

Fiscal Year 2017-18

BUDGET BRIEFING

General Appropriations Bill (H. 3720) & Capital Reserve Fund (H. 3721)

House Ways and Means Version

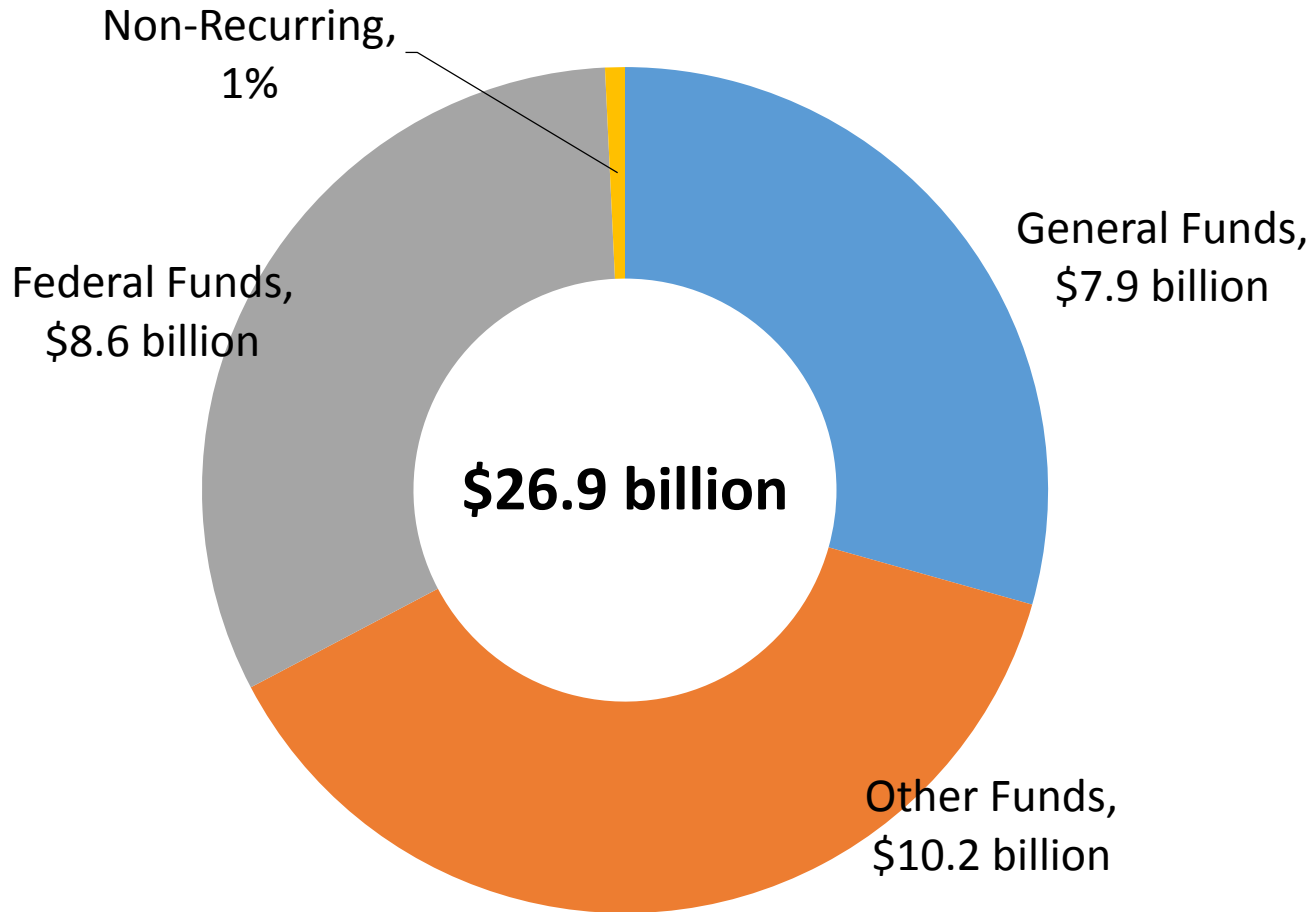


New Available Dollars

