

REPS. MERRILL AND COOPER SUBMIT THE FOLLOWING:

**GENERAL PROVISIONS**

89.flex. (GP: FY 2011-12 Flexibility) In order to provide maximum flexibility in absorbing the general fund reductions mandated in this act as compared to Fiscal Year 2008-09 general fund appropriations, agencies are authorized for FY 2011-12 to spend agency earmarked and restricted accounts designated as "special revenue funds" as defined in the Comptroller General's records, to maintain critical programs previously funded with general fund appropriations. Any spending authorization for these purposes must receive the prior approval of the Office of State Budget and must be reported to the Governor, Senate Finance Committee, and the House Ways and Means Committee. The Comptroller General is authorized to implement the procedures necessary to comply with this directive. This provision is provided notwithstanding any other provision of law restricting the use of earned revenue. Appropriation transfers may exceed twenty percent of the program budget upon approval of the Budget and Control Board, Office of State Budget in consultation with the Chairman of the Senate Finance Committee and the Chairman of the House Ways and Means Committee.

State institutions of higher learning whose budgets have been reduced from the Fiscal Year 2010-11 state funding level, shall have the authority to use other sources of available funds to support and maintain state funded programs affected by state reductions during Fiscal Year 2011-12 and may adjust appropriations from special items or programs contained in this act in an amount greater or less than the percentage of the reduction assessed to the institution's base budget. Institutions shall submit to the Office of State Budget, the Senate Finance Committee, and the House Ways and Means Committee the amount of base budget reductions associated with these programs.

Notwithstanding the flexibility authorized in this provision, the following agencies are prohibited from reducing or transferring funds from the following programs or areas:

(A) Department of Natural Resources

Law Enforcement Program/Enforcement Operations as contained in Program II. F. 1

(B) Department of Parks, Recreation, and Tourism

Program II. A. Special Item: Regional Promotions

In addition the Department of Parks, Recreation and Tourism is prohibited from closing or reducing the FTE's in the State House Gift Shop and the Santee Welcome Center.

Notwithstanding the prohibition on reducing or transferring funds from the programs or areas listed above, the Department of Natural Resources may reduce the specified programs or areas by an amount not to exceed the percentage associated with any mandated reduction.

Rep. Cooper Proposes the Following Balancing Amendment

Decreases

H63 SDE - School Lunch Program	(274,385)
F30 EIP - Employee Health Plan	(842,323)

Increases

H03 CHE - Agency Base Adjustment	552,469
H63 SDE - Holocaust Council	23,090
P28 PRT - Agency Base Adjustment	49,157
H63 SDE - Consolidated Line Item	491,992

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REP. WHITE SUBMITS THE FOLLOWING:

STATEWIDE REVENUE

90.hcm. (SR: Health Care Maintenance of Effort Funding) The source of funds appropriated in this provision is \$157,299,845 from the revenue collected during Fiscal Year 2010-11 and Fiscal Year 2011-12 from the 50 cent cigarette surcharge and deposited into the SC Medicaid Reserve Fund and shall be utilized by the Department of Health and Human Services for the Medicaid Program's maintenance of effort. By this provision these funds are deemed to have been received and are available for appropriation.

The residual funds from the cigarette surcharge shall remain in the S.C. Medicaid Reserve Fund and may be used by the director of the Department of Health and Human Services to ensure access to care.

Unexpended funds appropriated pursuant to this provision may be carried forward to succeeding fiscal years and expended for the same purposes.

## AMENDMENT # 64

**REP. BINGHAM SUBMITS THE FOLLOWING:**

### STATEWIDE REVENUE

90.arr. (SR: ARRA Funds) Pursuant to the State Fiscal Stabilization Fund Program established by Title IV of the American Recovery and Reinvestment Act of 2009 (ARRA), \$501,948 of federal funds are authorized for appropriation pursuant to this provision. \$501,948 shall be transferred to the School for the Deaf and the Blind to supplement appropriations made for the expenses of state government in the annual general appropriation act for Fiscal Year 2011-12 and the Office of State Budget is directed to increase agency federal fund authorization for funds from the State Budget Stabilization Fund allocated herein.

For purposes of the expenditures authorized by this provision, the funds must be used in a manner consistent with the provisions of the State Fiscal Stabilization Fund established by the American Recovery and Reinvestment Act of 2009 and the provisions of this act.

REPS. MERRILL AND COOPER SUBMIT THE FOLLOWING:

STATEWIDE REVENUE

90.nr.(SR: Nonrecurring Revenue) (A) The source of revenue appropriated in this provision is \$150,804,144 of non-recurring revenue generated from the following sources, transferred to the State Treasurer. This revenue is deemed to have occurred and is available for use in Fiscal Year 2011-12 after September 1, 2011, following the Comptroller General's close of the state's books on Fiscal Year 2010-11.

