

Fiscal Year 2018-19

BUDGET BRIEFING

General Appropriations Bill (H. 4950) & Capital Reserve Fund (H. 4951)

as passed by the House Ways and Means Committee



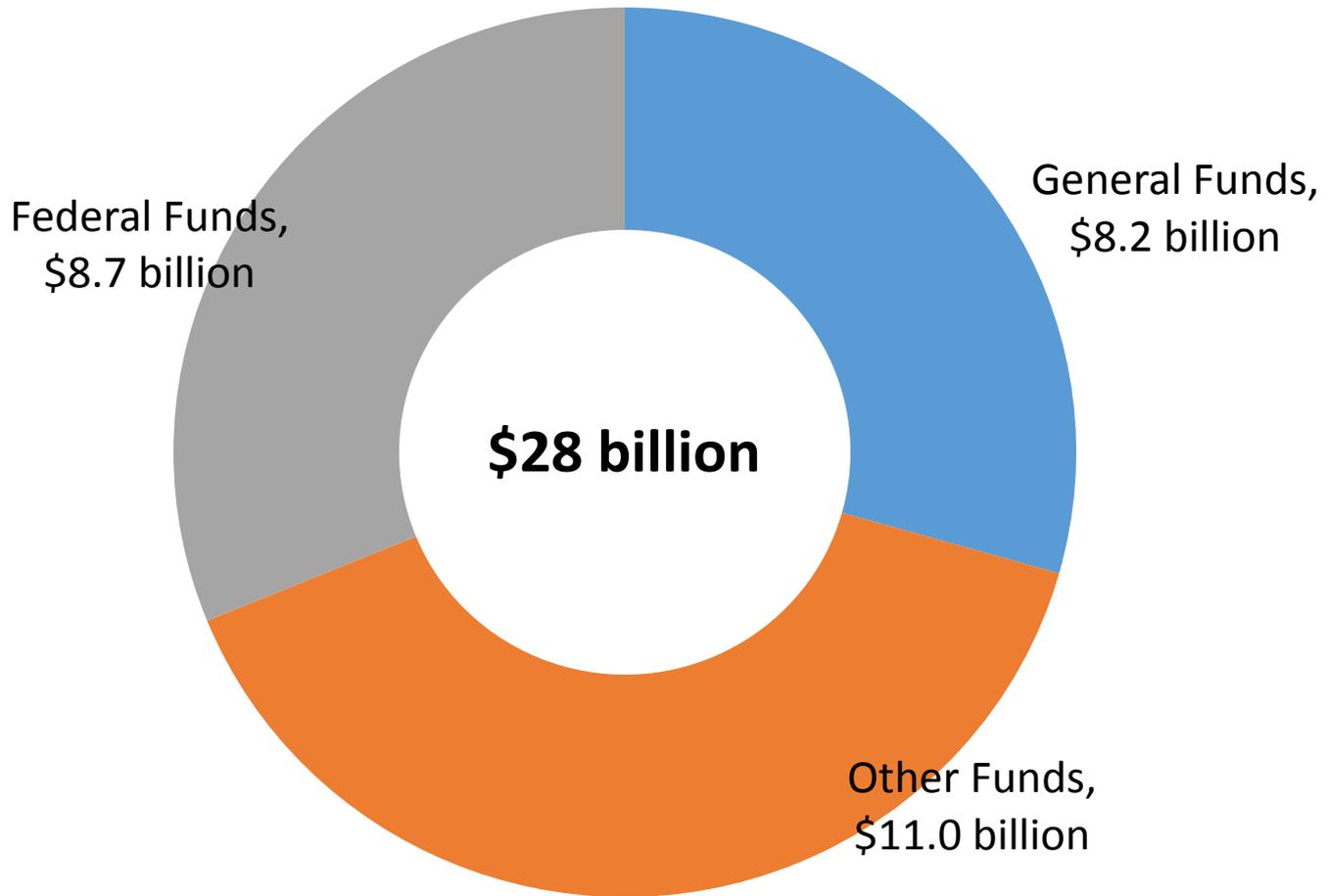
THE FOLLOWING CONSTITUTED SUMMARY IS PREPARED BY THE STAFF OF THE SOUTH CAROLINA HOUSE OF REPRESENTATIVES AND IS NOT THE EXPRESSION OF THE LEGISLATION'S SPONSOR(S) OR THE HOUSE OF REPRESENTATIVES. IT IS STRICTLY FOR THE INTERNAL USE AND BENEFIT OF MEMBERS OF THE HOUSE OF REPRESENTATIVES AND IS NOT TO BE CONSTRUED BY A COURT OF LAW AS AN EXPRESSION OF LEGISLATIVE INTENT.

