

SENATE AMENDMENT

AMENDMENT NO. _____

Moffitt/
September 11, 2020

ADOPTED	TABLED	CARRIED OVER	FAILED	RECONSIDERED
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Clerk of the Senate

ADOPTION NO. _____

BILL NO: H. 5201

(Reference is to 3/11/2020 -- H.)

The Committee on Finance proposed the following amendment (5201R008.KMM.HKL):

Amend the bill, as and if amended, by striking all after the enacting words and inserting:

/PART I

Funding the Ordinary Expenses of State Government

SECTION 1. (A)(1) The authority to pay the recurring expenses of state government for the remainder of Fiscal Year 2020-2021 continues at the level of amounts appropriated pursuant to Act 135 of 2020 except as provided in SECTION 2.

(2) The effective dates of Parts IA and IB of Act 91 of 2019, as extended by Act 135 of 2020, are further extended by this act until June 30, 2021. Appropriations made pursuant to this act are deemed to have been made pursuant to the general appropriations act for Fiscal Year 2020-2021.

(B) Notwithstanding debt service appropriations in Act 91 of 2019 and Act 135 of 2020, there is appropriated whatever amount is necessary for timely debt service on state obligations and other amounts constitutionally required to be appropriated, including the General Reserve Fund, the Capital Reserve Fund, and to conduct the 2020 General Elections, to include expenses to provide for protection of the health and safety of voters, poll workers, and employees of county election commissions. The General Reserve Fund is established in the amount required by law. The Executive Budget Office shall, in conjunction with the Comptroller General and the State Treasurer, implement the necessary and appropriate accounting transactions to implement the provisions in this paragraph.

SECTION 2. (A) Notwithstanding the level of recurring base appropriations as otherwise provided for in SECTION 1 of this act, appropriations for the following purposes are:

(1) Department of Education

State Aid to Classrooms.....\$50,000,000

(2) Aid to Subdivisions - State Treasurer

Local Government Fund.....\$11,687,035

(B) The Executive Budget Office is directed to make all necessary and appropriate adjustments to the chart of accounts to reflect the appropriations made pursuant to subsection (A).

(C) Funds appropriated in item (A)(1), State Aid to Classrooms, shall be distributed to school districts pursuant to the EIA Teacher Salary Supplement Methodology.

SECTION 3. (A) The revenue appropriated in subsection (B) is nonrecurring revenue from the following sources:

(1) FY 2018-19 Contingency Reserve Fund Balance.....\$103,451,091

(2) FY 2019-20 Undesignated/Unreserved Budgetary Fund Balance.....\$671,514,950

Total.....\$774,966,041

(B) The State Treasurer shall disburse the following appropriations by September 30, 2020, for the purposes stated:

(1) Department of Administration, Executive Budget Office

Agency Mid-Year Reduction Reserve Fund.....\$500,000,000

(2) Department of Administration

COVID-19 Response Reserve Account.....\$ 70,000,000

(3) Department of Corrections

Security and Safety Upgrades.....\$ 50,000,000

(4) Department of Education

SC Public Charter Schools.....\$ 34,000,000

(5) Department of Education

School Nurses.....\$ 6,000,000

- (6) Department of Parks, Recreation, and Tourism
 - Marketing Outreach for Statewide Tourism Recovery.....\$ 10,000,000
- (7) Department of Parks, Recreation, and Tourism
 - Marketing Grants for Tourism Recovery.....\$ 30,000,000
- (8) Department of Mental Health
 - State Veterans Nursing Home Construction - State Match - Central Region.....\$ 17,888,242
- (9) State Board for Technical and Comprehensive Education
 - readySC Workforce Training Program.....\$ 5,000,000
- (10) State Election Commission
 - Poll Workers - Additional Stipend.....\$ 4,159,050
- (11) Statewide Employee Benefits
 - COVID-19 Hazard Pay Bonus\$ 20,000,000

(C) There is created the Agency Mid-Year Reduction Reserve Fund to be administered by the Department of Administration, Executive Budget Office. If the Board of Economic Advisors reduces the revenue forecast for the fiscal year below the amount projected for the fiscal year in the forecast in effect on the date that this act becomes effective, then the Executive Budget Office must apply the funds appropriated in item (B)(1) to offset the shortfall. Upon the application of the funds to offset the shortfall, the Director of the Executive Budget Office immediately must notify the State Treasurer and the Comptroller General, and upon notification, the application of the funds is completed. 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. The application of funds to offset a shortfall by the Director of the Executive Budget Office, under authority of this subsection, must be applied as uniformly as 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. To the extent that funds are available, the provisions contained herein supersede the provisions contained in Section 11-9-1140 of the 1976 Code.

