**A** **BILL**

TO AMEND THE CODE OF LAWS OF SOUTH CAROLINA, 1976, BY ADDING SECTION 11‑11‑245 SO AS TO REQUIRE THE OFFICE OF ECONOMIC RESEARCH TO REVIEW EACH EARMARK AND RESTRICTED SUBFUND ACCOUNT, TO PROVIDE FOR THE SCOPE OF THE REVIEW, AND TO REQUIRE EACH STATE AGENCY TO REMIT TO THE GENERAL FUND OF THIS STATE THE BALANCE OF EACH EARMARKED AND SUBFUND CARRY‑FORWARD ACCOUNT IN EXCESS OF TWENTY FIVE PERCENT OF THE PREVIOUS YEAR’S EXPENDITURES FROM EACH SUBFUND ACCOUNT.

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

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

“Section 11‑11‑245. (A) The Budget and Control Board, Office of State Budget, annually shall review each earmarked and restricted subfund account of each state agency. The review must determine:

(1) the year‑end account balances for the previous five fiscal years;

(2) the sources of funding of each subfund account;

(3) the authorization of each source of funding;

(4) allowable expenditures pursuant to the authorization of the sources of funding;

(5) whether expenditures from the accounts are consistent with the purposes set forth in the authorization; and

(6) the history, and any amendments, to the authorization.

(B) The Office of State Budget shall submit a report to the General Assembly detailing the findings of its review by February first of each year. The House Ways and Means Committee and the Senate Finance Committee shall review the report to determine if excess funds have accumulated in the subfund accounts before reporting on the annual appropriations bill.

(C) Notwithstanding any other provision of law, and subject to action by the General Assembly, beginning July 1, 2011, and every July first thereafter, each state agency must remit to the general fund of this State the balance of each earmarked and subfund carry‑forward account in excess of twenty five percent of the previous year’s expenditures from each subfund account.”

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

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