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COMMITTEE REPORT

March 29, 2017

**H. 3895**

Introduced by Rep. Herbkersman

S. Printed 3/29/17--H.

Read the first time March 7, 2017.

**THE COMMITTEE ON WAYS AND MEANS**

To whom was referred a Bill (H. 3895) to amend Articles 9 and 11 of Chapter 9, Title 11, Code of Laws of South Carolina, 1976, relating to revenue and fiscal affairs, so as to reorganize, etc., respectfully

**REPORT:**

That they have duly and carefully considered the same and recommend that the same do pass:

W. BRIAN WHITE for Committee.

**STATEMENT OF ESTIMATED FISCAL IMPACT**

**Explanation of Fiscal Impact**

**Introduced on March 7, 2017**

**State Expenditure**

The bill amends various statues affecting the Revenue and Fiscal Affairs Office (RFA) to clarify the organization, structure, and duties of the RFA board and realign the attribution of responsibilities from subsections of the office to RFA. The bill transfers responsibility for fiscal impact analysis of any bill that mandates health coverage or offering of health insurance coverage from RFA to the Department of Insurance. The bill also makes changes to the makeup of the South Carolina 911 Advisory Committee and the Data Oversight Council and repeals various code sections.

**Department of Insurance.** Section 3 transfers responsibility for fiscal impact analysis of any bill or resolution that mandates health coverage or offering of health insurance coverage from RFA to the Department of Insurance (DOI). Currently, RFA relies on DOI’s technical expertise and must request the analysis from the department to complete these fiscal impacts. If DOI contracts for an actuarial analysis to provide input to RFA, the analysis does increase the department’s expenditures. These expenditures are incurred at the discretion of DOI and are dependent upon available funds. Over the past several years, an average of approximately one such analysis per year has been conducted by DOI. As such, transferring this responsibility to DOI is not expected to impact expenditures for the agency. If more analyses, however, are conducted in the future, then DOI is expected to experience an increase in cost.

**Revenue and Fiscal Affairs.** Section 2 of the bill makes changes to references of subsections of the office, clarifies the organizational structure to reflect the operations of the agency, and further delineates the responsibilities and duties attributable to the agency. These changes reflect the operations and responsibilities of the agency as they exist. Therefore, these clarifications do not impact operations and have no impact on agency expenditures.

Section 3 transfers responsibility for fiscal impact analysis of any bill or resolution that mandates health coverage or offering of health insurance coverage from RFA to the Department of Insurance (DOI). Currently, RFA relies on the technical expertise and analysis of DOI for these fiscal impacts. RFA staff time would be allocated to other fiscal impacts, and therefore, this provision is not expected to impact expenditures.

Section 4 of the bill amends Section 4-10-790 to require the Department of Revenue (DOR) to provide sales tax data on gross receipts, net taxable sales, and tax liability to the State Treasurer and local political subdivisions upon request in order to calculate revenue from a local option sales tax. RFA will provide technical assistance to the local governments in calculating potential revenue distributions. This section realigns the responsibilities such that DOR provides the necessary tax data, which they collect and maintain, and RFA provides technical assistance as requested. These changes reflect the current operations of each agency, and therefore, do not impact expenditures.

Section 5 changes the due date for counties and municipalities to submit financial data to RFA from January fifteenth to March fifteenth and corrects an agency reference so that RFA notifies the State Treasurer of jurisdictions who have failed to file as opposed to the Comptroller General. RFA currently provides notification to both agencies since this section requires RFA to notify the Comptroller General, while the State Treasurer manages the funds. This change would streamline the process and reduce unnecessary duplications. This would result in a minimal reduction in staff time, which will be reallocated to other responsibilities. As such, this section has no impact on agency expenditures.

Section 6 codifies Proviso 102.7 to change the membership of the South Carolina 911 Advisory Committee. The bill removes the ex officio appointment of a director of a division of the Department of Administration and adds an individual with the technical or operational knowledge of E-911 systems appointed by the Executive Director of RFA. The section also permits the Executive Director to appoint a designee to serve on the committee. As Proviso 102.7 of the appropriations act specifies these changes to the committee membership, the bill does not operationally change the composition of the committee.