(D)(1) The Department of Parks, Recreation, and Tourism shall award at least \$5,000,000 in grants from the funds appropriated in item (B)(6) for Marketing Outreach for Statewide Tourism Recovery to support recovery through the Emerging Destination Marketing program and the Undiscovered SC program. The program match requirements for these

funds are suspended. The balance of the funds appropriated in item (B)(6) shall be used for advertising and marketing programs for increasing the number of people traveling within and to the State.

(2) The Department of Parks, Recreation, and Tourism shall distribute the funds appropriated in item (B)(7) as grants to the Destination Marketing Organizations located in the following five major tourism locations: Charleston, Columbia, Hilton Head Island, Greenville, and Myrtle Beach. The program match requirements for these funds are suspended.

(E)(1) Within ten days of the effective date of this act, the State Election Commission shall distribute funds appropriated in item (B)(10) to county election commissions to fund a one-time, supplemental one hundred seventy five dollar stipend for each person who serves as poll managers or clerks for the November 2020 General Election. The stipend provided for herein shall be paid to poll managers or clerks in addition to any other compensation received for their service.

(2) The Revenue and Fiscal Affairs Office shall determine the amount to be provided to each county election commission for the stipend by multiplying the weighted number of poll managers for each county by the amount of funds appropriated in item (B)(10). The weighted number of poll managers shall be determined as the maximum number of poll managers allowed per registered elector for each county polling place within the applicable county for a General Election pursuant to Section 7-13-72 of the 1976 Code, and proviso 102.2, as a ratio of the maximum number of poll managers allowed per registered elector for each county polling place within the State for a General Election pursuant to Section 7-13-72 of the 1976 Code, and proviso 102.2.

(3) After accounting for the additional stipend, a county election commission may expend such surplus funds to (a) purchase personal protective equipment, (b) cover costs associated with absentee voting, and (c) ensure the safe and secure conduct of statewide elections, including the purchase of election equipment in compliance with any federal mandates or laws.

(4) Any unexpended funds must be returned by a county election commission to the State Election Commission for deposit in the Contingency Reserve Account.

(F)(1) The Department of Administration shall utilize the funds appropriated in item (B)(11) to allocate among the various state agencies those funds necessary for each agency to provide a one-time, lump sum bonus for qualifying employees. Each agency head shall determine which of the agency's employees are qualified to receive the bonus. Bonuses awarded pursuant to this subsection shall be in an amount not to exceed one thousand dollars per employee. If the maximum

authorization for the bonuses is insufficient to provide a one thousand dollar bonus to each employee, then the amount of the bonus award must be reduced proportionately.

(2) In order for an employee to qualify to receive a bonus, the employee must have:

(a) been in a direct line position that provided direct services to the public or customers, or both, during the pandemic;

(b) physically reported to the workplace all or most of the workdays during the pandemic pursuant to Governor Henry McMaster's Executive Order No. 2020-11 between March 19, 2020, until the start of Phase 2 of the Re-Entry Plan for State Employees on July 6, 2020;

(c) continuous state service from March 1, 2020 through September 1, 2020;

(d) been an active employee as of September 1, 2020, and on the date of distribution of the bonus; and

(e) an annual base salary of fifty thousand dollars or less as of September 1, 2020.

(3) All employees who meet the qualifications contained in item (2) qualify for the bonus regardless of whether the employee is in a full-time equivalent position, temporary grant position, time limited position or temporary position and regardless of the source of funds for the position.

(4) Employees in Leave Without Pay status, who are otherwise eligible to receive a bonus, will not receive the bonus until the employee returns to employment.

(5) The bonus provided for in this subsection is not part of the state employee's base salary and is not earnable compensation for purposes of employer or employee contributions to the respective retirement systems.

PART II

Specific Provisions Related to the Operation of State Government

SECTION 4. (A) All provisions contained in Part II of Act 135 of 2020 are extended for the remainder of the current fiscal year except as provided herein.

(B) The provisions contained in Act 135 of 2020, Part II, Section 4(D), relating to the suspension of teacher step increases, are deleted.

(C) The provisions contained in Act 135 of 2020, Part II, Section 5 are extended and amended by this act to include the following language as a separate paragraph at the end of Section 5 which shall be designated as subsection (D) to that section:

If a participating employer in the South Carolina Retirement System or Police Officers Retirement System that is not a state agency or institution of higher learning implements a furlough program on or after March 1, 2020, the terms of which are consistent with the requirements of an approved mandatory furlough program established by a state agency or institution of higher learning pursuant to this section, the participating employer may, during the fiscal year in which the provisions of this section take effect, make any employee and employer contributions necessary to ensure that a furloughed employee's retirement benefits were not interrupted as a result of the furlough.

SECTION 5. (A) All provisions contained in Part IB of Act 91 of 2019 that were extended pursuant to Act 135 of 2020 are further extended by this act for the remainder of the current fiscal year except as provided herein. All provisions contained in this Section are effective for Fiscal Year 2020-21.