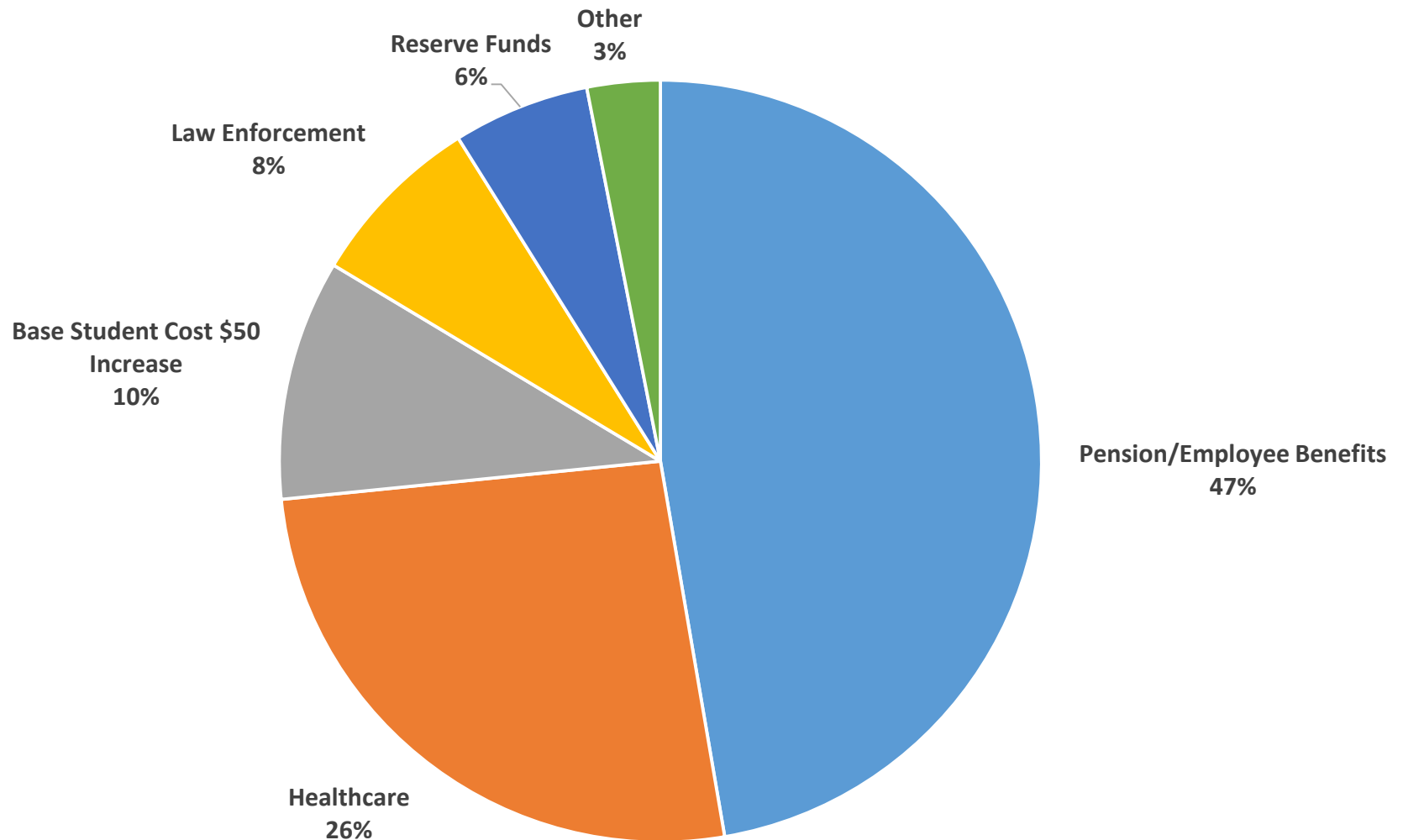
Source	
<i>FY 17-18 “New” Recurring Revenue</i>	\$355 million
<i>Deed Recording Fee Suspension</i>	\$17 million
<i>Total Recurring</i>	\$372 million