Section 7 changes the membership of the Data Oversight Council. The section deletes the appointment of a representative from the Human Services Coordinating Council and the chairman or his designee of the State Health Planning Committee. These entities no longer exist and therefore do not have representatives serving on the council.

Section 9 repeals Section 1-11-360 as the requirements of this section are contained in Section 11-9-850. The bill repeals Section 2-7-62, which provides for a report on transfers of funds resulting from transfers of responsibilities between agencies during consideration of the general appropriation act. Responsibility for this report was transferred to RFA’s predecessor from the State Auditor’s Office in 1981 and has never been requested. Section 44-6-175 requiring hospitals to provide copies of Medicaid Cost Reports to RFA is repealed as these reports are available online. Section 48-22-20 which contains language from the transfer of the State Geological Survey to the Department of Natural Resources in 1993 is repealed. Repealing these sections does not impact agency responsibilities, and therefore, is not expected to impact expenditures.

**Local Expenditure**

Section 5 changes the due date for counties and municipalities to submit financial data to RFA from January fifteenth to March fifteenth. This change is in response to requests by counties and municipalities to allow sufficient time for audits to be completed before the report is due. RFA has granted an extension to March fifteenth in recent years to all counties and municipalities to assist them in completing the report on time. As such, codifying the change in due date is not expected to impact local expenditures.

Frank A. Rainwater, Executive Director

Revenue and Fiscal Affairs Office

**A** **BILL**

TO AMEND ARTICLES 9 AND 11 OF CHAPTER 9, TITLE 11, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO REVENUE AND FISCAL AFFAIRS, SO AS TO REORGANIZE THE ARTICLES, TO ELIMINATE CERTAIN DIVISIONS, AND TO MAKE CONFORMING CHANGES; TO AMEND SECTIONS 2‑7‑71 AND 2‑7‑78, RELATING TO CERTAIN IMPACT STATEMENTS, SO AS TO REQUIRE THE STATEMENTS TO BE CERTIFIED BY THE EXECUTIVE DIRECTOR OF THE REVENUE AND FISCAL AFFAIRS OFFICE; TO AMEND SECTION 2‑7‑73, AS AMENDED, RELATING TO HEALTH COVERAGE IMPACT STATEMENTS, SO AS TO REQUIRE THE DEPARTMENT OF INSURANCE TO CONDUCT THE ANALYSIS; TO AMEND SECTION 4‑10‑790, RELATING TO DISTRIBUTIONS FROM A LOCAL OPTION SALES AND USE TAX, SO AS TO REQUIRE THE DEPARTMENT OF REVENUE TO FURNISH DATA TO THE STATE TREASURER, AND TO REQUIRE THE REVENUE AND FISCAL AFFAIRS OFFICE TO PROVIDE CERTAIN ASSISTANCE; TO AMEND SECTION 6‑1‑50, AS AMENDED, RELATING TO FINANCIAL REPORTS FROM COUNTIES AND MUNICIPALITIES, SO AS TO DELAY THE REPORTS UNTIL MARCH FIFTEENTH; TO AMEND SECTION 23‑47‑65, AS AMENDED, RELATING TO THE SOUTH CAROLINA 911 ADVISORY COMMITTEE, SO AS TO ALLOW THE EXECUTIVE DIRECTOR OF THE REVENUE AND FISCAL AFFAIRS OFFICE TO APPOINT A MEMBER; TO AMEND SECTIONS 27‑2‑85 AND 27‑2‑95, RELATING TO THE SOUTH CAROLINA GEODETIC SURVEY, SO AS TO DELETE OBSOLETE REFERENCES; TO AMEND SECTION 44‑6‑170, RELATING TO THE DATA OVERSIGHT COUNCIL, SO AS TO DELETE OBSOLETE REFERENCES, AND TO REVISE THE COMPOSITION OF THE COUNCIL; TO AMEND SECTION 44‑6‑5, RELATING TO THE DEPARTMENT OF HEALTH AND HUMAN SERVICES, SO AS TO DELETE AN OBSOLETE REFERENCE; TO REDESIGNATE CERTAIN SECTIONS OF THE CODE; AND TO REPEAL SECTIONS 1‑11‑360, 2‑7‑62, 44‑6‑175, AND 48‑22‑20 ALL RELATING TO THE DUTIES OF THE REVENUE AND FISCAL AFFAIRS OFFICE.

