

**LEGISLATIVE, EXECUTIVE & LOCAL GOVERNMENT SUBCOMMITTEE
RECOMMENDATIONS FOR FY 2014-15
TO THE PROVISO SUBCOMMITTEE**

SECTION 49 - P28-DEPARTMENT OF PARKS, RECREATION AND TOURISM

49.5 DELETE (Motion Picture Administration Application Fee) Allows PRT to charge an application fee for Motion Picture Incentive programs, approved by the director, and to retain and expend the funds for various purposes.

SUBCOMMITTEE RECOMMENDATION: DELETE proviso. Fiscal Impact: No impact on the General Fund and impact on the department is negligible. The application fee is \$500. The department collected \$500 in FY 11-12; \$1,500 in FY 12-13; and \$0 year to date for FY 13-14.

~~49.5. (PRT: Motion Picture Administration Application Fee) The Department of Parks, Recreation and Tourism may charge an application fee for the Motion Picture Incentive programs and may retain and expend these funds for the purposes of meeting administrative, data collection, credit analysis, cost benefit analysis, reporting and auditing, and other statutory obligations. A fee schedule must be established and approved by the Director of the Department of Parks, Recreation and Tourism.~~

49.8 AMEND (Destination Specific, Tourism and Marketing Transfer) Provides for Motion Picture Incentive Wage Rebate set-aside funds to be transferred to PRT for the Destination Specific Tourism Program and specifies how the funds are to be used. Limits the amount of funds used for the Destination Specific program from all sources to \$12,000,000. Provides for Motion Picture Incentive Supplier Rebate set-aside funds to be transferred to PRT and specifies how the funds are to be used. Authorizes PRT to carry forward these funds.

SUBCOMMITTEE RECOMMENDATION: AMEND proviso to update fiscal year references to 2014-15; delete capital improvements to the state's Welcome Centers from acceptable use of wage rebate funds and delete Marketing/Advertising and deferred maintenance and capital projects at state parks from acceptable use of supplier rebate funds. *Wage Rebates will be used for deferred maintenance and capital projects at state parks and for Marketing/Advertising and Supplier Rebate will be used for Welcome Centers capital improvements.*

49.8. (PRT: Destination Specific, Tourism and Marketing Transfer) From the funds set aside pursuant to the Motion Picture Incentive Wage Rebate, for Fiscal Year ~~2013-14~~ 2014-15 unexpended funds carried forward from the prior fiscal year shall be transferred from the Department of Revenue to the Department of Parks, Recreation and Tourism and may be utilized for the Destination Specific Tourism Program. The Destination Specific program shall not exceed twelve million dollars when combining all source of funds. Any unexpended wage rebate carry forward funds not used for the Destination Specific program ~~can~~ must be used by the department ~~for capital improvements to the state's Welcome Centers,~~ for deferred maintenance and capital projects at state parks, and for Marketing/Advertising. From the funds set aside pursuant to the Motion Picture Incentive Supplier Rebate, for Fiscal Year ~~2013-14~~ 2014-15 unexpended funds carried forward from the prior fiscal year shall be transferred from the Department of Revenue to the Department of Parks, Recreation and Tourism and ~~may~~ must be ~~utilized for Marketing/Advertising,~~ used by the department for capital improvements to the state's Welcome Centers, ~~and for deferred maintenance and capital projects at state parks.~~ These funds shall be carried forward from the prior fiscal year into the current fiscal year and be expended for the same purpose.

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49.sps **ADD** (State Park Service) **SUBCOMMITTEE RECOMMENDATION:** ADD new proviso to exempt PRT from remitting Admissions Tax to DOR on the admissions fees it collects at State Parks. Require an amount equal to the tax be earmarked in the State Park Service portion of PRTs budget to support general operations. *Retaining this revenue will assist in PRTs goal of the State Park Service becoming closer to self-sufficiency.* Fiscal Impact: BEA indicates general fund revenue would be reduced by \$225,000 while PRTs other funds would increase by a like amount.

49.sps. (PRT: State Park Service) The Department of Parks, Recreation and Tourism is exempt from remitting Admissions Tax to the Department of Revenue on the admission fees collected at the South Carolina State Parks. The amount equivalent to the tax shall be earmarked in the State Park Service's budget for the purpose of supporting general operations.

49.wc **ADD** (South Carolina Welcome Centers) **SUBCOMMITTEE RECOMMENDATION:** ADD new proviso to direct PRT to assume control of all South Carolina Welcome Centers. Direct that control includes, but is not limited to, replacement, renovation and maintenance of the centers. Direct DOT to transfer \$2,200,000 to PRT for annual maintenance cost. Require DOT to match, one-to-one, any investment made by PRT to replace or renovate any of these centers, up to \$5,000,000. Fiscal Impact: DOT spends \$2,229,895 annually to maintain welcome centers.

49.wc. (PRT: South Carolina Welcome Centers) Notwithstanding any agreement to the contrary, the Department of Parks, Recreation and Tourism shall assume control of all South Carolina Welcome Centers. Control shall include, but not necessarily be limited to, replacement, renovation and maintenance of these centers. The Department of Transportation shall transfer to the Department of Parks, Recreation and Tourism \$2,200,000 for annual maintenance cost. The Department of Transportation shall also be required to match, one-to-one, any investment made by the Department of Parks, Recreation and Tourism to replace or renovate any of these centers, not to exceed \$5,000,000.

SECTION 87 - U30 - DIVISION OF AERONAUTICS

87.safs **ADD** (State Aviation Fund Study) **SUBCOMMITTEE RECOMMENDATION:** ADD new proviso to direct the Division of Aeronautics and DOR to conduct a study to determine whether the State Aviation Fund continues to be viable and to determine the accuracy of the amount of tax levied pursuant to Title 12, Chapter 37, [ASSESSMENT OF PROPERTY TAXES] Article 19 [AIRCRAFT]. Require the analysis be submitted to the Chairmen of the Ways and Means and Senate Finance Committees by October 1, 2014.

87.safs. (AERO: State Aviation Fund Study) The Division of Aeronautics and the Department of Revenue are directed to conduct a study to determine the continuing viability of the State Aviation Fund and to determine the accuracy of the amount of the tax levied by the State pursuant to Article 19, Chapter 37 of Title 12 of the 1976 Code. This analysis must be presented to the Chairman of the House Ways and Means Committee and the Chairman of the Senate Finance Committee no later than October 1, 2014.

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SECTION 91 - A99-LEGISLATIVE DEPARTMENT

91.4 AMEND (Subsistence/Travel Regulations) Directs that members of the legislature receive subsistence for each legislative day the body is in session. Authorizes standing committees and joint study committees to work during interim with advanced approval of Speaker of House and President Pro Tempore of Senate. Allows members of the General Assembly to receive subsistence expenses, per diem, and mileage reimbursement at the IRS rate
SUBCOMMITTEE RECOMMENDATION: AMEND proviso subitem (F) to direct that subsistence and mileage reimbursement for members of the General Assembly shall not exceed the average level for the months of January through June for the specific geographic regions of the state as identified by the IRS in their annual publication regarding travel reimbursement.

91.4. (LEG: Subsistence/Travel Regulations) (A) Members of the General Assembly shall receive subsistence for each legislative day that the respective body is in session and in any other instance in which a member is allowed subsistence expense. No member of the General Assembly except those present are eligible for subsistence on that day. Legislative day is defined as those days commencing on the regular annual convening day of the General Assembly and continuing through the day of adjournment sine die, excluding Friday, Saturday, Sunday, and Monday.

(B) Standing Committees of the Senate and House of Representatives are authorized to continue work during the interim; however, House members must receive advanced approval by the Speaker of the House and Senate members must receive advanced approval by the President Pro Tempore of the Senate or Standing Committee Chairman to meet. If such advanced approval is not received, the members of the General Assembly shall not be paid the per diem authorized in this provision. When certified by the Speaker of the House, President Pro Tempore of the Senate, or Standing Committee Chairman, the members serving on such committees shall receive a subsistence and mileage at the rate provided for by law, and the regular per diem established in this act for members of boards, commissions, and committees while attending scheduled meetings. Members may elect to receive actual expenses incurred for lodging and meals in lieu of the allowable subsistence expense. The funds for allowances specified in this proviso shall be paid to the members of the Senate or House of Representatives from the Approved Accounts of the respective body except as otherwise may be provided.