New Dollars Available

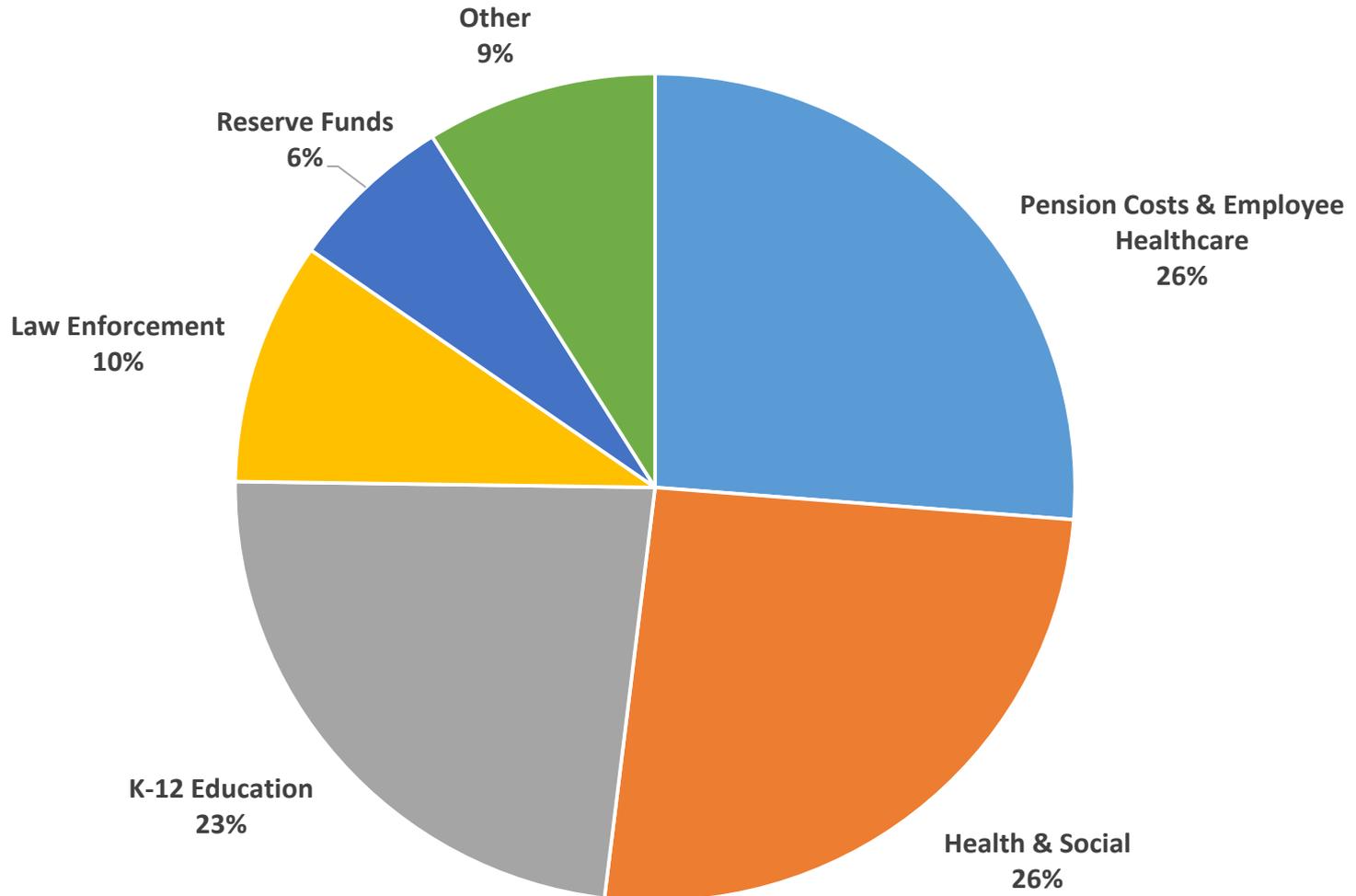
Source	
<i>FY 18-19 "New" Recurring Revenue</i>	\$276 million
<i>Act 98 Repeal</i>	\$50 Million
<i>Total Recurring</i>	\$326 million

