means Committee, the President Pro Tempore of the Senate, the Chairman of Senate Finance Committee, the Chairman of the Senate Fish, Game and Forestry Committee, the Chairman of the Senate Agriculture and Natural Resources Committee and the Chairman of the House Agriculture, Natural Resources and Environmental Affairs Committee.

Individuals may petition Tall Timbers and offer their land for study. In addition, should it be decided to use public lands for a portion of the study, the Department of Natural Resources shall make available property that suits the study parameters. Lands involved in this study shall not be subject to game baiting laws for the duration of the study.

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

- 49.1** **AMEND** (Tourism and Promotion) Provides for the distribution of Regional Promotions funds to the 11 Regional Tourism groups.
SFC: AMEND proviso to change the amount distributed to the Georgetown Chamber of Commerce from “\$105,000” to “\$115,000” and direct that \$20,000 be distributed to the City of Georgetown.
SEN: ADOPT proviso as amended.

49.1. (PRT: Tourism and Promotion) The funds appropriated in this Act for Regional Promotions shall be distributed equally to the eleven Regional Tourism groups, except that the Grandstrand Tourism Region’s funds shall be divided, with \$50,000 distributed to the Myrtle Beach Chamber of Commerce, ~~\$105,000~~ \$115,000 distributed to the Georgetown Chamber of Commerce, \$20,000 distributed to the City of Georgetown, and \$20,000 distributed to the Williamsburg Chamber of Commerce for tourism related activities. The Myrtle Beach Chamber of Commerce and the Georgetown Chamber of Commerce shall submit a report to the Senate Finance Committee and the House Ways and Means Committee by December first each year describing how these funds were expended in the prior fiscal year.

- 49.4** **REINSERT** (Regional Tourism) Prohibits the department from reducing the amount funded to the 11 Regional Tourism groups in the event the department receives a general fund budget reduction.
WMC: DELETE proviso.
HOU: ADOPT deletion of proviso.

49.4. (PRT: Regional Tourism) ~~In the event the department receives a general fund reduction in the current fiscal year, the department is prohibited from reducing the amount funded to the eleven Regional Tourism groups.~~

SFC: REINSERT original proviso.
SEN: ADOPT original proviso.

49.4. (PRT: Regional Tourism) In the event the department receives a general fund reduction in the current fiscal year, the department is prohibited from reducing the amount funded to the eleven Regional Tourism groups.

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

49.13. (PRT: Additional Motion Picture Bonus-Rebate) In addition to the fifteen percent rebate authorized pursuant to Section 12-62-50 of the 1976 Code, the South Carolina Film Commission may provide an additional bonus-rebate to a motion picture production company of up to five percent of the total aggregate South Carolina payroll for persons subject to South

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Carolina income tax withholdings and ten percent for South Carolina residents employed in connection with the production. In addition to the fifteen percent rebate authorized pursuant to Section 12-62-60, the South Carolina Film Commission may provide an additional bonus-rebate to a motion picture production company of up to fifteen percent of the expenditures made by a motion picture production company in the State.

SFC: DELETE new proviso. *Violates Rule 24.*

SEN: ADOPT deletion of proviso.

49.13. (PRT: Additional Motion Picture Bonus-Rebate) DELETED

SECTION 50 - P32-DEPARTMENT OF COMMERCE

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

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

HOU: ADOPT proviso as amended.

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

SFC: AMEND FURTHER to reinsert reference to \$500,000 for I-74 and amend to authorize those funds to also be used for Georgetown Evacuation Route.

SEN: ADOPT proviso as amended.

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

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

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

HOU: ADOPT deletion of proviso.

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

SFC: REINSERT original proviso.

SEN: ADOPT original proviso.

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

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

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

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

HOU2: AMEND FURTHER. . .

Sponsors: Reps. White, Bingham, Herbkersman, Limehouse, Merrill, M.A. Pitts, Simrill, G.M. Smith, and J.R. Smith.

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

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

Of the \$5,000,000 appropriated for this purpose, ~~\$4,475,000~~ \$4,350,000 must be disbursed ~~equally to each organization~~ as follows:

- (1) Upstate Alliance, \$750,000;
- (2) Central SC Economic Development Alliance, \$750,000;
- (3) North Eastern Strategic Alliance (NESAs), \$650,000;
- (4) Charleston Regional Development Alliance, \$650,000;
- (5) I-77 Alliance, \$575,000;
- (6) Economic Development Partnership, \$500,000; and
- (7) Southern Carolina Alliance, \$475,000.

Each dollar of state funds must be matched with one dollar of private funds. The organization receiving state funds must certify that the private funds are new dollars

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specifically designated for the purpose of matching state funds and have not been previously allocated or designated for economic development.

The remaining ~~\$525,000~~ \$650,000 shall be provided to ~~Chester County, Lancaster County, Saluda County, Lee County, Sumter County, Beaufort County, and York County~~ counties as follows, provided they meet the requirements established above:

- (1) Beaufort County, \$250,000;
- (2) Sumter County, \$250,000;
- (3) Lancaster County, \$75,000; and
- (4) Saluda County, \$75,000.

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

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

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

SFC: AMEND FURTHER to provide the specified funding to the following organizations: \$730,000 to the Upstate Alliance; \$730,000 to the Central SC Economic Development Alliance; \$730,000 to the North Eastern Strategic Alliance (NESA); \$730,000 to the Charleston Regional Development Alliance; \$730,000 to the Southern Carolina Alliance; \$500,000 to the I-77 Alliance; and \$475,000 to the Economic Development Partnership. Direct that the remaining \$375,000 be provided as follows: \$150,000 to Beaufort County; \$150,000 to Sumter County; and \$75,000 to Saluda County if they meet the established requirements.

SEN: AMEND FURTHER to change the amount to be used for this purpose from “\$5,000,000” to “\$5,100,000.” Change the amount of funds remaining after the identified 7 economic development organizations are funded from “\$375,000” to “\$475,000” and add Lancaster County \$100,000 to those funded from that remaining amount. Sponsor: Sen. Gregory.

50.17. (CMRC: Regional Economic Development Organizations) The Department of Commerce shall utilize the ~~\$5,000,000~~ \$5,100,000 appropriated in Fiscal Year ~~2012-13~~ 2013-14 for Regional Economic Development Organizations to provide funds to the following ~~six~~ economic development organizations:

- ~~(1) Central SC Economic Development Alliance;~~
- ~~(2) Charleston Regional Development Alliance;~~
- ~~(3) Economic Development Partnership;~~
- ~~(4) North Eastern Strategic Alliance (NESA);~~
- ~~(5) Southern Carolina Alliance; and~~
- ~~(6) Upstate Alliance.~~
- (1) Upstate Alliance, \$730,000;
- (2) Central SC Economic Development Alliance, \$730,000;
- (3) North Eastern Strategic Alliance (NESA), \$730,000;
- (4) Charleston Regional Development Alliance, \$730,000;
- (5) Southern Carolina Alliance, \$730,000;
- (6) I-77 Alliance, \$500,000; and
- (7) Economic Development Partnership, \$475,000.

~~Of the \$5,000,000 appropriated for this purpose, \$4,475,000 must be disbursed equally to each organization.~~ Each dollar of state funds must be matched with one dollar of private funds.

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

The remaining ~~\$525,000~~ \$475,000 shall be provided *as follows*: ~~to Chester County, Lancaster County, Saluda County, Lee County, Sumter County, Beaufort County, and York County~~ Beaufort County, \$150,000; Sumter County, \$150,000; Lancaster County, \$100,000; and Saluda County, \$75,000; provided they meet the requirements established above.

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

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

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

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

HOU: ADOPT new proviso.

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

SFC: AMEND new proviso to change “\$300,000” to “\$650,000.”

SEN: ADOPT new proviso as amended.

50.22. (CMRC: Council on Competitiveness) The Department of Commerce shall utilize \$650,000 appropriated in Fiscal Year 2013-14 for the South Carolina Council on Competitiveness to provide funds for existing business economic development activities. Each dollar of state funds disbursed must be matched equally with private funds and prior to the disbursement of funds, the Council on Competitiveness must certify that the private funds are new dollars specifically designated for the purpose of matching state funds and have not been previously allocated or designated for economic development. The Council on Competitiveness shall provide a report on the expenditure of the funds and on the outcome measures by January 1, 2014, to the Chairman of the Senate Finance Committee and the Chairman of the House Ways and Means Committee and the Secretary of Commerce.

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SECTION 57 - B04-JUDICIAL DEPARTMENT

57.17 DELETE NEW PROVISO (Cell-Phone Use in Court) **HOU:** ADD new proviso to direct the Judicial Department to produce an Administrative Order regarding possessing cell phones in court room while the court is in session. Direct that the findings may not prohibit practicing counsel from possessing and using a cell phone while in court if usage is not disruptive to court proceedings. Sponsor: Rep. Rutherford.

57.17. (JUD: Cell Phone Use in Court) The Judicial Department shall use existing funds to produce an Administrative Order regarding the possession of cell phones in court rooms while court is being held. The findings may not prohibit practicing counsel from possession and use of a cell phone while in court providing possession and use is not disruptive.

SFC: DELETE new proviso.

SEN: ADOPT deletion of new proviso.

57.17. (JUD: Cell Phone Use in Court) DELETED

SECTION 60 - E21-PROSECUTION COORDINATION COMMISSION

60.3 AMEND FURTHER (Judicial Circuits State Support) Requires Judicial Circuits (16) State Support funds to be apportioned among the circuits on a per capita basis based on the current official census.

WMC: AMEND proviso to direct that the first \$4,692,961 be distributed on a per capita basis while the next \$720,000 be distributed on a pro-rata basis. *Distribution of additional funds requested on a pro-rata basis would benefit circuits that receive less money under the per-capita distribution because of smaller population.* Fiscal Impact: Additional \$720,000 state funds recommended. Requested by Prosecution Coordination Commission.

HOU: ADOPT proviso as amended.

60.3. (PCC: Judicial Circuits State Support) The amount appropriated and authorized in this section for Judicial Circuits (16) State Support shall be apportioned among the circuits. *The first \$4,692,961 shall be distributed* on a per capita basis based upon the current official census. *The next \$720,000 shall be distributed on a pro-rata basis.* Payment shall be made as soon after the beginning of each quarter as practical.

SFC: AMEND FURTHER to change "\$720,000" to "\$1,179,041."

SEN: ADOPT proviso as amended further.

60.3. (PCC: Judicial Circuits State Support) The amount appropriated and authorized in this section for Judicial Circuits (16) State Support shall be apportioned among the circuits. *The first \$4,692,961 shall be distributed* on a per capita basis based upon the current official census. *The next \$1,179,041 shall be distributed on a pro-rata basis.* Payment shall be made as soon after the beginning of each quarter as practical.

SECTION 61 - E23-COMMISSION ON INDIGENT DEFENSE

61.11 ADD (Donation Carry Forward) **SFC:** ADD new proviso to allow the Commission on Indigent Defense to accept donations for the publication of "The South Carolina Juvenile

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Collateral Consequences Checklist" and retain, carry forward and expend revenue derived from donations received. Fiscal Impact: No impact on the General Fund.

SEN: ADOPT new proviso.

61.11. (INDEF: Donation Carry Forward) The Commission on Indigent Defense may accept donations for the publication of "The South Carolina Juvenile Collateral Consequences Checklist." All revenue derived from donations received at the Commission on Indigent Defense shall be retained, carried forward and expended according to agreement reached between the donor, or donors, and the Commission on Indigent Defense.

SECTION 62 - D10-STATE LAW ENFORCEMENT DIVISION

62.18 RESTORE ORIGINAL PROVISO (Criminal Record Search Fees) Authorizes SLED to charge and collect an \$8 fee from local governmental entities to perform a criminal record search for local park and recreation volunteers. Prohibits any organization that is charged the reduced fee from charging the individual on whom the search is conducted more than the \$8 or from charging them any additional fee not required by SLED. Requires that these criminal record searches must be for someone who is performing in an official capacity for the organization and prohibits the record searches from being resold.

WMC: AMEND proviso to also apply the \$8 fee for local park and recreation volunteers through PRT. Fiscal Impact: BEA states that prior to this provision PRT was charged \$25 for each criminal record search. Based on 289 searches conducted in FY 11-12 SLED received \$7,225 from PRT in FY 11-12. Assuming a similar number of searches would be conducted in FY 13-14, revenue generated for SLED would be reduced \$4,913.

HOU: ADOPT proviso as amended.

62.18. (SLED: Criminal Record Search Fees) The State Law Enforcement Division is authorized to charge and collect a fee of eight dollars for a criminal record search for local park and recreation volunteers through a commission, municipality, ~~or~~ county, or the South Carolina Department of Parks, Recreation, and Tourism. Any organization that is authorized to receive the reduced fee must not charge the volunteer, mentor, member, or employee more than the eight dollars or any additional fee that is not required by the State Law Enforcement Division. All criminal record searches conducted under this provision must be for a volunteer, mentor, member or employee performing in an official capacity of the organization and must not be resold.

SFC: RESTORE original proviso.

SEN: ADOPT original proviso.

62.18. (SLED: Criminal Record Search Fees) The State Law Enforcement Division is authorized to charge and collect a fee of eight dollars for a criminal record search for local park and recreation volunteers through a commission, municipality, or county. Any organization that is authorized to receive the reduced fee must not charge the volunteer, mentor, member, or employee more than the eight dollars or any additional fee that is not required by the State Law Enforcement Division. All criminal record searches conducted under this provision must be for a volunteer, mentor, member or employee performing in an official capacity of the organization and must not be resold.

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62.21 DELETE NEW PROVISO (\$25 Criminal Record Search Fee) **WMC:** ADD new proviso to authorize SLED to charge and collect a \$25 fee to conduct a criminal record search pursuant to Chapter 73 [SOUTH CAROLINA LAW ENFORCEMENT DIVISION] Article 3 [CRIMINAL INFORMATION & COMMUNICATION] Subarticle 1 [COMPUTERIZED CRIMINAL HISTORY]. Require the first \$4,000,000 collected be deposited into the General Fund and allow SLED to collect, retain, expend, and carry forward any funds collected above that amount for agency operations. *SLED plans to offer online credit card payments for record search fees using SC.GOV and states they need additional revenue to cover the migration cost.* Fiscal Impact: BEA states that Section 23-3-115 requires \$4,461,000 of the funds generated from record search fees to be remitted to the General Fund, consequently there would be reduction of \$461,000 in General Fund revenue. Requested by State Law Enforcement Division.

HOU: ADOPT new proviso.

62.21. (SLED: \$25 Criminal Record Search Fee) The State Law Enforcement Division shall charge and collect a fee of twenty-five dollars for each criminal record search conducted pursuant to regulations contained in Subarticle 1, Article 3, Chapter 73, of the Code of Regulations. All revenue generated up to an amount of four million dollars collected from the criminal record search fee must be deposited to the general fund of the State; any revenue generated above this amount shall be collected, retained, expended, and carried forward by the State Law Enforcement Division for agency operations.

SFC: DELETE new proviso.

SEN: ADOPT deletion of new proviso.

62.21. (SLED: \$25 Criminal Record Search Fee) DELETED

62.22 ADD (CWP Renewal and Replacement) **SEN:** ADD new proviso to prohibit a concealed weapons permit from being suspended by a state official, agent, or employee supported by state funds if the permit holder has initiated a renewal or replacement application and the permit is delayed for administrative reasons. Direct that the permit remains valid during the renewal or replacement process if the application is submitted prior to permit expiring. Sponsors: Sens. Bright, L. Martin, S. Martin, and Alexander.

62.22. (SLED: CWP Renewal and Replacement) A concealed weapons permit may not be suspended by a state official, agent, or employee supported by state funds if the permit holder has initiated a renewal or replacement application and the processing and issuance of a renewal or replacement permit is delayed for administrative reasons. A concealed weapons permit remains valid during the pendency of the renewal or replacement process so long as the application for replacement renewal is submitted prior to the expiration of the permit.

62.23 ADD (Alcohol Enforcement) **SEN:** ADD new proviso to require SLED, from the new funds they are appropriated in FY 13-14, to use up to \$448,000 for Alcohol Enforcement. Sponsors: Sens. Lourie and Fair.

62.23. (SLED: Alcohol Enforcement) Of new funds appropriated in Fiscal Year 2013-14, the State Law Enforcement Division shall use up to \$448,000 for Alcohol Enforcement.

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SECTION 65 - N04-DEPARTMENT OF CORRECTIONS

- 65.28** **ADD** (Meals in Emergency Operations) **SFC:** ADD new proviso to allow the Department of Corrections to furnish meals to its employees who are working and not allowed to leave their stations during emergency situations. Fiscal Impact: No impact on the General Fund. Requested by Department of Corrections.
SEN: ADOPT new proviso.

65.28. (CORR: Meals in Emergency Operations) The Department of Corrections may provide meals to public employees who are not permitted to leave their stations and are required to work during actual emergencies, emergency simulation exercises, or when the Governor declares a state of emergency.

- 65.29** **ADD** (Prohibition on Funding Certain Surgery) **SEN:** ADD new proviso to prohibit the Department of Corrections from using state funds or resources to provide sexual reassignment surgery to a prisoner in the state prison system, but allow the department to continue hormonal therapy if the person was taking such therapy at the time they were committed to the department, as long as it is considered medically necessary for the health of the person. Sponsor: Sen. Bright.

65.29. (CORR: Prohibition on Funding Certain Surgery) (A) The Department of Corrections is prohibited from using state funds or state resources to provide a prisoner in the state prison system sexual reassignment surgery; however, if a person is taking hormonal therapy at the time the person is committed to the Department of Corrections, the department shall continue to provide this therapy to the person as long as medically necessary for the health of the person.

(B) As used in this provision:

(1) 'Hormonal therapy' means the use of hormones to stimulate the development or alteration of a person's sexual characteristics in order to alter the person's physical appearance so that the person appears more like the opposite gender;

(2) 'Sexual reassignment surgery' means a surgical procedure to alter a person's physical appearance so that the person appears more like the opposite gender.

SECTION 78 - R20-DEPARTMENT OF INSURANCE

- 78.5** **ADD** (Health Insurance Pool Pilot) **HOU2:** ADD new proviso . . .
Sponsors: Reps. White, Bingham, Herbkersman, Limehouse, Merrill, M.A. Pitts, Simrill, G.M. Smith, and J.R. Smith. Note: Proviso 78.4 in HOU2 version.

78.5. (INS: Health Insurance Pool Pilot) The Department of Insurance shall use surplus funding under the Health Insurance Pool for Fiscal Year 2013-14, to cost-share for individuals requiring assistance to afford specialty medications. In order to become eligible for the cost-sharing benefit, an individual must:

(1) Be a person who is a resident of this state for 30 days, and his or her newborn child;

(2) Be enrolled in a commercial healthcare plan, including a qualified health plan through the exchange, or Medicare; and

(3) Have evidence of either a pre-existing condition reliant on a specialty medication or have a past or expected medication prescription for which cost sharing would exceed \$100.

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The program shall provide cost-share support at the point of sale for a prescription drug, according to an enrollee's income. Such amounts shall limit the patient liability for a prescription to (a) \$50 for individuals with incomes less than or equal to 400 percent of the federal poverty, or (b) \$100 for individuals with incomes greater than 400 percent of the federal poverty level.

Cost incurred by the program shall count towards the annual out-of-pocket threshold required by Sections 1201 and 1302 of the Federal Affordable Act, to the extent permitted by federal law.

SECTION 82 - R40-DEPARTMENT OF MOTOR VEHICLES

- 82.8** **ADD** (Facial Recognition Program) **SFC:** ADD new proviso to direct DMV to continue the Facial Recognition Program using their authorized funds.
SEN: ADOPT new proviso.

82.8. (DMV: Facial Recognition Program) The Department of Motor Vehicles is directed to utilize the funds authorized for the agency to continue the Facial Recognition Program.

- 82.9** **ADD** (Five Year Eye Exam Suspension) **SEN:** ADD new proviso to suspend Section 56-1-220(B) for the current fiscal year, which requires a driver to submit a vision screening certificate to the department or to visit the department and complete a vision screening during the 5th year of a 10 year driver's license. Sponsor: Sen. Grooms.

82.9. (DMV: Five Year Eye Exam Suspension) For the current fiscal year, Section 56-1-220(B), relating to the requirement for a vision screening certificate during the fifth year of a ten-year driver's license, is suspended. The department may use the savings recognized from the suspension of this requirement to support necessary technology upgrades.

SECTION 83 - R60-DEPARTMENT OF EMPLOYMENT AND WORKFORCE

- 83.7** **REINSERT / AMEND** (Negotiation of Interest) Requires DEW to develop and implement a plan by October 1, 2012 to seek a waiver of interest on the FUA Loan debt so that the impact of the interest payments is mitigated on SC employers.
WMC: DELETE proviso. Agency appealed for a waiver of interest in 2011 and 2012 with no success. Agency indicates that preparing the plan will require additional staff time and resources during times of significant decreases in federal funding. The agency wants to focus its time and efforts on initiatives that will positively impact the citizens and businesses of South Carolina. Requested by Department of Employment and Workforce.
HOU: ADOPT deletion of proviso.

~~83.7. (DEW: Negotiation of Interest) By October 1, 2012, the Department of Employment and Workforce must develop and implement a plan to seek a waiver of interest on the state's FUA loan debt in order to mitigate the impact of the interest payments on South Carolina employers.~~

SFC: REINSERT original proviso and AMEND to change "2012" to "2013."
SEN: ADOPT proviso as amended.

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83.7. (DEW: Negotiation of Interest) By October 1, ~~2012~~ 2013, the Department of Employment and Workforce must develop and implement a plan to seek a waiver of interest on the state's FUA loan debt in order to mitigate the impact of the interest payments on South Carolina employers.

83.8 **DELETE NEW PROVISO** (Local Offices) **HOU:** ADD new proviso to give the department the flexibility to use available Unemployment Insurance (UI) division funds to maintain funding for administrative and operating costs at UI centers in each county. Direct the department to use up to \$1,500,000 to provide all counties that were affected by the February 2013 regionalization of unemployment services, with a functioning UI center in every county to assist with unemployment insurance claims and reemployment training. Authorize the centers to share office space with other state or local government agencies. Require the department to make the location and operating hours known to the public. Sponsors: Reps. Vick and Harwick.

83.8. (DEW: Local Offices) Of the funds appropriated to or authorized for the Department of Employment and Workforce within the Unemployment Insurance division, the department is given flexibility to use funds from available areas to maintain funding for the administrative and operating costs of Unemployment Insurance centers in each county. The department shall use up to \$1,500,000 to provide all counties affected by the February 2013 regionalization of unemployment services with a functioning Unemployment Insurance center for claimants in every county to assist with both unemployment insurance claims and reemployment training. These centers may share office space with other state or local government agencies. The department shall make known to the public the location and regular operating hours of the centers for each county.

SFC: ADOPT new proviso.

SEN: DELETE new proviso. Sponsor: Sen. Massey.

83.8. (DEW: Local Offices) DELETED

SECTION 84 - U12-DEPARTMENT OF TRANSPORTATION

84.9 **REINSERT/AMEND** (Utilities Relocation) Establishes the Utilities Relocation Study Committee to review, study, and make recommendations on the need for improved coordination and funding for relocating water and sewer facilities located within public rights-of-way when the relocation is required due to road and bridge construction or improvement. Requires findings and recommendations be reported to the General Assembly by June 30, 2013, after which the study committee terminates.

WMC: DELETE proviso.

HOU: ADOPT deletion of proviso.

~~**84.9.** (DOT: Utilities Relocation) (A) From the funds appropriated to the Department of Transportation, there is established the Utilities Relocation Study Committee to review, study, and make recommendations concerning the need for improved coordination and funding of the relocation of water and sewer facilities, and the facilities of public utilities as defined in Title 58 of the 1976 Code, located within the public rights of way when such relocation is required due to the construction or improvement of roads and bridges in the state.~~

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~~(B) The Utilities Relocation Study Committee is to:~~

~~(1) identify and categorize a statewide estimate of the historical, current and anticipated costs associated with the relocation of water and sewer and public utilities inside and outside the rights of way owned by state agencies, counties, municipalities, or local water or sewer districts resulting from highway projects;~~

~~(2) determine as accurately as possible the percentage of the statewide cost estimate attributable to South Carolina Department of Transportation projects, State Transportation Infrastructure Bank projects, local option sales tax projects involving state roads, local road projects, and County Transportation Committee projects;~~

~~(3) identify potential sources of sustainable funds that may be used by state agencies, counties, municipalities, local water or sewer districts, or public utilities for utility relocation costs including, but not limited to, existing state and federal loan and grant programs, appropriations from the state general fund, contributions from public utilities, and other sustainable sources;~~

~~(4) identify any legal obstacles that impact the ability of state agencies, counties, municipalities, or local water or sewer districts to fund the relocation of utilities;~~

~~(5) investigate the creation of a utilities relocation trust fund to assist in relocation costs either through loans, grants, matching funds, or other means, and recommend the appropriate entity to house and administer the trust fund, the terms and conditions under which funding might be provided, and the general criteria used for evaluating funding applications;~~

~~(6) identify ways to improve coordination and reduce impacts through the use of communication, technology and improved management techniques; and~~

~~(7) recommend changes to public policy, regulations, or statutes that would improve funding or reduce costs associated with utility relocations resulting from road and bridge projects.~~

~~(C) The Utilities Relocation Study Committee must be composed of fifteen members. Notwithstanding the provisions of Section 8-13-770, the committee is composed of:~~

~~(1) one member appointed by the President Pro Tempore of the Senate;~~

~~(2) one member appointed by the Speaker of the House of Representatives;~~

~~(3) one member appointed by the Majority Leader of the Senate;~~

~~(4) one member appointed by the Majority Leader of the House of Representatives;~~

~~(5) one member appointed by the Minority Leader of the Senate;~~

~~(6) one member appointed by the Minority Leader of the House of Representatives;~~

~~(7) one member appointed by the Governor;~~

~~(8) the Secretary of Transportation, or his designee;~~

~~(9) the Chairman of the South Carolina Department of Transportation Commission, or his designee;~~

~~(10) one member representing the South Carolina Rural Water Association;~~

~~(11) one member representing the Water Utility Council of South Carolina;~~

~~(12) one member representing the South Carolina Water Quality Association;~~

~~(13) one member representing the Municipal Association of South Carolina;~~

~~(14) one member representing the South Carolina Association of Counties; and~~

~~(15) one member representing the South Carolina Association of Special Purpose Districts.~~

~~(D) The members of the study committee shall serve without compensation and may not receive mileage or per diem.~~

~~(E) The Utilities Relocation Study Committee shall make a report of its findings and recommendations to the General Assembly no later than June 30, 2013, at which time the study committee terminates.~~

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SFC: ADOPT deletion of proviso.

SEN: REINSERT original proviso and AMEND the reporting date to January 15, 2014.

Sponsor: Sen. Matthews.

84.9. (DOT: Utilities Relocation) (A) From the funds appropriated to the Department of Transportation, there is established the Utilities Relocation Study Committee to review, study, and make recommendations concerning the need for improved coordination and funding of the relocation of water and sewer facilities, and the facilities of public utilities as defined in Title 58 of the 1976 Code, located within the public rights-of-way when such relocation is required due to the construction or improvement of roads and bridges in the state.