(C) Joint Study Committees created pursuant to Acts and Resolutions of the General Assembly are authorized to continue work during the interim to secure such information and complete such investigations as may be assigned to the respective committees; however, House members must receive advanced approval by the Speaker of the House and Senate members must receive advanced approval by the President Pro Tempore of the Senate or Standing Committee Chairman to meet. If such advanced approval is not received, the House and Senate members of the Joint Study Committee shall not be paid the per diem authorized in this provision. When certified by the appropriate authority, the members appointed to such committees shall receive a subsistence and mileage at the rate provided for by law, and the regular per diem established in this act for members of boards, commissions, and committees while attending scheduled meetings. Members may elect to receive actual expenses incurred for lodging and meals in lieu of the allowable subsistence expense. The allowances specified in this proviso shall be paid from funds appropriated to the respective committees for such purposes, or from Approved Accounts of the respective body of the General Assembly if no funds have been appropriated to such a committee for these purposes.

(D) Members of the Senate and the House of Representatives when traveling on official State business shall be allowed a subsistence and transportation expenses as provided for by

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law, and the regular per diem established in this act for members of boards, commissions, and committees upon approval of the appropriate chairman. When traveling on official business of the Senate or the House of Representatives not directly associated with a committee of the General Assembly, members shall be paid the same allowance upon approval of the President Pro Tempore of the Senate or the Speaker of the House of Representatives. In either instance, the members may elect to receive actual expenses incurred for lodging and meals in lieu of the allowable subsistence expense. The funds for the allowances specified in this proviso shall be paid from the Approved Accounts of the Senate or the House of Representatives or from the appropriate account of the agency, board, commission, task force or committee upon which the member serves.

(E) Members of the House of Representatives shall not be reimbursed for per diem, subsistence, or travel in connection with any function held outside of the regular session of the General Assembly unless prior approval has been received from the Speaker of the House.

(F) Notwithstanding any other provision of law, subsistence and mileage reimbursement for members of the General Assembly shall not exceed ~~the level authorized by the Internal Revenue Service for the Columbia area~~ the average level for the months of January through June for the specific geographic regions of South Carolina as identified by the IRS in their annual publication regarding travel reimbursement.

91.15 AMEND (House Postage) Authorizes Speaker to approve no more than \$600 per member per year for postage.

SUBCOMMITTEE RECOMMENDATION: AMEND proviso to change “\$600” to “\$700.”

91.15. (LEG: House Postage) The Speaker of the House is authorized to approve no more than ~~\$600~~ \$700 per member per fiscal year for postage.

91.22 AMEND (Suspend LAC Evaluation) Suspends, for FY 13-14, the requirement that the LAC conduct an audit of the Family Independence Act every two years and directs that any savings generated be used to conduct audits as requested by members of the General Assembly.

SUBCOMMITTEE RECOMMENDATION: AMEND proviso to update fiscal year reference to 2014-15. Requested by the Legislative Audit Council.

91.22. (LEG: Suspend LAC Evaluation) For Fiscal Year ~~2013-14~~ 2014-15, the provisions of Section 43-5-1285 of the 1976 Code are suspended. Any savings generated by the suspension of the evaluation of the South Carolina Family Independence Act of 1995 shall be used to conduct audits required by Section 2-15-60 of the 1976 Code.

91.23 AMEND (DMV Audit Review) Suspends, for FY 2013-14, the requirement that the LAC conduct an independent review of the DMV and direct that any savings generated be used to conduct audits as requested by members of the General Assembly.

SUBCOMMITTEE RECOMMENDATION: AMEND proviso to update fiscal year reference to 2014-15. Requested by the Legislative Audit Council.

91.23. (LEG: DMV Audit Review) For Fiscal Year ~~2013-14~~ 2014-15, the provisions of Section 56-1-5(F) are suspended. Any savings generated by not conducting the review shall be used to conduct audits required by Section 2-15-60 of the 1976 Code.

91.24 AMEND (Electronic Correspondence) Prohibits the House of Representatives, during FY 13-14, from spending funds to print or mail bills, summaries, committee agendas, etc. to

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committee members. Directs that relevant information on committee meetings be sent to members electronically.

SUBCOMMITTEE RECOMMENDATION: AMEND proviso to update fiscal year reference to 2014-15.

91.24. (LEG: Electronic Correspondence) For Fiscal Year ~~2013-14~~ 2014-15, the House of Representatives may not expend any funds for the printing or mailing of bills, summaries, committee agendas, etc. to committee members. The House of Representatives shall send all relevant information concerning committee meetings to committee members via electronic means.

SECTION 92 - D21-OFFICE OF THE GOVERNOR

92.1 **DELETE** (OEPP - Grant Funds Carry Forward) Authorizes unexpended "Implementing Federal Programs" funds to be carried forward and used for grant matching funds.

SUBCOMMITTEE RECOMMENDATION: DELETE proviso. *The Special Item no longer exists.* Requested by Office of the Governor.

92.1. (GOV: OEPP - Grant Funds Carry Forward) ~~Any unexpended balance on June thirtieth, of the prior fiscal year, in Part IA, Section 92B "Implementing Federal Programs" may be carried forward to the current fiscal year and used for matching committed and/or unanticipated grant funds.~~

92.6 **AMEND** (Victim/Witness Program Formula Distribution) Requires the first \$650,000 of any excess funds in the Victims' Compensation Fund be distributed to Judicial Circuits and used for Victim/Witness programs.

SUBCOMMITTEE RECOMMENDATION: AMEND proviso to delete reference to proviso "60.8." *Technical. Proviso 60.8 has been merged into 60.9.*

92.6. (GOV: OEPP - Victim/Witness Program Formula Distribution) If funds in the South Carolina Victims' Compensation Fund exceed the amount required to operate the State Office of Victims Assistance and pay claims of crime victims the first \$650,000 of such excess must be used for Victim/Witness programs by distribution to Judicial Circuits based on a formula and criteria developed by the policy committee, and otherwise subject to requirements of Section ~~60.8~~ and 60.9.

92.olc **ADD** (OEPP-Outside Legal Counsel) **SUBCOMMITTEE RECOMMENDATION:** ADD new proviso to require OEPP to follow the Procurement Code if they need to hire outside legal counsel.

92.olc. (GOV: OEPP-Outside Legal Counsel) In the event circumstances necessitate that the Governor's Office of Executive Policy and Programs acquire the services of outside legal counsel, the Governor's Office must follow procedures established by the SC Consolidated Procurement Code.

92.igs **ADD** (Inspector General Support Services) **SUBCOMMITTEE RECOMMENDATION:** ADD new proviso to prohibit OEPP from providing support services to the Office of Inspector General.

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92.igs. (GOV: OEPP-Inspector General Support Services) For the current fiscal year, the Governor's Office of Executive Policy and Programs shall be prohibited from providing support services to the Office of Inspector General.

SECTION 94 - E04-OFFICE OF THE LIEUTENANT GOVERNOR

94.4 DELETE/MERGE (Loan Forgiveness Carry Forward) Authorizes unexpended Geriatric Physician Loan Program funds to be carried forward.
SUBCOMMITTEE RECOMMENDATION: DELETE proviso. Merge into proviso 94.7.

~~94.4. (LTG: Loan Forgiveness Carry Forward) Any unexpended balance on June thirtieth of the prior fiscal year of funds appropriated in Part IA, Section 94, Geriatric Physician Loan Program, shall be carried forward and used for the same purpose as originally appropriated.~~

94.7 AMEND (Geriatric Loan Forgiveness Program ~~Payment~~) Authorizes the Geriatric Loan Forgiveness Program, to make a single lump sum payment to the lending institution of up to \$35,000 or the loan balance whichever is less.
SUBCOMMITTEE RECOMMENDATION: AMEND proviso to authorize unexpended funds to be carried forward. Merges proviso 94.4 into this proviso.

94.7. (LTG: Geriatric Loan Forgiveness Program ~~Payment~~) In lieu of quarterly payments to a recipient of the Geriatric Loan Forgiveness Program, the Lieutenant Governor's Office on Aging is authorized to make a single lump sum payment to the lending institution of up to \$35,000 or the loan balance, whichever is less.

Any unexpended balance on June thirtieth of the prior fiscal year of funds appropriated in Part IA, Section 94, Geriatric Physician Loan Program, shall be carried forward and used for the same purpose as originally appropriated.

94.ra ADD (Referring Agency) **SUBCOMMITTEE RECOMMENDATION:** ADD new proviso to designate the Lieutenant Governor's Office on Aging as a "referring agency" for services for the elderly to the 14 Community Action Agencies in the state and to the Governor's Office of Economic Opportunity. Require the Governor's Office provide a report by September 1st to the Chairmen of the Senate Finance and House Ways and Means Committees on the status of all referrals received from the Lt. Governor's Office on Aging in the prior fiscal year.

