

Fiscal Year 2021-22

BUDGET BRIEFING

General Appropriations Bill (H. 4100) & Capital Reserve Fund (H. 4101)

as passed by the House of Representatives





Budgeting in a Pandemic

Protecting Revenues & Avoiding Budget Cuts

Increased Reserves

- **\$18.7 million** in additional funding to the General Reserve Fund and **\$7.5 million** to the Capital Reserve Fund.
- An extra **\$500 million** appropriated for a Pandemic Stabilization Reserve Fund.
- These additions bring South Carolina's total reserves to **\$1.1 billion**.

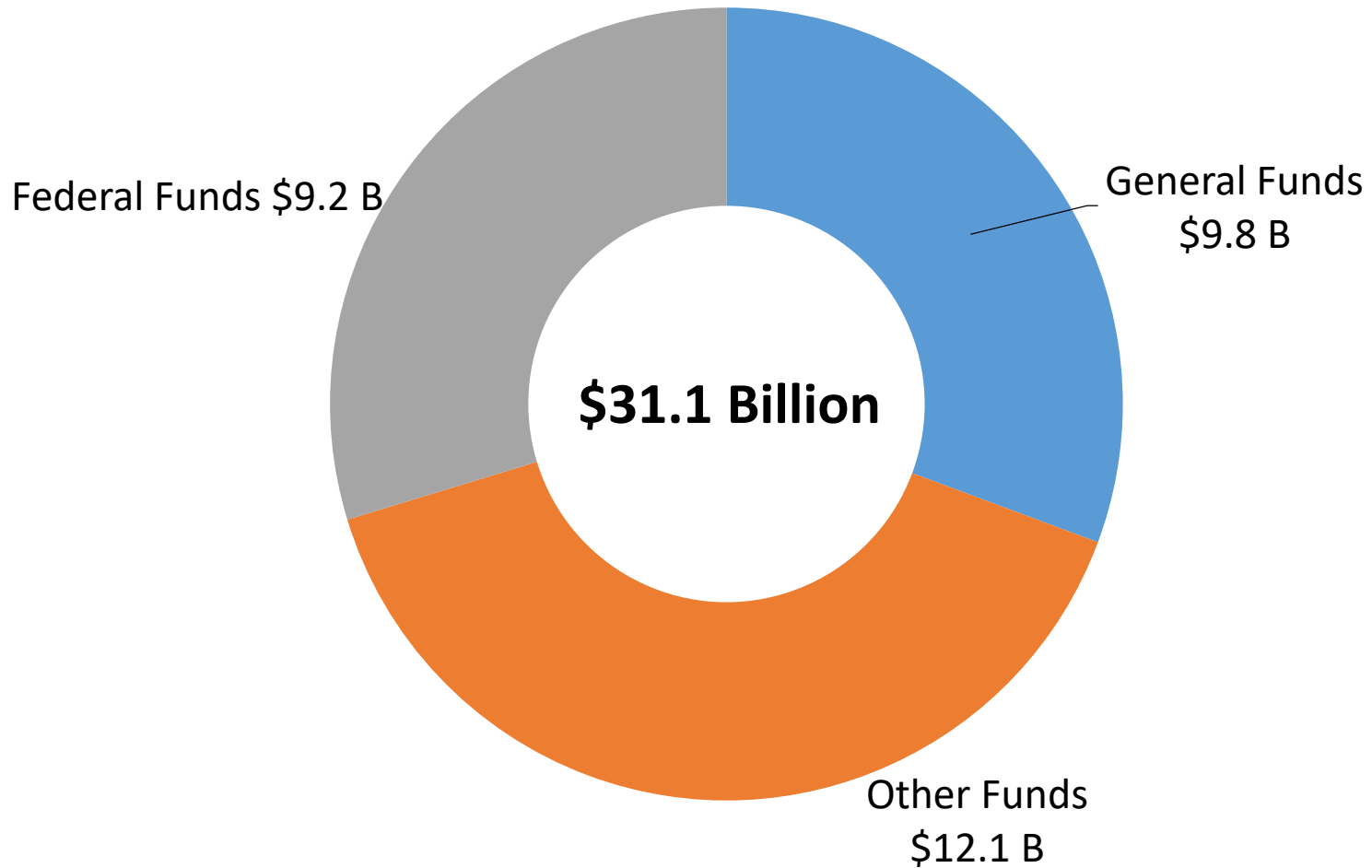
Disaster Relief and Resilience Reserve Fund

- **\$50 million** to begin a statewide Disaster Relief and Resilience Reserve account pursuant to Act 163 of 2020. These funds may be used for:
 - Disaster relief assistance
 - Hazard mitigation
 - Infrastructure improvements
 - Statewide resilience planning

Scholarship Reserves

- **\$30.7 million** for a Scholarship Trust Fund, a 'rainy day' fund to cover scholarships in future years of potential lottery revenue shortfalls or an increase in the number of eligible students.