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

SECTION 1. The following provisions of Articles 9 and 11 of Chapter 9, Title 11 are redesignated as follows:

Section 11‑9‑820 is redesignated Section 11‑9‑1110

Section 11‑9‑825 is redesignated Section 11‑9‑870

Section 11‑9‑840 is redesignated Section 11‑9‑1120

Section 11‑9‑850 is redesignated Section 11‑9‑880

Section 11‑9‑860 is redesignated Section 11‑9‑890

Section 11‑9‑870 is redesignated Section 11‑9‑895

Section 11‑9‑880 is redesignated Section 11‑9‑1130

Section 11‑9‑890 is redesignated Section 11‑9‑1140

Section 11‑9‑1110 is redesignated Section 11‑9‑840

Section 11‑9‑1130 is redesignated Section 11‑9‑850

Section 11‑9‑1140 is redesignated Section 11‑9‑860

SECTION 2. A. Articles 9 and 11 of Chapter 9, Title 11 of the 1976 Code, as redesignated pursuant to SECTION 1 of this act, are amended to read:

“Article 9

Revenue and Fiscal Affairs

~~Projecting and Forecasting State Revenues and Expenditures~~

Section 11‑9‑805. For purposes of this article:

(1) ‘Executive director’ means the Executive Director of the Revenue and Fiscal Affairs Office.

(2) ‘Office’ means the Revenue and Fiscal Affairs Office.

Section 11‑9‑810. The General Assembly finds and declares that the present system of advising the Governor and the State Fiscal Accountability Authority and General Assembly on economic trends has, at times, developed in a fragmented manner, and that a unified system of dealing with the collection, analysis, interpretation, and presentation of matters relative to the economy is urgently needed for the orderly development of projections and forecasts as relates to revenues and expenditures for a specified period of time. It is the purpose of this provision to establish an organizational and procedural framework governing formulation, evaluation and continuing review of all state revenues and expenditures for all state programs; and to establish general policy governing the administration of the ~~Office of The~~ Board of Economic Advisors and the Revenue and Fiscal Affairs Office.

Section 11‑9‑820. The duties of the office are set forth in Subarticles 1 and 2.

Subarticle 1

Duties of the Office

Section 11‑9‑830. In order to provide a more effective system of providing advice to the Governor and the General Assembly on economic trends, the ~~Board of Economic Advisors~~ Revenue and Fiscal Affairs Office shall:

(1) compile and maintain in a unified, concise, and orderly form information about total revenues and expenditures which involve the funding of state government operations, revenues received by the State which comprise general revenue sources of all receipts to include amounts borrowed, federal grants, earnings, and the various activities accounted for in other funds;

(2) continuously review and evaluate total revenues and expenditures to determine the extent to which they meet fiscal plan forecasts/projections;

(3) evaluate federal revenues in terms of impact on state programs;

(4) compile economic, social, and demographic data for use in the publishing of economic scenarios for incorporation into the development of the state budget;

(5) bring to the attention of the Governor and the General Assembly the effectiveness, or lack thereof, of the economic trends and the impact on statewide policies and priorities;

(6) establish liaison with the Congressional Budget Office and the Office of Management and Budget at the national level.

~~Article 11~~

~~Revenue and Fiscal Affairs Office~~

Section 11‑9‑840. (A) There is established the Revenue and Fiscal Affairs Office to be governed by the three appointed members of the Board of Economic Advisors pursuant to Section 11‑9‑1110. ~~The office is comprised of the Board of Economic Advisors, Office of Research and Statistics, and the Office of State Budget.~~ The three appointed members of the board shall unanimously select an Executive Director of the Revenue and Fiscal Affairs Office who shall serve a four‑year term. The executive director only may be removed for malfeasance, misfeasance, incompetency, absenteeism, conflicts of interest, misconduct, persistent neglect of duty in office, or incapacity as found by the board. The executive director shall have the authority and perform the duties prescribed by law and as may be directed by the board. The functions of the office must be performed, exercised, and discharged under the supervision and direction of the board. The board may organize its staff as it considers appropriate to carry out the various duties, responsibilities, and authorities assigned to it ~~and to its various divisions~~ without the requirement of establishing separate divisions. The board may delegate to one or more officers, agents, or employees the powers and duties it determines are necessary for the effective and efficient operation of the office.