94.ra. (LTG: Referring Agency) The Lieutenant Governor's Office on Aging shall serve as a "referring agency" to the 14 Community Action Agencies (CAAs) in South Carolina and to the Governor's Office of Executive Policy and Programs, Office of Economic Opportunity for services for the elderly population. The Governor's Office shall provide a report to the Chairman of the Senate Finance Committee and the Chairman of the House Ways and Means Committee by September 1st on all referrals received from the Lieutenant Governor's Office on Aging in the prior fiscal year and on the status of the referrals.

SECTION 95 - E08-OFFICE OF SECRETARY OF STATE

95.pfr ADD (Professional Fundraiser Registration) **SUBCOMMITTEE RECOMMENDATION:** ADD new proviso to require a person who acts as a professional fundraising counsel or

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professional solicitor for a charitable organization to first register with the Secretary of State and specify that registration includes filing a complete application along with a \$200 filing fee.

95.pfr. (SS: Professional Fundraiser/Solicitor Registration) A person may not act as a professional fundraising counsel or professional solicitor for a charitable organization under Section 33-56-110 of the Solicitation of Charitable Funds Act without first having registered with the Secretary of State. Registration includes filing of a complete application and filing fee of \$200.

95.npc **ADD** (Notary Public Commission) **SUBCOMMITTEE RECOMMENDATION:** ADD new proviso to require notary public commission applications be submitted to the Secretary of State on paper with original signatures or in another form as the Secretary of State determines. Direct that to be qualified to be notary a person must: (1) read and write English; (2) complete an approved instructional course on notarial acts; and (3) submit an application that contains no material misstatement or omission of fact.

95.npc. (SS: Notary Public Commission) Every application for a notary public commission must be submitted to the Secretary of State. The application shall be made on paper with original signatures, or in another form determined by the Secretary of State. A person qualified for a notarial commission: (1) must read and write the English language; (2) must complete a course of instruction on notarial acts as approved by the Secretary of State; and (3) must submit an application to the Secretary of State containing no material misstatement or omission of fact.

95.dv **ADD** (Charitable Funds Act Disclosure Violations) **SUBCOMMITTEE RECOMMENDATION:** ADD new proviso to require the Secretary of State refer any person alleged to have violated the mandatory disclosure requirements of Section 35-56-90 [DISCLOSURE TO SOLICITED PARTIES; PENALTIES] and who has been fined \$10,000 or more to the Attorney General for investigation under the Solicitation of Charitable Funds Act.

95.dv. (SS: Charitable Funds Act Disclosure Violations) The Secretary of State shall refer to the Attorney General for investigation under Section 33-56-145 of the Solicitation of Charitable Funds Act any person who is alleged to have violated the mandatory disclosure requirements of Section 33-56-90 of the Act, and who has been fined \$10,000 or more for those violations.

95.mv **ADD** (Charitable Funds Act Misrepresentation Violations) **SUBCOMMITTEE RECOMMENDATION:** ADD new proviso to require the Secretary of State refer any person alleged to have violated the misrepresentation provisions of Section 35-56-120 [MISREPRESENTATIONS PROHIBITED] and who has been fined \$10,000 or more to the Attorney General for investigation under the Solicitation of Charitable Funds Act.

95.mv (SS: Charitable Funds Act Misrepresentation Violations) The Secretary of State shall refer to the Attorney General for investigation under Section 33-56-145 of the Solicitation of Charitable Funds Act any person who is alleged to have violated the misrepresentation provisions of Section 33-56-120 of the Act, and who has been fined \$10,000.00 or more for those violations.

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SECTION 96 - E12-OFFICE OF COMPTROLLER GENERAL

- 96.2** **AMEND** (GAAP Implementation & Refinement) Requires the State to prepare financial statements in accordance with Generally Accepted Accounting Principles (GAAP); directs the Comptroller General as the State Accounting Officer to issue accounting policy directives to State agencies as needed to prepare financial statements in accordance with GAAP.
SUBCOMMITTEE RECOMMENDATION: AMEND proviso to change “Statewide Accounting and Reporting System” to “Enterprise Information System for State Government (SCEIS).” *Technical.* Requested by Office of Comptroller General.

96.2. (CG: GAAP Implementation & Refinement) It is the intent of the General Assembly that the State of South Carolina issue financial statements in conformance with Generally Accepted Accounting Principles (GAAP). To this end, the Comptroller General is directed, as the State Accounting Officer, to maintain ~~a Statewide Accounting and Reporting System~~ *an Enterprise Information System for State Government (SCEIS)* that will result in proper authorization and control of agency expenditures, including payroll transactions, and in the preparation and issuance of the official financial reports for the State of South Carolina. Under the oversight of the General Assembly, the Comptroller General is given full power and authority to issue accounting policy directives to state agencies in order to comply with GAAP. The Comptroller General is also given full authority to conduct surveys, acquire consulting services, and implement new procedures required to implement fully changes required by GAAP.

- 96.6** **DELETE** (Payroll System Maintenance for State Optional Retirement Program) Authorizes the Comptroller General to contract with the PEBA to support the requirements of the State Optional Retirement Program within the State’s payroll and accounting systems. Authorizes cost recovery for providing those services, not to exceed \$100,000; allows those funds to be used to support the operations of the office; and authorizes the funds to be carried forward and used for the same purposes
SUBCOMMITTEE RECOMMENDATION: DELETE proviso. *The CG has never charged PEBA.* Requested by Office of Comptroller General.

96.6. (CG: Payroll System Maintenance for State Optional Retirement Program) ~~The Comptroller General is hereby authorized to contract on mutually agreeable terms with the Public Employee Benefit Authority (PEBA) to maintain the State’s payroll and accounting systems to accommodate the requirements of the State Optional Retirement Program (ORP). The Office of the Comptroller General is authorized to seek cost recovery not to exceed \$100,000 from PEBA for those services. The cost recovery may be used to support the operations of the Office of the Comptroller General and any unexpended balance may be carried forward from the prior fiscal year into the current fiscal year and be used for the same purposes.~~

SECTION 97 - E16-OFFICE OF STATE TREASURER

- 97.12** **DELETE** (Identity Theft Reimbursement Fund) Establishes the Department of Revenue Identity Theft Reimbursement Fund for the purpose of reimbursing eligible expenses incurred by an eligible person.

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SUBCOMMITTEE RECOMMENDATION: DELETE proviso. *Zero claims have been filed.* Fiscal Impact: \$200,000 appropriated for this purpose in FY 2013-14 will be remitted to the General Fund at the close of the fiscal year. Requested by Office of State Treasurer.

~~97.12. (TREAS: Identity Theft Reimbursement Fund) (A) There is established in the State Treasury the Department of Revenue Identity Theft Reimbursement Fund which must be maintained separately from the general fund of the State and all other funds. The proceeds of the fund must be utilized to reimburse eligible expenses incurred by an eligible person. The obligation to reimburse claims pursuant to this section does not arise until monies are credited to the fund, and only to the extent that monies are credited to the fund. Any monies remaining in the fund at the end of the fiscal year shall lapse to the general fund.~~

~~(B) A person seeking reimbursement from the fund must file with the Treasurer a claim on a form prescribed by him and verified by the claimant. The Treasurer shall consider each claim within ninety days after it is filed and give written notice to the claimant if the claim is denied in whole or in part. If a claim is allowed, the Treasurer shall reimburse the eligible person in an amount equal to his eligible expenses subject to availability of monies in the fund. The decision by the Treasurer regarding a claim is a final agency decision that may be appealed to the Administrative Law Court pursuant to the Administrative Procedures Act naming the Treasurer as the defendant. The action must be brought within ninety days after the Treasurer's decision or within one hundred eighty days after the filing of the claim if he has failed to act on it.~~

~~(C) The State Treasurer shall set forth policies and make the necessary determinations to implement the provisions of this section, including the disbursal of proceeds of the fund.~~

~~(D) For the purposes of this provision:~~

~~(1) 'Eligible person' shall mean a person whose personally identifiable information was obtained by a third party from a compromised computer system maintained by a state agency, board, committee, or commission.~~

~~(2) 'Eligible expenses' shall mean financial losses incurred by an eligible person directly related to the misappropriation of the eligible person's personally identifiable information that was obtained by a third party from a compromised computer system maintained by a state agency, board, committee, or commission. Expenses for services provided by private entities to assist eligible persons with financial losses are not eligible expenses to the extent such services are offered through the State or a state supported program free of charge.~~