Source	
<i>Capital Reserve Fund</i>	\$145 million
<i>FY 17-18 Debt Service Lapse</i>	\$17 million
<i>Litigation Recovery Account</i>	\$4 million
<i>Total Non-Recurring</i>	\$166 million

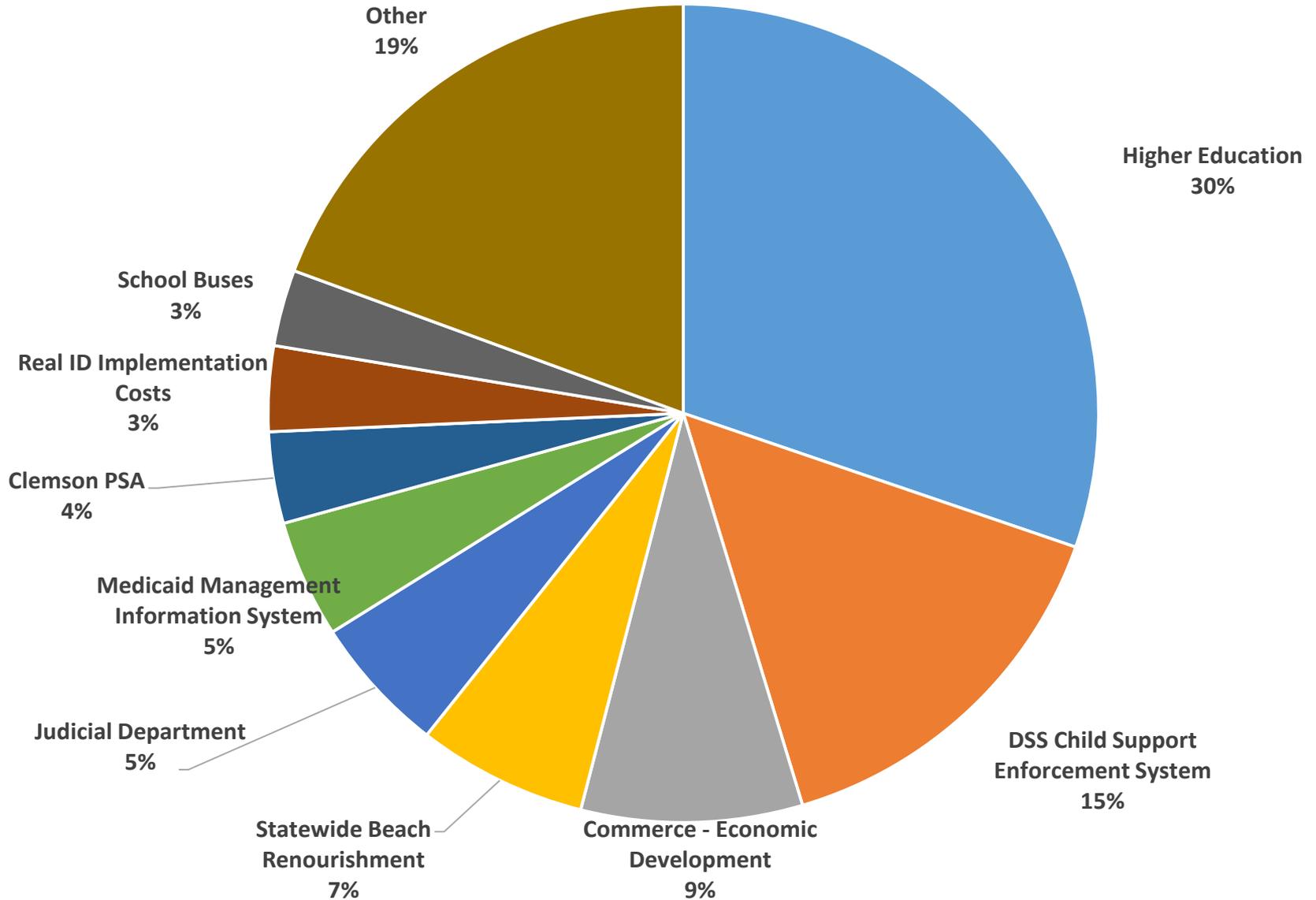
2018-19 Total Budget



New Recurring Dollars Breakdown



Non-Recurring Breakdown



Statewide Items

Reserves

- **\$22 million** to fully fund Constitutional Reserve Funds
- \$515 million total (\$364 million – General Reserve; \$151 – Capital Reserve)

Tax Relief

- **\$599 million** in direct tax relief for South Carolinians

State Employee Benefits

- **\$32 million** to fund the General Fund employer cost of Year 2 of the multi-year plan to bring down the multi-billion pension liability
- **\$56.4 million** to cover 100% of the state employee health and dental insurance increases so employees will have no additional monthly premium cost
 - Expanded to cover Well Visits as a contractual service, which will require copays but also count towards deductibles
 - Small increases to patient liability in deductible and copays

House Budget Subcommittee Areas

Public Education and Special Schools

- **\$60 million** for Teacher Salary increase of 2%
- **\$5 million** to increase the statewide minimum starting salary for a teacher with 0 and 1 year experience from \$30,000 to \$32,000
- **\$32 million** to maintain the Base Student Cost at \$2,425
- **\$13 million** for SC Public Charter Schools student growth
- **\$3 million** recurring and **\$5 million** non-recurring for school buses
- **\$11 million** for Technical Assistance for low-performing schools
- **\$2 million** for Career and Technology Education

Higher Education

Scholarships and Tuition Aid

