

Fiscal Year 2021-22

BUDGET BRIEFING

General Appropriations Bills

H. 4100 & H. 4101

As Ratified by the General Assembly



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.
- These additions bring South Carolina's total reserves to **\$643 million**.

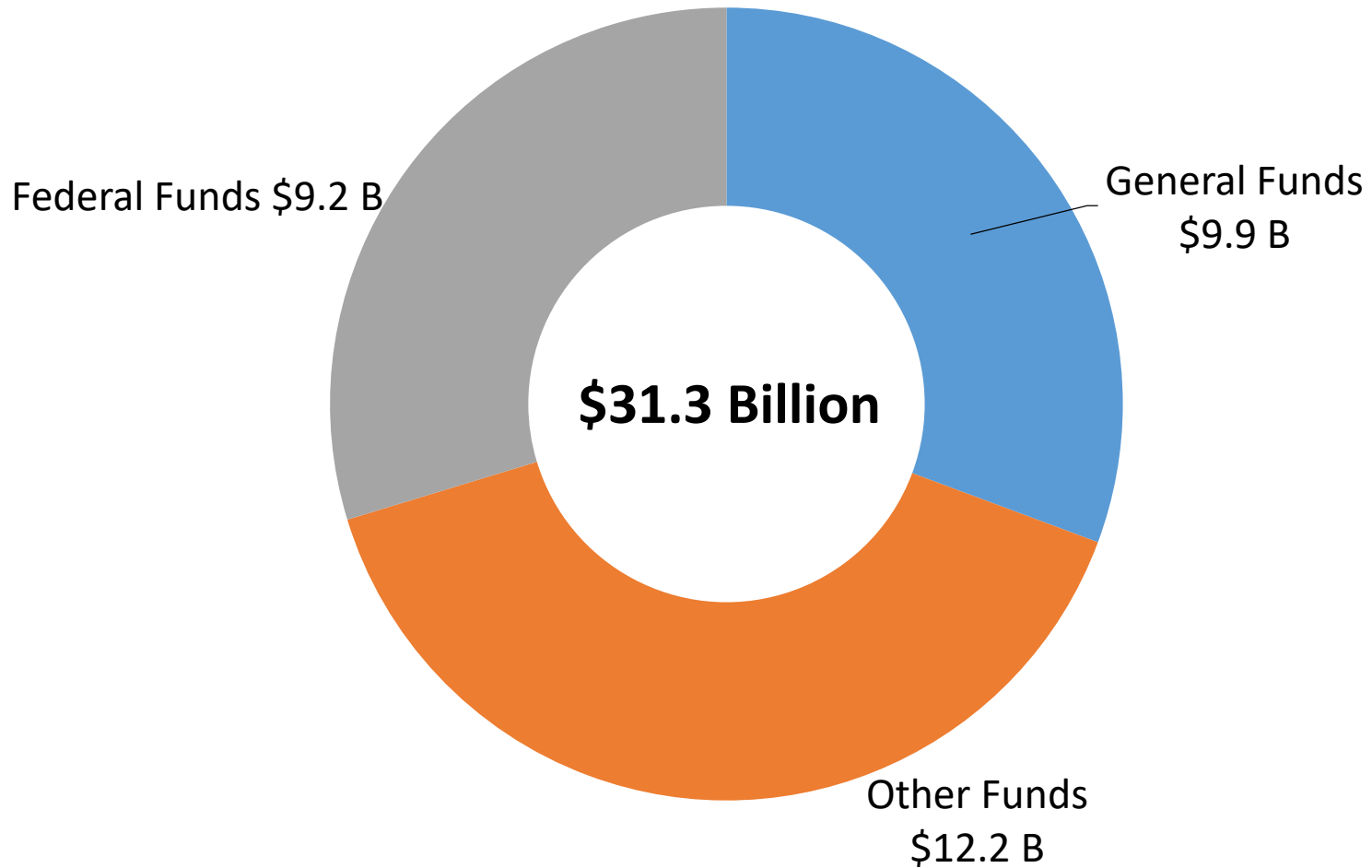
Disaster Relief and Resilience Reserve Fund

- **\$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

Avoiding High Interest Debt

- **\$8.2 million** to avoid bonding the Gallo Economic Development Project.
- **\$200 million** provided to the State Ports Authority for an intermodal container transfer facility and waterborne cargo infrastructure.

2021-22 Total Budget



BEA Certified Revenue

RECURRING	
FY 2021-22 Estimated Growth	\$524.7 million

NON-RECURRING	
Capital Reserve Fund	\$176 million
FY 19-20 Undesignated/Unreserved Funds	\$397 million
FY 18-19 Contingency Reserve Fund	\$44 million
Projected FY 20-21 General Fund Surplus	\$647 million
<i>TOTAL NON-RECURRING REVENUE</i>	\$1.26 billion

Statewide Items

State Employees & Employee Benefits

- **\$59 million** for a 2.5% pay raise for state employees.
- **\$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 the pension increase required by law.