~~(3) 'Financial losses' shall mean actual losses, including, but not limited to, lost wages, costs incurred by an eligible person related to correcting his credit history or credit rating, or costs or judgments related to any criminal, civil, or administrative proceeding brought against the eligible person resulting from the misappropriation of the victim's personally identifiable information not recovered from any other source. Costs associated with the purchase of identity theft protection and identity theft resolution services are not financial losses.~~

~~(4) 'Identity theft protection' means identity fraud and protection products and services that attempt to proactively detect, notify, or prevent unauthorized access or misuse of a person's identifying information or financial information to fraudulently obtain resources, credit, government documents or benefits, phone or other utility services, bank or savings accounts, loans, or other benefits in the person's name.~~

~~(5) 'Identity theft resolution services' means products and services that attempt to mitigate the effects of identity fraud after personally identifiable information has been fraudulently obtained by a third party, including, but not limited to, identity theft insurance and~~

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~~other identity theft resolution services that are designed to resolve actual and potential identity theft and related matters.~~

~~(6) 'Person' shall mean an individual, corporation, firm, association, joint venture, partnership, limited liability corporation, or any other business entity.~~

~~(7) 'Personally identifiable information' means information that can be used to uniquely identify, contact, or locate a single person or can be used with other sources to uniquely identify a single individual, including, but not limited to, social security numbers, debit card numbers, and credit card numbers.~~

SECTION 99 - E24-OFFICE OF ADJUTANT GENERAL

99.12 DELETE (Citadel-S.C. National Guard Readiness Center) Provides for the Office of the Adjutant General to repay to the General Fund monies appropriated for the Citadel-S.C. National Guard Readiness Center in proviso 73.12 of the FY 07-08 Appropriation Act, plus interest.

SUBCOMMITTEE RECOMMENDATION: DELETE proviso. *Funds have been repaid. Requested by Office of the Adjutant General.*

~~**99.12.** (ADJ: Citadel-S.C. National Guard Readiness Center) The Adjutant General's Office, during Fiscal Year 2013-14, shall repay to the General Fund of the State \$300,000, plus interest, of the \$2,500,000 appropriated by Proviso 73.12 of the Fiscal Year 2007-2008 Appropriation Act to the Adjutant General's Office for the Citadel South Carolina National Guard Readiness Center. It is the intent of the General Assembly that \$300,000, plus interest, shall be repaid annually until the \$1,250,000 balance has been repaid to the General Fund.~~

99.16 AMEND (Mental Health Care Facilitator/Coordinator) Authorizes the Adjutant General to hire a Mental Health Care Facilitator/Coordinator to act as a liaison to provide mental health care coordination for S.C. National Guard members.

SUBCOMMITTEE RECOMMENDATION: AMEND proviso to change "mental" reference to "behavioral."

~~**99.16.** (ADJ: ~~Mental~~ Behavioral Health Care Facilitator/Coordinator) The funds appropriated and or authorized to the Office of the Adjutant General may be utilized to hire a ~~Mental~~ Behavioral Health Care Facilitator/Coordinator who shall act as a liaison to provide mental health care coordination for mental health services to all members of the South Carolina National Guard. The responsibilities of the position shall include, but are not limited to, focusing on individuals without health insurance or without adequate health insurance; facilitating Memorandum of Understanding with mental health facilities across the state to provide assistance to National Guard Service Members; assisting in coordinating Yellow Ribbon and Beyond and other post deployment and mental health events; coordinating treatment for Service Members for conditions that may or may not result in their being medically non deployable; and participating in staff meetings to discuss care of Service Members. The individual hired must be knowledgeable of state and federal privacy laws, including the HIPAA privacy regulations. In addition, it is preferred that the individual have a previous background in Social Work. A national security background check must be performed on the individual prior to a job offer being tendered.~~

99.sgp ADD (Sale of Greenville Property) **SUBCOMMITTEE RECOMMENDATION:** ADD new proviso to authorize the Adjutant General to retain the net proceeds from the sale of 0.54

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acres and improvements located at 401 East Park Avenue in Greenville and to use these proceeds for capital projects and deferred maintenance.

99.sgp. (ADJ: Sale of Greenville Property) The Office of the Adjutant General shall be authorized to retain the net proceeds from the sale of 0.54 acres and improvements located at 401 East Park Avenue, Greenville, South Carolina to be used for capital projects and deferred maintenance.

- 99.par ADD** (Physical Assets Responsibility) **SUBCOMMITTEE RECOMMENDATION:** ADD new proviso to make the Adjutant General's Office financially and administratively responsible for the following associated with 1 National Guard Road: buildings, grounds, deferred depreciation and maintenance reserves, improvement obligations, and all other operating costs. Direct that Section 1-11-67 [RENTAL CHARGES FOR OCCUPANCY OF STATE-CONTROLLED OFFICE BUILDINGS; APPORTIONMENT AMONG AGENCY FUNDING SOURCES] does not apply to this property and that the B&C Board is not responsible for deferred or future maintenance or repair of the building or grounds.

99.par. (ADJ: Physical Assets Responsibility) The Adjutant General shall be financially and administratively responsible for the building and grounds located at 1 National Guard Road in Columbia, to include maintaining necessary reserves for deferred and future depreciation and maintenance, and assuming improvement obligations and other costs of operation, including but not limited to, building maintenance, systems and equipment maintenance, custodial services, horticulture and grounds maintenance, insurance, and utilities. Section 1-11-67 of the 1976 Code shall not apply and the Budget and Control Board shall have no responsibility for any deferred or future maintenance and repair of the building and grounds.

SECTION 100 - E28-ELECTION COMMISSION

- 100.12 DELETE** (Use of Election Funds) Prohibits funds appropriated for conducting elections from being used for any other purpose unless this act specifically authorizes such actions; however allows up to \$200,000 of General Elections funds to be transferred to other operating accounts upon State Budget Division approval. Directs the Budget Division to notify the Chairmen of the Senate Finance and House Ways and Means Committees and the Governor of such transfer. **SUBCOMMITTEE RECOMMENDATION:** DELETE proviso.

~~100.12. (ELECT: Use of Election Funds) Funds appropriated to the Election Commission for the purpose of conducting elections shall not be used for any other purpose unless specifically authorized in this act. However, up to \$200,000 may be transferred to other operating accounts from General Election accounts upon approval from the State Budget Division, which shall then notify the Chairman of the Senate Finance Committee, the Chairman of the House Ways and Means Committee, and the Governor of such transfer of funds.~~

- 100.vs ADD** (New Statewide Voting System) **SUBCOMMITTEE RECOMMENDATION:** ADD new proviso to direct that if funds appropriated for a new statewide voting system they will be placed into an designated account and retained by the Election Commission until a new voting system with a verifiable paper trail is necessary and available for purchase. Authorize the funds to be carried forward and used for the same purpose. *Allow the SEC to retain funds received*

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over the next 5-6 years and place the funds into a designated account until the total funding needed for a new statewide voting system is received. Requested by Election Commission.

100.vs. (ELECT: New Statewide Voting System) In the event funds are appropriated for a new statewide voting system, such funds shall be placed into a designated account and retained by the State Election Commission until such time as a new voting system with a verifiable paper trail is necessary and is available for purchase by the State Election Commission. These funds shall be carried forward from the prior fiscal year into the current fiscal year and utilized for the same purpose.

100.me ADD (Municipal Elections) **SUBCOMMITTEE RECOMMENDATION:** ADD new proviso to require all municipal general elections be held on the first Tuesday that follows the first Monday in November in each odd-numbered year at voting places that have been or may be established by law.

100.me.(ELECT: Municipal Elections) All municipal general elections in this State shall be held on the first Tuesday following the first Monday in November in each odd-numbered year at such voting places as have been or may be established by law.

100.vpc ADD (Voting Procedures Changes) **SUBCOMMITTEE RECOMMENDATION:** ADD new proviso to require the Election Commission publish voting procedure changes that are enacted by state or local governments on its website. Require state and local governments, after adopting a voting procedure change, to file a notice of such change with the Election Commission no later than 35 days before the change is implemented. Require changes remain on the Election Commission's website at least through the next general election.

100.vpc. (ELECT: Voting Procedures Changes) The State Election Commission shall publish on the commission's website each change to voting procedures enacted by State or local governments. State and local governments shall file notice of all changes in voting procedures with the State Election Commission upon adoption, no later than 35 days prior to implementation. All voting procedure changes must remain on the commission's website at least through the date of the next general election.

SECTION 101 - F03-BUDGET AND CONTROL BOARD

101.12 AMEND (Geodetic Mapping Program)) Directs that Mapping funds are to be used to determine and resolve the SC-NC Boundary dispute.