(B) The Utilities Relocation Study Committee is to:

(1) identify and categorize a statewide estimate of the historical, current and anticipated costs associated with the relocation of water and sewer and public utilities inside and outside the rights-of-way owned by state agencies, counties, municipalities, or local water or sewer districts resulting from highway projects;

(2) determine as accurately as possible the percentage of the statewide cost estimate attributable to South Carolina Department of Transportation projects, State Transportation Infrastructure Bank projects, local-option sales tax projects involving state roads, local road projects, and County Transportation Committee projects;

(3) identify potential sources of sustainable funds that may be used by state agencies, counties, municipalities, local water or sewer districts, or public utilities for utility relocation costs including, but not limited to, existing state and federal loan and grant programs, appropriations from the state general fund, contributions from public utilities, and other sustainable sources;

(4) identify any legal obstacles that impact the ability of state agencies, counties, municipalities, or local water or sewer districts to fund the relocation of utilities;

(5) investigate the creation of a utilities relocation trust fund to assist in relocation costs either through loans, grants, matching funds, or other means, and recommend the appropriate entity to house and administer the trust fund, the terms and conditions under which funding might be provided, and the general criteria used for evaluating funding applications;

(6) identify ways to improve coordination and reduce impacts through the use of communication, technology and improved management techniques; and

(7) recommend changes to public policy, regulations, or statutes that would improve funding or reduce costs associated with utility relocations resulting from road and bridge projects.

(C) The Utilities Relocation Study Committee must be composed of fifteen members. Notwithstanding the provisions of Section 8-13-770, the committee is composed of:

(1) one member appointed by the President Pro Tempore of the Senate;

(2) one member appointed by the Speaker of the House of Representatives;

(3) one member appointed by the Majority Leader of the Senate;

(4) one member appointed by the Majority Leader of the House of Representatives;

(5) one member appointed by the Minority Leader of the Senate;

(6) one member appointed by the Minority Leader of the House of Representatives;

(7) one member appointed by the Governor;

(8) the Secretary of Transportation, or his designee;

(9) the Chairman of the South Carolina Department of Transportation Commission, or

his designee;

(10) one member representing the South Carolina Rural Water Association;

(11) one member representing the Water Utility Council of South Carolina;

(12) one member representing the South Carolina Water Quality Association;

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- (13) one member representing the Municipal Association of South Carolina;
- (14) one member representing the South Carolina Association of Counties; and
- (15) one member representing the South Carolina Association of Special Purpose

Districts.

(D) The members of the study committee shall serve without compensation and may not receive mileage or per diem.

(E) The Utilities Relocation Study Committee shall make a report of its findings and recommendations to the General Assembly no later than ~~June 30, 2013~~ January 15, 2014, at which time the study committee terminates.

- 84.10 DELETE NEW PROVISO** (Non-Federal Aid Highway Fund) **WMC:** ADD new proviso to direct DOT to use the following for the Non-Federal Aid Highway Fund: 1% of the proceeds from 13¢ of the gasoline user fee and an amount equivalent to 10% of the 1/4¢ per gallon assessed from the inspection and environmental impact fee charged on petroleum products. **HOU:** AMEND new proviso to change “12-25-2355(A)” to “12-28-2355(A).” Sponsor: Rep. White.

84.10. (DOT: Non-Federal Aid Highway Fund) In the current fiscal year, one percent of the proceeds from thirteen cents of the gasoline user fee imposed pursuant to Title 12, Chapter 28 of the 1976 Code shall be used by the Department of Transportation for the Non-Federal Aid Highway Fund. Additionally, in the current fiscal year, the department shall use an amount equivalent to ten percent of the one-fourth cent per gallon assessed pursuant to Section 12-28-2355(A) for the Non-Federal Aid Highway Fund.

SFC: DELETE new proviso.

SEN: ADOPT deletion of new proviso.

84.10. (DOT: Non-Federal Aid Highway Fund) DELETED

- 84.11 DELETE NEW PROVISO** (Evaluation of Outsourcing) **HOU:** ADD new proviso to direct DOT to conduct a review of workforce requirements and analyze the amount of outsourcing used by the department. Direct the DOT Office of Chief Internal Auditor to audit how the department determines the need to outsource a function. Require the audit findings and review be provided to the DOT Highway Commission and the General Assembly by December 1, 2013. Sponsor: Rep. Cobb-Hunter.

84.11. (DOT: Evaluation of Outsourcing) The Department of Transportation shall conduct a review to determine workforce requirements and analyze the amount of outsourcing utilized by the department in order to determine the feasible level of outsourcing given the fiscally constrained environment. Additionally, the Department of Transportation, Office of Chief Internal Auditor shall conduct an audit of outsourcing, the scope of which shall include at least an analysis of the process of how and when the agency determines it needs to outsource a function. Both the audit findings and the review shall be used to provide a combined report to the Department of Transportation Highway Commission and the General Assembly no later than December 1, 2013.

SFC: DELETE new proviso.

SEN: ADOPT deletion of new proviso.

84.11. (DOT: Evaluation of Outsourcing) DELETED

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- 84.12 DELETE NEW PROVISO (FEIS Funding) HOU:** ADD new proviso to direct the department to use \$250,000 of their funds toward completing the Final Environmental Impact Statement for the Hurricane Evacuation route in Horry County and authorize the funds used for this purpose to be carried forward. Sponsor: Reps: Hardwick, Anderson, Sabb, and H.A. Crawford.

84.12. (DOT: FEIS Funding) Of the funds appropriated to or authorized for the Department of Transportation, the department shall use \$250,000 toward the completion of the Final Environmental Impact Statement for the Hurricane Evacuation route in Horry County. These funds may be carried forward and expended for the same purpose.

SFC: DELETE new proviso.

SEN: ADOPT deletion of new proviso.

84.12. (DOT: FEIS Funding) DELETED

- 84.13 REINSERT/AMEND NEW PROVISO (Hanahan Permit Negotiation) HOU:** ADD new proviso to direct the department to negotiate with the City of Hanahan, the US Army Corps of Engineers, CSX railroad and other entities to regarding the purpose and need to secure the required permit to complete the Railroad Avenue Extension project in the City of Hanahan. Require DOT provide a report by June 30, 2014, to the Berkeley Delegation members, the Berkeley, Charleston and Dorchester Council of Governments, and CHATS that details the project history, negotiation status, and completion plan. Sponsor: Rep. Merrill.

84.13. (DOT: Hanahan Permit Negotiation) With the funds appropriated to and authorized for the Department of Transportation, the department shall negotiate with the city of Hanahan, the United States Army Corps of Engineers, CSX Railroad, and other applicable entities to demonstrate the valid purpose and need to secure the necessary permit required to complete the Railroad Avenue Extension project in the city of Hanahan. The department shall provide a report to the members of the Berkeley Delegation and the Berkeley, Charleston and Dorchester Council of Governments and CHATS detailing the history of the project, status of the negotiations and a plan for completion. This shall be completed by June 30, 2014.

SFC: DELETE new proviso.

SEN: REINSERT new proviso and AMEND to direct the department to “initiate negotiations” rather than “to negotiate.” Sponsors: Sens. Grooms, Campbell, Campsen, and Setzler.

84.13. (DOT: Hanahan Permit Negotiation) With the funds authorized for the Department of Transportation, the department shall initiate negotiations between the City of Hanahan, the United States Army Corps of Engineers, CSX Railroad, and other applicable entities to demonstrate the valid purpose and need for the necessary permit required to complete the Railroad Avenue Extension project in the City of Hanahan. The department shall provide a report to the members of the Berkeley County Delegation and the Berkeley, Charleston, and Dorchester Council of Governments and CHATS detailing the history of the project, status of the negotiations, and a plan for completion. The report shall be completed by June 30, 2014.

- 84.14 ADD (Tree Removal) HOU2:** ADD new proviso . . .
Sponsors: Reps. White, Bingham, Herbkersman, Limehouse, Merrill, M.A. Pitts, Simrill, G.M. Smith, and J.R. Smith.

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84.14. (DOT: Tree Removal) The Department of Transportation is prohibited from using funds authorized by this act for tree removal, or other similar activities, in the median of Interstate 26 from approximately mile marker 170 to approximately mile marker 199 between Summerville and Interstate 95 until approval is given by the BCD Council of Governments.

SEN: ADD new proviso to prohibit DOT from using their authorized funds for tree removal or other similar activities in the median of I-26 from mile marker 170 to mile marker 199 between Summerville and I-95 until the Joint Transportation Review Committee reviews and comments on the proposed activity. Sponsors: Sens. Sheheen, Grooms, Campsen, and Gregory.

84.14. (DOT: Tree Removal) The Department of Transportation is prohibited from using funds authorized by this act for tree removal, or other similar activities, in the median of Interstate 26 from approximately mile marker 170 to approximately mile marker 199 between Summerville and Interstate 95 until the Joint Transportation Review Committee has reviewed and commented on the proposed removal or similar activity.

84.15 ADD (Drainage Studies) **SEN:** ADD new proviso to allow the department to use their funds to conduct drainage studies as they deem beneficial. Sponsor: Sen. Scott.

84.15. (DOT: Drainage Studies) Of the funds appropriated and authorized to the Department of Transportation, the department may conduct drainage studies as the department deems beneficial.

SECTION 87 - U30 - DIVISION OF AERONAUTICS

87.9 DELETE NEW PROVISO (Capital Improvement Projects) **WMC:** ADD new proviso to authorize the Division of Aeronautics to use the State Aviation Fund to pay for capital improvement projects associated with its hangar and offices at the Columbia Metropolitan Airport.

HOU: ADOPT new proviso.

87.9. (AERO: Capital Improvement Projects) The Division of Aeronautics is authorized to use the State Aviation Fund to pay for capital improvement projects associated with the premises it occupies at the Columbia Metropolitan Airport.

SFC: DELETE new proviso.

SEN: ADOPT deletion of proviso.

87.9. (AERO: Capital Improvement Projects) DELETED

SECTION 91 - A99-LEGISLATIVE DEPARTMENT

91.26 REINSERT/AMEND (EOC Efficiency Review) Directs the funds appropriated to the EOC for the School District Efficiency Review Pilot Program be used to review three school districts' central operations with a focus on non-instructional expenditures to identify ways to improve school district operating efficiencies and ways to reduce costs. Directs that the review be completed by June 30, 2013 and that the findings, along with the amount of estimated savings, how the savings could be achieved, and the districts' plan for implementing the

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recommendations be submitted to designated legislative committees and the Governor. Authorizes unexpended funds to be carried forward and used for the same purpose.

WMC: DELETE proviso. *SDE states that funds were not available to conduct the efficiency studies due to a decline in non-recurring revenue.* Requested by Department of Education.

HOU: ADOPT deletion of proviso.

~~**91.26.** (LEG: EOC Efficiency Review) Funds appropriated to the Education Oversight Committee for the School District Efficiency Review Pilot Program shall be used to review certain school districts' central operations with a focus on non-instructional expenditures so as to identify opportunities to improve operational efficiencies and reduce costs for the district. The Education Oversight Committee shall make the school districts aware of the pilot program, and accept applications to participate in the program. In the current fiscal year, the Education Oversight Committee shall select at least three applicant school districts to participate. The Education Oversight Committee may contract with an independent entity to perform the review. The review shall include, but not be limited to, examinations of (i) overhead, (ii) human resources, (iii) procurement, (iv) facilities use and management, (v) financial management, (vi) transportation, (vii) technology planning, and (viii) energy management. The review shall not address the effectiveness of the educational services being delivered by the district. The review shall be completed no later than June 30, 2013. Upon completion, the Education Oversight Committee shall submit a report to the Chairman of the Senate Finance Committee, Chairman of the Senate Education Committee, Chairman of the House Ways and Means Committee, Chairman of the House Education and Public Works Committee, and the Governor detailing the findings of the review including the estimated savings that could be achieved, the manner in which the savings could be achieved, and the districts' plan for implementation of the recommendations. Unexpended funds appropriated for this purpose may be carried forward from the prior fiscal year into the current fiscal year and expended for the same purpose.~~

SFC: ADOPT deletion of proviso.

SEN: REINSERT original proviso and amend to change review completion date from June 30 "2013" to "2014." Sponsor: Sen. Sheheen.

91.26. (LEG: EOC Efficiency Review) Funds appropriated to the Education Oversight Committee for the School District Efficiency Review Pilot Program shall be used to review certain school districts' central operations with a focus on non-instructional expenditures so as to identify opportunities to improve operational efficiencies and reduce costs for the district. The Education Oversight Committee shall make the school districts aware of the pilot program, and accept applications to participate in the program. In the current fiscal year, the Education Oversight Committee shall select at least three applicant school districts to participate. The Education Oversight Committee may contract with an independent entity to perform the review. The review shall include, but not be limited to, examinations of (i) overhead, (ii) human resources, (iii) procurement, (iv) facilities use and management, (v) financial management, (vi) transportation, (vii) technology planning, and (viii) energy management. The review shall not address the effectiveness of the educational services being delivered by the district. The review shall be completed no later than June 30, ~~2013~~ 2014. Upon completion, the Education Oversight Committee shall submit a report to the Chairman of the Senate Finance Committee, Chairman of the Senate Education Committee, Chairman of the House Ways and Means Committee, Chairman of the House Education and Public Works Committee, and the Governor detailing the findings of the review including the estimated savings that could be achieved, the manner in which the savings could be achieved, and the districts' plan for

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implementation of the recommendations. Unexpended funds appropriated for this purpose may be carried forward from the prior fiscal year into the current fiscal year and expended for the same purpose.

- 91.28 AMEND NEW PROVISO** (Technology Panel) **HOU:** ADD new proviso to direct that funds appropriated for Technology in the EIA Leadership program are to be used to create a panel to study the state's current and future educational technology needs; to make recommendations on how technology funds should be distributed to meet public schools technology needs; and to assess connectivity needs regarding households and businesses, especially in the rural areas of the state. Require recommendations be submitted to the House Education and Public Works; the House Ways and Means, the Senate Education, and the Senate Finance Committees by January 15, 2014. Establish membership of the panel; direct that legislative employees and the EOC shall provide staff for the panel; and direct that panel members serve without compensation. Sponsor: Rep. Loftis.

91.28. (LEG: Technology Panel) Of the Funds appropriated in XII.E.2. for Technology there is to be created a panel to study South Carolina's current and future educational technology needs and make recommendations on the distribution of technology funds to meet the needs for software, hardware, connectivity, professional development and instructional technologies for public schools. The panel would also assess the connectivity needs of the state regarding households and business, especially in rural South Carolina. The panel will provide recommendations to the House Education and Public Works Committee, the House Ways and Means Committee, the Senate Education Committee and the Senate Finance Committee no later than January 15, 2014. The panel would include three appointees from the K-12 School Technology Initiative, the State Superintendent of Education or his designee, one appointee from the Budget and Control Board's Division of State Information Technology, one appointee from the South Carolina Telecommunications Association, three appointees from higher education institutions and/or the Commission on Higher Education, the Secretary of Commerce or his designee, one appointee from a School District serving less than 2,000 pupils, one appointee from a School District serving between 2,001 and 5,000 pupils and one appointee from a school district serving more than 5,000 pupils each made by the Superintendent of Education. Staff for the panel will be provided by legislative staff to include the Education Oversight Committee, if requested. Members shall serve without compensation.

SFC: AMEND new proviso to delete previous requirement that a panel be created and instead direct the K-12 Technology Initiative partnership provide a report that describes the state's efforts to facilitate providing cost effective connectivity and internet bandwidth to schools and libraries statewide; activities to assist schools and libraries to minimize and detect internet security threats; the development and use of technology and online resources to support student development and achievement; development and use of curriculum and professional training to support instructional technology; and other educational technology related activities. Require the report be submitted by February 1, 2014.

SEN: ADOPT new proviso as amended.

91.28. (LEG: Technology Panel) Of the funds appropriated in XII.E.2. 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

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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. The report shall be submitted no later than February 1, 2014.

SECTION 92 - D21-OFFICE OF THE GOVERNOR

- 92.18** **ADD** (Identity Theft Protection) **SEN:** ADD new proviso to require the Governor to develop a protection plan to provide identity theft protection and identity theft resolution services in order to minimize actual and potential costs and effects of the identity theft committed on taxpayers that filed a tax return with the Department of Revenue after 1997 and before 2013. Require the protection and resolution services to be free of charge to each eligible person. Provide requirements for the process by which the protection and resolution services must be contracted. Require an advisory panel composed of three members appointed by the Governor, and Chairmen of the Senate Finance and House Ways and Means Committees to review and approve requests for proposals prior to their issuance. Prohibit paying for services if the same service is available for free under state or federal law. Direct that any contract(s) for protection and resolution services shall be for one year and require the Governor, after the contract(s) expire, to issue a report to the General Assembly on findings and recommendations on the ongoing risk of identity theft, the services the contract(s) provided, and the need, if any, for extending the period for the services. Require the Governor and the Department of Revenue develop and implement a policy to make enrollment for identity theft protection and resolution services as simple as possible. Require DOR to issue a report to the Governor and General Assembly by March 15th that details the number of persons enrolled in the protection and resolution services program procured by the Governor and require the report detail efforts made to increase program enrollment. Direct that this proviso does not create a private right of action. Sponsor: Sen. Bryant.

92.18. (GOV: Identity Theft Protection) The Governor shall develop a protection plan to minimize the actual and potential costs and effects of identity theft perpetrated upon all taxpayers that files a tax return with the South Carolina Department of Revenue after 1997 and before 2013, by providing identity theft protection and identity theft resolution services. The identity theft protection and identity theft resolution services must be free of charge to each eligible person. The protection plan implemented may include assistance from or services provided by any executive branch agency of state government, including the Department of Consumer Affairs.

The protection plan implemented must include procurement by the Governor of one or more contracts for identity theft protection and identity theft resolution services for all eligible persons, including, but not limited to, credit monitoring and alerts. In implementing the protection plan, the Governor must also consider including protections against government documents and benefits fraud, phone and other utilities fraud, bank fraud and loan fraud. The procurement of identity theft protection shall be governed by the South Carolina Consolidated Procurement Code and conducted in compliance with the following additional requirements. Any contract for identity theft protection or identity theft resolution services entered into by the Governor must be solicited through the Materials Management Office using the process set forth in Section 11-35-1530 of the 1976 Code, as amended. Prior to issuance, the Governor's request for proposals must be reviewed and approved by an advisory panel composed of three members appointed by the Governor, Chairman of the Senate Finance Committee, and

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Chairman of the House Ways and Means Committee. The evaluation and ranking required by Section 11-35-1530 of the 1976 Code, as amended, must be conducted by an evaluation panel composed of at least three members. The advisory panel must approve anyone selected to serve or otherwise participate with the evaluation panel and anyone authorized by the procurement officer to participate, directly or indirectly, in the selection process. No contract may be procured for a cost if the same service is available to eligible persons for free under state or federal law.

Any contract entered into for identity theft protection and identity theft resolutions services in FY 2013-14 shall be for one year. Upon the expiration of a contract or contracts, the Governor shall issue a report to the General Assembly containing findings and recommendations concerning the ongoing risk of identity theft to eligible persons, the services the contract or contracts provided, and the need, if any, for extending the period for the contracted services, including the levels of service required if such a need exists.

In order to ensure that every eligible person obtains identity theft protection and identity theft resolution services, to the extent allowed by federal or state law, including Section 30-2-320 of the 1976 Code, as amended, the Governor and the Department of Revenue must develop and implement a policy to make enrollment as simple as possible for each eligible person. The policy may include, but is not limited to, automatic enrollment, provided that there is an opt-out mechanism for otherwise eligible persons, enrollment authorization on a tax return filed in this State, and enrollment authorization through a secure protected server on the department's website.

By March fifteenth, the Department of Revenue shall issue a report to the Governor and the General Assembly detailing the number of eligible persons that enrolled in the identity theft protection and identity theft resolution services program procured by the Governor. The report also must detail the efforts of the Governor and the Department of Revenue to increase enrollment in the programs.

Nothing in this proviso creates a private right of action.

SECTION 93 - D25-OFFICE OF INSPECTOR GENERAL

- 93.1** **AMEND NEW PROVISO** (Coordination with State Auditor) **WMC:** ADD new proviso to direct the Inspector General to submit an annual report to the Chairmen of the House Ways and Means and Senate Finance Committees the written referrals of fraud, waste, and abuse received from the State Auditor and the corresponding actions taken by the Inspector General.
HOU: ADOPT new proviso.

93.1. (SIG: Coordination with State Auditor) The State Inspector General will prepare an annual report to the Chairmen of the House Ways and Means Committee and the Senate Finance Committee detailing all written referrals of fraud, waste, and abuse from the State Auditor and all corresponding actions taken by the State Inspector General.

SFC: AMEND new proviso to also have the report submitted to the Governor.

SEN: ADOPT new proviso as amended.

93.1. (SIG: Coordination with State Auditor) The State Inspector General will prepare an annual report to the Chairmen of the House Ways and Means Committee and the Senate Finance Committee and the Governor detailing all written referrals of fraud, waste, and abuse from the State Auditor and all corresponding actions taken by the State Inspector General.

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SECTION 97 - E16-OFFICE OF STATE TREASURER

97.12 ADD (Identity Theft Reimbursement Fund) **SEN:** ADD new proviso to establish the Department of Revenue Identity Theft Reimbursement Fund for the purpose of reimbursing eligible expenses incurred by an eligible person. Require a person seeking reimbursement to file a claim with the Treasurer; require the Treasurer to consider the claim within 90 days; give written notice if any part of the claim is denied; and allow for an appeal process to the Administrative Law Court. Direct the State Treasurer to set policies to implement this provision. Sponsors: Sens. Sheheen and Bryant.

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

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

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

(D) For the purposes of this provision:

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

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

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

(4) 'Identity theft protection' means identity fraud and protection products and services that attempt to proactively detect, notify, or prevent unauthorized access or misuse of a

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person's identifying information or financial information to fraudulently obtain resources, credit, government documents or benefits, phone or other utility services, bank or savings accounts, loans, or other benefits in the person's name.

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

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

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

SECTION 99 - E24-OFFICE OF ADJUTANT GENERAL

- 99.16 DELETE NEW PROVISO (Physical Assets Responsibility) WMC:** ADD new proviso to make the Adjutant General's Office financially and administratively responsible for the following associated with 1 National Guard Road: buildings, grounds, deferred depreciation and maintenance reserves, improvement obligations, and all other operating costs. Direct that Section 1-11-67 [RENTAL CHARGES FOR OCCUPANCY OF STATE-CONTROLLED OFFICE BUILDINGS; APPORTIONMENT AMONG AGENCY FUNDING SOURCES] does not apply to this property and direct that the B&C Board is not responsible for deferred or future maintenance or repair of building or grounds. Fiscal Impact: No impact on the General Fund. Requested by Adjutant General.
HOU: ADOPT new proviso.

99.16. (ADJ: Physical Assets Responsibility) The Adjutant General shall be financially and administratively responsible for the building and grounds located at 1 National Guard Road in Columbia, to include maintaining necessary reserves for deferred and future depreciation and maintenance, and assuming improvement obligations and other costs of operation, including but not limited to, building maintenance, systems and equipment maintenance, custodial services, horticulture and grounds maintenance, insurance, and utilities. Section 1-11-67 of the 1976 Code shall not apply and the Budget and Control Board shall have no responsibility for any deferred or future maintenance and repair of the building and grounds.

SFC: DELETE new proviso. Violates Rule 24.

SEN: ADOPT deletion of new proviso.

99.16. (ADJ: Physical Assets Responsibility) DELETED

- 99.17 AMEND NEW PROVISO (Mental Health Care Facilitator/Coordinator) HOU:** ADD new proviso to authorize the Adjutant General to use their funds to hire a Mental Health Care Facilitator/Coordinator to act as a liaison to provide mental health care coordination for S.C. National Guard members and their families. Sponsors: Reps. Gambrell, White, Merrill, and Vick.

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99.17. (ADJ: Mental Health Care Facilitator/Coordinator) The funds appropriated and or authorized to the Office of the Adjutant General may be utilized to hire a Mental Health Care Facilitator/Coordinator who shall act as a liaison to provide mental health care coordination for mental health services to all members of the South Carolina National Guard and their families. The responsibilities of the position shall include, but are not limited to, focusing on individuals without health insurance or without adequate health insurance; assisting with utilization of state provided, underutilized mental health beds, with further utilization of available bed space at no cost/low cost facilities across the state; facilitating Memorandum of Understanding with mental health facilities across the state to provide no cost/low cost assistance to National Guard Service Members and their families; assisting in coordinating Yellow Ribbon and Beyond events; coordinating treatment for Service Members for conditions that may or may not result in their being medically non deployable; and participating in staff meetings to discuss care of Service Members. The individual hired must have active and valid HIPAA certification and a previous background in Social Work is preferred. A national security background check must be performed on the individual prior to a job offer being tendered.

SFC: AMEND new proviso to delete reference to families and assisting with state provided, underutilized mental health beds with further utilization of available bed space at no cost/low cost facilities. Direct that responsibilities also include assisting at other post deployment and mental health events. Delete the requirement that the individual have active and valid HIPAA certification and instead require the individual hired be knowledgeable of state and federal privacy laws, including the HIPAA privacy regulations. State that it is “preferred” that they have a background in Social Work.

SEN: ADOPT new proviso as amended.

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

SECTION 100 - E28-ELECTION COMMISSION

100.12 AMEND (Use of Election Funds) Prohibits funds appropriated for conducting elections from being used for any other purpose unless this act specifically authorizes such actions.

SFC: AMEND proviso to delete the reference to “any other flexibility authorized in this act” and allow up to \$200,000 of General Elections funds to be transferred to other operating accounts upon State Budget Division approval. Direct the Budget Division to notify the

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Chairmen of the Senate Finance and House Ways and Means Committees and the Governor of such transfer.

SEN: ADOPT proviso as amended.

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

100.13 DELETE NEW PROVISO (Polling Precincts) **WMC:** ADD new proviso to direct the Election Commission to quarterly create a list of polling places with the number of registered voters in each and to make the list available to county boards of registration and elections. Require county board of registration and election to submit a report to the Election Commission that lists polling precincts that have more than 2,500 registered electors as of January 1st and direct the commission to compile the information and submit it to the General Assembly by the 4th Tuesday of each odd-numbered year.

HOU: ADOPT new proviso.

100.13. (ELECT: Polling Precincts) The State Election Commission must make a list of polling places and the number of registered voters in each available to county boards of registration and election quarterly. County boards of registration and election must report all polling precincts that have more than two thousand five hundred registered electors as of January first to the State Election Commission which must compile the information and submit a report to the General Assembly no later than the fourth Tuesday of each odd-numbered year.

SFC: DELETE new proviso.

SEN: ADOPT deletion of new proviso.

100.13. (ELECT: Polling Precincts) DELETED

100.14 DELETE NEW PROVISO (New Statewide Voting System) **WMC:** ADD new proviso to direct that funds appropriated for a new statewide voting system be placed into an designated account and be retained by the Election Commission until a new voting system with a verifiable paper trail is necessary and available for purchase. Authorize the funds to be carried forward and used for the same purpose. *Allow the SEC to retain recurring funds received over the next 5-6 years and place the funds into a designated account until the total funding needed for a new statewide voting system is received.* Fiscal Impact: Agency indicates total cost for a new voting system would be approximately \$30,000,000. Requested by Election Commission.

HOU: ADOPT new proviso.

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

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SFC: DELETE new proviso.
SEN: ADOPT deletion of new proviso.

100.14. (ELECT: New Statewide Voting System) DELETED

SECTION 101 - F03-BUDGET AND CONTROL BOARD

101.7 RESTORE ORIGINAL PROVISO (Vacant Positions) Authorizes the BCB to delete vacant positions more than 12 months old.
WMC: AMEND proviso to exempt the MUSC Hospital Authority.
HOU: ADOPT proviso as amended.

101.7. (BCB: Vacant Positions) In the event that any permanent position in an agency remains vacant for more than twelve months the position may be deleted by the Budget and Control Board. *The MUSC Hospital Authority shall be exempt from the requirements of this provision.*

SFC: RESTORE original proviso.
SEN: ADOPT original proviso.