(B) The Department of Administration shall provide such administrative support to the Revenue and Fiscal Affairs Office ~~or any of its divisions or components~~ as they may request and require in the performance of their duties including, but not limited to, financial management, human resources management, information technology, procurement services, and logistical support.

~~Section 11‑9‑1120.~~ ~~The Board of Economic Advisors division of the office shall maintain the organizational and procedural framework under which it is operating, and exercise its powers, duties, and responsibilities, as of the effective date of this section.~~

Section 11‑9‑850. ~~(A)~~ ~~The Office of Research and Statistics must be comprised of an Economic Research division and an Office of Precinct Demographics division.~~

~~(B~~) ~~The Economic Research division shall maintain the organizational and procedural framework under which it is operating, and exercise its powers, duties, and responsibilities, as of the effective date of this section.~~

~~(C)~~ ~~The Office of Precinct Demographics shall:~~ The office shall:

(1) review existing precinct boundaries and maps for accuracy and develop and rewrite descriptions of precincts for submission to the legislative process;

(2) consult with members of the General Assembly or their designees on matters related to precinct construction or discrepancies that may exist or occur in precinct boundary development in the counties they represent;

(3) develop a system for originating and maintaining precinct maps and related data for the State;

(4) represent the General Assembly at public meetings~~, meetings with members of the General Assembly,~~ and meetings with other state, county, or local governmental entities on matters related to precincts;

(5) represent the office at public meetings, meetings with members of the General Assembly, and meetings with other state, county, or local governmental entities on matters related to precincts;

(6) assist the appropriate county officials in the drawing of maps and writing of descriptions or precincts preliminary to these maps and descriptions being filed in this office for submission to the United States Department of Justice;

~~(6)~~(7) coordinate with the Census Bureau in the use of precinct boundaries in constructing census boundaries and the identification of effective uses of precinct and census information for planning purposes; ~~and~~

~~(7)~~(8) serve as a focal point for verifying official precinct information for the counties of South Carolina; and

(9) consult with and provide assistance to the General Assembly on redistricting and reapportionment matters relating to any subdivision of the State.

Section 11‑9‑860. ~~The Office of State Budget division of the office shall maintain the organizational and procedural framework under which it is operating, and exercise its powers, duties, and responsibilities, as of the effective date of this section.~~ The office shall assist the General Assembly with the development of the annual general appropriations act.

Section 11‑9‑870. The staff of the ~~Board of Economic Advisors~~ office must be supplemented by the following officials who each shall designate one professional from their individual staffs to assist the ~~BEA~~ RFA staff on a regular basis: the Governor, the Chairman of the House Ways and Means Committee, the Chairman of the Senate Finance Committee, and the State Department of Revenue director. The ~~BEA~~ RFA staff shall meet monthly with these designees in order to solicit their input on BEA forecasts and monthly revenue analysis.

Section 11‑9‑880. Information contained in any economic report, scenario, forecast, or projection relating to the State Treasurer’s office must be verified by the State Treasurer ~~prior to~~ before announcement.

Section 11‑9‑890. Expenditure schedules used in conjunction with any economic announcements must be verified by the Comptroller General ~~prior to~~ before publication.

Section 11‑9‑895. The State Fiscal Accountability Authority shall insure an orderly transfer of funds between offices to provide for the execution of this ~~section~~ subarticle.

Subarticle 2

Projecting and Forecasting State Revenues and Expenditures

Section 11‑9‑1110. (A)(1) There is created the Board of Economic Advisors~~, a division of the Revenue and Fiscal Affairs Office,~~ as follows:

(a) one member, appointed by, and serving at the pleasure of the Governor, who shall serve as chairman and shall receive annual compensation of ten thousand dollars;

(b) one member appointed by, and serving at the pleasure of the Chairman of the Senate Finance Committee, who shall receive annual compensation of eight thousand dollars;

(c) one member appointed by, and serving at the pleasure of the Chairman of the Ways and Means Committee of the House of Representatives, who shall receive annual compensation of eight thousand dollars;

(d) the Director of the Department of Revenue, who shall serve ex officio, with no voting rights.