- **\$11 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 third year in a row, fully funded LIFE, HOPE and Palmetto Fellows Scholarships through the Lottery, including the increases from the 10-point grading scale

Technical Colleges

- **\$9.4 million** for the successful ReadySC job training program, which provides customized training for new and expanding business and industry
- **\$9.8 million** for High Demand Skill Training Equipment to be distributed to all technical colleges

Colleges and Universities

- **\$50 million** non-recurring for capital projects and maintenance needs at colleges around the state

Healthcare

Health and Human Services - Medicaid Budget

- **\$26.4 million** for the state Medicaid Maintenance of Effort and annualization to continue current level of services without expending agency reserves
- Includes Increased revenue assumptions and lower targets for managed care rates
- Continued funding for the Healthy Outcomes Proviso, serving over 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 three behavioral health clinics state-wide

Health and Human Services - Rural Health Initiative & Telemedicine

- **\$4 million** in increased funding for the Rural Health Initiative. DHHS will continue to partner with the USC School of Medicine in the development of a long term strategic plan for addressing medically underserved communities in the rural areas of the state through services such as the iCARED initiative.
- Aimed at supporting and developing medical education in rural areas through rural residency placements and infrastructure improvements
- **\$5 million** in non-recurring through Telemedicine Proviso for continued infrastructure build out and **\$1.5 million** increase in recurring funds for Telemedicine operations – this brings total recurring dollars for the SC Telehealth Network to **\$11.5 million** in combined funding through DHHS and MUSC