101.7. (BCB: Vacant Positions) In the event that any permanent position in an agency remains vacant for more than twelve months the position may be deleted by the Budget and Control Board.

101.22 AMEND FURTHER (Employee Compensation) Provides a plan to distribute employee pay increases for FY 12-13 in the amount of 3%.
WMC: AMEND proviso to change “three” percent to “zero” percent. Delete item 7 pertaining to timing of processing pay increases. *Conforms with funding recommendation.*
HOU: ADOPT proviso as amended.

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

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

4. With respect to local health care providers compensation increases shall be ~~three~~ 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 ~~three~~ zero percent effective on the first pay date that

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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 ~~three~~ 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 ~~three~~ 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 ~~three~~ zero percent.

~~7. The Budget and Control, the Office of Comptroller General, and state agencies whose payroll is not processed by the Office of Comptroller General are authorized to implement employee pay increases described in this provision retroactively to the first pay date that occurs on or after July first of the current fiscal year, if the Appropriations Act is ratified by the General Assembly after June 7, 2012.~~

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

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

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

SFC: AMEND FURTHER to provide for a one percent pay increase. Reinsert item 7 and amend to change "June 7, 2012" to "June 6, 2013."

SEN: ADOPT proviso as amended.

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

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

4. With respect to local health care providers compensation increases shall be ~~three~~ one 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 ~~three~~ one 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

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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 ~~three~~ one 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 ~~three~~ one 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 ~~three~~ one percent.

7. The Budget and Control, the Office of Comptroller General, and state agencies whose payroll is not processed by the Office of Comptroller General are authorized to implement employee pay increases described in this provision retroactively to the first pay date that occurs on or after July first of the current fiscal year, if the Appropriations Act is ratified by the General Assembly after June ~~7, 2012~~ 6, 2013.

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

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

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

101.24 AMEND FURTHER (Sale of Surplus Real Property) Provides guidelines for the retention and use of revenue derived from the sale of surplus real properties.

WMC: AMEND proviso to authorize ETV to use the net proceeds from the sale of the Key Road property for renovation of the ETV Telecommunications Center "and other maintenance and operating expenses."

HOU: ADOPT proviso as amended.

101.24. (BCB: Sale of Surplus Real Property) Up to fifty percent of the proceeds, net of selling expenses, from the sale of surplus real properties shall be retained by the Budget and Control Board and used for the deferred maintenance of state-owned buildings. The remaining fifty percent of the net proceeds shall be returned to the agency that the property is owned by, under the control of, or assigned to and shall be used by that agency for non-recurring purposes. This provision applies to all state agencies and departments except: institutions of higher learning; the Public Service Authority; the Ports Authority; the MUSC Hospital Authority; the Myrtle Beach Air Force Redevelopment Authority; the Department of Transportation; the Columbia State Farmers Market; the Department of Agriculture's Columbia Metrology Lab building and property; the Charleston Naval Complex Redevelopment Authority; the Department of Commerce's Division of Public Railways; the Midlands Technical College Enterprise Campus Authority; the Trident Technical College Enterprise Campus Authority; the Commissioners residence at the Department of Corrections and the Educational Television Commission's Key Road property.

The Educational Television Commission shall be authorized to retain the net proceeds from the sale of its property on Key Road, and such proceeds ~~shall only~~ may be used for the renovation of the ETV Telecommunications Center and other maintenance and operating expenses. If it is determined that sufficient net proceeds are not to be derived from the sale of

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its property on Key Road to cover the cost of all renovations of the Telecommunications Center, the property on Key Road shall not be sold. Any proposed sale hereunder shall, prior to said sale, be submitted to the Budget and Control Board for approval as being in compliance with the requirements of this subsection.

The Department of Corrections shall be authorized to retain the net proceeds from the sale of the residence provided for the Commissioner of the Department of Corrections and use such proceeds for deferred maintenance needs at the Department of Corrections.

The Forestry Commission shall be authorized to retain the net proceeds from the sale of surplus land for use in firefighting operations and replacement of firefighting equipment.

The Department of Mental Health shall be authorized to retain the net proceeds it receives for sale of the property sold in accordance with, and identified in Exhibit A of the Sale and Purchase Agreement dated December 16, 2010 between the Department of Mental Health and Hughes Development Corporation for the sale of 165.79± acres on the Bull Street Campus, as approved by the Budget and Control Board on June 14, 2011.

The Department of Natural Resources shall be authorized to retain the net proceeds from the sale of existing offices originally purchased with a federal grant or with restricted revenue from hunting and fishing license sales for the improvement, consolidation, and/or establishment of regional offices and related facilities.

The Department of Agriculture, the Educational Television Commission, the Department of Corrections, the Department of Natural Resources, the Department of Mental Health and the Forestry Commission shall annually submit a report, within sixty days after the close of the fiscal year, to the Senate Finance Committee and the House Ways and Means Committee on the status of the sale of the identified property and a detailed accounting on the expenditure of funds resulting from such sale.

This provision is comprehensive and supersedes any conflicting provisions concerning disposition of state owned real property whether in permanent law, temporary law or by provision elsewhere in this act.

Any unused portion of these funds may be carried forward into succeeding fiscal years and used for the same purposes.

SFC: AMEND FURTHER to authorize Vocational Rehabilitation to retain the net proceeds from the sale of 3.205 acres at 22861 Hwy 76 E. in Clinton and to use the funds for capital projects and deferred maintenance. Require Voc Rehab to report on the status of the sale and on the expenditure of the funds resulting from the sale.

SEN: ADOPT proviso as amended.

101.24. (BCB: Sale of Surplus Real Property) Up to fifty percent of the proceeds, net of selling expenses, from the sale of surplus real properties shall be retained by the Budget and Control Board and used for the deferred maintenance of state-owned buildings. The remaining fifty percent of the net proceeds shall be returned to the agency that the property is owned by, under the control of, or assigned to and shall be used by that agency for non-recurring purposes. This provision applies to all state agencies and departments except: institutions of higher learning; the Public Service Authority; the Ports Authority; the MUSC Hospital Authority; the Myrtle Beach Air Force Redevelopment Authority; the Department of Transportation; the Columbia State Farmers Market; the Department of Agriculture's Columbia Metrology Lab building and property; the Charleston Naval Complex Redevelopment Authority; the Department of Commerce's Division of Public Railways; the Midlands Technical College Enterprise Campus Authority; the Trident Technical College Enterprise Campus Authority; the

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Commissioners residence at the Department of Corrections and the Educational Television Commission's Key Road property.

The Educational Television Commission shall be authorized to retain the net proceeds from the sale of its property on Key Road, and such proceeds ~~shall only~~ may be used for the renovation of the ETV Telecommunications Center and other maintenance and operating expenses. If it is determined that sufficient net proceeds are not to be derived from the sale of its property on Key Road to cover the cost of all renovations of the Telecommunications Center, the property on Key Road shall not be sold. Any proposed sale hereunder shall, prior to said sale, be submitted to the Budget and Control Board for approval as being in compliance with the requirements of this subsection.

The Department of Corrections shall be authorized to retain the net proceeds from the sale of the residence provided for the Commissioner of the Department of Corrections and use such proceeds for deferred maintenance needs at the Department of Corrections.

The Forestry Commission shall be authorized to retain the net proceeds from the sale of surplus land for use in firefighting operations and replacement of firefighting equipment.

The Department of Mental Health shall be authorized to retain the net proceeds it receives for sale of the property sold in accordance with, and identified in Exhibit A of the Sale and Purchase Agreement dated December 16, 2010 between the Department of Mental Health and Hughes Development Corporation for the sale of 165.79± acres on the Bull Street Campus, as approved by the Budget and Control Board on June 14, 2011.

The Department of Natural Resources shall be authorized to retain the net proceeds from the sale of existing offices originally purchased with a federal grant or with restricted revenue from hunting and fishing license sales for the improvement, consolidation, and/or establishment of regional offices and related facilities.

The Department of Vocational Rehabilitation shall be authorized to retain the net proceeds from the sale of 3.205 acres located at 22861 Highway 76 East in Clinton, South Carolina to be used for capital projects and deferred maintenance.

The Department of Agriculture, the Educational Television Commission, the Department of Corrections, the Department of Natural Resources, the Department of Mental Health, ~~and~~ the Forestry Commission, and the Department of Vocational Rehabilitation shall annually submit a report, within sixty days after the close of the fiscal year, to the Senate Finance Committee and the House Ways and Means Committee on the status of the sale of the identified property and a detailed accounting on the expenditure of funds resulting from such sale.

This provision is comprehensive and supersedes any conflicting provisions concerning disposition of state owned real property whether in permanent law, temporary law or by provision elsewhere in this act.

Any unused portion of these funds may be carried forward into succeeding fiscal years and used for the same purposes.

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

WMC: AMEND proviso to update fiscal year reference to "2013-14."

HOU: ADOPT proviso as amended.

101.27. (BCB: ~~Additional Tort Liability~~ Insurance Coverage for Aging Entity Authorized) The State Budget and Control Board, through the Insurance Reserve Fund, for Fiscal Year ~~2012-13~~ 2013-14, is also authorized to offer insurance coverage to an aging entity and its

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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.

SFC: AMEND FURTHER to clarify that insurance coverage may be offered to any aging entity that receives funding through the Lt. Governor's Office on Aging.

SEN: ADOPT proviso as amended.

101.27. (BCB: ~~Additional Tort Liability~~ Insurance Coverage *for Aging Entity* Authorized) The State Budget and Control Board, through the Insurance Reserve Fund, for Fiscal Year ~~2012-13~~ *2013-14*, is also authorized to offer insurance coverage to an aging entity *that receives funding through the Lieutenant Governor's Office on Aging* 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.

101.30 REINSERT/AMEND NEW PROVISO (IRF ~~Prohibition Report~~) **HOU:** ADD new proviso to prohibit the B&C Board from borrowing, transferring, pledging, or encumbering funds in the Insurance Reserve Fund for any purpose not specifically authorized by law. Require the board submit a report to the Chairmen of the Senate Finance and House Ways and Means Committees by October 1st on the use of the IRF during the prior fiscal year and include the amount of the transaction, recipient of the funds, date of the transfer or payment, and why the transfer was necessary. Sponsor: Rep. Cobb-Hunter.

101.30. (BCB: IRF Prohibition) The State Budget and Control Board may not borrow, transfer, pledge, or otherwise encumber the funds of the Insurance Reserve Fund for any purpose not specifically authorized by law for the use of those funds. The Budget and Control Board shall prepare a report on prior fiscal year utilization of the Insurance Reserve Fund to include for each transaction the amount, the recipient of the funds, the date of the transfer or payment, and the action or reason that necessitated the transfer. The report shall be submitted annually to the Chairman of the Senate Finance Committee and the Chairman of the House Ways and Means Committee by October 1st.

SFC: DELETE new proviso.

SEN: REINSERT new proviso and AMEND to require the B&C Board prepare a report on prior fiscal year use of the Insurance Reserve Fund that includes for each transaction the amount, recipient, date, and action or reason necessitating the transfer. Require the report be submitted to the President Pro Tempore of the Senate, the Speaker of the House of Representatives, and the Chairmen of the Senate Finance and House Ways and Means Committees by October 15, 2013. Sponsor: Sen. Massey.

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

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- 101.32 ADD** (Security Training Conference Funds) **SFC:** ADD new proviso to allow any excess funds appropriated for the Annual Security Training Conference to be used for statewide cyber security measures.
SEN: ADOPT new proviso.

101.32. (BCB: Security Training Conference Funds) In the event the funds appropriated for the Annual Security Training Conference are below that which is required for the current fiscal year, the board may utilize any remaining funds for expenses associated with statewide cyber security.

- 101.33 ADD** (Consolidation of Administrative Functions) **SFC:** ADD new proviso to direct the B&C Board to study the feasibility, including a cost benefit analysis, of assuming control of certain non-agency specific administrative functions for state agencies whose total appropriations are less than \$5,000,000 and to report their findings to the Chairmen of the Senate Finance and House Ways and Means Committees by January 3, 2014. NOTE: Scrivener's error: proviso number was 101.31 in the SFC version, but should have been 101.33.
SEN: ADOPT new proviso.

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

- 101.34 ADD** (Second Injury Fund Closure Plan) **SFC:** ADD new proviso to authorize and empower the B&C Board to implement and administer the Second Injury Fund closure plan. Direct the remaining Second Injury funds and accounts be transferred to the board and be held in separate and distinct trust accounts. Direct the board to act on behalf of the Second Injury Fund to process and record closing transactions. Direct the State Budget Division to provide appropriate other fund authority equal to remaining administrative expenditures, if needed. NOTE: Scrivener's error: proviso number was 101.32 in the SFC version, but should have been 101.34.
SEN: ADOPT new proviso.

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

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appropriate, other fund spending authority equal to the amount of any remaining administrative expenditures associated with closing the Second Injury Fund, if needed and adequately documented. The transferred funds shall continue to be held as separate and distinct trust accounts by the State Treasurer.

- 101.35** **ADD** (Interagency Loans) **SEN:** ADD new proviso to suspend Section 11-9-240 for Fiscal Year 2013-14 that allows the B&C Board to borrow from departments of state government. Sponsors: Sens. Massey and Sheheen.

101.35. (BCB: Interagency Loans) Section 11-9-240 of the 1976 Code is suspended for Fiscal Year 2013-14.

- 101.36** **ADD** (Deficit Recognition) **SEN:** ADD new proviso to suspend Section 1-11-495 for FY 2013-14 which requires the B&C Board monitor revenues and expenditures to determine year-end deficits; requires the board restrict an agency's rate of expenditure if it determines a deficit may occur; and provides for the use of supplement appropriations to offset any recognized deficit if the General Assembly does not take action. Suspend Section 11-9-890 for FY 2013-14 which directs the BEA to delineate the official fiscal year revenue estimates by quarters and provides for specific actions to be taken by the B&C Board if quarterly revenue collections are 2% or more below the amount projected for that quarter to avoid year-end deficits.

101.36. (BCB: Deficit Recognition) For Fiscal Year 2013-14, the provisions of Section 1-11-495 and Section 11-9-890 of the 1976 Code are suspended.

- 101.37** **ADD** (Forecast) **SEN:** ADD new proviso to direct that if the BEA reduces the revenue forecast for the fiscal year at the end of the 1st, 2nd, or 3rd quarter by 3% or less below the amount projected for the fiscal year, the Director of the State Budget Division must, within 3 days, reduce general funds appropriations by an amount to avoid a year-end deficit and notify the State Treasurer and Comptroller General of the reductions. Prohibit the State Budget Division Director from discontinuing, deleting, or deferring any agency, activity, program, item, special appropriation or allocation. Require the reduction be applied as uniformly as practicable, except prohibit a reduction from being applied to funds encumbered by a written contract. Direct that if the BEA reduces the revenue forecast by more than 3% below the amount projected for the fiscal year the President Pro Tempore of the Senate and the Speaker of the House may call each respective house into session to take action to avoid a year end deficit. Require the Director of the State Budget Division to take action to reduce general fund appropriations if the General Assembly has not taken action within 20 day of the BEA determination. Sponsors: Sens. Massey and Sheheen.

101.37. (BCB: Forecast) (1) If at the end of the first, second, or third quarter of any fiscal year the Board of Economic Advisors reduces the revenue forecast for the fiscal year by three percent or less below the amount projected for the fiscal year in the forecast in effect at the time the general appropriations bill for the fiscal year is ratified, within three days of that determination, the Director of the State Budget Division must reduce general fund appropriations by the requisite amount to avoid a year-end deficit as provided in this proviso. Upon making the reduction, the Director of the State Budget Division immediately must notify the State Treasurer and the Comptroller General of the reduction and, upon notification, the appropriations are considered reduced. No agencies, departments, institutions, activity, program, item, special appropriation, or allocation for which the General Assembly has provided funding in any part of this section may be discontinued, deleted, or deferred by the

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Director of the State Budget Division. A reduction of rate of expenditure by the Director of the State Budget Division, under authority of this section, must be applied as uniformly as shall be practicable, except that no reduction must be applied to funds encumbered by a written contract with the agency, department, or institution not connected with state government.

(2) If at the end of the first, second, or third quarter of any fiscal year the Board of Economic Advisors reduces the revenue forecast for the fiscal year by more than three percent below the amount projected for the fiscal year in the forecast in effect at the time the general appropriations bill for the fiscal year is ratified, the President Pro Tempore of the Senate and the Speaker of the House of Representatives may call each respective house into session to take action to avoid a year-end deficit. If the General Assembly has not taken action within twenty days of the determination of the Board of Economic Advisors, the Director of the State Budget Division must reduce general fund appropriations by the requisite amount in the manner prescribed by item (1) above.

101.38 ADD (Deficit Prevention and Recognition) **HOU2:** ADD new proviso . . .

Sponsors: Reps. White, Bingham, Herbkersman, Limehouse, Merrill, M.A. Pitts, Simrill, G.M. Smith, and J.R. Smith. Note: Proviso 101.32 in HOU2.

101.38. (BCB: Deficit Prevention and Recognition) (A) It is the responsibility of each state agency, department, and institution to operate within the limits of appropriations set forth in the annual general appropriations act, appropriation acts, or joint resolution supplemental thereto, and any other approved expenditures of monies. A state agency, department, or institution shall not operate in a manner that results in a year-end deficit except as provided in this chapter.

(B) If at the end of each quarterly deficit monitoring review by the State Budget Division, it is determined by either the State Budget Division or a state agency, department, or institution that the likelihood of a deficit for the current fiscal year exists, the state agency shall notify the General Assembly within fifteen days of this determination and shall further request the State Budget Division to work with it to develop a plan to avoid the deficit. Within fifteen days of the deficit avoidance plan being completed, the State Budget Division shall either request the General Assembly to recognize the deficit in the manner provided in subsection (C) if it determines the deficit avoidance plan will not be sufficient to avoid a deficit or notify the General Assembly of how the deficit will be avoided based on the deficit avoidance plan if the State Budget Division determines the plan will be sufficient to avoid a deficit.

(C) Upon notification from the State Budget Division as provided in subsection (B) that an agency will run a deficit and requesting that it be recognized, the General Assembly, by joint resolution, may make a finding that the cause of, or likelihood of, a deficit is unavoidable due to factors which are outside the control of the state agency, department, or institution, and recognize the deficit. Any legislation to recognize a deficit must be in a separate joint resolution enacted for the sole purpose of recognizing the deficit of a particular state agency, department, or institution. A deficit only may be recognized by an affirmative vote of each branch of the General Assembly.

(D) If the General Assembly recognizes the deficit, then the actual deficit at the close of the fiscal year must be reduced as necessary from surplus revenues or surplus funds available at the close of the fiscal year in which the deficit occurs and from funds available in the General Reserve Fund and the Capital Reserve Fund, as required by the Constitution of this State.

(E) Once a deficit has been recognized by the General Assembly, the state agency, department, or institution shall limit travel and conference attendance to that which is deemed essential by the director of the agency, department, or institution. In addition, the General

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Assembly, when recognizing a deficit may direct that any pay increases and purchases of equipment and vehicles must be approved by the State Budget Division.

SEN: ADD new proviso to direct that it is each state agency's responsibility to operate within the limits of its appropriations and to not operate in manner that would result in a year-end deficit. Require for General Assembly notification if either the State Budget Division or a state agency determines a deficit may occur and require a deficit avoidance plan be completed. Direct the State Budget Division, within 15 days of the completion of the plan, to recognize the deficit if the plan will not be sufficient to avoid a deficit, if it is projected to be less than \$1,000,000, and if the General Assembly is adjourned Sine Die. If the plan will not be sufficient to avoid a deficit and it is projected to be \$1,000,000 or more, the State Budget Division must request the General Assembly to recognize the deficit. If the plan is sufficient to avoid a deficit the State Budget Division must notify the General Assembly of how the deficit will be avoided. Allow the Speaker of the House and President Pro Tempore of the Senate to call the General Assembly into session to address the deficit if the General Assembly is adjourned Sine Die. Sponsors: Sens. Massey and Sheheen.

101.38. (BCB: Deficit Prevention and Recognition) (A) It is the responsibility of each state agency, department, and institution to operate within the limits of appropriations set forth in the annual general appropriations act, appropriation acts, or joint resolution supplemental thereto, and any other approved expenditures of monies. A state agency, department, or institution shall not operate in a manner that results in a year-end deficit except as provided in this proviso.

(B) (1) If at the end of each quarterly deficit monitoring review by the State Budget Division, it is determined by either the State Budget Division or a state agency, department, or institution that the likelihood of a deficit for the current fiscal year exists, the state agency shall notify the General Assembly within fifteen days of this determination and shall further request the State Budget Division to work with it to develop a plan to avoid the deficit. Within fifteen days of the deficit avoidance plan being completed, the State Budget Division shall:

(a) recognize the deficit, in the manner provided in subsection (C) if it determines that the deficit avoidance plan will not be sufficient to avoid a deficit, the projected deficit is less than one million dollars, and the General Assembly is adjourned Sine Die;

(b) request the General Assembly to recognize the deficit in the manner provided in subsection (C)(2) if it determines the deficit avoidance plan will not be sufficient to avoid a deficit and the projected deficit is equal to or greater than one million dollars, regardless of whether the General Assembly is adjourned Sine Die; or

(c) notify the General Assembly of how the deficit will be avoided based on the deficit avoidance plan if the State Budget Division determines the plan will be sufficient to avoid a deficit.

(2) The State Budget Division must notify the General Assembly as soon as practicable when it determines that it will proceed with a deficit recognition pursuant to subsection (B)(1)(a).

(3) If the State Budget Division requests that the General Assembly recognize the deficit in the manner provided in subsection (C)(2) and the General Assembly is adjourned Sine Die, the Speaker of the House and Pro Tempore of the Senate may call each respective house into session to address the deficit.

(C) (1) (a) When a deficit avoidance plan will not be sufficient to avoid a deficit, the projected deficit is less than one million dollars, and the General Assembly is adjourned Sine Die, the State Budget Division may recognize the deficit if the deficit is unavoidable due to factors which are outside the control of the state agency, department, or institution. Subject to

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the provisions contained in item (b) below, a deficit recognized by the State Budget Division must, at the close of the fiscal year, reduce the actual deficit, as necessary, from surplus revenues or surplus funds available at the close of the fiscal year in which the deficit occurs and then, to the extent no surplus revenues or surplus funds are available, first from funds available in the Capital Reserve Fund and then from funds available in the General Reserve Fund as required by the Constitution of this State.

(b) During its next ensuing regular session following a deficit recognition by the State Budget Division, the General Assembly may make a finding that the cause of, or likelihood of, a deficit is unavoidable due to factors which are outside the control of the state agency, department, or institution that was the subject of deficit recognition and recognize the deficit in the manner provided in subsection (C)(2). If the General Assembly does not recognize the deficit prior to Sine Die adjournment of its next ensuing regular session, the deficit recognized by the State Budget Division shall remain effective and its provisions shall be implemented.

(2) (a) Upon notification from the State Budget Division as provided in subsection (B)(1)(b) that an agency will run a deficit and requesting that it be recognized, the General Assembly, by joint resolution, may make a finding that the cause of, or likelihood of, a deficit is unavoidable due to factors which are outside the control of the state agency, department, or institution, and recognize the deficit. Any legislation to recognize a deficit must be in a separate joint resolution enacted for the sole purpose of recognizing the deficit of a particular state agency, department, or institution. A deficit only may be recognized by an affirmative vote of each branch of the General Assembly.

(b) If the General Assembly recognizes the deficit, then the actual deficit at the close of the fiscal year must be reduced as necessary from surplus revenues or surplus funds available at the close of the fiscal year in which the deficit occurs and then, to the extent no surplus revenues or surplus funds are available, first from funds available in the Capital Reserve Fund and then from funds available in the General Reserve Fund as required by the Constitution of this State.

(D) Once a deficit has been recognized pursuant to this proviso, the state agency, department, or institution shall limit travel and conference attendance to that which is deemed essential by the director of the agency, department, or institution. In addition, when recognizing a deficit, the General Assembly or the State Budget Division, as the case may be, may condition recognition on a requirement that any pay increases and purchases of equipment and vehicles must be approved by the State Budget Division.

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

- 102.3 AMEND NEW PROVISO** (Coordination with Inspector General) **WMC:** ADD new proviso to direct the State Auditor to refer any instances of fraud, waste, or abuse that are identified through any state agency audit to the State Inspector General for examination and direct a report be submitted to the Chairmen of the House Ways and Means and Senate Finance Committees detailing the referrals.
HOU: ADOPT new proviso.

102.3. (BCB/AUD: Coordination with Inspector General) In the event the State Auditor's Office identifies instances of fraud, waste, and abuse during any state agency audit, the State Auditor shall refer such instances to the State Inspector General for examination. The State Auditor shall prepare and submit an annual report to the Chairmen of the House Ways and

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Means Committee and the Senate Finance Committee detailing all written referrals of fraud, waste, and abuse submitted to the State Inspector General.

SFC: AMEND new proviso to also have the report submitted to the Governor.

SEN: ADOPT new proviso as amended.

102.3. (BCB/AUD: Coordination with Inspector General) In the event the State Auditor's Office identifies instances of fraud, waste, and abuse during any state agency audit, the State Auditor shall refer such instances to the State Inspector General for examination. The State Auditor shall prepare and submit an annual report to the Chairmen of the House Ways and Means Committee and the Senate Finance Committee and the Governor detailing all written referrals of fraud, waste, and abuse submitted to the State Inspector General.

SECTION 103 - F30-BUDGET AND CONTROL BOARD, EMPLOYEE BENEFITS

103.1 DELETE (BCB/EB: Exempt National Guard Pension Fund) Exempts the National Guard Pension Fund from any across the board reductions.

SFC: DELETE proviso. Move proviso to PEBA Section 105.

SEN: ADOPT deletion of proviso.

~~103.1. (BCB/EB: Exempt National Guard Pension Fund) In the calculation of any across-the-board cut mandated by the Budget and Control Board or General Assembly, the amount of the appropriation for the National Guard Pension Fund shall be excluded.~~

SECTION 105 - F50-PUBLIC EMPLOYEE BENEFIT AUTHORITY

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

WMC: DELETE proviso.

HOU: ADOPT deletion of proviso.

~~105.1. (PEBA: Lottery & Infrastructure Bank Health Insurance) South Carolina Lottery Commissioners and South Carolina Transportation Infrastructure Bank Board members and their eligible dependents are eligible to participate in the State Health and Dental Insurance Plan, upon paying the full premium costs as determined by the Public Employee Benefit Authority.~~

SFC: REINSERT original proviso.

SEN: ADOPT original proviso.

105.1. (PEBA: Lottery & Infrastructure Bank Health Insurance) South Carolina Lottery Commissioners and South Carolina Transportation Infrastructure Bank Board members and their eligible dependents are eligible to participate in the State Health and Dental Insurance Plan, upon paying the full premium costs as determined by the Public Employee Benefit Authority.

105.6 AMEND NEW PROVISO (Tobacco User Differential Study) **WMC:** ADD new proviso direct PEBA to conduct a study to determine the benefits to the State Health Plan to

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differentiate between enrollees who are tobacco users and non-users by imposing a surcharge based on the category of tobacco product used and to make recommendations to the Chairmen of the Senate Finance and House Ways and Means Committees by October 1, 2013.

HOU: ADOPT new proviso.

105.6. (PEBA: Tobacco User Differential Study) The Public Employee Benefit Authority shall conduct a study to determine if it is in the best interest of the state and the State Health Plan to differentiate between tobacco users by category of product used and non-users regarding rates charged to enrollees in its health plans by imposing a surcharge on enrollee rates based upon the category of tobacco product used. Recommendations shall include, but not be limited to an appropriate surcharge to be assessed and shall be submitted to the Chairman of the Senate Finance Committee and the Chairman of the House Ways and Means Committee by October 1, 2013.