(2) The Revenue and Fiscal Affairs Office shall provide for the staffing and administrative support of the board. ~~The board shall unanimously select an Executive Director of the Revenue and Fiscal Affairs Office who shall serve a four‑year term. The executive director only may be removed for malfeasance, misfeasance, incompetency, absenteeism, conflicts of interest, misconduct, persistent neglect of duty in office, or incapacity as found by the board. The executive director shall have the authority and perform the duties prescribed by law and as may be directed by the board.~~

(B) The chairman of the board ~~of Economic Advisors~~ shall report directly to the Governor, the Chairman of the Senate Finance Committee, and the Chairman of the House Ways and Means Committee to establish policy governing economic trend analysis. The ~~Board of Economic Advisors~~ office shall provide for ~~its~~ the staffing and administrative support of the board from funds appropriated by the General Assembly.

(C) The executive director ~~of the Revenue and Fiscal Affairs Office~~ shall assist the Governor, chairman of the board ~~of Economic Advisors~~, Chairman of the Senate Finance Committee, and Chairman of the Ways and Means Committee of the House of Representatives in providing an effective system for compiling and maintaining current and reliable economic data. The office, upon approval by the board, ~~of Economic Advisors~~ may establish an advisory board to assist in carrying out its duties and responsibilities. All state agencies, departments, institutions, and divisions shall provide the information and data the advisory board requires. The board ~~of Economic Advisors~~ is considered a public body for purposes of the Freedom of Information Act, pursuant to Section 30‑4‑20(a).

(D) The Department of Commerce shall provide to the ~~Board of Economic Advisors~~ office by November tenth the public document prepared pursuant to Section 12‑10‑100(C) itemizing each revitalization agreement concluded during the previous calendar year. The Department of Revenue shall provide to the ~~Board of Economic Advisors~~ office by November tenth a report of the amount of each tax credit claimed in the previous tax year pursuant to Title 12. The report must list individually the amount claimed and the number of filings for each tax credit. The Department of Revenue also must provide to the ~~Board of Economic Advisors~~ office by November tenth ~~magnetic tapes~~ data files containing data from all state individual and corporate income tax filings from the previous tax year, excluding confidential identifying information.

Section 11‑9‑1120. (A) In the organizational and procedural framework governing the formulation, evaluation, and continuing review of revenues and expenditures, any appropriate governmental entity identifying or requesting a change in the official revenue and expenditure forecast or projection, for a specified period of time, shall first notify the office of the Chairman of the Board of Economic Advisors who must bring it to the attention of the Governor before any independent adjustment in the appropriations or requests of the revenue or expenditures for a particular year. The Ways and Means Committee in the House of Representatives and the Senate Finance Committee must be the first to be notified subsequent to notifying the Governor and must be informed simultaneously.

(B) The Board of Economic Advisors shall meet on a quarterly basis and at the call of the Governor, the General Assembly, the chairman of the board, or at the request of any member of the board who believes a meeting is necessary due to existing financial circumstances.

(C) The Board of Economic Advisors is the official voice of the State in economic matters and shall speak as one voice through the guidance and direction of the chairman. Individual members shall not speak or report individually on findings and status of economic ~~developments~~ activity.

Section 11‑9‑1130. (A) The Board of Economic Advisors shall make an initial forecast of economic conditions in the State and state revenues for the next fiscal year no later than November tenth of each year. Adjustments to the forecast must be considered on December tenth and February fifteenth. A final forecast for the next fiscal year must be made on April tenth. However, ~~prior to~~ before June thirtieth, the board may reduce forecasts for the next fiscal year as it considers necessary. Before making or adjusting any forecast, the board must consult with outside economic experts with respect to national and South Carolina economic business conditions. All forecasts and adjusted forecasts must contain:

(1) a brief description of the economic model and all assumptions and basic decisions underlying the forecasts;

(2) a projection of state revenues on a quarterly basis;

(3) separate discussions of any industry which employs more than twenty percent of the state’s total nonagricultural employment and separate projections for these industries.