Source	
<i>Capital Reserve Fund</i>	\$139 million
<i>BEA Projected FY 16-17 Surplus</i>	\$29 million
<i>Litigation Recovery Account</i>	\$16 million
<i>SC Farm Aid Lapse</i>	\$5 million
<i>Total Non-Recurring</i>	\$189 million

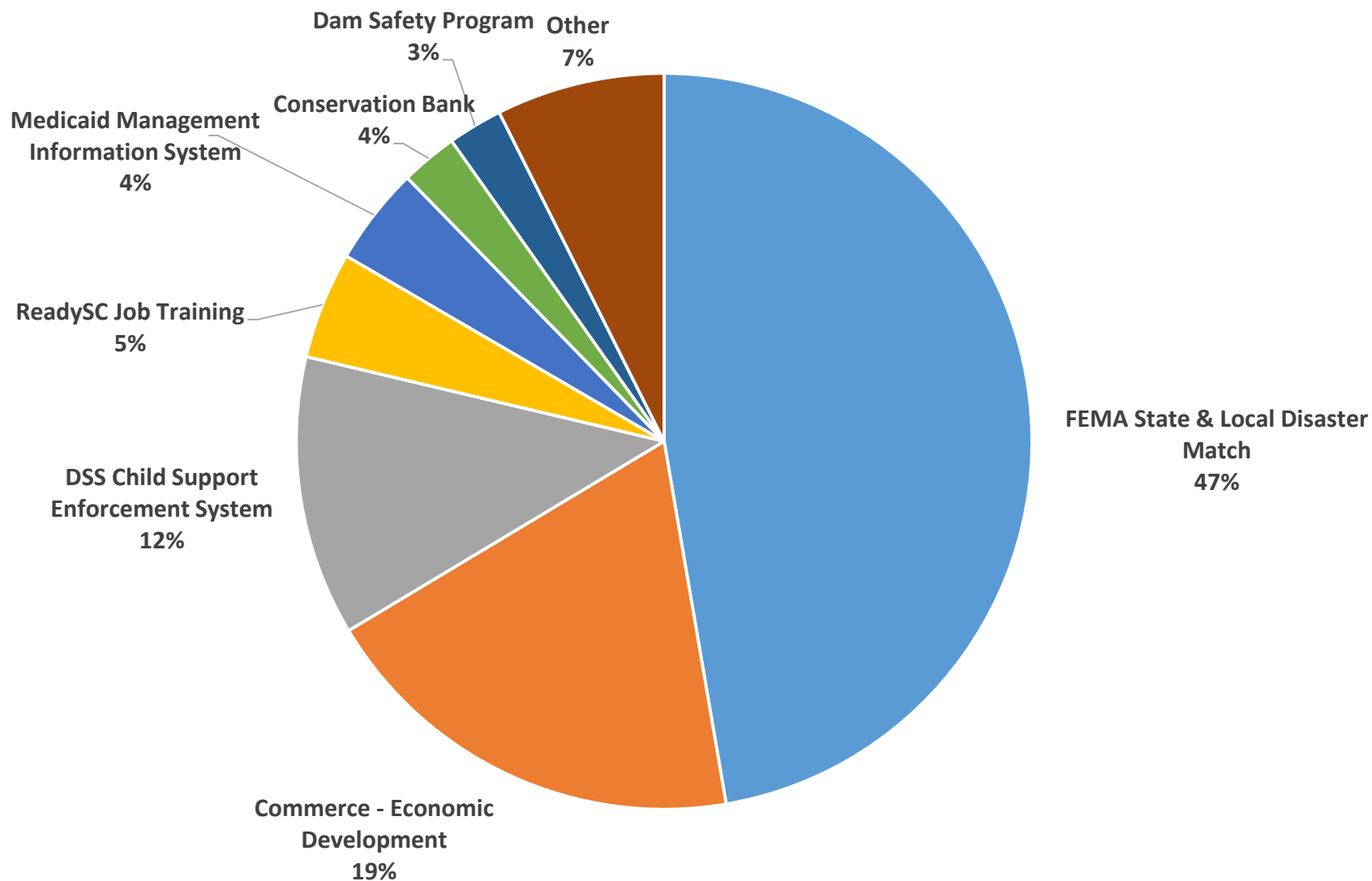
2017-18 Total Budget



New Recurring Dollars Breakdown



Non-Recurring Dollars Breakdown



Statewide Items

- **\$22 million** to fully fund Constitutional Reserve Funds (\$503 million total)
- **\$584 million** in direct tax relief for South Carolinians
- **\$82 million** for Hurricane Matthew and **\$1.25 million** for Pinnacle Mountain Fire, the state and local cost share of FEMA Public Assistance match requirement.
- **State Employee Benefits:**
 - **\$150 million** to fund Year 1 of the multi-year plan to bring down the multi-billion pension liability. The general fund payment pays for a 1% increase all employers and for general funded state employees for a second 1% increase in the SC Retirement System and the Police Officers Retirement System, which will add \$236 million more recurring money to the pension system.
 - **\$25.4 million** to cover 100% of the state employee health and dental insurance increases so employees will have no additional monthly premium cost.

House Subcommittee Budget Areas

Public Education and Special Schools

- **\$100 million** for capital improvements in a school district that was an Abbeville lawsuit plaintiff or with a poverty index of 80% or higher
- **\$38 million** to increase the Base Student Cost by \$50 to \$2,400 per pupil
- **\$19 million** for SC Public Charter Schools student growth
- **\$10 million** in the lottery for new school buses to move towards a 15-year replacement cycle
- **\$3 million** to help fund the cost of industry certifications. Most of the 4,870 students in the program are paying out of pocket.
- **\$1 million** increase for State Aid to County Libraries
- Transferred **\$4.75 million** from the John De La Howe school to Clemson PSA to reconstitute the school as a sustainable education based facility

Higher Education

- **Scholarships and Tuition Aid**

- **\$10 million** for Workforce Scholarships to provide grants for tuition, fees, transportation, or textbook expenses to SC residents enrolled in a career education program at a technical school or professional certification program
- For the second year in a row, fully funded LIFE, HOPE and Palmetto Fellows Scholarships through the Lottery, including the increases anticipated from the 10-point grading scale