SUBCOMMITTEE RECOMMENDATION: AMEND proviso to delete the reference to te SC-NC Boundary dispute and instead direct that the funds are to be used to clarify county boundaries as directed by Section 27-2-105 [GEODETIC SURVEY TO ASSIST IN DEFINING AND MONUMENTING COUNTY BOUNDARIES; MEDIATING BOUNDARY DISPUTES]. Requested by Budget and Control Board.

101.12. (BCB: Geodetic Mapping Program) Funds appropriated or authorized to the Budget and Control Board as a Special Item for Mapping, shall be used ~~for~~ to clarify county boundary determination and resolution of the boundary between the states of South Carolina and North Carolina boundaries as directed by Section 27-2-105 of the 1976 Code.

In the event a resolution cannot be reached by all parties, each party is entitled to seek resolution in accordance with the Administrative Procedures Act.

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- 101.15 DELETE** (Lawsuit Funding) Directs that litigation costs associated with the Abbeville school funding and prisoner mental health care cases be paid by the Insurance Reserve Fund.
SUBCOMMITTEE RECOMMENDATION: DELETE proviso.

~~101.15. (BCB: Lawsuit Funding) The Executive Director shall pay from the Insurance Reserve Fund the defense costs of the State, which are incurred in the current fiscal year, in the Abbeville school funding litigation and the prisoner mental health care litigation. The appropriate official from the House of Representatives and the Senate must certify to the Executive Director on a monthly basis the costs incurred in defense of this litigation. Upon receipt of the certification, the Executive Director shall pay the provider of these services the amount certified.~~

- 101.17 DELETE** (Base Closure Fund Carry Forward Transfer) Directs the balance of the funds previously appropriated for the Base Closure Fund be carried forward and transferred to the Department of Commerce for the S.C. Military Base Task Force.
SUBCOMMITTEE RECOMMENDATION: DELETE proviso. *Funds have been transferred.* Requested by Budget and Control Board.

~~101.17. (BCB: Base Closure Fund Carry Forward Transfer) The balance of the funds previously appropriated to the Budget and Control Board for the Base Closure Fund shall be carried forward into the current fiscal year and transferred to the Department of Commerce, and shall be used for the South Carolina Military Base Task Force.~~

- 101.18 DELETE** (SC/NC Boundary Dispute) Directs the board to submit a report to the Senate Finance and House Ways and Means Committees on the progress of the SC/NC boundary dispute within 60 days of the close of the fiscal year until the dispute is resolved.
SUBCOMMITTEE RECOMMENDATION: DELETE proviso. *The dispute has been resolved. See proviso 101.19 for reporting requirement on the re-establishment.* Requested by Budget and Control Board.

~~101.18. (BCB: SC/NC Boundary Dispute) The Budget and Control Board is directed to submit a report to the Senate Finance Committee and the House Ways and Means Committee regarding the progress of the South Carolina and North Carolina Boundary Dispute within sixty days of the close of each fiscal year until such dispute is resolved.~~

- 101.19 AMEND** (SC Boundary Commission) Establishes the SC Boundary Commission which is directed to work with NC Boundary Commission to resolve undocumented boundaries between the two states.
SUBCOMMITTEE RECOMMENDATION: AMEND proviso to direct that the purpose of the commission is to now oversee and approve work re-establishing the boundaries between the two states. Direct the board to submit a report to the Senate Finance and House Ways and Means Committees on re-establishment of the SC/NC boundary within 60 days of the close of the fiscal year until the boundaries have been re-established.

101.19. (BCB: SC Boundary Commission) There is hereby created the South Carolina Boundary Commission to be composed of seven members as follows: one member appointed by the President Pro Tempore of the Senate; one member appointed by the Speaker of the House of Representatives; one member appointed by the Chairman of the Senate Finance Committee; one member appointed by the Chairman of the House Ways and Means Committee; the Director of the Budget and Control Board's Office Division of Research and

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Statistics; the Director of the Department of Natural Resources, or his designee; and the technical advisor of the Geodetic and Mapping Survey Program appointed by the Director of the ~~Office~~ *Division* of Research and Statistics who shall serve as the coordinator and chairman of the commission. The purpose of the commission is to work with the North Carolina Boundary Commission to ~~resolve undocumented boundaries~~ oversee and approve work re-establishing the boundary between South Carolina and North Carolina.

The Director of the Division of Research and Statistics of the Budget and Control Board is directed to submit a report to the Senate Finance Committee and the House Ways and Means Committee regarding the progress of re-establishing the South Carolina-North Carolina boundary within sixty days of the close of each fiscal year until such re-establishment is completed.

- 101.23 AMEND** (Sale of Surplus Real Property)) Provides guidelines for the retention and use of revenue derived from the sale of surplus real properties.
SUBCOMMITTEE RECOMMENDATION: AMEND proviso to delete references to the Department of Mental Health and the Bull Street Campus.

101.23. (BCB: Sale of Surplus Real Property) Up to fifty percent of the proceeds, net of selling expenses, from the sale of surplus real properties shall be retained by the Budget and Control Board and used for the deferred maintenance of state-owned buildings. The remaining fifty percent of the net proceeds shall be returned to the agency that the property is owned by, under the control of, or assigned to and shall be used by that agency for non-recurring purposes. This provision applies to all state agencies and departments except: institutions of higher learning; the Public Service Authority; the Ports Authority; the MUSC Hospital Authority; the Myrtle Beach Air Force Redevelopment Authority; the Department of Transportation; the Columbia State Farmers Market; the Department of Agriculture's Columbia Metrology Lab building and property; the Charleston Naval Complex Redevelopment Authority; the Department of Commerce's Division of Public Railways; the Midlands Technical College Enterprise Campus Authority; the Trident Technical College Enterprise Campus Authority; the Commissioners residence at the Department of Corrections and the Educational Television Commission's Key Road property.

The Educational Television Commission shall be authorized to retain the net proceeds from the sale of its property on Key Road, and such proceeds may be used for the renovation of the ETV Telecommunications Center and other maintenance and operating expenses. If it is determined that sufficient net proceeds are not to be derived from the sale of its property on Key Road to cover the cost of all renovations of the Telecommunications Center, the property on Key Road shall not be sold. Any proposed sale hereunder shall, prior to said sale, be submitted to the Budget and Control Board for approval as being in compliance with the requirements of this subsection.

The Department of Corrections shall be authorized to retain the net proceeds from the sale of the residence provided for the Commissioner of the Department of Corrections and use such proceeds for deferred maintenance needs at the Department of Corrections.

The Forestry Commission shall be authorized to retain the net proceeds from the sale of surplus land for use in firefighting operations and replacement of firefighting equipment.

~~The Department of Mental Health shall be authorized to retain the net proceeds it receives for sale of the property sold in accordance with, and identified in Exhibit A of the Sale and Purchase Agreement dated December 16, 2010 between the Department of Mental Health and Hughes Development Corporation for the sale of 165.79± acres on the Bull Street Campus, as approved by the Budget and Control Board on June 14, 2011.~~

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The Department of Natural Resources shall be authorized to retain the net proceeds from the sale of existing offices originally purchased with a federal grant or with restricted revenue from hunting and fishing license sales for the improvement, consolidation, and/or establishment of regional offices and related facilities.

The Department of Vocational Rehabilitation shall be authorized to retain the net proceeds from the sale of 3.205 acres located at 22861 Highway 76 East in Clinton, South Carolina to be used for capital projects and deferred maintenance.

The Department of Agriculture, the Educational Television Commission, the Department of Corrections, the Department of Natural Resources, ~~the Department of Mental Health~~, the Forestry Commission, and the Department of Vocational Rehabilitation shall annually submit a report, within sixty days after the close of the fiscal year, to the Senate Finance Committee and the House Ways and Means Committee on the status of the sale of the identified property and a detailed accounting on the expenditure of funds resulting from such sale.

This provision is comprehensive and supersedes any conflicting provisions concerning disposition of state owned real property whether in permanent law, temporary law or by provision elsewhere in this act.

Any unused portion of these funds may be carried forward into succeeding fiscal years and used for the same purposes.

- 101.25 AMEND** (Insurance Coverage for Aging Entity Authorized) Authorizes the Insurance Reserve Fund to provide insurance coverage for certain local aging entities. Directs that the IRF and the State shall not be liable for any coverage insufficiencies.