SFC: AMEND new proviso to direct the authority to offer a period for public comment when conducting the study and change the submission date for recommendations from October 1st to December 31st.

SEN: ADOPT new proviso as amended.

105.6. (PEBA: Tobacco User Differential Study) The Public Employee Benefit Authority shall conduct a study to determine if it is in the best interest of the state and the State Health Plan to differentiate between tobacco users by category of product used and non-users regarding rates charged to enrollees in its health plans by imposing a surcharge on enrollee rates based upon the category of tobacco product used. In conducting the study, the authority shall offer a period for public comment. Recommendations shall include, but not be limited to an appropriate surcharge to be assessed and shall be submitted to the Chairman of the Senate Finance Committee and the Chairman of the House Ways and Means Committee by December 31, 2013.

105.8 **ADD** (Exempt National Guard Pension Fund) **SFC:** ADD new proviso to exempt the National Guard Pension Fund from any across the board reductions. *Moved from Section 103, BCB Employee Benefits.*

SEN: ADOPT new proviso.

105.8. (PEBA: Exempt National Guard Pension Fund) In the calculation of any across-the-board cut mandated by the Budget and Control Board or General Assembly, the amount of the appropriation for the National Guard Pension Fund shall be excluded.

105.9 **ADD** Telemedicine) **SEN:** ADD new proviso to direct the State Health Plan to establish coverage, guidelines, documentation requirements and benefit design standards for telemedicine services. Establish a Telemedicine Advisory Council to study telemedicine outcomes, evaluate reimbursement rates and make recommendations regarding the further development and use of telemedicine. Sponsors: Sens. Cleary, Davis, and Hutto.

105.9. (PEBA: Telemedicine) (A)(1) During the current fiscal year, the State Health Plan shall not require face-to-face contact between a consulting health care provider and a patient as a prerequisite for payment for covered services appropriately provided through telemedicine in accordance with generally accepted health care practices and standards at the time the telemedicine service was rendered.

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(2) Notwithstanding the provisions of item (1), the State Health Plan shall establish coverage guidelines, documentation requirements, and benefit design standards for telemedicine services.

(B) Reimbursement for covered services provided through telemedicine shall be determined by the State Health Plan and shall be based upon Current Procedural Terminology (CPT) codes with appropriate GT telemedicine modifiers (via interactive audio and video telecommunications systems).

(C) It is the responsibility of the consulting health care provider to communicate the details of the telemedicine service with the patient's primary care provider or referring health care provider within a mutually agreed upon time frame and mode of communication.

(D) The Board of Medical Examiners shall authorize and establish standards for other forms or methods of providing health care services through telephone, facsimile, or electronic means, or combination thereof; provided, however, that the State Health Plan may reimburse for such other services but are not required by subsection (A) to do so. Further, the Board of Medical Examiners and the Board of Nursing shall use the same standards in evaluating and investigating a complaint and disciplining a licensee who practices telemedicine as it would use for a licensee who does not practice telemedicine.

(E) This provision does not affect health care services currently reimbursed by the State Health Plan that utilize electronic communications which are not real-time or preclude the Public Employee Benefit Authority from reimbursing for similar services in the future.

(F) (1) In the current fiscal year, and from funds appropriated, there must be a Telemedicine Advisory Council whose functions are to study telemedicine outcomes, evaluate reimbursement rates and make recommendations regarding the further development and use of telemedicine. The council shall consist of:

(a) the Director of the Department of Insurance or their designee;

(b) the Director of the Department of Health and Human Services or their designee;

(c) the Director of the Department of Labor, Licensing and Regulation or their designee;

(d) the Director of the Public Employee Benefit Authority or their designee;

(e) a member of the Senate appointed by the Chairman of the Senate Medical Affairs Committee;

(f) a member of the House of Representatives appointed by the Chairman of the House Labor, Commerce and Industry Committee;

(g) five members appointed by the Governor consisting of:

(i) a rural hospital administrator;

(ii) a physician with specialized knowledge and interest in the use of telemedicine;

(iii) a psychiatrist with specialized knowledge and interest in the use of telepsychiatry;

(iv) a representative from a health insurance issuer licensed to do business in this State; and

(v) a representative from a public medical school in South Carolina; and

(h) the Chairman of the Board of Directors for Palmetto Care Connections, Inc. or their designee, ex officio and non-voting.

(2) The Director of the Public Employee Benefit Authority or their designee shall serve as chairman. A quorum will be a majority of the members present but not less than four attendees. Members shall serve without per diem, subsistence, or mileage.

(3) Staff support shall be provided by the Public Employee Benefit Authority, the Senate, and the House of Representatives.

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(4) Members shall be appointed no later than August 1, 2013. Vacancies must be filled in the manner of the original appointment. The initial meeting of the council shall be no later than December 1, 2013, and the council shall meet at least twice during the fiscal year or at the call of the chairman.

(5) The council shall make a progress report to the Public Employee Benefit Authority, the Chairman of the Senate Medical Affairs Committee, and the Chairman of the House of Representatives Labor, Commerce and Industry Committee no later than June 30, 2014. The progress reports shall include, but not be limited to, evaluation of the access to health care; patient satisfaction of telemedicine services; medical outcomes; affordability of telemedicine health care services; and recommendations and results from item (6).

(6) The council shall research and evaluate the opportunities and challenges for further growth and development of telemedicine in South Carolina including, but not limited to, market incentives for telemedicine growth; market impediments to the use and growth of telemedicine; statutory and regulatory limitations to the utilization and growth of telemedicine; the value and availability of the various types of telemedicine available in medicine, including physician-to-patient telemedicine; the impact of telemedicine policy directives and decisions by the Board of Medical Examiners; and, liability concerns for providers and insurers.

(G) For the purposes of this provision:

(1) 'Telemedicine' means the delivery of health care, including diagnosis, treatment, or transfer of medical data, by means of bi-directional, real-time, interactive, secured and HIPAA compliant, electronic audio and video telecommunications systems by a consulting health care provider to a patient of a referring health care provider, at a referring site. HIPAA compliant electronic audio and video telecommunications systems must be used between the consultant site and referring site. Standard telephone, facsimile transmissions, unsecured electronic mail, or a combination of them do not constitute telemedicine services.

(2) 'Consultant site' means the physical site at which the consulting health care provider is located at the time the health care is provided by means of telemedicine.

(3) 'Referring site' means the physical site of the patient.

(4) 'Consulting health care provider' means an allopathic or osteopathic physician, physician assistant, or a nurse practitioner licensed in the State of South Carolina and practicing pursuant to their respective practice act under Title 40.

(5) 'Referring health care provider' means an allopathic or osteopathic physician, physician assistant, or nurse practitioner who, upon evaluation of the patient determines the need for consultation and makes the arrangements for the consulting health care provider services. A referring health care provider must be licensed in the State of South Carolina and practicing pursuant to their respective practice act under Title 40.

(6) 'State Health Plan' means the employee and retiree insurance program administered by the Public Employee Benefit Authority.

SECTION 106 - R44-DEPARTMENT OF REVENUE

106.9 **ADD** (Treasury Offset Program) **SFC:** ADD new proviso to authorize DOR to retain up to \$140,000 of mailing and associated administrative costs incurred resulting from the State's participation in the Federal Treasury Offset Program. Require remaining revenue be deposited into the General Fund. Fiscal Impact: Agency states there will be \$111,851 reduction in amounts deposited in the General Fund. This represents the 5-year annual average of administrative costs incurred. The 5-year annual average of state tax collections resulting from the program, as reported by DOR, is \$34,601,174. Requested by Department of Revenue.
SEN: ADOPT new proviso.

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106.9. (DOR: Treasury Offset Program) The Department of Revenue is authorized to retain up to \$140,000 of mailing and associated administrative costs incurred as a result of the State's participation in and the notice requirements of the Federal Treasury Offset Program. Retained expenses shall be from tax offset revenue received from the federal government. Remaining revenue shall be deposited in the General Fund.

106.10 ADD (Rapid Response to Declared Disasters) **SEN:** ADD new proviso to direct that an out-of-state business that performs work or services in the state related to a declared state disaster or emergency must not be considered to have established a level of presence that would require the business to register, file and remit state or local taxes, or require the business or its out-of-state employees to be subject to any state licensing or registration requirements. Direct that if the out-of-state business or out-of-state employee remains in the state after the declared disaster period, they become subject to the state's normal standards for establishing presence, residency, or doing business in the state. Sponsor: Sen. Campbell.

106.10. (DOR: Rapid Response to Declared Disasters) (A) (1) For purposes of this proviso:

(a) 'Registered business in this State' or 'registered business' means a business entity that is registered to do business in this State before the declared state disaster or emergency.

(b) 'Out-of-state business' means a business entity that has no presence in the State and conducts no business in this State whose services are requested by a registered business or by a state or local government for purposes of performing disaster or emergency-related work in this State. This definition includes a business entity that is affiliated with the registered business in this State solely through common ownership. The out-of-state business must have no registrations or tax filings or nexus in the State before the declared state disaster or emergency.

(c) 'Out-of-state employee' means an employee who does not reside in or work in the State, except for disaster or emergency related work during the disaster period.

(d) 'Infrastructure' means property and equipment owned or used by communications networks, electric generation, transmission and distribution systems, gas distribution systems, water pipelines, and public roads and bridges and related support facilities that services multiple customers or citizens including, but not limited to, real and personal property such as buildings, offices, lines, poles, pipes, structures and equipment.

(e) 'Declared state disaster or emergency' means a disaster or emergency event:

(i) for which a Governor's state of emergency proclamation has been issued;

(ii) for which a presidential declaration of a federal major disaster or emergency has been issued; or

(iii) other disaster or emergency event within this State for which a good faith response effort is required, and for which the Director of the South Carolina Department of Revenue designates the event as a disaster or emergency and thereby invokes this chapter.

(f) 'Disaster period' means a period that begins within ten days of the first day of the Governor's proclamation, the President's declaration or designation by the Director of the Department of Revenue, whichever occurs first, and that extends for a period of sixty calendar days after the end of the declared disaster or emergency period, or any longer period authorized by the designated state official or agency.

(g) 'Disaster or emergency related-work' means repairing, renovating, installing, building, rendering services or other business activities that relate to infrastructure that has been damaged, impaired, or destroyed by the event precipitating the declared state disaster or emergency.

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(B) (1) (a) An out-of-state business that conducts operations within this State during Fiscal Year 2013-14 for purposes of performing work or services related to a declared state disaster or emergency during the portion of a disaster period that occurs during Fiscal Year 2013-14 must not be considered to have established a level of presence that would require that business to register, file, and remit state or local taxes or that would require that business or its out-of-state employees to be subject to any state licensing or registration requirements or any combination of these actions. Except as provided in subsection (B)(1)(b), this exemption includes all state or local business licensing or registration requirements or state and local taxes or fees including, but not limited to, unemployment insurance, state or local occupational licensing fees, sales and use tax, or property tax on equipment used or consumed during the disaster period, and includes South Carolina Public Service Commission and Secretary of State licensing and regulatory requirements. For purposes of a state or local tax on or measured by, in whole or in part, net or gross income or receipts, all activity of the out-of-state business that is conducted in this state pursuant to this chapter must be disregarded with respect to any filing requirements for that tax including the filing required for a unitary or combined group of which the out-of-state business may be a part.

(b) An out-of-state employee is not considered to have established residency or a presence in the State that would require that person or that person's employer to file and pay income taxes or to be subjected to tax withholdings or to file and pay any other state or local tax or fee during the disaster period that occurs during Fiscal Year 2013-14. This includes any related state or local employer withholding and remittance obligations.

(2) Out-of-state businesses and out-of-state employees are not exempted by this chapter from transaction taxes and fees including, but not limited to, fuel taxes and fuel user fees or sales and use taxes on materials or services subject to sales and use tax, accommodations taxes, car rental taxes or fees that the out-of-state affiliated business or out-of-state employee purchases for use or consumption in this State during the disaster period, unless the taxes or fees are otherwise exempted during a disaster period.

(3) An out-of-state business or out-of-state employee that remains in the State during Fiscal Year 2013-14 and after the disaster period becomes subject to the state's normal standards for establishing presence, residency or doing business in this State and the resulting requirements.

(C) (1) (a) The out-of-state business that enters this State upon request, shall provide to the Department of Revenue a notification statement that it is in this State for purposes of responding to the disaster or emergency, which statement must include the business' name, state of domicile, principal business address, federal tax identification number, date of entry, and contact information.

(b) A registered business in this State, upon request, shall provide the information required in item (1)(a) of this subsection for an affiliate that enters this State that is an out-of-state business. The notification also must include contact information for the registered business in this State.

(2) An out-of-state business or an out-of-state employee that remains in this State during Fiscal Year 2013-14 and after the disaster period shall notify the Department of Revenue and shall comply with state and local registration, licensing, and filing requirements that ensue as a result of establishing the requisite business presence or residency in this State.

SECTION 107 - R52 - STATE ETHICS COMMISSION

107.1 DELETE NEW PROVISO (Lobbying Fee Increase) **WMC:** ADD new proviso to authorize the Ethics Commission to increase the registration fees for lobbyists and lobbyists principals to

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\$200 and to use these funds to offset costs associated with administering and enforcing lobbyist and lobbying legislation. Authorize unexpended funds to be carried forward and used for the same purpose. Fiscal Impact: BEA states that based on 1,087 currently registered lobbyists, the proposed \$100 fee increase should generate approximately \$108,700 in other fund revenue for the agency.

HOU: ADOPT new proviso.

107.1. (ETHICS: Lobbying Fee Increase) The State Ethics Commission is authorized to increase lobbyist and lobbyist's principal registration fees to two hundred dollars to be used to offset costs associated with the administration and enforcement of Chapter 17 of Title 2 and Chapter 13 of Title 8 of the South Carolina Code of Laws, 1976, as amended. Any unexpended funds may be carried forward into the current fiscal year to be used for the same purpose.

SFC: DELETE new proviso.

SEN: ADOPT deletion of new proviso.

107.1. (ETHICS: Lobbying Fee Increase) DELETED

107.2 DELETE NEW PROVISO (Ethics Commission Fees) **WMC:** ADD new proviso to require any fee, fine, or penalty imposed by the commission to be deposited into the General Fund except for the \$100 increase for lobbyist and lobbyist's principal registration fee authorized in proviso 107.1.

HOU: ADOPT new proviso.

107.2. (ETHICS: Ethics Commission Fees) For Fiscal Year 2013-14, any fee, fine, or penalty imposed by the State Ethics Commission in the current fiscal year shall be deposited in the General Fund, with the exception of the one hundred dollar lobbyist and lobbyist's principal registration fee increase authorized in proviso 107.1 as provided herein.

SFC: DELETE new proviso.

SEN: ADOPT deletion of new proviso.

107.2. (ETHICS: Ethics Commission Fees) DELETED

SECTION 108 - S60-PROCUREMENT REVIEW PANEL

108.1 REINSERT ORIGINAL PROVISO (Filing Fee) Authorizes the Procurement Review Panel to charge a \$250 filing fee to the party requesting an administrative review under Sections 11-35-4210(6), 11-35-4220(5), 11-35-4230(6) and/or 11-35-4410(4) of the S.C. Code of Laws. Directs the agency to retain the funds generated by the filing fee and to use such fees for agency operations. Requires forfeiture of the filing fee when an appeal is withdrawn. Allows for waiver of the fee in case of hardship.

WMC: DELETE proviso. Fiscal Impact: No impact on the General Fund.

HOU: ADOPT deletion of proviso.

~~**108.1. (PRP: Filing Fee) Requests for administrative review before the South Carolina Procurement Review Panel shall be accompanied by a filing fee of two hundred and fifty dollars (\$250.00), payable to the SC Procurement Review Panel. The panel is authorized to charge the party requesting an administrative review under the S.C. Code Sections 11-35-**~~

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~~4210(6), 11-35-4220(5), 11-35-4230(6), 11-35-4330, and/or 11-35-4410. The funds generated by the filing fee shall be retained by the panel and carried forward to be used for the operation of the panel. Withdrawal of an appeal will result in the filing fee being forfeited to the panel. If a party desiring to file an appeal is unable to pay the filing fee because of financial hardship, the party shall submit a completed Request for Filing Fee Waiver form at the same time the request for review is filed. The panel shall make the Request for Filing Fee Waiver forms available to the Chief Procurement Officers to provide to parties along with notice of right to appeal to the panel. If the filing fee is not waived, the party must pay the filing fee within fifteen days of the date of receipt of the order denying waiver of the filing fee. Requests for administrative review will not be accepted unless accompanied by the filing fee or a completed Request for Filing Fee Waiver form at the time of filing.~~

SFC: REINSERT original proviso.

SEN: ADOPT original proviso.

108.1. (PRP: Filing Fee) Requests for administrative review before the South Carolina Procurement Review Panel shall be accompanied by a filing fee of two hundred and fifty dollars (\$250.00), payable to the SC Procurement Review Panel. The panel is authorized to charge the party requesting an administrative review under the S.C. Code Sections 11-35-4210(6), 11-35-4220(5), 11-35-4230(6), 11-35-4330, and/or 11-35-4410. The funds generated by the filing fee shall be retained by the panel and carried forward to be used for the operation of the panel. Withdrawal of an appeal will result in the filing fee being forfeited to the panel. If a party desiring to file an appeal is unable to pay the filing fee because of financial hardship, the party shall submit a completed Request for Filing Fee Waiver form at the same time the request for review is filed. The panel shall make the Request for Filing Fee Waiver forms available to the Chief Procurement Officers to provide to parties along with notice of right to appeal to the panel. If the filing fee is not waived, the party must pay the filing fee within fifteen days of the date of receipt of the order denying waiver of the filing fee. Requests for administrative review will not be accepted unless accompanied by the filing fee or a completed Request for Filing Fee Waiver form at the time of filing.

SECTION 110 - X22-AID TO SUBDIVISIONS, STATE TREASURER

110.8 **DELETE NEW PROVISO** (ADA Compliant Voting Machines) **HOU:** ADD new proviso to direct that up to \$140,000 of the funds distributed to Richland County from the Local Government Fund be designated to purchase new ADA compliant voting machines as a result of the legislation passed that created new Richland County precincts. Sponsors: Reps. Ballentine and Finlay.

110.8. (AS-TREAS: ADA Compliant Voting Machines) From the funds distributed to Richland County from the Aid to Subdivisions, Local Government Fund, up to \$140,000 must be designated to purchase new ADA compliant voting machines as a result of legislation passed by the General Assembly creating new precincts for Richland County.

SFC: DELETE new proviso.

SEN: ADOPT deletion of proviso.

110.8. (AS-TREAS: ADA Compliant Voting Machines) DELETED

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110.9 **ADD** (Dorchester Clerk of Court) **HOU2:** ADD new proviso. . .
Sponsors: Reps. White, Bingham, Herbkersman, Limehouse, Merrill, M.A. Pitts, Simrill, G.M. Smith, and J.R. Smith.

110.9. (AS-TREAS: Dorchester Clerk of Court) \$30,000 of the funds allocated to Dorchester County from the Local Government Fund shall be remitted to Dorchester County Clerk of Court.

SECTION 117 - X90-GENERAL PROVISIONS

117.15 RESTORE ORIGINAL PROVISO (Personal Service Reconciliation, FTEs) Provides guidelines for the Budget and Control Board to monitor full-time equivalent (FTE) positions and directs that no agency may exceed the total FTEs authorized in the Appropriation Act except upon majority vote of the board. Directs that personal service funding must be at least 97% of the amount required to support the FTEs contained in the Governor's budget recommendations.

WMC: AMEND proviso to exempt the MUSC Hospital Authority from subitem 2(c) - deletion of unfunded or significantly underfunded FTEs and subitem 5 - elimination of unfunded FTEs.

HOU: ADOPT proviso as amended.

117.15. (GP: Personal Service Reconciliation, FTEs) In order to provide the necessary control over the number of employees, the Budget and Control Board is hereby directed to maintain close supervision over the number of state employees, and to require specifically the following:

1. That no state agency exceed the total authorized number of full-time equivalent positions and those funded from state sources as provided in each section of this act except by majority vote of the Budget and Control Board.

2. That the Budget and Control Board shall maintain and make, as necessary, periodic adjustments thereto, an official record of the total number of authorized full-time equivalent positions by agency for state and total funding sources.

(a) That within thirty (30) days of the passage of the Appropriation Act or by August first, whichever comes later, each agency of the State must have established on the Budget and Control Board records all positions authorized in the Act. After that date, the Board shall delete any non-established positions immediately from the official record of authorized full-time equivalent positions. No positions shall be established by the board in excess of the total number of authorized full-time equivalent positions. Each agency may, upon notification to the Budget and Control Board, change the funding source of state FTE positions established on the Budget and Control Board records as necessary to expend federal and other sources of personal service funds to conserve or stay within the state appropriated personal service funds. No agency shall change funding sources that will cause the agency to exceed the authorized number of state or total full-time equivalent positions. Each agency may transfer FTEs between programs as needed to accomplish the agency mission.

(b) That by September thirtieth, the board shall prepare a personal service analysis, by agency, which shows the number of established positions for the fiscal year and the amount of funds required, by source of funds, to support the FTE's for the fiscal year at a funding level of one hundred percent. The board shall then reconcile each agency's personal service detail with the agency's personal service appropriation as contained in the Act adjusted for any pay increases and any other factors necessary to reflect the agency's personal service funding level.

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The board shall provide a copy of each agency's personal service reconciliation to the Senate Finance and House Ways and Means Committees.

(c) That any position which is shown by the reconciliation to be unfunded or significantly underfunded may be deleted at the direction of the Budget and Control Board.

3. That full-time equivalent (FTE) positions shall be determined under the following guidelines:

(a) The annual work hours for each FTE shall be the agency's full-time standard annual work hours.

(b) The state FTE shall be derived by multiplying the state percentage of budgeted funds for each position by the FTE for that position.

(c) All institutions of higher education shall use a value of 0.75 FTE for each position determined to be full-time faculty with a duration of nine (9) months.

The FTE method of accounting shall be utilized for all authorized positions.

4. That the number of positions authorized in this act shall be reduced in the following circumstances:

(a) Upon request by an agency.

(b) When anticipated federal funds are not made available.

(c) When the Budget and Control Board, through study or analysis, becomes aware of any unjustifiable excess of positions in any state agency.

5. That the Budget and Control Board shall annually reconcile personal service funds with full-time employee count. Unfunded positions will be eliminated no later than January fifteenth of the current fiscal year unless specifically exempted elsewhere in this act or by the Budget and Control Board. The Budget and Control Board must report the full-time employee count and unfunded position status to the Senate Finance Committee and the Ways and Means Committee by February first of the current fiscal year.

6. That no new permanent positions in state government shall be funded by appropriations in acts supplemental to this act but temporary positions may be so funded.

7. That the provisions of this section shall not apply to personnel exempt from the State Classification and Compensation Plan under item I of Section 8-11-260 of the 1976 Code.

8. The MUSC Hospital Authority shall be exempt from the requirements of subitem 2(c) and subitem 5 contained in this provision.

The Governor, in making his appropriation recommendations to the Ways and Means Committee, must provide that the level of personal service appropriation recommended for each agency is at least ninety-seven percent of the funds required to meet one hundred percent of the funds needed for the full-time equivalents positions recommended by the Governor (exclusive of new positions).

SFC: RESTORE original proviso.

SEN: ADOPT original proviso.

117.15. (GP: Personal Service Reconciliation, FTEs) In order to provide the necessary control over the number of employees, the Budget and Control Board is hereby directed to maintain close supervision over the number of state employees, and to require specifically the following:

1. That no state agency exceed the total authorized number of full-time equivalent positions and those funded from state sources as provided in each section of this act except by majority vote of the Budget and Control Board.

2. That the Budget and Control Board shall maintain and make, as necessary, periodic adjustments thereto, an official record of the total number of authorized full-time equivalent positions by agency for state and total funding sources.

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(a) That within thirty (30) days of the passage of the Appropriation Act or by August first, whichever comes later, each agency of the State must have established on the Budget and Control Board records all positions authorized in the Act. After that date, the Board shall delete any non-established positions immediately from the official record of authorized full-time equivalent positions. No positions shall be established by the board in excess of the total number of authorized full-time equivalent positions. Each agency may, upon notification to the Budget and Control Board, change the funding source of state FTE positions established on the Budget and Control Board records as necessary to expend federal and other sources of personal service funds to conserve or stay within the state appropriated personal service funds. No agency shall change funding sources that will cause the agency to exceed the authorized number of state or total full-time equivalent positions. Each agency may transfer FTEs between programs as needed to accomplish the agency mission.

(b) That by September thirtieth, the board shall prepare a personal service analysis, by agency, which shows the number of established positions for the fiscal year and the amount of funds required, by source of funds, to support the FTE's for the fiscal year at a funding level of one hundred percent. The board shall then reconcile each agency's personal service detail with the agency's personal service appropriation as contained in the Act adjusted for any pay increases and any other factors necessary to reflect the agency's personal service funding level. The board shall provide a copy of each agency's personal service reconciliation to the Senate Finance and House Ways and Means Committees.

(c) That any position which is shown by the reconciliation to be unfunded or significantly underfunded may be deleted at the direction of the Budget and Control Board.

3. That full-time equivalent (FTE) positions shall be determined under the following guidelines:

(a) The annual work hours for each FTE shall be the agency's full-time standard annual work hours.

(b) The state FTE shall be derived by multiplying the state percentage of budgeted funds for each position by the FTE for that position.

(c) All institutions of higher education shall use a value of 0.75 FTE for each position determined to be full-time faculty with a duration of nine (9) months.

The FTE method of accounting shall be utilized for all authorized positions.

4. That the number of positions authorized in this act shall be reduced in the following circumstances:

(a) Upon request by an agency.

(b) When anticipated federal funds are not made available.

(c) When the Budget and Control Board, through study or analysis, becomes aware of any unjustifiable excess of positions in any state agency.

5. That the Budget and Control Board shall annually reconcile personal service funds with full-time employee count. Unfunded positions will be eliminated no later than January fifteenth of the current fiscal year unless specifically exempted elsewhere in this act or by the Budget and Control Board. The Budget and Control Board must report the full-time employee count and unfunded position status to the Senate Finance Committee and the Ways and Means Committee by February first of the current fiscal year.

6. That no new permanent positions in state government shall be funded by appropriations in acts supplemental to this act but temporary positions may be so funded.

7. That the provisions of this section shall not apply to personnel exempt from the State Classification and Compensation Plan under item I of Section 8-11-260 of the 1976 Code.

The Governor, in making his appropriation recommendations to the Ways and Means Committee, must provide that the level of personal service appropriation recommended for each agency is at least ninety-seven percent of the funds required to meet one hundred percent

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of the funds needed for the full-time equivalents positions recommended by the Governor (exclusive of new positions).

- 117.21 AMEND** (Travel - Subsistence Expenses & Mileage) **HOU2:** AMEND proviso section (B)... Sponsors: Reps. White, Bingham, Herbkersman, Limehouse, Merrill, M.A. Pitts, Simrill, G.M. Smith, and J.R. Smith.

117.21. (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:

...

(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, or may elect to seek reimbursement using the maximum daily rate for meals as established by the federal government per diem rates for travel in foreign areas.

...

- 117.23 AMEND FURTHER** (State Owned Aircraft - Maintenance Logs) Requires agencies with aircraft to maintain a log of all flights and to make the log available for public inspection and online. Provides guidelines for aircraft usage and flight logs. Prohibits aircraft from being leased to individuals for their personal use.