- (1) \$71,000,600 from Fiscal Year 2009-10 Contingency Reserve Fund;
- (2) \$68,803,544 from Fiscal Year 2010-11 unobligated general fund revenue as certified by the Board of Economic Advisors;
- (3) \$1,000,000 from F03, Budget and Control Board, Subfund 4154, Ordinary Sinking Fund;
- (4) \$3,000,000 from F03, Budget and Control Board, Subfund 3197, Motor Pool; and
- (5) \$7,000,000 from R40, Department of Motor Vehicles from any earmarked or restricted account designated as "special revenue funds" as defined by the Comptroller General's records.

Any restrictions concerning specific utilization of these funds are lifted for the specified fiscal year. The above agency transfers shall occur no later than thirty days after the close of the books on Fiscal Year 2010-11 and shall be available for use in Fiscal year 2011-12.

(B) The State Treasurer shall disburse the following appropriations by September 30, 2011, for the purposes stated:

- (1) H63-Department of Education
  - (a) EFA Base Student Cost..... \$ 97,174,107;
  - (b) Transportation ..... \$ 3,000,000;
- (2) H03-Commission on Higher Education
  - SREB Dues..... \$ 591,019;
- (3) H59-State Board for Technical and Comprehensive Education
  - CATT Program ..... \$ 1,000,000;
- (4) J02-Department of Health and Human Services
  - Medicaid Maintenance of Effort..... \$ 45,553,657;
- (5) P20-Clemson University-PSA
  - Agency Operations..... \$ 250,000;
- (6) P40-S.C. Conservation Bank..... \$ 750,000; and
- (7) F03-Budget and Control Board
  - SCEIS - Statewide Implementation..... \$ 2,485,361.

Unexpended funds appropriated pursuant to this provision may be carried forward to succeeding fiscal years and expended for the same purposes.

Any excess Fiscal Year 2010-11 general fund revenue above the amounts appropriated in this provision shall be transferred to the S.C. Medicaid Reserve Fund.

(C) For Fiscal Year 2011-12, the license plate replacement interval is suspended until the funds transferred from the department within this provision are repaid to the department or until such time as the Plate Replacement Fee Fund has a sufficient balance to reinstitute license plate replacement.

(D) From the escrow account established pursuant to Proviso 90.13 of Act 310 of 2008, the remaining funds shall be used to offset any operating shortfalls resulting from the Barnwell Low Level Waste Facility operations in order to preserve the economic viability of the facility. The amount distributed to offset any operating shortfalls shall be determined by calculating the difference between the allowable operating costs plus adjustments as approved by the Public Service Commission, and the access fees paid by the Atlantic Compact generators. Funds remaining in the account to offset operating shortfalls shall also be used to maintain access fees to the facility for Fiscal Year 2011-12 at the Fiscal Year 2009-10 level. There shall also be paid from the escrow account the annual dues of the Southern States Energy Board.

## AMENDMENT # 66

REP. COOPER SUBMITS THE FOLLOWING:

### GENERAL PROVISIONS

89.arm. (GP: Agency Reduction Management) The General Assembly encourages state agencies, in the event agencies are assessed a base reduction, to endeavor to realize savings through: 1) payroll management, including, but not limited to, furloughs, reductions in employee compensation, and instituting a hiring freeze; 2) eliminate administrative overhead cost that does not directly impact the agency's mission; and as a final option 3) reductions to programmatic funding.

**AMENDMENT # 68**

**REP. LIMEHOUSE SUBMITS THE FOLLOWING:**

**LOTTERY EXPENDITURE ACCOUNT**

2.If (LEA: FY 2011-12 Lottery Funding) There is appropriated from the Education Lottery Account for the following education purposes and programs and funds for these programs and purposes shall be transferred by the Budget and Control Board as directed below. These appropriations must be used to supplement and not supplant existing funds for education.

The Budget and Control Board is directed to prepare the subsequent Lottery Expenditure Account detail budget to reflect the appropriations of the Education Lottery Account as provided in this section.

All Education Lottery Account revenue shall be carried forward from the prior fiscal year into the current fiscal year including any interest earnings, which shall be used to support the appropriations contained below.