- **Colleges and Universities**

- **\$9.6 million** for the successful ReadySC job training program, which provides customized training for new and expanding business and industry
- **\$10 million** for implementation of the Pathways initiative, which will address critical workforce needs statewide by directing technical colleges and school districts, under guidance from the State Department of Education and State Board for Technical and Comprehensive Education, to facilitate a seamless transition for students from education to employment
- **\$10 million** in the lottery to the tech board for Allied Health

Healthcare

- **Heath and Human Services - Medicaid Budget**

- **\$45 million** in the second year of a two-part effort to address annualized funding from reserves that have been used to cover the Medicaid Maintenance of Effort, \$35 M less than originally estimated
- Continued funding for the Healthy Outcomes Proviso, serving nearly 14,000 high-utilizers of emergency rooms and/or inpatient services through coordination with all Medicaid-designated hospitals, 70 primary care safety net providers, and 3 behavioral health clinics state-wide

- **Health and Human Services - Rural Health Initiative & Telemedicine**

- **\$2 million** in increased funding for the Rural Health Initiative. DHHS is to continue to partner with the USC School of Medicine to develop a strategic plan for addressing medically underserved communities in the rural areas of the state
- Aimed at supporting and developing medical education in rural areas through rural residency placements and infrastructure improvements
- **\$9 million** through Telemedicine Proviso and **\$2 million** increase in recurring funds through DHHS for Telemedicine

Healthcare

- **Other Health Agencies**

- **DSS** - **\$18 million** in recurring funds to address required components in settlement agreement from class-action lawsuit and **\$25 million** in non-recurring for the continued development of the Child Support System
- **DHEC** - **\$16 million** for fully funding the Dam Safety program, Data Center conversion with DOA, Electronic Medical Records, and the EMS Stroke System of Care database
- **DMH** - **\$11 million** for the Forensics program and Sexually Violent Predator Program
- **DDSN** - **\$9 million** to increase the department's front-line staff salaries agency wide from \$10.11 per hour to \$11 per hour
- **MUSC Hospital Authority** - **\$5 million** in recurring funds to begin the development of an Adult Burn Unit in South Carolina