Healthcare

Health and Human Services - Autism Spectrum Disorder

- **\$3.8 million** increase in state recurring funds for increased rates for autism therapy and service providers (\$9,423,120 in matching federal funds)
- Rates for ABA line therapists will increase from \$17.38 to roughly \$27/hour with increases to the supervisor rate from \$58/hour to \$64/hour
- Agency has updated the rate methodology to reflect cost-driven structure and avoid blending the supervision rate with line therapists
- Rates are indexed against national standard cost of employment information, and proposal is being distributed to providers by the end of the month
- DHHS is continuing to explore opportunities to increase capacity in the workforce, so that children are not placed on waiting lists – 20% increase in enrolled providers since November 2017

DHHS, DAODAS and MUSC - Opioid Abuse Prevention

- Over **\$11 million** in increased state funding specifically aimed at addressing the Opioid Epidemic through DHHS and DAODAS
- **\$7.5 million** in state funds for the MUSC Hospital Authority Health Innovations Program, which includes funding to expand the Emergency Department MAT pilot established in FY 17-18 to additional hospitals
- Proviso 117.142 will use these funds to implement many of the House Opioid Abuse Prevention Study Committee recommendations
- **\$4 million** in non-recurring through HOP proviso 33.20 for capital improvements to the behavioral health facilities based on need as determined by DAODAS and DHHS

Healthcare

Other Health Agencies

- **DSS - \$23 million** in recurring funds to address required components in settlement agreement and continue child care match for \$8.65 million in federal funds, **\$25 million** in non-recurring for the continued development of the Child Support System
- **DDSN - \$11.3 million** to increase the department's direct care staff starting salaries agency wide from \$11/hour to \$12/hour and a 3-4% increase to direct care wages for employees working with the department for at least 5 years, **\$500,000** increase to the Greenwood Genetic Center for Autism Research
- **DMH - \$6.9 million** to increase funding for Supported Community Housing, Child and Adolescent Intensive Community and Residential Services, and enhanced School Based Services
- **DHEC - \$2.4 million** for the EMS Performance Improvement Center and the Credentialing Information System, Enhanced Communicable Disease Prevention and Treatment, including funding specific to HIV/AIDS, Breast and Cervical Cancer, and Colorectal Cancer

Law Enforcement and Criminal Justice

Department of Corrections

- **\$3.7 million** to increase the starting salary for correctional officers by \$750 and provide an increase for existing officers.
- **\$1.7 million** for workforce and reentry services for Level II/III institutions

SLED

- **\$1 million** recurring for vehicle rotation, which will fully fund a 5-year rotation cycle
- **\$956,131** for a pay increase for eligible Class 1 and 3 personnel
- **\$1 million** recurring and **\$1.6 million** non-recurring for technology equipment and software

Criminal Justice Academy

- **\$992,260** to expand training from 12 to 15 weeks

Judicial Department

- **\$7 million** for Phase I of 3 of Case Management Modernization
- **\$1.1 million** for security upgrades to the Supreme Court building and parking lot
- **\$900,000** for building maintenance at Court Administration and the Supreme Court

Law Enforcement and Criminal Justice

Probation, Pardon and Parole Services

- **\$1.1 million** for vehicle support, fully funding the agency's lease program and bringing the agent to vehicle ratio to 1:1
- **\$863,408** for expansion of the Offender Supervision Specialist Program to eight additional counties bringing the total to 28 counties

Department of Natural Resources

- **\$1.9 million** for law enforcement salary realignment
- **\$403,934** for law enforcement step increases for eligible officers from 5% - 10% of base salary

Conservation Bank

- **\$3.5 million** recurring and **\$1.5 million** non-recurring for Conservation Bank Trust

Department of Juvenile Justice

- **\$3.6 million** for development and implementation of a program for treatment of the severely mentally ill population

Economic Development & Natural Resources

Department of Commerce

- **\$5.2 million** for the Deal Closing Fund to build on recent successes in recruiting new jobs and industry
- **\$10 million** for Locate SC to continue to develop depleted suitable inventory for potential business relocation prospects
- **\$600,000** for the Military Base Task Force