WMC: AMEND proviso to change description from "Maintenance" to "Flight" logs. Delete specification that the logs refer to aircraft operated by the "Division of Aeronautics" and instead specify any "state owned or operated" aircraft. Change the timeframe for certifying the nature of the flight from 48 to 24 hours after the completion of the flight. Delete the stipulation that official business does not include attending a press conference or bill signing. Delete the exemption for MUSC.

HOU: ADOPT proviso as amended.

117.23. (GP: State Owned Aircraft - ~~Maintenance~~ *Flight* Logs) Each agency having in its custody one or more aircraft shall maintain a continuing log on all flights, which in order to promote accountability and transparency shall be open for public inspection and shall also be posted online. Any and all aircraft owned or operated by agencies of the State Government shall be used only for official business. The Division of Aeronautics and other agencies owning and operating aircraft may furnish transportation to the Governor, Constitutional Officers, members of the General Assembly, members of state boards, commissions, and agencies and their invitees for official business only; no member of the General Assembly, no member of a state board, commission, or committee, and no state official shall use any state owned or operated aircraft ~~of the Division of Aeronautics~~ unless the member or official files within ~~forty-eight~~ twenty-four hours after the ~~time of departure~~ completion of the flight with the ~~Division of Aeronautics~~ agency that provided the flight a sworn statement certifying and describing the official nature of his trip; and no member of the General Assembly, no member of a state board, commission or committee, and no state official shall be furnished air transportation by a state agency ~~other than the Division of Aeronautics~~ unless such agency prepares and maintains in its files a sworn statement from the highest ranking official of the agency or its designee certifying that the member's or state official's trip was in conjunction with the official business of the agency. Official business shall not include routine transportation to and from meetings of the General Assembly or committee meetings for which

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mileage is authorized. Official business also does not include ~~attending a press conference, bill signing, or a~~ political function.

All logs shall be signed by the parties using the flight and the signatures shall be maintained as part of the permanent record of any agency. All passengers shall be listed on the flight log by their legal name; passengers flying with an appropriate official of SLED or the Department of Commerce whose confidentiality must, in the opinion of SLED or the department, be protected shall be listed in writing on the flight log as "Confidential Passenger SLED or the Department of Commerce (strike one)" and the appropriate official of SLED or the department shall certify to the agency operating the aircraft the necessity for such confidentiality. The Division of Aeronautics shall post its flight logs on its website within one working day of completion of trips.

Violation of the above provisions of this section is prima facie evidence of a violation of Section 8-13-700(A) of the 1976 Code and shall subject a violating member of the General Assembly to the ethics procedure of his appropriate house and shall subject a violating member of a state board, commission or committee, or a state official to the applicable ethics procedure relating to them as provided by law. The above provisions do not apply to state owned or operated aircraft ~~of the Division of Aeronautics when used by the Medical University of South Carolina, nor to aircraft~~ of the athletic department or the educational foundations of any state-supported institution of higher education, nor to law enforcement officers when flying on state owned aircraft in pursuit of fugitives, missing persons, or felons or for investigation of gang, drug, or other violent crimes.

Aircraft owned by agencies of state government shall not be leased to individuals for their personal use.

SFC: AMEND FURTHER to reinsert stipulation that official business does not include attending a press conference or bill signing and reinsert the exemption for MUSC.

SEN: AMEND FURTHER to require prior approval to use any aircraft owned or leased by the state, any state agency, entity, or institution as follows: for any a member of a state board commission or committee in the executive branch, approval from the chairman of that board, commission or committee; and for a member of the General Assembly, approval from the Speaker of the House or President Pro Tempore of the Senate, as applicable. Sponsor: Sen. Lourie.

117.23. (GP: State Owned Aircraft - ~~Maintenance~~ *Utilization and Flight* Logs) *A member of a state board, commission, or committee in the executive branch who is permitted to request use of state aircraft shall not use any aircraft owned or leased by this State, any state agency, entity, or institution, unless the use is first approved by the chairman of that board, commission, or committee.*

A member of the General Assembly shall not use any aircraft owned or leased by this State, any state agency, entity, or institution, unless the use is first approved by the Speaker of the House of Representatives or by the President Pro Tempore of the Senate, as applicable.

Each agency having in its custody one or more aircraft shall maintain a continuing log on all flights, which in order to promote accountability and transparency shall be open for public inspection and shall also be posted online. Any and all aircraft owned or operated by agencies of the State Government shall be used only for official business. The Division of Aeronautics and other agencies owning and operating aircraft may furnish transportation to the Governor, Constitutional Officers, members of the General Assembly, members of state boards, commissions, and agencies and their invitees for official business only; no member of the General Assembly, no member of a state board, commission, or committee, and no state official shall use any state owned or operated aircraft ~~of the Division of Aeronautics~~ unless the member

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or official files within ~~forty-eight~~ twenty-four hours after the ~~time of departure~~ completion of the flight with the ~~Division of Aeronautics~~ agency that provided the flight a sworn statement certifying and describing the official nature of his trip; and no member of the General Assembly, no member of a state board, commission or committee, and no state official shall be furnished air transportation by a state agency ~~other than the Division of Aeronautics~~ unless such agency prepares and maintains in its files a sworn statement from the highest ranking official of the agency or its designee certifying that the member's or state official's trip was in conjunction with the official business of the agency. Official business shall not include routine transportation to and from meetings of the General Assembly or committee meetings for which mileage is authorized. Official business also does not include attending a press conference, bill signing, or political function.

All logs shall be signed by the parties using the flight and the signatures shall be maintained as part of the permanent record of any agency. All passengers shall be listed on the flight log by their legal name; passengers flying with an appropriate official of SLED or the Department of Commerce whose confidentiality must, in the opinion of SLED or the department, be protected shall be listed in writing on the flight log as "Confidential Passenger SLED or the Department of Commerce (strike one)" and the appropriate official of SLED or the department shall certify to the agency operating the aircraft the necessity for such confidentiality. The Division of Aeronautics shall post its flight logs on its website within one working day of completion of trips.

Violation of the above provisions of this section is prima facie evidence of a violation of Section 8-13-700(A) of the 1976 Code and shall subject a violating member of the General Assembly to the ethics procedure of his appropriate house and shall subject a violating member of a state board, commission or committee, or a state official to the applicable ethics procedure relating to them as provided by law. The above provisions do not apply to state owned or operated aircraft ~~of the Division of Aeronautics~~ when used by the Medical University of South Carolina, nor to aircraft of the athletic department or the educational foundations of any state-supported institution of higher education, nor to law enforcement officers when flying on state owned aircraft in pursuit of fugitives, missing persons, or felons or for investigation of gang, drug, or other violent crimes.

Aircraft owned by agencies of state government shall not be leased to individuals for their personal use.

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

WMC: DELETE proviso.

HOU: ADOPT deletion of proviso.

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

SFC: REINSERT original proviso.

SEN: ADOPT original proviso.

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

117.79 AMEND FURTHER (Printed Report Requirements) Directs that for Fiscal Year 2012-13 certain state agencies and higher education institutions shall not be required to submit printed reports and shall only submit the reports electronically. Waive the submission of certain reports.

WMC: AMEND proviso to update fiscal year references to "2013-14."

HOU: ADOPT proviso as amended.

117.79. (GP: Printed Report Requirements) (A) For Fiscal Year ~~2012-13~~ 2013-14, 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 2-47-55, 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 under 2-47-55 year one of the Comprehensive Permanent Improvement Plan, 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 ~~2012-13~~ 2013-14, 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 ~~2012-13~~ 2013-14, 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 the Provider Reimbursement Rate Report required pursuant to Proviso 33.11, and shall instead only submit the documents electronically.

(D) For Fiscal Year ~~2012-13~~ 2013-14, 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.

SFC: AMEND FURTHER to delete the waiver for submitting CPIP reports.

SEN: ADOPT proviso as amended.

117.79. (GP: Printed Report Requirements) (A) For Fiscal Year ~~2012-13~~ 2013-14, 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.

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Submission of the plans or reports required by Sections ~~2-47-55~~, 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 ~~under 2-47-55 year one of the Comprehensive Permanent Improvement Plan~~, 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 ~~2012-13~~ 2013-14, 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 ~~2012-13~~ 2013-14, 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 the Provider Reimbursement Rate Report required pursuant to Proviso 33.11, and shall instead only submit the documents electronically.

(D) For Fiscal Year ~~2012-13~~ 2013-14, 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.

- 117.80 AMEND FURTHER** (IMD Operations) Directs that funds received by State child placing agencies 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 be provided to the Chairmen of the Senate Finance and House Ways and Means Committees and to the Governor. Directs that funds be allocated based on the DHHS allocation methodology. **WMC:** AMEND proviso to require each agency that receives IMD funds to place them in an earmarked fund. Specify that the annual report is to be made by each state child placing agency by November 1st each year. Delete the requirement that funds be allocated based on Department of Health and Human Services allocation methodology and instead direct DHHS to review the number of out of home placements by type and by agency each year and make recommendations to the General Assembly. **HOU:** ADOPT proviso as amended.

117.80. (GP: IMD Operations) All funds received by 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 and shall be placed in an earmarked fund in each agency. An annual report by each state child placing agency shall be made on the expenditures of all IMD transition funds and 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 1st each year. ~~Funds must be allocated based on the~~ The Department of Health and Human Services ~~allocation methodology developed for the distribution of these funds~~ shall review the numbers of out of home placements by type and by agency each year and make recommendations to the General Assembly.

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SFC: AMEND FURTHER to stipulate the State child placing agencies as SDE, DJJ, DDSN, DMH, DSS, and OEPP-Continuum of Care. Delete the requirement that funds be placed in an earmarked fund in each agency. (*DSS state funds received for the IMD plan are identified in Part IA as a special item.*)

SEN: ADOPT proviso as amended.

117.80. (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 Governor's 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 annual report by each state child placing agency shall be made on the expenditures of all IMD transition funds and 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 1st each year. ~~Funds must be allocated based on the~~ The Department of Health and Human Services allocation methodology developed for the distribution of these funds shall review the numbers of out of home placements by type and by agency each year and make recommendations to the General Assembly.

117.87 **AMEND FURTHER** (Broadband Spectrum Lease) Requires the General Assembly to approve the exercise of any Middle Band Segment Channel recapture provision contained in the Educational Broadband Service Spectrum Lease Agreements if there would be a decrease in payments received by the state. Requires broadband spectrum lease revenue be transferred monthly during FY 2012-13 to ETV. Directs that upon agreement of the lessee, ETV shall assume management and administration of the lease and receive the lease payments directly. Authorizes ETV to retain and carry forward unexpended funds.

WMC: AMEND proviso to delete the monthly transfer of funds from the B&C Board to ETV and direct that ETV assumes management and administration of the lease and receives lease payments directly. Authorize ETV, if the current lease holder defaults, to use contingent funds up until a new lease can be negotiated.

HOU: ADOPT proviso as amended.

117.87. (GP: Broadband Spectrum Lease) The General Assembly must approve any exercise of the Middle Band Segment Channel recapture provisions contained in the Educational Broadband Service Spectrum Lease Agreements if the exercise of the recapture provisions would result in a decrease in payments received by the State. ~~For Fiscal Year 2012-13, revenue received from the broadband spectrum lease shall be transferred from the Budget and Control Board to the Educational Television Commission on a monthly schedule, according to the current broadband lease agreement.~~ Upon agreement of the lessee, the The Educational Television Commission shall assume *assumes* management and administration of the lease and ~~receive~~ *receives* lease payments directly. The Educational Television Commission shall retain and expend funds received pursuant to the lease for agency operations. The commission shall be authorized to carry forward unexpended funds from the prior fiscal year into the current fiscal year. In the event of a default by the current lease holder, the Educational Television Commission is authorized to use contingent funds up until such time as a new lease can be negotiated by the State and the Educational Television Commission.

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SFC: ADOPT proviso as amended.

SEN: AMEND FURTHER to specify that ETV receives lease payments directly “for deposit into the State General Fund.” Sponsor: Sen. Sheheen.

117.87. (GP: Broadband Spectrum Lease) The General Assembly must approve any exercise of the Middle Band Segment Channel recapture provisions contained in the Educational Broadband Service Spectrum Lease Agreements if the exercise of the recapture provisions would result in a decrease in payments received by the State. ~~For Fiscal Year 2012-13, revenue received from the broadband spectrum lease shall be transferred from the Budget and Control Board to the Educational Television Commission on a monthly schedule, according to the current broadband lease agreement. Upon agreement of the lessee, the *The* Educational Television Commission shall assume *assumes* management and administration of the lease and receive *receives* lease payments directly *for deposit into the State General Fund*.~~ The Educational Television Commission shall retain and expend funds received pursuant to the lease for agency operations. The commission shall be authorized to carry forward unexpended funds from the prior fiscal year into the current fiscal year. *In the event of a default by the current lease holder, the Educational Television Commission is authorized to use contingent funds up until such time as a new lease can be negotiated by the State and the Educational Television Commission.*

117.94 **AMEND** (Joint Children's Committee) Directs DOR to reduce the interest rate paid on tax refunds by 1% and to transfer \$250,000 of the resulting revenue from the rate reduction to the Senate for the Joint Citizens and Legislative Committee on Children and the remaining revenue to DJJ.

SFC: AMEND proviso to change “\$250,000” to “\$300,000.” Fiscal Impact: No impact on the General Fund. \$50,000 other fund increase for the Joint Children’s Committee with a corresponding decrease of \$50,000 for DJJ. Requested by Governor’s Office.

SEN: ADOPT proviso as amended.

117.94. (GP: Joint Children’s Committee) For the current fiscal year, the Department of Revenue is directed to reduce the rate of interest paid on eligible refunds by one percentage point. Of the revenue resulting from this reduction, ~~\$250,000~~ *\$300,000* shall be transferred to the Senate for the Joint Citizens and Legislative Committee on Children to provide the report, research, and other operating expenses as directed in Section 63-1-50 of the 1976 Code. The remaining revenue resulting from this reduction shall be transferred to the Department of Juvenile Justice to be used for mentoring or alternatives to incarceration programs. Unexpended funds authorized by this provision may be retained and carried forward by the Senate or the Department of Juvenile Justice, respectively, and used for the same purposes. The rate of reduction authorized in this provision shall be in addition to the reduction authorized in Proviso 92.10.

117.96 **AMEND** (Recovery Audits) **HOU2:** AMEND proviso . . .

Sponsors: Reps. White, Bingham, Herbkersman, Limehouse, Merrill, M.A. Pitts, Simrill, G.M. Smith, and J.R. Smith.

117.96. (GP: Recovery Audits) The Budget and Control Board shall contract with one or more ~~consultants~~ *firms* to conduct recovery audits of payments made by *all* state agencies to vendors *for goods and services*. The audits must be designed to detect, *document*, and recover overpayments and erroneous payments to the vendors and to recommend improved financial

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and operational practices and procedures. A state agency shall pay, from recovered monies received, the recovery audit ~~consultant~~ firm responsible for obtaining for the agency a reimbursement or payment from a vendor a negotiated fee not to exceed twenty percent of the funds recovered by that ~~vendor~~ firm.

~~Funds~~ Unless otherwise restricted by law, funds recovered, less the cost of recovery, shall be remitted to a special fund subject to appropriation by the General Assembly. Agencies may recover costs that are documented to be directly related to implementation of this provision.

Recovery audits apply only to payments made more than one hundred eighty days prior to the date the audit is initiated and shall cover at least three complete fiscal years.

All information provided under a contract must be treated as confidential by the ~~vendor~~ recovery audit firm. A violation of this provision shall result in the forfeiture by the ~~vendor~~ firm of all compensation under the contract and to the same sanctions and penalties that would apply to that disclosure.

Each ~~executive~~ state agency shall participate in this recovery audit program and shall cooperate and provide the recovery audit ~~consultant~~ firm with all information necessary for the audit in a timely manner. All vendors that provide goods or services to a state agency shall cooperate with the recovery audit firm in its audit.

A state agency shall expend or return to the federal government any federal money that is recovered through a recovery audit conducted under this ~~chapter~~ provision. Payments to the recovery audit ~~consultant~~ firm from the federal share of recovered funds shall be solely from the federal portion as allowed by the federal agency.

In addition to performing the recovery audits, the recovery audit firm may conduct an analysis of contracts and pricing structures, as determined and directed by the Executive Director of the Budget and Control Board or her or his designee, to identify and recommend future cost-savings and improved state agency financial operations going forward. A state agency shall pay the recovery audit firm responsible for obtaining the agency actual cost-savings a fee as authorized by the contract with the recovery audit firm.

The recovery audit firm shall provide reports to the Budget and Control Board detailing its findings, the causes for the overpayments and erroneous payments, future cost-savings opportunities and its recommendations for strengthening state operations and/or state contracts to prevent improper payments in the future.

For purposes of this proviso, the term "vendor" or "vendors" includes, but is not limited to, sellers, suppliers, service providers, other providers, contractors and third party administrators; the term "overpayments and erroneous payments" includes, but is not limited to, overpayments, duplicate payments, erroneous payments, and rebates, discounts and credits not received; and the term "state agency" or "state agencies" includes all state agencies, boards, commissions, institutions and institutions of higher education

The Budget and Control Board shall provide copies, including electronic form copies, of final reports received from a ~~consultant~~ firm under contract to: the Governor; the Chairman of the Senate Finance Committee; the Chairman of the House Ways and Means Committee; and the state auditor's office. Not later than January first of each year, the board shall issue a report to the General Assembly summarizing the contents of all reports received under this provision during the prior fiscal year.

117.97 DELETE (Funds Transfer to ETV)) Requires certain funds appropriated to the B&C Board for Legislative & Public Affairs Coverage and to the Law Enforcement Training Council for training and emergency systems to be transferred to ETV during July of 2012 for them to continue to provide services as they were provided in the prior fiscal year.

WMC: AMEND proviso to add "Emergency Communications Backbone" to appropriated funds identified within the B&C Board and delete the same reference within the Law

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Enforcement Training Council. Update calendar year reference to "2013." Requested by Budget and Control Board and Educational Television Commission.

HOU: ADOPT proviso as amended.

117.97. (GP: Funds Transfer to ETV) In the current fiscal year funds appropriated in Part IA to the Budget and Control Board in Section 101 for Legislative & Public Affairs Coverage *and Emergency Communications Backbone* and to the Law Enforcement Training Council in Section 64 for State & Local Training of Law Enforcement, City and County municipal training services ~~and Emergency Communications and Backbone for the State and other related emergency systems~~ must be transferred to the Educational Television Commission (ETV) during July, ~~2012~~ 2013 for the continuation of services as provided in the prior fiscal year.

SFC: ADOPT proviso as amended.

SEN: DELETE proviso. Sponsor: Sen. Sheheen.

~~**117.97.** (GP: Funds Transfer to ETV) In the current fiscal year funds appropriated in Part IA to the Budget and Control Board in Section 101 for Legislative & Public Affairs Coverage and to the Law Enforcement Training Council in Section 64 for State & Local Training of Law Enforcement, City and County municipal training services and Emergency Communications and Backbone for the State and other related emergency systems must be transferred to the Educational Television Commission (ETV) during July, 2012 for the continuation of services as provided in the prior fiscal year.~~

117.101 DELETE (WIA Meeting Requirements) Establishes Workforce Investment Board meeting notice and quorum requirements.

WMC: AMEND proviso to update fiscal year reference to "2013-14." Direct that no actions of any Workforce Investment Board may be considered unless a quorum is present.

HOU: ADOPT proviso as amended.

117.101. (GP: WIA Meeting Requirements) For Fiscal Year ~~2012-13~~ 2013-14, a Workforce Investment Board meeting must be subject to all notice requirements of the Freedom of Information Act and *no actions of any Workforce Investment Board* may ~~not take place~~ *be considered* unless a quorum of the board membership is present. Any decision made in violation of these requirements is void.

SFC: DELETE proviso.

SEN: ADOPT deletion of proviso.

~~**117.101.** (GP: WIA Meeting Requirements) For Fiscal Year 2012-13, a Workforce Investment Board meeting must be subject to all notice requirements of the Freedom of Information Act and may not take place unless a quorum of the board membership is present. Any decision made in violation of these requirements is void.~~

117.103 AMEND FURTHER (WIA Training Marketability Evaluation) Requires local workforce investment boards to report on how funds were allocated based for training.

WMC: AMEND proviso to update fiscal year reference to "2013-14." Delete the requirement that local workforce investment board prepare an annual report and instead direct the department to submit all annual reports required by the U.S. Department of Labor in reference to the Workforce Investment act and Workforce Investment Boards.

HOU: ADOPT proviso as amended.

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117.103. (GP: WIA Training Marketability Evaluation) For Fiscal Year ~~2012-13~~ 2013-14, ~~local workforce investment boards~~ the Department of Employment and Workforce shall ~~prepare an~~ submit any and all annual ~~report~~ reports required by the United States Department of Labor in reference to the Workforce Investment Act and the Workforce Investment Boards ~~that demonstrates how funds were expended in the prior fiscal year to provide marketable work skills training.~~ The report shall include, but not be limited to the total number of local training recipients, a description of the training area in which each recipient participated, and the number and percentage of participants in each training area that, upon completion of training, have become employed in the field in which they were trained. The report shall be annually submitted to the Chairman of the Senate Finance Committee and the Chairman of the House Ways and Means Committee ~~on or before November 16th~~ when submitted to the United States Department of Labor.

SFC: ADOPT proviso as amended.

SEN: AMEND FURTHER to require the report also be submitted to the Chairmen of the Senate Labor, Commerce, and Industry and House Labor, Commerce and Industry Committees.

Sponsor: Sen. Massey.

AMEND FURTHER to delete the House amendments and amend further to delete the requirement that local workforce investment board prepare the annual report and instead direct the department to submit the report. Require the report also specifically describe any restructuring or realignment of agency functions as well as changes in staffing levels or service. Require detailed information be included on employees terminated, hired, re-hired, reassigned, or reclassified by program area and location and to describe efforts the agency made to reassign or retrain employees who were terminated if the agency hired new employees for that position. Sponsors: Sens. Setzler and McGill.

117.103. (GP: WIA Training Marketability Evaluation) (A) For Fiscal Year ~~2012-13~~ 2013-14, ~~local workforce investment boards~~ the Department of Employment and Workforce shall ~~prepare an annual~~ submit a report that demonstrates how funds were expended in the prior fiscal year to provide marketable work skills training. The report shall include, but not be limited to the total number of local training recipients, a description of the training area in which each recipient participated, and the number and percentage of participants in each training area that, upon completion of training, have become employed in the field in which they were trained. The report shall be ~~annually~~ submitted to the Chairman of the Senate Finance Committee, the Chairman of the Senate Labor, Commerce and Industry Committee, ~~and~~ the Chairman of the House Ways and Means Committee, and the Chairman of the House Labor, Commerce and Industry Committee on or before November 16th.

(B) Also, the report must specifically describe any restructuring or realignment of agency functions, and any changes in staffing levels or service. The report must detail information on employees terminated, hired, re-hired, reassigned, or reclassified by program area and location. Further, the report must describe efforts made by the agency to reassign or retrain employees who were terminated for positions for which the department hired new employees.

117.107 AMEND FURTHER (Retirement Investment Commission) Requires the Retirement System Investment Commission to submit a plan for salary bonuses for calendar year 2014 to the Senate Finance and Ways and Means Retirement Subcommittees by January 15 2013 and requires both subcommittee's approval of the plan prior to implementation.

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WMC: AMEND proviso to change subcommittee names to Senate Finance "Health and Human Services" and Ways and Means "Legislative, Executive, and Local Government." Update calendar year references to "2014" and "2015." *Technical.*

HOU: ADOPT proviso as amended.

117.107. (GP: Retirement Investment Commission) Of the funds appropriated and or authorized, the Retirement Investment Commission shall submit a report to the Senate Finance ~~Retirement~~ Health and Human Services Subcommittee and the Ways and Means ~~Retirement~~ Legislative, Executive, and Local Government Subcommittee by January 15, ~~2013~~ 2014 that sets forth a plan regarding salary bonuses for calendar year ~~2014~~ 2015. The plan must be approved by both subcommittees before implementation.

SFC: AMEND FURTHER to reinsert Senate Finance Retirement Subcommittee and delete reference to Senate Finance Health and Human Services Subcommittee.

SEN: ADOPT proviso as amended.

117.107. (GP: Retirement Investment Commission) Of the funds appropriated and or authorized, the Retirement Investment Commission shall submit a report to the Senate Finance Retirement Subcommittee and the Ways and Means ~~Retirement~~ Legislative, Executive, and Local Government Subcommittee by January 15, ~~2013~~ 2014 that sets forth a plan regarding salary bonuses for calendar year ~~2014~~ 2015. The plan must be approved by both subcommittees before implementation.

117.111 RESTORE ORIGINAL PROVISO (Prohibits Local Government Fund Public Funded Lobbyists) Prohibits all local governmental entities from using taxpayer funds received from the Local Government Fund to pay employees for lobbying activities undertaken on their behalf.

WMC: AMEND proviso to direct that if is determined that this has occurred, the governmental entity that originally received the funds will have their allocation reduced by a like amount.

HOU: ADOPT proviso as amended.

117.111. (GP: Prohibits Local Government Fund Public Funded Lobbyists) All local governmental entities including, but not limited to, counties, municipalities, and associations are prohibited from using taxpayer funds received from the Local Government Fund to compensate employees for lobbying activities engaged in on behalf of such governmental entity. *In the event it is determined that this has occurred, the governmental entity which originally received funds from the Local Government Fund shall have their allocation reduced by a corresponding amount.*

SFC: RESTORE original proviso.

SEN: ADOPT original proviso.

117.111. (GP: Prohibits Local Government Fund Public Funded Lobbyists) All local governmental entities including, but not limited to, counties, municipalities, and associations are prohibited from using taxpayer funds received from the Local Government Fund to compensate employees for lobbying activities engaged in on behalf of such governmental entity.

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- 117.116 DELETE NEW PROVISO** (Transfer Procurement Review Panel to ALC) **WMC:** ADD new proviso to transfer for the current fiscal year and effective July 1, 2013, the duties, functions, responsibilities, personnel, funding and physical assets of the Procurement Review Panel to the Administrative Law Court. Fiscal Impact: No impact on the General Fund.
HOU: ADOPT new proviso.

117.116. (GP: Transfer Procurement Review Panel to ALC) For the current fiscal year, effective July 1, 2013, the duties, functions, responsibilities, personnel, funding, and physical assets of the Procurement Review Panel are transferred to the Administrative Law Court.

SFC: DELETE new proviso.
SEN: ADOPT deletion of new proviso.

117.116. (GP: Transfer Procurement Review Panel to ALC) DELETED

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

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

SFC: DELETE new proviso.
SEN: ADOPT deletion of new proviso.

117.117. (GP: SC Military Museum) DELETED

- 117.118 DELETE NEW PROVISO** (Electronic Transmission of Agency Reports to General Assembly) **WMC:** ADD new proviso to direct that except for the Governor's Executive Budget and related documents and telephone directories, all reports that state governmental agencies are required to submit to the General Assembly shall be transmitted electronically to the Office of Legislative Printing, Information and Technology Systems (LPITS) and to the State Library as provided in Section 60-2-30. LPITS is directed to notify members of the General Assembly that the report is available. Prohibit agencies from submitting hard copies of a document to the General Assembly unless a members has so requested. Direct that the Speaker of the House and President Pro Tempore of the Senate may authorize hard copies of any document to be printed and distributed to the General Assembly. *Mirrors Section 2-1-230. Was previously a proviso in the appropriation act until codified in Act 119 of 2005.*
HOU: ADOPT new proviso.