(B) In addition to fulfilling its economic and revenue forecasting responsibilities for future fiscal years, the board at each session shall monitor and review the flow of revenue for the current fiscal year in comparison to current year revenue estimates. If actual revenue collections represent an overall shortfall for any quarter of over one and one‑half percent of projected revenue collections for that quarter, a synopsis must be prepared which shall include a detailed analysis of the factors contributing to the shortfall, the impact of the shortfall for the present fiscal year, a projection of whether the shortfall will be compensated for in the remaining quarters of the present fiscal year, and the impact of the shortfall on revenue estimates for the ensuing fiscal year. In addition, a similar detailed synopsis must be provided if a shortfall of one and one‑half percent or more is experienced in any of the following individual revenue categories: sales and use taxes, individual income taxes, corporate income taxes, taxes on insurance premiums including workers’ compensation insurance, and earnings on investments.

(C) All forecasts, adjusted forecasts, and reports of the Board of Economic Advisors, including the synopsis of the current year’s review as required by subsection (B), must be published and reported to the Governor, the members of the General Assembly, and made available to the news media.

Section 11‑9‑1140. ~~A.~~ (A) ~~Beginning August 15, 1986, the Board of Economic Advisors shall delineate the official fiscal year 1986‑87 revenue estimates by quarters.~~ In all ~~subsequent~~ revenue estimates made under the provisions of Section 11‑9‑880, the Board of Economic Advisors shall incorporate quarterly revenue estimates within the annual revenue estimate.

~~B.~~ (B)(1) If at the end of the first, second, or third quarter of any fiscal year the Board of Economic Advisors reduces the revenue forecast for the fiscal year by three percent or less below the amount projected for the fiscal year in the forecast in effect at the time the general appropriations bill for the fiscal year is ratified, within three days of that determination, the Director of the Executive Budget Office must reduce general fund appropriations by the requisite amount in the manner prescribed by law. Upon making the reduction, the Director of the Executive Budget Office immediately must notify the State Treasurer and the Comptroller General of the reduction, and upon notification, the appropriations are considered reduced. No agencies, departments, institutions, activity, program, item, special appropriation, or allocation for which the General Assembly has provided funding in any part of this section may be discontinued, deleted, or deferred by the Director of the Executive Budget Office. A reduction of rate of expenditure by the Director of the Executive Budget Office, under authority of this section, must be applied as uniformly as shall be practicable, except that no reduction must be applied to funds encumbered by a written contract with the agency, department, or institution not connected with state government.

(2) If at the end of the first, second, or third quarter of any fiscal year the Board of Economic Advisors reduces the revenue forecast for the fiscal year by more than three percent below the amount projected for the fiscal year in the forecast in effect at the time the general appropriations bill for the fiscal year is ratified, the President Pro Tempore of the Senate and the Speaker of the House of Representatives may call each respective house into session to take action to avoid a year‑end deficit. If the General Assembly has not taken action within twenty days of the determination of the Board of Economic Advisors, the Director of the Executive Budget Office must reduce general fund appropriations by the requisite amount in the manner prescribed by law and in accordance with item (1).”

SECTION 3. A. Section 2‑7‑71 of the 1976 Code is amended to read:

“Section 2‑7‑71. When a bill relating to state taxes is reported out of a standing committee of the Senate or House of Representatives for consideration, there must be attached and printed as a part of the committee report a statement of the estimated revenue impact of the bill on the finances of the State certified by the ~~Board of Economic Advisors~~ Executive Director of the Revenue and Fiscal Affairs Office, or his designee. As used in this section ‘statement of estimated revenue impact’ means the consensus of the persons executing the required statement as to the increase or decrease in the net tax revenue to the State if the bill concerned is enacted by the General Assembly. In preparing a statement, the ~~Board of Economic Advisors~~ Revenue and Fiscal Affairs Office may request technical advice of the Department of Revenue.”

B. Section 2‑7‑73(A) of the 1976 Code, as last amended by Act 121 of 2014, is amended further to read:

“(A) Any bill or resolution which would mandate a health coverage or offering of a health coverage by an insurance carrier, health care service contractor, or health maintenance organization as a component of individual or group policies, must have attached to it a statement of the financial impact of the coverage, according to the guidelines enumerated in subsection (B). This financial impact analysis must be conducted by the ~~Revenue and Fiscal Affairs Office~~ Department of Insurance and signed by an authorized agent of the Department of Insurance, or his designee. The statement required by this section must be delivered to the Senate or House committee to which any bill or resolution is referred, within thirty days of the written request of the chairman of such committee.”