SUBCOMMITTEE RECOMMENDATION: AMEND proviso to update fiscal year reference to "2014-15." *Technical.*

101.25. (BCB: Insurance Coverage for Aging Entity Authorized) The State Budget and Control Board, through the Insurance Reserve Fund, for Fiscal Year ~~2013-14~~ 2014-15, is also authorized to offer insurance coverage to an aging entity and its employees serving clients countywide which previously obtained its tort liability insurance coverage through the board. The Insurance Reserve Fund and the State of South Carolina shall not be liable to any person or entity, including an insured, for any insufficiencies of coverage provided hereunder.

- 101.26 DELETE** (Statewide Appropriations Budget Module)) Directs that funds for the Statewide Appropriations Budget Module be used to design and implement the statewide budgeting system to produce the state's annual operating budget through the Annual Appropriation Act and authorizes unexpended funds to be carried forward for continued implementation efforts.

SUBCOMMITTEE RECOMMENDATION: DELETE proviso. *Remaining funds will be expended by the end of FY 13-14.* Requested by Budget and Control Board.

101.26. (BCB: Statewide Appropriations Budget Module) ~~Funds provided for the Statewide Appropriations Budget Module known as PBF (the Public Budgeting Formulation Module) shall be used for the design and implementation of the statewide budgeting system to produce the state's annual operating budget through the passage of the Annual Appropriation Act. Project oversight and direction shall be the responsibility of the State Budget Division. Unexpended funds shall be carried forward from the prior fiscal year and expended for continued implementation of the budget module.~~

- 101.27 AMEND** (IRF Report) Directs the B&C Board to prepare a report on prior fiscal year use of the Insurance Reserve Fund and requires specific transaction information be included in the report. Requires the report be submitted to the President Pro Tempore of the Senate, the

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Speaker of the House, and the Chairmen of the Senate Finance and House Ways and Means Committees by October 15, 2013.

SUBCOMMITTEE RECOMMENDATION: AMEND proviso to change the report due date of “by October 15, 2013” to “by October 15, of the current fiscal year.” *Technical.*

101.27. (BCB: IRF Report) The Budget and Control Board shall prepare a report on prior fiscal year utilization of the Insurance Reserve Fund to include for each transaction the amount, the recipient of the funds, the date of the transfer or payment, and the action or reason that necessitated the transfer. The report shall be submitted to the President Pro Tempore of the Senate, the Chairman of the Senate Finance Committee, the Speaker of the House of Representatives, and the Chairman of the House Ways and Means Committee by October 15, ~~2013~~ *of the current fiscal year.*

101.28 **DELETE** (Activation of State House Garage Security System) Directs the B&C Board to activate the State House Garage Security System by July 1, 2013, and directs that it is to be operated by BPS.

SUBCOMMITTEE RECOMMENDATION: DELETE proviso. *The system has been activated.* Requested by Budget and Control Board.

~~**101.28.** (BCB: Activation of State House Garage Security System) The Budget and Control Board, Division of General Services is directed to take the steps necessary to activate the State House Garage Security System, effective July 1, 2013, which is to be operated by the Bureau of Protective Services.~~

101.29 **DELETE** (Consolidation of Administrative Functions) Directs the B&C Board to study the feasibility, including a cost benefit analysis, of assuming control of certain non-agency specific administrative functions for state agencies whose total appropriations are less than \$5,000,000 and to report their findings to the Chairmen of the Senate Finance and House Ways and Means Committees by January 3, 2014.

SUBCOMMITTEE RECOMMENDATION: DELETE proviso. *Study has been submitted.* Requested by Budget and Control Board.

~~**101.29.** (BCB: Consolidation of Administrative Functions) From the funds appropriated to the Budget and Control Board, the board shall study the feasibility, including a cost benefit analysis, of assuming certain functions of state agencies that receive less than five million dollars in total funds appropriations in the current fiscal year. The functions to be considered shall include, but are not limited to, personnel administration, human resources, accounting, information technology, maintenance, and other functions that are administrative in nature and not agency specific. Upon completion of the study, the board shall submit a report detailing its findings to the Chairman of the Senate Finance Committee and the Chairman of the House Ways and Means Committee. The report must be submitted no later than January 3, 2014.~~

101.30 **AMEND** (Second Injury Fund Closure Plan) Authorizes and empowers the B&C Board to implement and administer the Second Injury Fund closure plan. Directs the remaining Second Injury funds and accounts be transferred to the board and be held in separate and distinct trust accounts. Directs the board to act on behalf of the Second Injury Fund to process and record closing transactions. Directs the State Budget Division to provide appropriate other fund authority equal to remaining administrative expenditures, if needed.

SUBCOMMITTEE RECOMMENDATION: AMEND proviso to delete the directive to “implement” the closure plan and the requirement that funds be transferred to the B&C Board.

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Clarify that the Second Injury Fund monies shall be used to administer the closure plan. *All funds have been transferred to the B&C Board which will continue to administer the fund until all obligations have been met.* Requested by Budget and Control Board.

101.30. (BCB: Second Injury Fund Closure Plan) The Budget and Control Board is authorized and empowered to take all necessary actions to ~~implement and~~ administer the closure plan for the Second Injury Fund, as adopted pursuant to Section 42-7-320(A) of the 1976 Code, as amended, and to use appropriate accounts for administrative costs associated with this responsibility ~~the separate and distinct trust and administrative accounts established for this purpose.~~ In order for the board to administer the plan and pay the remaining liabilities of the Second Injury Fund, applicable subfunds shall be transferred from the former Second Injury Fund to the Budget and Control Board. The funds shall be transferred and general ledger accounts established under the Board as soon as practicable after Fiscal Year 2012-13 closing transactions are processed. Because the Second Injury Fund terminates July 1, 2013, the board is authorized to act on behalf of the former Second Injury Fund to process its closing transactions and appropriately record the transactions. The State Budget Division is directed to provide the Second Injury Fund and the Budget and Control Board, as appropriate, other fund spending authority equal to the amount of any remaining administrative expenditures associated with closing the Second Injury Fund, if needed and adequately documented. The transferred funds shall continue to be held as separate and distinct trust accounts by the State Treasurer.

101.ga **ADD** (Garage Access) **SUBCOMMITTEE RECOMMENDATION:** ADD new proviso to direct the B&C Board to ensure that all access to the McEachern Parking Facility from State House Complex buildings is standardized.

101.ga. (BCB: Garage Access) The Budget and Control Board shall ensure that access to the McEachern Parking Facility from all buildings within the State House Complex shall be standardized.

101.cs **ADD** (Cyber Security) **SUBCOMMITTEE RECOMMENDATION:** ADD new proviso to require all state agencies to adopt and implement cyber security policies, guidelines and standards developed by the B&C Board. Authorize the board to conduct audits to monitor agency compliance. Require the board to oversee all incident responses to cyber security breaches. Require agencies to fully cooperate with and furnish any information or data as requested by the board in its performance of these duties.

101.cs. (BCB: Cyber Security) All state agencies must adopt and implement cyber security policies, guidelines and standards developed by the Budget and Control Board. The Budget and Control Board may conduct audits as necessary to monitor compliance with established cyber security policies, guidelines and standards. In addition, the Budget and Control Board shall oversee all incident responses to agency cyber security breaches. Upon request of the Budget and Control Board for information or data, agencies must fully cooperate with and furnish the Budget and Control Board with all documents, reports, assessments, and any other data and documentary information needed by the Board to perform its mission and to exercise its functions, powers and duties.

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SECTION 102 - F27-BUDGET AND CONTROL BOARD, STATE AUDITOR'S OFFICE

102.acf ADD (Annual Audit of Court Fees and Fines Reports) **SUBCOMMITTEE RECOMMENDATION:** ADD new proviso to require the State Auditor to contract with one or more CPA/Accounting firms to conduct a minimum of 15 audits of local jurisdictions annually, or the maximum number of audits that can be performed with \$250,000 received annually from the State Treasurer for that purpose, and report whether or not fees and fines are being properly collected and remitted to the State Treasurer for distribution to various agencies as required by statute. Prohibit these funds from being used for any other purpose. Direct any balance remaining from the \$250,000 received from the State Treasurer in the prior fiscal year to be carried forward and be used for the same purpose in the current fiscal year. Require the State Auditor to annually report to the Senate Finance Committee and the House Ways and Means Committee its findings of the jurisdictions audited. *Moved from proviso 117.112 and amended to require the audits be contracted out.*

102.acf. (BCB/AUD: Annual Audit of Court Fees and Fines Reports) The State Auditor shall contract with one or more CPA/accounting firms to conduct a minimum of fifteen (15) audits annually of county treasurers, municipal treasurers, county clerks of court, magistrates and/or municipal courts as required by Section 14-1-210 of the 1976 Code and allowed by Proviso 118.4 of this act; however, the State Auditor shall not be required to spend more than the annual amount of \$250,000, received from the State Treasurer to conduct the said audits pursuant to Section 14-1-210 of the 1976 Code. The State Auditor shall consult with the State Treasurer to determine the jurisdictions to be audited in the current fiscal year. Jurisdictions may be selected randomly or based on an instance in the current or previous fiscal year of failing to report, incorrectly reporting or under remitting amounts owed. The funds transferred to the State Auditor by the State Treasurer shall not be used for any purpose other than to conduct the described audits and report whether or not the assessments, surcharges, fees, fines, forfeitures, escheatments, or other monetary penalties imposed and/or mandated are properly collected and remitted to the State. Any unexpended balance on June thirtieth of the prior fiscal year shall be carried forward and must be expended for the same purpose during the current fiscal year. The State Auditor shall annually report by October 1 its findings of the jurisdictions audited to the Senate Finance Committee and the House Ways and Means Committee.