117.118. (GP: Electronic Transmission of Agency Reports to General Assembly) In order to conform to the requirements of Section 2-1-230 of the 1976 Code, with the exception of the Governor's Executive Budget and related documents and telephone directories, an agency, department, or entity of state government required by law to report to the General Assembly shall prepare its report and transmit its report electronically to the Office of Legislative Printing, Information and Technology Systems (LPITS) and to the State Library as provided in Section 60-2-30. LPITS shall notify the members of the General Assembly that the report is available. An agency, department, or entity of state government may not provide the General

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Assembly with hard copies of a publication whether or not the publication, report, or other document is required by law to be furnished to the General Assembly, and a publication may only be provided to a member of the General Assembly if the member requests the publication.

An agency, department, or entity of state government shall transmit these publications to the Office of Legislative Printing, Information and Technology Systems (LPITS) by electronic medium in a format and form pursuant to technical standards as may be established by LPITS. LPITS shall make information transmitted available through its network.

A report governed by the requirements of this section may be published in hard copy form for distribution to the General Assembly if authorized by the Speaker of the House and the President Pro Tempore of the Senate.

SFC: DELETE new proviso.

SEN: ADOPT deletion of new proviso.

117.118. (GP: Electronic Transmission of Agency Reports to General Assembly)
DELETED

117.119 DELETE NEW PROVISO (Magistrate Courts Jury Areas) **WMC:** ADD new proviso to establish countywide jury areas for magistrate courts. Require DMV and the State Election Commission use their existing appropriations to develop and provide countywide jury lists in accordance with Section 14-7-130 [PREPARATION OF JURY LIST FROM ELECTRONIC FILE OF PERSONS HOLDING VALID SOUTH CAROLINA DRIVER'S LICENSE OR IDENTIFICATION CARD.] Direct that the lists be provided to the chief magistrate of each county without charge.

HOU: ADOPT new proviso.

117.119. (GP: Magistrate Courts Jury Areas) Jury areas for magistrate courts are established countywide, with the Department of Motor Vehicles and State Election Commission required to develop and provide countywide jury lists in accordance with Section 14-7-130 of the 1976 Code using their existing appropriations. The lists shall be provided to the chief magistrate for administration of each county without charge.

SFC: DELETE new proviso.

SEN: ADOPT deletion of new proviso.

117.119. (GP: Magistrate Courts Jury Areas) **DELETED**

117.120 DELETE NEW PROVISO (Prohibit Use of State Aircraft for Athletic Recruitment) **WMC:** ADD new proviso to prohibit colleges and universities from using any aircraft operated by the Division of Aeronautics for athletic recruitment purposes.

HOU: ADOPT new proviso.

117.120. (GP: Prohibit Use of State Aircraft for Athletic Recruitment) Institutions of higher learning may not use the state aircraft operated by the Division of Aeronautics for the purpose of athletic recruiting.

SFC: DELETE new proviso.

SEN: ADOPT deletion of new proviso.

117.120. (GP: Prohibit Use of State Aircraft for Athletic Recruitment) **DELETED**

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

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

SFC: DELETE new proviso. *Violates Rule 24.*
SEN: ADOPT deletion of new proviso.

117.121. (GP: Prohibit Sales Tax on Additional Guest Charges) DELETED

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

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

SFC: DELETE new proviso
SEN: ADOPT deletion of new proviso.

117.122. (GP: Recreational Activities) DELETED

- 117.123 ADD** (Annual Audit of Court Fees and Fines Reports) **SFC:** ADD new proviso to require the State Auditor to perform a minimum of 15 audits of local jurisdictions annually, or the maximum number of audits that can be performed with \$250,000 received annually from the State Treasurer for that purpose, and report whether or not fees and fines are being properly collected and remitted to the State Treasurer for distribution to various agencies as required by statute. Prohibit these funds from being used for any other purpose. Direct any balance remaining from the \$250,000 received from the State Treasurer in the prior fiscal year to be carried forward and be used for the same purpose in the current fiscal year. Require the State Auditor to annually report to the Senate Finance Committee and the House Ways and Means Committee its findings of the jurisdictions audited.
SEN: ADOPT new proviso.

117.123. (GP: Annual Audit of Court Fees and Fines Reports) The State Auditor is required to perform a minimum of fifteen (15) audits annually of county treasurers, municipal treasurers, county clerks of court, magistrates and/or municipal courts as required by Section 14-1-210 of the 1976 Code and allowed by proviso 118.5 of this act; however, the State Auditor shall not be required to spend more than the annual amount of \$250,000, received from the

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State Treasurer to conduct the said audits pursuant to Section 14-1-210 of the 1976 Code. The State Auditor shall consult with the State Treasurer to determine the jurisdictions to be audited in the current fiscal year. Jurisdictions may be selected randomly or based on an instance in the current or previous fiscal year of failing to report, incorrectly reporting or under remitting amounts owed. The funds transferred to the State Auditor by the State Treasurer shall not be used for any purpose other than to conduct the described audits and report whether or not the assessments, surcharges, fees, fines, forfeitures, escheatments, or other monetary penalties imposed and/or mandated are properly collected and remitted to the State. Any unexpended balance on June 30 of the prior fiscal year shall be carried forward and must be expended for the same purpose during the current fiscal year. The State Auditor shall annually report by October 1 its findings of the jurisdictions audited to the Senate Finance Committee and the House Ways and Means Committee.

- 117.124 ADD (IT Certifications) SFC:** ADD new proviso to suspend for the current fiscal year state agencies' IT certifications, excluding the Legislative and Judicial Departments, institutions of higher learning and technical colleges, and to require all information security and information technology purchases made by non-excluded agencies be approved by the B&C Board, Division of State Information Technology.
SEN: ADOPT new proviso.

117.124. (GP: IT Certifications) Information Technology procurement certifications for all state agencies, departments, boards and commissions, except for the Legislative and Judicial Departments, and institutions of higher learning including technical colleges, shall be suspended for the current fiscal year. All information security and information technology purchases must be approved by the Budget and Control Board, Division of State Information Technology in a manner prescribed by the Division.

- 117.125 ADD (Technology and Remediation) HOU2:** ADD new proviso...
Sponsors: Reps. White, Bingham, Herbkersman, Limehouse, Merrill, M.A. Pitts, Simrill, G.M. Smith, and J.R. Smith. Note: Proviso 117.123 in HOU2 version.

117.125. (GP: Technology and Remediation) The funds appropriated to the Budget and Control Board for the Division of Information Security shall be used to develop and implement a statewide information security program. The funds contained for Enterprise Technology and Remediation shall be distributed to state agencies to address the State's most serious information security vulnerabilities as determined by the Division of Information Security and the Division of State Information Technology.

SFC: ADD new proviso to require that funds appropriated to the B&C Board, Division of Information Security be used to develop and implement a statewide information security program. Allow a portion of the non-recurring appropriation to be used for enterprise technology and remediation and be distributed to state agencies to address critical information security vulnerabilities as determined collectively by the Division of Information Security and the Division of State Information Technology.
SEN: ADOPT new proviso.

117.125. (GP: Technology and Remediation) The funds appropriated to the Budget and Control Board for the Division of Information Security shall be used to develop and implement a statewide information security program. A portion of the non-recurring funds may be used for enterprise technology and remediation, and distributed to state agencies to address the

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State's most serious information security vulnerabilities as determined by the Division of Information Security and the Division of State Information Technology.

- 117.126 ADD** (Fiduciary Audit) **SFC:** ADD new proviso to require the Retirement System Investment Commission transfer \$700,000 to the Office of Inspector General for the hiring of a private audit firm to perform the required fiduciary audit on the commission.
SEN: ADOPT new proviso.

117.126. (GP: Fiduciary Audit) Of the funds authorized for the Retirement System Investment Commission, the commission shall transfer \$700,000 to the Office of Inspector General. The funds transferred shall be utilized by the Inspector General to employ a private audit firm to perform the fiduciary audit on the Retirement System Investment Commission as required by Section 9-16-380 of the 1976 Code, as amended.

- 117.127 ADD** (Eligible Food Purchases) **SFC:** ADD new proviso to direct that funds spent by the Governor's Office ECOS, Mansion and Grounds, DSS and DHEC for food services, catering and for providing meals are subject to the same limitation sought by the state in any waivers to the USDA on SNAP eligible food purchases.
SEN: ADOPT new proviso.

117.127. (GP: Eligible Food Purchases) For the current fiscal year, funds expended by the Governor's Office-Executive Control of State, the Governor's Office-Mansion and Grounds, the Department of Social Services, and the Department of Health and Environmental Control for food services, catering, and providing meals shall be subject to the same limitations sought by the state in any waivers to the U.S. Department of Agriculture on eligible food purchases under the Supplemental Nutrition Assistance Program (SNAP).

- 117.129 ADD** (Family Planning Funds) **SEN:** ADD new proviso to establish the following priority order for awarding federal and state family planning funds to eligible individuals, organizations or entities who apply to be family planning contractors: (1) public entities that provide family planning services; (2) nonpublic entities that provide comprehensive primary and preventive health services as described in 42 U.S.C 254b(b)(1)(A), in addition to family planning services; and (3) nonpublic entities that provide family planning services but who do not provide comprehensive primary and preventive health services. Require the funds to be distributed in compliance with federal law to ensure that distribution does not severely limit or eliminate access to family planning services in any region of the state. Require an annual report be submitted to the General Assembly by any entity that distributes the funds that lists the family planning contractors that received funds under subitem (3) along with the amount of funds received. Require the report include a detailed explanation on how the entity determined that there were not sufficient contractors under subitem (1) and (2) to prevent a significant reduction in family planning services in each region where the subitem (3) contractors are located.
Sponsor: Sen. Bright.

117.129. (GP: Family Planning Funds) (A) Notwithstanding any other law, federal family planning funds and state family planning funds shall be awarded to eligible individuals, organizations, or entities applying to be family planning contractors in the following order of descending priority:

(1) public entities that provide family planning services, including state, county, and local community health clinics and federally qualified health centers;

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(2) nonpublic entities that provide comprehensive primary and preventive health services, as described in 42 U.S.C. 254b(b)(1)(A), in addition to family planning services; and

(3) nonpublic entities that provide family planning services but do not provide comprehensive primary and preventive health services.

(B) Family planning funds must be distributed in compliance with federal law to ensure distribution in a manner that does not severely limit or eliminate access to family planning services in any region of the State.

(C) Any department, agency, board, commission, office, or other instrumentality of the State that distributes family planning funds shall submit an annual report to the General Assembly listing any family planning contractors that fall under item (A)(3), and the amount of federal or state family planning funds they received. The report shall provide a detailed explanation of how it was determined that there were an insufficient number of eligible individuals, organizations, or entities in items (A)(1) and (A)(2) to prevent a significant reduction in family planning services in each region of the State where (A)(3) contractors are located.

- 117.130 ADD** (Aircraft Chartering Services Analysis) **SEN:** ADD new proviso to direct the B&C Board to analyze the costs and benefits of selling the two King Air aircraft operated by the Division of Aeronautics and authorizing private chartering services for state officials and agencies to use to conduct official state business. Direct that the analysis be presented to the Governor and the General Assembly by January 1, 2014. Authorize the B&C Board to sell the aircraft if the cost-benefit analysis justifies such sale. Sponsor: Sen. Campsen.

117.130. (GP: Aircraft Chartering Services Analysis) The Budget and Control Board is directed to conduct an analysis to determine the costs and benefits of selling the following state-owned aircraft operated by the Division of Aeronautics: Hawker Beechcraft King Air 350 and Hawker Beechcraft King Air C90; and authorizing private chartering services for use by state officials and state agencies to conduct the state's official business. This analysis must be presented to the Governor and General Assembly no later than January 1, 2014. The Budget and Control Board shall have the authority to sell the state-owned aircraft if the cost-benefit analysis justifies the sale.

- 117.131 ADD** (Donation of Alcoholic Liquors) **SEN:** ADD new proviso to allow a wholesaler to donate beer, wine, and alcoholic liquors to a nonprofit organization that has a license to serve alcohol if the event hosted by the nonprofit creates an economic impact on State revenues. Sponsors: Sens. Cleary, Hembree, and Campbell.

117.131. (GP: Donation of Alcoholic Liquors) In the current fiscal year, a wholesaler may donate beer, wine, and alcoholic liquors to a nonprofit organization that has a license, including a temporary license, to serve the applicable beverage. This provision only applies if the event hosted by the nonprofit organization creates an economic impact on State revenues.

- 117.132 ADD** (Sale of State Aircraft) **SEN:** ADD new proviso to direct the B&C Board to sell the two King Air airplanes owned by the State in a manner that is most advantageous to the state. Direct that the proceeds from the sale be used to provide private chartering services or commercial flights for state officials and agencies to conduct official state business. Sponsor: Sen. Jackson.

117.132. (GP: Sale of State Aircraft) The State Budget and Control Board is directed to sell the two airplanes owned by the State, specifically, the Hawker Beechcraft King Air 350 and

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the Hawker Beechcraft King Air C90. The sale shall be made under terms and conditions the board considers most advantageous to the State of South Carolina. The proceeds of the sale must be used to provide private chartering services or commercial flights for state officials and agencies to conduct official state business, as authorized by this act or any other provision of law.

- 117.133 ADD** (Select Committee on Budget Dependence on Federal Funding) **SEN:** ADD new proviso to create the Select Committee on Budget Dependence on Federal Funding composed of 9 members whose purpose is to study the state budget to evaluate the effects of the costs of administering federal money by program. Direct that findings be submitted by January 1, 2014, to the Governor, President Pro Tempore of the Senate and Speaker of the House and direct that the committee terminate on May 31, 2014. Sponsor: Sen. Bright.

117.133. (GP: Select Committee on Budget Dependence on Federal Funding) There is created the Select Committee on Budget Dependence on Federal Funding to conduct a study on the state budget to evaluate the effects of the costs of administering federal money by program.

The Select Committee shall be composed of the Lieutenant Governor, or his designee, who shall serve as Chairman of the committee; three members of the House of Representatives, appointed by the Speaker of the House of Representatives; three members of the Senate, appointed by the President Pro Tempore of the Senate, the Comptroller General, or his designee; and the State Treasurer, or his designee.

The committee must meet as soon as practicable after the appointment of its members. The committee shall organize itself by electing officers as the committee may consider necessary. Members shall serve without compensation, but may receive the usual mileage as is provided by law for members of state boards, commissions, and committees.

The committee shall submit a report based on its findings to the Governor, President Pro Tempore of the Senate, and the Speaker of the House of Representatives on or before January 1, 2014. The committee shall terminate on May 31, 2014.

- 117.134 ADD** (DOT Transfer to SIB) **HOU2:** ADD new proviso . . .
Sponsors: Reps. White, Bingham, Herbkersman, Limehouse, Merrill, M.A. Pitts, Simrill, G.M. Smith, and J.R. Smith. Note: Proviso 117.125 in HOU2 version.

117.134. (GP: DOT Transfer to SIB) Upon receipt of General Funds appropriated to the Department of Transportation for Highway Engineering Permanent Improvements, the department is directed to transfer an equivalent amount from non-tax sources to the State Transportation Infrastructure Bank (SIB) to be used solely to finance the maintenance, rehabilitation, expansion and improvement of existing mainline interstates and state owned highways and bridges. The Department of Transportation shall submit a list approved by the Transportation Commission in accordance with Act 114, of projects programmed in the Statewide Transportation Improvement Program (STIP) and/or The State Program in section 57-1-370(C)(1). The SIB Board shall only expend these funds on projects meeting the above criteria and that have received Joint Bond Review Committee approval. The General Funds appropriated to the Department of Transportation for Highway Engineering Permanent Improvements are exempt from any across-the-board reductions.

SEN: ADD new proviso to direct DOT, from the general funds received for Highway Engineering Permanent Improvements, to transfer an equivalent amount from non-tax sources to the State Transportation Infrastructure Bank to be used solely to finance bridge replacement, rehabilitation projects, and expansion and improvements to existing mainline interstates. Direct

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DOT to submit a list of bridge and road projects to the SIB for consideration. Prohibit these funds from being used for any projects approved by the SIB before July 1, 2013. Exempt DOT Highway Engineering Permanent Improvements general funds from across the board reductions. Sponsors: Sens. Leatherman, Setzler, and Peeler.

117.134. (GP: DOT Transfer to SIB) Upon receipt of General Funds appropriated to the Department of Transportation for Highway Engineering Permanent Improvements, the department is directed to transfer an equivalent amount from non-tax sources to the State Transportation Infrastructure Bank to be used solely to finance bridge replacement, rehabilitation projects, and expansion and improvements to existing mainline interstates. The Department of Transportation shall submit a list of bridge and road projects to the SIB for its consideration. These funds may not be used for projects approved by the SIB Board prior to July 1, 2013. The General Funds appropriated to the Department of Transportation for Highway Engineering Permanent Improvements are exempt from any across-the-board reductions.

- 117.135 ADD** (Joint Transportation Corridor Study Committee) **SEN:** ADD new proviso to create a Joint Transportation Corridor Study Committee and the Government and Freight Industry Advisory Subcommittee composed of members of the General Assembly and the private sector to study the state's primary transportation corridors. Direct that the study include, but not be limited to, need for capacity expansion, removal of bottlenecks, traffic flow, safety improvements, interstate-only prioritization list, and adequacy of current and anticipated federal funding. Direct DOT to provide staffing and resources as required and for the appointing agencies and entities to cover committee expenses. Require a report be submitted to the Governor, Senate, House, Joint Transportation Review Committee, and DOT Commission by December 31, 2013 that contains findings and recommended plans of action. Encourage the Governor to address these findings and plans in the 2014 State of the State Address and/or in the Executive Budget. Sponsor: Sen. Setzler.

117.135. (GP: Joint Transportation Corridor Study Committee) There is created the Joint Transportation Corridor Study Committee which shall be composed of the following: two members appointed by the Governor; one member of the Senate appointed by the President Pro-Tempore of the Senate; one member of the Senate Finance Committee appointed by the Chairman of the Senate Finance Committee; one member of the Senate Transportation Committee appointed by the Chairman of the Senate Transportation Committee; one member of the Senate Labor, Commerce and Industry Committee appointed by the Chairman of the Senate Labor, Commerce and Industry Committee; one member of the Senate appointed by the Senate Majority Leader; one member of the Senate appointed by the Senate Minority Leader; one member of the House of Representatives appointed by the Speaker of the House; one member of the House Ways and Means Committee appointed by the Chairman of the House Ways and Means Committee; one member of the House Education and Public Works Committee appointed by the Chairman of the House Education and Public Works Committee, one member of the House Labor, Commerce and Industry Committee appointed by the Chairman of the House Labor, Commerce and Industry Committee; one member of the House of Representatives appointed by the House Majority Leader; and one member of the House of Representatives appointed by the House Minority Leader. The Joint Study Committee shall form a Government and Freight Industry Advisory Subcommittee composed of one representative from each of the following: the South Carolina Trucking Association; the South Carolina Manufacturers Alliance; the South Carolina Chamber of Commerce; the Palmetto Agribusiness Council; the State Ports Authority; the Department of Commerce; and the Department of Transportation.

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The committee shall study transportation corridors which are the state's primary commercial, commuter and tourist arteries, with respect to traffic congestion, safety and efficiency of existing South Carolina interstates and with respect to the state's major metropolitan areas and which connect the vital port terminals at Charleston to upstate industries. The study shall include, but is not limited to, the need for capacity expansion, removal of bottlenecks, traffic flow, safety improvements, interstate-only prioritization list, and adequacy of current and anticipated federal funding. The Department of Transportation shall provide staffing and other resources as required. Expenses of the committee shall be borne by the appointing agencies and entities.

The committee shall submit a report containing their findings and any recommended plans of action by December 31, 2013, to the Governor, the Senate, the House of Representatives, the Joint Transportation Review Committee, and the Department of Transportation Commission.

The Governor is encouraged to address the findings and any plans of action in the 2014 State of the State Address and/or in the Executive Budget submitted to the General Assembly.

117.136 ADD (Data Breach Notification) HOU2: ADD new proviso . . .

Sponsors: Reps. White, Bingham, Herbkersman, Limehouse, Merrill, M.A. Pitts, Simrill, G.M. Smith, and J.R. Smith. Note: Proviso 117.124 in HOU2 version.

117.136. (GP: Data Breach Notification) (A) An agency of this State owning or licensing computerized data or other data that includes personal identifying information shall disclose any breach of the security of the system following discovery or notification of the breach in the security of the data to any resident of this State whose personal identifying information was, or is reasonably believed to have been, acquired by an unauthorized person. In determining whether information has been acquired, or is reasonably believed to have been acquired, by an unauthorized person or a person without valid authorization, the agency may consider the following factors, among others:

(1) indications that the information is in the physical possession and control of an unauthorized person, such as a lost or stolen computer or other device containing information;

(2) indications that the information has been viewed, downloaded, or copied; or

(3) indications that the information was used by an unauthorized person, such as fraudulent accounts opened or instances of reported identity theft.

(B) An agency maintaining computerized data or other data that includes personal identifying information that the agency does not own shall notify the owner or licensee of the information of a breach of the security of the data immediately following discovery, if the personal identifying information was, or is reasonably believed to have been, acquired by an unauthorized person.

(C) The disclosure requirements of subsections (A) and (B) must be made in the most expedient time possible and without unreasonable delay; however, the notification required by this section may be delayed if a law enforcement agency determines that the notification impedes a criminal investigation and must be made after the law enforcement agency determines that it no longer compromises the investigation. A delay in notification shall not exceed seventy-two hours after discovery, unless the agency requests and the attorney general grants, in writing, additional delays of up to seventy-two hours each upon a determination that such notification impedes a criminal investigation.

(D) For purposes of this section:

(1) "Agency" means any agency, department, board, commission, committee, or institution of higher learning of the State or a political subdivision of it.

(2) "Breach of the security of the system" means unauthorized access to and acquisition of computerized data that was not rendered unusable through encryption.

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redaction, or other methods that compromise the security, confidentiality, or integrity of personal identifying information maintained by the agency, when illegal use of the information has occurred or is reasonably likely to occur or use of the information creates a material risk of harm to the consumer. Good faith acquisition of personal identifying information by an employee or agent of the agency for the purposes of the agency is not a breach of the security of the system if the personal identifying information is not used or subject to further unauthorized disclosure.

(3) "Consumer reporting agency" means any person which, for monetary fees, dues, or on a cooperative non-profit basis, regularly engages in whole or in part in the practice of assembling or evaluating consumer credit information or other information on consumers for the purpose of furnishing consumer reports to third parties, and which uses any means or facility of interstate commerce for the purpose of preparing or furnishing consumer reports. A list of consumer reporting agencies shall be compiled by the Department of Consumer Affairs and furnished upon request to the agency required to make a notification under this section.

(4) "Personal identifying information" means the first name or first initial and last name in combination with and linked to any one or more of the following data elements that relate to a resident of this State, when the data elements are neither encrypted nor redacted or when the data elements are encrypted with an encryption key and the encryption key that has also been acquired:

(a) social security number;

(b) driver's license number or state identification card number issued instead of a driver's license;

(c) financial account number, or credit card or debit card number in combination with any required security code, access code, or password that would permit access to a resident's financial account; or

(d) other numbers or information which may be used to access a person's financial accounts or numbers or information issued by a governmental or regulatory entity that uniquely will identify an individual.

The term does not include information that is lawfully obtained from publicly available information, or from federal, state, or local government records lawfully made available to the general public.

(E) The notice required by this section may be provided by:

(1) written notice;

(2) electronic notice, if the agency's primary method of communication with the individual is by electronic means, the person to whom notice is required has expressly consented to receiving said notice in electronic form, or is consistent with the provisions regarding electronic records and signatures set forth in Section 7001 of Title 15 USC and Chapter 6, Title 26 of the 1976 Code;

(3) telephonic notice; or

(4) substitute notice, if the agency demonstrates that the cost of providing notice exceeds two hundred fifty thousand dollars or that the affected class of subject persons to be notified exceeds five hundred thousand or the agency has insufficient contact information. Substitute notice consists of:

(a) e-mail notice when the agency has an e-mail address for the subject persons;

(b) conspicuous posting of the notice on the agency's web site page, if the agency maintains one; or

(c) notification to major statewide media.

Regardless of the method by which notice is provided, such notice shall include contact information for the agency making the notification and a description of the categories of information that were, or are reasonably believed to have been, acquired by a person without

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valid authorization, including specification of which of the elements of personal information and private information were, or are reasonably believed to have been, so acquired.

(F) A resident of this State who is injured by a violation of this section, in addition to and cumulative of all other rights and remedies available at law, may:

(1) institute a civil action to recover damages;

(2) seek an injunction to enforce compliance; and

(3) recover attorney's fees and court costs, if successful.

(G) An agency that knowingly and willfully violates this section is subject to an administrative fine up to one thousand dollars for each resident whose information was accessible by reason of the breach, the amount to be decided by the Department of Consumer Affairs.

(H) If the agency provides notice to more than one thousand persons at one time pursuant to this section, the agency shall notify, without unreasonable delay, the Consumer Protection Division of the Department of Consumer Affairs and all consumer reporting agencies that compile and maintain files on a nationwide basis, as defined in 15 USC Section 1681a(p), of the timing, distribution, and content of the notice.

117.137 ADD (State Ports Authority Property) **HOU2:** ADD new proviso . . .

Sponsors: Reps. White, Bingham, Herbkersman, Limehouse, Merrill, M.A. Pitts, Simrill, G.M. Smith, and J.R. Smith. Note: Proviso 117.126 in HOU2 version.

117.137. (GP: State Ports Authority Property) If the State Ports Authority has not completed the sale of its real property on Daniel Island and Thomas (St. Thomas) Island, except for the dredge disposal cells that are needed in connection with the construction of the North Charleston terminal on the Charleston Naval Complex and for harbor deepening and for channel and berth maintenance, by December 31, 2013, the Budget and Control shall, on January 1, 2014, transfer the property back to the authority. The authority shall sell the real property under terms and conditions it considers most advantageous to the authority and the State of South Carolina and the sale must be completed by June 30, 2014. The State Ports Authority must transfer the property to the Budget and Control Board for sale if the authority is unable to complete the sale by June 30, 2014.

117.138 ADD (Veterans Tuition Entitlement) **HOU2:** ADD new proviso . . .

Sponsor: Rep. Daning. Note: Proviso 117.127 in HOU2 version.

117.138. (GP: Veterans Tuition Entitlement) A veteran of the Armed Services of the United States, who has evidenced intent to establish domicile in South Carolina and their dependents, are entitled to receive in-state tuition and fees at state institutions without the requirement of one year of physical presence in this State.

117.139 ADD (Consumer Reports) **HOU2:** ADD new proviso . . .

Sponsor: Rep. Powers Norrell. Note: Proviso 117.128 in HOU2 version.

117.139. (GP: Consumer Reports) Each consumer reporting agency shall, upon request of a citizen whose personal financial information was compromised as a result of the Department of Revenue Security Breach of 2012, shall provide the affected person with one disclosure copy of his or her file per month at no charge. If the affected person requests more than one disclosure copy of his or her file per month, the consumer reporting agency may charge the affected person a reasonable fee for each additional disclosure copy.

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SECTION 118 - X91-STATEWIDE REVENUE

- 118.1 AMEND FURTHER** (Year End Expenditures) Directs year-end expenditure deadlines.
WMC: AMEND proviso to change fiscal year reference from “2013” to “2014” and “July 12, 2013” to “July 11, 2014.”
HOU: ADOPT proviso as amended.

118.1. (SR: Year End Expenditures) Unless specifically authorized herein, the appropriations provided in Part IA of this act as ordinary expenses of the State Government shall lapse on July 31, ~~2013~~ 2014. State agencies are required to submit all current fiscal year input documents to the Office of Comptroller General by July ~~12, 2013~~ 11, 2014. Appropriations for Permanent Improvements, now outstanding or hereafter provided, shall lapse at the end of the second fiscal year in which such appropriations were provided, unless definite commitments shall have been made, with the approval of the Budget and Control Board and Joint Bond Review Committee, toward the accomplishment of the purposes for which the appropriations were provided. Appropriations for other specific purposes aside from ordinary operating expenses, now outstanding or hereafter provided, shall lapse at the end of the second fiscal year in which such appropriations were provided, unless definite commitments shall have been made, with the approval of the Budget and Control Board, toward the accomplishment of the purposes for which the appropriations were provided.