Economic Development & Natural Resources

- **Department of Commerce**

- **\$22 million** for the Deal Closing Fund to build on recent successes in recruiting new jobs and industry and return the fund to levels funded in recent years
- **\$13 million** for Locate SC to continue to develop depleted suitable inventory for potential business relocation prospects
- **\$300,000** for the Military Base Task Force

- **Department of Agriculture**

- **\$1.5 million** for Agribusiness Development Grants that will help support the production of fresh fruits and vegetables and thus increase healthy food equity among the rural and/or underprivileged urban communities
- **\$1 million** to expand Agriculture's "Certified SC" program
- **\$500,000** for consumer protection equipment

- **Clemson PSA**

- **\$600,000** to enhance and improve Agriculture and Natural Resources Programs and Facilities
- **\$700,000** for the statewide extension program

Economic Development & Natural Resources

- **Forestry Commission**

- **\$1 million** for firefighting equipment to assist in the replacement of open-cab dozers with safer and more efficient closed-cab dozers

- **Arts Commission**

- **\$350,000** to be used as grants to support local art organizations around the state

- **Archives and History**

- **\$200,000** to conserve and preserve the seven South Carolina Constitutions: 1776, 1778, 1790, 1861, 1865, 1868, and 1895

Law Enforcement and Criminal Justice

- **Judicial Department**

- **\$3.1 million** for funding stabilization due to declining fee/fine revenue
- **\$2.5 million** for IT network infrastructure.

- **SLED**

- **\$2 million** to complete vehicle rotation
- **\$406,910** for law enforcement rank change

- **Attorney General**

- **\$618,860** for internet crimes against children and violent sex crimes prosecution

- **Department of Corrections**

- **\$1.9 million** recurring for phase III of III for the departments mental health remediation requirements
- **\$4 million** for correctional officer hiring rate adjustment and retention plan

Law Enforcement and Criminal Justice

- **Probation, Pardon and Parole Services**
 - **\$1.1 million** for vehicle support
 - **\$1.2 million** for domestic violence specialized agents
- **Department of Natural Resources**
 - **\$4.1 million** for law enforcement salary realignment
 - **\$105,908** for law enforcement step increases
- **Law Enforcement Training Council (Criminal Justice Academy)**
 - **\$550,400** for psychological screenings

Transportation and Regulatory

- **Department of Transportation**

- Provided appropriations for **\$5 million** in current fuel revenue diversions to allow a greater percentage of SCDOT revenue to be used exclusively for repairs, maintenance, and improvements to the existing transportation system

- **Department of Motor Vehicles**

- Authorized **\$1 million** from available cash balances to conduct a Phoenix III data migration pilot, to be spent upon review and approval of the Dept. of Administration through the IT project governance process established by proviso 117.121
- **\$170,000** for increases in direct material cost of credentials
- Reduced base budget by **\$2.3 million**

- **Department of Employment and Workforce** - **\$498,854** for the Certified Work-Ready Communities Program, which administers work readiness assessments to measure the quality and capability of the SC workforce

- **Workers' Compensation Commission** - **\$198,488** for legacy claim management system modernization

Legislative, Executive, and Local Govt.

- **Department of Administration**

- **\$2 million** for Division of Information Security – Enterprise Technology and Remediation and will enhance previously implemented threat prevention and detection technologies for state agencies
- **\$800,000** for Guardian ad Litem to replace lost revenue from DOR and provide necessary personnel and operating funding
- **\$6 million** for the Competitive Grants program

- **PRT**

- **\$3.3 million General Fund** for State Welcome Center operations in lieu of requiring SCDOT to transfer this funding to PRT
- **\$2.2 million** non-recurring to supplement for Hurricane Matthew Revenue Loss to Edisto Beach State Park and Hunting Island State Park
- **\$5 million** for statewide coastal beach renourishment

- **Adjutant General** – **\$500,000** for Youth Challenge – POST Challenge, an educational, job training academy program

- **Lt. Governor, Office on Aging**

- **\$200,000** for Family Caregivers to be used to support caregivers of seniors so that they may remain in their homes instead of a more expensive alternative of institutional care

House Ways and Means Committee

803-734-3144