SECTION 105 - F50-PUBLIC EMPLOYEE BENEFIT AUTHORITY

105.6 DELETE (Tobacco User Differential Study) Directs PEBA to conduct a study to determine the benefits to the State Health Plan to differentiate between enrollees who are tobacco users and non-users by imposing a surcharge based on the category of tobacco product used; to offer a period for public comment when conducting the study; and to make recommendations to the Chairmen of the Senate Finance and House Ways and Means Committees by December 31, 2013.

SUBCOMMITTEE RECOMMEDATION: DELETE proviso. *Study has been completed.* Requested by Public Employee Benefit Authority.

~~**105.6.** (PEBA: Tobacco User Differential Study) The Public Employee Benefit Authority shall conduct a study to determine if it is in the best interest of the state and the State Health Plan to differentiate between tobacco users by category of product used and non-users regarding rates charged to enrollees in its health plans by imposing a surcharge on enrollee~~

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~~rates based upon the category of tobacco product used. In conducting the study, the authority shall offer a period for public comment. Recommendations shall include, but not be limited to an appropriate surcharge to be assessed and shall be submitted to the Chairman of the Senate Finance Committee and the Chairman of the House Ways and Means Committee by December 31, 2013.~~

- 105.iat ADD (Inactive SCRS Account Transfer) SUBCOMMITTEE RECOMMENDATION:** ADD new proviso to allow a current employee or teacher who is an active participant in the State Optional Retirement Program (ORP) to transfer previous contributions contained in an inactive S.C. Retirement Program account from the inactive account to their active ORP account.

105.iat. (PEBA: Inactive SCRS Account Transfer) A current employee or teacher who is an active participant in the State Optional Retirement Program but who has an inactive account in the South Carolina Retirement Program due to previous service in that system, shall be allowed to transfer previous contributions to the employee's or teacher's active State Optional Retirement Program account.

SECTION 107 - R52-STATE ETHICS COMMISSION

- 107.ci ADD (Candidate Indebtedness) SUBCOMMITTEE RECOMMENDATION:** ADD new proviso to direct that for a candidate to qualify to run in any primary, special or general election, they must not owe the State Ethics Commission any money. Prohibit an elected official who is authorized to receive statements of intention of candidacy from accepting such statement unless they confirm through the State Ethics Commission that the candidate is free of debt to the Ethics Commission. Direct that if the candidate's name inadvertently appears on the ballot, the election official must not certify the candidate following the election.

107.ci. (ETHICS: Candidate Indebtedness) In order to qualify as a candidate to run in any primary, special, or general election, a candidate must not be in arrears of any indebtedness owed to the State Ethics Commission. An election official authorized to receive statements of intention of candidacy and/or petitions for nominations under the provisions of Chapter 11 of Title 7 may not accept a statement of intention of candidacy or petition for nomination unless the election official confirms, through the State Ethics Commission, that the candidate is free of debt to the State Ethics Commission. If the candidate's name inadvertently appears on the ballot, the election official authorized to receive statements of intention of candidacy or petitions for nomination must not certify the candidate subsequent to the election.

SECTION 109 - V04-DEBT SERVICE

- 109.1 AMEND (Excess Debt Service Funds Carry Forward)** Authorizes excess Debt Service funds to be carried forward from FY 12-13 and be spent for debt service purposes in FY 13-14.
SUBCOMMITTEE RECOMMENDATION: AMEND proviso to update fiscal year references to 2013-14 and 2014-15.

109.1. (DS: Excess Debt Service Funds Carry Forward) Excess Debt Service funds from Fiscal Year ~~2012-13~~ 2013-14 may be carried forward and expended for debt service purposes in Fiscal Year ~~2013-14~~ 2014-15.

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SECTION 110 - X22-AID TO SUBDIVISIONS, STATE TREASURER

110.2 AMEND (Quarterly Distributions) Provides for the quarterly distribution of Aid to Subdivisions Local Government Fund.

SUBCOMMITTEE RECOMMENDATION: AMEND proviso to update fiscal year reference to "2014-15."

110.2. (AS-TREAS: Quarterly Distributions) For Fiscal Year ~~2013-14~~ 2014-15, one quarter of the amount appropriated in Part IA for Aid to Subdivisions-Local Government Fund shall be distributed as soon after the beginning of each quarter as practical with the four distributions together totaling the ~~2013-14~~ 2014-15 Part IA appropriation for the Local Government Fund.

110.5 AMEND (LGF) Suspends Sections 6-27-30 [FUNDING OF LOCAL GOVERNMENT FUND FROM GENERAL FUND REVENUES] and 6-27-50 [RESTRICTIONS ON AMENDMENT OR REPEAL OF CHAPTER] for Fiscal Year 2012-13.

SUBCOMMITTEE RECOMMENDATION: AMEND proviso to update fiscal year reference to "2014-15."

110.5. (AS-TREAS: LGF) For Fiscal Year ~~2013-14~~ 2014-15, the provisions of Section 6-27-30 and Section 6-27-50 of the 1976 Code are suspended.

110.7 AMEND (Political Subdivision Flexibility) Authorizes political subdivisions that receive Local Government Fund monies to reduce the amount of support they provide to any state mandated program or requirement up to the percentage their Local Government Fund appropriation has been reduced compared to the amount required to be funded by law, but exclude ALJs, Court of Appeals, Circuit and Family Courts, Magistrates, Masters in-Equity, Probate Courts, Public Defenders, Solicitors and the Supreme Court and their offices from the reductions.

SUBCOMMITTEE RECOMMENDATION: AMEND proviso to update fiscal year reference to "2014-15."

110.7. (AS-TREAS: Political Subdivision Flexibility) For Fiscal Year ~~2013-14~~ 2014-15, a political subdivision receiving aid from the Local Government Fund may reduce its support to any state mandated program or requirement, by up to a percentage equal to the percentage reduction in the actual amount appropriated to the Local Government Fund as compared to the amount required to be appropriated pursuant to Section 6-27-30. Excluded from said reductions are Administrative Law Judges and their offices, Court of Appeals and their offices, Circuit and Family Courts and their offices, Magistrates and their offices, Masters-in-Equity and their offices, Probate Courts and their offices, Public Defenders and their offices, Solicitors and their offices, and the Supreme Court and their offices.

SECTION 117 - X90-GENERAL PROVISIONS

117.2 AMEND (Appropriations From Funds) Directs that funds appropriated from the General Fund, EIA Fund, Highways and Public Transportation Fund and other applicable funds are to meet the ordinary expenses of the State for FY 2013-14

SUBCOMMITTEE RECOMMENDATION: AMEND proviso to update fiscal year reference to "2014-15."

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117.2. (GP: Appropriations From Funds) Subject to the terms and conditions of this act, the sums of money set forth in this part, if so much is necessary, are appropriated from the General Fund of the State, the Education Improvement Act Fund, the Highways and Public Transportation Fund, and other applicable funds, to meet the ordinary expenses of the state government for Fiscal Year ~~2013-14~~ 2014-15, and for other purposes specifically designated.

- 117.3** **AMEND** (Fiscal Year Definitions) Defines current and prior fiscal year time frames.
SUBCOMMITTEE RECOMMENDATION: AMEND proviso to update fiscal year references from “2013” to “2014;” “2014” to “2015;” and “2012” to “2013.”

117.3. (GP: Fiscal Year Definitions) For purposes of the appropriations made by this part, “current fiscal year” means the fiscal year beginning July 1, ~~2013~~ 2014, and ending June 30, ~~2014~~ 2015, and “prior fiscal year” means the fiscal year beginning July 1, ~~2012~~ 2013, and ending June 30, ~~2013~~ 2014.