2021-22 Total Budget



BEA Certified Revenue

RECURRING	
FY 2021-22 Estimated Growth	\$189.7 million

NON-RECURRING	
Capital Reserve Fund	\$176 million
FY 19-20 Undesignated/Unreserved Funds	\$672 million
FY 18-19 Contingency Reserve Fund	\$104 million
Projected FY 20-21 General Fund Surplus	\$36 million
<i>Act 2 of 2021 – Vaccine Relief Bill</i>	(\$208 million)
<i>H. 3609 – Teacher Step Increases</i>	(\$50 million)
<i>H. 3608 – Pubic Charter School District</i>	(\$9 million)
TOTAL NON-RECURRING REVENUE	\$721 million

Statewide Items

State Employees & Employee Benefits

- **\$5.9 million** to fully cover the state employee health and dental insurance increases so employees will have no additional monthly premium cost.
- **\$32 million** in the general fund and **\$4 million** in the EIA to fund employer cost of year 5 of 6 of the pension reform law.

Local Government

- **\$17.6 million** to fully fund the Local Government Fund including the FY 19-20 appropriation.

Disaster Recovery

- **\$12.7 million** for the FEMA state match for Hurricane Dorian.

Broadband

- **\$30 million** to continue statewide broadband efforts, with priority for completing CARES Act projects.

House Budget Subcommittee Areas

Public Education

- **\$50 million** to increase the Base Student Cost to \$2,500.
 - With **\$23 million** in additional funds from the Education Finance Act Reserve Fund, school districts will receive **\$73 million** more than the current school year.
 - **\$50 million** in one-time funding was allocated for current year STEP increases through H. 3609.
- **\$48 million** for instructional materials.
- **\$5.5 million** to fund a full-time nurse in every school.
- **\$10 million** for full day 4K through First Steps.
 - This represents a 33% increase, adding an additional 600 children.
- **\$15 million** recurring and **\$9.5 million** non-recurring for public charter school growth.
 - Additional **\$9 million** for Public Charter School funding for FY 20-21 through H. 3608.

Public Education, Continued

- **\$2 million** increase for School Resource Officers. Districts with the lowest index of taxpaying ability will receive priority consideration.
- **\$1.8 million** to the Department of Juvenile Justice to cover teacher STEP increases.
- **\$1.5 million** to provide an incentive for individuals currently drawing unemployment benefits to obtain their GED or high school diploma.
 - DEW will issue a onetime payment of \$500 to that individual when they successfully receive a diploma.
- **\$1 million** in Aid to County Libraries. This will increase the per capita distribution from \$2.00 to \$2.25.

Higher Education

Colleges and Universities

- **\$150 million** in non-recurring for maintenance, renovations, and capital needs at colleges.

Technical Colleges

- **\$10 million** for maintenance and capital needs.
- **\$2.5 million** for the ReadySC job training program, which provides customized training for new and expanding business and industry.
- **\$17 million** for the SC WINS scholarship program to help provide tuition to students at technical colleges seeking degrees in industry sectors with critical workforce needs.
- **\$18 million** for high demand skill training equipment.
- **\$16 million** for Workforce Scholarships to provide grants for tuition, fees, and textbook expenses to SC residents enrolled in a career education program at a technical school or professional certification program.

Higher Education, Continued

Scholarships and Tuition Aid

- **\$318 million** to fully fund LIFE, HOPE and Palmetto Fellows Scholarships through the Lottery for the 6th year in a row.
- **\$51 million** in the Lottery for Tuition Assistance (LTAP)
- **\$60 million** for Needs Based Grants which goes to help the most in need college students.
 - This is an increase of \$40 million from the previous year.
- **\$20 million** for Tuition Grants
 - This represents an increase of \$10 million from last year.
- **\$750,000** for College Transition Program Scholarships to provide scholarships to students with disabilities in programs that promote the advancement of academics, socialization, independent living, and career development.

Economic Development

Department of Commerce

- **\$3.7 million** for the Deal Closing Fund. These funds are used to continue recruiting new jobs and industry.

Forestry Commission

- **\$1 million** for firefighting equipment. This will provide closed-cab dozers to keep firefighters safe when battling wildfires.

