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REPORT OF THE GENERAL GOVERNMENT, PERSONNEL & BENEFITS SUBCOMMITTEE

(Anthony, Pitts, Herbkersman, Hayes & Whitmire - Staff Contact: Blythe Littlefield)

HOUSE BILL 3027

H. 3027 -- Rep. Clemmons: A BILL TO AMEND THE CODE OF LAWS OF SOUTH CAROLINA, 1976, BY ADDING SECTION 2-65-140 SO AS TO REQUIRE THAT BY OCTOBER THIRTY-FIRST OF EACH YEAR, EACH STATE AGENCY SHALL SUBMIT A REPORT DETAILING ITS FEDERAL RECEIPTS AND DEVELOPING A PLAN SHOULD ITS FEDERAL RECEIPTS BE REDUCED, TO REQUIRE THAT BY FEBRUARY FIFTEENTH OF EACH YEAR, THE CHAIRMAN OF THE SENATE FINANCE COMMITTEE AND THE CHAIRMAN OF THE HOUSE WAYS AND MEANS COMMITTEE MUST PLACE THE MOST RECENTLY RECEIVED REPORT ON THE AGENDA FOR REVIEW AND CONSIDERATION.

Summary of Bill:

This bill requires agencies to submit a report by October 31st of each year to the Office of State Budget that details its federal receipts and develops a plan should its federal receipts be reduced. By November 30th of each year, the Office of State Budget shall submit the report to the Governor, the Chairman of the Senate Finance Committee and the Chairman of the Ways and Means Committee, and by February 15th of each year, the Chairman of the Senate Finance Committee and the Chairman of the House Ways and Means Committee must place the report on the agenda for review and consideration.

Estimated Revenue Impact:

This bill would have no revenue impact on the General Fund, Other Funds, or Federal Funds.

The expenditure impact on this bill is pending. Of the total 108 agencies, the Revenue and Fiscal Affairs Office has identified 64 that receive Federal Funds and is compiling the agencies' fiscal impact estimates. Federal Funds appropriations for the 64 agencies impacted by this bill totaled over \$7.6 billion in the FY 2014-15 base budget.

Subcommittee Recommendation:

Favorable

Full Committee Recommendation:

Pending



SOUTH CAROLINA REVENUE AND FISCAL AFFAIRS OFFICE
STATEMENT OF ESTIMATED FISCAL IMPACT
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Bill Number: H. 3027
 Author: Clemmons
 Requestor: House Ways and Means
 Date: April 17, 2015
 Subject: Federal Receipt Reports
 RFA Analyst(s): Shuford

Estimate of Fiscal Impact

	FY 2015-16	FY 2016-17
State Expenditure		
General Fund	Pending	N/A
Other and Federal	N/A	N/A
Full-Time Equivalent Position(s)	0.00	0.00
State Revenue		
General Fund	\$0	N/A
Other and Federal	\$0	N/A
Local Expenditure	N/A	N/A
Local Revenue	N/A	N/A

Fiscal Impact Summary

The expenditure impact on this bill is pending.

This bill would have no revenue impact on the General Fund, Other Funds, or Federal Funds.

Explanation of Fiscal Impact

State Expenditure

This bill requires each state office, department, institution, board, commission, council, or committee except the Judicial Department and the General Assembly to submit a report by October thirty-first to the Office of State Budget.¹ The report must: delineate the value of federal receipts received by the agency for the preceding fiscal year, delineate the value of federal receipts appropriated by the General Assembly to the agency for the preceding fiscal year, identify any obligations or agreements that may be impacted by federal or state decisions regarding federal receipts, calculate the percentage of the agency's budget from federal receipts, and develop plans for a ten or twenty-five percent reduction in federal receipts. The Office of State Budget must submit a report to the Governor and the General Assembly that summarizes the data received from the agencies by November thirtieth. By February fifteenth, the Chairman of the Senate Finance Committee and the Chairman of the House Ways and Means Committee must place the report on the agenda for review and consideration.

The expenditure impact on this bill is pending. Of the total 108 agencies, the Revenue and Fiscal Affairs Office has identified 64 that receive Federal Funds and is compiling the agencies' fiscal impact estimates. Federal Funds appropriations for the 64 agencies impacted by this bill totaled over \$7.6 billion in the FY 2014-15 base budget.

State Revenue

This bill would have no revenue impact on the General Fund, Other Funds, or Federal Funds.

