**A** **BILL**

TO AMEND SECTION 11‑11‑310, AS AMENDED, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO THE GENERAL RESERVE FUND, SO AS TO MAKE CONFORMING AMENDMENTS TO REFLECT AN INCREASE IN THE AMOUNT REQUIRED TO BE HELD IN THE GENERAL RESERVE FUND PURSUANT TO THE CONSTITUTION OF THIS STATE TO REFLECT GENERAL OBLIGATION BOND DEBT SERVICE AND THE RATE OF REPLENISHMENT OF THAT AMOUNT.

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

SECTION 1. Section 11‑11‑310 of the 1976 Code, as last amended by Act 385 of 1988, is further amended to read:

“Section 11‑11‑310. (A) The State Budget and Control Board shall provide for a General Reserve Fund. Funds accumulating in excess of the annual operating expenditures must be transferred to the General Reserve Fund and the transfer must continue to be made in succeeding fiscal years until the accumulated total in this reserve reaches an amount equal to three percent, or the higher percentage required to reflect additional general obligation bond debt service pursuant to Section 36, Article III of the Constitution of this State, of the general fund revenue of the latest completed fiscal year.

(B) If there is a year‑end operating deficit, so much of the General Reserve Fund as is necessary must be used to cover the deficit. The amount so applied must be restored to the General Reserve Fund out of future revenues as provided in Section 36 of Article III of the Constitution of this State and out of funds accumulating in excess of annual operating expenditures as provided in this section until the three or higher percent maximum, required pursuant to Section 36, Article III of the Constitution of this State, is again reached and actually maintained.”

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

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