Local Government

- **\$17.9 million** to fully fund the Local Government Fund, including the FY 20-21 appropriation.
- **\$10 million** for a rural stabilization fund that will aid those local governments that will be negatively impacted, due to the 2020 census, in the funding formula of the Local Government Fund.

Statewide Items

Disaster Recovery

- **\$18 million** for the FEMA state match for the various natural disasters across the state over the last two years.

Broadband

- **\$10 million** to continue statewide broadband efforts, with priority for completing CARES Act projects.
- **\$3 million** for funding of the State Broadband Office. This office will manage the statewide broadband expansion and continued broadband mapping.

House Budget Subcommittee Areas

Public Education

K-12

- **\$65 million** to increase the Base Student Cost to \$2,516.
 - Additional **\$23 million** allocated in non-recurring funds from the Education Finance Act Reserve Fund to the BSC.
 - Additional **\$50 million** in one-time funding for the teacher STEP increases for the current fiscal year, FY 20-21, through Act 3 of 2021.
- **\$72 million** for a \$1,000 increase to all teacher salaries.
 - This increase will change the starting teacher salary from \$35,000 to \$36,000.
- **\$100 million** to the Department of Education for capital improvements in school districts.
 - Up to \$15 million will be prioritized for school districts with less than 5,000 daily membership count should they choose to consolidate with another school district in their county.
 - The Department will submit program criteria to Ways and Means and the Senate Finance Committee by December 31, 2021.
- **\$93 million** for instructional materials.
- **\$5.5 million** to fund a full-time nurse in every school.
- **\$34 million** for full day 4K through First Steps and the Department of Education

Public Education

- **\$2.7 million** recurring and **\$33 million** non-recurring for Charter School growth
- **\$7 million** to fully fund a School Resource Officer in every school. Districts with the lowest index of taxpaying ability will receive priority consideration.
- **\$4 million** to increase bus driver salary by 5%
- **\$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.
- **\$3.7 million** for the State Museum to begin the 2nd phase of exhibit renovations.

Higher Education

Tuition Freeze

- **\$48.2 million** in recurring funds for a complete tuition freeze for in-state undergrad students at all public 4-year, 2-year, and technical colleges.
- For the third year, tuition mitigation funding in this year's budget is a commitment by the general assembly to make college more affordable for citizens of South Carolina.

Colleges and Universities

- **\$350 million** in non-recurring funds for maintenance, renovations, and capital needs at colleges.
- The funding will be used to perform necessary maintenance on many state-owned buildings/assets that will become liabilities to the state if not addressed.

Technical Colleges

- **\$170 million** for maintenance, renovations, 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.

Healthcare

Health and Human Services

- **\$1.9 million** for a Community Health Worker Pilot Program, which will be developed with the help of the SC Center for Rural and Primary Healthcare in order to help remedy our boots-on-the-ground rural healthcare provider shortage.

MUSC Hospital Authority

- **\$10 million** to create the Children's Hospital Infrastructure Fund, which will assist the state's four not-for-profit hospitals (McLeod, Prisma Midlands & Upstate, and MUSC) with technology and infrastructure needs.

Department of Social Services

- **\$29 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.
- **\$11 million** for technology Infrastructure Integrity to maintain and update their caseworker systems.
- **\$9 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.

Healthcare

Department of Mental Health

- **\$50 million** for the state match for three additional veteran nursing homes.
- **\$4.4 million** for salary increases to sustain an adequate workforce.
- **\$2 million** for Inpatient Services, which will increase psychiatric bed capacity.
- **\$1.2 million** to pilot a Crisis Stabilization Unit in the Midlands in order to test the effectiveness of providing a location to transport non-violent psychiatric patients when they are detained by law enforcement as an alternative to hospital emergency departments or detention centers.
- **\$1 million** to pilot an Alternative Transportation Program that would test the effectiveness of using a private, secure, qualified company to transport mental health patients instead of using law enforcement.
- **\$1 million** to create the Detention Center Medication Fund, which would pay for long-term medication for individuals that improves management of mental disorders and decreases the occurrence of mental health episodes for detained individuals.
- **\$843,000** to create a Detention Center Telepsychiatry Team, which would allow detention centers to use the department's existing telepsychiatry platform to virtually screen, diagnose, and provide treatment options for individuals upon booking and during their time in the center.

Economic Development

Forestry Commission

- **\$2 million** for firefighting equipment. This will provide closed-cab dozers to keep firefighters safe when battling wildfires.

Rural Infrastructure Authority

- **\$3.5 million** to the Water and Sewer Regionalization Fund which creates a fund to address the specific challenges faced by small and rural systems and encourage regionalization of these systems to in order to improve service delivery and increase efficiency.

Arts Commission

- **\$3.5 million** for statewide community arts grants and emergency relief. These funds are grants and relief funding going directly back into counties and local communities.

Clemson University – PSA

- **\$1.4 million** for Critical Fruit and Vegetable Research. This funding will support frontline services for farmers and the public in every county and critical crop research.

SC State University – PSA

- **\$1.2 million** for the implementation and development of a Targeted Research & Extension Program.