SFC: AMEND FURTHER to also direct that all electronic workflow for accounts payable transactions be submitted to the Comptroller General by July 14, 2014. Requested by Office of Comptroller General.

SEN: ADOPT proviso as amended.

118.1. (SR: Year End Expenditures) Unless specifically authorized herein, the appropriations provided in Part IA of this act as ordinary expenses of the State Government shall lapse on July 31, ~~2013~~ 2014. 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, 2013~~ 14, 2014. Appropriations for Permanent Improvements, now outstanding or hereafter provided, shall lapse at the end of the second fiscal year in which such appropriations were provided, unless definite commitments shall have been made, with the approval of the Budget and Control Board and Joint Bond Review Committee, toward the accomplishment of the purposes for which the appropriations were provided. Appropriations for other specific purposes aside from ordinary operating expenses, now outstanding or hereafter provided, shall lapse at the end of the second fiscal year in which such appropriations were provided, unless definite commitments shall have been made, with the approval of the Budget and Control Board, toward the accomplishment of the purposes for which the appropriations were provided.

- 118.5 DELETE** (Criminal Justice Academy Funding) Directs that an additional \$5 surcharge is levied on all fines, forfeitures, escheatments or other monetary penalties imposed in general sessions, magistrates’, or municipal court for misdemeanor traffic offenses or for nontraffic violations and directs that the surcharge be used to fund training at the Criminal Justice Academy. Prohibits the surcharge from being waived, reduced or suspended. Provides for the manner in which the funds are to be remitted to the State Treasurer and transferred to the Criminal Justice Academy.
SEN: DELETE proviso. *Ruled Out of Order.*

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118.5. (SR: Criminal Justice Academy Funding) ~~(A) In addition to all other assessments and surcharges, during the current fiscal year, a five dollar surcharge to fund training at the South Carolina Criminal Justice Academy is also levied on all fines, forfeitures, escheatments, or other monetary penalties imposed in the general sessions court or in magistrates' or municipal court for misdemeanor traffic offenses or for non-traffic violations. No portion of the surcharge may be waived, reduced, or suspended. The additional surcharge imposed by this section does not apply to parking citations.~~

~~(B) The revenue collected pursuant to subsection (A) must be retained by the jurisdiction, which heard or processed the case and paid to the State Treasurer within thirty days after receipt. The State Treasurer shall transfer the revenue quarterly to the South Carolina Criminal Justice Academy.~~

~~(C) The State Treasurer may request the State Auditor to examine the financial records of any jurisdiction which he believes is not timely transmitting the funds required to be paid to the State Treasurer pursuant to subsection (B). The State Auditor is further authorized to conduct these examinations and the local jurisdiction is required to participate in and cooperate fully with the examination.~~

118.9 AMEND FURTHER (Prohibits Public Funded Lobbyists) Requires certain agencies to transfer specific amounts of funds to the General Fund in order to eliminate taxpayer funded lobbying.

WMC: AMEND proviso to update fiscal year reference to "2013-14."

HOU: ADOPT proviso as amended.

118.9. (SR: Prohibits Public Funded Lobbyists) In order to eliminate taxpayer funded lobbying, the following state agencies and institutions, for Fiscal Year ~~2012-13~~ 2013-14, shall transfer the amounts indicated to the General Fund:

Administrative Law Court	\$ 22,000
The Citadel.....	\$ 16,881
Clemson University	\$ 45,546
Coastal Carolina University.....	\$ 20,230
College of Charleston	\$ 34,000
Department of Health & Environmental Control.....	\$ 26,553
State Board for Technical & Comprehensive Education	\$ 22,431
Florence-Darlington Technical College.....	\$ 10,001
Greenville Technical College	\$ 31,783
Horry-Georgetown Technical College.....	\$ 1,183
Tri-County Technical College	\$ 55,545
Francis Marion University	\$ 23,500
Judicial Department	\$ 59,164
Medical University of South Carolina	\$ 80,380
Department of Natural Resources.....	\$ 17,157
South Carolina State University.....	\$ 20,000
University Of South Carolina	\$ 53,368
University of South Carolina-Upstate.....	\$ 11,000
Winthrop University	\$ 9,300
Lander University	\$ 25,000
Total.....	\$585,022 .

All state agencies and institutions are prohibited from using general fund appropriations to compensate employees who engage in lobbying on behalf of the state agency or institution. The State Ethics Commission shall require state agencies and institutions that report lobbying

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activities to the commission to certify that the lobbying activities were not funded by general fund appropriations.

All state agencies and institutions are prohibited from entering into contracts using general fund appropriations to provide lobbying services to the agency or institution.

SFC: AMEND FURTHER to delete the requirement that funds be transferred to the General Fund.

SEN: ADOPT proviso as amended.

118.9. (SR: Prohibits Public Funded Lobbyists) ~~In order to eliminate taxpayer funded lobbying, the following state agencies and institutions, for Fiscal Year 2012-13 2013-14, shall transfer the amounts indicated to the General Fund:~~

Administrative Law Court	\$ 22,000
The Citadel.....	\$ 16,881
Clemson University	\$ 45,546
Coastal Carolina University.....	\$ 20,230
College of Charleston	\$ 34,000
Department of Health & Environmental Control.....	\$ 26,553
State Board for Technical & Comprehensive Education	\$ 22,431
Florence-Darlington Technical College.....	\$ 10,001
Greenville Technical College	\$ 31,783
Horry-Georgetown Technical College.....	\$ 1,183
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Francis Marion University.....	\$ 23,500
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Medical University of South Carolina	\$ 80,380
Department of Natural Resources.....	\$ 17,157
South Carolina State University.....	\$ 20,000
University Of South Carolina	\$ 53,368
University of South Carolina Upstate.....	\$ 11,000
Winthrop University	\$ 9,300
Lander University	\$ 25,000
Total.....	\$585,022

All state agencies and institutions are prohibited from using general fund appropriations to compensate employees who engage in lobbying on behalf of the state agency or institution. The State Ethics Commission shall require state agencies and institutions that report lobbying activities to the commission to certify that the lobbying activities were not funded by general fund appropriations.

All state agencies and institutions are prohibited from entering into contracts using general fund appropriations to provide lobbying services to the agency or institution.

118.10 **AMEND FURTHER** (Admissions Tax) Directs that for FY 12-13, up to \$114,000 in admissions tax revenue collected from events held at a motorsports entertainment complex facility with at least 60,000 permanent seats must be rebated to the facility in the current fiscal year to keep a NASCAR race at the facility.

WMC: AMEND proviso to update fiscal year reference to "2013-14." Fiscal Impact: BEA states this provision would decrease General Fund admissions tax revenue by \$114,000 in FY 2013-14.

HOU: ADOPT proviso as amended.

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118.10. (SR: Admissions Tax) For Fiscal Year ~~2012-13~~ 2013-14, up to one hundred fourteen thousand dollars in admissions tax revenue collected annually from all events held at a motorsports entertainment complex facility with at least sixty thousand permanent seats must be rebated to the motorsports entertainment complex facility in the current fiscal year to keep a NASCAR race at the motorsports entertainment complex facility.

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

SEN: ADOPT proviso as amended.

118.10. (SR: Admissions Tax) For ~~Fiscal Year 2012-13~~ the current fiscal year, up to one hundred fourteen thousand dollars in admissions tax revenue collected annually from all events held at a ~~motorsports entertainment complex facility with at least sixty thousand permanent seats~~ NASCAR sanctioned motor speedway or racetrack that hosts at least one race each year featuring the preeminent NASCAR cup series must be rebated to the motorsports entertainment complex facility in the current fiscal year to keep a NASCAR race at the motorsports entertainment complex facility.

118.16 AMEND FURTHER (Tobacco Settlement) **WMC:** ADD new proviso to transfer Tobacco Master Settlement Agreement (MSA) funds. (A) From funds received during calendar year 2014, transfer the following for Diligent Enforcement: \$1,253,000 to the Attorney General’s Office (also to be used for Arbitration Litigation); \$450,000 to SLED; and \$325,000 to DOR. Transfer \$36,202,090 to the Department of Education for EFA-IDA Contingency Reserve with any remaining balance transferred to DHHS for Medicaid. (B) From funds received during calendar year 2013, transfer sufficient funds to cover Tobacco Settlement Revenue Management Authority operating expenses, with any remaining balance transferred to DHHS for Medicaid. (C) From funds available after the discharge of the Series 2008 Tobacco Bonds and remaining uncommitted Tobacco Funds held by the State Treasurer prior to calendar year 2013, transfer \$4,287,779 to DSS for the Child Support Enforcement System; \$4,000,000 to MUSC Hospital Authority for the Telemedicine program; and \$2,000,000 to Department of Agriculture pursuant to Section 11-49-55 [STATE-GROWN CROPS; MARKETING, BRANDING, AND NATURAL DISASTER RELIEF ASSISTANCE], with any remaining balance transferred to DHHS for Medicaid. (D) Suspend the requirements of Section 11-11-170 [USE OF REVENUES PAYABLE PURSUANT TO MASTER SETTLEMENT AGREEMENT] for FY 13-14.

HOU: AMEND new proviso to change “\$36,202,090” to “\$36,202,909.” Sponsor: Rep. White.

HOU2: AMEND FURTHER . . .

Sponsors: Reps. White, Bingham, Herbkersman, Limehouse, Merrill, M.A. Pitts, Simrill, G.M. Smith, and J.R. Smith.

118.16. (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 calendar year 2014, the State Treasurer is authorized and directed to transfer \$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; \$325,000 to the Department of Revenue for Diligent Enforcement, all to enforce Chapter 47 of Title 11, the Tobacco Escrow Fund Act. The remaining balance shall be transferred to the Department of Health and Human Services for Medicaid.

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(B) 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 calendar year 2013, excluding funds received from settlement of the 2003-2012 NPM Adjustments Under the Tobacco Master Settlement Agreement, the State Treasurer is authorized and directed to transfer funds sufficient to cover the operating expenses of the Authority and to transfer \$34,839,179 to the General Fund of the State, with the remaining balance transferred to the Department of Health of Human Services for Medicaid.

(C) To the extent funds are available to the Tobacco Settlement Revenue Management Authority following the discharge of the Series 2008 Tobacco Bonds and all remaining uncommitted Tobacco funds held by the State Treasurer prior to calendar year 2013, the State Treasurer is authorized and directed to transfer \$4,287,779 to the Department of Social Services to complete development of the Child Support Enforcement System; \$4,000,000 to the Medical University of South Carolina Hospital Authority for the Telemedicine program; and \$2,000,000 to the Department of Agriculture pursuant to Section 11-49-55 of the 1976 Code. The remaining balance shall be transferred to the Department of Health and Human Services for Medicaid.

(D) The requirements of Section 11-11-170 of the 1976 Code shall be suspended for Fiscal Year 2013-14.

SFC: AMEND FURTHER to delete the transfer of \$36,202,909 to SDE for the EFA-IDEA Contingency Reserve from 2014 tobacco funds. Direct that \$37,372,707 be transferred to the General Fund from 2013 tobacco funds.

SEN: ADOPT proviso as amended.

118.16. (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 calendar year 2014, the State Treasurer is authorized and directed to transfer \$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; \$325,000 to the Department of Revenue for Diligent Enforcement, all to enforce Chapter 47 of Title 11, the Tobacco Escrow Fund Act. The remaining balance shall be transferred to the Department of Health and Human Services for Medicaid.

(B) 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 calendar year 2013, the State Treasurer is authorized and directed to transfer funds sufficient to cover the operating expenses of the Authority and to transfer \$37,372,707 to the General Fund of the State, with the remaining balance transferred to the Department of Health of Human Services for Medicaid.

(C) To the extent funds are available to the Tobacco Settlement Revenue Management Authority following the discharge of the Series 2008 Tobacco Bonds and all remaining uncommitted Tobacco funds held by the State Treasurer prior to calendar year 2013, the State Treasurer is authorized and directed to transfer \$4,287,779 to the Department of Social Services to complete development of the Child Support Enforcement System; \$4,000,000 to the Medical University of South Carolina Hospital Authority for the Telemedicine program; and \$2,000,000 to the Department of Agriculture pursuant to Section 11-49-55 of the 1976 Code. The remaining balance shall be transferred to the Department of Health and Human Services for Medicaid.

(D) The requirements of Section 11-11-170 of the 1976 Code shall be suspended for Fiscal Year 2013-14.

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118.17 AMEND FURTHER (Non-Recurring Revenue) **WMC:** ADD new proviso to appropriate \$159,845,460 of non-recurring revenue for FY 2013-14 generated from FY 2012-13 unobligated general fund revenue certified by the BEA. Appropriations are made to various agencies for specific purposes. Authorizes these funds to be carried forward and used for the same purposes. Direct that the \$60,000,000 appropriated in item 33(f) for Bridge Replacement and Rehabilitation be used as the match requirement for active federal aid eligible bridges currently programmed in the Statewide Transportation Improvement Program. Authorize funds not needed as match to be used by DOT to address closed and load restricted bridges. Direct that funds remaining in the escrow account established pursuant to Proviso 90.13 of Act 310 of 2008 be used to offset any operating shortfalls resulting from the Barnwell Low Level Waste Facility operations and provide for the calculation of the funds to be distributed. Direct that these funds also be used to maintain access fees to the facility for FY 12-13 at the FY 09-10 level and also be used to pay Southern States Energy Board annual dues.

HOU: AMEND new proviso to add item (16.1) to direct that the \$5,000,000 appropriated for the Business Incubator program be used to invest in technology-based economic development projects; direct the department to develop guidelines to administer the program; direct that investments must be accompanied by, at a minimum, an equal match of non-state funds; designate \$400,000 for the digital design initiative; and allow up to \$300,000 to be used for program administrative costs. Sponsors: Reps. White and Simrill. *Moved from 50.21 to follow funding.*

AMEND FURTHER item 33.1 to change reference to “bridges” to “bridge replacement projects.” Delete authorization for any remaining funds to be used to address closed and load restricted bridges. Direct that the funds be used for Act 114 prioritized rehabilitation projects approved by the commission for future inclusion in the STIP as of February 21, 2013. Sponsor: Rep. White.

HOU2: AMEND FURTHER . . .

Sponsors: Reps. White, Bingham, Herbkersman, Limehouse, Merrill, M.A. Pitts, Simrill, G.M. Smith, and J.R. Smith.

118.17. (SR: Non-recurring Revenue) (A) The source of revenue appropriated in this provision is non-recurring revenue generated from the following sources:

(1) \$159,845,460 from Fiscal Year 2012-13 unobligated general fund revenue as certified by the Board of Economic Advisors;

(2) \$1,782,396 from the LCD Hitachi Settlement; and

(3) Funds received from Settlement of the 2003-2012 NPM Adjustments Under the Tobacco Master Settlement Agreement which shall be transferred to the General Fund of the State.

This revenue is deemed to have occurred and is available for use in Fiscal Year 2013-14 after September 1, 2013, following the Comptroller General's close of the state's books on Fiscal Year 2012-13.

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 2012-13 and shall be available for use in Fiscal year 2013-14.

(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, 2013, for the purposes stated:

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<u>(1) Part IA - General Fund.....</u>	<u>\$ 1;</u>
<u>(2) X22 - Local Government Fund-State Treasurer</u>	
<u>Local Government Fund.....</u>	<u>\$ 30,000,000;</u>
<u>(3) H63 - Department of Education</u>	
<u>(a) Governor's School for the Arts and Humanities</u>	
<u>Data Network Wiring.....</u>	<u>\$ 187,000;</u>
<u>(b) Transportation.....</u>	<u>\$ 6,426,188;</u>
<u>(c) Instructional Materials.....</u>	<u>\$ 3,584,616;</u>
<u>(d) School Bus Lease and Purchase.....</u>	<u>\$ 5,000,000;</u>
<u>(e) 4K Statewide At Risk Phase In - Districts with</u>	
<u>75% + Poverty.....</u>	<u>\$ 4,120,000;</u>
<u>(3.1) Of the funds appropriated above to the Department of Education for 4K Statewide at Risk Phase In - Districts with 75% + Poverty, 85% shall be distributed to First Steps to School Readiness for the Child Development Education Pilot Program (CDEPP) and 15% shall be retained by the Department of Education for the Child Development Education Pilot Program (CDEPP).</u>	
<u>(4) H75 - School for the Deaf and the Blind</u>	
<u>(a) Educational Technology.....</u>	<u>\$ 575,000;</u>
<u>(b) Distance Learning.....</u>	<u>\$ 185,000;</u>
<u>(c) Audio Description Devices.....</u>	<u>\$ 65,000;</u>
<u>(d) Student Response Services</u>	<u>\$ 40,000;</u>
<u>(e) Auditory Enhancement.....</u>	<u>\$ 65,000;</u>
<u>(f) Records Management.....</u>	<u>\$ 175,000;</u>
<u>(5) J02 - Department of Health and Human Services</u>	
<u>(a) Nursing Homes - Rate Increase</u>	<u>\$ 5,000,000;</u>
<u>(b) SC Health Information Network (Palmetto Project).....</u>	<u>\$ 50,000;</u>
<u>(6) H03 - Commission on Higher Education</u>	
<u>University Center of Greenville Infrastructure Development</u>	<u>\$ 200,000;</u>
<u>(7) H12 - Clemson University</u>	
<u>Student Career Opportunity Program.....</u>	<u>\$ 1,000,000;</u>
<u>(8) H27 - University of South Carolina</u>	
<u>(a) On Your Time</u>	<u>\$ 2,500,000;</u>
<u>(b) SC Child Abuse Medical Response Program.....</u>	<u>\$ 225,000;</u>
<u>(c) USC-Lancaster Deferred Maintenance.....</u>	<u>\$ 400,000;</u>
<u>(9) H51 - Medical University of South Carolina</u>	
<u>(a) MUSC Hospital Authority-Rural Hospital Transformation....</u>	<u>\$ 400,000;</u>
<u>(b) Institute of Medicine.....</u>	<u>\$ 400,000;</u>
<u>(c) Mobile Cancer Screening and Early Detection</u>	<u>\$ 600,000;</u>
<u>(10) H59 - State Board for Technical and Comprehensive Education</u>	
<u>Horry-Georgetown Technical College Culinary Arts Center.....</u>	<u>\$ 25,000;</u>
<u>(11) H79 - Department of Archives and History</u>	
<u>(a) Archival Technology</u>	<u>\$ 56,957;</u>
<u>(b) GLEAMS - Benjamin Mays Historical Preservation</u>	
<u>Site - Capital Equipment.....</u>	<u>\$ 1;</u>
<u>(12) H95 - State Museum Commission</u>	
<u>(a) Laurens County Museum.....</u>	<u>\$ 150,000;</u>
<u>(b) Greenville Children's Museum</u>	<u>\$ 100,000;</u>
<u>(c) SC Railroad Museum</u>	<u>\$ 1;</u>
<u>(13) P36 - Patriots Point Development Authority</u>	
<u>National Flight Academy.....</u>	<u>\$ 400,000;</u>

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<u>(14) J04 - Department of Health and Environmental Control</u>	
<u>(a) SC Bleeding Disorders Premium Assistance Program.....</u>	<u>\$ 100,000;</u>
<u>(b) Ocean Water Quality Outfall Initiative.....</u>	<u>\$ 750,000;</u>
<u>(c) Women in Unity.....</u>	<u>\$ 100,000;</u>
<u>(d) HIV Prevention - Project Faith.....</u>	<u>\$ 350,000;</u>
<u>(e) Nurse Family Partnership.....</u>	<u>\$ 100,000;</u>
<u>(f) Best Chance and Colon Cancer Prevention</u>	
<u> Network - Proviso 34.44</u>	<u>\$ 1,000,000;</u>
<u>(g) Donate Life SC - Organ Donor Registry.....</u>	<u>\$ 1;</u>
<u>(h) James R. Clarke Sickle Cell Foundation.....</u>	<u>\$ 1;</u>
<u>(i) State Beachfront Management Plan.....</u>	<u>\$ 2,000,000;</u>
<u>(15) J12 - Department of Mental Health</u>	
<u>(a) School Mental Health Services</u>	<u>\$ 800,000;</u>
<u>(b) Seahaven</u>	<u>\$ 200,000;</u>
<u>(16) H73 - Vocational Rehabilitation</u>	
<u> Basic Services - Case Services</u>	<u>\$ 500,000;</u>
<u>(17) P32 - Department of Commerce</u>	
<u>(a) Deal Closing Fund.....</u>	<u>\$ 7,947,873;</u>
<u>(b) Base Closure Fund.....</u>	<u>\$ 500,000;</u>
<u>(c) Business Incubator Program.....</u>	<u>\$ 5,000,000;</u>
<u>(d) SC Council on Competitiveness</u>	<u>\$ 300,000;</u>
<u>(e) Community Development Corporation Initiative.....</u>	<u>\$ 1;</u>
<u>(17.1) The \$5,000,000 appropriated above to the Department of Commerce for the business Incubator Program shall be used to invest in technology-based economic development projects. The department shall develop guidelines to administer the program and any investment made by the department shall be accompanied by, at a minimum, an equal match of non-state funds. Eligible projects should foster economic development, encourage technological innovation and business recruitment, leverage the state scientific potential and existing knowledge base, or encourage research and development collaboration. \$400,000 shall be designated for the digital design initiative. Up to \$300,000 may be used by the department for administrative costs associated with this program.</u>	
<u>(18) D10 - State Law Enforcement Division</u>	
<u>(a) Computer Equipment</u>	<u>\$ 803,150;</u>
<u>(b) Maintenance Fees</u>	<u>\$ 30,000;</u>
<u>(c) Law Enforcement Equipment</u>	<u>\$ 739,980;</u>
<u>(d) Vehicle Replacement</u>	<u>\$ 600,000;</u>
<u>(e) Computer Software.....</u>	<u>\$ 346,295;</u>
<u>(19) K05 - Department of Public Safety</u>	
<u> Vehicle Replacement.....</u>	<u>\$ 500,000;</u>
<u>(20) N04 - Department of Corrections</u>	
<u>(a) Statewide Paving.....</u>	<u>\$ 1,000,000;</u>
<u>(b) Deferred Maintenance</u>	<u>\$ 3,635,000;</u>
<u>(c) Security/Detention Systems and Equipment.....</u>	<u>\$ 2,542,000;</u>
<u>(d) Inmate Security and Support Vehicles</u>	<u>\$ 1,000,000;</u>
<u>(e) Broad River Sewer System Upgrade</u>	<u>\$ 700,000;</u>
<u>(f) Food Service Institutional Equipment.....</u>	<u>\$ 489,357;</u>
<u>(g) Observation Towers - Lee Correctional Institution`</u>	<u>\$ 236,900;</u>
<u>(h) Center Pivot Irrigation System.....</u>	<u>\$ 100,000;</u>
<u>(i) Weapons Replacement</u>	<u>\$ 40,000;</u>

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<u>(21) N08 - Department of Probation, Parole, and Pardon Services</u>	
(a) Parole Process Automation.....	\$ 500,000;
(b) Violations and Incentives Matrix.....	\$ 400,000;
<u>(22) N12 - Department of Juvenile Justice</u>	
Deferred Maintenance.....	\$ 800,000;
<u>(23) P24 - Department of Natural Resources</u>	
(a) Waddell Center Infrastructure.....	\$ 903,000;
(b) Outreach Programs.....	\$ 200,000;
(c) State River Basin Study.....	\$ 2,000,000;
<u>(d) Information Technology - Phase II Upgrade</u>	
Software and Equipment Replacement.....	\$ 1,725,000;
(e) Groundwater Monitoring Clusters.....	\$ 250,000;
(f) Enforcement Division Vehicles.....	\$ 785,050;
(g) Catawba/Wateree River Basin Study.....	\$ 1;
<u>(23.1) The funds appropriated above to the Department of Natural Resources for the State River Basin Study Project, must be used for water data collection to provide scientific information on water resources in the state's eight major river basins. The department shall on a quarterly basis, beginning October 1, 2013, report to the Senate Finance Committee, the House Ways and Means Committee, the Senate Agriculture and Natural Resources Committee and the House Agriculture, Natural Resources and Environmental Affairs Committee, a report on the project's timeline, findings, stakeholder input, and expenditure of funds. Additionally, this information shall be posted electronically on the Department of Natural Resources and Department of Health and Environmental Control websites.</u>	
<u>(24) L36 - Human Affairs Commission</u>	
<u> Computerized Affirmative Action Management</u>	
System (CAAMS).....	\$ 100,000;
<u>(25) L46 - Commission on Minority Affairs</u>	
PC Replacement.....	\$ 10,334;
<u>(26) R28 - Department of Consumer Affairs</u>	
(a) Licensing Database Reconfiguration/Upgrade.....	\$ 100,000;
(b) Identity Theft Unit.....	\$ 1;
<u>(27) R40 - Department of Motor Vehicles</u>	
ADA Compliance.....	\$ 925,000;
<u>(28) D25 - Office of Inspector General</u>	
Office Infrastructure.....	\$ 52,565;
<u>(29) E04 - Office of Lieutenant Governor</u>	
Caregivers.....	\$ 3,000,000;
<u>(30) E08 - Secretary of State</u>	
(a) Board and Commissions Database Project.....	\$ 250,000;
(b) Disaster Recovery/Image Digitization.....	\$ 97,800;
<u>(31) E24 - Office of Adjutant General</u>	
(a) Armory Maintenance and Repair Projects.....	\$ 450,000;
(b) Emergency Management Program Improvements.....	\$ 250,000;
<u>(32) H87 - State Library</u>	
Aid to Counties.....	\$ 1,341,395;
<u>(33) H18-Francis Marion University</u>	
Health Sciences Building.....	\$ 200,000;
<u>(34) U12 - Department of Transportation</u>	
<u>(a) Traffic Management/Richland Electrical</u>	
Building Construction.....	\$ 1,750,000;

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<u>(b) Lexington County Maintenance Complex Land Acquisition...</u>	<u>\$ 1,400,000;</u>
<u>(c) Lexington County Maintenance Complex Construction</u>	<u>\$ 200,000;</u>
<u>(d) Upstate Salt Storage Facility Construction</u>	<u>\$ 627,000</u>
<u>(e) Cherokee Salt Shed Construction.....</u>	<u>\$ 260,000; and</u>
<u>(f) Sandy Island Boat Ramp.....</u>	<u>\$ 150,000;</u>
<u>(35) P28 - Department of Parks, Recreation, and Tourism</u>	
<u>Rural Tourism Development-Cultural Visitor's Center,</u>	
<u>Orangeburg County.....</u>	<u>\$ 1,000,000;</u>
<u>(36) F03 - Budget and Control Board</u>	
<u>Security Lighting Upgrade</u>	<u>\$ 453,000;</u>
<u>(37) H15 - University of Charleston</u>	
<u>Avery Center</u>	<u>\$ 1;</u>
<u>(38) L04 - Department of Social Services</u>	
<u>Phyllis Wheatley - Donaldson Center Revitalization</u>	<u>\$ 1;</u>
<u>(39) E21 - Prosecution Coordination Commission</u>	
<u>Centers for Fathers and Families.....</u>	<u>\$ 1;</u>
<u>(40) R36 - Department of Labor, Licensing, and Regulation</u>	
<u>Urban Search and Rescue (USAR).....</u>	<u>\$ 1;</u>
<u>(41) A85 - Education Oversight Committee</u>	
<u>Partnerships for Innovation.....</u>	<u>\$ 100,000; and</u>
<u>(42) P16 - Department of Agriculture</u>	
<u>Certified South Carolina Grown Program`</u>	<u>\$ 1.</u>

Of any excess funds collected above the amount identified in subsection(A), and after all the above items in this subsection (B) are fully funded, any additional funds shall be appropriated to the Department of Transportation for Bridge Replacement and Rehabilitation. These funds shall serve as the match requirement for active federal aid eligible bridge replacement projects currently programmed in the Statewide Transportation Improvement Program (STIP) and Act 114 prioritized rehabilitation projects approved by the commission for future inclusion in the STIP as of February 21,2013.