Department of Parks, Recreation, and Tourism

- **\$15 million** for Destination Specific Marketing.
- **\$5 million** for tourism advertising grants. This is advertising that attracts and retains out-of-state dollars to multiple areas of the state.
- **\$1.1 million** for the South Carolina Association of Tourism Regions. The eleven regional tourism offices represent all forty-six counties in SC.

Arts Commission

- **\$1.5 million** for Statewide Community Arts Development Grants. These are arts grants going directly back into counties and local communities.

Healthcare

Department of Social Services

- **\$20 million** for child welfare efforts, including increased foster family board payments and a portion of the court ordered salary increases/parity request as a part of the Michelle H. federal lawsuit agreement.
- **\$5 million** for Title IV-E entitlement loss coverage to make up a loss in federal revenue that has historically led to an annual shortfall for the agency

Department of Disabilities and Special Needs

- **\$2 million** to the Greenwood Genetic Center for Autism research.

Commission for the Blind

- **\$5.1 million** for complex renovations and improvements to the HVAC system at the agency's main campus which affects four buildings on the campus, including one that serves consumers who require overnight stays.

Department of Mental Health

- **\$27 million** for the state match for two additional veteran nursing homes.

Health and Human Services - Medicaid Budget

- **\$16.7 million** for the Medicaid Management Information System upgrade which is on track to be completed in the next few fiscal years.

Criminal Justice

Department of Corrections

- **\$90 million** in flexibility from CARES Act funds for institution upgrades for safety of the public, officers and inmates.
- **\$4.7 million** for law enforcement & correctional officers retention.
- **\$2 million** for medical staffing retention.
- **\$4.5 million** in funds for contract nursing.

Department of Juvenile Justice

- **\$4.5 million** for juvenile correctional officers retention.
- **\$1.5 million** for security upgrades (Phase 1 of 2).
- **\$1 million** for Midlands Evaluation Center Booking and Intake Area.

Probation, Pardon and Parole Services

- **\$2 million** for law enforcement retention.
- **\$500,000** for the Mental Health Program.
 - This Program is aimed to 1) improve access to standardized screening and assessment tools; 2) create collaborative comprehensive case management plans that address identified needs; and 3) coordinate wraparound services that establish stability for offenders living with mental illness.

Criminal Justice

State Law Enforcement Division

- **\$1.4 million** for law enforcement STEP increases.
- **\$250,000** for law enforcement PTSD needs

Department of Public Safety

- **\$2 million** for law enforcement STEP increases.
- **\$750,000** for agency vehicle rotation.
- **\$600,000** for communication equipment replacement.

Department of Natural Resources

- **\$1.3 million** for law enforcement STEP increases and overtime needs.
- **\$1.6 million** for Wildlife Management Areas.

Conservation Bank

- **\$2 million** in additional funds for Conservation Grants.

Transportation and Regulatory

- **Office of Regulatory Staff**

- \$683,142 for funding of the State Broadband Office.

- **Department of Motor Vehicles**

- \$2 million for a Career Pathing Plan. This plan will create a Equitable Compensation and Employee Retention Career Pathing Plan that will consist of reclassifications and salary adjustments.

- **Department of Labor, Licensing & Regulation**

- \$850,000 for Urban Search and Rescue. Funds will replace equipment that is now over 15 years old and communication technology that is no longer viable.
- \$250,000 for FAST Program/PTSD Treatment for firefighters through State Fire.
- \$3.7 million for Firefighter Cancer Healthcare Benefit Plan in accordance with Act 168 of 2020.

- **Department of Insurance**

- \$1.6 million for Insurance Fraud Division. Legislation to move the Insurance Fraud Division from the Attorney General to the Department has already passed the House and is now in the Senate.

Constitutional

Judicial Department

- **\$7.6 million** for Hybrid Virtual Courtroom Project.
- Enables simultaneous in-person and remote participation through built in video conferencing, streaming, screen sharing, audio/video recording, and annotation capabilities for 95 virtual courtrooms across the state.
- **\$10 million** for Case Management System Modernization, Phase III of III.

Office of Resilience

- **\$250,000** for creation of the South Carolina Office of Resilience.

Department of Administration

- **\$312,750** recurring and \$500,000 non-recurring for the Division of State Human Resources Class & Compensation Reform
- State HR will develop a compensation philosophy, review and update the more than 400 existing classifications, review and update the pay structure to determine whether more pay bands are required, and obtain market survey data and salary surveys to guide compensation decisions.

Election Commission

- **\$1.4 million** for state matching funds for 2020 Help America Vote Act Grants.

House Ways and Means Committee

803-734-3144

For more information on H. 4100 and H. 4101 please call the Ways and Means office or visit our website at www.scstatehouse.gov