(B) Proviso 1.3, as contained in Act 91 of 2019, which was extended pursuant to Act 135 of 2020, is amended by adding the following paragraph at the end of the proviso:

For the purpose of maintaining consistency when calculating the Base Student Cost, the base student cost calculation shall include funds from State Aid to Classrooms consisting of the 65.59% of funds appropriated for State Aid to Classrooms allocated based on the Education Finance Act formula and the 5.68% that are allocated to fully implement the State Minimum Teacher Salary Schedule from the prior fiscal year along with the additional \$50 million added to State Aid to Classrooms.

(C) Section 11 of Part IB of Act 91 of 2019, relating to the Commission on Higher Education, which was extended pursuant to Act 135 of 2020, is amended by adding an appropriately numbered new proviso to read:

(CHE: Palmetto Fellows Scholarship 2021 Eligibility) For Fiscal Year 2020-21, a high school senior who graduated in school year 2019-20 may earn the Palmetto Fellows Scholarship beginning Spring Semester 2021 if the student:

- (1) filed a Palmetto Fellows Scholarship application with the Commission on Higher Education by June 30, 2020;*
- (2) met the eligibility criteria, with the exception of a qualifying SAT or ACT score;*
- (3) had registered to take the ACT scheduled in July 2020 and the exam was canceled; and*

(4) earns a qualifying SAT or ACT score by December 31, 2020. To meet this requirement, students are allowed to choose to take either the SAT or ACT one time under this provision.

The Commission on Higher Education is charged with determining the eligibility of students who qualify to earn the Palmetto Fellows Scholarship. The Commission on Higher Education shall report to the Senate Finance Committee, Senate Education Committee, House Ways and Means Committee, and House Education and Public Works Committee the number of students who qualified for the Palmetto Fellows Scholarship under this paragraph by January 31, 2021.

(D) Section 11 of Part IB of Act 91 of 2019, relating to the Commission on Higher Education, which was extended pursuant to Act 135 of 2020, is amended by adding an appropriately numbered new proviso to read:

(CHE: LIFE Scholarship 2021 Eligibility) For Fiscal Year 2020-21, a high school senior who graduated in school year 2019-20 and is a recipient of the HOPE Scholarship may earn a LIFE Scholarship if the student obtains a qualifying SAT or ACT score by December 31, 2020. To meet this requirement, students are allowed to choose to take either the SAT or ACT one time under this provision.

(E) Section 108 of Part IB of Act 91 of 2019, relating to the Public Employee Benefit Authority, which was extended pursuant to Act 135 of 2020, is amended by adding an appropriately numbered new proviso to read:

(PEBA: COVID-19 Return to Work Extension) For Fiscal Year 2020-21, the earnings limitation imposed pursuant to Section 9-1-1790 and Section 9-11-90 of the 1976 Code does not apply to retired members of the South Carolina Retirement System or the Police Officers Retirement System who return to covered employment to participate in the state's public health preparedness and response to the COVID-19 virus.

(F) Section 108 of Part IB of Act 91 of 2019, relating to the Public Employee Benefit Authority, which was extended pursuant to Act 135 of 2020, is amended by adding an appropriately numbered new proviso to read:

(PEBA: South Carolina Retiree Health Insurance Trust Fund) The provisions of Section 1-11-705(1)(2) of the 1976 Code are suspended for Fiscal Year 2020-21.

(G) Proviso 108.6 as contained in Part IB of Act 91 of 2019, relating to the Public Employee Benefit Authority, which was extended pursuant to Act 135 of 2020, is amended to read:

108.6. (PEBA: State Health Plan) Of the funds authorized for the State Health Plan pursuant to Section 1-11-710(A)(2) of the 1976 Code, employer and subscriber premiums for Plan Year ~~2020~~ 2021 shall remain the same

as in Plan Year ~~2019~~ 2020. Copayments for participants of the State Health Plan shall remain the same in Plan Year ~~2020~~ 2021 as in Plan Year ~~2019~~ 2020. Notwithstanding the foregoing, pursuant to Section 1-11-710(A)(3), the Public Employee Benefit Authority may adjust the plan, benefits, or contributions of the State Health Plan during Plan Year ~~2020~~ 2021 to ensure the fiscal stability of the Plan.

(H) Proviso 98.9 as contained in Part IB of Act 91 of 2019, relating to the Office of the State Treasurer, which was extended pursuant to Act 135 of 2020, is amended by adding a new paragraph at the end to read:

The penalty provisions in this proviso are suspended during Fiscal Year 2020-21 for municipalities. The State Treasurer is authorized and directed to release all funds withheld from municipalities in previous fiscal years due to a municipality not submitting the required audited financial statements or submitting financial information to the Revenue and Fiscal Affairs Office as required by Section 6-1-50 of the 1976 Code.