Economic Development

Department of Parks, Recreation, and Tourism

- **\$21.5 million** for Welcome Center remodeling. This funding allows updates to the Welcome Centers that provide the state's first impression to visitors entering by vehicle.
- **\$15 million** for Destination Specific Marketing.
- **\$15 million** to the SC Film Commission for recruitment and infrastructure development of the film industry.
- **\$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.

Department of Commerce

- **\$3.7 million** for the Deal Closing Fund to build on recent successes in recruiting new jobs and industry.
- **\$4 million** for Locate SC to allow the state to be proactive in preparing sites into suitable inventory for potential prospects.

Criminal Justice

Department of Corrections

- **\$90 million** in flexibility of CARES Act funds for institution upgrades for safety of the public, officers, and inmates.
- **\$8.7 million** for law enforcement, correctional officers, and medical staff retention.
- **\$8.5 million** for new health care positions and contract nurses.
- **\$1.5 million** for Preventative Health Screenings.

Department of Juvenile Justice

- **\$5.1 million** for Juvenile Correctional Officers and Community Specialist retention.
- **\$1.5 million** for Marine and Wilderness Program
- **\$4.1 million** for facility security upgrades and HVAC replacement.

Probation, Pardon and Parole Services

- **\$2 million** for law enforcement retention.
- **\$804,575** for the mental health program.

Criminal Justice

State Law Enforcement Division

- **\$1.4 million** for law enforcement STEP increases.
- **\$2.4 million** for new forensic personnel and the associated equipment
- **\$1.4 million** for operating and equipment costs for the new forensic lab.
- **\$250,000** for law enforcement PTSD funding.
- **\$4 million** to replace lost revenue from Open Carry Law – Act 66 of 2021.

Department of Public Safety

- **\$5.9 million** for law enforcement retention and STEP increases.
- **\$1.8 million** for agency vehicle rotation.
- **\$2 million** for additional body camera funding.

Department of Natural Resources

- **\$1.3 million** for law enforcement STEP increases and overtime needs.
- **\$1.9 million** for 30 new law enforcement officers.
- **\$2 million** for relocation of agency headquarters.
- **\$2.9 million** for State Water Plan (Pee Dee and Broad River Basins).
- **\$1.5 million** for Wildlife Management Areas.
- **\$23.5 million** for Ft. Johnson property acquisition

Criminal Justice

Law Enforcement Training Council

- **\$3 million** for training facility and equipment upgrades.

Conservation Bank

- **\$9 million** in additional funds for conservation grants.

Attorney General

- **\$3.2 million** for crime victim compensation.

Prosecution Coordination Commission

- **\$2.1 million** for docket backlog.
- **\$1.6 million** for drug court expansion.

Indigent Defense

- **\$3.6 million** for criminal justice workload parity and docket backlog.
- **\$4.8 million** for contract counsel.

Transportation and Regulatory

- **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 Motor Vehicles**

- **\$5 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.
- **\$523,000** for a modern mail tracking system that will allow every piece of mail to be tracked from arrival at the DMV to the end user in real time.

- **Department of Transportation**

- **\$8 million** for litter pickup across the state. This will expand litter pick up on key primaries and high volume secondary roads in SC.
- **\$50 million** for County Transportation Committee funds.
- **\$40 million** for rest area renovations.

Constitutional

Judicial Department

- **\$7.6 million** for a hybrid virtual courtroom project that will enable in-person and remote participation through video conferencing for 95 virtual courtrooms across the state.
- **\$10 million** for completion of the Case Management System Modernization, Phase III of III.

Office of Resilience

- **\$2 million** for establishment of the South Carolina Office of Resilience.

Department of Administration

- **\$800,000** for the Division of State Human Resources classification and compensation reform.
- **\$6 million** for state owned building capital needs.

Election Commission

- **\$1.4 million** for state matching funds for 2020 Help America Vote Act Grants.
- **\$930,000** for completion of the new voting system solution.
 - Funds will be used for additional voting system equipment, security and auditing of the new system, electronic poll books, and a voter education and outreach program. This will complete the \$60 million request that was funded over the last few of years.

Constitutional

Adjutant General

- **\$5.2 million** for the Aiken Readiness Center.
 - The facility will provide the nexus for a joint Cyber Security Collaborative for the SCNG's Cyber program, USC-Aiken, Aiken Technical College as well as the anticipated Advance Manufacturing Center, and will provide the basis for tying into and partnership with the US Army Cyber Center of Excellence at Ft. Gordon, GA, and a key enabler for the SC-GA National Cybersecurity Hub.
- **\$1.2 million** for the State Guard Olympia Armory renovation.

State Treasurer

- **\$31.9 million** for the Tuition Prepayment Program unfunded liability
 - Actuarial projections estimate that \$31.9 million will be needed to prevent a depletion of assets and loss of benefits before the funds run out by fall semester 2022.

Veterans Affairs

- **\$8 million** to create a new Base Protection Fund to be used by counties and municipalities for quality of life improvements at and around military bases located within our state.

House Ways and Means Committee

803-734-3144

*For more information please call the Ways and Means office or visit
our website at www.scstatehouse.gov*