For Fiscal Year 2011-12 certified net lottery proceeds and investment earnings and any other proceeds identified by this provision are appropriated as follows:

- (1) Commission on Higher Education and State Board for Technical and Comprehensive Education -- Tuition Assistance ..... \$ 47,000,000
- (2) Commission on Higher Education--LIFE Scholarships as provided in Chapter 149, Title 59 ..... \$106,554,616;
- (3) Commission on Higher Education--HOPE Scholarships as provided in Section 59-150-370 ..... \$ 7,823,474;
- (4) Commission on Higher Education--Palmetto Fellows Scholarships as provided in Section 59-104-20 ..... \$ 30,277,240;
- (5) Commission on Higher Education--Need-Based Grants ..... \$ 11,631,566;
- (6) Tuitions Grants Commission--Tuition Grants ..... \$ 7,766,604;
- (7) Commission on Higher Education--National Guard Tuition Repayment Program as Provided in Section 59-111-75 ..... \$ 1,700,000;
- (8) South Carolina State University ..... \$ 2,500,000;
- (9) Technology--Public Four-Year Universities, Two-Year Institutions, and State Technical Colleges ..... \$ 4,154,702;
- (10) Department of Education--K-5 Reading, Math, Science & Social Studies Program as provided in Section 59-1-525 ..... \$ 29,491,798;
- (11) Department of Education--Grades 6-8 Reading, Math, Science & Social Studies Program ..... \$ 2,000,000;
- (12) Commission on Higher Education--Higher Education Excellence Enhancement Program ..... \$ 3,000,000; and
- (13) School for the Deaf and the Blind--Technology Replacement ..... \$ 200,000.

Fiscal Year 2011-12 funds appropriated to the Commission on Higher Education for Tuition Assistance must be distributed to the technical colleges and two-year institutions as provided in Section 59-150-360. Annually the State Board for Technical and Comprehensive Education and the Commission on Higher Education shall develop the Tuition Assistance distribution of funds appropriated.

Of the funds appropriated to South Carolina State University, \$250,000 may be used for the BRIDGE Program.

The provisions of Section 2-75-30 of the 1976 Code regarding the aggregate amount of funding provided for the Centers of Excellence Matching Endowment are suspended for the current fiscal year.

The Commission on Higher Education is authorized to temporarily transfer funds between appropriated line items in order to ensure the timely receipt of scholarships and tuition assistance. It is the goal of the General Assembly to fund the Tuition Assistance program at such a level to support at least \$996 per student per term for full time students.

Fiscal Year 2011-12 net lottery proceeds and investment earnings in excess of the certified net lottery proceeds and investment earnings for this period are appropriated and must be used to ensure that all LIFE, HOPE, and Palmetto Fellows Scholarships for Fiscal Year 2011-12 are fully funded.

If the lottery revenue received for Fiscal Year 2011-12 is less than the amounts appropriated, the projects and programs receiving appropriations for any such year shall have their appropriations reduced on a pro rata basis, except that a reduction must not be applied to the funding of LIFE, HOPE, and Palmetto Fellows Scholarships.

The Commission on Higher Education is authorized to use up to \$260,000 of the funds appropriated in this provision for LIFE, HOPE, and Palmetto Fellows scholarships to provide the necessary level of program support for the scholarship award process.

The Higher Education Tuition Grants Commission is authorized to use up to \$70,000 of the funds appropriated in this provision for Tuition Grants to provide the necessary level of program support for the grants award process.

For Fiscal Year 2011-12, \$12,400,000 certified from unclaimed prizes shall be appropriated to the Department of Education for K-5 Reading, Math, Science & Social Studies Program as provided in Section 59-1-525. The allocations of Section 59-150-230(I) of the 1976 Code are suspended for the current fiscal year.

Of any unclaimed prize funds available in excess of the Board of Economic Advisors estimate, the first \$1,500,000 shall be directed to the Commission on Higher Education for the Partnership Among South Carolina Academic Libraries (PASCAL) Program. The next \$5,470,093 shall be directed for Technology: Public Four-Year Universities, Two-Year Institutions, and State Technical Colleges. The next \$2,000,000 shall be directed to the State Library for Aid to County Libraries. The next \$1,000,000 shall be directed to the Commission on Higher Education for the Higher Education Excellence Enhancement Program. The next \$4,000,000 shall be directed to the State Board for Technical and Comprehensive Education for the Allied Health Initiative. The next \$1,000,000 shall be directed to the Commission on Higher Education for the Critical Needs Nursing Program. All additional revenue in excess of the amount certified by the Board of Economic Advisors for unclaimed prizes shall be distributed to the Commission on Higher Education for LIFE, HOPE, and Palmetto Fellows Scholarships.

Notwithstanding the provisions of Section 59-150-355 of the 1976 Code or any other provision of law, the Budget and Control Board may distribute funds from the Education Lottery Account on a monthly basis during the final quarter of the fiscal year.