(I) Section 105 of Part IB of Act 91 of 2019, relating to the Office of State Auditor, which was extended pursuant to Act 135 of 2020, is amended by adding an appropriately numbered new proviso to read:

(SFAA-AUD: Audited Financial Statements) The Office of State Auditor is directed to work with the State Fiscal Accountability Authority to issue a statewide contract for Fiscal Year 2020-21 for the performance of audited financial statements which municipalities could use for audits required by Section 5-7-240 of the 1976 Code. The State Auditor is directed to convene a working group of stakeholders to develop appropriate auditing requirements for municipalities and to make recommendations for the General Assembly's consideration.

(J) Section 93 of Part IB of Act 91 of 2019, relating to the Department of Administration, which was extended pursuant to Act 135 of 2020, is amended by adding an appropriately numbered new proviso to read:

(DOA: First Responder PTSD Treatment COVID-19 Transfers) The Department of Administration, Executive Budget Office is directed to transfer the following amounts from the COVID-19 Response Reserve Account to provide for post-traumatic stress disorder treatment for first responders:

(1) \$250,000 to the Department of Labor, Licensing and Regulation, State Fire Marshal's Office for First Responder PTSD Treatment. The department shall distribute funds to the South Carolina Firefighter Assistance Support Team to reimburse firefighters and emergency medical technicians who incur mental injury as a result of a critical incident during the scope of employment for actual out-of-pocket expenses not covered through workers' compensation claims and/or other

insurance and the funds may also be utilized to provide services through the South Carolina Firefighter Assistance Support Team.

(2) \$250,000 to the State Law Enforcement Division for First Responder PTSD Treatment. The funds shall be disbursed through the South Carolina Law Enforcement Assistance Program to reimburse law enforcement officers who incur mental injury as a result of a critical incident during the scope of employment for actual out-of-pocket expenses not covered through the workers' compensation claims and/or other insurance and the funds may also be utilized to provide services through the South Carolina Law Enforcement Assistance Program.

(K) Section 73 of Part IB of Act 91 of 2019, relating to the Office of Regulatory Staff, which was extended pursuant to Act 135 of 2020, is amended by adding an appropriately numbered new proviso to read:

(ORS: Establish Office of Broadband) The Office of Regulatory Staff is directed to establish the Office of Broadband as a program within the agency. The office shall serve as the State's clearinghouse for all broadband-related issues. The functions of the office shall include, but not be limited to, receipt of federal and state funds, grant oversight, and broadband mapping and planning.

(L) Section 83 of Part IB of Act 91 of 2019, relating to the Department of Employment and Workforce, which was extended pursuant to Act 135 of 2020, is amended by adding an appropriately numbered new proviso to read:

(DEW: CARES Act Relief Funds) The funds allocated to the Department of Employment and Workforce for the unemployment trust fund from the CARES Act Coronavirus Relief Fund shall be utilized to offset the unexpected losses to the unemployment trust fund between March 1, 2020 and December 30, 2020 resulting from the pandemic and to set the total effective rates for 2021 rate classes at the same total effective rates as 2020 rate classes.

(M) Section 50 of Part IB of Act 91 of 2019, relating to the Department of Commerce, which was extended pursuant to Act 135 of 2020, is amended by adding an appropriately numbered proviso to read:

(CMRC: Transfer Funds to DOR for Auditors) The Department of Commerce, Coordinating Council for Economic Development is directed to permanently transfer funds to the Department of Revenue to hire two auditors for the review of economic development incentives and credits. The amount of funds to be transferred shall include salary and employer contributions and shall be determined by the Department of Revenue.

(N) Proviso 1A.79 (SDE-EIA: McCormick County Schools), as contained in Act 91 of 2019, the general appropriations act for Fiscal Year 2019-20, is deleted.

PART III

Miscellaneous Provisions

SECTION 6. Any provisions contained in Act 91 of 2019 or Act 135 of 2020 that are in conflict with provisions contained in this act are superseded by the provisions contained herein.

SECTION 7. If any section, subsection, paragraph, subparagraph, sentence, clause, phrase, or word of this act is for any reason held to be unconstitutional or invalid, such holding shall not affect the constitutionality or validity of the remaining portions of this act, the General Assembly hereby declaring that it would have passed this act, and each and every section, subsection, paragraph, subparagraph, sentence, clause, phrase, and word thereof, irrespective of the fact that any one or more other sections, subsections, paragraphs, subparagraphs, sentences, clauses, phrases, or words hereof may be declared to be unconstitutional, invalid, or otherwise ineffective.

SECTION 8. The provisions of this act take effect upon approval of the Governor. /

Renumber sections to conform.
Amend title to conform.