**A** **BILL**

TO AMEND ARTICLE 1, CHAPTER 9, TITLE 11, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO STATE FINANCES GENERALLY, BY ADDING SECTION 11-9-60, SO AS TO DEFINE “TRUST FUND” AND “UNRESTRICTED FUND”; AND TO PROVIDE THAT ALL FUNDS MUST BE DESIGNATED BY JULY 1, 2012, AS A TRUST FUND OR UNRESTRICTED FUND; AND TO REQUIRE THAT TRUST FUNDS MUST BE USED AS SET FORTH IN STATUTE UNLESS THE GENERAL ASSEMBLY APPROVES BY A TWO-THIRDS VOTE IN EACH HOUSE TO USE THE FUNDS FOR A DIFFERENT PURPOSE.

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

SECTION 1. Article 1, Chapter 9, Title 11 of the 1976 Code is amended by adding:

“Section 11‑9‑60. (A) For purposes of this section, ‘trust fund’ means any account significantly limited by statute to fund a specific purpose or program; and ‘unrestricted fund’ means any account for which no significant stipulation was made as to the purpose for which the funds should be expended.

(B) Prior to July 1, 2012, the Comptroller General must designate all state government accounts as either a trust fund or an unrestricted fund. If an account is not specifically designated by July 1, 2012, such fund will be designated as a trust fund and subject to the limitations contained in Subsection (C).

(C) All accounts designated as trust funds must be used as set forth in statute unless the General Assembly approves by a two‑thirds vote in each house to use the funds for a different purpose.”

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

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