C. Section 2‑7‑78 of the 1976 Code is amended to read:

“Section 2‑7‑78. This section applies to the annual appropriation recommendation of the Governor and to the report of the conference committee on the annual general appropriations bill. A provision offered for inclusion in the annual general appropriations bill by amendment or otherwise, by the Governor, or which increases or decreases the most recent official projection of general fund revenues of the Board of Economic Advisors must not be included in the bill or recommendation unless the revenue impact is certified by the ~~board~~ Executive Director of the Revenue and Fiscal Affairs Office, or his designee. Changes to the official general fund revenue estimate as a result of the provision may not exceed the amounts certified by the board. The requirements of this section are in addition to the other provisions of law regarding fiscal impact statements.”

SECTION 4. Section 4‑10‑790 of the 1976 Code, as added by Act 388 of 2006, is amended to read:

“Section 4‑10‑790. The ~~Revenue and Fiscal Affairs Office~~ Department of Revenue shall furnish data to the State Treasurer and to the applicable political subdivisions receiving revenues for the purpose of calculating distributions and estimating revenues. The information that must be supplied to political subdivisions upon request includes, but is not limited to, gross receipts, net taxable sales, and tax liability by taxpayers. Information about a specific taxpayer is considered confidential and is governed by the provisions of Section 12‑54‑240. A person violating this section is subject to the penalties provided in Section 12‑54‑240. The Revenue and Fiscal Affairs Office shall provide technical assistance to the applicable political subdivisions receiving revenues for the purpose of calculating distributions and estimating revenues.”

SECTION 5. Section 6‑1‑50 of the 1976 Code, as last amended by Act 57 of 2007, is further amended to read:

“Section 6‑1‑50. Counties and municipalities receiving revenues from state aid, currently known as Aid to Subdivisions, shall submit annually to the Revenue and Fiscal Affairs Office a financial report detailing their sources of revenue, expenditures by category, indebtedness, and other information as the Revenue and Fiscal Affairs Office requires. The Revenue and Fiscal Affairs Office shall determine the content and format of the annual financial report. The financial report for the most recently completed fiscal year must be submitted to the Revenue and Fiscal Affairs Office by ~~January~~ March fifteenth of each year. If an entity fails to file the financial report by ~~January~~ March fifteenth, then the chief administrative officer of the entity shall be notified in writing that the entity has thirty days to comply with the requirements of this section. The Director of the Revenue and Fiscal Affairs Office may, for good cause, grant a local entity an extension of time to file the annual financial report. Notification by the Director of the Revenue and Fiscal Affairs Office to the ~~Comptroller General~~ State Treasurer that an entity has failed to file the annual financial report thirty days after written notification to the chief administrative officer of the entity must result in the withholding of ten percent of subsequent payments of state aid to the entity until the report is filed. The Revenue and Fiscal Affairs Office is responsible for collecting, maintaining, and compiling the financial data provided by counties and municipalities in the annual financial report required by this section.”

SECTION 6. Section 23‑47‑65(A)(1) of the 1976 Code, as last amended by Act 135 of 2010, is further amended to read:

“(A)(1) The South Carolina 911 Advisory Committee is created to assist the Revenue and Fiscal Affairs Office in carrying out its responsibilities in implementing a wireless enhanced 911 system consistent with FCC Docket Number 94‑102. The committee ~~must be appointed by the Governor and~~ shall consist of: ~~a director of a division of the Department of Administration, ex officio~~ an individual with technical or operational knowledge of E‑911 systems who is appointed by the Executive Director of the Revenue and Fiscal Affairs Office; the Executive Director of the Revenue and Fiscal Affairs Office or his designee; two employees of CMRS providers licensed to do business in the State appointed by the Governor; two 911 system employees appointed by the Governor; and one employee of a telephone (local exchange access facility) service supplier licensed to do business in the State appointed by the Governor; and one consumer appointed by the Governor. Local governments and related organizations such as the National Emergency Number Association may recommend PSAP Committee members, and industry representatives may recommend wireline and CMRS Committee members to the Governor. There is no expense reimbursement or per diem payment from the fund created by the CMRS surcharge made to members of the committee.”