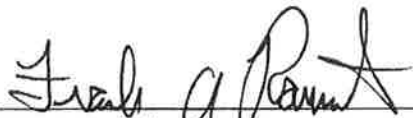
Local Expenditure

N/A

Local Revenue

N/A

¹ The Office of State Budget functions were reassigned to the Revenue and Fiscal Affairs Office and the Executive Budget Office pursuant to Act 121 of 2014.



Frank A. Rainwater, Executive Director

South Carolina General Assembly
121st Session, 2015-2016

H. 3027

STATUS INFORMATION

General Bill

Sponsors: Reps. Clemmons, Long and G.R. Smith

Document Path: I:\council\billsggs\22657zw15.docx

Introduced in the House on January 13, 2015

Currently residing in the House Committee on **Ways and Means**

Summary: Federal Receipt Reports

HISTORY OF LEGISLATIVE ACTIONS

<u>Date</u>	<u>Body</u>	<u>Action Description with journal page number</u>
12/11/2014	House	Prefiled
12/11/2014	House	Referred to Committee on Ways and Means
1/13/2015	House	Introduced and read first time
1/13/2015	House	Referred to Committee on Ways and Means

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VERSIONS OF THIS BILL

12/11/2014

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A BILL

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TO AMEND THE CODE OF LAWS OF SOUTH CAROLINA, 1976, BY ADDING SECTION 2-65-140 SO AS TO REQUIRE THAT BY OCTOBER THIRTY-FIRST OF EACH YEAR, EACH STATE AGENCY SHALL SUBMIT A REPORT DETAILING ITS FEDERAL RECEIPTS AND DEVELOPING A PLAN SHOULD ITS FEDERAL RECEIPTS BE REDUCED, TO REQUIRE THAT BY FEBRUARY FIFTEENTH OF EACH YEAR, THE CHAIRMAN OF THE SENATE FINANCE COMMITTEE AND THE CHAIRMAN OF THE HOUSE WAYS AND MEANS COMMITTEE MUST PLACE THE MOST RECENTLY RECEIVED REPORT ON THE AGENDA FOR REVIEW AND CONSIDERATION.

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Be it enacted by the General Assembly of the State of South Carolina:

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SECTION 1. Chapter 65, Title 2 of the 1976 Code is amended by adding:

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“Section 2-65-140. (A) As used in this section:

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(1) ‘Agency’ means any state office, department, institution, board, commission, council, or committee, except the judicial department, and the General Assembly.

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(2) ‘Federal receipts’ means federal financial assistance, as defined in 31 U.S.C. Section 7501, that is reported as part of a single audit.

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(3) ‘Single audit’ is as defined in 31 U.S.C. Section 7501.

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(B) By October thirty-first of each year, each agency must submit a report to the Office of State Budget that:

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(1) delineates the aggregate value of federal receipts the agency received for the preceding fiscal year;

1 (2) delineates the aggregate amount of federal funds
2 appropriated by the General Assembly to the agency for the
3 preceding fiscal year;

4 (3) calculates the percentage of the agency's total budget for
5 the preceding fiscal year that constitutes federal receipts that the
6 agency received for that fiscal year;

7 (4) identifies any obligations, agreements, joint exercise of
8 powers agreements or memoranda of understanding that may be
9 impacted by federal or state decisions regarding federal receipts; and

10 (5) develops plans for operating the agency if there is a
11 reduction of:

12 (i) ten percent or more in the federal receipts that the
13 agency receives; and

14 (ii) twenty-five percent or more in the federal receipts that
15 the agency receives.

16 (C) The report submitted by the State Department of Education
17 must include the information required by subsection (B) for each
18 school district and charter school in this State.

19 (D) By November thirtieth of each year, the Office of State
20 Budget shall submit a report to the Governor, the Chairman of the
21 Senate Finance Committee, and the Chairman of the House Ways
22 and Means Committee that:

23 (1) compiles and summarizes the reports received pursuant to
24 subsection (B);

25 (2) compares the aggregate value of federal receipts each
26 agency received for the previous fiscal year to the aggregate amount
27 of federal funds appropriated by the General Assembly to that
28 agency for that fiscal year; and

29 (3) lists the agencies that did not submit a report pursuant to
30 subsection (B).

31 (E) By February fifteenth of each year, the Chairman of the
32 Senate Finance Committee and the Chairman of the House Ways
33 and Means Committee must place the most recently received report
34 on the agenda for review and consideration.”

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36 SECTION 2. This act takes effect upon approval by the Governor.

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