- 117.26** **DELETE** (Frequent Flyer Premiums) Directs state employees to select airlines based on cost and time criteria rather than frequent flyer premiums; directs agencies to ensure that employees who earn frequent flyer premiums while traveling on state business use the premiums to reduce future business travel costs.
SUBCOMMITTEE RECOMMENDATION: DELETE proviso.

~~**117.26.** (GP: Frequent Flyer Premiums) State agencies and employees shall select air carriers based on cost and time criteria, not on whether frequent flyer premiums are given. State agencies should ensure that employees earning frequent flyer premiums while traveling on state business use them to reduce the cost of subsequent business travel whenever possible.~~

- 117.34** **DELETE** (Menu Option Telephone Answering Devices) Prohibits agencies using telephone answering device unless the caller can access a non-electronic attendant during business hours.
SUBCOMMITTEE RECOMMENDATION: DELETE proviso.

~~**117.34.** (GP: Menu Option Telephone Answering Devices) From the funds appropriated to state agencies, state agencies and their departments shall not expend funds for any type of menu option telephone answering device, unless the menu option system provides the caller with access to a non-electronic attendant or automatically transfers the caller to a non-electronic attendant. This requirement applies during the hours of 8:30 a.m. until 5:00 p.m., Monday through Friday, excluding holidays. This requirement does not apply to integrated voice response systems that are specifically designed to exclude human interaction. No additional personnel may be hired to implement the requirements of this provision.~~

- 117.67** **DELETE** (CID & PCC Agency Head Salaries) Directs that all hiring salaries and salary increases for the Commission on Indigent Defense and Prosecution Coordination Commission agency heads are subject to all provisions related to the Agency Head Salary Commission.
SUBCOMMITTEE RECOMMENDATION: DELETE proviso.

~~**117.67.** (GP: CID & PCC Agency Head Salaries) All hiring salaries and salary increases for the agency heads of the Commission on Indigent Defense and the Prosecution Coordination Commission shall be subject to all provisions related to agency heads covered by the Agency Head Salary Commission.~~

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117.86 AMEND (Deficit Monitoring) Provides procedures for the State Budget Division regarding quarterly deficit monitoring.

SUBCOMMITTEE RECOMMENDATION: AMEND proviso to direct that it is the responsibility of each state agency, department and institution to operate within its authorized appropriations and they are to manage their appropriations in such a way as to avoid an operating deficit.

117.86. (GP: Deficit Monitoring) *It is the responsibility of each state agency, department, and institution to operate within the limits of its authorized appropriations. All agencies, departments, and institutions are to budget, allocate and manage its authorized appropriations in a way to avoid an operating deficit for the fiscal year.* If at the end of each quarterly deficit monitoring review by the State Budget Division, it is determined by either the State Budget Division or an agency that the likelihood of a deficit for the current fiscal year exists, the agency shall submit to the State Budget Division within fourteen days, a plan to minimize or eliminate the projected deficit. After submission of the plan, if it is determined that the deficit cannot be eliminated by the agency on its own, the agency is required to officially notify the Budget and Control Board within thirty days of such determination that the agency is requesting that a deficit be recognized. Once a deficit has been recognized by the Budget and Control Board, the agency shall limit travel and conference attendance to the minimum required to perform the core mission of the agency. In addition, the board when recognizing a deficit may direct that any pay increases and purchases of equipment and vehicles shall be approved by the State Budget Division.

117.112 DELETE/MOVE (Annual Audit of Court Fees and Fines Reports) Requires the State Auditor conduct a minimum of 15 audits of local jurisdictions annually, or the maximum number or audits that can be performed with \$250,000 received annually from the State Treasurer for that purpose, and report whether or not fees and fines are being properly collected and remitted to the State Treasurer for distribution to various agencies as required by statute. Prohibits these funds from being used for any other purpose. Directs the funds to be carried forward and used for the same purpose. Requires the State Auditor to annually report to the Senate Finance Committee and the House Ways and Means Committee its findings of the jurisdictions audited.
SUBCOMMITTEE RECOMMENDATION: DELETE proviso. *Moved to State Auditor's Section 102.*

117.112. (GP: Annual Audit of Court Fees and Fines Reports) ~~The State Auditor is required to perform a minimum of fifteen (15) audits annually of county treasurers, municipal treasurers, county clerks of court, magistrates and/or municipal courts as required by Section 14-1-210 of the 1976 Code and allowed by Proviso 118.4 of this act; however, the State Auditor shall not be required to spend more than the annual amount of \$250,000, received from the State Treasurer to conduct the said audits pursuant to Section 14-1-210 of the 1976 Code. The State Auditor shall consult with the State Treasurer to determine the jurisdictions to be audited in the current fiscal year. Jurisdictions may be selected randomly or based on an instance in the current or previous fiscal year of failing to report, incorrectly reporting or under remitting amounts owed. The funds transferred to the State Auditor by the State Treasurer shall not be used for any purpose other than to conduct the described audits and report whether or not the assessments, surcharges, fees, fines, forfeitures, escheatments, or other monetary penalties imposed and/or mandated are properly collected and remitted to the State. Any unexpended balance on June thirtieth of the prior fiscal year shall be carried forward and must be expended for the same purpose during the current fiscal year. The State Auditor shall annually report by~~

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~~October 1 its findings of the jurisdictions audited to the Senate Finance Committee and the House Ways and Means Committee.~~

- 117.115 DELETE** (Aircraft Chartering Services Analysis) Directs the B&C Board to analyze the costs and benefits of selling the two King Air aircraft operated by the Division of Aeronautics and authorizing private chartering services for state officials and agencies to use to conduct official state business. Directs that the analysis be presented to the Governor and the General Assembly by January 1, 2014. Authorizes the B&C Board to sell the aircraft if the cost-benefit analysis justifies such sale.

SUBCOMMITTEE RECOMMENDATION: DELETE proviso. *Study has been completed.* Requested by Budget and Control Board.

~~**117.115.** (GP: Aircraft Chartering Services Analysis) The Budget and Control Board is directed to conduct an analysis to determine the costs and benefits of selling the following state owned aircraft operated by the Division of Aeronautics: Hawker Beechcraft King Air 350 and Hawker Beechcraft King Air C90; and authorizing private chartering services for use by state officials and state agencies to conduct the state's official business. This analysis must be presented to the Governor and General Assembly no later than January 1, 2014. The Budget and Control Board shall have the authority to sell the state owned aircraft if the cost benefit analysis justifies the sale.~~

- 117.mc ADD** (Magistrate Courts Jury Areas) **SUBCOMMITTEE RECOMMENDATION:** ADD new proviso to establish countywide jury areas for magistrate courts. Require DMV and the State Election Commission use their existing appropriations to develop and provide countywide jury lists in accordance with Section 14-7-130 [PREPARATION OF JURY LIST FROM ELECTRONIC FILE OF PERSONS HOLDING VALID SOUTH CAROLINA DRIVER'S LICENSE OR IDENTIFICATION CARD.] Direct that the lists be provided to the chief magistrate of each county without charge.

117.mc. (GP: Magistrate Courts Jury Areas) Jury areas for magistrate courts are established countywide, with the Department of Motor Vehicles and State Election Commission required to develop and provide countywide jury lists in accordance with Section 14-7-130 of the 1976 Code using their existing appropriations. The lists shall be provided to the chief magistrate for administration of each county without charge.

SECTION 118 - X91-STATEWIDE REVENUE

- 118.1 AMEND** (Year End Expenditures) Directs year-end expenditure deadlines.
SUBCOMMITTEE RECOMMENDATION: AMEND proviso to change fiscal year references from "2014" to "2015."

118.1. (SR: Year End Expenditures) Unless specifically authorized herein, the appropriations provided in Part IA of this act as ordinary expenses of the State Government shall lapse on July 31, 2014 2015. State agencies are required to submit all current fiscal year input documents and all electronic workflow for accounts payable transactions to the Office of Comptroller General by July 14, 2014 2015. Appropriations for Permanent Improvements, now outstanding or hereafter provided, shall lapse at the end of the second fiscal year in which such appropriations were provided, unless definite commitments shall have been made, with the approval of the Budget and Control Board and Joint Bond Review Committee, toward the accomplishment of the purposes for which the appropriations were provided. Appropriations

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for other specific purposes aside from ordinary operating expenses, now outstanding or hereafter provided, shall lapse at the end of the second fiscal year in which such appropriations were provided, unless definite commitments shall have been made, with the approval of the Budget and Control Board, toward the accomplishment of the purposes for which the appropriations were provided.

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