Clemson PSA

- **\$2 million** for Water Resource Research, Management & Technology and **\$3 million** for facility renovation for water research
- **\$3 million** for field facilities and equipment storage at Research and Education Center facilities located throughout the state

Forestry Commission

- **\$1.5 million** for firefighting equipment to assist in the replacement of open-cab dozers with safer and more efficient closed-cab dozers
- **\$1.5 million** for forester recruitment and retention

Economic Development & Natural Resources

Department of Agriculture

- **\$1 million** for statewide agribusiness infrastructure and site preparation for agribusiness relocation prospects that do not qualify for Locate SC funds
- **\$500,000** 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

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

Transportation and Regulatory

Department of Motor Vehicles

- **\$5.6 million** non-recurring for customer service representatives, Saturday work at branches, and State to State Help Desk IT creation associated with implementation of the REAL ID program
- **\$379,122** recurring for 9 operators to run the federally-mandated State to State Help Desk required to maintain compliance with the REAL ID program
- **\$428,000** recurring for staffing and materials costs associated with the Moped Bill

Human Affairs Commission

- **\$80,000** for the training of staff needed in order to maintain federal funding levels
- **\$20,000** for additional administrative hearings due to an increase in caseloads

Division of Aeronautics

- **\$275,000** for facilities maintenance in the form of replacing windows and painting the exterior of its headquarters

Legislative, Executive, and Local Govt.

- **Department of Administration**

- **\$3 million** to support all state agencies as the agency continues to implement the Statewide IT Strategic Plan.
- **\$1 million** for Guardian ad Litem to comply with national Court Appointed Special Advocate standards and to replace funding they were previously receiving from DSS
- **4.5 million** for State-Owned Building Maintenance

- **PRT**

- **\$11 million** for Beach Renourishment, which completes the program
- **\$3 million** for State Park Maintenance Needs - the agency has over \$25 million in maintenance and upgrade needs for the state parks across the state
- **\$2.5 million** for the Sports Marketing Grant Program
- **\$4.1 million** for PARD

- **Adjutant General**

- **\$1 million** recurring and **\$3 million** non-recurring for Armory Revitalizations
- **\$451,000** Emergency Preparedness Operations to address personnel costs and various operating expenses such as IT, training exercises, and facility maintenance needs
- **\$235,000** total for State Guard Operations to offset reductions from federal reimbursements

FY 2017-2018 South Car... x

www.scstatehouse.gov/sess122_2017-2018/appropriations2017/gab3720.php

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Legislation > The Budget > FY 2017-18

2017-2018 General Appropriations Bill South Carolina State Budget Bill H. 3720

H. 3720, GENERAL APPROPRIATIONS BILL, FISCAL YEAR 2017-2018

H. 3720 - As Introduced by the House Ways and Means Committee on March 7, 2017

Full Text Search of Budget as Introduced by the House Ways and Means Committee

Related Bills

H. 3721 (Word version) - Capital Reserve Fund Bill

Chamber Video
Senate (Audio Only) House (Audio Only) ETV
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You can find a entire copy of the budget and the CRF on the web under Legislation → The Budget Bills → Fiscal Year 2018-19

On the W&M website, you can find all Proviso Changes and the Summary Control Document

House Ways and Means x

www.scstatehouse.gov/CommitteeInfo/Ways&MeansBudgetDocuments/BudgetDocuments.php

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House Ways and Means Committee - 2017-2018 Legislative Session

Budget Summary Documents

House Ways and Means Version

- FY 2017-18 Proviso Summary Only
- FY 2017-18 Summary Control Document
- FY 2017-18 Proviso List

Chamber Video
Senate (Audio Only) House (Audio Only) ETV
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House Ways and Means Committee

803-734-3144

Staff will be in the office Saturday, March 10th and Sunday, March 11th from 9:00 am to 5:00 pm to answer questions and draft amendments.

Please have amendments drafted as soon as possible.