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

(C) From the escrow account established pursuant to Proviso 90.13 of Act 310 of 2008, the remaining funds shall be used to offset any operating shortfalls resulting from the Barnwell Low Level Waste Facility operations in order to preserve the economic viability of the facility. The amount distributed to offset any operating shortfalls shall be determined by calculating the difference between the allowable operating costs plus adjustments as approved by the Public Service Commission, and the access fees paid by the Atlantic Compact generators. Funds remaining in the account to offset operating shortfalls shall also be used to maintain access fees to the facility for Fiscal Year 2013-14 at the Fiscal Year 2009-10 level. There shall also be paid from the escrow account the annual dues of the Southern States Energy Board.

SFC: AMEND FURTHER to appropriate \$159,845,460 of non-recurring revenue for FY 2013-14 to various agencies for specific purposes, with \$34,625,547 directed to the General Fund. Add item (3.1) to direct that of the funds appropriated to SDE for 4K Statewide at Risk Phase In - Districts with 75%+ Poverty, 15% be distributed to First Steps and 85% be distributed to SDE for CDEPP. Add item (23.1) to direct that the \$1,000,000 of the funds appropriated for the Business Incubator program be used to invest in technology-based economic development projects; direct the department to develop guidelines to administer the program; direct that investments must be accompanied by a dollar for dollar match from non-state funds; designate \$400,000 for the digital design initiative; and allow up to \$300,000 to be

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used for program administrative costs. (Similar to House item 16.1.) Add item (28.1) to direct that the funds appropriated to DNR for the State River Basin Study must be used to collect water data to provide scientific information on water resources in the state's 8 major river basins. Require the department report quarterly to various General Assembly Committees on the project's timeline, findings, and expenditures and direct DNR and DHEC to post this information on their websites. Add item (48.1) to direct that the funds appropriated to DOT for Bridge Replacement and Rehabilitation be used as the match requirement for active federal aid eligible bridge replacement projects currently programmed in the STIP and Act 114 prioritized rehabilitation projects approved by the commission for future inclusion in the STIP as of February 21, 2013. (Same as House item 33.1.)

SEN: AMEND FURTHER to change the amount of revenue appropriated from "\$159,845,460" to "\$161,627,856" and direct that the funds are derived from "\$159,845,460 from BEA certified FY 12-13 unobligated general fund revenue and \$1,782,396 from the LCD Hitachi Settlement. Change the amount to be deposited into the General Fund from "\$34,625,547" to "\$50,739,599." Sponsor: Sen. Leatherman.

AMEND FURTHER to change the amounts appropriated for Parity Funding in items (12)(b) USC Lancaster, (13) USC Salkehatchie (14) USC Sumter and (15) USC Union. Sponsor: Sen. Gregory.

AMEND FURTHER to amend and/or delete various other non-recurring appropriations. Sponsor: Sen. Leatherman.

AMEND FURTHER to direct that specific amounts of excess funds collected above the amount identified in Subsection (A) and after all items in Subsection (B) are funded are to be distributed as identified. Sponsors: Sens. Leatherman, Cromer, Hembree, Verdin, Campsen, Matthews, Hutto, Scott, Malloy, Sheheen. Direct that the funds appropriated to DNR are to be used to study the impact wildlife management practices designed to increase and benefit the wild bobwhite quail populations, including supplemental feeding, have on the eastern wild turkey populations and behavior. Direct that a status report be provided by May 30, 2014. Sponsors: Sens. Campsen and Verdin. Direct that the funds appropriated to the EOC are to be used to conduct a pilot project to increase the college enrollment rate of participating school district's high school students. Sponsors: Sens. Matthews and Hutto. Recommend that the funds appropriated to DOT for Drainage Studies be distributed on a 1:1 match basis. Sponsor: Sen. Scott.

118.17. (SR: Non-recurring Revenue) (A) The source of revenue appropriated in this provision is \$161,627,856 of non-recurring revenue generated from the following sources and transferred to the State Treasurer. This revenue is deemed to have occurred and is available for use in Fiscal Year 2013-14 after September 1, 2013, following the Comptroller General's close of the state's books on Fiscal Year 2012-13.

(1) \$159,845,460 from Fiscal Year 2012-13 unobligated general fund revenue as certified by the Board of Economic Advisors; and

(2) \$1,782,396 from the LCD Hitachi Settlement.

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 2012-13 and shall be available for use in Fiscal year 2013-14.

(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, 2013, for the purposes stated:

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(1) <u>Part IA - General Fund</u>	\$ 50,739,599;
(2) <u>X22 - Local Government Fund-State Treasurer</u>	
<u>Local Government Fund</u>	\$ 10,000,000;
(3) <u>H63 - Department of Education</u>	
<u>(a) Governor's School for the Arts and Humanities</u>	
<u>Data Network Wiring</u>	\$ 187,000;
<u>(b) Transportation - Fuel and Bus Parts</u>	\$ 6,426,188;
<u>(c) Instructional Materials</u>	\$ 24,167,978;
<u>(d) 4K Statewide at Risk Phase In - Districts with 75% + Poverty</u>	\$ 4,120,000;
<u>(3.1) Of the funds appropriated above to the Department of Education for 4K Statewide at Risk Phase In - Districts with 75% + Poverty, 15% shall be distributed to First Steps to School Readiness for the Child Development Education Pilot Program (CDEPP) and 85% shall be retained by the Department of Education for the Child Development Education Pilot Program (CDEPP).</u>	
(4) <u>H75 - School for the Deaf and the Blind</u>	
<u>(a) Educational Technology</u>	\$ 575,000;
<u>(b) Distance Learning</u>	\$ 185,000;
<u>(c) Audio Description Devices</u>	\$ 65,000;
<u>(d) Student Response Services</u>	\$ 40,000;
<u>(e) Auditory Enhancement</u>	\$ 65,000;
<u>(f) Records Management</u>	\$ 175,000;
(5) <u>J02 - Department of Health and Human Services</u>	
<u>(a) Nursing Homes - Rate Increase</u>	\$ 5,000,000;
<u>(b) SC Health Information Network (Palmetto Project)</u>	\$ 100,000;
(6) <u>H03 - Commission on Higher Education</u>	
<u>University Center of Greenville Infrastructure Development</u>	\$ 200,000;
(7) <u>H12 - Clemson University</u>	
<u>Student Career Opportunity Program</u>	\$ 1,000,000;
(8) <u>H27 - University of South Carolina</u>	
<u>(a) On Your Time</u>	\$ 2,500,000;
<u>(b) SC Child Abuse Medical Response Program</u>	\$ 225,000;
(9) <u>H51 - Medical University of South Carolina</u>	
<u>(a) MUSC Hospital Authority-Rural Hospital Transformation</u>	\$ 400,000;
<u>(b) Institute of Medicine</u>	\$ 400,000;
<u>(c) Mobile Cancer Screening and Early Detection</u>	\$ 600,000;
(10) <u>H59 - State Board for Technical and Comprehensive Education</u>	
<u>Midlands Technical - Quickjobs Program - Equipment</u>	\$ 500,000;
(11) <u>H15 - University of Charleston</u>	
<u>Avery Center</u>	\$ 350,000;
(12) <u>H37 - University of South Carolina - Lancaster</u>	
<u>(a) Deferred Maintenance</u>	\$ 400,000;
<u>(b) Parity Funding</u>	\$ 148,400;
(13) <u>H38 - University of South Carolina - Salkehatchie</u>	
<u>Parity Funding</u>	\$ 118,720;
(14) <u>H39 - University of South Carolina - Sumter</u>	
<u>Parity Funding</u>	\$ 97,520;
(15) <u>H40 - University of South Carolina - Union</u>	
<u>Parity Funding</u>	\$ 59,360;

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<u>(16) H53 - Area Health Education Consortium</u>	
<u>Office of Healthcare Workforce Analysis and Planning.....</u>	<u>\$ 200,000;</u>
<u>(17) H79 - Department of Archives and History</u>	
<u>(a) Archival Technology.....</u>	<u>\$ 56,957;</u>
<u>(b) GLEAMNS - Benjamin Mays Historical Preservation</u>	
<u>Site - Capital Equipment.....</u>	<u>\$ 200,000;</u>
<u>(18) H95 - State Museum Commission</u>	
<u>SC Railroad Museum.....</u>	<u>\$ 200,000;</u>
<u>(19) P36 - Patriots Point Development Authority</u>	
<u>National Flight Academy.....</u>	<u>\$ 400,000;</u>
<u>(20) J04 - Department of Health and Environmental Control</u>	
<u>(a) SC Bleeding Disorders - Premium Assistance Program.....</u>	<u>\$ 100,000;</u>
<u>(b) Ocean Water Quality Outfall Initiative.....</u>	<u>\$ 750,000;</u>
<u>(c) Women in Unity.....</u>	<u>\$ 1,000;</u>
<u>(d) HIV Prevention - Project Faith.....</u>	<u>\$ 350,000;</u>
<u>(e) Nurse Family Partnership.....</u>	<u>\$ 100,000;</u>
<u>(f) Best Chance Network and Colon Cancer Prevention</u>	
<u>Network - Proviso 34.44.....</u>	<u>\$ 2,000,000;</u>
<u>(g) Stroke System of Care Act of 2011.....</u>	<u>\$ 50,000;</u>
<u>(h) Donate Life SC - Organ Donor Registry.....</u>	<u>\$ 100,000;</u>
<u>(i) James R. Clark Sickle Cell Foundation.....</u>	<u>\$ 100,000;</u>
<u>(21) J12 - Department of Mental Health</u>	
<u>Seahaven.....</u>	<u>\$ 1;</u>
<u>(22) H73 - Vocational Rehabilitation</u>	
<u>Basic Services - Case Services.....</u>	<u>\$ 500,000;</u>
<u>(23) P32 - Department of Commerce</u>	
<u>(a) Deal Closing Fund.....</u>	<u>\$ 12,677,766;</u>
<u>(b) Base Closure Fund.....</u>	<u>\$ 500,000;</u>
<u>(c) Business Incubator Program.....</u>	<u>\$ 4,175,000;</u>
<u>(d) SC Council on Competiveness.....</u>	<u>\$ 650,000;</u>
<u>(e) Community Development Corporation Initiative.....</u>	<u>\$ 400,000;</u>
<u>(f) Base Closure Fund - Beaufort.....</u>	<u>\$ 100,000;</u>
<u>(g) Base Closure Fund - Sumter.....</u>	<u>\$ 100,000;</u>
<u>(23.1) Of the funds appropriated above to the Department of Commerce for the Business Incubator Program, \$1,000,000 shall be used to invest in technology-based economic development projects. The department shall develop guidelines to administer the program and any investment made by the department shall be accompanied by a dollar-for-dollar match from non-state appropriated funds. Eligible projects shall foster economic development through university collaboration, local government participation, public-private partnership participation, all of which is aimed at "digital interactive and immersive media" projects throughout the state. \$400,000 shall be designated for the digital design initiative. Up to \$300,000 of these specific funds may be used by the department for administrative costs associated with this program.</u>	
<u>(24) D10 - State Law Enforcement Division</u>	
<u>(a) Computer Equipment For Newly Funded FTEs.....</u>	<u>\$ 63,000;</u>
<u>(b) Maintenance Fees.....</u>	<u>\$ 30,000;</u>
<u>(c) Law Enforcement Equipment.....</u>	<u>\$ 739,980;</u>
<u>(d) Vehicle Replacement.....</u>	<u>\$ 840,000;</u>
<u>(25) K05 - Department of Public Safety</u>	
<u>Vehicle Replacement.....</u>	<u>\$ 500,000;</u>

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<u>(26) N04 - Department of Corrections</u>	
<u>(a) Statewide Paving.....</u>	<u>\$ 1,000,000;</u>
<u>(b) Deferred Maintenance</u>	<u>\$ 3,635,000;</u>
<u>(c) Security/Detention Systems and Equipment.....</u>	<u>\$ 2,542,000;</u>
<u>(d) Inmate Security and Support Vehicles</u>	<u>\$ 1,000,000;</u>
<u>(e) Broad River Sewer System Upgrade</u>	<u>\$ 700,000;</u>
<u>(f) Food Service Institutional Equipment.....</u>	<u>\$ 489,357;</u>
<u>(g) Observation Towers - Lee Correctional Institution`</u>	<u>\$ 236,900;</u>
<u>(h) Center Pivot Irrigation System.....</u>	<u>\$ 100,000;</u>
<u>(i) Weapons Replacement</u>	<u>\$ 40,000;</u>
<u>(27) P24 - Department of Natural Resources</u>	
<u>(a) Outreach Programs.....</u>	<u>\$ 10,000;</u>
<u>(b) State River Basin Study.....</u>	<u>\$ 2,000,000;</u>
<u>(c) Information Technology - Phase II Upgrade Software and Equipment Replacement.....</u>	<u>\$ 1,725,000;</u>
<u>(d) Groundwater Monitoring Clusters.....</u>	<u>\$ 250,000;</u>
<u>(e) Enforcement Division Vehicles</u>	<u>\$ 785,050;</u>
<u>(f) Invasive Species Control Program.....</u>	<u>\$ 50,000;</u>
<u>(g) Catawba/Wateree River Basin Study</u>	<u>\$ 250,000;</u>
<u>(h) Southeastern Wildlife Expo</u>	<u>\$ 200,000;</u>
<u>(27.1) The funds appropriated above to the Department of Natural Resources for the State River Basin Study Project must be used for water data collection to provide scientific information on water resources in the state's eight major river basins. The department shall, on a quarterly basis beginning October 1, 2013, submit to the Senate Finance Committee, the House Ways and Means Committee, the Senate Agriculture and Natural Resources Committee, and the House Agriculture, Natural Resources and Environmental Affairs Committee, a report on the project's timeline, findings, and expenditure of funds. Additionally, this information shall be posted electronically on the Department of Natural Resources and the Department of Health and Environmental Control websites.</u>	
<u>(28) L36 - Human Affairs Commission</u>	
<u>Computerized Affirmative Action Management System (CAAMS) \$</u>	<u>100,000;</u>
<u>(29) L46 - Commission on Minority Affairs</u>	
<u>PC Replacement.....</u>	<u>\$ 23,286;</u>
<u>(30) R28 - Department of Consumer Affairs</u>	
<u>(a) Licensing Database Reconfiguration/Upgrade.....</u>	<u>\$ 100,000;</u>
<u>(b) Identify Theft Unit - S.334.....</u>	<u>\$ 537,690;</u>
<u>(31) R40 - Department of Motor Vehicles</u>	
<u>ADA Compliance</u>	<u>\$ 925,000;</u>
<u>(32) D25 - Office of Inspector General</u>	
<u>Office Infrastructure</u>	<u>\$ 52,565;</u>
<u>(33) E04 - Office of Lieutenant Governor</u>	
<u>Caregivers</u>	<u>\$ 1,500,000;</u>
<u>(34) E08 - Secretary of State</u>	
<u>(a) Board and Commissions Database Project</u>	<u>\$ 250,000;</u>
<u>(b) Disaster Recovery/Image Digitization</u>	<u>\$ 97,800;</u>
<u>(35) E24 - Office of Adjutant General</u>	
<u>(a) Armory Maintenance and Repair Projects.....</u>	<u>\$ 1,500,000;</u>
<u>(b) Emergency Management Program Improvements.....</u>	<u>\$ 495,000;</u>
<u>(36) H87 - State Library</u>	
<u>Aid to Counties</u>	<u>\$ 1,341,395;</u>

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<u>(37) H91 - Arts Commission</u>	
<u>Cultural Districts Designation Program.....</u>	<u>\$ 25,000;</u>
<u>(38) E21 - Prosecution Coordination Commission</u>	
<u>Centers for Fathers and Families.....</u>	<u>\$ 500,000;</u>
<u>(39) N20 - Law Enforcement Training Council</u>	
<u>Purchase Netbooks to Replace Paper Testing.....</u>	<u>\$ 49,000;</u>
<u>(40) J20 - Department of Alcohol and Other Drug Abuse Services</u>	
<u>Keystone Alcohol and Drug Abuse Capital Improvement.....</u>	<u>\$ 750,000;</u>
<u>(41) L04 - Department of Social Services</u>	
<u>(a) Phyllis Wheatley - Donaldson Center Revitalization.....</u>	<u>\$ 150,000;</u>
<u>(b) Fatherhood and Families Engagement.....</u>	<u>\$ 25,000;</u>
<u>(42) P16 - Department of Agriculture</u>	
<u>(a) Marketing - Promotion of 3 Regional Farmers Markets.....</u>	<u>\$ 500,000;</u>
<u>(b) Certified South Carolina Grown Program.....</u>	<u>\$ 500,000;</u>
<u>(c) Greenville State Farmers Market - Feasibility Study.....</u>	<u>\$ 250,000;</u>
<u>(d) Marion County Vocational Agribusiness.....</u>	<u>\$ 300,000;</u>
<u>(43) P28 - Department of Parks, Recreation, and Tourism</u>	
<u>Reedy Square - Tourism and Economic Development Center.....</u>	<u>\$ 100,000;</u>
<u>(44) P45 - Rural Infrastructure Authority</u>	
<u>Camden Water Loop Construction Project.....</u>	<u>\$ 200,000;</u>
<u>(45) R36 - Department of Labor, Licensing, and Regulation</u>	
<u>Urban Search and Rescue (USAR).....</u>	<u>\$ 1,000,000;</u>
<u>(46) U30 - Division of Aeronautics</u>	
<u>Ramp Repair and Improvements.....</u>	<u>\$ 425,000;</u>
<u>(47) U12 - Department of Transportation</u>	
<u>(a) Traffic Management/Richland Electrical Building</u>	
<u>Construction.....</u>	<u>\$ 75,000;</u>
<u>(b) Lexington County Maintenance Complex Land Acquisition...</u>	<u>\$ 40,000;</u>
<u>(c) Lexington County Maintenance Complex Construction.....</u>	<u>\$ 20,000;</u>
<u>(d) Upstate Salt Storage Facility Construction.....</u>	<u>\$ 60,000; and</u>
<u>(e) Cherokee Salt Shed Construction.....</u>	<u>\$ 26,000.</u>

(47.1) The funds appropriated above to the Department of Transportation for Bridge Replacement and Rehabilitation shall serve as the match requirement for active federal aid eligible bridge replacement projects currently programmed in the Statewide Transportation Improvement Program (STIP) and Act 114 prioritized rehabilitation projects approved by the commission for future inclusion in the STIP as of February 21, 2013.

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

(C) From the escrow account established pursuant to Proviso 90.13 of Act 310 of 2008, the remaining funds shall be used to offset any operating shortfalls resulting from the Barnwell Low Level Waste Facility operations in order to preserve the economic viability of the facility. The amount distributed to offset any operating shortfalls shall be determined by calculating the difference between the allowable operating costs plus adjustments as approved by the Public Service Commission, and the access fees paid by the Atlantic Compact generators. Funds remaining in the account to offset operating shortfalls shall also be used to maintain access fees to the facility for Fiscal Year 2013-14 at the Fiscal Year 2009-10 level. There shall also be paid from the escrow account the annual dues of the Southern States Energy Board.

(D) Of any excess funds collected above the amount identified in subsection(A), and after all the items in subsection (B) are fully funded, the first \$1,000,000 shall be directed to the Department of Commerce for the Deal Closing Fund. The next \$500,000 shall be directed to

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the Department of Public Safety for Vehicle Replacement. The next \$800,000 shall be directed to the Department of Juvenile Justice for Deferred Maintenance. The next \$1,000,000 shall be directed to the Department of Natural Resources for the State River Basin Study. The next \$1,000,000 shall be directed to the Adjutant General for Armory Maintenance and Repair Projects. The next \$500,000 shall be directed to the Department of Agriculture for Marketing - Promotion of 3 Regional Farmers Markets. The next \$500,000 shall be directed to the Department of Labor, Licensing, and Regulation for Urban Search and Rescue (USAR). The next \$82,217 shall be directed to the Governor's Office of Executive Policy and Programs to be distributed to SC VAN. The next \$250,000 shall be directed to the Department of Agriculture for the Future Farmers of America Leadership Center Roof Repair and Replacement. The next \$250,000 shall be directed to the Clemson University Public Service Activities for the Emerging Farmers Initiative-Product Development. The next \$185,000 shall be directed to the Department of Natural Resources to conduct a study of the impacts wildlife management practices designed to increase and benefit the wild bobwhite quail populations, including supplemental feeding, have upon eastern wild turkey populations and behavior. The study must also address the impact these practices have upon the hunting of eastern wild turkey, the enforcement of laws and regulations governing such hunting, and any recommended changes to statutory law. In designing and conducting the study, the department shall consider the input and recommendations of conservation organizations dedicated to enhancing management practices, habitat and populations of wild bobwhite quail and eastern wild turkey. If excess funds are not identified to fund this item, the department may conduct the study from appropriated funds. If a study is conducted, regardless of the source of funds, the department shall provide a status report to the Chairman of the Senate Fish, Game and Forestry Committee, the Chairman of the Senate Agriculture and Natural Resources Committee, and the Chairman of the House Agriculture, Natural Resources and Environmental Affairs. The report must be delivered by May 30, 2014. The next \$180,000 shall be directed to the Education Oversight Committee to conduct a pilot project aimed at increasing the college enrollment rate of participating school district's high school students. Amongst other endeavors, the pilot may include efforts to offer a post-secondary curriculum, college visits, speaker programs, and college preparation trainings and workshops. The Education Oversight Committee shall solicit volunteers from the school districts for the pilot from which it may choose participants. The next \$300,000 shall be directed to the Department of Transportation for Drainage Studies and the funds are recommended to be distributed on a one-to-one match basis. The next \$300,000 shall be directed to the Education Oversight Committee for the School District Efficiency Review Pilot Program. The next \$2,000,000 shall be directed to the State Library for the Aid to County Libraries.

- 118.18 ADD** (SR: Tax Deduction for Consumer Protection Services) **HOU2:** ADD new proviso... Sponsors: Reps. White, Bingham, Herbkersman, Limehouse, Merrill, M.A. Pitts, Simrill, G.M. Smith, and J.R. Smith.

118.18. (SR: Tax Deduction for Consumer Protection Services) (A) In addition to the deductions allowed in Section 12-6-1140 of the 1976 Code, there is allowed a deduction in computing South Carolina taxable income of an individual the actual costs, but not exceeding three hundred dollars for an individual taxpayer, and not exceeding one thousand dollars for a joint return or a return claiming dependents, incurred by a taxpayer in the taxable year to purchase a monthly or annual contract or subscription for identity theft protection and identity theft resolution services. The deduction allowed by this item may not be claimed by an individual if the individual deducted the same actual costs as a business expense or if the taxpayer is enrolled in the identity theft protection and identity theft resolution services offered

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free of charge by the State of South Carolina. For purposes of this item, 'identity theft protection' means products and services designed to prevent an incident of identify fraud or identity theft or other protect the private of a person' personal identifying information, as defined in Section 16-13-510(D), by precluding a third party from gaining unauthorized acquisition of another's personal identifying information to obtain financial resources or other products, benefits or services; and identity theft resolution services means products and services designed to assist persons whose personal indentifying information, as defined by Section 16-13-510(D), was obtained by a third party, whereby minimizing the effects of the identity fraud or identity theft incident and restoring the person's identity to pre-theft status.

(B) The deduction provided in (A) is only allowed for taxpayers that filed a return with the Department of Revenue for any taxable year after 1997 and before 2013, whether by paper or electronic transmission, or any person whose personally identifiable information was contained on the return of another eligible person, including minor dependents.

(C) By March fifteenth of each year, the department shall issue a report to the Governor and the General Assembly detailing the number of taxpayers claiming the deduction allowed by this item in the most recent tax year for which there is an accurate figure, and the total monetary value of the deductions claimed pursuant to this item in that same year.

(D) The department shall prescribe the necessary forms to claim the deduction allowed by this section. The department may require the taxpayer to provide proof of the actual costs and the taxpayer's eligibility.

ADDITIONAL PROVISO CONTAINED IN H.3711, CAPITAL RESERVE FUND

HOUSE/HOU2 VERSION

SEC 2 ADD (SECTION 2) HOU: ADD new section to direct that the State Board for Tec and Comp Ed is responsible for prioritizing and funding projects at the various technical colleges to maximize workforce developing using the \$5,500,000 appropriated for System-wide Infrastructure and Workforce Development.

SEC 3 ADD (SECTION 3) HOU: ADD new section to direct that the \$25,000,000 appropriated to the B&C Board for Statewide Cyber Security and Consumer Protection be first used to provide, at a minimum, one additional year of consumer protection to citizens enrolled in "ProtectMyID" as of 3/31/13 and that that any remaining funds be used by the board to implement recommended state agency cyber security improvements.

HOU2: AMEND Section 3 ...

Sponsors: Reps. White, Bingham, Herbkersman, Limehouse, Merrill, M.A. Pitts, Simrill, G.M. Smith, and J.R. Smith.

AMEND FURTHER . . .

Sponsor: Rep. Powers Norrell.

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

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- SEC 5** **ADD** (SECTION 5) **HOU:** ADD new section to direct the Comptroller General to post the appropriations contained in this joint resolution and authorize these funds to be carried forward.
- SEC 4** **ADD** (SECTION 6) **HOU:** ADD new section to establish an effective date of 30 days after the completion of FY 2012-13.

SEN VERSION

- SEC 2** **ADD** (SECTION 2) **SFC:** ADD new section to direct that the \$10,000,000 appropriated to the B&C Board in item (1) for Consumer Protection and Statewide Cyber Security Improvements be first used to provide, at a minimum, one additional year of consumer protection to citizens enrolled in "ProtectMyID" as of 3/31/13 and that that any remaining funds be used by the board to implement recommended state agency cyber security improvements.
- SEC 3** **ADD** (SECTION 3) **SFC:** ADD new section to direct that the \$250,000 appropriated to DAODAS in item (15) for McCord Center Fire Safety-Alcohol and Drug Abuse is to be used only for the installation of fire safety and suppression equipment.
- SEC 4** **ADD** (SECTION 4) **SFC:** ADD new section to direct that the \$2,000,000 appropriated to the B&C Board in item (4) is to be used to create the Spartanburg County Amusement Train Disaster Relief Fund to compensate victims of the amusement train derailment in Cleveland Park in Spartanburg County on March 19, 2011, for medical costs not covered by insurance or other means which exceed the individual victim's share of the maximum amount recoverable from a governmental entity for a single occurrence pursuant to Section 15-78-120 of the Tort Claims Act. Provide for the appointment of an administrator and for procedures for claims submission and processing. Require the State Office of Victim Assistance provide administrative assistance to the administrator and allow \$50,000 of the funds to be used to defray administrative costs and to reimburse the State Office of Victim Assistance. Prohibit the funds from being used to pay subrogation claims or attorneys fees.
- SEC 5** **ADD** (SECTION 5) **SFC:** ADD new section to direct the Comptroller General to post the appropriations contained in this joint resolution and authorize these funds to be carried forward.
- SEC 4** **ADD** (SECTION 6) **SFC:** ADD new section to establish an effective date of 30 days after the completion of FY 2012-13.