SECTION 7. Sections 27‑2‑85 and 27‑2‑95 of the 1976 Code, as added by Act 497 of 1994, are amended to read:

“Section 27‑2‑85. The South Carolina Geodetic Survey established within the ~~Office of Research and Statistics of the~~ Revenue and Fiscal Affairs Office shall establish horizontal and vertical geodetic control within the State at a density that effectively will provide land and land‑related items and records to be referenced to the national horizontal and vertical coordinate system, ensure the accuracy and integrity of new geodetic data entered into the state and national reference system, maintain geodetic files for the State, and disseminate geodetic information as necessary.

Section 27‑2‑95. To the extent possible, the South Carolina Geodetic Survey of the ~~Office of Research and Statistics of the~~ Revenue and Fiscal Affairs Office shall utilize the office’s responsibility of coordinating mapping activities in the State to ensure that mapping products are compatible with the South Carolina Coordinate System. As part of this activity, the office shall establish, develop, and promulgate standards for maps and map products to ensure quality, accuracy, and compatibility of mapping products, encourage the development of accurate mapping systems that are compatible with and suitable for incorporation into a standardized statewide mapping system, develop, maintain, and administer programs for funding qualified mapping projects, and serve as the focal point for federal, state, and local mapping programs and activities in South Carolina.”

SECTION 8. A. Section 44‑6‑170(A) and (B) of the 1976 Code is amended to read:

“(A) As used in this section:

(1) ‘Office’ means the ~~Office of Research and Statistics of the~~ Revenue and Fiscal Affairs Office.

(2) ‘Council’ means the Data Oversight Council.

(3) ‘Committee’ means the Joint Legislative Health Care Planning and Oversight Committee.

(B) There is established the Data Oversight Council comprised of:

(1) one hospital administrator;

(2) the chief executive officer or designee of the South Carolina Hospital Association;

(3) one physician;

(4) the chief executive officer or designee of the South Carolina Medical Association;

(5) one representative of major third party health care payers;

(6) one representative of the managed health care industry;

(7) one nursing home administrator;

(8) three representatives of nonhealth care‑related businesses;

(9) one representative of a nonhealth care‑related business of less than one hundred employees;

(10) the executive vice president or designee of the South Carolina Chamber of Commerce;

(11) a member of the Governor’s office staff;

~~(12)~~ ~~a representative from the Human Services Coordinating Council;~~

~~(13)~~(12) the director or his designee of the South Carolina Department of Health and Environmental Control;

~~(14)~~(13) the executive director or his designee of the State Department of Health and Human Services~~;~~

~~(15)~~ ~~the chairman or his designee of the State Health Planning Committee created pursuant to Section 44‑7‑180~~.

The members enumerated in items (1) through (10) must be appointed by the Governor for three‑year terms and until their successors are appointed and qualify; the remaining members serve ex officio. The Governor shall appoint one of the members to serve as chairman. The office shall provide staff assistance to the council.”

B. Section 44‑6‑170(H) of the 1976 Code is amended to read:

“(H) If a provider fails to submit the health care data as required by this section or Section 44‑6‑175 or regulations promulgated pursuant to those sections, the ~~Office of Research and Statistics~~ office may assess a civil fine of up to five thousand dollars for each violation, but the total fine may not exceed ten thousand dollars.”

C. Section 44‑6‑5(2) of the 1976 Code is amended to read:

“(2) ‘Office’ means the ~~Office of Research and Statistics of the~~ Revenue and Fiscal Affairs Office.”

SECTION 9. Sections 1‑11‑360, 2‑7‑62, 44‑6‑175, and 48‑22‑20 of the 1976 Code are repealed.

SECTION 10. The Code Commissioner is directed to change or correct all similar references in the 1976 Code to the “Office of Research and Statistics of the Revenue and Fiscal Affairs Office” to “the Revenue and Fiscal Affairs Office”.

SECTION 11. This act takes effect on July 1, 2017.

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